blackpearl

INTERIM REPORT



BLACKPEARL GROUP HY27 · 6 MONTHS ENDED SEPTEMBER 2026

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01 HY27 KEY MEASURES · SIX MONTHS TO 30 SEPTEMBER 2026

HY27 three key measures

NOTES

COMPARATIVES RELATE TO H1 FY26 UNLESS STATED

H1 FY27 FIGURES ARE UNAUDITED

ALL FIGURES IN NZ$ UNLESS STATED

01 STATUTORY REVENUE

$7.33m

42% increase on H1 FY26

Six months to 30 September 2026.

02 EBITDAF PROFITABILITY

Q1 FY28

Targeted, quarter ending 30 June 2027

Q2 FY27 EBITDAF improved 34% on Q1.

03 DATA-AS-A-SERVICE

61%

Of invoiced revenue in Q2 FY27

From 4% two years ago. Paying ~5x more, churning 6x less.

OVERVIEW

Two years ago, Blackpearl set its direction on Data-as-a-Service (DaaS), where durable value sits. In the half the whole Group moved behind it: statutory revenue grew 42% YoY, DaaS customers rose to 61% of invoiced revenue and $9.4m of annualised cost was removed permanently.

Revenue, costs and EBITDAF are in line with the Q2 FY27 update announced on 20 October 2026.

OUTLOOK

With a lower cost base and a stronger revenue mix, the Group is targeting EBITDAF profitability in Q1 FY28, the quarter ending 30 June 2027.

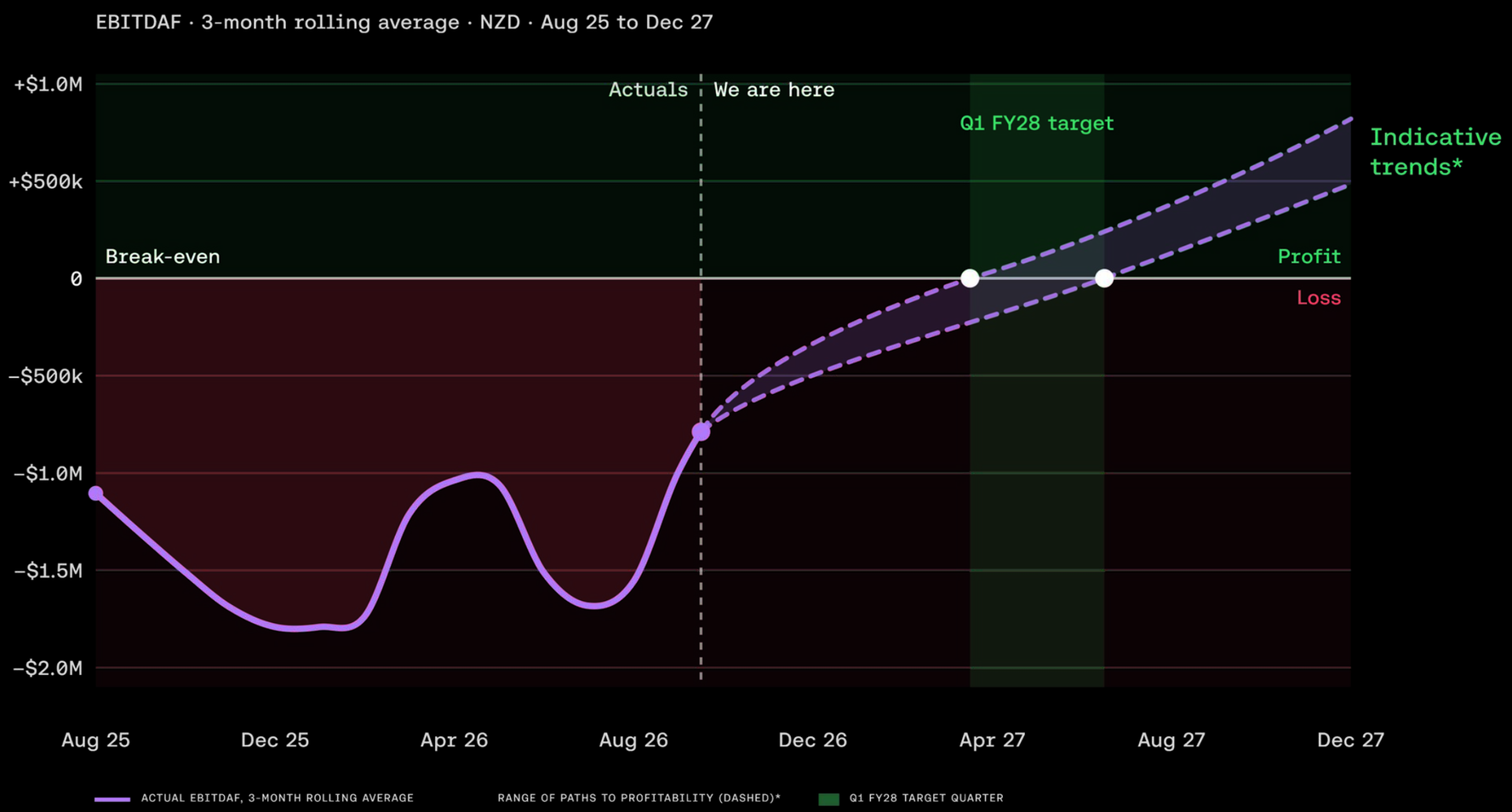
Q2 FY27 EBITDAF was a loss of $2.97m, within guidance and an improvement of 34% on Q1 FY27.

EBITDAF is a non-GAAP measure. Data-as-a-Service share is supplementary analysis on an invoiced basis, previously reported on an MRR basis and not comparable. Q1 FY28 is the quarter ending 30 June 2027.

02 PATH TO PROFITABILITY

Path to EBITDAF profitability

The business is entirely focused on the goal to reach EBITDAF profitability, then grow from a position of strength. The chart shows where the Group is today and the range of paths to that target.



Q1 FY28

EBITDAF PROFITABILITY TARGET
QUARTER ENDING 30 JUNE 2027

34%

Improvement in Q2 FY27 EBITDAF on Q1. Q2 loss of NZ$2.97m, within guidance of $2.5m to $3.0m.

Monthly EBITDAF on a three-month rolling average. From where we are today, the range of paths to profitability sits inside Q1 FY28.

Blackpearl entered FY27 with a clear direction: reach EBITDAF profitability, and grow from there. The Group is targeting EBITDAF profitability in Q1 FY28. Three sets of levers support that target, so it does not rest on any single assumption. Management has scrutinised every outcome and is confident in the Q1 FY28 target.

Q2 FY27 EBITDAF was a loss of $2.97m, within guidance of $2.5m to $3.0m and improved 34% on Q1 FY27. Most savings were implemented during the half, so H1 is yet to reflect the full benefits. The full benefit of the lower cost base flows from Q3 FY27.

* Indicative trends are shown for illustrative purposes only. While the Group is targeting EBITDAF profitability within Q1 FY28, the trajectory to that point and the rate of growth thereafter are not necessarily represented by this chart, and nothing shown is guidance for any individual month or quarter.

Source for actuals: Group monthly management accounts (unaudited); solid line is actuals to Sep 26, on a three-month rolling average that spreads the quarterly capitalised-labour credit. The Q1 FY28 target (quarter ending 30 June 2027) replaces the interim Q3 FY27 range provided in July 2026. EBITDAF is a non-GAAP measure. Key assumptions underpinning the forecast: growth in Data-as-a-Service revenue, including customers referred under the Group's strategic partnership; holding the operating cost base at the level achieved after the cost reductions made in the half; and securing the required funding.

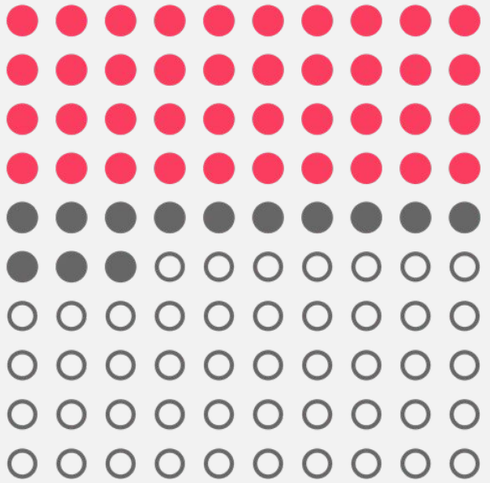
Half-Year 27 Reflections

Two years ago, Blackpearl recognised that the application layer would erode and generic data would commoditise. Durable value would sit underneath, in proprietary data and specialised intelligence. The Group set its direction accordingly and has held it since.

