



INTERIM REPORT

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INTERIM REPORT

Letter from the Chair & CEO

Dear Shareholders,

At the start of the year, we committed to four priorities: driving aggressive ARR growth, advancing the Blackpearl Engine LLM, launching a new AI product, and acquiring a highly synergistic company.

We delivered on every one of those goals. Our FY26 half-year results are a direct reflection of that focus and execution.

This has resulted in a stronger balance sheet, an enhanced core technology asset, increased revenue growth, and product and market diversification.

We also expanded our Data-as-a-Service (previously referred to as 'Wholesale') offering. DaaS represents our newest revenue horizon and a higher-quality subscription stream, with our data becoming embedded directly in customers' revenue-generating operations.

Our approach this year has been disciplined: win today while investing deliberately in the capabilities that will drive tomorrow.

With the continued support of both existing and new shareholders, we are well-positioned to accelerate the next phase of our growth.

Kind regards,
Nick and Tim



TIM CROWN
CHAIR, BLACKPEARL GROUP



NICK LISSETTE
CEO, BLACKPEARL GROUP

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HY26 Financial Metrics

NOTES:

- COMPARATIVE FIGURES RELATE TO HY25 UNLESS OTHERWISE STATED
- PPT STANDS FOR PERCENTAGE POINTS

● 1 APR 2025

● 30 SEP 2025

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ANNUAL RECURRING REVENUE

\$19.5m ↑

As of 30 September 2025.

87% increase YoY

SUBSCRIPTION REVENUE

\$5.2m ↑

For HY26.

59% increase YoY

ARR PER EMPLOYEE

\$253K

As of 30 September 2025.

Down 10% from H1 FY25

REVENUE CHURN

4.6%

As of 30 September 2025.

0.6PPT increase YoY

CAC PAYBACK PERIOD

4.6mo

As of 30 September 2025.

UP 34% YoY

GROSS PROFIT MARGIN

67%

For HY26, previously 73% in HY25.

Temporary cost increase due to overlapping data agreements and GTM testing.

How We Performed

STRATEGIC EXECUTION

The Group entered FY26 with a strategy to accelerate revenue growth while making targeted investments that position the Company on a clear path to \$50m ARR.

To achieve this, we focused on four key areas:

1. Accelerating ARR growth through introduction of DaaS offerings and product diversification
2. Advancing Blackpearl Engine's data ingestion and processing capability
3. Launching a new AI product into the market (Bebop)
4. Acquiring a highly synergistic venture (B2B Rocket)

All four were delivered in first half of FY26. ARR grew materially to \$19.5m, Blackpearl Engine expanded in scale and capability to 21 billion data points daily, Bebop launched into market, and B2B Rocket was successfully integrated into the portfolio.

Looking ahead, the second half of the financial year is firmly centred on revenue performance. With our strategic milestones delivered, the focus now shifts to converting platform scale, new products and a recent acquisition into continued revenue growth. We expect typical Q3 seasonality, with major US retail events providing upside opportunity to further execute our venture model.

With the strategic foundation in place, 2HY FY26 is about driving revenue outcomes.

✓ Accelerated ARR

✓ Increase value of the Blackpearl Engine LLM

✓ Launch a new AI product

✓ Launch a new AI product

SCALING BLACKPEARL ENGINE

The Blackpearl Engine continued its scale-out in HY26, now processing over 21 billion daily signals and ingesting more than 30 terabytes of data each month. This data is then transformed into dollars for our customers and for Blackpearl Group.

This investment in the Blackpearl Engine has been the key driver behind our Data as a Service contracts, supporting the lift in Pearl Diver's average revenue per customer (ARPU) and customer retention. It has also provided the foundation for new products such as Bebop and enabled the quick integration of new technologies like B2B Rocket.

Ultimately, speed is the technical advantage in today's economy.

The platform's modular architecture underpins significant speed-to-market advantages – as demonstrated in Bebop's creation-to-launch in just 90 days.

21BN SIGNALS PROCESSED/DAILY

21bn

NOW INGESTING 30 TB/MONTH

30TB↑

BEBOP: FROM IDEATION TO IN-MARKET

90days

NEW PRODUCT INTEGRATED

B2B Rocket 

Revenue Growth

ANNUAL RECURRING REVENUE (ARR)

NZ\$19.5m

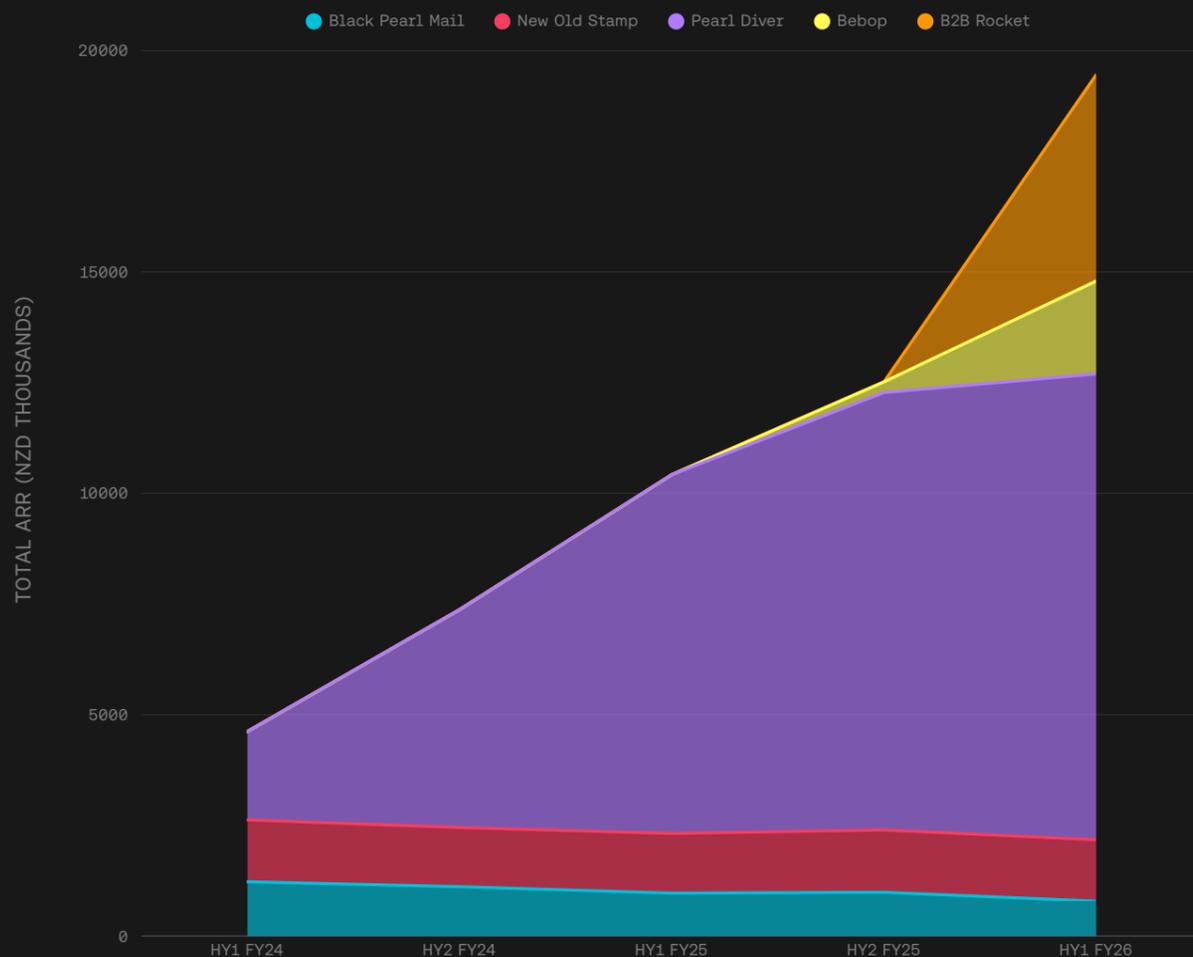
87% INCREASE YOY

Sustained growth across ARR and subscription revenue.

