NZX: LOC NZX MARKET RELEASE

23 July 2026 · Q4 FY26

Locate2u Revenue Up 54%, Normalised EBITDA Positive.

Welcome to our Q4 FY26 update.

Q4 FY26 was a strong quarter for Locate2u's enterprise business. The platform already powers delivery operations for large enterprise brands in Australia and internationally, and this quarter FedEx signed as a customer, as announced to NZX on 6 May 2026, the most recognisable name yet to join that base. A large global appliance brand also signed on during the quarter. Locate2u revenue hit a record NZ$1.20 million, up 54% year on year, the Group was normalised EBITDA positive, and operating cash flow was NZ$493k. With AI embedded across our platform and development process, enterprise customers go live faster and see value from the platform sooner than industry norms.

The numbers supported the progress. Group revenue rose to NZ$1.95 million, up 29% year-on-year. Locate2u revenue reached a record NZ$1.20 million, up 54% year-on-year, and now contributes 62% of Group revenue. Normalised EBITDA was NZ$259k and operating cash flow was positive at NZ$493k. Excluding the non-cash Bitcoin revaluation, the Group was EBITDA positive.

Underneath the numbers, the pace of the business stepped up again. AI is now embedded across engineering, sales, product and operations. During the quarter we rebuilt large parts of the Locate2u platform on newer technology, released a series of new applications, and moved to a model where we ship updates to customers multiple times a day with no downtime.

On capital management, the on-market share buyback commenced during the quarter, and we agreed to convert the Locate2u revenue-share royalty held by PURE into equity. We maintained our Bitcoin position at 12.3 BTC.

Q4 FY26 at a Glance

All figures in NZD. Most of the Group's revenue is generated in Australian dollars and has been translated at the average AUD/NZD rate for each period. Comparison shown against Q4 FY25 (the three months to 30 June 2025).

Metric	Q4 FY26	Q4 FY25	YoY
Group Revenue	$1.95m	$1.51m	+29%
Locate2u Revenue	$1.20m	$0.78m	+54%
Zoom2u Revenue	$0.75m	$0.73m	+3%
Reported EBITDA	($515k)	($172k)	($343k)
Normalised EBITDA	+$259k	($27k)	+$286k
Operating Cash Flow	+$493k	+$173k	+185%
Cash Balance	$1.16m	$1.95m	(40%)
Bitcoin Holdings (BTC)	12.3	10.1	+22%

Metric	Q4 FY26	Q4 FY25	YoY
Bitcoin Holdings (NZD)	~$1.27m	~$1.78m	(29%)

Reported EBITDA for Q4 FY26 includes a NZ$712k non-cash Bitcoin revaluation recognised at the 30 June 2026 full-year reporting date. Bitcoin holdings shown at market value, converted from A$1.04m (spot A$84,671) ~NZ$1.27m at 30 June 2026 ; the Group held 10.1 Bitcoin in Q4 FY25.

What Happened This Quarter

Customer wins: larger customers, bigger impact

The Company's focus has moved to larger customers, where the platform delivers a bigger impact on their operations, and where AI-driven build speed lets us implement in weeks what has traditionally taken quarters. During the quarter, Locate2u signed FedEx as a customer, as announced to NZX on 6 May 2026. This sits alongside a global appliance brand starting on the platform and continued expansion within the existing customer base.

Locate2u delivered another record quarter

Locate2u revenue of NZ$1.20 million was a record, up 54% year-on-year, and now represents 62% of Group revenue, up from 60% in Q3 FY26. Growth came from both sides of the revenue equation: existing customers expanding their use of the platform, and new customer wins. AI-led workflows inside the sales and delivery teams continued to let us respond to customer requirements at a pace we could not have matched in prior periods. This AI-lead efficiency, is improving the sales funnel metrics, by significantly reducing the cost of customer scoping and implementation.

