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Darktrace Midco I Limited Annual Report

For the year ended 30 June 2026

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1.1 Business Model

Darktrace protects AI, people and infrastructure with behavioural security, delivered through the Darktrace Behavioral Defense Platform. Its Adaptive AI learns normal activity across customers' digital estates—including AI and agents, email, network, cloud, and operational technology,—and identifies and responds to anomalous activity in real time. The Group sells and supports its platform through direct and partner channels, with customer experience, support and managed services teams. Darktrace's platform and services serve nearly 10,000 customers in more than 110 countries.

Darktrace creates value through its proprietary technology, AI and cybersecurity research, skilled people, customer relationships and global brand. These resources support research and development, threat research, sales, deployment, customer experience, technical support and managed services. Its behavioural approach differentiates the Group by understanding activity within each customer's own environment rather than relying solely on known attack signatures or fixed rules.

The Group generates revenue primarily through multi-year software subscriptions and related services, sold through direct and partner channels. Technology and channel partners support product delivery and market reach, while customer experience, support and managed services help customers deploy, operate and expand their use of the Darktrace Behavioral Security Platform.

Recurring revenue and long-term customer relationships support investment and value creation for shareholders and other stakeholders. The model also creates skilled employment and supports wider communities. Further information on employee, social and environmental outcomes is included in the Stakeholder Engagement and Responsible Growth and Governance sections.

The business model continues to evolve as AI adoption accelerates and cyber threats change, sharpening the Group's focus on securing what AI can do. Business model dependencies, opportunities and the associated controls are covered in the Risk section.

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1.2 Business Review

Darktrace Group is a group of private companies owned by funds managed and controlled by Thoma Bravo, L.P. (“Thoma Bravo”) since 1 October 2024. The ultimate parent undertaking in the UK and the smallest and largest Company to consolidate these financial statements is Darktrace Midco I Limited (referred to as “Darktrace” below).

The top company of the Darktrace Group is Darktrace Topco, LP, which has as its general partner Darktrace GP, LLC. Thoma Bravo Fund XV Global, L.P., Thoma Bravo Fund XV-A Global, L.P., Thoma Bravo Executive Fund XV Global, L.P. (collectively, “Fund XV Global”), Thoma Bravo Fund XIV Global, L.P., Thoma Bravo Fund XIV-A Global, L.P., Thoma Bravo Executive Fund XIV Global, L.P., and Thoma Bravo Executive Fund XIV-a Global, L.P. (collectively, “Fund XIV Global” and together with Fund XV Global, the "Funds") are Funds ultimately managed by Thoma Bravo, which own and control the majority of Darktrace Topco, L.P., the ultimate owner of Darktrace Midco I Limited. Thoma Bravo is a US-based software-focused investment firm which has been in operation for over twenty years, and manages a series of private equity funds, which invest primarily in operating companies, which are generally not publicly traded on a stock exchange.

This is the second annual report for Darktrace Midco I Limited following the acquisition of Darktrace Limited by Thoma Bravo on 1 October 2024.

During FY 2026, Darktrace continued to execute its strategy of supporting existing customers, expanding security coverage, bringing its products to new customers and investing in the systems and processes needed to scale the business.

Market Overview
During FY 2026, enterprise adoption of AI, including copilots and agents, continued to grow, increasing the need for security, governance and visibility across digital estates. Customers also sought integrated security coverage across AI and agents, Email, network, cloud, identity and operational technology. Darktrace’s behavioural approach — powered by its proprietary Adaptive AI, built over more than a decade in network detection and response before extending into email — provided a strong foundation for addressing these needs, and for extending behavioural security to AI itself.

Financial and operational performance

This is the second annual report prepared for the Darktrace Midco I Group and the first to reflect a full twelve months of operations after the acquisition. The consolidated financial statements cover the year ended 30 June 2026 ("FY 2026"). The statutory comparative period is that reported in last year's Annual Report, the period from incorporation of the Company (19 April 2024) to 30 June 2025, which reflects nine months of trading of the acquired Darktrace Limited group following completion of the acquisition by Thoma Bravo on 1 October 2024 (the "FY 2025 period"). Because the FY 2025 period covers only nine months of trading and includes a number of one-off items arising on acquisition, management continues to present FY 2025 pro-forma information, covering the twelve months from 1 July 2024 to 30 June 2025, to give a more meaningful basis for assessing underlying trading performance.

FY 2025 pro-forma information includes the results of the Darktrace Limited (formerly plc) group for the full year then ended and excludes the effect of the fair value adjustments to deferred revenue and capitalised commission required under IFRS 3 for business combination accounting, together with the amortisation of the intangible assets recognised on acquisition. As disclosed in the FY 2025 Annual Report, the fair value (“haircut”) adjustment to deferred revenue recognised on acquisition fully unwound during that period. Accordingly, it has no continuing effect on revenue recognised in FY 2026, and FY 2026 revenue and gross profit are presented on an actual basis without further pro-forma adjustment.

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Revenue for FY 2026 amounted to $922.8 million, reflecting a full twelve months of trading following the acquisition, compared with $321.5 million recognised in the nine-month FY 2025 period and $820.8 million on an FY 2025 pro-forma (twelve-month) basis. See Financial Review section for further details on the performance.

In November 2025, the Group undertook a distribution to all Preference A-1 shareholders, comprising of share redemptions and a dividend, totalling $840.4 million in aggregate. To fund the distribution, the Group increased its existing First Lien Term Loan by raising an incremental $750.0 million (the "Upsize Loan"), drawn on 20 November 2025 with the same October 2031 final maturity as the existing first lien facility. The additional borrowing resulted in an amendment to the existing credit agreement rather than a new, standalone facility and management assessed it under IFRS 9 and concluded this is a non substantial modification resulting in a $21.3 million gain, recognised within finance income at modification.

Product and technology vision

During FY 2026, Darktrace continued to develop its platform and expand its product and services portfolio. The work focused on extending security coverage, improving the information available to security teams and helping customers identify and respond to threats across increasingly complex environments.

In July 2025, Darktrace acquired Mira Security, adding specialist network traffic visibility and decryption capabilities. In February 2026, the early adopter programme for Darktrace / SECURE AI™ began (general launch occurred in September 2026), extending its behavioural approach to help customers understand and manage risks arising from AI systems and agents. Darktrace also added automated forensic capabilities for hybrid and multi-cloud environments and expanded protection within its email product.

These developments broadened the coverage available to customers and strengthened the Group’s capabilities across Secure AI, Secure People and Secure Infrastructure. They also formed part of the investment in product, services and technology that supported the FY 2026 strategic objective of building foundations for the future.

Operating priorities

During FY 2026, Darktrace’s operating priorities were to deliver improved customer outcomes, improve the employee experience, and strengthen the systems, processes and data needed for scalable execution.

Strategic review

The business made good progress against the FY 2026 objectives, including investment in customer service, employee development, product capabilities and operating systems. Jill Popelka stepped down as Chief Executive Officer at the end of January 2026 and Ed Jennings was appointed as President and Chief Executive Officer on 23 March 2026. Following his appointment, Ed Jennings led a review of the business with the Board and management. The review examined the company’s product and market focus, commercial execution, customer priorities, operating model and use of data and AI, and set the FY 2027 strategy, focusing on (i) leading in behavioral security, which Darktrace developed to apply the Darktrace behavioural approach to help customers identify risks from AI systems, stop AI-enabled threats and adopt AI more securely — to secure what AI can do —, while continuing to invest in the established Email and Hybrid Network security capabilities that, together with Secure AI, make up the Darktrace Behavioral Defense Platform; (ii) concentrate on Darktrace core customer by focusing commercial investment on serving mid-market customers, expanding strategic enterprise relationships, strengthening

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partner routes to market, focusing on core geographies, and improving the customer journey from initial engagement through renewal and expansion; and (iii) improve the internal systems, data and ways of working, including building AI-first operations to remove friction, improve decisions and help teams operate more effectively, in order to support consistent execution as the business grows.

Work to reset the strategic direction began before the end of FY 2026. The revised priorities resulting from this work apply to FY 2027. They are therefore not presented as the objectives against which performance in FY 2026 was managed.

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1.3 Financial review

Income statement analysis

$'000	FY 2026	For the period from 19 April 2024 to 30 June 2025	FY 2025 pro-forma
Revenue	922,752	321,542	820,757
Gross profit	795,936	226,510	709,091
Gross margin (%)	86.3%	70.4%	86.4%
Operating loss (EBIT)	(5,367)	(524,531)	(54,930)
Net loss	(154,603)	(527,478)	(170,435)

Revenue
Compared with the nine-month FY 2025 period, revenue increased substantially, reflecting the inclusion of a full twelve months of trading in FY 2026 against nine months of post-acquisition trading (from 1 October 2024) in the prior period, with the FY 2025 period further suppressed by the unwinding of $301.7 million deferred revenue fair value adjustment recognised upon acquisition.

On a like-for-like basis, FY 2026 revenue of $922.8 million increased by $102.0 million, or 12.4%, compared with FY 2025 pro-forma revenue of $820.8 million. The increase is primarily driven by the 7.5% growth in average contract ARR in the same period.

Over 99% of revenue came from recurring subscription contracts, with customer contracts typically being 36 months, with only $2.2 million (FY 2025: $1.0 million) of one-time revenue recognised at a point in time for training and sale of appliances. These multi-year contracts result in significant contracted revenue which will convert to revenue in future years (see note 3 in the financial statements). Subscription revenue is recognised in accordance with IFRS 15 on a straight-line basis over the service period, from commencement date to termination date.

Gross profit margin and cost of sales
Compared with the nine-month FY 2025 period, gross margin improved (FY 2026: 86.3%; FY 2025 nine-month period: 70.4%), reflecting the absence in FY 2026 of the deferred revenue fair value adjustment result of the business combination.

Gross profit for FY 2026 was $795.9 million, an increase of $86.8 million, or 12.2%, compared with FY 2025 pro-forma gross profit of $709.1 million, resulting in a gross margin of 86.3% (FY 2025 pro-forma: 86.4%). This was driven by the increase in revenue, offset by a $15.2 million, or 13.6%, increase in cost of sales to $126.8 million (FY 2025 pro-forma: $111.7 million), broadly in line with revenue growth.

Cost of sales includes all costs relating to the deployment of Darktrace's software to customers, whether through physical appliances or in the cloud, and for providing both customer technical support and supplementary monitoring and response capabilities.

Operating loss - EBIT
Operating loss (EBIT) for FY 2026 was $5.4 million, an improvement of $519.2 million compared with the operating loss of $524.5 million in FY 2025. This improvement is due to FY 2025 reflecting only nine months of trading following the acquisition (1 October 2024 to 30 June 2025), compared with a full twelve months in FY 2026, and by the fair value adjustments arising from the Darktrace Limited purchase price allocation that were recognised in FY 2025: principally the $301.7 million fair value adjustment to deferred revenue and the fair value adjustment of $50.7 million to capitalised commission; neither of which recurred in FY 2026. Because of these two factors, the movement against the FY 2025 actual period is

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not a like-for-like comparison. On a pro-forma basis, EBIT improved by $49.6 million, from a loss of $54.9 million in FY 2025 to a loss of $5.4 million in FY 2026.

The trends driving these movements are set out below.

- Revenue for FY 2026 increased by $601.2 million, to $922.8 million, compared with $321.5 million in the FY 2025 period. This reflects the full twelve months of trading in FY 2026 against nine months in FY 2025, together with the non-recurrence of the $301.7 million deferred revenue fair value haircut recognised in FY 2025. On a pro-forma basis, FY 2026 revenue increased by $102.0 million, or 12.4%, compared with FY 2025 pro-forma revenue of $820.8 million.
- Share-based payment (SBP) charges decreased by $99.6 million, to $46.2 million in FY 2026, compared with $145.8 million in the FY 2025 period, driven primarily by the one-off acceleration of the legacy SBP awards recognised at acquisition and the related incremental fair value adjustment ($87.5 million), neither of which recurred in FY 2026. On a pro-forma basis, the decrease was $126.0 million, compared with $172.2 million in FY 2025 pro-forma.
- Amortisation of capitalised commission increased by $27.9 million, to $46.2 million in FY 2026, compared with $18.3 million in FY 2025. This reflects the longer trading period in FY 2026, together with the fair value adjustment to capitalised commission unwinding in each period. On a pro-forma basis, amortisation of capitalised commission decreased by $41.1 million to $46.2 million (FY 2025 pro-forma: $87.3 million). The FY 2026 charge includes a $39.5 million credit from the unwind of the fair value adjustment to capitalised commission, resulting in a $85.9 million FY 2026 pro-forma balance.
- Research and development ("R&D") costs R&D costs increased by $7.8 million, to $70.1 million in FY 2026, compared with $62.3 million in the FY 2025 period, reflecting the longer trading period and a 22% increase in average R&D headcount over the period. This was partially offset by a reduction in R&D share-based payment charges, from $23.3 million in the FY 2025 period to $7.8 million in FY 2026, following the one-off acceleration of legacy SBP awards on the Thoma Bravo acquisition in FY 2025. On a pro-forma basis, R&D costs decreased by $8.4 million, to $70.1 million (FY 2025 pro-forma: $78.6 million). This was driven by the reduction in R&D share-based payment charges described above, which more than offset a $7.8 million increase in R&D employee costs (excluding SBP), to $53.6 million, in line with the increase in average R&D headcount.
- General and administrative ("G&A") costs G&A costs increased by $4.2 million, to $137.8 million in FY 2026, compared with $133.6 million in the FY 2025 period. This was reflects the longer trading period in FY 2026 offeset by a reduction in average G&A headcount of approximately 5%, together with a decrease in G&A share-based payment charges, as the FY 2025 period included costs relating to the one-off acceleration of legacy SBP awards recognised at acquisition. On a pro-forma basis, G&A costs decreased by $31.8 million, to $137.8 million (FY 2025 pro-forma: $169.6 million), driven by the same reduction in average headcount and share-based payment charges described above.
- Acquisition costs of $1.1 million incurred in the year, are attributable to the cost incurred in relation to the acquisition of Mira Group. Refer to note 4 of the consolidated financial statements for further details.
- Foreign exchange differences reduced by $0.4 million from the prior year primarily because of rate volatility impacting the translation of monetary assets and liabilities denominated in currencies other than Darktrace’s U.S. Dollar reporting currency, most significantly, the British Pound and the Euro.

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Financial position analysis

$'000	30 June 2026	30 June 2025
Total assets		
Goodwill	2,296,853	2,293,952
Intangible assets	2,823,000	3,084,209
Property, plant and equipment	58,576	55,096
Right-of-use assets	32,385	38,070
Capitalised commission	101,292	86,632
Deferred tax asset	110,787	123,449
Deposits	7,221	7,689
Inventory	2,834	161
Trade and other receivables	181,717	171,375
Tax receivable	15,037	13,777
Cash and cash equivalents	315,503	381,614
Total liabilities		
Trade and other payables	(141,334)	(153,034)
Deferred revenue	(455,556)	(425,682)
Lease liabilities	(37,856)	(44,983)
Tax payable	(645)	(1,471)
Deferred tax liability	(708,423)	(770,894)
Provisions	(24,026)	(24,561)
Other long term liabilities	(2,537)	–
Borrowings	(2,828,290)	(2,112,612)
Net assets	**1,746,538**	**2,722,787**

Goodwill and intangible assets
Following the acquisition of Mira Group, the Group recognised goodwill for $2.9 million and the following intangible assets:

- Customer relationship of $1.0 million with an estimated useful life of 7.5 years
- Software of $0.2 million with an estimated useful life of 4.5 years

Deferred tax balances
Management considers a full recognition of the DTA in relation to losses carried forward is appropriate. This is also supported by the recognition of the deferred tax liability of $708.4 million on intangible assets recognised at consolidated level as result of the PPA, which is greater than the value of the deferred tax asset ($110.8 million) at 30 June 2026.

Deferred revenue
Deferred revenue increased by $29.9 million, or 7.0%, to $455.6 million (30 June 2025: $425.7 million), broadly consistent with the growth in ARR.

Borrowings
The group has a total secured bank loan credit facility which amounts to $2,895.0 million (30 June 2025: $2,145.0 million) comprising first and second lien loan facility of $2,485.0 million and $410.0 million respectively at 30 June 2026 (30 June 2025: $1,735.0 million and $410.0 million respectively) having a total carrying amount of $2,828.3 million at 30 June 2026 (30 June 2025: $2,112.6 million). The first lien loan is payable in tranches within a span of 6 to 7 years and the second lien loan is payable at the end of an 8 year term.

Borrowings increased during the year, from $2,112.6 million to $2,828.3 million, mainly due to the modification to the first lien loan on 20 November 2025 increasing the loan value by $750.0 million net of loan costs of $9.9 million. Moreover, the modification resulted in the an valuation adjustment of $21.3 million gain.

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1.4 Key performance indicators (KPIs)

KPIs are financial and non-financial measures used by Darktrace Management to assess business performance, monitor principal risks and evaluate future expectations.

The key reporting metrics relate to Darktrace's contracted revenues, specifically Annualised Recurring Revenue (ARR) and Future contract revenues, which provide insight into Darktrace's recurring revenue base. This allows the performance of the business to be measured and gives management confidence in its financial plans due to its future revenue visibility.

Management considers Adjusted EBITDA margin to be a KPI as it is a useful measure of underlying operating performance, alongside other KPIs such as Operating profit margin (EBIT). Adjusted EBITDA excludes items such as share-based payment and related tax charges, appliance depreciation and amortisation of capitalised commission, as well as acquisition costs that are not indicative of, or that may impair the period-to-period comparability of, Darktrace's core operating performance. Darktrace uses Adjusted EBITDA margin as its primary profitability measure when developing its internal budgets, forecasts and strategic plan, in analysing the effectiveness of its operating performance, and in other strategic assessments and communications.

Darktrace's KPIs are Alternative Performance Measures (APMs), which are not defined under IFRS and are not intended to be a substitute for any IFRS measures of performance; wherever appropriate and practical, Darktrace provides reconciliations of its APMs to relevant IFRS measures where possible. APMs are developed and presented as Management consider them to be important supplemental measures to enhance stakeholders' understanding of business growth, underlying profitability and other business performance and trends. APMs do not have standard definitions and therefore may not be comparable to similar measures presented by other entities.

Darktrace was acquired on 1 October 2024, and the FY 2025 comparative therefore only includes the results of the consolidated group of companies under the former Darktrace plc entity (now named Darktrace Limited) from that date to 30 June 2025. To give a more meaningful basis for assessing underlying trading performance, management presents FY 2025 pro-forma information covering the full twelve months to 30 June 2025, which includes the three months of trading prior to acquisition and excludes the effect of the fair value adjustment to the deferred revenue balance recognised under PPA accounting. No pro-forma adjustment is presented for FY 2026, which reflects a full twelve months of trading with no equivalent acquisition-accounting effect to remove.

ARR – Annualised Recurring Revenue

$'000	30 June 2026	30 June 2025	30 June 2025 Pro-forma
Annualised recurring revenue	962,133	881,927	916,398
Year over year growth	5.0 %	13.2 %	17.7 %

**For FY 2025, constant currency rates were 1.2648 and 1.07351 for the British Pound and Euro, respectively.*

Definition and relevance
ARR is the sum of the annualised committed subscription value of every contract for which Darktrace is entitled to recognise revenue, measured at the period's constant currency rate. In a very small number of cases where a customer has an opt-out within six months of commencing a contract, Darktrace does not recognise ARR on that contract until after that opt-out period has lapsed. Where a one-off sale of appliances is required for legal or regulatory reasons, or where training or other services are provided on a one-off basis, this non-recurring portion of the contract value is excluded from ARR.

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ARR is a key indicator of future revenues. In conjunction with other KPIs and IFRS measures, it allows the growth of the business to be tracked on a more current basis than can be measured by revenue, the success of its Go-to-Market strategy to be assessed quicker, and performance to be compared between periods.

Performance
At 30 June 2026, Darktrace increased its ARR by 5.0% over the prior year, driven primarily by a 7.5% increase in average contract ARR across Darktrace's total customer base, supported by a continued focus on upsells of new products and renewing with a pricing uplift. Darktrace has seen ARR growth across all regions in which it operates. This was partly offset by a 2.3% year-over-year decrease in the number of customers, to 9,729 (30 June 2025: 9,956), as Darktrace continued to prioritise larger customers with greater product penetration over pure customer count growth. Darktrace has seen ARR growth across all regions in which it operates.

At 30 June 2026, 67.0% of total ARR came from customers with ARR over $100,000, compared to 64.1% in the prior year. This continued shift reflects Darktrace's focus on selling to larger customers with a broader product penetration while continuing to be able to support the addition of customers across the full range of customer sizes and requirements.

Number of customers

	30 June 2026	30 June 2025
Number of customers	9,729	9,956

Definition and relevance
This is a count of total end-user entities that are generating ARR at the measurement date.

Performance
In FY 2026 Darktrace's net number of customers reduced by 2.3% year-over-year. This primarily reflects a continued priority towards larger customers with greater product penetration over pure customer count growth.

Average contract ARR

$	30 June 2026	30 June 2025	30 June 2025 Pro-forma
Average contract ARR	98,893	88,582	91,989

Definition and relevance
Average contract ARR is the total ARR at the measurement date, divided by the number of customers at that measurement date. In combination with other measures, including shifts in the value distribution of ARR, metrics such as average contract ARR are key to assessing whether Go-to-Market strategies, such as sales team segmentation and changes in in product mixes, are reflected in Darktrace's performance.

Performance
Average contract ARR at 30 June 2026 increased by 7.5% year-over-year to $98,893. This primarily reflects a continued focus on upsells of new products and renewing with a pricing uplift.

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Adjusted EBITDA and margin

$'000	FY 2026	FY 2025	FY 2025 pro-forma
Adjusted EBITDA/(LBITDA)	323,535	(87,586)	236,414
Adjusted EBITDA margin	35.1 %	(27.2)%	28.8 %

Definition and relevance

Adjusted EBITDA is the Group's earnings before interest, taxation, depreciation and amortisation, adjusted to include appliance depreciation attributed to cost of sales and amortisation of capitalised commissions, and adjusted to remove share-based payment charges and related employer tax charges, as well as certain one-off charges including the impairment of right-of-use assets and the one-off costs incurred in relation to the Thoma Bravo acquisition.

Due to the unpredictable nature of the non-cash charges, particularly the share-based payment (SBP) related employer tax charges (ETC) driven by movements in share price and therefore outside of Darktrace's control, these costs are excluded in the calculation of Adjusted EBITDA. This treatment improves the ability to make period-to-period comparisons of core operating performance and is consistent with treatment applied by listed European and US software peer companies.

For the calculation of this measure, Darktrace treats the appliance depreciation reflected in cost of sales as though it were a current period cash cost. Unlike most other software companies, Darktrace supports on-premise software deployments on appliances that Darktrace owns, maintains and reuses over their useful lives. This treatment provides better comparability to other software companies that sell hardware (and recognise direct cash costs) to support similar deployments.

Performance

Year-over-year, pro-forma Adjusted EBITDA increased by $87.1 million, resulting in a 6.3% percentage point increase in Adjusted EBITDA margin to 35.1%. This margin expansion reflects continued scale efficiencies and ongoing discretionary cost management during the period.

A reconciliation of Operating profit (EBIT) to Adjusted EBITDA is shown in the next table.

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Reconciliation of Net Profit to Adjusted EBITDA

$'000	FY 2026	For the period from 19 April 2024 to 30 June 2025	FY 2025 pro-forma
Revenue	**922,752**	**321,542**	**820,757**
Net loss	**(154,603)**	**(527,478)**	**(170,434)**
Taxation	(31,822)	(120,693)	(2,549)
Finance income	(29,699)	(11,038)	(17,326)
Finance cost	210,757	134,678	135,379
Operating loss (EBIT)	**(5,367)**	**(524,531)**	**(54,930)**
Operating margin (%)	**(0.6)%**	**(163.1)%**	**(6.7)%**
Depreciation & amortisation	345,626	241,672	127,462
EBITDA/(LBITDA)	**340,259**	**(282,859)**	**72,532**
Appliance depreciation in cost of sales	(18,048)	(12,906)	(17,008)
Impairment of right-of-use asset	–	(217)	(217)
Amortisation of capitalised commission	(46,210)	(18,268)	(87,319)
Share-based payment (SBP) charges	46,233	145,810	172,228
Share-based payment and Cash Replacement Award (CRA) related employer tax charges	208	6,078	11,084
Acquisition costs	1,093	74,776	85,114
Adjusted EBITDA/(LBITDA)	**323,535**	**(87,586)**	**236,414**
Adjusted EBITDA margin (%)	**35.1 %**	**(27.2)%**	**28.8 %**

In FY 2026, there was a $1.0 million, or 6.1%, year-over-year increase in depreciation of appliances in Cost of sales, to $18.0 million. Appliance depreciation did not grow in line with Darktrace's revenue growth, as more customers chose to have products deployed virtually, and as Darktrace sells more products that are only deployed virtually.

FY 2026, amortisation of capitalised commission decreased by $41.1 million, or 47.1%, to $46.2 million (FY 2025 pro-forma: $87.3 million). Most of this movement is the effect of the $39.5 million credit from unwind of the fair value adjustments to the capitalised commission accounted at acquistion (nil in FY 2025 pro-forma). The remaining variance relates to the change to the Group's capitalised commission policy, where the amortisation period has been extended to reflect the estimated life of the customer rather than the contract (please see note 11).

Share-based payment (SBP) charges of $46.2 million in FY 2026 decreased by $126.0 million. The FY 2025 pro-forma comparative of $172.2 million included the one-off acceleration of legacy share-based payment at acquistion.