“ARR increasing to \$19.5m reflects both the quality of our recurring revenue streams and the early contribution from our newer ventures. This momentum supports stronger alignment between ARR and subscription revenue in the periods ahead.”

KAREN CARGILL, INTERIM CFO

ARR GROWTH



Blackpearl delivered strong recurring revenue performance in HY26, with ARR increasing to \$19.5m, up 87% year-on-year. Subscription revenue also grew materially, rising 59% to \$5.2m as customers progressed through onboarding and billing cycles

The current gap between ARR and subscription revenue reflects positive underlying dynamics that are setting the Group up for accelerated growth.

1. Data as a Service (DaaS)

Pearl Diver’s strategic shift toward annually contracted, high-value DaaS partnerships is already driving substantial ARR uplift. These contracts, typically generating NZ\$300k–NZ\$700k in ARR per client, deeply embedding our data directly into customers’ revenue-producing workflows.

Because these DaaS agreements are annual and use ramp pricing – gradually increasing to full monthly rates over a 90-day onboarding period – clients can adopt quickly without upfront cost pressure. This approach reduces friction, thus shortens sales cycles, resulting in healthy CAC payback – all the while building strongly embedded recurring revenue.

2. B2B Rocket

B2B Rocket entered the Group with impressive bootstrapped traction and meaningful ARR already in place. In HY26, only 40 days of B2B Rocket’s subscription revenue has been recognised, meaning the full revenue potential has yet to flow through the accounts.

Subscription Revenue

SUBSCRIPTION REVENUE

NZ\$5.2m

59% INCREASE YOY

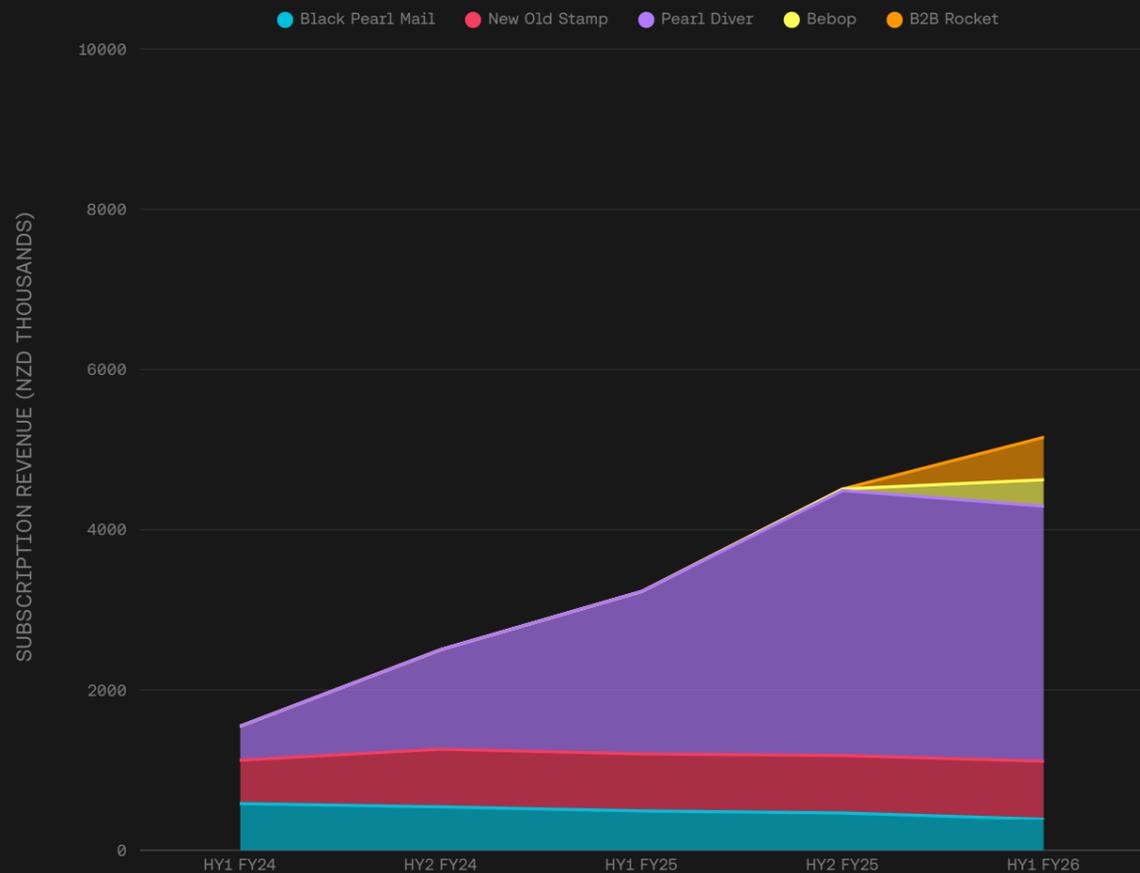
Sustained growth across ARR and subscription revenue.

The chart below is non-GAAP and for illustrative purposes only.