AI is changing how we build, and how many people it takes

AI is now used in every part of the business. The impact on development speed has been the most visible: work that previously took months is now delivered in weeks, and often in days. We rebuilt a large portion of Locate2u on newer technology this quarter, which allows us to roll out new releases multiple times a day with no downtime for customers. That was a major effort, and it is now live.

The same efficiency allowed the Group to operate with a smaller team. During the quarter, five roles were made redundant as AI absorbed work that previously required additional headcount. The result is a lower go-forward cost base and greater operating leverage as revenue grows. The Company's strategy is to continue running a lean team as the business scales.

We continue to see AI as a way to deliver a better outcome for customers, not simply a way to cut costs. Larger legacy software companies, with bigger teams and older technology, are less able to move at this pace. We believe nimble, AI-native software companies are positioned to grow faster as a result.

Product velocity

The volume of product shipped this quarter was substantially higher than in prior periods. Work delivered during Q4 FY26 falls into three areas:

Platform and infrastructure

- **Locate2u platform.** We released an improved version of Locate2u using newer technology, enabling us to move faster. We plan on moving toward multiple releases per day.
- **Rebuilt websites.** Both the Locate2u and Zoom2u websites were rebuilt using AI.
- **In-house CRM.** A purpose-built CRM to manage inbound leads and track where leads come from and which convert, improving sales-funnel efficiency and marketing spend allocation.

Driver ecosystem

- **New Locate2u driver app.** A brand-new version of the driver application that is faster, with an improved user experience and additional functionality.
- **Driver chat.** In-app driver chat functionality.
- **ATO Logbook app.** A logbook application for drivers.
- **Driver safety app.** Alerts drivers to high-crash-risk sites while driving.
- **Proof-of-delivery app.** A simple proof-of-delivery app aimed at smaller businesses, also used as a lead magnet.

Enterprise modules

- **Compliance module.** A new module for managing driver and vehicle compliance, including heavy-vehicle usage and insurance-related information.
- **Warehouse management (WMS).** A basic warehouse management system for stock management that connects and integrates with Locate2u.
- **Customer reporting portals.** Reporting portals that let customers report on their own data held in Locate2u.

Zoom2u

Zoom2u revenue was NZ$0.75 million for the quarter, up 3% year-on-year, broadly flat in AUD terms. The business remains profitable at the segment level and continues to generate cash that supports Group strategic priorities. Zoom2u also benefited from Group-wide product work this quarter, including a rebuilt website and shared AI services such as address cleaning.

The Opportunity Ahead

Locate2u: AI-powered logistics software

Most logistics software was built in the pre-AI era. It tracks deliveries but does not think, and requires manual input at every step. We are building software that understands real-world operations (customers, drivers and routes) and actively optimises them. Our growth strategy is to win more enterprise customers, expand internationally, and keep deepening AI capabilities so that Locate2u becomes core operational infrastructure for our customers. Locate2u now comprises 62% of revenue; grew 54% YoY ; which going forward will translate to bottom line profitability given it is the most profitable segment of the business.

Writing version one of software is the cheap part. Knowing what to build, what to leave out, and how it works in production is the expensive part, and that comes from more than a decade operating in the category through Zoom2u. Three structural advantages reinforce this: operational data from years of real deliveries; integration depth across commerce platforms, carriers, dispatch systems and driver apps; and pace: our release cadence is now daily. AI writes code faster. It does not replace the accumulated judgement that shapes what the code should do.

Bitcoin Treasury: a long-term store of value

We continue to view Bitcoin as the best long-term treasury asset for a company like ours. Our approach is straightforward: accumulate over time through the ATM facility and operating cash flow when it makes sense, hold for the long term, and be transparent with shareholders about our holdings.