FY 2026 acquisition costs relate to the Mira acquisition. See note 2 to the financial statements for more details.

Future contracted revenue

$'000	30 June 2026	30 June 2025
Future contracted revenue	1,302,453	1,396,300

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Definition and relevance

Future contracted revenue represents revenue expected to be recognised over the term of the contract (see note 3 to the consolidated financial statements for details). In line with IFRIC 22, the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (in whole or part) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration. One-time revenue is included in the calculation but because of the high proportion of subscription revenue in Darktrace's revenue base, it is not material. Future contract value does not include any opt-out clauses i.e. revenue expected after opt-out date, up to the termination date of the contract.

Future contracted revenues often known as RPO is a KPI used by software and Software-as-a-Service ("SaaS") companies; Darktrace reports on this KPI as it provides stakeholders with an indication of future years revenue and baseline revenue growth. It includes only future recurring contract value – more than 99% of Darktrace's contract value is subscription-based – with all one-time future contract values excluded. RPO reflects actual contract status so unrenewed contract values cease to be reflected at their termination dates and future-dated contract values only become included at their start dates.

Performance

As at 30 June 2026, future contracted revenue was 6.7% lower than it was at 30 June 2025. This is primarily owing to a large cohort of signed contracts which become available to renew in the financial year following 30 June 2026, reflecting prior periods of high ARR growth. As a result, the average contract life contributing to future committed revenue is temporarily shorter than typical (resulting in lower than average value) until this renewal cycle is complete.

$'000	30 June 2026	30 June 2025
Due within 12 months	751,393	777,585
Due within 1 - 2 years	368,533	424,640
Due within 2 - 3 years	152,778	165,569
Due within 3 - 4 years	24,242	26,257
Due over 4 years	5,507	2,249
Total	**1,302,453**	**1,396,300**

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1.5 Stakeholder Engagement & Section 172

This statement provides information about the key stakeholders relevant to Darktrace's success and complying with s.172 reporting requirements. This section sets out the strategic decisions taken over the year and explains how the Board had regard to the matters in s. 172 (1) (a) to (f) in reaching those decisions.

For the purposes of this report, the Board is considered to be the directors of Darktrace Midco I Limited and the members of Darktrace GP, LLC, the General Partner of Darktrace Topco, L.P. together with Management. The Board and each director acknowledges that the success of Darktrace's strategy is reliant on positive engagement with all the Group's stakeholders. The Board believes that Darktrace is stronger and can achieve its goals working in collaboration with, and having regard to, all stakeholders. Darktrace has a global and diverse community of stakeholders, each with its own interests in and expectations of it. Due to the scale and geographic spread of Darktrace businesses, stakeholder engagement mostly takes place at an operational level and the Board is therefore reliant on Management to help it fully understand the impact of the Group's operations on its stakeholders.

The Board considers the Group's key stakeholders to be its owners, customers and partners, its people, its suppliers and the communities in which the Group operates.

During the year, the Board considered information from across the Group's businesses in the form of reports and presentations from Management and took part in discussions which considered, where relevant, the impact of the Group's activities on its key stakeholders. These activities, together with direct engagement by the Board and individual directors with the Group's stakeholders, helped to inform the Board in its decision-making processes.

As a Board, the directors' collective role is to act as responsible guardians and stewards of the Group. In so doing, the Board ensures that the Group is optimally positioned to achieve its long-term sustainable aims and deliver value for its stakeholders. The Board recognises that balancing the needs and expectations of stakeholders is important, but it often must make difficult decisions based on competing priorities where the outcome is not positive for all of the Group's stakeholders. Decisions are not taken lightly, and the decision-making process has been structured to enable Directors to evaluate proposed business activities and the likely consequences of its decisions over the short, medium, and long term, with the aim of safeguarding the Group so that it can continue in existence, fulfilling its purpose and creating value for all stakeholders.

Stakeholders

Shareholders
Thoma Bravo is the main shareholder; in addition, certain employees of Darktrace hold investments in the group mostly through a management incentive programme focused on senior leadership.

The key focus for Darktrace's Shareholders is to deliver long-term sustainable growth with the group being able to self-fund its growth strategy and investments due to its profitable business model. Key metrics for its owners to measure success include:

- ARR (annualised recurring revenue);
- Adjusted EBITDA; and
- Customer growth (total number of subscription customers to its platform).

Customers
Darktrace delivers its cyber-AI technology to its customers which defends their most critical digital assets. Whether that business is a multinational corporation with a huge digital footprint or a local business,

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Darktrace seeks to help them to continue to deliver their products and services to their customers by protecting their digital ecosystem from those who are seeking to exploit it for personal or political gain.

At the heart of Darktrace are its customers and Darktrace remains focused on bringing more of its cyber-AI technology to more organisations around the world. Darktrace customers want products that give them security and peace of mind to focus on what is important to them and their businesses combined with confidence that Darktrace operates efficiently and ethically, keeping its customers' data secure.

Channel Partners

Darktrace relies on channel partners, including resellers and referral partners, to generate a significant portion of its revenue. The Darktrace Defenders Partner Program demonstrates a solid foundation for the global partner channel, driving deeper collaboration, Darktrace continues to strengthen the support it offers to partners to enable their business with Darktrace to better serve their and Darktrace's customers,for example through the Authorised Partner Program, which supports partners to gain the knowledge to become validated experts in Darktrace products, as well as access personalised role-based learning paths and technical sales tools.

These enhancements are designed to support Darktrace in making the most of the opportunities provided by the channel community with a view to a faster route to market for Darktrace and, in particular, deeper penetration into the US.

People

Darktrace's people are its greatest asset and are critical to the success of the business. They want to succeed in their roles, playing a part in meeting Darktrace's ambition of being the essential cybersecurity partner in the era of AI. Darktrace's people want to work in an inclusive, ethical environments where they feel connected and impactful.

As referred to in the Responsible Growth & Governance section, Darktrace conducts a listening exercise annually through an employee engagement survey. The all-employee survey evidenced improved engagement through a year of business transformation. The internal conversation focused on alignment around the strategy and operating priorities to increase pride in and ownership of growth. There are also regular company-wide calls led by the CEO to discuss the company's performance and in-person "town halls" in certain offices when the CEO or other leadership are in the office, where updates are provided and there is ample opportunity to ask questions of leadership.

Suppliers

Darktrace's suppliers support the efficient operation of the business. Suppliers want to receive a fair price and to be paid on time for the products and services they provide.

Darktrace has excellent relationships with its key suppliers and Darktrace ensures the stability of those relationships by establishing appropriate credit lines that support Darktrace's growth. There are supplier due diligence checks in place, and Darktrace continues to evaluate and, where appropriate, improve its supplier controls and processes (including the on boarding process).

Community and broader ecosystem

Darktrace acknowledges that it can only succeed as a business if it uses its technology, expertise and scale to solve the challenges the communities it serves and depends on.
Darktrace understands its core responsibilities to be:

- Data protection and security
- Responsible AI innovation;
- Building a diverse technology and cyber workforce; and
- To act as a responsible user of its appropriate share of the world's finite resources

More information on Darktrace's community initiatives can be found in the Responsible Growth and Governance section (page 20).

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Principal Board decisions and stakeholder engagement

Set out below are decisions taken by the Board where the impacts on various stakeholders have been considered.

Strategy and leadership changes
Context: The company has changed strategic direction to focus on simplifying the product narrative, focusing investment on Secure AI and core markets, and improving operational execution. As part of this there have been some changes to Management.

Decision making process: Following Ed Jennings joining the business, action was focused on four key pillars:

- Lead with Secure AI
- Concentrate on the core customer
- Improve commercial velocity, retention, and close regional gaps
- Build AI-first operations

Stakeholder considerations: By focusing on a strategy to deliver improved growth the Board had regard to (i) customers and partners with the development and launch of Secure AI and returning the focus back to Darktrace's core customer; (ii) employees with the focus to improve commercial velocity and retention, and AI-first operations pillars to smooth areas of frustration and friction, and to improve productivity and job satisfaction; and (iii) suppliers with the focus on improving processes and AI-first operations pillars to improve communications and external relationships.

Impact of these actions on the long-term success of Darktrace: Darktrace had the guidance and backing of Thoma Bravo to implement the actions required to achieve the goals stated above, thereby consolidating its position as a leader within its industry.

Outcome: Ed Jennings joined as CEO to focus on establishing clarity, setting the company up for consistent execution, and strengthening leadership cadence for accountability and speed. To support the new strategy David Morris, Chief Legal Officer, Beth Shea, Chief Customer Officer and Michael McGuiness, Interim Chief Revenue Officer, joined the Darktrace Management team to ensure Darktrace's growth through the four key pillars set out above.

Secure AI
Context: Darktrace identified the gap around securing AI in enterprises as an opportunity. The R&D team were pivoted to focus on the Darktrace product offering and continue the tradition of innovation at Darktrace.

Decision making process: The potential capabilities of Secure AI and the increasing desire of customers to consolidate platforms was tested and verified through a programme of internal and external interviews and feedback.

Stakeholder considerations: By focusing on the Secure AI product development and FY27 launch, the decision-makers had regard to employees, customers and partners through the investment in R&D and continuing Darktrace's history as being a British technology champion operating at the forefront of AI;

Impact of these actions on the long-term success of Darktrace: Darktrace has used Secure AI to streamline and simplify its product offering. Secure AI demonstrates Darktrace's continuing leadership in its sector.

Outcome: Investment in the programme and the R&D team led to the development of the Secure AI product.

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Acquisition of Mira Security
Context: The opportunity to acquire a leading provider of network traffic visibility solutions was identified, which would strengthen Darktrace's network security leadership.

Decision making process: The Board looked at the product and Mira Security coverage of network traffic and the potential to strengthen network security leadership.

Stakeholder considerations: Customers - improve visibility over encrypted data; Partners – a more comprehensive product coverage for network traffic; Employees – further enhancing the product offering and improving the long-term sustainability of the company by demonstrating innovation and growth in R&D.

Impact of these actions on the long-term success of Darktrace: The acquisition would continue Darktrace's ongoing investment into growth and innovation across its cybersecurity platform

Outcome: Darktrace announced the acquisition on 21 July 2025.

Section 172(1) (a) to (f)

Further details of how the Board and the Directors have fulfilled their section 172 of the Companies Act 2006 duties can be found throughout the Strategic and Governance reports as referenced against section 172 (1) (a) to (f) of the Companies Act 2006 below.

Directors of the Group must act in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members, and in doing so have regard (amongst other matters) to:

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S172 Factor	More Information	Page Reference(s)
The likely consequences of any decision in the long term	Section 172 (1) Statement	14
The interests of the Group's employees	People Strategy	26
	Product Update	4
	Responsible Business	20-27
	Section 172 (1) Statement	14
	Operating Priorities	4
The need to foster the Group's business relationships with suppliers, customers and others	Responsible Business	20-27
	Section 172 (1) Statement	14
The impact of the Group's operations on the community and the environment	Environment	20-27
	Ethics and Governance / Responsible Business	20-27
	Section 172 (1) Statement	14
The desirability of the Group maintaining a reputation for high standards of business conduct	Ethics and Governance / Responsible Business	20-27
	Section 172 (1) Statement	14
The need to act fairly between members of the Group	Operating Priorities	4
	Ethics and Governance / Responsible Business	20-27
	Section 172 (1) Statement	14

Non-financial information statement

The following table shows where the key content requirements of the Non-financial Information Statement (as required by sections 414CA and 414CB of the Companies Act 2006) are in this document and on the Darktrace website.

Content Requirement	Page Reference(s)
Darktrace's Key Performance Indicators	8 -13
Ethics and Governance	
Governance and Leadership	26
Respect for Human Rights and Anti Modern Slavery	18
Anti-Bribery and Corruption Matters	19
Environment matters	20 - 27
Darktrace's People	
People and Culture	24
Employee Engagement	24
Diversity	33
Social Matters	24 -25

Ethics and governance

Human Rights: Darktrace has a Modern Slavery Policy, and the latest Modern Slavery Statement can be found on the Darktrace website at www.darktrace.com. Although human rights are not a material issue for the company, Darktrace supports international standards on human rights and takes a zero-tolerance

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approach to modern slavery, as stated in its Modern Slavery Policy, and expects its people to do the same.

Anti-bribery and corruption

Darktrace has an Anti-Bribery and Corruption Policy supported by an automated Gifts and Hospitality process available to all employees to support reporting and compliance. Training and guidance to its people on anti-bribery and corruption is part of the general compliance training and a specific module on this matter is being developed. The policies are stored on a central point and are available for employees to read.

Governance and oversight

In addition to the matters above, Darktrace has an Anti-Fraud Policy, an Anti-Money Laundering Policy and several other policies that support a robust compliance environment all of which are regularly reviewed and updated to remain in line with current requirements. A Whistleblowing Policy and reporting procedures alongside a third-party whistleblowing portal, which allows for anonymous reporting, ensures all Darktrace people, including contractors, can report any suspected wrongdoing safely. All reports are taken seriously and thoroughly investigated.

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1.6 Responsible Growth and Governance

Strategy

At Darktrace, responsible growth means scaling the business while maintaining the trust of customers, employees, partners, and other stakeholders.

Oversight sits with Management and the Board, including through Darktrace's Enterprise Risk Management framework. This framework considers climate and broader ESG risks, responsible AI, data protection, product security, employee engagement, and good business practices. Darktrace's ambition remains to reduce its environmental impact and progress towards net zero emissions by 2040.

Sustainability strategy – Environment (TCFD & SECR)

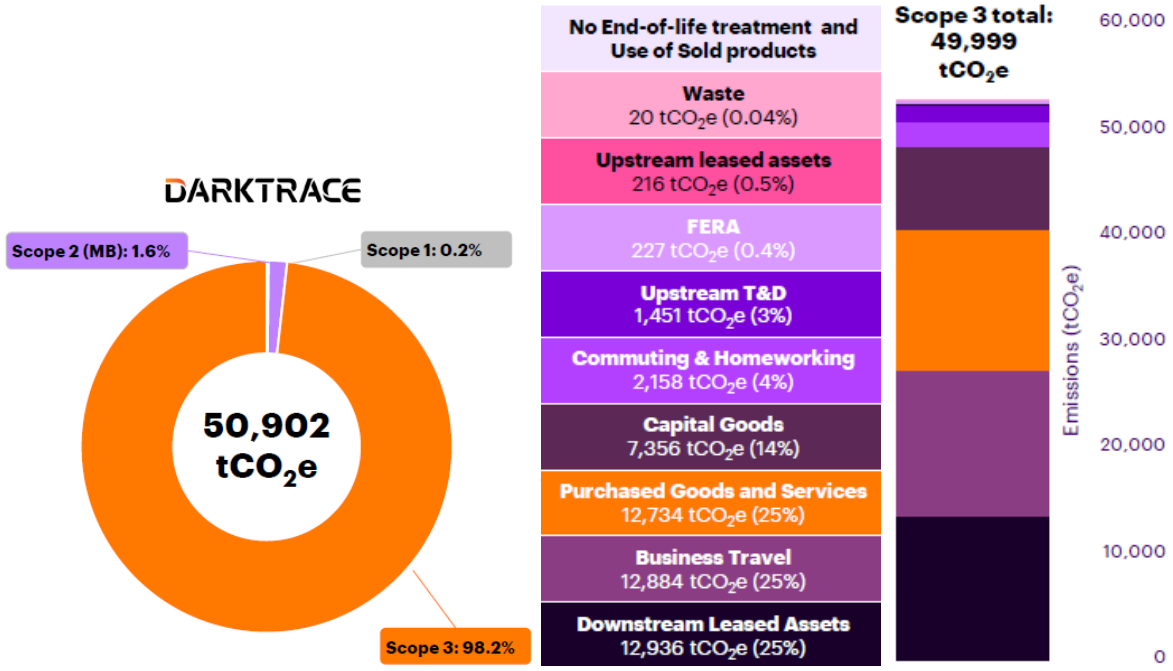
Darktrace seeks to reduce its environmental impact wherever possible. As part of this, adherence to regulations and ensuring compliance across all areas of responsible growth and governance remains a core priority. The most impactful of these are the environmental regulations that Darktrace complies with across the UK, EU and USA. Further detail on Darktrace's climate-related governance, strategy, risk management and metrics and targets is set out in Darktrace's TCFD Report for FY 2026, available at https://www.darktrace.com/legal.

Below is an outline of Darktrace’s approach to applicable regulations across all three pillars.

Environmental compliance strategy
Despite Darktrace’s operations management having assessed that the Company’s environment and climate related risks are not material to the business, Darktrace recognizes that it is nonetheless important to demonstrate sustainability leadership by reducing its environmental impact and increasing its energy efficiency wherever possible, including across its products, offices, employee behaviours and operations.

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Headline FY 2026 Carbon Emission Figures:



Darktrace measures its Scope 1, 2 and 3 emissions in accordance with the GHG Protocol, using an operational-control boundary. Total market-based emissions decreased by 17% to 50,902 tCO_2e in FY26. This reduction partly reflects lower expenditure and changes to spend-based emission factors, so it does not represent an equivalent underlying reduction in carbon-generating activity. Business travel emissions increased by 90% and downstream leased-asset emissions by 17%. Darktrace monitors the effectiveness of its environmental approach through its annual emissions inventory and science-based targets. During FY26, it introduced the Watershed reporting platform, increased the use of supplier-specific data and reduced freight emissions through its Dallas deployment centre. Darktrace remains off track against its Scope 1 and 2 reduction target and will review its governance, targets and decarbonisation plan during FY27.

Set out below is a summary of our global greenhouse gas emissions for this financial year:

Emissions data by activity	Activity	FY2020-21 (baseline)	FY2024-25	FY2025-26	Change on baseline (%)	Change on FY25 (%)
Scope 1 Emissions tCO2e	Natural Gas	18	96	89	394.0 %	(7.0)%
	Refrigerants	1	–	–	(100.0)%	0.0 %
	Diesel	–	–	–	0.0 %	0.0 %
Scope 1 subtotal		19	96	89	368.0 %	(7.0)%
Scope 2 emissions tCO2e (Market-based)	Electricity	290	851	814	181.0 %	(4.0)%
	Heat & Steam	30	–	–	(100.0)%	0.0 %
Scope 2 subtotal (Market-based)		320	851	814	154.0 %	(4.0)%
Scope 2 emissions tCO2e (Location-based)	Electricity	265	610	639	141.0 %	5.0 %
	Heat & Steam	30	–	–	(100.0)%	0.0 %
Scope 2 subtotal (Location-based)		295	610	639	117.0 %	5.0 %

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Scope 3 emissions tCO2e	Purchased Goods & Services	9,200	30,536	12,734	38.0 %	(58.0)%
	Capital Goods	9,509	7,621	7,356	(23.0)%	(3.0)%
	Fuel & energy related activities	104	287	227	118.0 %	(21.0)%
	Upstream Transportation & Distribution	2,982	2,092	1,451	(51.0)%	(31.0)%
	Waste	30	20	20	(33.0)%	0.1 %
	Business Travel	213	6,773	12,884	5,949.0 %	90.0 %
	Employee Commute & Home Working	2,223	1,782	2,158	(3.0)%	21.0 %
	Use of Sold Products	616	79	–	(100.0)%	(100.0)%
	End of Life treatment of sold products	–	–	–	(100.0)%	(100.0)%
	Upstream Leased Assets (Serviced Offices - MB)	167	216	233	40.0 %	8.0 %
	Upstream Leased Assets (Serviced Offices - LB)	155	194	214	38.0 %	10.0 %
	Downstream Leased Assets	6,119	11,079	12,936	111.0 %	17.0 %
Scope 3 Subtotal		31,318	60,679	50,213	60.0 %	(17.0)%
Total gross emissions tCO2e (Market-based)		31,657	61,626	51,116	60.0 %	(17.0)%
Total gross emissions tCO2e (Location-based)		31,632	61,385	50,941	61.0 %	(17.0)%
Intensity Metrics (Scope 1, 2 and 3)	Emissions per revenue (tCO2e/'million$)	139	n/a	55	(60.0)%	n/a
	Emissions per employee (tCO2e/FTE)	24	n/a	22	(9.0)%	n/a

Market based emissions and energy use	**FY25**			**FY26**		
	UK	**Global (exc. UK)**	**Total**	**UK**	**Global (exc. UK)**	**Total**
Scope 1 and 2 plus employee cars:						
Market based emissions (tCO2e)	379	472	851	389	515	904
Energy from natural gas, heat & steam, electricity & company cars:						
Energy use (kWh)	975,653	1,059,401	2,035,054	1,463,508	1,320,832	2,784,340

All calculations and data processing are performed following a methodology that aligns to the GHG Protocol Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

The full TCFD report will be published on Darktrace's corporate website.

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Moving forward
With scope 2 emissions accounting for 90% of scope 1 and 2, Darktrace can achieve the target by procuring renewable electricity.

Darktrace is back on track for its scope 3 intensity-based target, though the material increase in gross profit and lower emission intensity of factors are playing a major part in this. It should be noted that the scope 3 boundary expands for the long-term target to include emission sources that are excluded from the 2030 target.

Reducing scope 1 emissions on an absolute basis will require a dual focus on energy efficiency and renewable energy. Darktrace will continue to explore how it can use energy more efficiently to reduce energy intensity whilst also working to ensure that the energy used is sourced from zero or low carbon sources.

Decarbonisation strategy
As outlined above, Darktrace is dedicated to reducing its environmental impact beyond adherence to regulation. Details on steps already taken by Darktrace is set out below.

Sustainable property
Management's careful oversight of a hybrid working and hot desk policy has allowed Darktrace to optimise the footprint of the business, ensuring that offices are placed strategically around the world. Darktrace intends to future-proof its energy efficiency strategy by ensuring that renewable tariffs are in place across all new and existing office buildings wherever possible, to help Darktrace achieve energy zero in every location possible.

Darktrace regularly reviews its global portfolio of 28 offices to ensure efficiency and has made several changes in the second half of FY26. This includes opening upgraded offices in locations with a critical mass of staff while closing others where operational costs outweighed activity levels.

Sustainable employees
Management applies a robust travel policy which considers sustainability criteria as part of the employee travel approval process.

Sustainable product
Management continued to evolve its repair, rebuild or recycle policy on hardware to ensure its hardware has a sustainable lifecycle. This initiative is in motion, with Darktrace's development team working to migrate appliance-based UVs (light-weight software that allows data from multiple masters to be viewed from a single user interface (UI) to cloud-based equivalents with customers coming up for renewal, and Darktrace will encourage its customers to replace End of Life hardware with cloud-based alternatives wherever possible.

Additionally, Darktrace is exploring other options in its logistical and operational processes surrounding the product. Darktrace has implemented DHL's program to lower carbon emissions with sustainable aviation fuel when transporting devices internationally. Darktrace is also opening a new logistic hub in the US to reduce international travel associated with hardware deployments.

Sustainable supply chain
Darktrace is committed to identifying its largest suppliers and conducting reviews to understand how they are decarbonising their operations.

Darktrace's SECR compliant directors' statement
Darktrace recognises that its operations have an environmental impact and is committed to monitoring and reducing its emissions year-over-year. Management is aware of its UK reporting obligations under

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The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Darktrace has operational control of all of its subsidiaries which are also included in the data presented above.

Social strategy

Darktrace is committed to retaining and developing world-class talent through fostering a stimulating, inclusive and high-performing working environment.

Building an engaged, inclusive and high-performing workforce

Employee Engagement

Darktrace continued to assess employee engagement through its annual employee survey. In FY 2026, the survey achieved an 87% participation rate.

The survey highlighted employee pride in Darktrace, confidence in its technology and mission, and positive experiences within teams. Feedback also identified opportunities to improve strategic clarity and simplify ways of working, informing initiatives to strengthen strategic alignment, improving operational effectiveness and employee experience.

Talent Development

Darktrace continued to invest in employee development through the Darktrace Intelligence Academy.

The Group expanded its manager development curriculum. Together these initiatives form a four-tier manager development framework designed to build leadership capability across the organisation. During FY 2026, 179 managers participated in manager development programmes, with women representing 39% of participants.

Darktrace continued to enhance its performance and development processes through Workday. Performance reviews and goal-setting processes were embedded across the organization.

Darktrace launched LinkedIn Learning globally during the year, achieving over 50% employee activation, exceeding benchmark activation rates by 13%. Learning pathways aligned to more than 50 core competencies were introduced. Darktrace also expanded its coaching and mentoring programme, facilitating mentoring and coaching matches across FY 2026.

Onboarding

Darktrace continued to enhance its onboarding experience. Improvements to the Day 1 and Day 2 onboarding programme. As a result, 99% of new hires reported feeling welcomed and 99% reported excitement about beginning their role at Darktrace.

Hiring quality

Darktrace embedded its Objective Assessment Framework, providing a consistent global interview process that evaluates technical capability, alignment with company values and adaptability. Assessment data is used to support hiring decisions but also to inform the early development of new employees.

Diversity

Darktrace is committed to equal access to opportunity across technical roles, leadership, and career progression. The approach is set out in a company policy for which the Chief People Officer has overall

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responsibility, and recruitment, promotion, pay, and training decisions are based on merit and equal treatment for all.

The policy sets objectives focused on fair process and equal opportunity. These include making recruitment and promotion decisions on merit against objective criteria, advertising roles to the widest possible candidate pool, training employees and managers to apply fair and consistent practices, and monitoring the policy's effectiveness using data collected in line with local laws. Darktrace also supports employees through merit-based career development, reasonable adjustments for those who need them, and employee networks that build community.