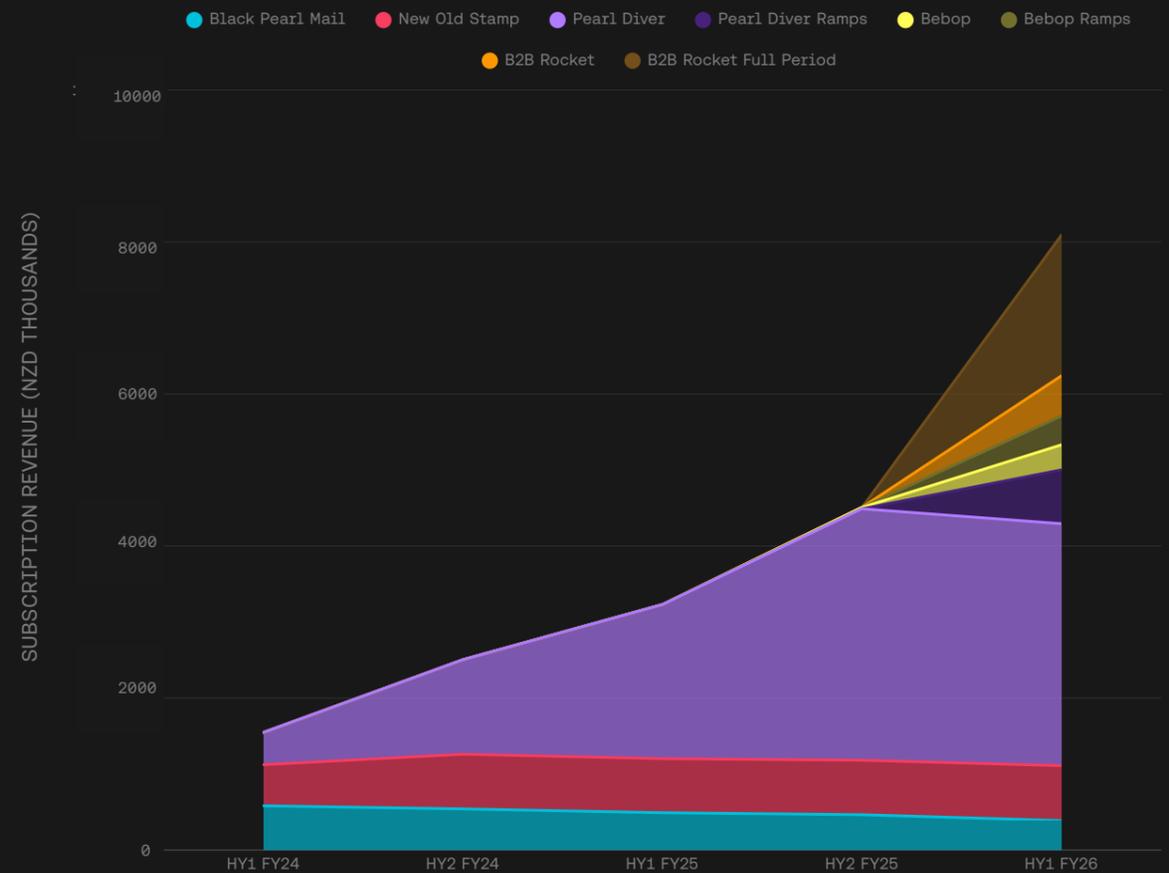
It shows how, once you factor in the partial period contribution from B2B Rocket and the ramp-up timing of DaaS contracts, subscription revenue aligns far more closely with ARR on a six month basis.

In short, it reveals a backlog of growth that will increasingly flow through into future reporting periods.

SUBSCRIPTION REVENUE



SUBSCRIPTION REVENUE ADJUSTED FOR B2B ROCKET & PEARL DIVER RAMPS



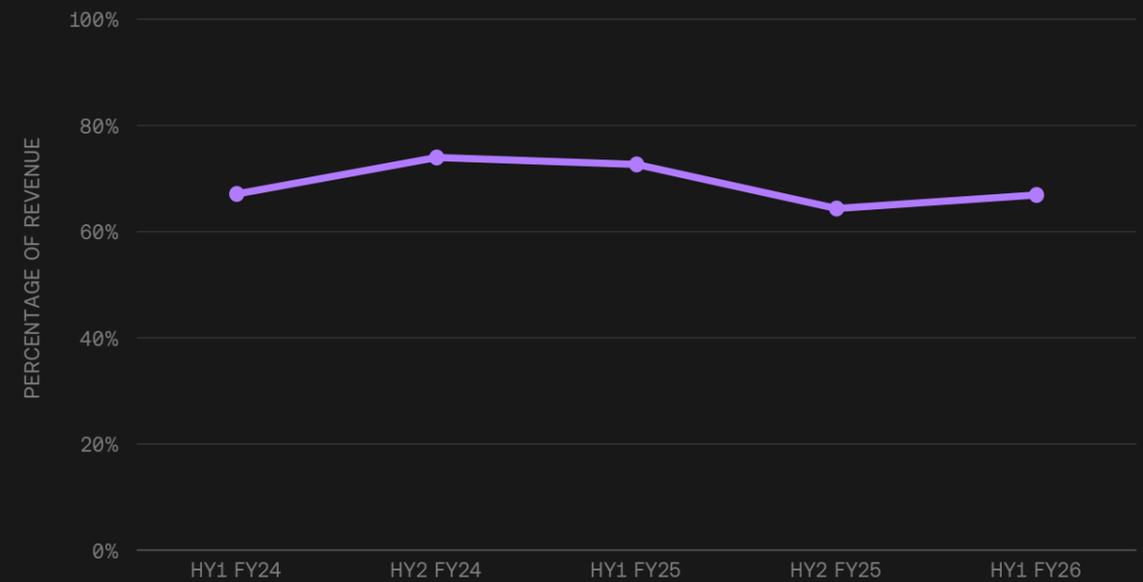
Gross Margin

GROSS MARGIN STRENGTHENING AHEAD

67%

Margin reset positions the business for stronger long-term leverage.

GROSS PROFIT MARGIN FOR HY



As previously signalled to the market, the Group moved from variable to fixed data supply agreements. Accordingly, gross margin for HY26 decreased to 67%, which was expected.

While this shifted costs upfront, the structure is already delivering scale benefits. As volumes increase, the fixed annual cost is absorbed more efficiently, driving gross margin up 10% from Q4 FY25. This demonstrates the long-term leverage available in the model and positions the business for stronger margin expansion going forward.

Balance Sheet

STRENGTHENED BALANCE SHEET

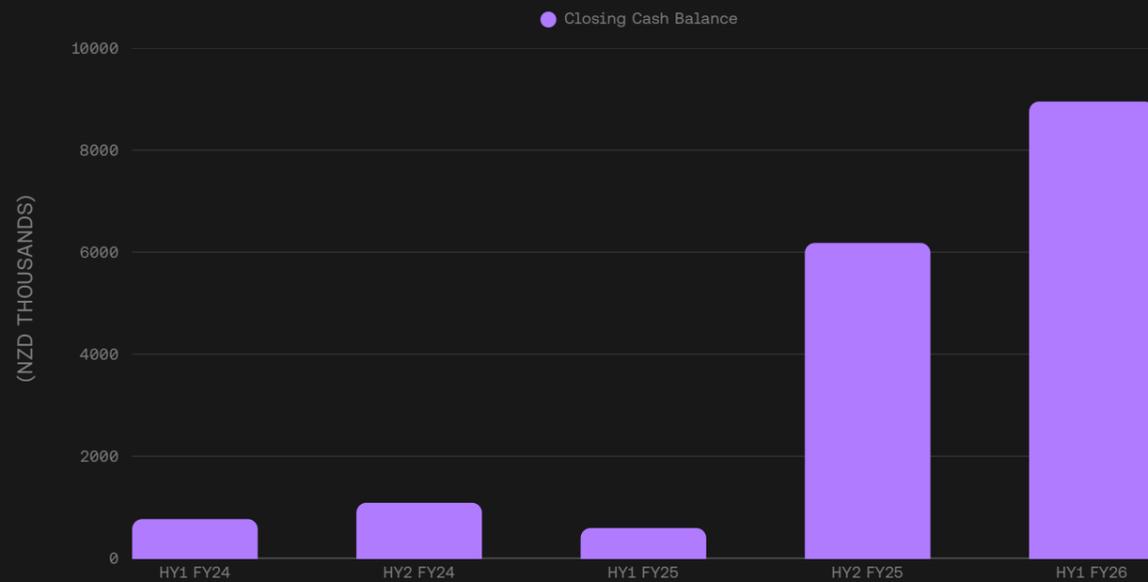
NZ\$11.8m

CAPITAL RAISED

Supporting ARR growth and strategic investments.