Capital Management

On-market share buyback: commenced

The on-market share buyback programme announced on 20 April 2026 (up to a maximum of NZ$500,000, or up to 14,882,192 ordinary shares, whichever is reached first) commenced during the quarter. Between 4 and 16 June 2026 the Company acquired 356,294 shares on-market for a total of approximately NZ$15,465, at prices between NZ$0.0417 and NZ$0.0480 per share. Shares acquired under the programme are cancelled on acquisition, reducing total shares on issue and increasing the proportionate holding of continuing shareholders. The Board continues to consider that the current share price does not appropriately reflect the underlying value of the business, and the programme remains open. The buyback operates only during Permitted Periods under the Company's Securities Trading Policy.

Locate2u royalty arrangement converted to equity

During the quarter, the Company agreed with PURE Asset Management Pty Ltd as trustee for The Income and Growth Fund (PURE), the Company's debt funder, to buy out the remaining Locate2u revenue royalty and settle it through the issue of ordinary shares, as announced to NZX on 30 June 2026. Under the prior arrangement, the Company paid PURE a royalty of 2.5% of Locate2u monthly revenue, originally capped at A$0.75m and reduced to A$0.56m through quarterly payments.

The Company issued 10,000,000 new ordinary shares to PURE in full settlement of the royalty. That equates to an implied issue price of about 6.8 cents per share, a significant premium to the recent market price of 4.7 cents. The obligation is in Australian dollars and is translated to New Zealand dollars at the rate fixed in the conversion deed. The issue is within the Company's 15% annual placement capacity under the NZX Listing Rules and did not require shareholder approval. PURE is not a related party of the Company and, following the issue, will become a substantial product holder.

Converting the remaining royalty into equity removes a claim on Locate2u revenue as the platform grows, simplifies the Group's funding arrangements, improves cash flow, and further aligns PURE with our shareholders.

EBITDA

Reported EBITDA for Q4 FY26 was a loss of NZ$515k. This is driven by a non-cash Bitcoin revaluation and does not reflect the operating performance of the business. Excluding that revaluation, Group EBITDA was NZ$197k. Normalised EBITDA, which also strips out non-cash ESOP expense (NZ$51k) and one-off items (NZ$11k), was NZ$259k.

Reported monthly EBITDA was +NZ$32k (April) and +NZ$171k (May), before the NZ$712k full-year Bitcoin revaluation was recognised in June. Excluding that revaluation, June was close to breakeven at the EBITDA line, and the underlying operating cost base was stable across the quarter.

Why the Bitcoin revaluation lands this quarter

As we set out in the Q3 FY26 update, Bitcoin is revalued in the Company's reported results only at the Group's formal reporting dates: the half-year and the full-year audit periods. Q4 FY26 ends on 30 June 2026, which is the FY26 full-year reporting date. The NZ$712k unrealised loss therefore reflects the movement in the Bitcoin price since the half-year revaluation, recognised now because the reporting date falls in this quarter. It is a non-cash mark on assets we continue to hold. Our conviction in the long-term thesis is unchanged.

The following table reconciles Reported EBITDA to Normalised EBITDA:

Item	NZ$'000
Reported EBITDA	(515)
Add back: NZX transition costs / normalisation items	11
Add back: ESOP (non-cash)	51
Add back: Bitcoin unrealised revaluation (non-cash)	712
Normalised EBITDA	+259

Cash

Cash at bank was NZ$1.16 million as at 30 June 2026 (NZ$1.95 million a year earlier). The Group generated positive operating cash flow of NZ$493k in the quarter; the year-on-year reduction reflects one-off NZX transition costs and Bitcoin accumulation earlier in FY26, together with the share buyback. The business is self-funding at the operating level: operating cash flow is positive, the go-forward cost base is lower following the changes made this quarter..

Bitcoin Treasury: holdings maintained at 12.3 BTC

Holdings remained unchanged at 12.3 BTC. Because 30 June 2026 is the FY26 full-year reporting date, a non-cash unrealised revaluation of NZ$712k was recognised in reported results for the quarter, reflecting the fall in the Bitcoin price since the half-year revaluation.

Metric	NZ$
Total Holdings	12.3 BTC
Average purchase price	$178,454
Total capital allocated	$2.20m
Market value	~$1.27m (A$1.04)

Market value of A$1.04m at 30 June 2026, shown as approximately NZ$1.27m ; provided as a point-in-time reference. Live holdings can be viewed at https://locatetech.nz/bitcoin.