This section looks at what that direction has built: a proven technology lead, defensible barriers to replication, and a business now organised entirely around it.

An industry in transition

Sales and marketing is going through a structural shift. AI is making applications easy to copy and generic data easy to buy. Blackpearl saw this coming two years ago and built for it.



53%

OF WEB TRAFFIC IS NOW GENERATED BY BOTS, 40% BY MALICIOUS BOTS[2]

- Malicious bots · 40%
- Other bots · 13%
- Human · 47%

36M

US SMALL AND MEDIUM-SIZED BUSINESSES[1]

01	THE OLD PLAYBOOK Automated campaigns	Over half of web traffic is bots, and rising A growing share of spend goes on selling to robots that will never buy
02	THE SUPPOSED FIX Rented third-party data	Arrives stripped of context, in static segments Rarely tuned to a customer's buyers, category or cycle Businesses don't own the data that drives their revenue
03	THE ANSWER The Pearl Engine	Domain-specific AI for B2B sales and marketing Trained for one commercially critical problem Finds genuine buyers at the moment they are ready to transact

As AI makes software easier to build, value is moving away from applications and towards the proprietary data and specialised intelligence underneath them.

Blackpearl set its direction for this shift two years ago. Its applications built the Pearl Engine, and the Group now sells that intelligence directly as Data-as-a-Service. It enters this transition with the technology already built and proven.

1 US Small Business Administration, Small Business Profile: United States, 2025. 2 Thales (Imperva), 2026 Bad Bot Report (2025 traffic data). Dot matrix shows the reported shares of web traffic, one dot per 1%; other bots (13%) and human (47%) are derived from the reported 53% and 40%.

03 REFLECTIONS · STRATEGY

Moving to deeper value

The strategy has been consistent for two years. What has changed is the maturity and capability of our technology, enabling us to make Data-as-a-Service the central focus of the entire company.

01

IDENTIFY

We called the market early

Applications would erode; data would commoditise

Value sits underneath, in proprietary data and intelligence

02

BUILD

We invested in the core technology

Capital and engineering behind Pearl Engine

Our models now materially outperform foundation models

03

REFOCUS · NOW

We are streamlining to the highest-value layer

Technology investment proven

Capital, sales, marketing and reporting move to the strongest moat

We kept selling applications to build our most valuable asset. Now the whole company points at it.

WHY APPLICATIONS CAME FIRST

Training
Pearl Engine learns from application data

Revenue
Application revenue funded the build

Momentum
Visible progress every quarter

Applications are eroding and generic data is commoditising, so the value sits underneath, in proprietary data and intelligence.

The Group's applications built the Pearl Engine: they supplied the training data, funded the build and showed progress every quarter. With that investment proven, capital, sales, marketing and reporting now move to the highest-value layer.

03 REFLECTIONS · INDEPENDENTLY VERIFIABLE

A proven lead, benchmarked in the open

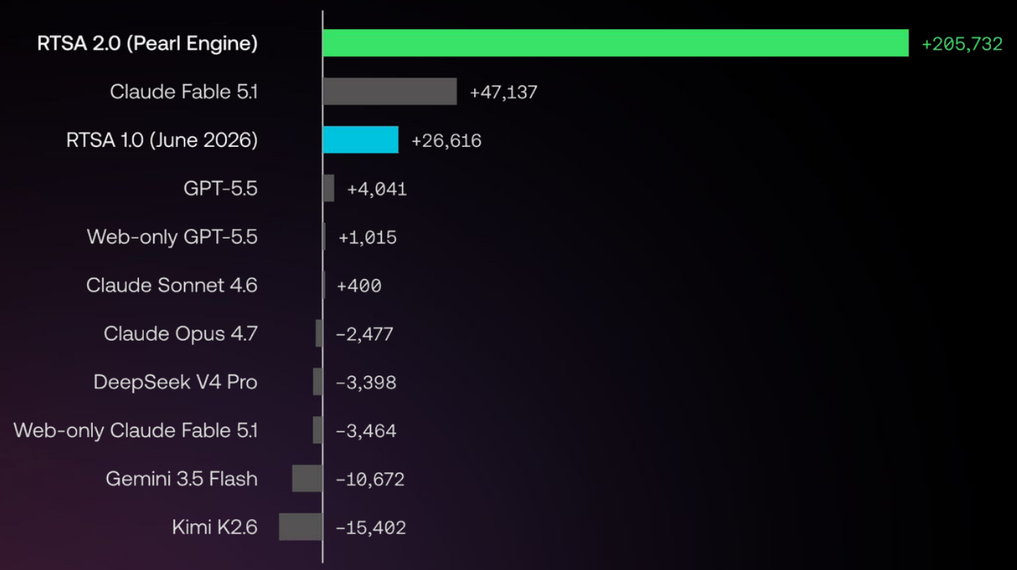
+205,732

PEARL ENGINE NET SCORE · SEPTEMBER 2026

7.7×
Lift on the June score of +26,616

4×+
The +47,137 of the next best model

gtm-bench.ai
Results, tasks and code published



The Pearl Engine scored +205,732 on GTM-Bench in September, more than four times the +47,137 of the next best model. That is a 7.7x lift on its June score of +26,616 and widens its lead over general-purpose AI models.

GTM-Bench scores AI systems on real go-to-market tasks. When restricted to the open web, frontier models score poorly. The difference comes from the data Blackpearl creates and the outcomes it learns from. Results, tasks and code are published at gtm-bench.ai, so customers, partners and investors can test the results for themselves.

Net score on GTM-Bench, an open benchmark Blackpearl operates. Net score credits useful output and penalises poor output, so a negative score means more noise than signal. Web-only denotes a run restricted to open-web evidence. Performance as at 12 September 2026, updated quarterly.

04 THE MOAT

Technical barriers to replication

The Pearl Engine's lead is not a single breakthrough. It rests on four layers built over years, each depending on the one below. A competitor would need all four.

~31B

AROUND 31 BILLION SIGNALS PROCESSED A DAY, WITH MINIMAL TOKEN USE

104K

INTENT SIGNALS THE GROUP CREATES

01 WHERE THE ADVANTAGE SITS

General-purpose AI models are improving quickly. Blackpearl's advantage sits in the layers they cannot shortcut: the data the Group creates, outcome feedback from real campaigns, and the reconciliation that turns conflicting sources into scored records.

02 WHY IT COMPOUNDS

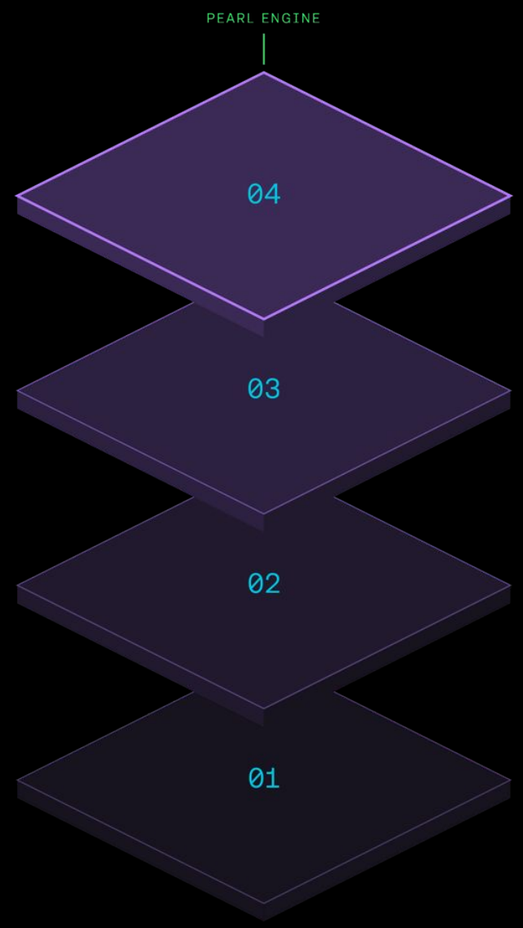
Each layer depends on the one below it. Outcome feedback comes from hundreds of thousands of campaigns, each with a financial result. New entrants start with little of it, it takes time to build, and a competitor would need all four layers to compete.