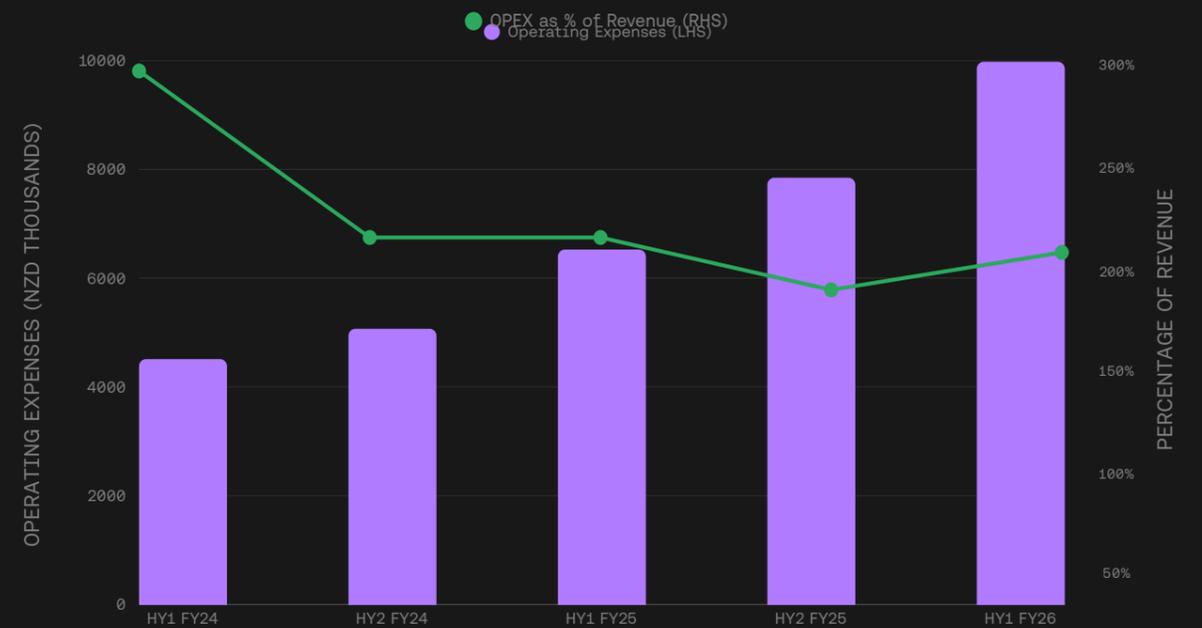
The capital raise broadened our institutional shareholder base, including new Australia-based institutions, and provides funding for ASX listing, product lead growth, investment in the Blackpearl Engine and future ventures. This places the Group in a strong position to execute on its growth initiatives while maintaining financial resilience.

CLOSING CASH BALANCE



Blackpearl strengthened its balance sheet during HY26 through a successful private placement and Share Purchase Plan, raising approximately \$15.1m in gross proceeds, followed by a post-result private placement that raised an additional \$1.8m. This capital enables strategic investment in product expansion, growth hiring, and platform development, while supporting ARR momentum, which increased to \$19.5m from \$10.5m over the same period. Net free cash outflows were \$7.1m (excluding the B2B Rocket acquisition), reflecting planned investment to scale the business.

OPEX AS % OF REVENUE



Operating expenses increased in HY26 in line with planned strategic investment across core growth initiatives. The main contributors were continued development of the Blackpearl Engine and the launch of Bebob, including product development, market testing, and work to establish product market fit. One off ASX listing and acquisition costs also contributed to the lift in expenses. These investments were expected and reflect our strategy to build scalable ventures supported by a shared data platform. While OpEx increased, the Group continues to demonstrate operating leverage as ARR grows, and we expect efficiency to improve as recently deployed capital gains scale across the business.

LOOKING AHEAD

The second half of the year is focused on scaling Pearl Diver's DaaS offering, advancing Bebop's early traction, increasing B2B Rocket's commercial contribution, and capturing efficiency gains from the fixed fee data supply structure.

Together, these initiatives support operating leverage and margin improvement as volumes increase. With a strengthened balance sheet, a growing investor base, and a unified data and AI platform, Blackpearl is well placed to deliver on its growth strategy through the second half and beyond.

FINANCIALS

Consolidated Financial Statements



Consolidated Financial Statements

Interim Consolidated Statement
of Profit or Loss

For the six months ended 30 September 2025

| | Notes | 6 months ended 30 September 2025 | 6 months ended 30 September 2024 |
|--|-------|--|--|
| | | Unaudited \$000 | Unaudited \$000 |
| Subscription revenue | 7 | 5,153 | 3,232 |
| Cost of sales | | (1,706) | (884) |
| Gross profit | | 3,447 | 2,348 |
| Other revenue | | - | 1 |
| Personnel expenses | 8 | (4,142) | (3,395) |
| Operating expenses | | (4,378) | (1,665) |
| Administrative expenses | 8 | (2,125) | (1,465) |
| Net finance costs | | (84) | (27) |
| Loss before net losses on financial instruments | | (7,282) | (4,203) |
| Net losses on financial instruments | 5 | (58) | - |
| Loss for the period attributable to owners | | (7,340) | (4,203) |
| Earnings per share | | 2025 | 2024 |
| | | \$ | \$ |
| Basic and diluted loss for the period attributable to owners | 10 | (0.11) | (0.09) |

Consolidated Financial Statements

Interim Consolidated Statement
of Other Comprehensive Income

For the six months ended 30 September 2025

| | Notes | 6 months ended 30 September 2025 | 6 months ended 30 September 2024 |
|--|-------|--|--|
| | | Unaudited \$000 | Unaudited \$000 |
| Loss for the period | | (7,340) | (4,203) |
| <i>Other comprehensive loss that may be subsequently reclassified through profit or loss</i> | | | |
| Exchange differences on translation of foreign operations | | (224) | 191 |
| Total comprehensive loss for the period | | (7,564) | (4,012) |

Signed for and on behalf of the board:



Nicholas Lissette

Date: 20 November 2025



Timothy Crown

Date: 20 November 2025



Interim Consolidated Statement of Financial Position

| | Notes | As at 30 September | As at 31 March |
|----------------------------------|-------|--------------------|------------------|
| | | 2025 | 2025 |
| | | Unaudited \$000 | Audited \$000 |
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | | 8,953 | 6,773 |
| Receivables and prepayments | | 1,500 | 1,050 |
| Total current assets | | 10,453 | 7,823 |
| Non-current assets | | | |
| Property, plant and equipment | | 171 | 181 |
| Goodwill | 5 | 15,454 | 2,873 |
| Intangible assets | 5 | 6,700 | 1,750 |
| Right-of-use asset | | 421 | 536 |
| Other financial assets | | 55 | 52 |
| Total non-current assets | | 22,801 | 5,392 |
| Total assets | | 33,254 | 13,215 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | | 2,567 | 1,706 |
| Employee entitlements | | 468 | 372 |
| Lease liabilities | | 224 | 208 |
| Loans and borrowings | 9 | 5,052 | 51 |
| Contract liabilities | 5 | 2,883 | 670 |
| Total current liabilities | | 11,194 | 3,007 |