We continue to maintain our Bitcoin position. Our view is unchanged: Bitcoin is a long-term store of value (scarce, liquid and globally recognised) and, while volatile, we believe it offers better preservation of value than cash over long horizons. When it makes sense for the business, we intend to continue accumulating Bitcoin through the ATM facility and operating cash flow, in line with our Treasury Management Policy.

How to Think About Our Financials

Locate Technologies is a company in transition. We are shifting from a logistics services business (Zoom2u) to a higher margin logistics software business (Locate2u), while building a Bitcoin treasury. Our financials will look different from a typical SaaS company or a typical treasury company.

On revenue: Locate2u is now the larger and faster-growing part of the Group, at 62% of revenue. Zoom2u is mature and cash-generative but navigating cyclical consumer headwinds. Over time, Locate2u is expected to become an increasingly dominant share of the business.

On EBITDA: Normalised EBITDA strips out one-off items and non-cash ESOP expense to show underlying operating performance. Bitcoin revaluation flows through reported results only at the half-year and full-year reporting dates (as it has this quarter, because Q4 ends at the full-year date) and does not affect the operating performance of the business.

On the balance sheet: We hold both cash and Bitcoin. Bitcoin is carried at fair value and revalued at each formal reporting date, so the balance sheet step-changes with the Bitcoin price at those points rather than quarter to quarter. PURE debt facility is disclosed as a current liability, given the facility is due to expire and be refinanced before 7 November. Once it is refinanced for a similar 3-4 year period, the principle component of the facility will be reclassified to non-current, and as a result will not distort the current net assets value.

On capital management: The Company now has two capital tools sitting either side of the balance sheet. The ATM equity facility raises capital progressively to fund Bitcoin accumulation (not drawn this quarter). The on-market share buyback returns capital to continuing shareholders through share cancellation (commenced this quarter). The PURE royalty-to-equity conversion removes a revenue-share obligation over Locate2u. All operate within the Company's Securities Trading Policy framework.

Outlook

The Company's strategic priorities are:

1. **Scale Locate2u.** Continue winning and growing enterprise customers across Australia, the United Kingdom and other international markets, with AI capabilities as the differentiator.
2. **Operating leverage.** Maintain a lean team and cost discipline as revenue scales, converting AI-driven efficiency into margin.
3. **Bitcoin treasury accumulation.** Continue to hold Bitcoin as a long-term reserve asset and accumulate through the ATM facility and operating cash flow when it makes sense, managing dilution carefully.

Near-term milestones: continued progress under the on-market share buyback, and the release of audited FY26 full-year results with the FY26 Annual Report.

Investor Webinar

We will host an investor webinar to discuss the Q4 FY26 results on Thursday, 23 July 2026 at 12:30 pm NZST (10:30 am AEST, Sydney). The session will be held online and presented by Steve Orenstein, Founder & CEO. Register and find joining details at investor.locatetech.nz. Questions can be submitted in advance to investors@locatetech.nz, and a Q&A will be available during the webinar. The recording will be made available at investor.locatetech.nz following the webinar.

About Locate Technologies

Locate Technologies Limited (NZX: LOC) is an AI-powered delivery and logistics technology company. The Group operates two complementary platforms: Locate2u, a route optimisation and delivery management platform used by fleet operators, retailers, and logistics providers internationally, with AI features deployed in the product for customers; and Zoom2u, an on-demand courier and delivery marketplace across Australia that uses AI internally to run its dispatch and logistics operations. The Group's platforms provide route planning, delivery management, and real-time visibility for businesses of all sizes.

Locate Technologies is also New Zealand's first listed Bitcoin treasury company, holding Bitcoin as a reserve asset alongside its operating businesses.

END

This statement was authorised by the Board of Locate Technologies Limited.

For further information, please contact:

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