The Company has not become a signatory to the Investing in Women Code, the Women in Finance Charter, the FTSE Women Leaders Review or the Parker Review, as the first two are directed at providers of finance and financial services firms rather than a cybersecurity technology company, and no longer falls within the population of listed companies that the latter two reviews were established to monitor.

At the financial year end, Darktrace had 8 directors on the Board, of which one was female; and 12 members of the Executive Team, of whom 10 were male and two were female, representing 83.3% and 16.7% of the Board respectively. Darktrace had 69 senior managers, excluding directors, of whom 46 were male and 23 were female. This represented 66.7% male and 33.3% female senior management.

Category	Number on the Board Of Members, Darktrace GP, LLC	Percentage of the Board Of Members, Darktrace GP, LLC	Number of senior positions on the Board (CEO, Chair)	Number in executive management	Percentage of executive management
Men	7	87.5 %	2	10	83.3 %
Women	1	12.5 %	–	2	16.7 %
Not specified / prefer not to say	–	0.0 %	–	–	0.0 %

Darktrace had 2,302 employees at the financial year end. Of these, 1,559 were male, 734 were female and nine had not disclosed their gender, representing 67.7%, 31.9% and 0.4% of employees respectively. As an employer with 250+ employees in the UK, Darktrace publicly reports on its Gender Pay Gap. From 2024 to 2025, the mean gender pay gap fell from 5.4% to 1.8%. Over the same period, the median gender pay gap fell from 15% to 11.8%.

Population	Men (number)	Men (%)	Women (number)	Women (%)	Not disclosed (number)	Not disclosed (%)	Total
Executive Team	10	83.3 %	2	16.7 %	–	0.0 %	12
Senior managers (excluding Executive Team)	46	66.7 %	23	33.3 %	–	0.0 %	69
All employees	1,559	67.7 %	734	31.9 %	9	0.4 %	2,302

Darktrace supported its Employee Resource Groups ("ERGs"), which foster community, inclusion and belonging across the organisation. The ERGs remain executive-sponsored and provide employees with opportunities to connect, share experiences and contribute to initiatives that support an inclusive workplace.

Keeping Customers and Society Ahead of the Changing Threat Landscape

Darktrace supports organizations of all sizes, including those operating critical infrastructure and complex supply chains. During FY 2026, the Group continued to invest in customer enablement so that security teams can make effective use of Darktrace products and strengthen their own cyber resilience.

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Darktrace Academy provided more than one hundred on-demand e-learning modules for customers and offered eight certifications.
The Group also continued to share threat insight beyond its customer base. Darktrace's Inside the SOC series, authored by its cyber analysts, provides practical lessons from threat research and incident trends. Darktrace also maintained collaboration with relevant public sector and industry partners, including national technical authorities, to support information sharing on cyber threats, nation-state activity, and critical infrastructure resilience.

Responsible Innovation in Artificial Intelligence
Darktrace has applied AI to cybersecurity since its founding in 2013. In FY 2026, the Group's responsible AI program enhanced its approach to external assurance and operational governance.

On 23 July 2025, Darktrace announced that it had achieved ISO/IEC 42001 certification from BSI, becoming one of the first cybersecurity companies globally to do so. ISO/IEC 42001 is the first international standard specifically for AI management systems and provides a structured framework for AI governance, risk management, and responsible AI deployment.

The certification builds on Darktrace's existing compliance framework, including ISO/IEC 27001, ISO/IEC 27018, and Cyber Essentials. It also supports Darktrace's Responsible AI Framework.

Building the next generation of technologists at Darktrace and beyond
Darktrace continues to invest in people from a wide range of academic and professional backgrounds. Its R&D teams bring together specialists from traditional and non-traditional routes into technology, supporting innovation through a broader range of perspectives and skills.

This year, Darktrace was named an anchor partner in the UK Government’s newly launched Spärck AI Scholarship, an initiative designed to accelerate exceptional STEM talent into AI research and industry leadership.

Darktrace also continued its partnership with Loughborough University to support Doctoral Researcher posts at the University's Cyber Security Centre. The partnership focuses on interdisciplinary research at the intersection of AI and cybersecurity. The Group maintained its involvement with TechFirst, a program associated with the National Cyber Security Centre that helps young people develop technology and cybersecurity skills. Darktrace also continued to work with Year Up in the United States, supporting routes into meaningful careers for young adults and contributing to a more diverse talent pipeline.

Governance

Darktrace’s Governance strategy, guided by the early results of its materiality assessment, focuses primarily on evolving three key areas: data protection and security; good business practices; and Board composition.

Protecting customer data
Darktrace maintains a security-first approach to customer data, with controls designed to protect information throughout its lifecycle and, where possible, processing AI in customer environments rather than shared training repositories.

During FY 2026, Darktrace strengthened governance, monitoring, information protection, data classification, access, retention and handling controls through its Information Security Management System.

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Darktrace maintains ISO 27001 and ISO 27018 certifications and continued its AI governance programme; these frameworks support secure management of customer, employee and corporate data.

Protecting Darktrace systems

Darktrace operates a layered security programme combining technology, governance and operational controls to protect its systems and critical business services, supported by its own AI-powered security technologies and a dedicated Security Operations Centre.

During FY 2026, Darktrace strengthened identity governance, privileged access, third-party risk, cloud security, security monitoring and business resilience controls, including oversight of critical systems and suppliers.

Darktrace applies security, privacy and risk considerations when evaluating and adopting AI-enabled services.

Good business practices - Robust oversight, management and effective communication

In FY 2026, the journey to transform how Darktrace sells to and serves its customers and partners continued by rolling out Salesforce as its core Customer Relationship Management (“CRM”) and quoting platform to improve consistency and data visibility.

Board composition

At the start of the financial year Rachel Elias-Jones and Catherine Graham were directors of Darktrace Midco I Limited, with Catherine Graham stepping down on 24 September 2025 to be replaced by Phil Pearson on that same date, and Phil Pearson and Rachel Elias-Jones stepping down on 18 June 2026. Terence Doyle, David Smith and David Morris were appointed the directors of Darktrace Midco I Limited on 18th June 2026.

At the end of the reporting year there were eight members of Darktrace GP, LLC, the General Partner of Darktrace Topco, LP, being:
(i) Ed Jennings, Darktrace CEO, an executive director;
(ii) Charles Goodman, the Chair, Seth Boro, Andrew Almeida, Sacha May, Erik Akopiantz and Evan Lorch, who are directors, officers, employees and/or operating partners of shareholder Thoma Bravo; and
(iii) Paula Hansen, an independent non-executive director.

There was one further director representing Thoma Bravo who stepped down during the year, Nabil Hamade. There are no members of Darktrace GP, LLC based in the UK.

Together, these directors provide oversight of the Group's strategy, performance and governance, while reflecting the interests of the Group's private equity ownership and the independent perspective contributed by the independent non-executive director.

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1.7 Risk

In preparing the Annual Report and audited financial statements for the year ended 30 June 2026, the Directors have had regard to the Walker Guidelines for Disclosure and Transparency in Private Equity. The Directors consider that the enhanced disclosures relevant to Darktrace are included in this Annual Report, including disclosures on ownership, Board composition, business model, strategy, key performance indicators, principal risks and uncertainties, stakeholder engagement, employees, environmental matters and climate-related financial disclosures. Where relevant disclosures are presented elsewhere in the Annual Report, cross-references have been provided.

Effective risk management is central to Darktrace's ability to deliver its strategy, protect customer trust, support sustainable growth and preserve long-term value. During FY 2026, Darktrace's risk profile reflected the continued development of the Platform Portal, expansion of SaaS and AI-enabled operating models, significant transformation activity, evolving AI and cyber regulatory expectations, a changed capital structure following the Thoma Bravo acquisition, and the need to maintain operational resilience across a global cyber security business.

Enterprise risk management framework

Darktrace maintains an Enterprise Risk Management ("ERM") framework aligned with ISO 31000. The framework supports a consistent approach to identifying, assessing, managing, monitoring and reporting risks across the business.

The Board has overall responsibility for risk management and risk appetite. The Audit Committee supports the Board by overseeing the ERM framework, principal risks and internal controls. The Risk Steering Committee ("Risk Steerco") reviews principal, emerging and business risks quarterly and reports significant matters to the Audit Committee and the Board. Business functions are responsible for managing risks within their areas and escalating material changes.

Darktrace uses a top-down and bottom-up approach to identify risks. Risks are assessed by reference to likelihood and potential impact before and after existing controls. Each principal risk has an Executive Owner, and material matters may be escalated outside the regular reporting cycle where necessary.

For further information on how the Directors have fulfilled their duties under section 172 of the Companies Act 2006, including having regard to stakeholder interests in risk-related decisions, see the Section 172 Statement on page 18. Climate-related risks and opportunities are integrated into the ERM framework and are addressed in Darktrace's TCFD Report for FY 2026, available at https://www.darktrace.com/legal.

Opportunities
In addition to overseeing principal risks, the Board considers opportunities to create and preserve long-term value through Darktrace's strategy and business-planning processes. Material opportunities are considered alongside the associated risks, stakeholder impacts and Darktrace's risk appetite. Further information is provided in the Strategy and Business Model sections on page 2.

Principal Risks

Inability to innovate Darktrace products
Risk description: Darktrace may fail to develop and enhance Darktrace products in response to evolving cyber threats, developments in generative AI, customer requirements and market expectations. This could reduce customer value or security outcomes, damage reputation and competitiveness, constrain growth, or result in investment in products that do not meet customer needs.

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Mitigating actions: Darktrace invests in research and development, specialist expertise and a structured product roadmap. Customer feedback, market insight and collaboration across product, R&D and go-to-market teams help align innovation with strategy and customer needs.

Change during FY 2026: No material change.

Customer service delivery failure
Risk description: Darktrace may fail to anticipate customer needs or deliver services effectively throughout the customer lifecycle, including supporting customers to maintain healthy deployments and realise product value. This could result in customer dissatisfaction, contract termination, increased churn, reputational damage, reduced growth, and financial or legal exposure.

Mitigating actions: Darktrace is strengthening its customer success model, clarifying customer and Darktrace responsibilities, and improving the processes and product capabilities used to support deployment health, customer value and proactive service delivery.

Change during FY 2026: No material change.

Inadequate channel sales and support
Risk description: Darktrace relies on distributors, resellers, referral partners and managed service providers for a significant proportion of its route to market. This could reduce growth or market coverage and create customer service, governance, compliance or conduct issues involving partners.

Mitigating actions: Darktrace maintains partner selection, onboarding, due diligence and monitoring arrangements. The Group continues to focus on strategic partners that align with its commercial, governance, compliance and ethics expectations.

Change during FY 2026: No material change.

Failure to retain and attract employees
Risk description: Darktrace may fail to retain and attract employees with the skills and experience needed to deliver its strategy. This could cause loss of expertise, operational disruption, delayed delivery, increased recruitment costs and reduced employee engagement.

Mitigating actions: Darktrace invests in recruitment, career development, reward, learning and leadership capability. Management monitors people risks and focuses on roles and teams where specialist skills or retention are most important to strategic delivery.

Change during FY 2026: No material change.

Darktrace cyber incident
Risk description: Darktrace may experience a cyberattack, system compromise, insider threat or other event affecting its systems, products or data. This could result in customer or Darktrace data loss, disruption to critical functions, regulatory or legal consequences, reputational damage, or Darktrace being used as part of a supply-chain attack on customers.

Mitigating actions: Darktrace uses a layered security approach combining people, process and technology, supported by secure-by-design and defence-in-depth principles. The Group maintains security monitoring, incident response, third-party risk and resilience arrangements and periodically tests its response capabilities.

Change during FY 2026: No material change.

Patent, trade secrets and confidential know-how theft, loss or exposure

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Risk description: Darktrace may fail to protect its intellectual property, trade secrets, confidential know-how or proprietary technology. This could result in loss of competitive advantage or customer trust, unauthorised use or disclosure of proprietary technology, and legal disputes or enforcement costs.

Mitigating actions: Darktrace uses legal protections, confidentiality and contractual arrangements, access controls and security monitoring to protect its intellectual property. Processes are also maintained to identify, register and manage relevant rights.

Change during FY 2026: No material change.

Business transformation failure

Risk description: Major technology, process and organisational changes may be delayed, fail to deliver expected benefits or cause operational disruption. This could disrupt customer-facing or internal services, create data, security or compliance issues, delay expected benefits, increase costs and reduce employee productivity.

Mitigating actions: Transformation programmes are subject to executive oversight, defined ownership, programme planning and regular review of key risks, dependencies and decisions. Change management, data governance, cutover planning and contingency arrangements support implementation and business continuity.

Change during FY 2026: No material change.

Business continuity, disaster recovery and business resilience

Risk description: Inadequate continuity, disaster recovery or crisis response arrangements could prevent Darktrace from maintaining critical services during a major disruption, including cyberattacks, infrastructure failures, cloud service provider disruption, natural disasters, workforce loss or geopolitical events. This could result in prolonged disruption, data or financial loss, regulatory non-compliance, reputational damage and customer attrition.

Mitigating actions: Darktrace maintains business continuity, crisis management and disaster recovery arrangements supported by business impact assessments, defined response roles and periodic testing. The Group also maintains resilience and failover capabilities and continues to review critical dependencies and third-party resilience.

Change during FY 2026: New principal risk. Cloud Service Provider downtime was previously reported separately and is now managed as a strategic child risk within BCDR.

Financial risk, liquidity and leverage

Darktrace is exposed to liquidity, leverage, refinancing, interest rate and foreign exchange risks associated with its capital structure and global operations. These risks could increase financing costs, reduce financial flexibility, create liquidity or refinancing pressure, affect covenant compliance and cause foreign exchange volatility in reported results.

The Group manages these risks through treasury, forecasting and governance processes. The Board and management monitor liquidity, cash-flow forecasts, debt servicing, financing headroom and covenant compliance. Further information is provided in notes 7 , 22, and 10 to the financial statements.

Change during FY 2026: New principal risk.

Major changes to principal risks and ERM framework

Business Continuity, Disaster Recovery and Business Resilience was elevated to a principal risk to reflect the strategic importance of operational resilience. Cloud Service Provider downtime, previously reported

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as a standalone principal risk, is now managed as a strategic child risk within BCDR. Financial risks, including leverage, are addressed as new principal risk in accordance with the Walker Guidelines.

No material change was made to the core ERM governance structure during FY 2026.

Emerging risks

Emerging risks are risks that could become material over time but remain subject to greater uncertainty. They are identified through horizon scanning and internal and external expertise, reviewed quarterly by the Risk Steerco, and incorporated into the wider ERM framework where they become sufficiently material or quantifiable.

AI, cyber and digital regulatory change (short to medium term)
Regulatory expectations relating to AI, cyber security, operational resilience, digital products, data protection and supply-chain security continue to evolve. Darktrace monitors developments through legal, compliance and policy review and assesses their implications for products, customer commitments and internal controls.

Quantum computing and Post-quantum cryptography transition (medium to long term)
Quantum computing may, over time, undermine widely used cryptographic algorithms. Darktrace is taking a risk-based approach to post-quantum readiness, including assessing cryptographic dependencies, prioritising higher-risk systems and monitoring recognised government and industry guidance.

Signed by:
David Morris
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David Morris
Director
12 October 2026

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Directors' Report

The Directors have pleasure in presenting their Annual Report and audited financial statements of Darktrace and the Group for the year ended 30 June 2026.

The Directors' report contains certain statutory, regulatory and other information and incorporates, by reference, the Strategic Report included elsewhere in this document.

The Directors consider the annual report and financial statements to comply with the Guidelines for Disclosure and Transparency in Private Equity, or where not compliant, an explanation has been provided.

Corporate details
Darktrace Midco I Limited was incorporated under the UK Companies Act 2006 (the "Act") on 19 April 2024 as a as a private company, limited by shares, with registered number 15662253

Strategic report
The Strategic Report is a requirement of the Act and can be found on pages 2-27. Darktrace has chosen, in accordance with section 414C(11) of the Act, to include the following matters of strategic importance in its Strategic Report that would otherwise be disclosed in the Directors' Report. This information should be read in conjunction with this Directors' Report:

- information on environmental strategy, greenhouse gas emissions, energy consumption and energy efficiency is set out on pages 20- 27;
- Employee involvement in share schemes is set out on pages 64-69;
- a summary of the Group's approach to business ethics, employee welfare and practice, environmental and community matters is set out in the ESG sections on pages 20- 27;

Future development and prospects
Darktrace is in a strong position to leverage the resources it has put in place and the investments it has made in the business. The Executive team, with the support and the oversight of the Board, is well placed to take advantage of the business unique position in the cyber AI market during this pivotal moment for the sector and beyond. Darktrace has long been a global leader in AI and has pioneered a set of products which will protect organisations from the complex and increasingly AI powered threat landscape instead.

Results and dividends
The audited financial statements of the Group and of Darktrace for the period under review are set out on pages 42-99 and pages 100-107 respectively. On 20 November 2025 the Company distributed $840.4 million to Darktrace Parent Limited by way of:

- An interim dividend of $459.0 million on the accrued and outstanding A-1 preference shares up to 19 November 2025; and
- A share buy-back of 3,814,296 number of A-1 preference shares for $381.4 million.

Going forward, Darktrace intends to retain any earnings to expand the growth and development of its business and, therefore, does not anticipate paying dividends in the foreseeable future.

Research and development (R&D)
The Group has 489 employees working in research and development. Research and development costs were $70.1 million for the year ($62.3 million for the period to 30 June 2025). These are the costs associated with the Group's efforts to develop new products for its platform, expand the features of its platform, and ensure the platform's continuing reliability, availability and scalability. These costs are primarily made up of the labour and related costs remaining after capitalisation of allowable labour and related development costs, and the amortisation of such costs capitalised. Additionally, research and development does contain allocated overhead costs, primarily rents and other facilities costs that are allocated on a per employee basis.

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Financial instruments
The Group's financial risk management is controlled by a central treasury department ("Group treasury") under policies approved by the Board. Group treasury identifies and evaluates financial risks in close co-operation with the Group's CFO and other Executive Directors and Management. The Board authorises written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. See note 22 of the consolidated financial statements for further details.

Diversity and inclusion
The Group's policies support the creation of a diverse and inclusive culture where everyone is welcome. These policies demonstrate Darktrace's commitment to providing equal opportunities to all employees irrespective of age, disability, gender, race, religion, beliefs, sex or sexual orientation. The Group provides equal opportunities to all job applicants and provides full and fair consideration of applications from people with disabilities, having regard to their particular aptitudes and abilities. Each candidate will be assessed based on their individual skills and qualifications, while also considering the accommodations that can be reasonably provided to support their success in the role. For any current employee who becomes disabled, significant effort is made to provide the necessary training and support to enable them to continue their employment. Darktrace's commitment to equal treatment extends to training, career development, and promotion opportunities, all of which are offered on an equal basis as far as possible to both disabled and non-disabled people.

Stakeholder and employee engagement
Details of Darktrace's stakeholder and employee engagement is described in the Stakeholder Engagement & Section 172 statement of the Strategic Report. In addition, Darktrace has established an Employee Forum as a critical part of its employee engagement, and it is through this that employees' views can be put forward to the Board.

Going concern
In adopting the going concern basis for preparing the financial statements, the Directors have considered the Group's principal risks and uncertainties in the current operating environment and assessed these risks via a series of scenario analyses designed to evaluate the capacity of the Group to withstand a prolonged period of adverse financial conditions. The Directors' assessment covers the period to 31 December 2027.

Forecasts and sensitivities were prepared based on a series of scenarios incorporating plausible yet severe impacts on revenue and ARR, the Group's cost base, and the Group's consolidated statement of financial position. Under the severe but plausible downside scenarios, the Group maintains sufficient liquidity throughout the going concern period. In making this assessment, the Directors also considered the Group's available liquidity, including its $150 million undrawn revolving credit facility.

Furthermore, a reverse stress test was performed to establish what circumstances would be required to exhaust the Group's available cash resources within the going concern period (without utilisation of the Group's RCF). The reverse stress test indicated that a significantly more severe and sustained deterioration across a combination of trading performance, costs and customer collections would be required to exhaust available cash resources before utilisation of the RCF.

Given the extremity of these conditions, and the implausibility of the Directors not enacting any active cost saving measures in response to these conditions, the reverse stress test further reinforced the Directors' assessment that Group has adequate resources to continue as a going concern for the period to 31 December 2027. Accordingly, the Directors have prepared the financial statements on the going concern basis.

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Directors
The Directors of Darktrace Midco I Limited who served throughout the period and up to the date of signing of this Annual Report (except where noted) were:

- Catherine Graham (Group CFO): resigned 24 September 2025
- Rachel Elias-Jones (SVP Global Finance): resigned 18 June 2026
- Phil Pearson (Chief Strategy Officer): appointed 24 September 2025, resigned 18 June 2026
- Terence Doyle (Chief Information Officer): appointed on 18 June 2026
- David Smith (Chief People Officer): appointed on 18 June 2026
- David Morris (Chief Legal Officer): appointed on 18 June 2026

Darktrace has made qualifying third party indemnity provisions for the benefit of its Directors (and directors of Darktrace's subsidiaries) in relation to certain losses and liabilities that they may incur in the course of acting as Directors of Darktrace, its subsidiaries or associates, which remain in force at the date of this report. In addition, Darktrace has in place appropriate directors' and officers' liability insurance. This cover also extends to employees of the Group who serve on the board of Darktrace's subsidiaries.

Share capital
Certain key information relating to Darktrace Midco I Limited shares is shown below:

- Darktrace's shares as at 30 June 2026 comprised: 24,991,560,297 A-2 ordinary shares of $0.001 each which rank equally.
- The holders of A-2 Ordinary Shares are entitled to attend and vote at general meetings of the company, and the shares rank equally for voting purposes. On a show of hands each member has one vote and on a poll each member has one vote per share held.
- Each A-2 Ordinary Share is entitled to any validly declared dividend as long as there is no outstanding dividend payable to a preference shareholder. Each share ranks in the order ascribed in the Articles.

Further information regarding Darktrace's share capital including changes during the year is set out in note 8 to the financial statements.

Articles of association
The Articles of Association for Darktrace Midco I Limited were adopted on 20 November 2024 and were amended, approved and adopted on 20 November 2025, as per the Companies House filings show via special resolution.

Financial risk management
Details of financial risk management are disclosed earlier in this Directors Report in note 22 to the financial statements.

Corporate governance
The Statement of Directors' Responsibilities in respect of this Annual Report and the financial statements appears on page 36.

Political donations
Darktrace and its subsidiaries did not make any political donations or incur any political expenditure during the year ended 30 June 2026 and in the prior period.

Related party transactions with Directors
Details of related party transactions with Directors are disclosed in the Financial Statements in note 27.

Overseas branches
Darktrace Midco I Limited has no branches outside the UK but Darktrace Holdings Limited has a branch in Dubai which was established in 2019 and a branch in Italy which was established in May 2023. In addition a Permanent Establishment in Spain was registered in December 2023.

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Post balance sheet events

Details of important events affecting Darktrace since 30 June 2026 are disclosed in note 30 to the financial statements.

Signed by:
David Morris
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David Morris
Director
12 October 2026

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2.1 Directors' Responsibility Statement

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the financial position of the Group and Darktrace and the financial performance and cash flows of the Group for that period. Under that law the Directors have prepared the consolidated financial statements of the Group in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company and Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable international accounting standards in conformity with the requirements of the Companies Act 2006, as amended have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain Darktrace's and the Group's transactions and disclose with reasonable accuracy at any time the financial position of Darktrace Midco I Limited and the Group and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006 . They are also responsible for safeguarding the assets of Darktrace Midco I Limited and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information provided about Darktrace. Legislation of the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Directors, whose names and functions are listed on section 'Darktrace Midco I Limited information' at page 108, confirms that, to the best of each person's knowledge:

- the Annual Report, taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess Darktrace Midco I Limited and the Group's performance, business model and strategy;
- the Group financial statements, which have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards, which give a true and fair view of the assets, liabilities, financial position and loss of the Group and Darktrace Midco I Limited; and
- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of Darktrace Midco I Limited and the Group, together with a description of the principal risks and uncertainties that they face.

Disclosure of information to auditors

Each of the Directors at the time when this Report was approved confirmed that:

- so far as the Director is aware, there is no relevant audit information of which Darktrace's auditors are unaware; and
- he or she has taken all the steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that Darktrace's auditors are aware of that information.

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This confirmation is given in accordance with section 418(2) of the Act.

Signed by:
David Morris
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David Morris
Director
12 October 2026

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Independent auditor's report to the members of Darktrace Midco I Limited

Opinion

We have audited the financial statements of Darktrace Midco I Limited (the 'company') and its subsidiaries (the 'group') for the year ended 30 June 2026 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows, and the related notes 1 to 30 to the consolidated financial statements, the Company Statement of Financial Position, the Company Statement of Changes in Equity and the related notes 1 to 10 to the Company financial statements, including material accounting policy information for the Group and the Company. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted International Accounting Standards. The financial reporting framework that has been applied in the preparation of the Company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the group's and of the parent company's affairs as at 30 June 2026 and of the group's loss for the period then ended;
- the group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for the period to 31 December 2027.

