



20 OCTOBER 2026

Q2 FY27 Trading Update

Blackpearl Group (NZX/ASX:BPG) today provides its trading update for the second quarter of FY27 (the three months ended 30 September 2026). The Group reports against its three key measures: EBITDAF, growth and technology advantage.

Q2 FY27 at a glance

- **EBITDAF:** Guidance met. Loss narrowed to \$2.97m, a third of the gap closed. Guidance updated: the Group is now targeting EBITDAF profitability in Q1 FY28.
- **US distribution partnership:** Heads of agreement established with one of the largest data providers in the United States. Referral model gaining up to 80% of the revenue depending on the deal type, an identified pipeline of 70+ companies and immediate CAC payback.
- **Growth:** H1 FY27 revenue of \$7.33m, up 42% on H1 FY26. Revenue mix continues to shift toward higher-quality DaaS contracts.
- **Technology advantage (GTM-Bench):** The Pearl Engine's lead over the leading foundational model increased from +22,575 points in June to +158,595 in September, as Blackpearl rapidly leveraged a generational shift in foundational models.

Q2 Commentary

The Group met its EBITDAF guidance, optimised its operating model to support the partnership and platform strategy, established its first US distribution agreement and extended its technology lead through a generational shift in foundational models.

Across the Group's three key measures, EBITDAF and technology advantage both improved materially during the quarter. The Group delivered 42% year-on-year revenue growth with a stronger underlying quality of revenue, and the Group now has a new, low-cost path to market through its first US distribution partnership.

EBITDAF

The Group's goal is to grow data and platform revenue from a position of profitability without sacrificing our technical advantage. In Q2 the Group delivered an EBITDAF loss of \$2.97m, within guidance and a 34% improvement on Q1.

The largest lever was the optimisation of the Group's operating model to support the partnership and platform strategy. Sales, marketing, development and customer functions were consolidated across the three ventures where possible, refocusing teams on DaaS and PaaS. Together, these changes reduce the Group's quarterly cost base by approximately 27% on a run-rate basis compared with Q4 FY26, or around \$9.4m annualised. These changes landed during the quarter, so the Q2 and the H1 interim result reflects part of the saving, and the lower cost base applies in full from Q3.

Key progress against levers identified in Q1:

- Permanent cost reductions from the B2B Rocket integration: delivered, and the largest contributor to the quarter's improvement
- Streamlining of marketing spend and funnels: B2B Rocket and Beboop marketing consolidated, with variable spend reducing as growth shifts to partnership channels
- Infrastructure optimisation and AI automation: platform moved from build to optimise phase

Updated EBITDAF guidance

The Group is targeting EBITDAF profitability in Q1 FY28, the quarter ending 30 June 2027. This updated guidance replaces the forecast EBITDAF guidance for Q3 FY27.



The distribution partnership brings a larger pipeline than the Group could previously access, and the Group has retained the capacity to service it. Larger DaaS and partnership contracts land on their own timing rather than within a 90-day window, so a single profitability target is a more useful measure of progress than quarterly ranges. The Group will continue to report EBITDAF each quarter against this target.

Quarterly EBITDAF guidance was introduced as a temporary measure to give the market visibility of the path to profitability. Once that point is reached, the Group expects to return to standard half-year and full-year financial reporting.

US distribution partnership

During the quarter Blackpearl established a non-binding heads of agreement with one of the largest data providers in the United States: a private company serving Fortune 500 companies with B2B intent data and demand generation.

The partner works only inside a large enterprise customer profile and does not service SME US businesses. That demand is now referred to Blackpearl, which delivers data and platform as a service to those customers under a revenue share between 20% and 40%, depending on the type of deal. Blackpearl owns the customer relationship.

The partner has an identified referral pipeline of 70+ companies, with typical deal sizes of US\$10,000 to US\$30,000 per month. Because the partner originates each relationship, there is no upfront customer acquisition cost and payback is immediate. Gross margin is high and the incremental cost to serve is low, so revenue from this channel flows largely through to EBITDAF. Onboarding is fast: Blackpearl already holds the underlying data asset, and the Pearl Engine applies its models over it.

The partnership validates the Group's DaaS and PaaS strategy, where Blackpearl's data intelligence powers other companies' products and revenue systems. Further distribution agreements are in negotiation. The Group will update the market as referred customers are contracted.

Growth

H1 FY27 revenue was \$7.33m, up 42% on H1 FY26 (\$5.15m). Q2 revenue was \$3.39m, reflecting the US summer holiday period, when buying decisions slow and new customers are harder and more costly to acquire. The Group did not spend into this and opted instead to invest in launching its Partnership and Platform strategy.

The focus this calendar year has been on building stronger revenue, lifting DaaS to ~40% of total revenue.

The Group believes durable value is moving beneath the application layer: to proprietary data, specialised intelligence and the infrastructure embedded in how a business generates revenue. That is why DaaS and PaaS sit at the centre of the strategy.

Over the first half, the Group's focus has been:

- Revenue quality
- Distribution economics over direct sales

Recurring revenue remains a cornerstone of Blackpearl's revenue, but it is no longer the whole picture. Platform revenue is consumption-based and partnership contracts bill on their own cycle. As previously discussed, for simplicity of forward reporting, the Group will report statutory revenue as its growth measure from Q3 FY27.

Technology advantage

Blackpearl's technology advantage is measured through GTM-Bench, a public benchmark of how effectively AI systems match buyer demand to seller propositions in real time. Net score credits useful output and penalises poor output.



Foundational model enhancements continue to make the Pearl Engine even more valuable. The quarter saw a significant step in foundational model capability, and the Pearl Engine's lead widened with it. In June, the Pearl Engine led the leading foundational model (GPT-5.5) by 22,575 points on Blackpearl's data. In September, it led the new leading model (Claude Fable 5.1) by 158,595 points, scoring +205,732 against +47,137.

The Group's models are built to leverage each improvement in the foundational models beneath them. As those models get better, the Pearl Engine's outputs get better. This measured advantage is a driving force for the Group's secured its US distribution partnership. The task set, code and leaderboard are public at blackpearl.com/gtm-bench and are updated quarterly.

Outlook

The Group remains focused on optimising its three key measures: growth, strong underlying financials and a clearly defined technology advantage. The immediate objective is to grow from a position of profitability without sacrificing technological advantage. Priorities for H2 FY27 are converting the partnership pipeline into contracted revenue, holding the optimised cost base, and reaching EBITDAF profitability in Q1 FY28.

CEO Nick Lisette said: "We said we would hit our Q2 EBITDAF guidance and we did. We have updated that guidance to reach profitability during Q1 FY28, and we got there while increasing R&D and extending our technology lead through a significant shift in foundational models. As those models get better, the Pearl Engine gets better.

"We have also changed how we grow. Our data intelligence now powers other companies' products and revenue systems, and the US distribution partnership is the first of these.

"The business is vastly more efficient than it was six months ago from a cost perspective, with a higher-quality revenue base and a clear line to profitability. That is the position we will grow from."

ENDS

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About Blackpearl Group

Blackpearl Group (BPG) builds the leading AI models for go-to-market, serving US sales and marketing teams. Powered by the Pearl Engine - a proprietary AI platform processing over 32 billion buyer signals daily - the Group operates three ventures: Pearl Diver, B2B Rocket, and Bebo.

Founded in 2012, BPG is headquartered in Wellington, New Zealand, with offices in Phoenix, Arizona, and is dual-listed on the NZX and ASX.

[Blackpearl.com](https://blackpearl.com)