Interim Consolidated Statement of Financial Position

| | Notes | As at 30 September | As at 31 March |
|--|-------|--------------------|------------------|
| | | 2025 | 2025 |
| | | Unaudited \$000 | Audited \$000 |
| Non-current liabilities | | | |
| Contingent consideration | 5 | 5,277 | - |
| Deferred tax liability | 5 | 677 | - |
| Lease liabilities | | 213 | 330 |
| Loans and borrowings | 9 | 217 | 1,219 |
| Total non-current liabilities | | 6,384 | 1,549 |
| Total liabilities | | 17,578 | 4,556 |
| Equity | | | |
| Share capital | 11 | 65,048 | 50,456 |
| Accumulated losses | | (50,716) | (43,376) |
| Reserves | | 1,344 | 1,579 |
| Equity attributable to the owners | | 15,676 | 8,659 |
| Total liabilities and equity | | 33,254 | 13,215 |

Signed for and on behalf of the board:



Nicholas Lisette

Date: 20 November 2025



Timothy Crown

Date: 20 November 2025



Consolidated Financial Statements

Interim Consolidated Statement
of Changes in Equity

For the six months ended 30 September 2025

| | Notes | Share capital | Accumulated losses | Reserves | | | Total |
|---|-------|---------------|--------------------|-----------------------------|------------------------|--------------------------------------|---------|
| | | | | Share based payment reserve | Share warrants reserve | Foreign currency translation reserve | |
| | | \$000 | \$000 | \$000 | \$000 | \$000 | \$000 |
| Balance at 1 April 2025 | | 50,456 | (43,376) | 1,337 | 472 | (230) | 8,659 |
| Loss for the period | | - | (7,340) | - | - | - | (7,340) |
| Translation differences of foreign operations | | - | - | - | - | (224) | (224) |
| <i>Transactions with owners in their capacity as owners</i> | | | | | | | |
| Issue of share capital | 11 | 14,033 | - | (372) | - | - | 13,661 |
| Issue of shares as part of business combination | 11 | 1,760 | - | - | - | - | 1,760 |
| Share based payments | 12 | - | - | 361 | - | - | 361 |
| Transaction costs arising on share issue | 11 | (1,201) | - | - | - | - | (1,201) |
| Balance at 30 September 2025 | | 65,048 | (50,716) | 1,326 | 472 | (454) | 15,676 |
| Balance at 1 April 2024 | | 37,493 | (34,214) | 1,083 | 478 | 31 | 4,871 |
| Loss for the period | | - | (4,203) | - | - | - | (4,203) |
| Translation differences of foreign operations | | - | - | - | - | 191 | 191 |
| <i>Transactions with owners in their capacity as owners</i> | | | | | | | |
| Issue of share capital | 11 | 41 | - | (41) | - | - | - |
| Transaction costs arising on share issue | 11 | (30) | - | - | - | - | (30) |
| Share based payments | 11 | - | - | 1,289 | - | - | 1,289 |
| Balance at 30 September 2024 | | 37,504 | (38,417) | 2,331 | 478 | 222 | 2,118 |

Consolidated Financial Statements

Interim Consolidated Statement
of Cash Flows

For the six months ended 30 September 2025

| | Notes | 6 months ended | 6 months ended |
|---|-------|-----------------|-----------------|
| | | 30 September | 30 September |
| | | 2025 | 2024 |
| | | Unaudited \$000 | Unaudited \$000 |
| Cash flows from operating activities | | | |
| Cash receipts from customers | | 5,213 | 3,204 |
| Cash paid to resellers for their commission | | (137) | (450) |
| Cash paid to suppliers and employees | | (11,221) | (4,503) |
| Net GST paid | | (2) | (56) |
| Taxes paid | | (11) | - |
| Interest paid on lease liabilities | | (28) | - |
| Net cash used in operating activities | | (6,186) | (1,805) |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | | (30) | (25) |
| Acquisition and development of intangible assets | | (970) | (251) |
| Acquisition of B2B Rocket | 5 | (6,738) | - |
| Interest received | | 41 | 13 |
| Net cash used in investing activities | | (7,697) | (263) |
| Cash flows from financing activities | | | |
| Payment of principal portion of lease liabilities | | (100) | (87) |
| Repayment of loans and borrowings | | (169) | (4,040) |
| Proceeds from loans and borrowings | | 4,000 | 5,000 |
| Transaction costs incurred in acquiring debt | | - | (30) |
| Direct costs incurred in issuing equity | | (1,201) | (30) |
| Cash receipts from issue of share capital | | 13,661 | - |
| Net cash from financing activities | | 16,191 | 813 |
| Net increase/(decrease) in cash and cash equivalents | | 2,308 | (1,255) |



THE ACCOMPANYING NOTES FORM PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS.

Consolidated Financial Statements

Interim Consolidated Statement
of Cash Flows (Continued)

For the six months ended 30 September 2025

| Notes | 6 months ended 30 September | 6 months ended 30 September |
|--|--------------------------------|--------------------------------|
| | 2025 | 2024 |
| | Unaudited \$000 | Unaudited \$000 |
| Opening cash and cash equivalents at beginning of the period | 6,773 | 1,854 |
| Effect of exchange rate fluctuations on cash held | (128) | (7) |
| Cash and cash equivalents at period end | 8,953 | 592 |

Consolidated Financial Statements

Notes to the Interim Consolidated
Financial Statements

For the six months ended 30 September 2025

1. REPORTING ENTITY

Black Pearl Group Limited (the 'Company') is a limited liability company incorporated and domiciled in New Zealand, registered under the Companies Act 1993.

The Company is a profit-oriented entity and is engaged in the business of building, acquiring, and marketing data-driven cloud services, consisting of a suite of productivity and demand generation applications for small and medium-sized businesses.

2. BASIS OF PREPARATION

The unaudited interim financial statements comprise the results and financial position of the Company and its wholly owned subsidiaries, Black Pearl Mail Incorporated, Newoldstamp Limited, Bebop AI Limited, Noir Perle Limited and B2B Rocket Incorporated (together the 'Group') for the six months ended 30 September 2025. B2B Rocket was acquired in August 2025 - see note 5.

The unaudited interim financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ('NZ GAAP') and comply with the requirements of the New Zealand Equivalent to International Accounting Standard 34: Interim Financial Reporting and International Accounting Standard 34: Interim Financial Reporting. The Group is a for-profit entity for the purposes of complying with NZ GAAP.

These unaudited interim financial statements are prepared on a going concern basis which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business - for more detail refer to note 15.

Certain comparatives have been reclassified to align with the current period's presentation, which includes contractors as outlined in note 8. This reclassification has no impact on the Group's working capital, cash flows, or financial position.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In preparing these interim consolidated financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. The following is a summary of new and/or changes in critical accounting estimates, assumptions and judgements reported in the Group's consolidated financial statements for the year ended 31 March 2025:

- Fair value of contingent consideration - see note 5
- Non-current classification of contingent consideration - see note 5

4. SIGNIFICANT TRANSACTIONS AND EVENTS FOR THE CURRENT PERIOD

The following significant transactions and events occurred during the six months ended 30 September 2025.

- Acquisition of B2B Rocket Incorporated

In August 2025, the Group acquired 100% of the shares in B2B Rocket Incorporated ('B2B Rocket'), a US-based AI sales automation company. The business combination materially impacted the Group's goodwill, intangible asset and deferred revenue balances - see note 5.