03 WHY FRONTIER PROGRESS HELPS

The Pearl Engine runs on foundation models, so it improves as they do. Specialisation then lets it process around 31 billion signals a day with minimal token use, keeping the cost to serve low as volumes grow.

Frontier progress works in our favour. The Pearl Engine runs on foundation models, so it improves as they do.

* Web-only runs on GTM-Bench, 12 September 2026: GPT-5.5 +1,015 and Claude Fable 5.1 −3,464, against +205,732 for RTSA 2.0 (Pearl Engine).



WHAT BLACKPEARL HAS BARRIERS TO REPLICATION

04 · Economies of specialisation

Tuned to process around 31 billion signals a day with minimal token use

Typically built for general use. Specialising needs layers 1 to 3.

03 · Evidence reconciliation

Conflicting sources resolved and every record scored

Can't be calibrated without layers 1 and 2

02 · Outcome feedback

Hundreds of thousands of campaigns, each with a financial result

New entrants start with little outcome feedback, which takes time to build.

01 · Data the Group creates

104K intent signals, company insight and business signals

When restricted to the open web, frontier models score poorly on GTM-Bench*

05 WHAT WE FIXED

Diagnostics

The technology has been proven, but during the half the Group made significant changes to the way it operates. It has been candid about four areas, and each has now been addressed. One centralised team now sells Data-as-a-Service, the B2B Rocket team and technology have been redeployed, and 27% of the cost base has been removed. The result going forward is a simpler business with a lower cost base, selling its highest-value products to its highest-value customers.

	THE PROBLEM	WHY IT WAS A PROBLEM	WHAT WE'VE DONE
01	Venture operating structure	Duplicated cost, poor efficiency Management spread too thin Ventures chased application revenue, not Data-as-a-Service	Centralised structure selling Data-as-a-Service Cost base down 27%
02	Overinvestment in B2B Rocket	Too little management scrutiny Short-term revenue activity aimed at earn-outs Opportunity cost: capital and resource kept from Data-as-a-Service	Key staff moved to Data-as-a-Service Technical assets redeployed to Pearl Engine
03	Cost reductions took too long	Management too removed from each operation Cost-out became more complex	27% cost reduction delivered Operations centralised
04	Reliance on public markets	Revenue prioritised over EBITDAF profitability	Moving aggressively to EBITDAF profitability Significantly reduced the cash needed to reach profitability

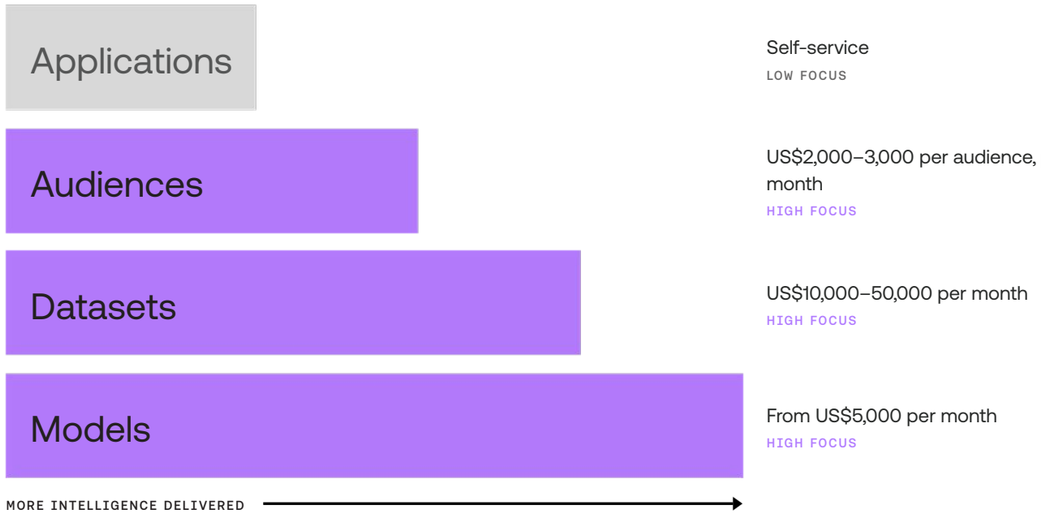
Putting the whole business behind DaaS meant fixing what had slowed it down: a venture structure that duplicated cost, overinvestment in B2B Rocket, cost reductions that took too long and a reliance on public market conditions.

06 CUSTOMER ECONOMICS

Same customers. Different lens.

With the business focused on Data-as-a-Service, the Group now looks at its customers through the same lens. Three measures show where the value is: what customers pay, how long they stay, and what they are worth.

FOUR PATHS TO REVENUE



Data-as-a-Service customers are those classified as Audiences or Datasets. Bar lengths show order of intelligence delivered, not revenue.

Historically, revenue was booked against the application a customer used, regardless of the breadth and depth of data intelligence we were providing them.

Our operational focus has moved to where durable value sits: proprietary data, specialised intelligence, and the assets they create for a customer.

Our revenue categories now follow that focus. Historical revenue is being re-filed, and new revenue booked, **by the data intelligence and asset value delivered, not by the application that delivers it.**

Recategorisation makes visible what we have long known: **the more intelligence we deliver, the higher the customer lifetime value, through higher price points and greater retention.**

06 CUSTOMER ECONOMICS · PRICE

ARPU growth when segmented

$160k
DAAS REVENUE PER CUSTOMER, A YEAR

$34k
ALL CUSTOMERS

+374% since Q1 FY25 vs +110% across all customers

ARPU INDEXED · Q1 FY25 = 100



DaaS revenue per customer is up 374% since Q1 FY25, against 110% across all customers. A DaaS customer now averages $160k a year, compared with $34k across the whole base.

The more intelligence Blackpearl delivers, the more a customer pays. That is why all sales effort now sits on Audiences and Datasets.

Quarterly revenue per customer, Q1 FY25 to Q2 FY27, indexed to Q1 FY25 = 100. Starting ARPU: all customers $1.3k a month, Data-as-a-Service $2.8k a month. Supplementary analysis on an invoiced basis.

06 CUSTOMER ECONOMICS · RETENTION

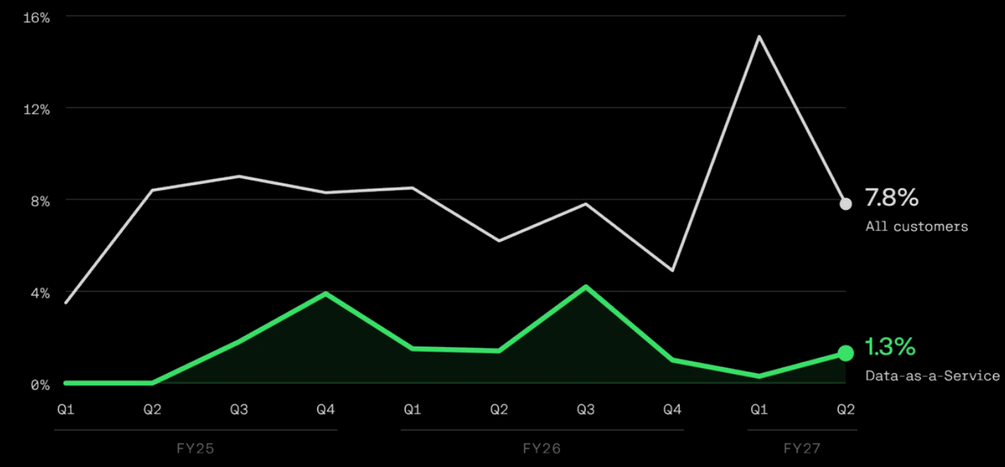
Data intelligence revenue is sticky

1.3%
DAAS MONTHLY CHURN, Q2 FY27

7.8%
ALL CUSTOMERS

6× less churn application-only subscriptions drive the rest

MONTHLY CHURN BY QUARTER



Monthly churn across all customers was 7.8% in Q2 FY27, driven almost entirely by application-only subscriptions. DaaS churn was 1.3% a month.

DaaS customers churn six times less. That makes revenue more dependable, more predictable and cheaper to hold.

Monthly churn by quarter. All customers: application-weighted; DaaS: revenue churn, audiences and datasets. Churn was previously reported on an MRR basis and is not comparable.

06 CUSTOMER ECONOMICS · LIFETIME VALUE

The value compounds.

