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BPG Half Year Results - Moving decisively to EBITDAF profitability

Blackpearl Group Limited (NZX/ASX:BPG) today announces its results for the six months ended 30 September 2026. During the half, Blackpearl moved decisively towards EBITDAF profitability so the Group can grow from a position of strength. It reduced its cost base 27%, focused the business around its Data-as-a-Service (DaaS) offering and grew statutory revenue 42% YoY. DaaS customers now make up 61% of invoiced revenue. Revenue, costs and EBITDAF are in line with the Q2 FY27 update announced on 20 October 2026.

Highlights

- $7.33m statutory revenue, +42% YoY
- $4.87m gross profit, +41% YoY, at a 66.4% gross margin
- 27% lower cost base, with $9.4m of annualised cost removed permanently and the full benefit from Q3 FY27
- Q2 FY27 EBITDAF loss of $2.97m, within guidance and 34% better than Q1 FY27
- EBITDAF profitability targeted for Q1 FY28 (quarter ending 30 June 2027)
- DaaS customers 61% of invoiced revenue in Q2 FY27
- Invoiced DaaS customers average $160k a year against $34k across all customers, with monthly churn of 1.3% against 7.8% and a three-year lifetime value of $385k against $34k
- US distribution partnership signed with a leading US intent data provider, with 70 opportunities in its referral backlog, the first two of which have signed preliminary paperwork
- Pearl Engine scored +205,732 on GTM-Bench in September, against +47,137 for the next best model, a 7.7x lift since June
- Non-cash B2B Rocket impairment of $7.95m, offset by a $4.4m gain from lower expected earn-out payments, which reduces expected future payments to the vendors

Revised strategic direction

Blackpearl entered FY27 with a clear direction: reach EBITDAF profitability, and grow from there. It has executed across three priorities:

- **Refocus on Data-as-a-Service:** The Group moved its focus to DaaS, the highest-value part of the business. DaaS revenue per customer is up 374% since Q1 FY25, against 110% across all customers.
- **Invest in the technology:** The Pearl Engine's GTM-Bench score rose 7.7x in a quarter, widening its lead over general-purpose AI models. Results are published at gtm-bench.ai, an open benchmark Blackpearl operates.
- **Streamline the structure:** One centralised team selling DaaS has replaced separate ventures, removing 27% of the cost base.

In doing so, the Group has addressed what it had not done well: a venture structure that duplicated cost, overinvestment in B2B Rocket, cost reductions that took too long and a reliance on public market conditions. The result going forward is a simpler business with a lower cost base, selling its highest-value products to its highest-value customers.

Financial commentary

Statutory revenue rose 42% to $7.33m and gross profit rose 41% to $4.87m. Growth now comes through partners and platforms, without costly paid acquisition.

DaaS customers pay nearly five times more than the average customer and churn six times less.

Gross margin was 66.4%, compared with 66.9% in H1 FY26, holding through 42% revenue growth and the shift to Data-as-a-Service. Most direct costs, including data supply, are fixed monthly contracts. As revenue grows, more of each extra sales dollar flows through to gross profit.
The quarterly cost base will fall from $8.6m in Q4 FY26 to around $6.3m from Q3 FY27, about $780k a month lower. The savings come from a lower-cost go-to-market due to partnerships and self-service (57%), duplicate roles removed across ventures (38%), and infrastructure and admin (5%).

The H1 FY27 EBITDAF loss was $7.51m (H1 FY26: $6.89m loss). Most savings were implemented during the half, so H1 is yet to reflect the full benefits. Q2 FY27 EBITDAF was a loss of $2.97m, within guidance of $2.5m to $3.0m and an improvement of 34% on Q1 FY27. Net loss after tax was $11.70m (H1 FY26: $7.34m loss), including the non-cash B2B Rocket items below, which net to $3.5m.

Balance sheet and B2B Rocket

B2B Rocket's churn was too high compared to Group standards. Blackpearl has removed active investment from the B2B Rocket as a standalone cash-generating unit. However, BPG retains the asset and value continues to accrue: its team now sells DaaS and its technology has been redeployed to the Pearl Engine.

This led to a non-cash goodwill impairment of $7.95m, with no effect on cashflows or EBITDAF. Expected earn-out and deferred completion payments to the vendors also reduced, giving a $4.4m gain that reduces expected future payments to the vendors.

At 30 September 2026 the Group had total assets of $17.8m, total liabilities of $11.4m, total equity of $6.4m and cash of $0.6m. Blackpearl is currently investigating a placement round, with a view to supporting the Group's funding toward the path to EBITDAF profitability.

Looking ahead

The main focus in H2 FY27 is to achieve EBITDAF profitability whilst holding the lower cost base.

Blackpearl has a clear plan: grow DaaS revenue across several routes to market, flex costs that move with sales and keep lifting the share of revenue from high-value, low-churn customers. If one moves slowly, the others compensate. Priorities are converting the US partnership pipeline, keeping all sales effort on Audiences and Datasets, and widening the Pearl Engine's lead.

CEO Nick Lissette said: "This half was about facing what wasn't working and fixing it. We have centralised the business, removed 27% of the cost base and put every part of the Group behind Data-as-a-Service.

"AI applications are eroding and generic data is commoditising, so the value sits underneath, in proprietary data and intelligence. Our applications built the Pearl Engine and it now substantially outperforms leading foundation models on go-to-market tasks.

"The numbers show it working. DaaS customers pay nearly five times more, churn six times less and now make up 61% of invoiced revenue. With a lower cost base and improved revenue mix, we are targeting EBITDAF profitability in Q1 FY28."

ENDS

Results presentation and webinar

A results presentation will be released on Wednesday 25th November on the NZX and ASX. Chief Executive Officer Nick Lissette and Interim Chief Financial Officer Karen Cargill will present the half-year result, followed by a live Q&A, via webinar at 11.00am NZDT / 9.00am AEDT on Wednesday, 25 November 2026 (3.00pm MST Arizona on Tuesday, 24 November 2026).

Register here: https://us02web.zoom.us/webinar/register/WN_2N0Geg8wT_aujcYI_uXrEg.

Questions can be sent beforehand to simon@nwrcommunications.com.au, or asked via the Zoom Q&A during the webinar.

Contact

Released for and on behalf of BPG by Karen Cargill, Interim Chief Financial Officer. For further information, please contact: karen.cargill@blackpearl.com | +64 21 135 5183

About Blackpearl Group

Blackpearl Group (BPG) builds the leading AI models for go-to-market, serving US sales and marketing teams. Founded in 2012, BPG is headquartered in Wellington, New Zealand, with offices in Phoenix, Arizona, and is dual-listed on the NZX and ASX. At its core is the Pearl Engine, a proprietary AI platform processing around 31 billion signals daily to help businesses find buyers ready to transact.

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