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Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report set out on pages 2 to 37, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 36, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to

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liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and determined that the most significant are those relating to the reporting framework (UK adopted international accounting standards and FRS 101), the Companies Act 2006, the relevant direct and indirect tax compliance regulations, as well as relevant employment laws in the United Kingdom
- We understood how Darktrace Midco I Limited is complying with those frameworks by making inquiries of management and those responsible for legal and compliance procedures to understand how the Company maintains and communicates its policies and procedures to ensure compliance. We corroborated this through our review of Company's Board minutes and through enquiry of employees. We also reviewed correspondence with the relevant tax authorities regarding tax compliance.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by understanding the potential incentives and pressures for management to manipulate the financial statements and understanding the areas in which this would most likely arise. Our procedures included discussions with management and those charged with governance, as well as understanding the policies and processes that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved using data analytics to sample from the entire population of journal entries, identifying transactions which did not meet our expectations based on specific criteria, to investigate, gain an understanding and agree to source documentation. Our procedures also included verifying that material transactions are recorded in compliance with UK Adopted International Accounting Standards for the group, FRS 101 for the parent company and where appropriate Companies Act 2006. We also challenged assumptions and judgments made by management by reviewing third party evidence wherever possible and, leveraged our data analytics platform in performing our work on revenue recognition. Compliance with other operational laws and regulations was covered through inquiry with management, in-house legal team, and the Directors, reading of the board meeting minutes and correspondence with the relevant authorities. Where

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instances of non-compliance with laws and regulations were identified, we assessed and challenged management's response, reviewed underlying workings and involved professionals, where required, to consider the appropriateness of the response taken by the management of the Group and Company.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Ruth Logan
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Ruth Logan (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Cambridge
13 October 2026

Docusign Envelope ID: F8E49E95-1577-848D-8153-E880892893FD

3.2 Consolidated Financial Statements

Consolidated Statement of Comprehensive Income

	Note	FY 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
Revenue	3	922,752	321,542
Cost of sales		(126,816)	(95,032)
Gross profit		**795,936**	**226,510**
Sales and marketing costs		(336,380)	(285,486)
Sales and marketing amortisation of acquired intangible assets	16	(153,582)	(115,093)
Research and development costs		(70,132)	(62,330)
Research and development amortisation of acquired intangible assets	16	(109,046)	(83,355)
General and administrative costs		(137,827)	(133,645)
Acquisition costs	4	(1,093)	(74,776)
Foreign exchange differences	22	(992)	(1,380)
Other operating income	25	7,749	5,024
Operating loss		**(5,367)**	**(524,531)**
Finance costs	6	(210,757)	(134,678)
Finance income	6	29,699	11,038
Loss for the year before taxation		**(186,425)**	**(648,171)**
Taxation	26	31,822	120,693
Net loss for the year attributable to shareholders of Darktrace Midco I Limited		**(154,603)**	**(527,478)**
Items that are, or may be, subsequently reclassified to profit or loss		–	–
Total comprehensive loss for the financial year/period		**(154,603)**	**(527,478)**

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Consolidated Statement of Financial Position

	Note	30 June 2026 $'000	30 June 2025 $'000
Non-current assets			
Goodwill	15	2,296,853	2,293,952
Intangible Assets	16	2,823,000	3,084,209
Property, plant and equipment	17	58,576	55,096
Right-of-use assets	19	32,385	38,070
Capitalised commission	11	55,626	31,997
Deferred tax asset	26	110,787	123,449
Deposits	12	7,221	7,689
		5,384,448	**5,634,462**
Current assets			
Inventory	18	2,834	161
Trade and other receivables	12	181,717	171,375
Capitalised commission	11	45,666	54,635
Tax receivable		15,037	13,777
Cash and cash equivalents	20	315,503	381,614
		560,757	**621,562**
Total assets		**5,945,205**	**6,256,024**
Current liabilities			
Trade and other payables	13	(141,334)	(153,034)
Deferred revenue	3	(419,288)	(402,190)
Lease liabilities	19	(10,595)	(11,394)
Tax payable		(645)	(1,471)
Deferred tax liability	26	–	(13,893)
Provisions	14	(18,262)	(10,514)
Borrowings	7	(11,469)	(9,037)
		(601,593)	**(601,533)**
Non-current liabilities			
Deferred revenue	3	(36,268)	(23,492)
Lease liabilities	19	(27,261)	(33,589)
Deferred tax liability	26	(708,423)	(757,001)
Provisions	14	(5,764)	(14,047)
Other long term liabilities	9	(2,537)	–
Borrowings	7	(2,816,821)	(2,103,575)
		(3,597,074)	**(2,931,704)**
Total liabilities		**(4,198,667)**	**(3,533,237)**
Net assets		**1,746,538**	**2,722,787**
Equity			
Share capital	8	24,992	28,806
Share premium	8	–	3,196,995
Capital contribution	8	43,258	24,464
Capital redemption	8	3,814	–
Retained earnings		1,674,474	(527,478)
Total equity attributable to equity shareholders of Darktrace Midco I Limited		**1,746,538**	**2,722,787**

These financial statements were approved by the Board of Directors and authorised for issue on 12 October 2026. They were signed on its behalf by:

Signed by:
David Morris
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David Morris
Director
Company No. 15662253

The notes on page 46-99 are an integral part of the financial statements.

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Consolidated Statement of Changes in Equity

	Notes	Share capital	Share premium	Capital Redemption reserve	Capital contribution	Retained earnings	Total equity
		$'000	$'000		$'000	$'000	$'000
19 April 2024		–	–	–	–	–	–
Loss for the period		–	–	–	–	(527,478)	(527,478)
Total comprehensive loss		**–**	**–**	**–**	**–**	**(527,478)**	**(527,478)**
Darktrace acquisition	2	28,806	3,171,489	–	–	–	3,200,295
Share based payment charge	9	–	–	–	19,742	–	19,742
Cado acquisition	2	–	25,506	–	4,722	–	30,228
30 June 2025		**28,806**	**3,196,995**	**–**	**24,464**	**(527,478)**	**2,722,787**
Loss for the period		–	–	–	–	(154,603)	(154,603)
Total comprehensive loss		**–**	**–**	**–**	**–**	**(154,603)**	**(154,603)**
Share capital redemption	8	(3,814)	–	3,814	–	(381,430)	(381,430)
Dividend distribution	8	–	–	–	–	(459,010)	(459,010)
Share premium reduction	8	–	(3,196,995)	–	–	3,196,995	–
Share based payment charge	9	–	–	–	18,794	–	18,794
30 June 2026		**24,992**	**–**	**3,814**	**43,258**	**1,674,474**	**1,746,538**

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Consolidated Statement of Cash Flows

	Note	FY 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
Cash generated from operations			
Loss for the period after tax		(154,603)	(527,478)
Depreciation of PPE* and Right of Use Assets	17,19	36,788	27,296
Amortisation of intangible assets	16	262,628	196,107
Amortisation of capitalised commission	11	46,210	18,268
Impairment of capitalised commission and PPE*		287	281
Loss on disposal of PPE*		398	1,286
Unrealised foreign exchange differences		904	3,720
Credit loss charge		3,031	478
Share based payment charge**	9	18,794	94,078
Finance costs	6	210,757	134,678
Finance income	6	(8,436)	(11,038)
Gain on loan modification	6	(21,263)	–
Other operating income	25	(7,749)	(5,024)
Taxation	26	(31,822)	(120,693)
Operating cash flows before movements in working capital		**355,924**	**(188,041)**
Increase in trade and other receivables		(9,871)	(68,794)
Increase in capitalised commission		(60,927)	(105,181)
(Decrease)/increase in trade and other payables		(18,176)	62,596
Increase/(Decrease) in provisions**		(535)	(126,218)
Increase in deferred revenue	3	29,850	358,989
(Increase)/decrease in inventory		(2,673)	34
Net cash flow from operating activities before tax		**293,592**	**(66,615)**
Tax (paid)/received		(15,462)	(6,678)
Net cash inflow/(outflow) from operating activities		**278,130**	**(73,293)**
Investing activities			
Acquisition of business, net of cash acquired		(3,842)	(4,709,772)
Borrowing cost capitalised**		–	(71,537)
Purchase of property, plant and equipment and Intangibles		(23,922)	(16,262)
Finance income	6.0	8,436	11,038
Cash outflow from investing activities		**(19,328)**	**(4,786,533)**
Financing activities			
Dividend distribution		(459,010)	–
Share capital redemption		(381,430)	–
Repayment of lease liabilities		(14,942)	(11,274)
Borrowing cost capitalised**		(9,870)	–
Borrowings	7	750,000	2,395,000
Payment of interest on borrowings		(186,601)	(88,669)
Repayment of borrowings		(23,003)	(254,338)
Capital contribution		–	3,200,295
Cash (outflow)/inflow from financing activities		**(324,856)**	**5,241,014**
Net changes in cash and cash equivalents		**(66,054)**	**381,188**
Cash and cash equivalents, beginning of period		381,614	–
Unrealised exchange difference on cash and cash equivalents		(57)	426
Cash and cash equivalents, end of year/period	20	**315,503**	**381,614**

**Property, Plant, and Equipment. **In the prior period, $51.7m relating to cash-settled SBP awards was included within the share-based payment charge line in the cash generated from operations section of the cash flow statement. In accordance with the Group's accounting policies, this line should include only the non-cash expense, the amount should instead have been presented within Increase/(Decrease) in provisions. In addition, $71.5m of capitalised borrowing costs were included within investing activities in the cash flow statement. This amount should have been presented within financing activities. Both items have been correctly classified in the current year. However, the prior-period comparative has not been restated, as the amounts are immaterial to the financial statements as a whole.*

The notes on page 46-99 are an integral part of the financial statements.

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Notes to the Consolidated Financial Statements

1. Basis for preparation

The Company and Group information
Darktrace Midco I Limited is a company incorporated in England and Wales under company number 15662253. The principal place of business is Maurice Wilkes Building, St John's Innovation Park, Cowley Road, Cambridge, CB4 0DS.

The UK parent company, Darktrace Midco I Limited (the Company) has been defined as 'the Company' and the Darktrace Group as 'the Group' or 'Darktrace'.

Basis of preparation
These consolidated financial statements are for the year ended 30 June 2026.

The consolidated financial statements of the Group have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

They have been prepared under the historical cost convention except for certain financial instruments which are measured at fair value.

All amounts in the consolidated financial statements and notes have been rounded off to the nearest thousand USD, unless otherwise stated.

New standards, amendments, IFRIC interpretations and new relevant disclosure requirements adopted by the Group

The group has applied the following amendment for the first time for its annual reporting period commencing 1 July 2025:

- Lack of Exchangeability – Amendments to IAS 21. The amendment listed above did not have any material impact on these financial statements.

New standards and interpretations not yet adopted

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 30 June 2026 reporting periods and have not been early adopted by the group. The group's assessment of the impact of these new standards and amendments is set out below:

- Amendments to IFRS 9 and IFRS 7 -- Contracts Referencing Nature-dependent Electricity (effective for annual periods beginning on or after 1 January 2026). Darktrace does not expect these amendments to have an impact on its operations or financial statements.
- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026). Darktrace does not expect these amendments to have a material impact on its operations or financial statements.
- Annual improvements to IFRS – Volume 11 (effective for annual periods beginning on or after 1 January 2026). Darktrace does not expect these amendments to have a material impact on its operations or financial statements.
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027) Issued in May 2024, IFRS 19 allows for certain eligible subsidiaries of parent entities that report under IFRS Accounting Standards to apply reduced

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disclosure requirements. Darktrace does not expect these amendments to have a material impact on its operations or financial statements.

- Amendments to IAS 21 -- Translation to a Hyperinflationary Presentation Currency (effective for annual periods beginning on or after 1 January 2027). Darktrace does not expect these amendments to have a material impact on its operations or financial statements
- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027) IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of IFRS 18 will have no impact on the group's net profit, the group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the group has performed, the foreign exchange differences currently aggregated in the line item 'foreign exchange differences' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the group will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position.
- The group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
  - management-defined performance measures;
  - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
  - for the first annual period of application of IFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.
- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The group will apply the new standard from its mandatory effective date which is, for the Group, 1 July 2027. Retrospective application is required, and so the comparative information for the financial year ending 30 June 2027 will be restated in accordance with IFRS 18.

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Going concern
In adopting the going concern basis for preparing the financial statements, the Directors have considered the Group's principal risks and uncertainties in the current operating environment and assessed these risks via a series of scenario analyses designed to evaluate the capacity of the Group to withstand a prolonged period of adverse financial conditions. The Directors' assessment covers the period to 31 December 2027.

Forecasts and sensitivities were prepared based on a series of scenarios incorporating plausible yet severe impacts on revenue and ARR, the Group's cost base, and the Group's consolidated statement of financial position. Under the severe but plausible downside scenarios, the Group maintains sufficient liquidity throughout the going concern period. In making this assessment, the Directors also considered the Group's available liquidity, including its $150 million undrawn revolving credit facility.

Furthermore, a reverse stress test was performed to establish what circumstances would be required to exhaust the Group's available cash resources within the going concern period (without utilisation of the Group's RCF). The reverse stress test indicated that a significantly more severe and sustained deterioration across a combination of trading performance, costs and customer collections would be required to exhaust available cash resources before utilisation of the RCF.

Given the extremity of these conditions, and the implausibility of the Directors not enacting any active cost saving measures in response to these conditions, the reverse stress test further reinforced the Directors' assessment that Group has adequate resources to continue as a going concern for the period to 31 December 2027. Accordingly, the Directors have prepared the financial statements on the going concern basis.

Foreign currency translation
Functional and presentation currency
The consolidated financial statements are presented in U.S. Dollars ("USD") which is the functional currency of the Company.

Group companies
Items included in these consolidated financial statements are measured using the functional currency for Darktrace Midco I Limited. The functional currency of Darktrace Midco I Limited is also the functional currency of all subsidiaries.

Transactions and balances
Foreign currency transactions are translated into the functional currencies of Darktrace Midco I Limited and all of its subsidiaries using the exchange rate as at the time of transaction. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at month end exchange rates, are generally recognised in the consolidated statement of comprehensive income. All foreign exchange gains and losses are presented in the consolidated statement of comprehensive income on a net basis within foreign exchange differences. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Realised foreign exchange differences relating to working capital balances are included in the relevant lines within the cash flow statement; unrealised foreign exchange differences are reported separately in the cash flow.

Basis of consolidation
These financial statements present the results of Darktrace Midco I Limited and its subsidiaries as the Group. Intercompany transactions and balances between the Company and its subsidiaries are therefore eliminated in full.

Subsidiaries are entities over which Darktrace Midco I Limited is exposed or has rights to variable returns from its involvement with the subsidiary, and it can affect those returns through its power over the

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subsidiary. Darktrace Midco I Limited can direct decisions through its ownership and, if applicable, voting rights. Except for Darktrace Midco II Limited, Darktrace Finco US Limited, Darktrace Finco UK Limited, Darktrace Group Limited and Darktrace Bidco Limited, all the Company's subsidiaries have been acquired by, Darktrace Midco I Limited, and no subsidiaries have been closed or otherwise disposed of. Where subsidiaries are acquired, the profit or loss attributable to shareholders includes the profit or loss of the subsidiary from the date of acquisition. Where subsidiaries to be disposed of during the year, the profit or loss attributable to shareholders would include the profit or loss of the subsidiary to the date of disposal.

The directors have determined that they control an entity called Darktrace Employee Benefit Trust ("EBT"), even though Darktrace Midco I Limited owns 0% of the funds held by this entity. Equiniti Trust (Jersey) Limited is the trustee of EBT. It is an indirectly controlled entity of Darktrace Midco I Limited, because, through Darktrace Limited, Darktrace Midco I Limited is exposed to, and has right to, variable returns from this entity and is able to use its power over the entity to affect those returns, therefore EBT has been consolidated.

Impairment of non-financial assets
Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets that are not subject to amortisation because they are not yet in use are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. Reversals of impairment losses are limited such that the value of the asset cannot exceed the carrying amount it would have had no impairment been recognised.

Key judgements and estimates
The preparation of consolidated financial statements in accordance with IFRS requires Management to make judgements, estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the year end and the reported amount of revenues and expenses during the reported period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and for any future periods affected. The areas involving significant judgements and estimates are:

- Significant judgement in revenue recognition in determining one performance obligation exists – see note 3
- Significant judgement in assessment of control of appliances – see note 17
- Significant estimate of the amortisation period for capitalised commission - see note 11
- Significant judgement and estimate in the goodwill impairment assessment - see note 15

Performance of the Group

2. Business combinations

Acquisitions
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 subsidiary comprises:

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- The fair value of the assets transferred;
- The liabilities incurred to the former owners of the acquired business;
- The equity interests issued by the group;
- The fair value of any asset and liability resulting from a contingent consideration arrangement; and
- The 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 values at the acquisition date. The group recognises any non-controlling interest in the acquired entity, on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of:
- The consideration transferred;
- The amount of any non-controlling interest in the acquired entity; and
- The 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 exchange. 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 as 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.

Darktrace Limited Acquisition
On 1 October 2024, Darktrace Bidco Ltd acquired 100% of the issued share capital of Darktrace Limited (previously Darktrace plc). Under the terms of the Acquisition, each Darktrace Shareholder has received, for each Darktrace Share, $7.75 in cash. The Acquisition values Darktrace's entire issued ordinary share capital at approximately $5.4 billion. Settlement of the Consideration paid by Bidco was on 10 October 2024.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

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Acquiree's net assets at the acquisition date	Note	Fair values on acquisition $'000
Intangible assets	16	
- Customer relationship		2,070,409
- Software		963,011
- Brand		230,232
Property, plant and equipment	17	57,120
Right-of-use assets	19	43,307
Deferred tax asset	26	95,477
Inventory		194
Trade and other receivables		110,013
Tax Receivable		3,072
Cash and cash equivalents		567,494
Trade and other payables		(55,742)
Deferred revenue		(66,288)
Provisions	14	(76,443)
Lease liabilities	19	(49,220)
Deferred tax liability	26	(862,888)
(A) Net identifiable assets and liabilities		**3,029,748**
Consideration paid:		
Cash consideration to shareholders		5,307,946
Cash replacement awards (CRA)	9	27,561
Cash settled share-based payment modification		(71,856)
(B) Total consideration		**5,263,651**
Goodwill (B-A)	15	**2,233,903**

Adjustments to the consideration paid

- CRA: Awards granted in August 2024 were included in the 'acquisition agreement'. The replacement award granted by the acquirer at takeover are in substance a mandatory replacement by the acquirer in a business combination and relevant guidance as per IFRS 3 has been applied (note 9). The company accounted for the pre-combination amount as a liability with the corresponding amount in goodwill in the consolidated financial statements. The total amount to be accounted for as an increase in goodwill is determined by reference to the fair value of the awards outstanding as at the acquisition date.
- Cash settled share-based payment modification: Following the acquisition of Darktrace Limited, awards granted by Darktrace before FY25 up to the limit of 1 million share per employee vested. Awards in excess of 1 million shares per employee lapsed and replacement awards were granted. The acceleration is deemed to benefit the acquirer and the combined entity, making it separate from the business combination under IFRS 3. Thoma Bravo implicitly approved the acceleration by not replacing the awards and instead paying cash as part of the purchase consideration. To the extent the payment represents the fair value of awards that would have been vested under their original terms, it is treated as part of the purchase consideration. Any excess amount representing compensation for post-combination services were recognised as a post-combination expense and deducted from the consideration paid.

Significant fair value adjustment to the net asset acquired before PPA

Management has remeasured the fair value of the deferred revenue liability on the basis of the remaining costs to fulfil the obligation plus a market participant margin, resulting in a 'hair-cut' to the liability at acquisition of $301.7 million, or c.82%. The liability has unwound in full before 30 June 2025 reducing significantly the revenue recognised in the period.

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Darktrace has 48 leases in total, of which 21 are short-term (less than 1 year) and 27 are longer-term. Management have identified one unfavourable lease which has been captured on the opening balance sheet. Based on a review of the information provided to-date and discussions with Management, no other favourable or onerous contracts or arrangements in place were identified which were not captured in the customer relationships valuation. Management has remeasured the fair value of the ROU assets and related liabilities at acquisition date, resulting in a net increase of net asset of $9.1 million overall.

For further details on the intangible assets recognised at acquisition please see note 15 and note 16.

Cado Limited Acquisition
On 7 February 2025, Darktrace acquired 100% of the issued share capital of Cado Security Group, a cloud-native investigation and response automation platform. The acquisition complements the group's existing offering.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Acquiree's net assets at the acquisition date	Note	Fair values on acquisition $'000
Intangible assets	16	
- Software		16,533
- Customer relationship		131
Property, plant and equipment	17	1
Trade and other receivables		777
Cash and cash equivalents		4,800
Deferred revenue		(405)
Trade and other payables		(986)
Deferred tax liability	26	(4,707)
(A) Net identifiable assets and liabilities		**16,144**
Consideration paid:		
Cash consideration to shareholders		45,965
Stock consideration to shareholders		25,506
CLN Premium		4,722
(B) Total consideration		**76,193**
Goodwill (B-A)	15	**60,049**

Mira Acquisition
On July 21, 2025, Darktrace Holdings Limited acquired 100% of the share capital of Mira Security Inc, a leading provider of network traffic visibility solutions, for a total purchase consideration of $4.0 million. The acquisition complements Darktrace's existing offerings, strengthening the Group's cloud offering for cloud data capture and forensics.

The goodwill of $2.9 million arising on the acquisition represents the value of factors that do not qualify for separate recognition, principally the assembled workforce and its specialist decryption expertise, and the strategic benefits of owning the Encrypted Traffic Orchestrator technology that Mira previously supplied to the Group (including protection against its acquisition by a competitor and strengthening the Group's decryption capabilities), together with the deferred tax liability recognised on the acquired customer relationships.

Mira business contributed revenues of $0.1 million for the period from 21 July 2025 to 30 June 2026. If the acquisition had occurred on 1 July 2025, the consolidated pro-forma revenue for the year ended 30 June 2026 would have been $0.9 million, primarily attributable to the fair value adjustment to the acquired deferred revenue.

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Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Acquiree's net assets at the acquisition date	Note	Fair values on acquisition $'000
Intangible assets	16	
- Customer relationship		958
- Software		244
Trade and other receivables		154
Cash and cash equivalents		25
Deferred revenue		(24)
Trade and other payables		(134)
Deferred tax liability	26	(259)
(A) Net identifiable assets and liabilities		**964**
Consideration paid:		
Cash consideration to shareholders		4,000
Closing cash		30
Closing indebtedness		(165)
(B) Total consideration		**3,865**
Goodwill (B-A)	15	**2,901**

3. Revenue from contracts with customers

Revenue recognition policy

The Group does not recognise any revenue until there is a legally binding contract in place direct with a customer or with a reseller partner acting on behalf of a customer (i.e. end-user), the commencement date of that agreement has passed, and the obligations to fulfil that contract have been met. It applies the IFRS 15: Revenue from Contracts with Customers, principles-based, five step model to all contracts as follows:

- Identify the contract with the customer,
- Identify the distinct performance obligations in the contract,
- Determine the transaction price,
- Allocate the transaction price to the performance obligations in the contracts, on a relative stand-alone selling price basis, and
- Recognise revenue when the entity satisfies its performance obligations.

The Group has only a single performance obligation for most contracts, giving access to the Group's Cyber AI Platform and ancillary services to its customers as such the transaction price is the total amount charged to the Customer over the service period.

Most of the Group's revenue is derived from multi-period subscription or licence contracts that allow access to the Cyber AI Platform. This revenue is recognised on a straight-line basis over the subscription or license period as the customer simultaneously receives and consumes the benefits from the products it purchased within the Group's Cyber AI Platform as throughout the life of the contract. The Group's efforts are expended evenly throughout the subscription period and therefore using the input method under IFRS 15, it is appropriate to recognise revenue on a straight-line basis. The Group does not have any variable consideration as defined under IFRS 15.

In a very small number of cases, the Group sells supplementary training or extra appliances separately from its software product deployments, but always to customers who have software product deployments.

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The revenue from these contracts is recognised at the point in time when the training or appliance is delivered.

Contracts where terms are subsequently modified (for upsells, license expansions, etc) are assessed in accordance with IFRS 15 and are treated either as a separate contract with revenue recognition commencing from the modification date or as a cumulative catch-up adjustment to revenue recognised at the point of modification based on the new contractual terms.

Contracts where it is not probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer and for which a suspension notice has been applied and the performance obligations relating to future services is considered curtailed, are considered ceased and therefore related deferred revenue balances are derecognised and any receivable balance fully provided or written off. In this case, Management accounts for the remainder of the contract as if the criteria to be a contract had not been met (IFRS 15).

The Group deploys a significant portion of its software on appliances that it delivers to the customer. These appliances are encrypted devices that can only be used to run the Group's software. They cannot be used for any other purpose and have no separate value to the customer, and as the Group retrieves its appliances at the end of deployments, each appliance may be redeployed multiple times, in multiple situations over its useful life. The Group considers that the appliances it deploys are an integral part of the delivery mechanism for the service to the customer and are not normally sold to the customer unless required for legal or regulatory reasons.

Customers are generally billed in advance, with credit terms of typically 30-60 days, in line with market practice. In instances where payment for the subscription is within 12 months or less of the service being provided Darktrace has taken the practical expedient under the standard of not adjusting for any financing component. In some instances, the Group bills in advance for periods of greater than one year. In these instances no financing component is deemed to be present as this arrangement is customer driven.

Principal versus agent assessment

Darktrace sells its products and services either directly to end-users or through reseller partners (channel partners). The business operates two types of partner relationships, one where the contract is with the reseller partner and another where it is with the end-user but the partner receives a referral fee.

Most partner deals involve a reseller partner who takes Darktrace to the end-users. In these instances, Darktrace sells to the reseller partner, who is the contracting entity, and therefore different from the end-user that will be provided with the services. Darktrace will only invoice the partner and it is the partner who controls pricing with the end-user, and bears the credit and foreign currency risk.