LIFETIME VALUE PER CUSTOMER, THREE YEARS

$385k DaaS

$34k All customers

SHARE OF INVOICED REVENUE

61% Q2 FY27

4% Two years ago

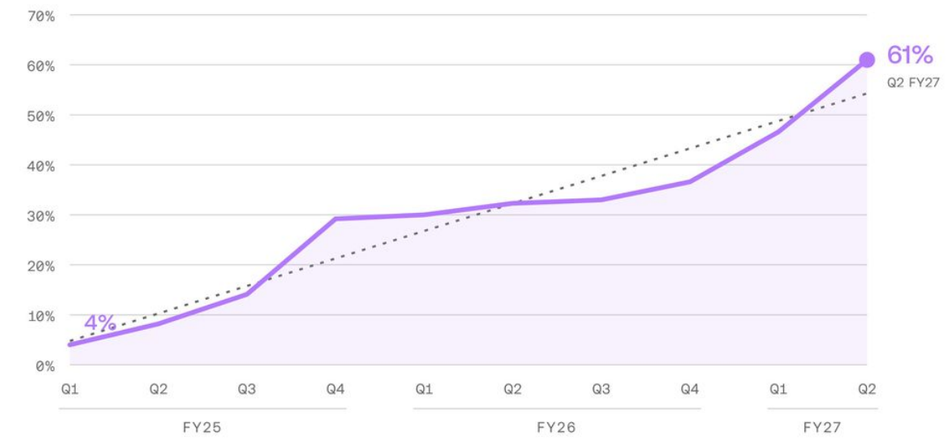
03 LIFETIME VALUE WHEN SEGMENTED

Put price and retention together and the difference compounds into lifetime value.



04 IMPROVING REVENUE COMPOSITION

These higher-value customers are no longer a small part of the business. They are now most of it.



Higher revenue and longer retention compound. At 1.3% monthly churn, a DaaS customer is retained for about 29 of 36 months and is worth around $385k over three years. At 7.8%, the average customer lasts about 12 months and is worth around $34k. Each DaaS customer is worth more than eleven times the average.

DaaS customers made up 61% of invoiced revenue in Q2 FY27, up from 4% in Q1 FY25, and the share has risen in every quarter. The business has already re-weighted itself toward where the value is. As that share grows, average revenue, retention and lifetime value improve across the whole base.

LTV: ARPU × expected months retained over a 36-month horizon at each quarter's churn rate, undiscounted and before costs; the 36-month cap keeps the DaaS figure conservative. Composition: dotted line is the linear trend; quarterly aggregation smooths single-month peaks from large invoices; calculated from customer invoices, not recognised revenue. The share was previously reported on an MRR basis (~40% in the Q2 FY27 trading update) and is not comparable.

07 COST BASE

Streamlined focus, streamlined costs

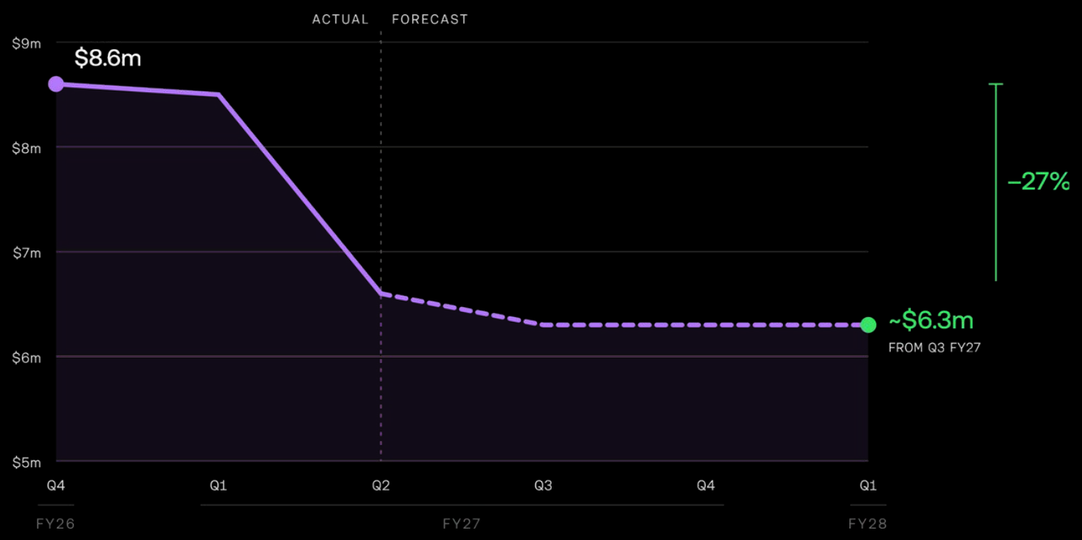
One focus needs one team. Moving from separate ventures to a single team selling DaaS has taken 27% out of the cost base.

$8.6m → **~$6.3m**

Q4 FY26 QUARTERLY COST BASE — FROM Q3 FY27

–27% about $780k a month lower

QUARTERLY COST BASE, Q4 FY26 ONWARD (NZ$M)



PERMANENT COST REMOVAL



57% Go-to-market model: partners and self-service

38% Acquisition integration: duplicate roles removed

5% Infrastructure and other admin cost

Cost base is a non-GAAP measure: cost of sales, personnel, operating and administrative expenses, before finance costs, financial instruments, depreciation and amortisation.

Half-Year 27 Results

Growing revenue, a lower cost base, and higher-value customers.

The result reflects that progress. Statutory revenue grew 42% and gross profit 41%. Most cost savings were implemented during the half, so the full benefits flow from Q3 FY27.

08 FINANCIAL RESULTS

Profit and loss

Revenue and gross profit both grew more than 40% on the prior half.

+42%

Revenue up 42% to $7.33m

27%

Cost reduction under way: it took effect during the half, so EBITDAF ($7.51m loss) doesn't yet reflect it

$3.5m

Net B2B Rocket charge within the $11.7m net loss, with no cash used

NZ$000	H1 FY27	H1 FY26	CHANGE
Revenue	7,330	5,153	+42%
Cost of sales	(2,464)	(1,706)	+44%
Gross profit	**4,866**	**3,447**	**+41%**
Gross margin	66.4%	66.9%	Held
Personnel expenses	(5,273)	(4,142)	+27%
Operating expenses	(6,063)	(4,378)	+38%
Administrative expenses	(1,043)	(1,816)	–43%
EBITDAF	**(7,513)**	**(6,889)**	**$0.62m wider**
Depreciation and amortisation	(836)	(457)	
Fair value change in contingent consideration	4,445	(58)	
Impairment of goodwill	(7,954)	–	
Net finance, interest and tax	160	64	
Net loss after tax	**(11,698)**	**(7,340)**	**$4.36m wider**

Statutory revenue rose 42% to $7.33m and gross profit rose 41% to $4.87m. Revenue, costs and EBITDAF are in line with the Q2 FY27 update announced on 20 October 2026. Growth now comes through partners and platforms, without costly paid acquisition.

Personnel and operating expenses rose with the first full half of B2B Rocket and the investment ahead of the restructure, while administrative expenses fell 43%, mainly because H1 FY26 included the one-off costs of the Group's initial ASX listing. The 27% cost reduction took effect during the half, so the H1 EBITDAF loss of $7.51m does not yet reflect it. Net loss after tax was $11.70m, including the non-cash B2B Rocket items (a $7.95m goodwill impairment, offset by a $4.45m fair value gain), which together are a net charge of $3.5m and use no cash.

EBITDAF is a non-GAAP measure. H1 FY27 figures are unaudited. Statutory revenue is the growth measure the Group reports from Q3 FY27.