The Group incurred one-off costs of \$130k in the period relating to the review and integration of the purchase.

- Capital raise

In August 2025, the Group announced a \$15.15 million capital raise which was completed in October 2025. A total of \$13.61 million for 14,380,241 of shares was received by the end of 30 September 2025 - see note 11.

- ASX listing

Operating expenses included \$540k of costs associated with preparing for the Group's initial listing on the ASX. This includes higher professional fees for legal, financial, and compliance advisory work. These costs are non-recurring and directly tied to the ASX listing process.

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Consolidated Financial Statements

5. ACQUISITION OF B2B ROCKET

In August 2025, the Group acquired 100% of the shares in B2B Rocket Incorporated ('B2B Rocket'), a US-based AI sales automation company. The following is a preliminary assessment of the accounting for the acquisition.

Accounting policy

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a business comprises:

- Fair values of the assets transferred
- Liabilities incurred to the former owners of the acquired business
- Equity interests issued by the Group
- Fair value of any asset or liability resulting from a contingent consideration arrangement
- Fair value of any pre-existing equity interest in the subsidiary

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair value at the acquisition date. Acquisition related costs are expensed as incurred. The Group acquired 100% of B2B Rocket and as such there is no non-controlling interest ('NCI').

The excess of the consideration transferred, amount of any NCI in the entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase. Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of acquisition. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss. Any gains or losses arising from such remeasurement are recognised in profit or loss.

| Purchase price | \$000 |
|---|---------------|
| <i>The following is a breakdown of the fair value of the purchase price for the acquisition</i> | |
| Cash paid on completion | 6,860 |
| Ordinary shares in Black Pearl Group Limited issued on completion to the sellers | 1,760 |
| Contingent consideration - deferred payment (variable cash payments to the sellers) | 1,515 |
| Contingent consideration - earn-out payment (variable cash payments and shares issued to the sellers) | 3,704 |
| Total purchase price consideration | 13,839 |

Cash paid on completion

Cash payment of USD \$4 million.

Ordinary shares issued on completion

On completion, the Group issued 1,725,078 shares with a share price on completion date of \$1.02 per share (total value of \$1.7 million).

Contingent consideration - deferred payment

If B2B Rocket achieves annual recurring revenue ('ARR') of USD \$10 million within 24 months of the acquisition date, the Group will pay its former owners USD \$3 million when the target is met. Otherwise, after 24 months the Group will pay between USD \$0.3 million and USD \$3 million based on ARR in August 2027. The fair value on acquisition date was measured using probability weighted scenarios of the likelihoods of targets being met and consequential payment required from the Group. Amounts were discounted to its present value on acquisition date using an estimate of B2B Rocket's post-tax weighted average cost of capital ('WACC').

Contingent consideration - earn-out payment

Four tranches of USD \$500k and three tranches of USD \$1 million are payable if B2B Rocket achieves specific ARR targets within a given period from the acquisition date. Each tranche is structured so that 50% will be settled in cash and the remaining 50% through the issue of BPG's ordinary shares. The acquisition date fair value was estimated using probability weighted scenarios of the likelihoods of targets being met during that period and consequential payment required from the Group. Amounts were discounted to its present value on acquisition date using B2B Rocket's estimated post-tax WACC.

Estimated post-tax WACC

The post-tax WACC is a significant level 3 input to the valuations of both the deferred and earn-out payments. The Purchase Price Allocation ('PPA') uses a 17.9% post-tax WACC to discount cash flow to its present value and the following is a sensitivity analysis.

Consolidated Financial Statements

5. ACQUISITION OF B2B ROCKET (continued)

| | Deferred \$000 | Earn-out \$000 | Total \$000 |
|-----------------------------|-------------------|-------------------|----------------|
| Acquisition date fair value | 3,704 | 1,515 | 5,219 |
| Effect of +100 BPS on WACC | 3,640 | 1,464 | 5,104 |
| Effect of -100 BPS on WACC | 3,765 | 1,566 | 5,331 |

Critical accounting estimate - fair value of contingent consideration

All forms of contingent consideration in this transaction have been classified as financial liabilities by the Group. The Group engaged an external valuer, GreenMount Advisory, to prepare the Purchase Price Allocation ('PPA') which included a valuation of the contingent consideration. The following are significant inputs used in the valuation of the contingent consideration which all involve level 3 fair value inputs:

Deferred payment estimated timing and amount

Management's estimate of timing and achievement of B2B Rocket's ARR targets are inputs into the fair value of deferred payments. On both acquisition date and reporting date, management estimates that B2B Rocket will achieve its ARR targets resulting in payment of the full USD \$3 million ('full payment') on or around August 2027. The following is a sensitivity analysis if targets were met earlier:

| | \$000 | | \$000 |
|--|-------|---------------------------------|-------|
| Acquisition date fair value | 3,704 | Acquisition date fair value | 3,704 |
| Effect of full payment 6 months earlier | 4,018 | Effect of -10% of ARR forecasts | 3,704 |
| Effect of full payment 12 months earlier | 4,365 | Effect of -40% of ARR forecasts | 3,350 |

Earn-out payment estimated timing and amount

Similarly, part of the valuation also involves management's estimate of timing and achievement of B2B Rocket's ARR targets. The following is a sensitivity analysis based on different scenarios:

| | \$000 |
|--|-------|
| Acquisition date fair value | 1,515 |
| Effect of targets met 6 months earlier | 1,856 |
| Effect of targets met 12 months later | 2,112 |

At 30 September 2025, the contingent consideration increased by \$58k due to the time value of money. All other assumptions remain the same.

Critical accounting judgement - non-current classification of contingent consideration

The Group has classified both components of contingent consideration as non-current liabilities based on management's current estimate of timing of payments. Management has considered it highly unlikely that the Group will be required to settle the contingent consideration (whole or in part) within the next 12 months from reporting date, and that as of the reporting date, the conditions that would require the Group to settle amounts within 12 months from reporting date were not met.

Consolidated Financial Statements

5. ACQUISITION OF B2B ROCKET (continued)

| Net assets acquired | \$000 |
|--|---------------|
| <i>The following is a breakdown of the fair value of the net assets acquired</i> | |
| Cash and cash equivalents | 121 |
| Receivables and prepayments | 462 |
| Intangible assets - capitalised software development | 1,547 |
| Intangible assets - customer relationships | 2,727 |
| Payables | (749) |
| Contract liabilities | (2,105) |
| Deferred tax liability | (677) |
| Other liabilities | (69) |
| Net assets | 1,257 |
| Less purchase price | 13,839 |
| Goodwill recognised | 12,582 |

The following are significant inputs and assumptions used in the PPA for valuation of the material assets acquired and liabilities assumed in the acquisition, which all involve level 3 fair value inputs:

Capitalised software development

The fair value of B2B Rocket's software was estimated using the reproduction cost new approach, a cost approach. This was based on the capitalised development costs with a 31% uplift, reflecting a developer's profit margin. The following is a sensitivity analysis over the developer's profit margin uplift:

| | \$000 |
|-----------------------------|-------|
| Acquisition date fair value | 1,547 |
| Effect of 10% lower uplift | 1,429 |
| Effect of 10% higher uplift | 1,665 |

Customer relationships

The fair value of customer relationships was estimated using a multi-period excess earnings methodology ('MEEM'), an income approach. This was based on the Group's forecast earnings for B2B Rocket which included a 2% per annum growth rate, and a 9% churn rate. Mid-year discounting was applied using B2B Rocket's estimated post-tax WACC. The following is a sensitivity analysis:

| | \$000 | | \$000 |
|-----------------------------|-------|-----------------------------|-------|
| Acquisition date fair value | 2,727 | Acquisition date fair value | 2,727 |
| Effect of +100 BPS on WACC | 2,629 | Effect of +2% on churn rate | 2,339 |
| Effect of -100BPS on WACC | 2,822 | Effect of -2% on churn rate | 3,103 |

Material changes in balances

- Goodwill of \$15,454k comprises \$12,582k from the acquisition of B2B Rocket and \$2,873k from the acquisition of Newoldstamp.
- Intangible assets of \$6,700k include \$4,256k of capitalised software development and customer relationships acquired through the B2B Rocket acquisition.
- Contract liabilities of \$2,883k include \$2,092k assumed as part of the B2B Rocket acquisition.