When revenues are generated through a reseller partner, Darktrace requires that every partner contract be related to a specific end-user (Darktrace has a direct operating relationship with the end-user as most partner contracts are co-sold and Darktrace employees carry out the vast majority of pre-sale product scoping directly with the end-user). Darktrace only recognises revenue for the contract value between Darktrace and the partner, it does not recognise any benefit from any mark-up that the partner adds to determine its price to the end-user. Once the Darktrace/partner and partner/end-user contracts have been finalised and the end-user is able to deploy the purchased products and services, Darktrace will recognise revenue as required under IFRS 15.

An intermediary partner is the principal in an arrangement with the end-user, and therefore, Darktrace's customer, if it controls the offering before it is transferred to the end-user. As Darktrace controls all aspects of the products and services it sells, including setting the price to the reseller partner (but not the end-user), and bears the credit and foreign exchange risk in its contract with the reseller partner, it has concluded that Darktrace is a principal in its contracts with reseller partners. Darktrace has also considered the role of the reseller partner in their contract with the end-user, and based on all information

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available, primarily considering the control of pricing and the assumption of credit and foreign exchange risk, has concluded that the reseller is principal in their contract with the end-user. While Darktrace has responsibility under its Master Service Agreement for fulfilment of the products and services provided to the end-user, the reseller partner has responsibility for the pricing of Darktrace products to the end-user, and any invoicing and credit concerns.

There is a smaller cohort of referral partners who Darktrace works with who will initiate the customer contact, but who do not take on the contractual risk. In these cases, Darktrace enters into a direct contract with the end user and is therefore the principal in these transactions. The partner will earn usually a commission or a fee which is classified as sales and marketing cost.

Significant judgement in revenue recognition in determining one performance obligation exists
Group revenue is from subscription contracts and is recognised over the term of the contract.

Management considers that these contracts consist of a single performance obligation, which is the ongoing access to the portions of the Cyber AI platform purchased by the customer. The Cyber AI platform is a single combined solution, with customers able to choose the appropriate product mix based on their own needs. The key contractual elements considered by Management included the deployment of the software (on appliances or virtually), the core software products and subsequent updates. Appliance deployments typically take an hour or less once the appliance is received by the customer, and virtual deployments can be enabled immediately, so deployment is in line with start of the subscription contract that has, on average, a three-year life. Subsequent updates to the platform ensure that the latest software is available with the latest capabilities but do not materially change the functionality of the platform. The products and, to a lesser extent, services are significantly integrated to provide a combined output and services which are highly interdependent with (and are not separately available from) the subscription products within the Cyber AI platform. Some customers may purchase ancillary services or training, but these are immaterial to the total contract value and are not deemed to impact the assessment of there being only a single performance obligation.

Disaggregation of revenue
Revenue recognised at a point in time is not significant to the reported results in any year. This includes revenue generated by separate contracts for training and sale of appliances. In the year this revenue amounted to $2.2 million (in the prior period this revenue amounted to $1.0 million).

	FY 2026 $'000	FY 2026 % of revenue	For the period from 19 April 2024 to 30 June 2025 $'000	For the period from 19 April 2024 to 30 June 2025 % of revenue
USA	328,271	35.6 %	114,617	35.6 %
United Kingdom	110,109	11.9 %	40,756	12.7 %
Europe	256,043	27.8 %	86,171	26.8 %
Rest of World	228,329	24.7 %	79,998	24.9 %
	922,752	**100.0 %**	**321,542**	**100.0 %**

Revenue from customers has been attributed to the geographic market based on contractual location. No single customer accounted for more than 10% of revenue in FY 2026 or in the prior period.

Contract assets and liabilities related to contracts with customers
The following table provides information on accrued revenue and deferred revenue from contracts with customers.

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	30 June 2026 $'000	30 June 2025 $'000
Accrued income	6,308	4,509
Total accrued income	**6,308**	**4,509**

Current deferred revenue	419,288	402,190
Non-current deferred revenue	36,268	23,492
Total deferred revenue	**455,556**	**425,682**

Accrued income is due to timing in raising invoices, and remains to be an immaterial value relative to revenue recognised.

Contracts are typically invoiced between one month and more than three years in advance, with the majority of contracts being invoiced annually in advance. Deferred revenue reflects the difference between invoicing and associated payment terms, and fulfilment of the performance obligation and has increased year-over-year as expected with the continued growth in revenue.

Details of costs to obtain contracts with customers are shown in note 11.

Revenue recognised in relation to deferred revenues (contract liabilities)
The following table shows how much revenue recognised in each reporting period related to brought-forward contract liabilities:

Revenue recognised in relation to contract liabilities	FY 2026 $'000
Revenue recognised that was included in the contract liability balance at the beginning of the period	402,190
% of total revenue recognised in the year	43.6 %

Future contracted revenue
Future contracted revenue represents revenue expected to be recognised over the term of the contract, i.e. over the subscription period, from the contract commencement date to the end of the subscription period as identified in the contract, calculated by valuing all uninvoiced future contract value, including one-time product or service purchases, at the exchange rates in effect on the reporting date, and all previously invoiced future revenue at the relevant transaction exchange rates. In line with IFRIC 22, the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (in whole or part) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration. One-time revenue is included in the calculation but because of the high proportion of subscription revenue in Darktrace's revenue base, it is not material. Future contract value does not include any opt-out clauses i.e. revenue expected after opt-out date, up to the termination date of the contract.

	30 June 2026 $'000	30 June 2025 $'000
Due within 12 months	751,393	777,585
Due within 1-2 years	368,533	424,640
Due within 2-3 years	152,778	165,569
Due within 3-4 years	24,242	26,257
Due over 4 years	5,507	2,249
	1,302,453	**1,396,300**

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4. Material profit or loss items

Cost of sales
Cost of sales is made up of two primary cost categories: the cost of software deployment and labour costs for support or supplemental monitoring and response services.

The largest of the deployment costs is depreciation on appliances used to deliver the software to customers under contracts. The depreciation of appliances is apportioned to Cost of sales based on the proportion of the Group's appliance pool deployed to customer sites and all appliance depreciation related to customer contracts is recognised in Cost of sales. Where the Group deploys software to a contracted customer virtually, the associated hosting costs are also recognised in Cost of sales. Cost of sales also includes shipping costs and other costs necessary to deploy the Group's software products.

Operating cost apportionment
Wherever possible, operating costs are attributed to either Sales and marketing, Research and development or Other administrative costs by the direct method. When costs apply to more than one cost category, they are apportioned using an allocation methodology based on the most appropriate direct data source.

The Group apportions the depreciation of appliances used to run Proof of Value ("POV") demonstrations for prospects (see note 17 for additional detail) to Sales and marketing. Similarly, for POVs of virtually deployed products, the associated hosting costs are recognised as Sales and marketing costs. Also, pre-sales support staff, whose costs are primarily attributed to Sales and marketing, may also perform post-sales support functions. This work is tracked, and the compensation costs associated with that work are allocated to Cost of sales.

Research and development ("R&D") primarily consists of compensation and other directly attributable costs of the staff who develop the Group's software products. The Group capitalises the costs of development work that meets the criteria for capitalisation and amortises those costs beginning once the software is released to production and/or brought into use. Developers and Analysts working in the Group's R&D function may also provide supplemental monitoring and response services to customers. This work is tracked, and the compensation costs associated with that work are allocated to Cost of sales. Research and development expenditures that do not meet the criteria for capitalisation, are recognised as expense when incurred. Development costs previously recognised as expenses are not recognised as assets in any subsequent period. Development costs for features and enhancements that are available to all customers without additional charge, are expensed as incurred. Amortisation of capitalised development costs is recognised as R&D cost (note 16).

Share based payment cost and related share-option related employer tax charges are apportioned on a direct basis depending on the department the employee reports into. The share-based payment expense together with the employer related tax charges are proportionately attributed to Cost of sales for those functions where an attributed labour cost is already allocated to Cost of sales.

The Group has identified a number of items which are material due to their nature and or amount. These are listed separately here to provide a better understanding of the financial performance of the Group, if not presented elsewhere in these financial statements.

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	FY 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
Hosting fees	35,799	21,885
Professional fees	27,060	28,813
Software costs	19,198	8,586
Software implementation costs	5,542	8,153
Legal fees	4,511	4,352
Accounting advice costs	2,395	3,619
Acquisition related costs	1,093	74,776

Hosting fees related to customer contracts are classified within cost of sales for an amount of $32.5 million in the year ($19.9 million in prior period) and those related to POV are classified to sales and marketing costs for an amount of $3.3 million in the year ($2.0 million in prior period).

Professional fees of $27.1 million predominantly comprise consultancy fees of $23.1 million ($26.0 million in prior period), of which $11.1 million relates to consultancy services and associated travel costs charged by Thoma Bravo (prior period $9.8 million), with the remainder relating to general business advisory services provided across the Group's various projects. The balance of $4.0 million relates to tax compliance, payroll servicing and company secretarial costs incurred in the ordinary course of business ($2.8 million in prior period).

Software costs includes $7.0 million in the year ($2.6 million in prior period) related to the license & advisory fee of Salesforce (the new CRM implemented in the year) and $2.2 million ($1.2 million in prior period) related to subscription fee on Workday (ERP finance system).

Software implementation costs includes $4.9 million in the year ($6.6 million in prior period) related to the implementation of Salesforce, the new CRM being implemented in the year, and $0.6 million related to the implementation of Workday (ERP finance system) ($1.1 million in prior period).

Legal fees relate to ongoing legal support provided for IP/Patents and employment matters.

Acquisition related costs

The aggregate fees and expenses incurred in the year for the acquisition of Mira and in prior period in connection to the acquisition of Darktrace and Cado, are listed below. For details on the acquisition of Darktrace, Cado and Mira see note 2 .

Acquisition costs:	FY 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
Legal advice	718	8,922
Accounting advice	245	2,725
Other professional services	130	936
Financial and corporate broking advice	–	35,267
Stamp duty	–	26,926
	1,093	**74,776**

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Auditors' remuneration

	FY 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
Audit of the Group and UK subsidiaries	2,419	3,517
Audit of overseas subsidiaries	216	221
Total audit fees	**2,635**	**3,738**
Compliance services related to assistance with corporate tax returns	27	23
Tax advisory services	809	2,429
Total non-audit fees	**836**	**2,452**

5. Employee costs

Employees benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated statement of financial position.

Post-employment obligations - defined contribution plans

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

The Company operates a stakeholder pension scheme and contributes to several personal pension schemes on behalf of its employees. The Group also contributes to State-sponsored pension schemes in multiple countries as legislated.

Bonus plans

The Group recognises a liability and an expense for bonuses based on Management 's best estimate of the expected payment for discretionary bonuses and then will make the appropriate adjustments if necessary, at the time these bonuses are paid. The Group recognises a liability where contractually obliged or where there is a past practice that has created a constructive obligation.

Cash replacement awards (CRA)

The Company operates a share-based payment arrangement with its employees. Following the acquisition of Darktrace, the pre-acquisition arrangement has been replaced by a new FY25 scheme; at the point of acquisition, the awards changed from being settled in equity to being settled by cash by the parent entity. Post-acquisition, the Company continues to recognise an amount for the service provided by the employees over the remaining vesting period. Refer to note 9 for further details.

Employee benefits expense

Expenses recognised for the Group's employee compensation and benefits is presented below:

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	Note	FY 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
Wages and salaries		346,644	298,552
Social security		52,282	44,109
Pension		7,335	5,118
Employee cost		**406,261**	**347,779**
Share based payment charge	9	46,233	145,809
Total cost		**452,494**	**493,588**

Total cost is split by function is as follows:

	FY 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
Cost of sales	63,230	53,039
Sales and marketing	252,526	303,569
Research and development	61,434	57,660
General and administrative	75,304	79,320
Total cost	**452,494**	**493,588**

The average number of employees, including Executive Directors, during the year was as follows:

	FY 2026 Number	For the period from 19 April 2024 to 30 June 2025 Number
Sales and marketing	1,525	1,594
Research and development	475	391
General and administrative	346	364
	2,346	**2,349**

Directors' emoluments and benefits were as follows:

	FY 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
Emoluments	1,773	184
Compensation for loss of office	5,249	–
	7,022	**184**

Total amounts payable to the highest paid director were $3.4 million ($0.2 million in prior period) in respect of emoluments. In addition to the $5.2 million, $0.9 million of non-cash compensation for loss of office is due to be settled post year-end. Four Directors were members of the Group's defined contribution pension scheme and the total contribution for the year was $0.0 million ($0.0 million in FY 2025).

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Debt and equity

6. Finance costs and finance income

Finance cost and income
The Group earns interest on its cash balances through its deposits with banks. Interest income on financial assets at amortised cost is calculated using the effective interest method and is recognised in the consolidated statement of comprehensive income as part of finance income.

The Group has an interest expense on financial liabilities which is measured at amortized cost. The interest expense is calculated using the effective interest rate method as per IFRS 9 Financial Instruments. The effective interest rate is calculated on initial recognition of a liability and is revised periodically based on the market rate for the external debt.

Interest expense is recognised in the recognised in the consolidated statement of comprehensive income as part of finance costs in the period in which they are incurred.

	FY 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
Finance costs		
Bank loan interest	206,660	131,273
Interest on lease liabilities	2,961	2,368
Bridge loan interest	–	884
Interest on loan facility with parent entity	1,136	153
Total finance costs	**210,757**	**134,678**
Finance income		
Interest income from cash and cash equivalents	8,436	11,038
Gain on loan modification	21,263	–
Total finance income	**29,699**	**11,038**

Bank loan interest relates to interest incurred on the first and second lien loan for a total of $2,895.0 million (Split as: $2,485.0 million and $410.0 million). Refer to note 7 for further detail.

On 20 November 2025 the original loan has been modified and an incremental $750 million debt has been added to the first lien loan. Modification accounting has been applied and a gain of $21.3 million has been accounted for as a result of the non-substantial modification. See following note for further details.

7. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates. In the balance sheet, bank overdrafts are shown within borrowings in creditors: amounts falling due within one year.

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Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as creditors: amounts falling due within one year unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period in which case they are classified as creditors: amounts falling due after more than one year.

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

Modification

Where the contractual terms of a financial liability are modified or exchanged for another with substantially different terms, the Group assesses whether this modification results in the extinguishment of the original liability. In accordance with IFRS 9, a modification is treated as a substantial change in the terms of an existing financial liability where the modification is, in substance, an extinguishment of the original liability. When this occurs, the original liability is derecognised and a new financial liability is recognised at fair value, with any difference between the carrying amount of the extinguished liability and the consideration paid (including any non-cash assets transferred or liabilities assumed) recognised in profit or loss.

Where the modification does not result in a substantial change to the expected cash flows, the liability is not derecognised. Instead, the carrying amount is recalculated as the present value of the renegotiated or modified contractual cash flows, discounted using the original effective interest rate, with any resulting gain or loss recognised in profit or loss.

	FY 2026	For the period from 19 April 2024 to 30 June 2025
	$'000	$'000
Secured bank loans		
Current	11,469	9,037
Non-current	2,816,821	2,103,575
Total borrowings	**2,828,290**	**2,112,612**

Bank loans

The group has a total secured bank loan credit facility which amounts to $2,895.0 million (30 June 2025: $2,145.0 million) comprises of first and second lien loan facility for $2,485.0 million and $410.0 million at 30 June 2026 (30 June 2025: $1,735.0 million and $410.0 million) having a total carrying amount of $2,828.3 million at 30 June 2026 (30 June 2025: $2,112.6 million).

On 20 November 2025, Darktrace refinanced its third-party debt and added new debt capital of $750.0 million to the First Lien loan. No changes were made to the terms of the original loan facility; payable in tranches within a span of 7 years with interest accruing daily at a rate of 3.25 per cent per annum above Term SOFR, payable quarterly. As the modification does not result in a substantial change to the expected cash flows, the carrying amount has been recalculated as the present value of the modified contractual cash flows, discounted using the original effective interest rate, and the resulting gain recognised in the income statement (note 6).

The second lien loan remained unchanged and is payable at the end of an 8 year term with interest accruing daily at a rate of 5.25 per cent per annum above Term SOFR,

The group also has the ability to draw down on an additional $150.0 million revolving credit facility if required. This carries the same terms as the first lien loan facility. The RCF remains undrawn at 30 June 2026.

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Compliance with loan covenants
Darktrace Midco I Limited has complied with the financial covenants of its bank loans during the period presented (refer to note 21).

Fair value
The fair values are not materially different from their carrying amounts, since either:
- the interest payable on those borrowings is close to current market rates, or
- the borrowings are of a short-term nature.

8. Share capital and share premium

Contributed equity
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Equity comprises the following:
- Share capital: represents the nominal value of equity shares. Where shares are redeemed or purchased wholly out of profits available for distribution, a sum equal to the amount by which the company's share capital is diminished on cancellation of the shares (the nominal value of the shares) is transferred to the capital redemption reserve in line with section 733 of Companies Act.
- Share premium: represents the excess over nominal value of the consideration received for equity shares, net of any transaction costs associated with the issue of shares.
- Capital contribution: when Darktrace Parent Limited (parent company) grants rights to its equity instruments to employees of its subsidiaries, the subsidiary does not have an obligation to provide its parent's equity instruments to its employees. The subsidiary should, in its own financial statements, measure the services received from its employees in accordance with the requirements of IFRS 2 applicable to equity-settled share-based payment transactions. There will be a corresponding increase recognised in equity as a capital contribution from the parent company.
- Retained earnings: represents retained profits and losses.

Share capital reduction and cancellation of preference shares
On 19 November 2025 and on 22 June 2026 Darktrace Midco I Limited reduced all of its share premium creating distributable reserves.

Dividend distribution and shares buyback
On 20 November 2025 the Company distributed $840.4 million to Darktrace Parent Limited by way of:
- An interim dividend of $459.0 million on the accrued and outstanding A-1 preference shares up to 19 November 2025; and
- A share buy-back of 3,814,296 number of A-1 preference shares for $381.4 million.

Shares conversion
On 20 November 2025 the Company converted all of its A-1 preference shares into A-2 ordinary shares as follows:
- Subdivision of the 24,988,359 A-1 preference shares of $1.00 each into 24,988,359,000 A-1 preference shares of $0.001 each.
- 24,988,359,000 of the A-1 preference shares of $0.001 converted into 24,988,359,000 A-2 ordinary shares of $0.001 each.

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Share capital	No. of ordinary shares of $0.001 each	No. of preference shares of $1.00 each	Total no. of shares	Share capital $'000	Share premium $'000
A-2 Ordinary shares issued in the period	3,201,297	–	3,201,297	3	345,532
A-1 Preference shares issued in the period	–	28,802,655	28,802,655	28,803	2,851,463
At 30 June 2025	**3,201,297**	**28,802,655**	**32,003,952**	**28,806**	**3,196,995**
Share buy-back	–	(3,814,296)	(3,814,296)	(3,814)	–
Shares subdivision and conversion	24,988,359,000	(24,988,359)	24,963,370,641	–	–
Share premium reduction	–	–	–	–	(3,196,995)
At 30 June 2026	**24,991,560,297**	**–**	**24,991,560,297**	**24,992**	**–**

9. Share based payments

The parent company operates equity and cash settled share-based payment schemes. The equity settled share-based payments are measured at fair value at the date of grant. Having a graded vesting schedule, the fair value determined is expensed on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in-substance, multiple awards. The charge for the period is allocated to the relevant consolidated statement of comprehensive income categories where the employment costs of the employee who is granted the equity options are charged.

The fair value of awards granted is recognised as an employee benefits expense, with a corresponding increase in equity in the form of capital contribution from the parent entity. The total amount to be expensed is determined by reference to the fair value of the awards granted:

- including any market performance conditions (e.g. the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of awards that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to capital contribution.

Modification of share-based payments

Where the effect of the modification is to increase the value of the award to an employee, the incremental fair value is recognised as a cost. The incremental fair value is the difference between the fair value of the original award and that of the modified award, both measured at the date of modification. The incremental fair value is recognised over the period from the modification date until the modified awards vest, in addition to the grant-date fair value of the original award.

Management Incentive Plan

Employees are compensated with equity instruments (MIP), and cash award (EAR) that is based on the fair value of the parent entity's equity instruments (EAR) for their services (the arrangement is subject to services and non-market performance vesting conditions. Some market performance condition is also in place). They will receive the fair value of their shares (MIP)/ awards (EAR) upon ceasing employment, depending on the leaver condition or upon TB's exit. The arrangement is in scope of IFRS 2 Share Based Payment.

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MIP

As management plans a buyback for leavers (i.e. cash settlement where applicable), and based on communication to employees, management believes there is a mutual understanding and an expectation to buy back shares granted to employees when they leave at the lower between the cost and the fair value. This along with past practice of settling in cash creates a present obligation to settle in cash and therefore the award for leavers is classified as cash settled in the Parent company. Management therefore treats all MIP awards as equity settled for the Company.

The arrangement includes multiple vesting scenarios either through the satisfaction of vesting conditions (service conditions) as the vesting period in place ends (scenario 1) or through the occurrence of an exit that will trigger acceleration of unvested shares (scenario 2).

Under Scenario 1, awards vest upon satisfaction of the relevant service conditions at the end of the vesting period. Therefore, an exit event is considered a non-vesting condition and is not reflected in the grant-date fair value.

Under Scenario 2, vesting is contingent upon the occurrence of an exit event and the exit therefore represents a vesting condition. Following an exit, awards may vest either: (i) upon achievement of a specified multiple, which constitutes a market condition and is reflected in the grant-date fair value; or (ii) upon a standard exit event, which constitutes a non-market performance condition and is therefore not reflected in the grant-date fair value.

A switching approach is applied. At grant date, management estimates the fair value of the equity instruments for each potential vesting outcome and accounts for the award based on the outcome considered most likely at the reporting date. If a different vesting scenario subsequently becomes more probable, management switches to the grant-date fair value associated with that scenario and recognises a cumulative catch-up adjustment for the difference in expense recognised to date.

EAR

EAR holders will receive cash payments based on the fair value of equity shares, the obligation for EAR is classified as cash settled share-based payment as per IFRS 2. During the year, amounts relating to EAR awards in the amount of $2.5 million were reclassified from capital contributions to other long term liabilities, reflecting the employing entity's role as guarantor of the related payment obligations.

The MIP shares and EAR awards are subject to time vesting conditions and performance-based vesting conditions based on the relevant executive categories of the participant employee.

CRA

Following the acquisition of Darktrace by Thoma Bravo, the FY25 AIP awards were replaced by cash replacement awards (“CRAs”). The replacement was required under the terms of the original awards and the acquisition arrangements and, accordingly, the CRAs have been accounted for as mandatory replacement awards in accordance with IFRS 3 and IFRS 2.

The original AIP awards contained alternative settlement scenarios, including cash settlement in the event of a change in control. Following completion of the acquisition, the cash-settlement scenario became applicable and the outstanding awards were replaced by CRAs. The CRAs are based on the acquisition price of $7.75 per award and are subject to continued service conditions.

In accordance with IFRS 3, the acquisition-date value of the replacement awards was apportioned between amounts attributable to pre-combination and post-combination employee service. The amount attributable to pre-combination service was included as part of the consideration transferred in the business combination, with a corresponding liability recognised. The remaining amount attributable to

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post-combination service is accounted for as a cash-settled share-based payment expense under IFRS 2 over the remaining service period.

The liability in respect of the CRAs is based on the fixed cash settlement amount per award and is updated at each reporting date to reflect the number of awards expected to vest.

CRA prepaid for co-investment in parent (CIP) entity equity

In March 2025 management offered to a wide pool of Darktrace group employees the possibility of co-investing into parent equity. The opportunity for the employees includes vesting their own funds and share in the ownership of the Darktrace group equity or, alternatively, use their existing CRAs to subscribe to the CIP. The CRA option was a one-off opportunity.

Management has determined the present value of the obligation arising from the CIP awards funded through the CRA acceleration. Any excess over the carrying value of the original CRA obligation is recognised by the Parent company over the remaining service period as an investment in subsidiaries, with a corresponding compensation obligation.

Within the Midco I roup, subsidiaries recognise the associated employee cost with a corresponding capital contribution, with the resulting impact reflected in the consolidated financial statements of Midco I.

CRA funded CIP program

The CIP was funded through the CRA, providing existing CRA holders the option to subscribe to CIP. This option was treated as a modification of the original cash-settled arrangement into an equity-settled arrangement. As a result, the incremental fair value arising from this modification was recognized in accordance with applicable accounting standards.

The CIP CRA funded program involves the issuance of both preferred and ordinary shares. Preferred shares fall in scope of IAS 19 Employee Benefits. For ordinary shares, employees are compensated with equity instruments for their services (the arrangement is subject to services vesting conditions). They will receive the fair value of their shares upon ceasing employment, depending on the leaver condition or upon exit. The arrangement for ordinary shares is in scope of IFRS 2 Share Based Payment.

The arrangement involves multiple vesting scenarios. Awards vest either upon satisfaction of the service condition at the end of the vesting period or upon the occurrence of an exit event that accelerates vesting of unvested shares. As the arrangement contains no market conditions, the grant-date fair value is the same under each vesting scenario. Accordingly, no switching between grant-date fair values is required. Any change in expectations regarding the timing of vesting is reflected through an adjustment to the vesting period and the pattern of expense recognition.

Cash funded CIP program

The ordinary shares offered meet the definition of the employee share purchase plans (“ESPP”). In an ESPP, the employees are usually entitled to buy shares at a discounted price. Management has estimated the fair value of the ordinary shares subscribed. As the purchase price was below fair value, management has recognised the difference as a cost for the period.