08 FINANCIAL RESULTS

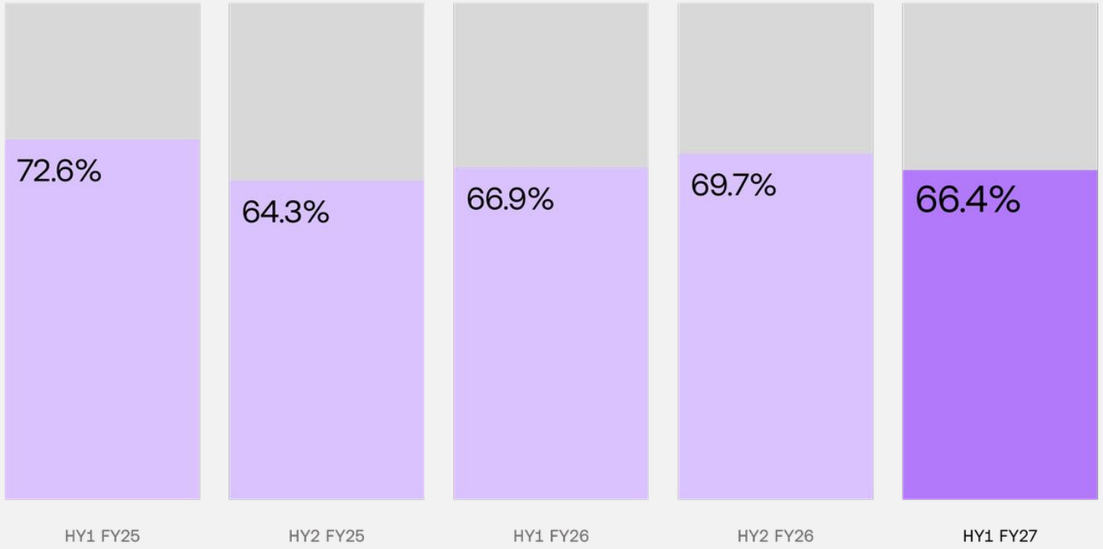
Gross margin

Gross margin held steady while revenue grew.

66.4%

GROSS MARGIN H1 FY27 · 66.9% IN H1 FY26

GROSS PROFIT MARGIN BY HALF YEAR · PERCENTAGE OF REVENUE



66%

Margin held at 66%, in line with H1 FY26, through 42% revenue growth and the shift to Data-as-a-Service

Gross margin was 66.4%, compared with 66.9% in H1 FY26, holding through 42% revenue growth and the shift to Data-as-a-Service.

Fixed

Most direct costs, including data supply, are fixed monthly contracts, so more of each extra sales dollar flows through to gross profit

Most direct costs, including data supply, are fixed monthly contracts. As revenue grows, more of each extra sales dollar flows through to gross profit.

08 FINANCIAL RESULTS

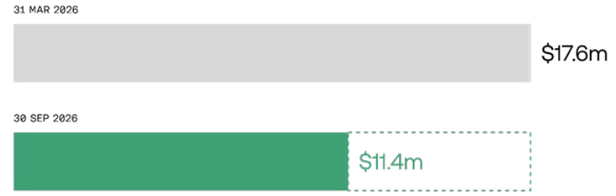
Balance sheet

The balance sheet reflects a simpler Group, with total liabilities down 35% since March.

−35%

TOTAL LIABILITIES

Total liabilities down $6.2m since March, mainly from the B2B Rocket vendor payments release



$15.1m

Intangibles down $7.4m, reflecting the B2B Rocket reassessment

NZ$000	HY1 FY25	HY2 FY25	HY1 FY26	HY2 FY26	HY1 FY27
Cash and cash equivalents	592	6,773	8,953	9,592	**562**
Goodwill and other intangible assets	4,056	4,623	22,154	22,467	**15,067**
Other assets	717	1,819	2,147	3,452	**2,210**
Total assets	**5,365**	**13,215**	**33,254**	**35,511**	**17,839**
Trade and other payables	953	1,706	2,567	2,115	**2,804**
Loans and borrowings	1,320	1,270	5,269	5,263	**5,222**
Other liabilities	974	1,580	9,742	10,203	**3,348**
Total liabilities	**3,247**	**4,556**	**17,578**	**17,581**	**11,374**
Total equity	**2,118**	**8,659**	**15,676**	**17,930**	**6,465**

NZ$000. HY1 FY27 as at 30 September 2026 (unaudited). HY2 FY26 as at 31 March 2026 (audited).

At 30 September 2026 the Group had total assets of $17.8m, total liabilities of $11.4m, total equity of $6.5m and cash of $0.6m. Total liabilities fell $6.2m (35%) since 31 March 2026, mainly from the release of expected B2B Rocket vendor payments, which fell from $5.8m to $0.5m.

Intangibles fell $7.4m to $15.1m, reflecting the B2B Rocket reassessment. A capital raise will strengthen the cash position, supporting the path to EBITDAF profitability.

09 B2B ROCKET

B2B Rocket: three sources of value

B2B Rocket continues to deliver in two of three areas. Where it did not, the Group has acted, and the accounts reflect that.

WHERE B2B ROCKET'S VALUE NOW SITS

01 TECHNOLOGY

Redeployed to the Pearl Engine

Stronger SMTP email validation

02 TEAM

Now sells Data-as-a-Service

Guerrilla marketing lowers our go-to-market cost

03 CUSTOMER BASE

Refines Pearl Engine outputs for email

Its customers sharpen the Pearl Engine's email outputs

B2B ROCKET ITEMS IN THE H1 FY27 RESULT	NZ$000
Impairment of goodwill (non-cash)	(7,954)
Fair value gain, contingent consideration	4,445
Net impact on H1 FY27 result	**(3,509)**

Expected earn-out and deferred completion payments to the vendors fell from $5.8m to $0.5m, reducing future cash payments. Neither item affects EBITDAF.

B2B Rocket's churn was too high compared to Group standards. Blackpearl has removed active investment from B2B Rocket as a standalone cash-generating unit, giving a non-cash impairment of $7.95m. However, value continues to accrue. Its team now sells DaaS, its technology has been redeployed to the Pearl Engine, and its customer base sharpens the Pearl Engine's email outputs.

Expected earn-out and deferred completion payments to the vendors fell from $5.8m to $0.5m, recognised as a $4.4m gain that reduces future cash payments to the vendors. The net charge to the half-year result is $3.5m.

09 GROWTH

Partnerships: a new path to market

Growth now comes through partners, platforms and the Group's application brands as go-to-market channels, without costly paid acquisition, starting with the Group's first strategic US partnership.

HOW THE FIRST STRATEGIC US PARTNERSHIP WORKS

THE PARTNER

One of America's leading B2B intent data providers, serving Fortune 500 enterprises through to upper-end SMEs.

BLACKPEARL GROUP

Owns the customer relationship and contracts directly. Pearl Engine models process the partner's data against each brief.

THE CUSTOMER

A tailored audience, without a data team, on a contracted, recurring agreement.

> "Two customers already through the door from our first US partnership is exactly the start we wanted. It gives Blackpearl real reach in the US at near-zero acquisition cost."
>
> NICK LISSETTE, CEO

2	68	US$10–30k	80%	~0
Opportunities progressing to contract	Opportunities remaining in the partner's backlog	Per customer, per month	Up to 80% of customer revenue retained by the Group	Customer acquisition cost

The partner regularly meets prospects too small for its minimum contract. Those prospects are now referred to Blackpearl, which earns from customers the partner previously turned away. The agreement is signed and the first two referred customers have signed initial paperwork, giving the Group reach without a new go-to-market, at near-zero acquisition cost.

Backlog, deal size and velocity are management estimates, not guidance. The partner is not named.

10 LOOKING AHEAD

A layered plan to reach EBITDAF profitability

Reaching EBITDAF profitability in Q1 FY28 does not rest on a single assumption. If one lever moves more slowly than planned, the others are re-weighted to compensate.

01 Grow revenue

Data-as-a-Service sales across Audiences, Datasets, Models and Partnerships

Several routes to market, so no single channel carries the plan

A slower month can be made up in the months that follow

02 Flex the cost base

Costs that move with sales: partner data, infrastructure and commissions

Operational savings such as bringing New Old Stamp in-house

Further savings identified and held in reserve

03 Improve revenue composition

More of each dollar from high-value, low-churn customers

Revenue that stays, so growth compounds instead of being replaced

Sales effort focused solely on those customers

HOW THE LAYERS COMPENSATE

If partnership revenue arrives more slowly

The data and infrastructure costs that serve it reduce accordingly.

If sales are slower in a given month

Commissions fall with sales, and payment-in-advance terms bring cash forward.

If sales stay below plan

Savings held in reserve are applied, alone or with the other levers.

The Group reaches profitability **while continuing to grow the Pearl Engine and Data-as-a-Service.**

Forward-looking statement of management's current plan, not guidance. Q1 FY28 is the quarter ending 30 June 2027. Key assumptions: growth in Data-as-a-Service revenue, including customers referred under the Group's strategic partnership; holding the operating cost base at the level achieved after the cost reductions made in the half; and securing the required funding.