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6. OPERATING SEGMENTS

The Group has determined it has two reportable operating segments.

- B2B Rocket: Following the acquisition of B2B Rocket in August 2025, the Group has identified B2B Rocket as a new operating segment.
- Pearl Diver: During the period the Group revised its internal reporting to the CODM. The CODM now reviews Pearl Diver and Newoldstamp as a single integrated operating segment. Both were previously disclosed as two separate reportable segments. This change reflects the operational and managerial integration of the activities, including the alignment of management responsibility and the centralisation of key functions. The CODM receives no longer receives discrete financial information for the former separate segments.

| For the six months ended | 30 September 2025 | | | 30 September 2024 | |
|---|-------------------|--------------|-----------------|-------------------|----------------|
| | Pearl Diver | B2B Rocket | Group | Pearl Diver | Group |
| | \$000 | \$000 | \$000 | \$000 | \$000 |
| Subscription fees | 4,623 | 530 | 5,153 | 3,232 | 3,232 |
| Other revenue | - | - | - | 1 | 1 |
| Total revenue | 4,623 | 530 | 5,153 | 3,233 | 3,233 |
| Marketing | (1,896) | (269) | (2,165) | (918) | (918) |
| Personnel expenses and contractor costs | (4,171) | (287) | (4,458) | (3,562) | (3,562) |
| Other expenses | (5,673) | (139) | (5,812) | (2,957) | (2,957) |
| Total expenses | (11,740) | (695) | (12,435) | (7,437) | (7,437) |
| Net losses on financial instruments | - | (58) | (58) | - | - |
| Net loss before tax | (7,117) | (223) | (7,340) | (4,204) | (4,204) |

*Revenue does not include intra-group or intra-segment amounts.

7. SUBSCRIPTION REVENUE

| For the six months ended | 30 September 2025 | | 30 September 2024 | |
|-----------------------------------|-------------------|-------------|-------------------|-------------|
| | Unaudited \$000 | | Unaudited \$000 | |
| Total direct sales | 4,855 | 94% | 2,722 | 84% |
| Total reseller sales | 298 | 6% | 510 | 16% |
| Total subscription revenue | 5,153 | 100% | 3,232 | 100% |

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8. EXPENDITURE

| For the six months ended | 30 September 2025 | 30 September 2024 |
|---|----------------------|----------------------|
| | Unaudited \$000 | Unaudited \$000 |
| Personnel expenses include: | | |
| Salaries and wages | 2,605 | 1,804 |
| Kiwisaver employer contributions | 69 | 45 |
| Sales commissions | 90 | 96 |
| Share-based payments expense | 235 | 1,135 |
| Contractors* | 1,143 | 315 |
| Total personnel expenses | 4,142 | 3,395 |
| Operating expenses include: | | |
| Advertising and marketing | 2,166 | 919 |
| Hosting and Server development costs | 440 | 69 |
| IT service costs | 914 | 179 |
| Consulting costs | 858 | 498 |
| Total operating expenses | 4,378 | 1,655 |
| Administrative expenses include: | | |
| Listing costs | 739 | 34 |
| Fees paid to auditors: audit and review of financial statements | 80 | 50 |
| Director fees | 207 | 212 |
| Insurance | 76 | 60 |
| Legal fees | 129 | 164 |
| Net foreign exchange (gains)/losses | (148) | 248 |
| Other expenses | 585 | 236 |
| Depreciation and amortisation | 457 | 461 |
| Total administrative expenses | 2,125 | 1,465 |

*Contractors were reclassified in the year to personnel expenses (previously operating expenses). The prior year has been updated to reflect this reclassification.

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9. LOANS AND BORROWINGS

| As of the period ended | 30 September 2025 | 31 March 2025 |
|---|----------------------|------------------|
| | Unaudited \$000 | Audited \$000 |
| Current portion | | |
| Credit card balances | (4) | (23) |
| Below-market term loans from the government | 69 | 74 |
| Bank loans | 4,987 | - |
| Total current portion | 5,052 | 51 |
| Non-current portion | | |
| Below-market term loans from the government | 217 | 239 |
| Bank loans | - | 980 |
| Total non-current portion | 217 | 1,219 |
| Total loans and borrowings | 5,269 | 1,270 |

The Group drew \$4 million from its bank loan facility with BNZ during the period. All amounts owed to BNZ mature on 17 August 2026. As of 30 September 2025, there was no remaining facility to drawdown. As disclosed in the Group's audited financial statements for the year ended 31 March 2025, the loan is subject to a covenant of a 20% Annual Recurring Revenue Growth Rate which is tested at the last day of each financial quarter. The Group has satisfied that test throughout the period, and expects to continue meeting that test.

Research and development loan

In previous years, the Company claimed Research and Development cash out of tax losses. This resulted in tax losses generated being paid to the Company in exchange for forfeiting these losses. The total amount of cash received to date is \$1.31 million (31 March 2025: \$1.31 million).

Now that the Company is listed on the New Zealand Stock Exchange, it is no longer eligible to claim the Research and Development cash out of tax losses. If certain events occur (including certain changes in shareholding or tax residency) the amounts would become repayable.

10. BASIC AND DILUTED EARNINGS PER SHARE

| For the six months ended | 30 September 2025 | 30 September 2024 |
|--|----------------------|----------------------|
| | Unaudited | Unaudited |
| Total loss attributable to owners (\$000) | (7,340) | (4,203) |
| Weighted average number of ordinary shares for basic EPS | 69,472,615 | 46,202,331 |
| Weighted average number of ordinary shares adjusted for the effect of dilution | 69,472,615 | 46,202,331 |
| Basic and diluted loss per share | (0.11) | (0.09) |