Share-based payment charges have been recorded in the consolidated statement of comprehensive income within the following functional areas.

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	FY 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
Cost of sales	3,743	8,501
Sales and marketing	16,337	72,663
Research and development	7,823	23,270
General and administrative	18,330	41,375
Total share-based payment expense	**46,233**	**145,809**
Expense arising from equity-settled share-based payment schemes	27,206	26,185
Expense arising from cash-settled share-based payment schemes	19,027	119,624
Total share-based payment expense	**46,233**	**145,809**

Expense arising from equity-settled share-based payment schemes have been accounted for directly to equity for an amount of $18.8 million (FY 2025: $19.7 million).

In the prior period, share-based payment expense included $87.5 million relating to the incremental fair value arising from the modification of the legacy share-based payment scheme on acquisition and $51.7 million relating to cost attributable to the acquisition accounting. Refer to note 2 for further details.

The share-based payment expense together with the employer related tax charges is proportionately attributed to Cost of sales for those functions where an attributed labour cost is already allocated to Cost of sales.

Share-based payments are calculated in accordance with IFRS 2 – Share-based Payment. The Company has used a Monte Carlo model to value the AIP awards granted before the acquisition. For the MIP, EAR and CRA-funded CIP awards, both a Monte Carlo model and the Option-Pricing Method, which applies the Black-Scholes model, have been used during the year.

MIP and EARs time based awards will vest over a 4 year period with the 25% vesting on the first anniversary and the remaining tranches vesting a further 2.0834% at the end of each month thereafter (up to a maximum of 100%). MIP awards with performance conditions will vest each year on the anniversary of the vesting start date, over a 4 year period in 25% tranches.

Management applied an estimate of future cancellations or forfeitures applied within the share-based payment model to reflect expected employee departures of 5% as at 30 June 2026 (30 June 2025: 10%).

	MIP FY 2026 Awards Number	EARS FY 2026 Awards Number	Total FY 2026 Awards Number
Outstanding at 1 July 2025	**18,727,270**	**1,333,315**	**20,060,585**
Granted	8,770,727	136,705	8,907,432
Lapsed	(9,059,599)	(190,295)	(9,249,894)
Vested	(6,149,148)	(508,773)	(6,657,921)
Outstanding at 30 June 2026	**12,289,250**	**770,952**	**13,060,202**

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	MIP	EARS	Total
	For the period from 19 April 2024 to 30 June 2025	For the period from 19 April 2024 to 30 June 2025	For the period from 19 April 2024 to 30 June 2025
	Awards	Awards	Awards
	Number	Number	Number
Outstanding at 19 April 2024	**–**	**–**	**–**
Granted	19,279,759	1,333,315	20,613,074
Lapsed	(552,489)	–	(552,489)
Vested	–	–	–
Outstanding at 30 June 2025	**18,727,270**	**1,333,315**	**20,060,585**

	CRA funded CIP	CRA funded CIP
	FY 2026	FY 2026
	Common shares	Preferred shares
Outstanding at 1 July 2025	**1,858,946**	**21,553**
Lapsed	(554,010)	(6,423)
Vested	(579,284)	(6,716)
Outstanding at 30 June 2026	**725,652**	**8,414**

	CRA funded CIP	CRA funded CIP
	For the period from 19 April 2024 to 30 June 2025	For the period from 19 April 2024 to 30 June 2025
	Common shares	Preferred shares
Outstanding at 19 April 2024	**–**	**–**
Granted	1,858,946	21,553
Outstanding at 30 June 2025	**1,858,946**	**21,553**

MIP, EAR and CRA-funded CIP valuations

Management has performed a valuation of the 100% EV of the Company on the basis of 'Fair Value' as defined under IFRS 13 as 'the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".

In determining the appropriate methodology to be adopted in valuing the underlying equity of the Company, the following were considered:

- the nature of the business;
- the availability of financial data; and
- the assumptions in the forecast data.

The valuation involved a two-step process. First establishing the enterprise value of the Company using generally accepted valuation methodologies including discounted cash flow method, guideline public company method and guideline company transactions method. Second, allocating the equity value derived among the securities that comprise the capital structure of the Company using the Option-Pricing Method.

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The capital rights of the Awards are akin to an option due to the large amounts of shareholder debt like instruments (i.e. Preference Shares). Therefore the Awards are accounted for in the same way as an option.

IFRS 2 and IAS 19 do not prescribe which model should be used. IFRS 2 only requires that the valuation technique be consistent with generally accepted valuation methodologies for pricing financial instruments, and incorporate all factors and assumptions that knowledgeable, willing market participants would consider in setting the price, while IAS 19 refers to Fair Value under IFRS 13.

It should be noted, in accordance with IFRS 2 any non-market-based performance conditions (i.e. the vesting conditions) have not been considered as part of the initial value of the Awards but should be considered in estimating the number of instruments which are expected to vest for calculating the charge in the financial statements.

Expected volatility was determined by reference to the historical share price volatility of a group of comparable listed companies, over a period consistent with the expected term of the awards. As the Company's shares are not publicly traded, no Company-specific historical volatility is available.

The fair value of awards at the grant date and the reporting date fair value are determined using valuations prepared by management's external valuation specialists. Where a valuation is prepared at a date proximate to, but not identical to, the grant date, management assesses whether the valuation remains representative of fair value at the grant date.

The table below presents the key assumptions for the awards valued at different grant dates during the current year:

MIP and EAR

	MIP - RSU tranche	MIP - PSU tranche	MIP - RSU tranche	MIP - PSU tranche	MIP - RSU tranche	MIP - PSU tranche	EARS	EARS
Grant date (Range)	**18/12/25**	**18/12/25**	**27/01/26**	**27/01/26**	**23/03/26**	**23/03/26**	**18/12/25**	**27/01/26**
Fair value per award ($)	2.50	1.05	2.88	1.43	2.92	1.47	2.50	2.88
Expected life in years (Range)	1.25 - 1.83 years	1.25 - 1.83 years	1.43 years	1.43 years	1.27 years	1.27 years	1.25 - 1.83 years	1.27 years
Expected volatility	68.0 %	68.0 %	77.0 %	77.0 %	83.0 %	83.0 %	68.0 %	83.0 %
Risk free interest rate (Range)	3.50%	3.50%	3.50%	3.50%	3.80%	3.80%	3.50%	3.80%
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Number of awards	**2,245,964**	**1,234,197**	**380,860**	**109,706**	**2,400,000**	**2,400,000**	**129,027**	**7,678**

	MIP - RSU tranche	MIP - PSU tranche	MIP - RSU tranche	EARS	EARS
Grant date (Range)	**09/03/25**	**09/03/25**	**24/06/25**	**09/03/25**	**24/06/25**
Fair value per award ($)	3.35	1.65	2.95	2.95	2.95
Expected life in years (Range)	1.56 - 2.56 years	1.56 - 2.56 years	1.25 - 2.25 years	1.56 - 2.56 years	1.25 - 2.25 years
Expected volatility	56.0 %	56.0 %	55.0 %	56.0 %	55.0 %
Risk free interest rate (Range)	4.00% - 4.02%	4.00% - 4.02%	3.71% - 3.90%	4.00% - 4.02%	3.71% - 3.90%
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Number of awards	**13,918,755**	**4,959,413**	**401,591**	**1,276,508**	**56,807**

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CRA-funded CIP

	Common share tranche	Preferred share tranche
Grant date (Range)	**09/03/25**	**09/03/25**
Fair value per award ($)	3.35	764.3
Expected life in years (Range)	1.56 - 2.56 years	1.56 - 2.56 years
Expected volatility	56.0 %	56.0 %
Risk free interest rate (Range)	4.00% - 4.02%	4.00% - 4.02%
Dividend yield	0.0 %	0.0 %
Number of awards	**1,858,946**	**21,553**

10. Capital management policies and procedures

The Group's objectives when managing capital are to safeguard the ability to continue as a going concern, to provide adequate returns for shareholders, and maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt. The Group monitors capital based on the carrying amount of the equity less cash and cash equivalents as presented on the face of the consolidated statement of financial position.

	30 June 2026 $'000	30 June 2025 $'000
Capital		
Total equity	1,746,538	2,722,787
Less cash and cash equivalents	(315,503)	(381,614)
Total capital	**1,431,035**	**2,341,173**
Overall financing		
Total equity	1,746,538	2,722,787
Plus leasing liabilities, borrowings and other financing liabilities	(2,866,146)	(2,157,595)
Total financing	**(1,119,608)**	**565,192**

Loan Covenants
Under the terms of the bank loan, the group is required to comply with the following financial covenants at the end of each annual and interim reporting period: net debt leverage ratio must be not more than 7.85:1.00 applicable if the Revolving Credit Facility is utilised in the period only. As the facility was not utilised in the period ending 30 June 2026, this is not applicable (refer to note 21).

Working Capital

11. Capitalised commission

Commission Cost Recognition
Commission costs are all recognised as Sales and Marketing ("S&M") costs. The Group pays commissions to sales staff and to referral partners. IFRS 15 requires that certain costs incurred in both obtaining and fulfilling customer contracts be deferred on the consolidated statement of financial position where recoverable and amortised over the period that an entity expects to benefit from the customer relationship. The only significant cost falling within the remit of IFRS 15 is the portion of commission costs classified as a cost of contract acquisition.

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Darktrace pays 100% of all future sales commissions upfront. Darktrace is required, under IFRS 15, to capitalise substantially all new sales commissions, with substantially all commissions deemed to meet the criteria of being incurred solely to acquire the contract.

Up to 30 June 2025, together with related social security and similar contributions, most commissions are therefore capitalised and amortised over the customer contract term, with the amortisation being recognised as an S&M cost.

On 1 July 2025, Darktrace has introduced a new commission remuneration policy that changes how commissions are calculated and paid. This structure includes two major differences from the previous arrangement:

- Reduction in commission rate for contract renewal - Salespersons will receive a reduced commission for contract renewals compared to the initial commission paid for a new deal; and
- Uplift commission - Salespersons who exceed a set ACV threshold for deals closed in a given period will receive a higher commission rate, applied to both new and previous agreements.

From 1 July 2025 therefore, sales commissions for renewal of a contract are not considered commensurate with the commissions paid for the acquisition of the initial contract given the substantive difference in commission rates in proportion to their respective contract values. Commissions paid upon the initial acquisition of a contract are amortized over an estimated period of benefit of five years while commissions paid for renewal contracts are amortized over the contractual term of the renewals.

Significant judgement in determining the amortisation period
In determining the appropriate amortisation period or the period of benefit for capitalised contract costs, Darktrace has used judgement considering factors such as customer retention and how quickly the entity's products and services change. Based on the churn analysis performed, a period of five years has been considered the most appropriate for the amortisation of the commission capitalised; to be re-assessed each year going forward.

Significant estimate in the amortisation period
Had the entity used a period of 4 years for the amortisation of the capitalised commission for new contracts, the amortisation for the year would have been higher by $0.7 million.

Had the entity not changed the approach at all (continuing with the 'contract life' approach for all commissions), the amortisation for the year would have been higher by $4.3 million.

Refer to note 1 for impairment of non-financial assets.

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Geographic Market	30 June 2026 $'000	30 June 2025 $'000
USA	35,306	30,113
United Kingdom	16,214	11,185
Europe	29,139	24,723
Rest of world	20,633	20,611
	101,292	**86,632**
Current	45,666	54,635
Non-current	55,626	31,997
	101,292	**86,632**

	FY 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
Amortisation in the year/period	46,210	18,268
Impairment in the year/period	57	281

12. Trade and other receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less expected credit loss provision.

The Group has adopted the simplified model of recognising lifetime expected credit losses for all trade receivables on a collective basis as there are shared credit risk characteristics, grouped on basis of geography and days past due. The amount of the provision is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. See note 1 for a description of the Group’s impairment policies.

The Group defines a trade receivable as in default (i.e., credit impaired) if it is more than 90 days past due, unless it has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. The Group writes off trade receivables when in its view there is no reasonable expectation of recovery.

Darktrace considers two main parameters where a customer is considered to have defaulted. The first is where a customer breaches its contractual obligation to provide payment in relation to provided services and there are no other available avenues to recover the outstanding debt. The second is where a customer has terminated the agreement with Darktrace outside of its contractual rights.

Deposits
Deposits are financial assets measured at amortised cost, primarily related to cash deposits in connection to leases for the Group’s offices. Where the agreement is for a term longer than one year, the related deposit is classified as long term. Refer to note 20 for accounting treatment of short-term deposits classified as cash and cash equivalent instead.

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	30 June 2026 $'000	30 June 2025 $'000
Trade receivables	129,980	124,257
Prepayments	32,226	35,432
Amounts owed from parent entity	6,994	3,047
Accrued income	6,308	4,509
Other receivables	5,617	2,649
Deposits	592	1,481
As at 30 June	**181,717**	**171,375**

Amounts owed from parent entity relate to amounts advanced to, and costs settled on behalf of, the Company's parent entity during the year.

Other receivables includes mainly $3.5 million of withholding tax receivable ($0.8 million at 30 June 2025), $1.1 million amounts recoverable from the U.S. Internal Revenue Service (nil at 30 June 2025) and a $1.0 million in accrued bank interest ($1.8 million at 30 June 2025).

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balance.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The Group allocates each exposure to a credit risk grade based on data that is determined to be predictive on the risk of loss (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default.

Exposures within each credit risk grade are segmented by geographic region and an ECL rate is calculated for each segment based on delinquency status and actual credit loss experience over the past 3 years as well as forward looking factors. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group’s view of economic conditions over the expected lives of the receivables.

The Group has recorded an expected credit loss provision for trade receivables as determined under the requirements of IFRS 9, at 30 June 2026 of $5.2 million ($4.0 million in prior period).

The movement in the expected credit loss provision is as follows:

	FY 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
At the beginning of the period	4,026	–
Business combination	–	5,560
Charge for the period	5,735	(678)
Reversal on collected amounts	(4,593)	(856)
Expected credit loss provision at year end	**5,168**	**4,026**
Receivables written off during the year	1,889	2,601

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The expected credit loss for trade receivables was determined as follows:

	up to 30 days $'000	up to 60 days $'000	up to 90 days $'000	more than 90 days $'000	Total $'000
30 June 2026					
Expected credit loss rate	0.7 %	3.9 %	24.9 %	61.7 %	3.7 %
Gross carrying amount for trade receivables and accrued income	127,524	5,757	2,542	5,633	141,456
Lifetime expected credit loss	(831)	(227)	(634)	(3,476)	(5,168)

	up to 30 days $'000	up to 60 days $'000	up to 90 days $'000	more than 90 days $'000	Total $'000
30 June 2025					
Expected credit loss rate	0.4 %	9.7 %	15.6 %	49.6 %	**3.0 %**
Gross carrying amount for trade receivables and accrued income	119,393	5,793	2,345	5,262	132,793
Lifetime expected credit loss	(488)	(563)	(367)	(2,608)	(4,026)

The net movement in the expected credit loss provision has been included in general administrative cost in the consolidated statement of comprehensive income.

13. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year or any other period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the end of the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Amounts falling due within one year:

	30 June 2026 $'000	30 June 2025 $'000
Accruals	80,420	85,853
Loan payable to parent	35,913	46,160
Social security and other taxes	8,647	12,015
Trade payables	16,354	9,006
As at 30 June	**141,334**	**153,034**

Accruals includes:

- $40.1 million accrued commission and bonuses (30 June 2025: $44.6 million)
- $32.9 million accrued salaries and partner fees (30 June 2025: $26.1 million)
- $5.3 million accrued hosting fees and professional fees including audit and accountancy (30 June 2025: $10.1 million)
- $1.6 million accrued marketing and recruitment costs (30 June 2025: $3.6 million)
- $0.5 million accrued legal fees (30 June 2025: $1.5 million)

Loan payable to parent is an interest-bearing loan facility held with Darktrace Parent Limited, bearing interest at SOFR plus 1% per annum over a three-year term, in relation to cash arising from the CRA for the Co-Invest Programme ("CIP"). Refer to note 9 for further details on the CIP.

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14. Provisions

Provisions are recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of the economic benefit is probable.

FY25 AIP awards at acquisition – CRA
Awards granted in August 2025 were included in the 'acquisition agreement'. Vesting of these awards are subject to meeting the relevant vesting conditions (i.e. service condition for RSUs and performance based and service condition for PSU). These awards were granted in July 2024 onwards and the terms include a takeover clause which sets out what happen in the event of the anticipated acquisition by Darktrace Bidco Limited.

The new award consists of two vesting scenarios, one being an equity settled arrangement and the other being a cash award that is settled by the acquirer on takeover. The award is effectively a share-based payment plan with a cash settlement alternative, with the cash settlement contingent on an event outside the control of issuer and counterparty (change in control). The classification of such awards is based on whether the contingent is probable.

The terms of the new awards included the cash replacement settled by the acquirer. Since the terms of the award include the replacement award, there is no modification. The replacement award is in substance a mandatory replacement by the acquirer in a business combination and relevant guidance as per IFRS 3 has been applied.

This award effectively consists of 2 alternative vesting scenarios (regular IFRS 2 vesting and cash settlement by acquirer). Switch accounting is applied at the date of acquisition.

The company accounted for the pre-combination amount as a liability with the corresponding amount in goodwill in the consolidated financial statements. The awards represent cash settled share-based payments awarded to their employees. The total amount to be accounted for as is determined by reference to the fair value of the awards outstanding as at the acquisition date.

The total cost and related liability are recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

					30 June 2026
	Provision for share-based payment tax	Provision for contingent acquisition costs	CRA Provision	Other provision	Total provision
	$'000	$'000	$'000	$'000	$'000
Opening provision	**1,985**		**21,601**	**975**	**24,561**
Accrual/(release) for the year	1,122	–	19,108	444	20,674
Utilisation	(982)	–	(19,927)	(300)	(21,209)
Closing provision	**2,125**	**–**	**20,782**	**1,119**	**24,026**
Current	1,527	–	15,616	1,119	18,262
Non-current	598		5,166	–	5,764
Total provision	**2,125**	**–**	**20,782**	**1,119**	**24,026**

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	30 June 2025				
	Provision for share-based payment tax	Provision for contingent acquisition costs	CRA Provision	Other provision	Total provision
	$'000	$'000	$'000	$'000	$'000
Opening provision	**–**	**–**	**–**	**–**	**–**
Business combination	13,959	74,156	–	2,287	90,402
Accrual/(release) for the period	2,171	5,190	70,702	(370)	77,693
Utilisation	(14,145)	(79,346)	(49,101)	(942)	(143,534)
Closing provision	**1,985**	**–**	**21,601**	**975**	**24,561**
Current	1,235	–	9,174	105	10,514
Non-current	750	–	12,427	870	14,047
Total provision	**1,985**	**–**	**21,601**	**975**	**24,561**

Other provision includes mainly an estimate of the tax charges in relation to permanent establishment rules in countries where there is no subsidiary and a provision for dilapidations.

Litigation Claims and Assessments
The Company is subject to claims and suits that may arise from time to time in the ordinary course of business. In addition, some legal actions, claims and governmental inquiries may be instituted or asserted in the future against the Company. Although the outcome of these legal proceedings cannot be predicted with certainty and no assurances can be provided, based upon current information, the Company does not believe the liabilities, if any, which may ultimately result from the outcome of such matters, individually or in the aggregate, will have a material adverse impact on the Company's consolidated financial statements.

Long Term Assets

15. Goodwill

Goodwill arising on the acquisition of a subsidiary is recognised as an asset at the date that control is acquired (the acquisition date).

Goodwill is measured as the excess of:
- the sum of the consideration transferred,
- the amount of any non-controlling interest in the acquiree and
- the fair value of the acquirer's previously-held equity interest (if any) in the entity over the net fair value of the identifiable net assets recognised.

If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously-held equity interest (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortised but is reviewed for impairment at least annually. Any impairment loss is recognised immediately in the consolidated statement of comprehensive income and is not subsequently reversed.

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Impairment testing is applied in the order set out by IAS 36.98: assets within a CGU first, where there is indication of impairment, then the CGU, then the group of CGUs to which goodwill has been allocated.

Significant judgement and estimate on goodwill impairment assessment
Impairment exists when the carrying amount of an asset or cash-generating unit ("CGU") exceeds its recoverable amount, being the higher of fair value less costs of disposal ("FVLCD") and value in use ("VIU").

The Group has significant goodwill and intangible assets arising principally from the acquisition of Darktrace Limited. These assets are allocated to the Darktrace CGU for impairment testing. The assessment of recoverability requires significant judgement and estimation, particularly in determining the future financial performance of the business and the valuation assumptions used to determine the recoverable amount. At 30 June 2026, the recoverable amount of the Darktrace CGU has been determined using FVLCD, which is higher than VIU.

FVLCD has been estimated by reference to an independent third-party valuation using a combination of the discounted cash flow, guideline public company and guideline company transactions methods. The most significant areas of estimation and judgement include forecast revenue and profitability, the discount rate and long-term growth rate applied in the DCF methodology, the selection of comparable companies and transactions and associated valuation multiples, and the weighting applied to the valuation methodologies. Changes in these assumptions, individually or in combination, could result in a material change in the estimated recoverable amount. The assessment is particularly sensitive because certain downside scenarios can eliminate the headroom available under the base-case assessment. The key assumptions used in determining the recoverable amount, together with the results of management's sensitivity analysis, are disclosed and further explained below.

	30 June 2026 $'000	30 June 2025 $'000
Goodwill		
As at 1 July 2025	2,293,952	–
Darktrace acquisition	–	2,233,903
Cado acquisition	–	60,049
Mira Acquisition	2,901	–
As at 30 June	**2,296,853**	**2,293,952**

30 June 2025 goodwill arose upon the acquisition of Darktrace Limited and Cado Security Limited during the period ended 30 June 2025 (see note 2 for details).

On 21 July 2025, Darktrace acquired 100% of the share capital of Mira Security Inc accounting for $2.9 million goodwill. The assets are allocated to a single Darktrace CGU (corresponding to the single operating segment) and is monitored, therefore at the consolidated group level. IAS 36 requires Management to perform impairment tests annually for goodwill and indefinite lived assets. Since 1 July 2025 Cado Security Limited is dormant. Functional currency for both entities has been determined to be the same currency as the Group i.e. USD and therefore there will be no foreign exchange differences going forward on goodwill.

Impairment assessment
The recoverable amount of the CGU has been determined using Fair Value Less Costs of Disposal ("FVLCD"), being the higher of FVLCD and Value in Use ("VIU") in accordance with IAS 36. In the prior year, the recoverable amount was determined using VIU. In the current year, management obtained an independent third-party valuation of the business and determined that FVLCD exceeded VIU. Accordingly, FVLCD has been used as the recoverable amount for the current-year impairment assessment. The FVLCD measurement is categorised within Level 3 of the IFRS 13 fair value hierarchy.

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FVLCD of the single CGU was estimated by reference to an independent third-party valuation, using the discounted cash flow, guideline public company, and guideline company transactions methods, each weighted equally at 33.3%. Costs of disposal of 1.5% of enterprise value were deducted, giving an FVLCD (recoverable amount) of $5.0 billion, which exceeds the carrying value of the CGU's net assets of $4.6 billion (including goodwill of $2.3 billion and intangible assets of $2.8 billion). Accordingly, the recoverable amount exceeded the carrying amount by approximately $0.4 billion and no impairment charge is required at 30 June 2026.The values assigned to the key assumptions reflect management's forecasts, historical performance and, where relevant, observable market data and external valuation evidence. The principal assumptions to which the recoverable amount is sensitive are forecast cash flows, the discount rate, long-term growth rate and market multiples.

The key assumptions underlying each valuation method were:

- Discounted cash flow: a weighted average cost of capital of 11.5%, reflecting a cost of equity of 18.1% and an after-tax cost of debt of 5.4%, weighted according to the Company's actual capital structure; a forecast period of seven years up to June 2033; and a long-term growth rate of 2.5% applied in determining the terminal value. Forecast cash flows are based on management's latest approved forecasts, with longer-term assumptions considered against historical performance and external market information. The valuation considered a WACC range of 11.0% to 12.0% and an LTGR range of 1.5% to 3.5%.

- Guideline public company: multiples of 5.00x to 6.00x LTM sales and 15.5x to 17.5x LTM pro forma adjusted EBITDA (excluding deferred revenue for comparability), derived from a set of 13 listed cyber security and software companies and selected between the mean and median of that peer group, reflecting the Company's smaller size offset by above-peer EBITDA margins and revenue growth broadly in line with the peer range.

- Guideline company transactions: an EV/LTM sales multiple of 5.00x to 6.00x, derived from 21 sector transactions announced since 2022 and selected at a discount to the transaction set's mean (7.50x) and median (7.33x) to reflect the Company's smaller size relative to the guideline transactions.

Applying an equal 33.3% weighting to each of the three valuation methodologies, management performed a sensitivity analysis using the lower end of the key assumptions and valuation ranges across each methodology. Under the lower end of all methodologies, the resulting recoverable amount would be below the CGU carrying amount of approximately $4.6 billion by $11.0 million, resulting in an impairment of that amount.

This sensitivity represents the simultaneous application of the lower-end valuation outcomes across all three methodologies, rather than an adverse movement in an individual assumption or methodology in isolation. Management considers this to demonstrate the sensitivity of the impairment assessment to reasonably possible adverse changes in the key valuation assumptions.

16. Intangible assets

Customer relationship
Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. It has an estimated useful economic life of 15 years and is subsequently carried at cost less accumulated amortisation and impairment losses.

Brand

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The Darktrace brand has traded since 2013 and has good market presence. Brand acquired in a business combination is recognised at fair value at the acquisition date. It has a n estimated useful life of 15 years and is subsequently carried at cost less accumulated amortisation and impairment losses.