FINANCIALS

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Interim Consolidated Statement of Profit or Loss

For the six months ended 30 September 2026

	Notes	6 months ended 30 September 2026	6 months ended 30 September 2025
		Unaudited $000	Unaudited $000
Subscription revenue	7	7,330	5,153
Cost of sales		(2,464)	(1,706)
Gross profit		**4,866**	**3,447**
Personnel expenses	8	(5,273)	(4,142)
Operating expenses	8	(6,063)	(4,378)
Administrative expenses	8	(1,043)	(1,816)
Earnings before interest, income tax, depreciation, amortisation and fair value movement in contingent consideration	**5**	**(7,513)**	**(6,889)**
Finance costs		(63)	23
Interest income		33	41
Depreciation and amortisation		(836)	(457)
Changes in fair value of contingent consideration	14	4,445	(58)
Impairment of goodwill	15	(7,954)	-
Loss before income tax		**(11,888)**	**(7,340)**
Net income tax credit		190	-
Loss for the period attributable to owners		**(11,698)**	**(7,340)**

Earnings per share		**2026**	**2025**
		$	$
Basic and diluted loss for the period attributable to owners	11	(0.12)	(0.11)

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Interim Consolidated Statement of Other Comprehensive Income

For the six months ended 30 September 2026

	Notes	6 months ended 30 September 2026	6 months ended 30 September 2025
		Unaudited $000	Unaudited $000
Loss for the period		**(11,698)**	**(7,340)**
Other comprehensive loss that may be subsequently reclassified through profit or loss			
Exchange differences on translation of foreign operations		(309)	(224)
Total comprehensive loss for the period		**(12,007)**	**(7,564)**

THE ACCOMPANYING NOTES FORM PART OF THESE INTERIM CONSOLIDATED FINANCIAL STATEMENTS.

Consolidated Financial Statements

Interim Consolidated Statement of Financial Position

As at 30 September 2026

	Notes	At 30 September 2026 Unaudited $000	At 31 March 2026 Audited $000
Assets			
Current assets			
Cash and cash equivalents		562	9,592
Receivables and prepayments		1,424	2,118
Contract assets		290	671
Total current assets		**2,276**	**12,381**
Non-current assets			
Property, plant and equipment		166	193
Goodwill	9	7,500	15,455
Intangible assets	9	7,567	7,012
Right-of-use asset		269	411
Other financial assets		61	59
Total non-current assets		**15,563**	**23,130**
Total assets		**17,839**	**35,511**
Liabilities			
Current liabilities			
Trade and other payables		2,804	2,115
Employee entitlements		348	428
Lease liabilities		213	265
Contingent consideration	14	461	874
Loans and borrowings	10	52	5,068
Share subscriptions received in advance	4	343	-
Contract liabilities		1,387	2,895
Total current liabilities		**5,608**	**11,645**

Consolidated Financial Statements

Interim Consolidated Statement of Financial Position

As at 30 September 2026

	Notes	At 30 September 2026 Unaudited $000	At 31 March 2026 Audited $000
Non-current liabilities			
Contingent consideration	14	-	4,894
Deferred tax liability		516	677
Lease liabilities		80	170
Loans and borrowings	10	5,170	195
Total non-current liabilities		**5,766**	**5,936**
Total liabilities		**11,374**	**17,581**
Equity			
Share capital	12	79,302	78,153
Accumulated losses		(72,882)	(61,184)
Reserves		45	961
Equity attributable to the owners		**6,465**	**17,930**
Total liabilities and equity		**17,839**	**35,511**

Signed for and on behalf of the board:



Nicholas Lissette

Date: 24 November 2026



Timothy Crown

Date: 24 November 2026

THE ACCOMPANYING NOTES FORM PART OF THESE INTERIM CONSOLIDATED FINANCIAL STATEMENTS.

Consolidated Financial Statements

Interim Consolidated Statement of Changes in Equity

For the six months ended 30 September 2026

	Notes	Share capital	Accumulated losses	Reserves			Total
				Share based payment reserve	Share warrants reserve	Foreign currency translation reserve	
		$000	$000	$000	$000	$000	$000
Balance at 1 April 2026		78,153	(61,184)	1,395	70	(504)	17,930
Loss for the period		-	(11,698)	-	-	-	**(11,698)**
Translation differences of foreign operations		-	-	-	-	(309)	**(309)**
Transactions with owners in their capacity as owners							
Issue of share capital	12	430	-	(430)	-	-	**-**
Issue of shares in settlement of contingent consideration	14	435	-	-	-	-	**435**
Restricted shares converted to ordinary shares	12	279	-	(279)	-	-	**-**
Shareholder warrants exercised	12	5	-	-	(5)	-	**-**
Share based payments	13	-	-	107	-	-	**107**
Balance at 30 September 2026		**79,302**	**(72,882)**	**793**	**65**	**(813)**	**6,465**
Balance at 1 April 2025		**50,456**	**(43,376)**	**1,337**	**472**	**(230)**	**8,659**
Loss for the period		-	(7,340)	-	-	-	**(7,340)**
Translation differences of foreign operations		-	-	-	-	(224)	**(224)**
Transactions with owners in their capacity as owners							
Issue of share capital	12	14,033	-	(372)	-	-	**13,661**
Issue of shares as part of business combination		1,760	-	-	-	-	**1,760**
Share based payments	13	-	-	361	-	-	**361**
Transaction costs arising on share issue	12	(1,201)	-	-	-	-	**(1,201)**
Balance at 30 September 2025		**65,048**	**(50,716)**	**1,326**	**472**	**(454)**	**15,676**

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Interim Consolidated Statement of Cash Flows

For the six months ended 30 September 2026

	Notes	6 months ended 30 September 2026	6 months ended 30 September 2025
		Unaudited $000	Unaudited $000
Cash flows from operating activities			
Cash receipts from customers		5,394	5,213
Cash paid to resellers for their commission		(55)	(137)
Cash paid to suppliers and employees		(12,750)	(11,146)
Income taxes (paid)/refunded		30	(11)
Interest paid on borrowings		(218)	(77)
Interest paid on lease liabilities		(19)	(28)
Net cash used in operating activities		**(7,618)**	**(6,186)**
Cash flows from investing activities			
Purchase of property, plant and equipment		(4)	(30)
Acquisition and development of intangible assets	9	(1,197)	(970)
Acquisition of B2B Rocket		-	(6,738)
Payment in settlement of contingent consideration	14	(427)	-
Interest received		33	41
Net cash used in investing activities		**(1,595)**	**(7,697)**
Cash flows from financing activities			
Payment of principal portion of lease liabilities		(142)	(100)
Repayment of loans and borrowings		(5,024)	(169)
Proceeds from loans and borrowings		5,000	4,000
Transaction costs incurred in acquiring debt	10	(30)	-
Share subscriptions received in advance	4	343	-
Direct costs incurred in issuing equity		-	(1,201)
Cash receipts from issue of share capital		-	13,661
Net cash from financing activities		**147**	**16,191**
Net increase/(decrease) in cash and cash equivalents		**(9,066)**	**2,308**
Opening cash and cash equivalents at beginning of the period		9,592	6,773
Effect of exchange rate fluctuations on cash held		36	(128)
Cash and cash equivalents at period end		**562**	**8,953**

THE ACCOMPANYING NOTES FORM PART OF THESE INTERIM CONSOLIDATED FINANCIAL STATEMENTS.

Notes to the Interim Consolidated Financial Statements

For the six months ended 30 September 2026

1. REPORTING ENTITY

Black Pearl Group Limited (the 'Company') is a limited liability company incorporated and domiciled in New Zealand, registered under the Companies Act 1993. The Company is a profit-oriented entity and is engaged in the business of building, acquiring, and marketing data-driven cloud services, consisting of a suite of productivity and demand generation applications for small and medium-sized businesses.

2. BASIS OF PREPARATION

The unaudited interim financial statements comprise the results and financial position of the Company and its wholly owned subsidiaries, Black Pearl Mail Incorporated, Newoldstamp Limited, Bebop AI Limited, Noir Perle Limited and B2B Rocket Incorporated (together the 'Group') for the six months ended 30 September 2026.

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

These unaudited interim financial statements are prepared on a going concern basis which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business - for more detail refer to note 17.

The interim consolidated statement of profit or loss presents Earnings before interest, income tax, depreciation, amortisation and fair value movement in contingent consideration (EBITDAF) as a subtotal for the first time in an interim period, consistent with the Group's consolidated financial statements for the year ended 31 March 2026. Comparatives have been reclassified on the same basis: depreciation and amortisation of $457 thousand and net foreign exchange gains of $148 thousand, previously included in administrative expenses, are now presented below EBITDAF, in depreciation and amortisation and in finance costs respectively, and interest income of $41 thousand, previously netted within finance costs, is presented separately. The reclassifications have no impact on the loss for the period, total equity or cash flows.