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11. SHARE CAPITAL

| | 30 September 2025 | 31 March 2025 |
|---|----------------------|-------------------|
| | Unaudited \$000 | Audited \$000 |
| <i>For the period ended</i> | | |
| On issue at beginning of the period | 50,456 | 37,493 |
| Issue of ordinary shares | 13,661 | 12,526 |
| Equity transaction costs | (1,201) | (666) |
| Issue of shares as part of business combination - see note 5 | 1,760 | - |
| Shareholder warrants exercised | - | 6 |
| Restricted shares converted to ordinary shares | 60 | 240 |
| Exercise of employee share rights and share based payment compensation | 312 | 733 |
| Issue of shares related to contingent consideration | | |
| - liability classified | - | 62 |
| Total share capital (\$000) | 65,048 | 50,456 |
| <i>Share capital consists of the following classes:</i> | | |
| Ordinary share capital | 65,048 | 50,456 |
| Total share capital (\$000) | 65,048 | 50,456 |
| Fully paid total shares at the beginning of the period | 64,650,884 | 53,309,437 |
| Issue of ordinary shares | 14,380,241 | 10,020,418 |
| Issue of shares as part of business combination - see note 5 | 1,725,078 | - |
| Shareholder warrants exercised | - | 30,000 |
| Restricted shares converted to ordinary shares | 101,428 | 239,429 |
| Exercise of employee share rights and share based payment compensation | 600,000 | 956,296 |
| Issue of shares related to the equity classified contingent consideration | | |
| - equity classified | - | 49,764 |
| - liability classified | - | 45,540 |
| Total share capital (#) | 81,457,631 | 64,650,884 |
| Total value per share | \$0.80 | \$0.78 |

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11. SHARE CAPITAL (continued)

Share capital consists of the following classes:

| | 30 September 2025 | 31 March 2025 |
|--------------------------------|----------------------|-------------------|
| Ordinary share capital | 81,457,631 | 64,650,884 |
| Total share capital (#) | 81,457,631 | 64,650,884 |

Capital raise

In August 2025, the Group announced a \$15.15 million capital raise which was completed in October 2025. A total of \$13.61 million for 14,380,241 of shares was received by the end of 30 September 2025. The remaining \$1.49 million for 1,568,155 shares was received on 10 October. The total transaction costs for this capital raise, included in equity, were \$1.20 million.

Net tangible assets per quoted equity

The net tangible assets per quoted security for the six months ended 30 September 2025 was \$(0.082963) (30 September 2024: \$(0.036296)).

12. SHARE BASED PAYMENT RESERVE

The following table summarises movements in the reserve:

| | 30 September 2025 | 31 March 2025 |
|---|----------------------|------------------|
| | Unaudited \$000 | Audited \$000 |
| Opening balance | 1,337 | 1,083 |
| Share rights exercised during the period - transfer to share capital | (372) | (973) |
| Equity-based purchase price contingent consideration NOS | - | (62) |
| Progression of share rights from employee contractual share-based compensation (i) | 237 | 1,031 |
| Progression from other contractual share based compensation NOS (i) | - | 18 |
| Restricted shares issued to non-executive directors recognised via director fees (ii) | 124 | 334 |
| Movements due to net settlement offers | - | (94) |
| Closing balance | 1,326 | 1,337 |

(i) These amounts were recognised via profit or loss through personnel expenses.

(ii) These amounts were recognised through profit or loss as director fees under administrative expenses.

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12. SHARE BASED PAYMENT RESERVE (continued)

The following outlines the number of, and movements in, total share rights and the total shares issued during the period subject to the following:

| | Share rights | | Ordinary shares | |
|---|-------------------|------------------|-------------------|----------------|
| | 30 September 2025 | 31 March 2025 | 30 September 2025 | 31 March 2025 |
| | Unaudited | Audited | Unaudited | Audited |
| Opening balance | 1,783,163 | 767,734 | 600,000 | 763,607 |
| Granted during the period | 250,000 | 3,139,765 | - | 23,459 |
| Exercised during the period | (101,428) | (1,058,423) | (600,000) | (187,066) |
| Surrendered on acceptance of net settlement offer | - | (188,664) | - | - |
| Forfeited during the period | - | (877,250) | - | - |
| Closing balance | 1,931,735 | 1,783,163 | - | 600,000 |

13. IMPAIRMENT TESTING

The Group has tested for impairment as of 30 September 2025 and the following are significant changes in how the Group approached its impairment testing and to key assumptions used:

- Cash generating unit ('CGU') identification - the Group has identified B2B Rocket as a new and separate CGU, taking the Group's total number of CGUs to four.
- Allocation of goodwill - the new recognised goodwill from the B2B Rocket acquisition has been 100% allocated to the B2B CGU.
- New cashflow forecasts for B2B Rocket - consequently, the Group has estimated cashflow forecasts for B2B Rocket, which are consistent with the acquisition date expected cashflows. The significant inputs used were a five-year forecast model with a growth rate of 2% and post-tax discount rate of 17%.

Overall, the Group has not identified any impairment. However, the impairment assessment is most sensitive to the achievements of the budget. Budgets comprise of forecast subscription revenue, marketing, staff costs and overheads based on current and anticipated market conditions that have been considered and approved by the Board.

14. RELATED PARTY TRANSACTIONS

During the period the group entered into the following material transactions with related parties who are not members of the Group.

Crown BP Holdings LLC

Payments to Prospect Desk LLC (an associate of Crown BP Holdings LLC) for the supply of data, and associated IT services - \$305k (2024: \$255k).

15. GOING CONCERN

The Group prepares its financial statements on a going concern basis. For the six months ended 30 September 2025, the Group recorded operating cash outflows of \$6.19 million (six months ended 30 September 2024: \$1.81 million) and a total comprehensive loss of \$7.56 million (six months ended 30 September 2024: \$4.01 million). As at 30 September 2025, the Group had cash on hand of \$8.95 million (31 March 2025: \$6.77 million) and net current liabilities of \$0.74 million (31 March 2025: net current assets of \$4.82 million).

The Group's \$5.0 million debt facility is available until August 2026, at which time it is expected to be renewed on similar terms.

The Directors have reviewed the Group's forecast cash flows and funding requirements for at least the next 12 months from the date of approval of these financial statements. The forecasts are based on the following key assumptions:

- Continued growth in annual recurring revenue (ARR) across the Group's product portfolio, including contributions from B2B Rocket, Bebop and other core platforms;
- Stable operating expenditure, with no material increase in headcount and only normal salary adjustments; and
- The ability to actively manage discretionary and variable costs to align with revenue performance.

The Directors have also considered sensitivity scenarios, including a downside case assuming no additional revenue growth. Under such a scenario, the Directors are confident that the Group can continue to operate within its available cash resources and through prudent cost management.

After considering these factors and making due enquiry, the Directors believe that the Group will be able to meet its obligations as they fall due for at least 12 months from the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

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16. EVENTS AFTER BALANCE DATE

- In October 2025, the Group received the remaining \$1.49 million from the capital raise announced in August 2025.
- In November 2025, the Group completed an \$11.8 million capital raise.
- In November 2025 the Group received conditional approval of its application to list on the Australian Securities Exchange (ASX) as a NZ foreign-exempt listing. Should the conditions be satisfied, the Group currently anticipates admission to the Official List of ASX to occur on or around Friday, 21 November 2025, with quotation of BPG's shares on the ASX to commence two business days after admission has occurred.

Company Directory

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4064918

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Specifically engineered for small-medium-sized businesses (SMEs), Blackpearl Group consistently delivers exceptional value to its customers. Our mantra is simple: 'Creating Motivating Opportunities.'

Blackpearl creates the opportunities that motivate action. We create high-impact products that pivot at speed to serve what businesses really need, kick-starting action – turning data into dollars.

Founded in 2012, Blackpearl Group is based in Wellington, New Zealand, and Phoenix, Arizona.

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