Software
Software acquired in a business combination is recognised at fair value at the acquisition date. It has an estimated useful economic life of 9 years and is subsequently carried at cost less accumulated amortisation and impairment losses.

The Group capitalises allowable costs related to the development of new products and related significant functional enhancements to its Cyber AI platform. The directly attributable costs capitalised are employee costs including the appropriate portion of relevant compensation-related overheads. Costs are only capitalised when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use,
- Management intends to complete the software so that it will be available for use,
- there is an ability to use or sell the software,
- it can be demonstrated how the software will generate probable future economic benefits,
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

These capitalised development costs are recorded as intangible assets and amortised from the point at which the developed assets are released for use, typically as a part of major version or product releases.

Capitalised development costs are amortised on a straight-line basis over a three-year period unless the related software is removed from service prior to that date, in which case the remaining amortisation related to the software removed from use would be accelerated. Amortisation is classified as Research and development costs.

Costs associated with maintaining software programmes are recognised as an expense as incurred.

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	FY 2026			
	Customer Relationship $'000	Brand $'000	Software $'000	Total $'000
Cost				
As at 1 July 2025	2,070,540	230,232	979,544	3,280,316
Business combination (Mira)	958	–	244	1,202
Additions in year	–	–	217	217
As at 30 June	**2,071,498**	**230,232**	**980,005**	**3,281,735**
Amortisation				
As at 1 July 2025	(103,519)	(11,511)	(81,077)	(196,107)
Charge for the year	(138,161)	(15,349)	(109,118)	(262,628)
As at 30 June	**(241,680)**	**(26,860)**	**(190,195)**	**(458,735)**
Net book value as at 30 June	**1,829,818**	**203,372**	**789,810**	**2,823,000**

	For the period from 19 April 2024 to 30 June 2025			
	Customer Relationship $'000	Brand $'000	Software $'000	Total $'000
Cost				
Business combination (Darktrace)	2,070,409	230,232	963,011	3,263,652
Business combination (Cado)	131	–	16,533	16,664
As at 30 June	**2,070,540**	**230,232**	**979,544**	**3,280,316**
Amortisation				
Charge for the year	(103,519)	(11,511)	(81,077)	(196,107)
As at 30 June	**(103,519)**	**(11,511)**	**(81,077)**	**(196,107)**
Net book value as at 30 June	**1,967,021**	**218,721**	**898,467**	**3,084,209**

Amortisation of intangible assets is charged to the consolidated statement of comprehensive income and is included within research and development costs and sales and marketing costs.

17. Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the consolidated statement of comprehensive income during the reporting period in which they are incurred.

The depreciation methods and periods used by the Group are as follows:

Appliances	5 years straight line
Leasehold improvements	Lower between EUL and lease term on straight line
Equipment	2-5 years straight line

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the consolidated statement of comprehensive income.

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Other assets
Other assets included within property, plant and equipment are generally IT equipment for employee use and a small amount of infrastructure equipment. The Group also has office fit out costs, furniture, other tangible property including leasehold improvements.

Appliances
Most of the Group's property, plant and equipment is comprised of the appliances used to deploy its software. Appliances are encrypted with the Group's software and deployed both to customers for the fulfilment of contracts and potential customers for POV demonstrations. These appliances are deployed, retrieved and redeployed many times over their useful lives and may be on customer or prospect sites, interchangeably, at any given time. The Group retains ownership of these appliances and depreciates them over an estimated five-year useful economic life. The depreciation of these assets is apportioned to either Cost of sales or Sales and marketing based on the proportion of appliances deployed to customers and prospects in each period.

Significant judgement in assessment of control of appliances
The Group is required to assess if, as part of the assessment of the performance obligations, there is an embedded lease within the contract relating to the appliances used to deploy its software. Due to the length of the contracts, averaging approximately three years, and the underlying asset value, it is appropriate to assess if there is an inherent lease embedded within the contract.

The Group considered its continued ownership of the appliances, the appliances having a useful economic life in excess of the typical contract length (appliances are accounted for on an estimated useful life of five years based on the Group's experience to date) in determining if there was a lease. It is also Management's judgement that the Group retains control of the appliances throughout the performance period as the Group directs the use of the asset. Therefore Management's judgement that the Group's contracts do not contain leases under IFRS 16.

FY 2026

	Leasehold improvements $'000	Equipment $'000	Appliances $'000	Total $'000
Cost				
As at 1 July 2025	7,776	7,914	48,824	64,514
Additions	3,563	4,105	21,392	29,060
Disposals	(199)	(1,474)	(10,706)	(12,379)
As at 30 June	**11,140**	**10,545**	**59,510**	**81,195**
Depreciation				
As at 1 July 2025	(1,588)	(1,406)	(6,424)	(9,418)
Charge for the period	(2,239)	(4,213)	(18,500)	(24,952)
Disposals	194	1,281	10,506	11,981
Impairment	–	–	(230)	(230)
As at 30 June	**(3,633)**	**(4,338)**	**(14,648)**	**(22,619)**
Net book value as at 30 June	**7,507**	**6,207**	**44,862**	**58,576**

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	Leasehold improvements	Equipment	Appliances	For the period from 19 April 2024 to 30 June 2025 Total
	$'000	$'000	$'000	$'000
Cost				
Business combination	7,096	7,499	42,525	57,120
Additions	680	2,534	14,021	17,235
Disposals	–	(2,119)	(7,722)	(9,841)
As at 30 June	**7,776**	**7,914**	**48,824**	**64,514**
Depreciation				
Charge for the period	(1,588)	(3,270)	(13,416)	(18,274)
Disposals	–	1,864	6,992	8,856
As at 30 June	**(1,588)**	**(1,406)**	**(6,424)**	**(9,418)**
Net book value as at 30 June	**6,188**	**6,508**	**42,400**	**55,096**

Depreciation of appliances is apportioned to cost of sales based on the proportion of the Group's appliance pool deployed to customer sites in each period, and all appliance depreciation related to customer contracts is recognised in Cost of sales. Depreciation of appliances used to run POV demonstrations for prospects is apportioned to Sales and Marketing based on the proportion of the Group's appliance pool deployed to prospect sites in each period. Where appliances are at client sites or in transit and there is doubt about their recoverability, they are impaired: the impairment for the year amounted to $0.2 million (prior period $0.1 million).

The depreciation charges for Property, plant and equipment have been made in the consolidated statement of comprehensive income within the following functional areas:

Depreciation	FY 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
Cost of sales	18,048	12,906
Sales and marketing	3,922	3,220
Research and development	1,318	846
General and administrative	1,664	1,302
	24,952	**18,274**

18. Inventory

Appliances for Federal use

Inventory includes those appliances that are purchased for the purpose of being sold to potential and future customers for Darktrace Federal Inc. Under the specific requirements of segregation of this entity, those future customers may require for the appliances used to deploy the software as POV or for future contracts to be sold to them. Those appliances are distinct from appliances used in any other country or for any other Industry as they are purchased specifically for this subsidiary and retained in dedicated space before they are deployed to the potential or future customer.

Inventory is stated at the lower of cost and net realisable value. Cost is determined on the basis of weighted average costs and comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

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	30 June 2026 $'000	30 June 2025 $'000
Inventory	2,834	161

19. Leases

The Group leases various offices and equipment. Rental contracts are typically made for fixed periods of 6 months to 8 years but may have extension options as described below.

Contracts may contain both lease and non-lease components. Under IFRS 16 ‘Leases’ the Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable by the Group under residual value guarantees,
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group’s exercising of that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee’s incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by subsidiaries, which do not have recent third-party financing,
- makes adjustments specific to the lease, e.g., term, country, currency and security, and
- if a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Group entities use that rate as the basis to determine the incremental borrowing rate.

Right-of-use Assets

Right-of-use assets are measured at cost considering the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life (typically first expected break clause to be executed if this is expected) and the lease term on a straight-line basis. If the

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Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in the consolidated statement of comprehensive income. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets are generally comprised of IT equipment and small items of office furniture.

Extension and termination options

Extension and termination options are included in several property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. Most of the extension and termination options held are exercisable only by the Group and not by the respective lessor.

Refer to note 1 for impairment of non-financial asset.

Right-of-use assets capitalised on the consolidated statement of financial position are as below:

	FY 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
Cost		
As at 1 July	43,789	–
Business combination	–	43,307
Additions	6,452	4,086
Disposals	(1,165)	(3,604)
As at 30 June	**49,076**	**43,789**
Depreciation		
As at 1 July	(5,719)	–
Charge for the period	(11,836)	(9,022)
Disposals	864	3,303
As at 30 June	**(16,691)**	**(5,719)**
Net book value as at 30 June	**32,385**	**38,070**

The depreciation charges for right-of-use assets have been made in the consolidated statement of comprehensive income within the following functional areas:

	FY 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
Depreciation		
Cost of sales	(2,132)	(1,766)
Sales and marketing	(5,201)	(5,050)
Research and development	(1,475)	(1,087)
Other administrative	(3,028)	(1,119)
Total	**(11,836)**	**(9,022)**

Lease liabilities are presented in the consolidated statement of financial position as follows:

	30 June 2026 $'000	30 June 2025 $'000
Current	10,595	11,394
Non-current	27,261	33,589
As at 30 June	**37,856**	**44,983**

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The Group has leases for office space around the world. With the exception of short-term leases and leases of low value underlying assets, each lease is reflected on the consolidated statement of financial position as a right-of-use asset and a lease liability.

The Group must keep the offices it leases in a good state of repair and return the offices in a condition as good as their original condition at the end of the lease. Further, the Group must insure any leasehold improvements made to the offices and incur servicing fees in accordance with the lease contracts.

The following table describes the nature of the Group's leasing activities by type of right-of-use asset recognised on the consolidated statement of financial position:

Year	Right-of-use asset	No. of right-of-use assets leased	Range of remaining term	Average remaining lease term	No. of leases with extension options	No. of leases with early break clause
30/06/2026	Office space	28	0-7 years	2.1 years	8	8
30/06/2025	Office space	29	0-8 years	3.3 years	8	10

The lease liabilities are secured by the related underlying assets. The table below shows undiscounted lease maturity analysis:

Lease maturity analysis	30 June 2026 $'000	30 June 2025 $'000
Lease liabilities, short term	13,004	14,115
1 - 2 years	10,139	11,405
2 - 5 years	20,736	21,590
Over 5 years	1,297	6,303
Total liabilities	**45,176**	**53,413**

Amounts Recognised in the Consolidated Statement of Comprehensive Income

The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed as incurred. The expense relating to payments not included in the measurement of the lease liability is disclosed below.

Office space	FY 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
Short-term leases	1,287	2,171
Low value leases	1,418	732
Total	**2,705**	**2,903**

The future minimum rentals under non-cancellable leases are as follows:

Office space	30 June 2026 $'000	30 June 2025 $'000
Within one year	743	1,456
Low value lease rentals	1,578	2,062
	2,321	**3,518**

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The Group also holds leases for office equipment such as photocopiers for which it has taken the small value exemption.

Amounts Recognised in the Consolidated Statement of Cash Flows

	FY 2026	For the period from 19 April 2024 to 30 June 2025
	$'000	$'000
Cash outflows for leases	14,942	11,274

Income from subleasing

Other income of $1.8 million was earned during the year from subleasing activities. Of this, $0.1 million related to subleases for our New York office, which expired in September 2025 alongside the expiry of the Group's head lease for that office. The remaining $1.7 million related to two active subleases of the San Francisco office, both of which run until the end of the Group's head lease in 2031.

Financial Risk Management

20. Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Deposits at call are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours' notice with no loss of interest.

	30 June 2026	30 June 2025
	$'000	$'000
Cash at bank and in hand	160,045	204,871
Deposits at call	155,458	176,743
Cash and cash equivalents	**315,503**	381,614

$34.5 million (30 June 2025: $57.5 million) relates to restricted cash which mainly relates to funds in the Employee Benefit Trust that is ear-marked for employee benefits.

21. Changes in liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities can be classified as follows:

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	Lease liabilities $'000	Borrowings $'000	Total $'000
19 April 2024	**–**	**–**	**–**
Changes from financing cash flows			
Borrowings	–	(2,395,000)	(2,395,000)
Repayment of lease liabilities	11,274	–	11,274
Repayment of borrowings	–	254,338	254,338
Interest payment	–	88,669	88,669
Other changes			
Borrowings cost*	–	71,537	71,537
Business combination	(49,220)	–	(49,220)
Interest expense	(2,368)	(132,310)	(134,678)
New leases	(4,086)	–	(4,086)
Foreign exchange movements	(583)	154	(429)
30 June 2025	**(44,983)**	**(2,112,612)**	**(2,157,595)**
Changes from financing cash flows			
Borrowings	–	(750,000)	(750,000)
Borrowings cost*	–	9,870	9,870
Repayment of lease liabilities	14,942	–	14,942
Repayment of borrowings	–	23,003	23,003
Interest payment	–	186,601	186,601
Other changes			
Interest expense	(2,961)	(206,415)	(209,376)
Gain on loan modification	–	21,263	21,263
New leases	(6,452)	–	(6,452)
Disposal	1,044	–	1,044
Foreign exchange movements	554	–	554
30 June 2026	**(37,856)**	**(2,828,290)**	**(2,866,146)**

**Borrowing cost capitalised is financing activity. The comparative period has not been re-presented as the amounts are immaterial to the statement as a whole.*

The group has a secured bank loan credit facility with Goldman Sachs as agent of the debt, which amounts to $2,895.0 million (30 June 2025: $2,145.0 million) comprises of first and second lien loan facility for $2,485.0 million and $410.0 million at 30 June 2026 (30 June 2025: $1,735.0 million and $410.0 million) having a carrying amount of $2,828.3 million at 30 June 2026 (30 June 2025: $2,112.6 million). The first lien loan is payable in tranches within a span of 6 to 7 years, and the second lien loan is payable at the end of an 8 year term.

Under the terms of the bank loan, the group is required to comply with the following financial covenants at the end of each annual and interim reporting period: net debt leverage ratio must be not more than 7.85:1.00 applicable if the Revolving Credit Facility is utilised in the period only.

As the facility was not utilised in the period ending 30 June 2026, this is not applicable.

22. Risk management objectives and policies

The Group's financial risk management is controlled by a central treasury department ("Group treasury") under policies approved by the Board of Directors. Group treasury identifies and evaluates financial risks in close co-operation with the Group's CFO and other Executive Directors and Senior Managers. The Board authorises written principles for overall risk management, as well as policies covering specific

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areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, and investment of excess liquidity.

Market risk

Foreign Exchange Risk

The table below details the Group's exposure to foreign currency risk, in currencies different from the Company functional currency:

	AUD	CAD	EUR	GBP	JPY	Other currencies	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Trade receivable	2,856	3,836	44,816	16,547	2,115	1,534	71,704
Deposits	147	201	383	5,346	44	176	6,297
Cash and cash equivalents	2,877	684	5,909	8,060	201	3,024	20,755
Trade payables	(15)	(69)	(232)	(3,208)	(52)	(126)	(3,702)
30 June 2026	**5,865**	**4,652**	**50,876**	**26,745**	**2,308**	**4,608**	**95,054**

	AUD	CAD	EUR	GBP	JPY	Other currencies	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Trade receivable	2,549	4,256	33,660	20,964	549	2,567	64,545
Deposits	146	246	527	5,614	57	261	6,851
Cash and cash equivalents	1,254	5,583	9,700	11,752	152	2,740	31,181
Trade payables	(79)	(28)	(176)	(2,798)	(147)	(153)	(3,381)
30 June 2025	**3,870**	**10,057**	**43,711**	**35,532**	**611**	**5,415**	**99,196**

The aggregate net foreign exchange loss recognised in other administrative expenses are:

	FY 2026	For the period from 19 April 2024 to 30 June 2025
	$'000	$'000
Net foreign exchange loss	(992)	(1,380)

As shown in the table above, the Group is primarily exposed to changes in USD/GBP and USD/EUR exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from EUR or GBP denominated financial assets and liabilities.

	FY 2026	For the period from 19 April 2024 to 30 June 2025
	$'000	$'000
USD/EUR exchange +/- 10%	(4,666) / 5,703	(3,974) / 4,857
USD/GBP exchange +/- 10%	(2,820) / 3,446	(3,229) / 3,946

The Group operates a natural hedging strategy where possible to mitigate its foreign exchange risk.

Price risk

The Group has no significant exposure to equity securities price risk.

Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

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Credit risk is managed on a Group basis. Certain partners who are significant are independently rated through credit agencies, if there is no independent rating an internal review is carried out. The Credit manager assesses the credit quality of the partner, taking into account its financial position, as well as experience for customers and partners in the same region. There are no significant concentrations of credit risk, whether through exposure to individual customers or partners, specific industry sectors or regions.

The Group's main financial assets that are subject to the expected credit loss model are trade receivables. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial. Refer to note 12 for a trade receivable impairment analysis.

The Board approved Treasury policy governs the credit limits for deposits with banks and financial institutions. Credit ratings and limits are reviewed on monthly basis by Group Treasury. The credit ratings for the deposits classified as cash and cash equivalents ranges from BBB+ to A+.

Trade receivables are fully provided where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 6 months past due. The general credit loss provision will begin to be provided from thirty days past due based on the historic default rates adjusted for regional performance. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Liquidity risk

Prudent liquidity risk management involve maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities, to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining both liquid cash and availability under committed credit lines.

	30 June 2026	30 June 2025
	$'000	$'000
Expiring beyond one year (bank loans)	2,816,821	2,103,575
30 June 2026	**2,816,821**	**2,103,575**

Maturity of financial liabilities

The table below presents the Group's financial liabilities by relevant maturity grouping, based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 12 months	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
	$'000	$'000	$'000	$'000	$'000
Trade payables	16,354	–	–	–	16,354
Accruals	7,400	–	–	–	7,400
Lease liabilities	13,004	10,139	20,736	1,297	45,176
Borrowings	234,248	233,165	687,306	2,881,284	4,036,003
30 June 2026	**271,006**	**243,304**	**708,042**	**2,882,581**	**4,104,933**

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	Less than 12 months $'000	Between 1 - 2 years $'000	Between 2 - 5 years $'000	Over 5 years $'000	Total $'000
Trade payables	9,006	–	–	–	9,006
Accruals	18,039	–	–	–	18,039
Lease liabilities	14,115	11,405	21,590	6,303	53,413
Borrowings	187,328	186,016	550,634	2,338,192	3,262,170
30 June 2025	**228,488**	**197,421**	**572,224**	**2,344,495**	**3,342,628**

23. Summary of financial assets and liabilities by category

The carrying amounts of the assets and liabilities as recognised at the consolidated statement of financial position date of the years under review may also be categorised as follows:

	FY 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
Financial assets at amortised cost		
Deposits	7,813	9,170
Trade receivables and accrued income	136,288	128,767
Amounts owed from parent entity	6,994	3,047
Other receivables	5,617	2,649
Cash and cash equivalents	315,503	381,614
Total financial assets at amortised cost	**472,215**	**525,247**
Financial liabilities at amortised cost		
Trade payables	(16,354)	(9,006)
Accruals	(7,400)	(18,039)
Lease liabilities	(37,856)	(44,983)
Other long term liabilities	(2,537)	–
Borrowings	(2,828,290)	(2,112,613)
Total financial liabilities at amortised cost	**(2,892,437)**	**(2,184,641)**

Accruals include all the financial liabilities at amortised cost, hence exclude payroll accruals in note 13.

24. Fair value remeasurement

The Group measures financial instruments such as derivatives, and non-financial assets such as investment properties, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

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The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group’s carrying amounts of other financial instruments, including, accounts receivable, accounts payable, and accrued expenses are considered Level 1 and approximate their fair values due to their short maturities and are excluded from the fair value tables above. The carrying value of debt is considered Level 1 and approximates fair value.

There were no transfers between fair value measurement levels during the year ended 30 June 2026 and the Successor period ended 30 June 2025. The consolidated financial statements as of 30 June 2026 and the Successor period ended 30 June 2025 do not include any non-recurring fair value measurements relating to assets or liabilities.

Other notes

25. Other operating income

R&D tax credit / government grants
The Group has made claims for tax credits under HMRC’s Research and Development Expenditure Credit (RDEC) scheme since 2019 which is reflected as other operating income on the consolidated statement of comprehensive income. This accounting treatment is in accordance with IAS 12 Income Tax and IAS 20 Government grants.

Other income

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Other income consists predominantly of rental income of $1.8 million from subleasing the Group's New York and San Francisco offices (see note 19), with the remainder relating to a marketing incentive programme with Microsoft.

	FY 2026	For the period from 19 April 2024 to 30 June 2025
	$'000	$'000
R&D tax credit under HMRC RDEC scheme	4,870	3,808
Other income	2,879	1,216
Total other operating income	**7,749**	**5,024**

26. Income tax

Income tax

The income tax expense or credit for the period comprises current tax for the year, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, where applicable.

Current tax is the expected tax payable or receivable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous periods in the countries where the Group operates and generates taxable income. Any uncertain tax treatments are reviewed, documented and communicated to the Board as appropriate. The Group finance function monitors any uncertain items on a regular basis, working closely with the local tax advisor to understand any potential changes to the associated risk. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Group entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Income tax is recognised as an expense or income and included in the consolidated statement of comprehensive income for the period, except to the extent that the tax arises from a transaction or event that is not itself recognised in the consolidated statement of comprehensive income, for example when it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax balances recognised

The Group has recognised a deferred tax liability of $708.4 million (30 June 2025: $770.9 million) as a result of the intangible assets recognised at acquisition (see note 2) and has recognised deferred tax asset of $110.8 million at 30 June 2026 (30 June 2025: $123.4 million) mainly on account of significant tax attributes in the UK available for offset against future taxable profits and against the deferred tax liabilities recognised at acquisition.

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Future policy

The Group will continue to assess the deferred tax asset against the recognition criteria in line with the external reporting deadlines, considering the most up-to-date forecasts available at that time. If there is a significant unforeseen future event that would have a significant bearing on the above analysis, Darktrace will consider the impact on the deferred tax position at the point in time, outside of the usual review process.

	FY 2026	For the period from 19 April 2024 to 30 June 2025
Current tax (credit)/expense:	**$'000**	**$'000**
UK current tax	15,035	–
Foreign withholding tax suffered	–	1,267
Foreign taxation	3,723	2,713
Adjustments in respect of prior periods	(512)	–
Total current tax	**18,246**	**3,980**
Deferred tax (credit)/expense:		
Origination and reversal of timing differences	(52,597)	(124,673)
Adjustments in respect of prior periods	2,529	–
Total deferred tax	**(50,068)**	**(124,673)**
Taxation	**(31,822)**	**(120,693)**

The relationship between the expected tax expense based on the UK effective tax rate of the Group at 25% (25% for period ending FY 2025), and the tax expense recognised in the consolidated statement of comprehensive income can be reconciled as follows:

	FY 2026	For the period from 19 April 2024 to 30 June 2025
	$'000	**$'000**
Loss for year before taxation	**(186,425)**	**(648,171)**
Tax Rate	**25.0%**	**25.0%**
Tax on loss on ordinary activities at standard CT rate 25%	(46,606)	(162,043)
Effects of:		
Tax rates in foreign jurisdictions	(128)	(211)
Non-deductible expenses	12,895	40,294
Overseas taxes deducted at source	–	1,267
Under provided tax in prior years	2,017	–
Total tax on ordinary activities for the year/period	**(31,822)**	**(120,693)**

Patent box relief

The Group is currently assessing the availability of UK Patent Box relief in respect of FY 2026. As the assessment remains ongoing at the reporting date, no related tax benefit has been recognised in these financial statements. Subject to completion of the assessment, a claim may be included in the FY 2026 corporation tax return to be filed in June 2027, which could result in a reduction in the Group's tax liability.

Income tax consequences of dividends

There are no income tax consequences attached to the payment of dividends in the period by the Group to its shareholders.

Deferred tax assets and liabilities

The tax rate applied considers 25.0% for UK and 25.4% for US as these are tax rate expected to be applicable by the time the loss will be unwound.

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	Asset	Liability	30 June 2026 Net
	$'000	$'000	$'000
Fixed Asset timing differences	–	(7,208)	(7,208)
Short term temporary differences	3,828	(944)	2,884
Losses carried forward	106,959	–	106,959
Intangible asset arising on business combination	–	(700,271)	(700,271)
Total	**110,787**	**(708,423)**	**(597,636)**

	Asset	Liability	30 June 2025 Net
	$'000	$'000	$'000
Fixed Asset timing differences	–	(5,121)	(5,121)
Short term temporary differences	23,705	(8,772)	14,933
Losses carried forward	99,744	–	99,744
Intangible asset arising on business combination	–	(757,001)	(757,001)
Total	**123,449**	**(770,894)**	**(647,445)**

Movement in deferred tax asset and deferred tax liabilities

	FY 2026	For the period from 19 April 2024 to 30 June 2025
	$'000	$'000
1 July	**(647,445)**	**–**
Business combination:		
Deferred tax asset recognised on acquisition (Darktrace Acquisition)	–	95,477
Deferred tax liability recognised on acquisition (Darktrace Acquisition)	–	(862,888)
Deferred tax liability recognised on acquisition (Cado Acquisition)	–	(4,707)
Deferred tax liability recognised on acquisition (Mira Acquisition)	(259)	–
(charged)/credited through the income statement:		
Deferred tax asset movement	6,290	13,794
Deferred tax liability movement	43,778	110,879
30 June	**(597,636)**	**(647,445)**

27. Related party transactions

There were no related party transactions with Directors to disclose in any of the years/periods presented. Refer to note 5 for directors' remuneration. From 1 October 2024 the new ultimate controlling party is Thoma Bravo L.P. The ultimate parent undertaking and the smallest and largest Company to consolidate these financial statements from 1 October 2024 is Darktrace Midco I Limited.