New and amended standards adopted by the Group

The accounting policies applied in these condensed consolidated interim financial statements are consistent with those applied in the Group's consolidated financial statements for the year ended 31 March 2026, except for the adoption of the following amendments, which became mandatory for the Group from 1 April 2026:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to NZ IFRS 9 and NZ IFRS 7): these clarify when financial assets and financial liabilities are recognised and derecognised, including liabilities settled through electronic payment systems, clarify how the contractual cash flow characteristics of financial assets with contingent features are assessed, and introduce additional disclosure requirements.
- Annual Improvements to NZ IFRS 2024: these make minor amendments to NZ IFRS 1, NZ IFRS 7, NZ IFRS 9, NZ IFRS 10 and NZ IAS 7.
- Contracts Referencing Nature-dependent Electricity (Amendments to NZ IFRS 9 and NZ IFRS 7): these are not relevant to the Group, which has no such contracts.

The amendments have been applied in accordance with their transitional provisions and comparative information has not been restated. Their adoption did not have a material impact on the Group's accounting policies or on the amounts recognised or disclosed in these interim financial statements.

Standards issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period and have not been early adopted by the Group. NZ IFRS 18 Presentation and Disclosure in Financial Statements, effective for annual periods beginning on or after 1 January 2027, is expected to have a material effect on the presentation of the Group's financial statements. This standard introduces three key new requirements:

(1) A change in the structure of the statement of profit or loss, requiring presentation of items by operating, investing and financing activities with specified subtotals;

(2) Management defined performance measures to be included in a note in the financial statements; and

(3) Enhanced aggregation and disaggregation for line items, which the Group expects will streamline the content of its financial statements.

These will not result in measurement changes. The Group does not plan to early adopt NZ IFRS 18. Other new accounting standards and interpretations published that are not mandatory are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In preparing these interim consolidated financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. The following is a summary of new and/or changes in critical accounting estimates, assumptions and judgements reported in the Group's consolidated financial statements for the year ended 31 March 2026:

- Fair value of contingent consideration - see note 14
- Impairment of B2B Rocket goodwill - see note 15
- Going concern - see note 17
- Classification of the BNZ facility as non-current - see note 10

4. SIGNIFICANT TRANSACTIONS AND EVENTS FOR THE CURRENT PERIOD

The following significant transactions and events occurred during the six months ended 30 September 2026.

- B2B Rocket: remeasurement of contingent consideration (see note 14) and impairment of goodwill (see note 15).
- B2B Rocket restructure: in mid-2026 the Group restructured the B2B Rocket business and reduced its workforce by approximately 80%. Further investment in B2B Rocket has been deferred by approximately 18 months while the Group prioritises becoming cash flow positive. The restructure is one of the events that led to the remeasurement and impairment above (see notes 14 and 15).
- Share subscription in advance: In September 2026 the Company received $343 thousand from the Heidi J Crown 2012 Irrevocable Trust (the 'Trust') as an advance subscription for ordinary shares to be issued under the Company's planned capital raise. Tim Crown, Chair and a director of the Company, is the settlor and trustee of the Trust. No shares had been issued in respect of this amount at 30 September 2026. The amount is interest free and is presented as a current liability in the statement of financial position. It will be transferred to share capital when the related shares are issued under the capital raise. The Trust is a related party of the Group (see note 16).
- BNZ facility covenant breach: the Group did not meet the liquidity covenant under its $5.0 million BNZ facility at the 30 September 2026 test date. This is an Event of Review under the facility agreement and had not been remedied or waived at that date. BNZ waived the breach on 24 November 2026, after the reporting date. An Event of Review did not give BNZ the right to require repayment at 30 September 2026, and the facility of $4,977 thousand is presented as a non-current liability. See notes 10, 17 and 18.

5. EARNINGS BEFORE INTEREST, INCOME TAX, DEPRECIATION, AMORTISATION AND FAIR VALUE MOVEMENT IN CONTINGENT CONSIDERATION (EBITDAF)

EBITDAF is a non-GAAP measure and is presented as a subtotal in the interim consolidated statement of profit or loss, consistent with the Group's annual financial statements. The Group defines EBITDAF as earnings before interest, tax, depreciation, amortisation, impairment and changes in the fair value of financial instruments. The Directors and management use EBITDAF to assess the underlying operating performance of the Group because it excludes non-cash charges and items that are not related to trading. EBITDAF does not have a standardised meaning under NZ IFRS and may not be comparable with similar measures presented by other entities.

Net foreign exchange gains and losses are presented within finance costs and are therefore excluded from EBITDAF. The reconciliation below shows them separately from interest. The following table reconciles loss before income tax to EBITDAF.

For the six months ended	30 September 2026	30 September 2025
	Unaudited $000	Unaudited $000
Loss before income tax	(11,888)	(7,340)
Add back/(deduct):		
Depreciation and amortisation	836	457
Impairment of goodwill	7,954	-
Changes in fair value of contingent consideration	(4,445)	58
Interest income	(33)	(41)
Interest on loans and borrowings and lease liabilities	294	125
Net foreign exchange (gains)/losses	(231)	(148)
EBITDAF	**(7,513)**	**(6,889)**

6. OPERATING SEGMENTS

Operating segments are reported on the same basis as the internal reporting provided to the Group's chief operating decision makers ('CODM'), who review segment performance and allocate resources. The Group has two reportable operating segments. The basis of segmentation and the measurement of segment profit or loss are unchanged from the annual financial statements for the year ended 31

March 2026.

- Pearl Diver: the Group's data-driven cloud services (Pearl Diver, Bebop, Black Pearl Mail and Newoldstamp), which are managed and reported to the CODM as a single integrated operating segment.
- B2B Rocket: the AI sales automation business acquired on 21 August 2025. The comparative period includes B2B Rocket from the acquisition date only. During the period B2B Rocket was restructured, and the impairment of its goodwill (see note 15) and the change in fair value of the related contingent consideration (see note 14) are reported within this segment. Segment results are measured on the same basis as the Group's loss before income tax. Segment assets and liabilities are not reported to the CODM. The total of the segment results agrees to the loss before income tax in the interim consolidated statement of profit or loss.

For the six months ended	30 September 2026 Unaudited			30 September 2025 Unaudited		
	Pearl Diver	B2B Rocket	Group	Pearl Diver	B2B Rocket	Group
	$000	$000	$000	$000	$000	$000
Revenue	5,089	2,241	7,330	4,623	530	5,153
Marketing, personnel and contractors, other expenses	(10,937)	(3,906)	(14,843)	(11,430)	(612)	(12,042)
Segment EBITDAF	**(5,848)**	**(1,665)**	**(7,513)**	**(6,807)**	**(82)**	**(6,889)**
Depreciation and amortisation, net finance costs	(502)	(364)	(866)	(310)	(83)	(393)
Changes in fair value of contingent consideration	-	4,445	4,445	-	(58)	(58)
Impairment of goodwill	-	(7,954)	(7,954)	-	-	-
Net loss before tax	**(6,350)**	**(5,538)**	**(11,888)**	**(7,117)**	**(223)**	**(7,340)**

7. SUBSCRIPTION REVENUE

For the six months ended	30 September 2026		30 September 2025	
	Unaudited $000		Unaudited $000	
Total direct sales	7,127	97%	4,855	94%
Total reseller sales	203	3%	298	6%
Total subscription revenue	**7,330**	**100%**	**5,153**	**100%**

8. EXPENDITURE

For the six months ended	30 September 2026	30 September 2025
	Unaudited $000	Unaudited $000
Personnel expenses include:		
Salaries and wages	3,087	2,605
Kiwisaver employer contributions	81	69
Sales commissions	12	90
Share-based payments expense	45	235
Contractors	2,048	1,143
Total personnel expenses	**5,273**	**4,142**
Operating expenses include:		
Advertising and marketing	1,951	2,166
Hosting and Server development costs	559	440
Data costs	1,521	415
IT service costs	1,372	499
Consulting costs	660	858
Total operating expenses	**6,063**	**4,378**
Administrative expenses include:		
Listing costs	113	739
Auditor's remuneration: audit of financial statements	72	80
Director fees	177	207
Insurance	98	76
Legal fees	131	129
Other expenses	452	585
Total administrative expenses	**1,043**	**1,816**

9. INTANGIBLE ASSETS (INCLUDING GOODWILL)

For the six months ended 30 September 2026	Goodwill	Customer relationships and contracts	Capitalised development costs and website	Total
	Unaudited $000	Unaudited $000	Unaudited $000	Unaudited $000
Carrying amount at 1 April 2026 (audited)	15,455	2,445	4,567	22,467
Additions - capitalised development costs	-	-	1,197	1,197
Amortisation for the period	-	(137)	(524)	(661)
Impairment losses	(7,954)	-	-	(7,954)
Foreign exchange and other movements	(1)	-	19	18
Carrying amount at 30 September 2026	**7,500**	**2,308**	**5,259**	**15,067**

During the period the Group capitalised development costs for its software platforms, comprising employee and contractor costs directly attributable to development.