Key management remuneration
The Group considers to be part of the key management personnel the members of the Board (including the Executive Directors) and three Senior Managers who exert control over the strategy and direction of the Group.

Their costs in the period were as follows:

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	FY 2026	For the period from 19 April 2024 to 30 June 2025
	$'000	$'000
Wages and salaries	13,228	5,537
Bonus and commission	4,299	4,079
Social security costs	1,678	688
Benefits	257	117
Total short-term benefits	**19,462**	**10,421**
Pension costs	138	65
Cash replacement awards	8,382	29,994
Share-based payment charge	9,980	37,694
Share-option related employer tax charges	855	(1,096)
	38,817	**77,078**

Short term employee benefits of the Group's key management personnel include salaries and non-cash benefits. Retirement benefits are accruing to five directors under the Group's defined contribution pension scheme.

Other related party disclosures
Other related parties include transactions with companies under common directorship.

	Transaction value		Balances outstanding	
	FY 2026	For the period from 19 April 2024 to 30 June 2025	30 June 2026	30 June 2025
	$'000	$'000	$'000	$'000
Fees for management support services	10,897	17,067	–	–
Revenue received	(229)	(126)	–	–
Amounts receivable by parent entity	–	–	6,994	3,047
Amounts payable to parent entity	–	–	(35,913)	(46,160)
	10,668	**16,941**	**(28,919)**	**(43,113)**

28. Capital commitments

The Group had no capital commitments at 30 June 2026 and 30 June 2025.

29. Subsidiaries

The group’s subsidiaries at 30 June 2026 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business of each entity. Darktrace Midco II Limited is the solely directly owned subsidiary; all other subsidiaries are owned by the Group.

For the period ended 30 June 2026 the company has taken advantage of the audit exemption for subsidiary companies under section 479A of the Companies Act 2006 for the following entities:

- Darktrace Midco II Limited
- Darktrace Group Limited

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- Darktrace Bidco Limited
- Darktrace Finco UK Limited
- Darktrace Limited
- Darktrace Holdings Limited

The members of the company have not required an audit under section 476 of the Act for the above-mentioned subsidiaries.

The directors acknowledge their responsibilities under the Act for preparing accounts and maintaining adequate accounting records.

Subsidiary	Country of registration	Registered office	Year of incorporation		Proportion held	Principal activity
Darktrace Midco II Limited	UK	Maurice Wilkes Building St John's Innovation Park Cowley Road Cambridge CB4 0DS	2024	Directly owned by the Company	100.0%	Holding entity
Darktrace Group Limited	UK	Maurice Wilkes Building St John's Innovation Park Cowley Road Cambridge CB4 0DS	2024	Indirectly owned by the Group	100.0%	Holding entity
Darktrace Bidco Limited (UK)	UK	Maurice Wilkes Building St John's Innovation Park Cowley Road Cambridge CB4 0DS	2024	Indirectly owned by the Group	100.0%	Holding entity
Darktrace Limited (formerly plc)	UK	Maurice Wilkes Building St John's Innovation Park Cowley Road Cambridge CB4 0DS	2021	Indirectly owned by the Group	100.0%	Holding entity
Darktrace Finco US LLC	USA	C/O The Corporation Trust Company, Corporation Trust Center 1209 Orange St Wilmington New Castle DE 19801	2024	Indirectly owned by the Group	100% membership interest	Financing entity
Darktrace Finco UK Limited	UK	Maurice Wilkes Building St John's Innovation Park Cowley Road Cambridge CB4 0DS	2024	Indirectly owned by the Group	100.0%	Financing entity - dormant
Darktrace, Inc	USA	C/O Paracorp Incorporated 2140 S DuPont Highway Camden Delaware 19934 USA	2013	Indirectly owned by the Group	100.0%	Sales and marketing services

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Subsidiary	Country of registration	Registered office	Year of incorporation		Proportion held	Principal activity
Darktrace Federal Inc.	USA	C/O The Corporation Trust Company Corporation Trust Center 1209 Orange Street, Wilmington, New Castle, Delware, United States, 19801	2022	Indirectly owned by the Group	100.0%	Trading entity
Darktrace Holdings Limited	UK	Maurice Wilkes Building St John's Innovation Park Cowley Road Cambridge, United Kingdom, CB4 0DS	2013	Indirectly owned by the Group	100.0%	Trading and research and developme nt services
Darktrace Singapore Pte Ltd	Singapore	4 Shenton Way, #28-03 SGX Centre 2, Singapore 068807	2015	Indirectly owned by the Group	100.0%	Sales and marketing services
Darktrace Australia Pty Ltd	Australia	C/O BP Woodward & Associates, Level 5 Suite 501, 83 York Street, Sydney NSW 2000, Australia	2015	Indirectly owned by the Group	100.0%	Sales and marketing services
Darktrace Japan KK	Japan	12-1-605 Okahigashi-cho Hirakata City Osaka, Japan	2015	Indirectly owned by the Group	100.0%	Sales and marketing services
Darktrace South Africa Pty Ltd	South Africa	Oakdene House - 229 Carina Street, Waterkloof Ridge Pretoria Gauteng 0181	2016	Indirectly owned by the Group	100.0%	Sales and marketing services
Darktrace Ireland Limited	Ireland	88 Harcourt Street, Dublin 2, D02 DK18, Ireland	2019	Indirectly owned by the Group	100.0%	Sales and marketing services
Darktrace SaS	France	38 avenue des Champs-Elysees 75008 Paris	2019	Indirectly owned by the Group	100.0%	Sales and marketing services
Darktrace Hong Kong Limited	Hong Kong	31/F Tower Two Time Square Matheson Street Causeway Bay Hong Kong	2019	Indirectly owned by the Group	100.0%	Sales and marketing services
Darktrace Colombia SaS	Colombia	Cra 16 # 97-46 Torre 1 piso 6 Bogota Colombia	2019	Indirectly owned by the Group	100.0%	Sales and marketing services
Darktrace Canada, Inc	Canada	Suite 2501- 550 Burrard Street, Vancouver, British Columbia, V6C 2B5, Canada	2020	Indirectly owned by the Group	100.0%	Sales and marketing services

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Subsidiary	Country of registration	Registered office	Year of incorporation		Proportion held	Principal activity
Darktrace Mexico, SA De CV	Mexico	Boulevard Manuel Avila, Camacho No 76 PB Colonia: Lomas de Chapultepec Alcaldia: Miguel Hidalgo Ciudad de Mexico C.P. 11000	2020	Indirectly owned by the Group	100.0%	Sales and marketing services
Darktrace GmbH	Germany	Nonnenbrücke 12, 96047 Bamberg, Germany	2020	Indirectly owned by the Group	100.0%	Sales and marketing services
Darktrace Employee Benefit Trust	Jersey	26 New Street, St Helier, Jersey, JE2 3RA	2021	Indirectly owned by the Group	100.0%	Employee benefit trust
Darktrace Netherlands B.V.	Netherlands	WTC The Hague, Tower E, Prinses Margrietplantsoen 42, 2595 BR, Den Haag, Netherlands	2015	Indirectly owned by the Group	100.0%	Sales and marketing and research and developme nt services
Darktrace Korea Limited	South Korea	4th Floor LS YongSan Tower 92, Hangang-daero Yongsan-gu Seoul Republic of Korea 04386	2022	Indirectly owned by the Group	100.0%	Sales and marketing services
Darktrace Sweden AB	Sweden	c/o TMF Sweden AB, Vasagatan 38, 111 20 Stockholm, Sweden	2022	Indirectly owned by the Group	100.0%	Sales and marketing services
Darktrace New Zealand Limited	New Zealand	Turner Hopkins, Floor 1 1 The Strand Takapuna Auckland 0622 New Zealand	2023	Indirectly owned by the Group	100.0%	Sales and marketing services
Darktrace Company	Saudi Arabia	Office #207&208, Kingdom Center, King Fahd Road, Al Olaya, Riyadh 12214, Saudi Arabia	2025	Indirectly owned by the Group	100.0%	Sales and Marketing services
Cado Security Limited (dissolved 25 August 2026)	UK	3rd Floor 1 Ashley Road, Altrincham, Cheshire, United Kingdom, WA14 2DT	2020	Indirectly owned by the Group	100.0%	Trading entity
Mira Security LLC (Dissolved 12 June 2026)	USA	2140 S DuPont Highway, Camden, Delaware 19934, USA	2020	Indirectly owned by the Group	100.0%	Trading entity

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Subsidiary	Country of registration	Registered office	Year of incorporation		Proportion held	Principal activity
Mira Security Limited	UK	6th Floor 9 Appold Street, London, United Kingdom, EC2A 2AP	2021	Indirectly owned by the Group	100.0%	Sales and Marketing services
Mira Security Software Proprietary Limited	South Africa	1st Floor Suite 1 Block A Southdowns Ridge Office Park 1240 John Vorster Dr - Irene Gauteng 0062	2021	Indirectly owned by the Group	100.0%	Sales and Marketing services

Darktrace Holdings Limited has also branch offices in Dubai, in Italy and in Spain.

Branch/permanent establishment	Country of registration	Registered office	Year of registration
Permanent Establishment of Darktrace Holdings Limited in Spain - (Establecimiento Permanente de Darktrace Holdings Limited en Espana)	Spain	CRESA - Calle Santa Engracia 151 2º 3ª 28003 Madrid Spain	2023
Darktrace Holdings Limited - Italian Branch	Italy	Via Tiziano 32 Milano (MI) Cap 20145 Italy	2023
Darktrace Holdings Limited- Dubai Branch	Dubai	Level 42, Emirates Towers Sheikh Zayed Road Dubai UAE	2019

30. Post balance sheet events

Key management change
On 31 July 2026 Suman Raju stepped down as Chief Finance Officer (CFO) and Adam Towns was appointed on 24 August 2026 as his successor.

Subsidiaries
On 25 August 2026 Cado Security Limited was struck-off.

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3.3 Company Financial Statements

Company Statement of Financial Position

	Note	30 June 2026 $'000	30 June 2025 $'000
Non-current assets			
Investments	5	2,344,948	3,200,295
Deferred tax asset		298	298
		2,345,246	**3,200,593**
Current assets			
Other receivables	6	606	26,658
		606	**26,658**
Total assets		**2,345,852**	**3,227,251**
Current liabilities			
Trade and other payables	7	(7,930)	(2,344)
		(7,930)	**(2,344)**
Total liabilities		**(7,930)**	**(2,344)**
Net assets		**2,337,922**	**3,224,907**
Equity			
Share capital		24,992	28,806
Share premium		–	3,196,995
Capital redemption	8	3,814	–
Capital contribution		403	395
Retained earnings		2,308,713	(1,289)
		2,337,922	**3,224,907**

As permitted by section 408 of Companies Act 2006, a separate Statement of comprehensive income for Darktrace Midco I Limited has not been included in these financial statements. Darktrace Midco I Limited total comprehensive loss for the year amounted to $46.6 million (prior period: loss $1.3 million).

These financial statements were approved by the Board of Directors and authorised for issue on 12 October 2026. They were signed on its behalf by:

Signed by:
David Morris
59DB1D9CE8F946A...

David Morris
Director
Company No. 15662253

The notes on pages 102-107 are an integral part of these financial statements.

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Company Statement of Changes in Equity

	Notes	Share capital	Share premium	Capital redemption reserve	Capital contribution	Retained earnings	Total equity
		$'000	$'000	$'000	$'000	$'000	$'000
19 April 2024		**–**	**–**	**–**	**–**	**–**	**–**
Total comprehensive income for the period		–	–	–	–	–	–
Loss for the period		–	–	–	–	(1,289)	(1,289)
Total comprehensive loss for the year		**–**	**–**	**–**	**–**	**(1,289)**	**(1,289)**
Shares issued in the period		28,806	3,171,489	–	395	–	3,200,690
Subscription of loan notes with parent entity		–	25,506	–	–	–	25,506
Transactions with owners		**28,806**	**3,196,995**	**–**	**395**	**–**	**3,226,196**
30 June 2025		**28,806**	**3,196,995**	**–**	**395**	**(1,289)**	**3,224,907**
Total comprehensive income for the year							
Loss for the year		**–**	**–**	–	–	(46,553)	(46,553)
Total comprehensive loss for the year		**–**	**–**	**–**	**–**	**(46,553)**	**(46,553)**
Share capital redemption and distribution	8	(3,814)	–	3,814	–	(840,440)	(840,440)
Share premium reduction		–	(3,196,995)	–	–	3,196,995	–
Share based payment charge	8	–	–	–	8	–	8
Transactions with owners		**(3,814)**	**(3,196,995)**	**3,814**	**8**	**2,356,555**	**(840,432)**
30 June 2026		**24,992**	**–**	**3,814**	**403**	**2,308,713**	**2,337,922**

The notes on pages 102-107 are an integral part of these financial statements.

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Notes to the Company Financial Statements

1. Company information

Darktrace Midco I Limited is a company incorporated in England and Wales under company number 15662253. The principal place of business is Maurice Wilkes Building, St John's Innovation Park, Cowley Road, Cambridge, CB4 0DS.

2. Basis for preparation

These financial statements are for the year ended 30 June 2026.

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). They have been prepared under the historical cost convention except for certain financial instruments which are measured at fair value, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires Management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

The following exemptions from the presentation and disclosure requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined).
- IFRS 7, 'Financial instruments: Disclosures'.
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- Paragraph 38 of IAS 1, 'Presentation of financial statements' – comparative information requirements in respect of:
  - Paragraph 79(a)(iv) of IAS 1,
- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d) (statement of cash flows);
  - 16 (statement of compliance with all IFRS);
  - 38A (requirement for minimum of two primary statements, including cash flow statements);
  - 38B-D (additional comparative information);
  - 111 (statement of cash flows information); and
  - 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows'.
- The requirements of paragraphs 88C and 88D of IAS 12 Income Taxes.
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).

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- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.

All amounts in the financial statements and notes have been rounded off to the nearest thousand USD, unless otherwise stated.

Going concern assumption

As a holding company, the Company has limited standalone operating activities and maintains relatively low cash balances. The Directors have therefore considered not only the Company's own cash resources but also the financial resources available within the wider group. The Company controls its wholly owned subsidiaries and has the ability to direct the distribution of surplus cash held within those entities through dividends, intercompany funding arrangements or other group cash management processes, subject to compliance with applicable legal and regulatory requirements.

The Directors have reviewed the forecast liquidity position of the group and are satisfied that sufficient financial resources are available to meet the Company's obligations as they fall due. Based on this assessment, the Directors have a reasonable expectation that the Company will continue in operational existence for the foreseeable future and have therefore adopted the going concern basis of accounting in preparing these financial statements.

The Directors have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern for a period of 12 months from signing these accounts.

New standards, amendments, IFRIC interpretations and new relevant disclosure requirements adopted by the Company

The company has applied the following standards and amendments for the first time for its annual reporting period commencing 1 July 2025:

- Lack of Exchangeability – Amendments to IAS 21,

The amendment listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Foreign currency translation

Functional and presentation currency

These financial statements are presented in U.S. Dollars ("USD") which is the functional currency of the Company.

Transactions and balances

Foreign currency transactions are translated into the functional currencies of Darktrace Midco I Limited using the exchange rate as at the time of transaction. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at month end exchange rates, are generally recognised in the statement of comprehensive income. All foreign exchange gains and losses are presented in the statement of comprehensive income on a net basis within foreign exchange differences. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

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3. Key judgements and estimates

The preparation of financial statements in accordance with IFRS requires Management to make judgements, estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the period end and the reported amount of revenues and expenses during the reported period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and for any future periods affected.

Critical judgement: Assessment of dividends received from subsidiaries
Determination of whether dividends received from subsidiaries represent dividend income or a return of investment

During the year, the Company received dividends from certain subsidiary undertakings. Management exercised significant judgement in assessing whether these distributions should be recognised as dividend income in the Company's statement of profit or loss or accounted for as a return of investment through a reduction in the carrying value of the related investment in subsidiary.

In making this assessment, management considered the source of the distribution, including the extent to which it was supported by profits generated by the subsidiary subsequent to acquisition, the subsidiary's accumulated reserves and historical profitability, and whether the distribution represented a recovery of part of the Company's original investment. Where the dividend was determined to be funded from pre-acquisition profits, capital reserves, or otherwise represented a return of invested capital rather than a return on investment, the distribution was recognised as a reduction in the carrying amount of the investment.

Management concluded that the dividend received during the year represented a return of part of the Company's investment in the subsidiary and, accordingly, the amount has been recorded as a reduction of the carrying value of the investment rather than as dividend income in profit or loss. This judgement was based on an evaluation of the subsidiary's net asset position, distributable reserves and the nature of the funds distributed.

The accounting treatment is consistent with the Company's policy of recognising distributions that represent a recovery of the cost of investment as a reduction in the carrying amount of the investment, rather than as income.

4. Employee costs

Employees benefits
Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated statement of financial position.

Post-employment obligations - defined contribution plans

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment

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obligations once the contributions have been paid. The contributions are recognised as expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

The Company operates a stakeholder pension scheme and contributes to several personal pension schemes on behalf of its employees. The Group also contributes to State-sponsored pension schemes in multiple countries as legislated.

Bonus plans

The Group recognises a liability and an expense for bonuses based on Management ’s best estimate of the expected payment for discretionary bonuses and then will make the appropriate adjustments, if necessary, at the time these bonuses are paid. The Group recognises a liability where contractually obliged or where there is a past practice that has created a constructive obligation.

The average number of employees, including Executive Directors, during the year as follows:

	FY 2026 Number	For the period from 19 April 2024 to 30 June 2025 Number
General and administrative	0	1
	0	**1**

Directors' emoluments and benefits were as follows:

	FY26 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
Emoluments	571	184
Compensation for loss of office	5,249	–
	5,820	**184**

The directors of the company are also directors of the holding company and fellow subsidiaries. The directors do not believe that it is practicable to apportion this amount between their services as directors of the company and their services as directors of the holding and fellow subsidiary companies.

5. Investments in subsidiary undertakings

Investments in subsidiaries are held at cost less accumulated impairment losses. The Company has a wholly owned subsidiary called Darktrace Midco II, a private company limited by shares, that was incorporated on 22 April 2024. The subsidiary is recognised in the accounts at cost.

Investments are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Investments that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

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	FY 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000
Opening investment	**3,200,295**	**–**
Investment in Darktrace Midco II	–	3,200,295
Return on investment	(855,347)	–
Closing investment	**2,344,948**	**3,200,295**

During the year Darktrace Midco II Limited distributed $855.3 million to the Company. The distribution has been accounted for as a return on investment.

6. Other receivables

Receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less expected credit loss provision.

	30 June 2026 $'000	30 June 2025 $'000
Amounts owed from parent entity	203	25,948
Other receivables	403	710
Total trade and other receivables	**606**	**26,658**

Amounts owed from the parent entity were settled during the year through intercompany loan offsets under the group's distribution plan on 29 June 2026, resulting in a significant reduction of $25.7 million in the balance outstanding at 30 June 2026.

7. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year or any other period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the end of the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Amounts falling due within one year:

	30 June 2026 $'000	30 June 2025 $'000
Amounts owed to subsidiary undertakings	6,939	2,042
Accruals	991	302
Total trade and other payables	**7,930**	**2,344**

Amounts owed to subsidiary undertakings represent amounts owed to Darktrace Holdings Limited, for the settlement of insurance and other fees paid by Darktrace Holding Limited on behalf of the Company.

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8. Capital contribution and redemption reserve

Capital redemption reserve
On 20 November 2025 the Company distributed $840.4 million to Darktrace Parent Limited by way of a share buy-back of 3,814,296 number of A-1 preference shares for $381.4 million. At cancellation a capital redemption reserve equals to the nominal amount of ordinary shares cancelled is created.

	30 June 2026 $'000	30 June 2025 $'000
Share capital redemption and distribution	3,814	–
Total Capital redemption reserve	**3,814**	**–**

Capital contribution
The subsidiary should, in its own financial statements, measures the services received from its employees (operating partners from Thoma Bravo) in accordance with the requirements of IFRS 2 applicable to equity-settled share-based payment transactions. There will be a corresponding increase recognised in equity as a capital contribution from the parent company.

9. Other related party disclosures

Other related parties include transactions with companies under common directorship.

	Transaction value	Balances outstanding	Transaction value	Balances outstanding
	FY 2026 $'000	30 June 2026 $'000	For the period from 19 April 2024 to 30 June 2025 $'000	30 June 2025 $'000
Amounts payable to parent entity	–	(8)	–	(153)

10. Other notes

Capital Commitments
The Company had no capital commitments at 30 June 2026 and 30 June 2025.

Information Included in the Notes to the Consolidated Financial Statements
Some of the information included in the notes to the consolidated financial statements is directly relevant to the financial statements of the Company as follows:

Note 4 – Auditors' remuneration;
Note 8 – Share capital and share premium;
Note 27 – Key management personnel;
Note 27 – Related parties;
Note 29 – Subsidiaries;
Note 30 – Post balance sheet

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Darktrace Midco I Limited

Company number
15662253

Registered office
Maurice Wilkes Building, St John's Innovation Park, Cowley Road, Cambridge, United Kingdom, CB4 0DS

Website
www.darktrace.com

Corporate Advisers (as at 30 June 2026)

Bankers
HSBC UK Bank Plc
Citibank, N.A.
Goldman Sachs & Co. LLC

Legal Advice
Kirkland & Ellis LLP

Auditor
Ernst & Young LLP

Directors at time of signing
- David Smith (Chief People Officer) (appointed 18 June 2026)
- David Morris (Chief Legal Officer) (appointed 18 June 2026)
- Terence Doyle (Chief Information Officer) (appointed 18 June 2026)

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Glossary

AGM
Annual General Meeting

Adjusted EBITDA
Adjusted EBITDA is the Group's earnings before interest, taxation, depreciation and amortisation, adjusted to include appliance depreciation attributed to cost of sales and amortisation of capitalised commissions, and adjusted to remove uncapitalised share-based payment charges and related employer tax charges, as well as certain one-off charges including the impairment of right-of-use assets.

AI
Artificial Intelligence

AIP
Award Incentive Plan

APAC
Asia-Pacific

APMs
Alternative Performance Measures

ARR
Annualised Recurring Revenue

AWS
Amazon Web Services

BCDR
Business Continuity, Disaster Recovery

Board
The board of directors of the Company

CAGR
Compound Annual Growth Rate

CEO
Chief Executive Officer

CFO
Chief Financial Officer

CGU
Cash Generating Unit

CIP
Co-Investment Programme

CRA
Cash Replacement Award

CRM
Customer Relationship Management

CSM
Customer Success Management

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Glossary

Cybersprint
Darktrace Netherland B.V. formerly Cybersprint B.V.

Company
Darktrace Midco I Limited

Darktrace (or Group)
Darktrace Midco I Limited and its consolidated subsidiaries and subsidiary undertakings.

DCF
Discounted Cash Flow

Directors
The Executive Directors, the Nominee Directors and the Independent Directors

DTA
Deferred Tax Asset

EAR
Employee Appreciation Rights

EBIT
Earnings before interest and tax - The Group's operating profit or loss

EBITDA
The Group's EBIT plus depreciation and amortisation

EBT
Darktrace Employee Benefit Trust

EGM
Extraordinary General Meeting

EMEA
Europe, Middle East and Africa EU European Union

ERM
Enterprise Risk Management

ERP
Enterprise Resource Planning

ESG
Environmental, Social and Governance

EU
European Union

Executive Directors
The executive Directors of the Company

ESPP
Employee Share Purchase Plans

EV
Enterprise Value

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FCA
The UK Financial Conduct Authority

FTE
Full Time Equivalent

FVLCD
Fair Value Less Cost of Disposal

FY 2025
The period from 19 April 2024 to 30 June 2025

FY 2026
Financial year ended 30 June 2026

FYE
Fiscal Year End

G&A
General and Administrative

GHG
Green House Gas

Group (or Darktrace)
Darktrace Midco I Limited and its consolidated subsidiaries and subsidiary undertakings.

HCM
Head Count Management

IFRS
International Financial Reporting Standards: UK-adopted International Accounting Standards

Independent Directors
The independent Directors appointed to the Board

IoT
Internet of Things

KPI
Key Performance Indicator

LATAM
Latin America

LBITDA
Loss before interest, taxes, depreciation, and amortisation

LTM
Last twelve months

Management
The Executives of the Company

MIP
Management Incentive Plan

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NED
Non-executive director

OT
Operating Technology

POV
Proof Of Value

PPA
Purchase Price Allocation

Pro-forma FY 2025
Financial year ended 30 June 2025 including the results for the acquired Darktrace group for 12 months and excluding fair value adjustments to revenue results of Business combination accounting.

R&D
Research & Development

RPO
Recurring Performance Obligations and/or Future Contracted Revenue

SaaS
Software as a Service

S&M
Sales and Marketing

SBP
Share-Based Payments

SECR
Streamlined Energy and Carbon Reporting

TAM
Total Addressable Market

TCFD
Task Force on Climate-Related Financial Disclosures

Thoma Bravo
Thoma Bravo, L.P. and its subsidiaries or funds managed or advised by Thoma Bravo, L.P.

TSR
Total Shareholder Return

UK
United Kingdom of Great Britain and Northern Ireland

USA
United States of America

VIU
Value In Use