B2B Rocket goodwill

An impairment loss of $7,954 thousand was recognised on the goodwill allocated to the B2B Rocket cash generating unit during the period (see Note 15 - Impairment).

B2B Rocket customer relationship asset

The customer relationship asset acquired with B2B Rocket Incorporated on 21 August 2025 had a carrying amount of $2,308 thousand at 30 September 2026. Customer churn since acquisition has been greater than the level assumed when the asset was recognised. The asset was assessed as part of the B2B Rocket cash-generating unit, and the impairment loss on that unit was allocated in full to goodwill (see Note 15 - Impairment). No impairment loss was recognised on the customer relationship asset.

The higher churn led the Group to reassess the asset's useful life. The remaining useful life was revised from 8.9 years, being the balance of the original ten-year life, to 36 months from 1 October 2026. This reflects the period over which the retained acquired customers are expected to generate revenue. The asset continues to be amortised on a straight-line basis.

This is a change in accounting estimate and is applied prospectively. It had no effect on the six months ended 30 September 2026. It increases amortisation expense by approximately $247 thousand in the six months ending 31 March 2027 and by approximately $495 thousand in each of the years ending 31 March 2028 and 2029.

10. LOANS AND BORROWINGS

As of the period ended	30 September 2026	31 March 2026
	Unaudited $000	Audited $000
Current portion		
Credit card balances	5	5
Below-market term loans from the government	47	69
Bank loans	-	4,994
Total current portion	**52**	**5,068**
Non-current portion		
Below-market term loans from the government	193	195
Bank loans	4,977	-
Total non-current portion	**5,170**	**195**
Total loans and borrowings	**5,222**	**5,263**

BNZ debt facility

On 2 April 2026 the Group refinanced its debt facility with Bank of New Zealand (BNZ). The new Customised Average Rate Loan facility replaces the facility dated 9 August 2024, which was due to mature on 17 August 2026, and matures on 30 March 2028. The facility limit of $5.0 million is unchanged and the facility was fully drawn at 30 September 2026 (31 March 2026: fully drawn). The minimum drawn balance increased from $1.0 million to $3.0 million. The guarantee structure is documented under a new Cross Guarantee and Common Terms Deed. The facility is subject to financial covenants, including an ARR growth covenant and a liquidity covenant, both tested quarterly.

The $30 thousand establishment fee paid on the refinance is included in the carrying amount of the loan and is amortised over the term of the facility using the effective interest method. At 30 September 2026 the carrying amount of $4,977 thousand comprises the $5,000 thousand drawn less $23 thousand of unamortised establishment fee.

Breach of covenant

The liquidity covenant requires the Group to hold cash and cash equivalents of at least the greater of its cumulative cash burn for the four months before the test date and its forecast cumulative cash burn for the four months after it. The Group did not meet the backward-looking measure at the 30 September 2026 test date. This is an Event of Review under the Facility agreement and had not been remedied or waived at that date.

An Event of Review did not give BNZ the right at 30 September 2026 to require repayment of the Facility. That right would have arisen only if the Event of Review had not been remedied or waived within 60 days. The Group therefore had the right at the reporting date to defer settlement for at least twelve months, and the carrying amount of $4,977 thousand is classified as a non-current liability. This classification is a significant judgement. The waiver granted after the reporting date was not taken into account in reaching this judgement.

Waiver after the reporting date

On 24 November 2026 BNZ confirmed it had approved a waiver of the breach of the liquidity covenant at 30 September 2026. The waiver applies to that test date only. BNZ has not assessed the Group's covenant position for the 31 December 2026 test date and will consider any breach at that time.

Covenants within twelve months of the reporting date

The Group's right to defer settlement of the Facility, which had a carrying amount of $4,977 thousand at 30 September 2026, depends on the Group meeting the liquidity and ARR growth covenants at each quarterly test date, the next being 31 December 2026. The Group did not meet the liquidity covenant at 30 September 2026. Based on the Group's current forecast, which excludes the proceeds of the Placement, the Group would not meet the liquidity covenant at 31 December 2026 without additional funding. Its ability to meet the covenants at future test dates depends on the outcome of the Placement and the Group achieving its forecast cash flows (see note 17). If a covenant is not met and the breach is not remedied or waived, the Facility could become repayable within twelve months of the reporting date.

Liquidity risk

The Group's exposure to liquidity risk has increased since 31 March 2026. At 30 September 2026 the Group held cash and cash equivalents of $562 thousand and had no undrawn committed facilities. The BNZ facility of $5.0 million is contractually repayable on 30 March 2028, but could become repayable within twelve months of the reporting date if future covenants are not met, as described above. The Group's other financial liabilities due within twelve months are trade and other payables of $2,804 thousand, contingent consideration of $461 thousand payable in August 2027, and lease and other loan repayments of $265 thousand. The Group's management of liquidity risk and its funding plans are set out in note 17.

Consolidated Financial Statements

11. BASIC AND DILUTED EARNINGS PER SHARE

For the six months ended	30 September 2026	30 September 2025
	Unaudited	Unaudited
Total loss attributable to owners ($000)	(11,698)	(7,340)
Weighted average number of ordinary shares for basic EPS	97,160,749	69,472,615
Weighted average number of ordinary shares adjusted for the effect of dilution	97,160,749	69,472,615
Basic and diluted loss per share	**(0.12)**	**(0.11)**

12. SHARE CAPITAL

For the period ended	30 September 2026 Unaudited		31 March 2026 Audited	
	$000	Shares	$000	Shares
On issue at beginning of the period	78,153	96,951,417	50,456	64,650,884
Shareholder warrants exercised	5	23,000	402	1,947,000
Restricted shares converted to ordinary shares	279	325,098	60	101,428
Exercise of employee share rights and share based payment compensation	430	541,500	481	773,750
Issue of shares related to contingent consideration	435	499,972	-	-
Issue of ordinary shares	-	-	26,913	27,753,277
Equity transaction costs	-	-	(1,919)	-
Issue of shares as part of business combination	-	-	1,760	1,725,078
Total share capital	**79,302**	**98,340,987**	**78,153**	**96,951,417**

Share capital consists of the following classes:

Ordinary share capital	79,302	78,153
Total share capital ($000)	**79,302**	**78,153**

Net tangible assets per quoted equity

The net tangible assets per quoted security at 30 September 2026 was $(0.087472) (30 September 2025: $(0.082963)).

Consolidated Financial Statements

13. SHARE BASED PAYMENT RESERVE

The following table summarises movements in the reserve:

	30 September 2026	31 March 2026
	Unaudited $000	Audited $000
Opening balance	1,395	1,337
Share rights exercised during the period - transfer to share capital	(430)	(541)
Restricted shares converted to ordinary shares - transfer to share capital	(279)	-
One off share based payments without vesting terms (i)	-	49
Progression of share rights from employee contractual share-based compensation (i)	20	332
Restricted shares issued to non-executive directors recognised via director fees (ii)	87	218
Movements due to net settlement offers	-	-
Closing balance	**793**	**1,395**

(i) These amounts were recognised in profit or loss within personnel expenses.

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

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

	Share rights		Ordinary shares	
	30 September 2026	31 March 2026	30 September 2026	31 March 2026
	Unaudited	Audited	Unaudited	Audited
Opening balance	1,840,735	1,783,163	-	600,000
Granted during the period	151,097	394,000	-	-
Exercised during the period	(866,598)	(275,178)	-	(600,000)
Surrendered on acceptance of net settlement offer	-	(18,750)	-	-
Forfeited during the period	(100,000)	(42,500)	-	-
Closing balance	**1,025,234**	**1,840,735**	**-**	**-**

14. CONTINGENT CONSIDERATION

Contingent consideration arose on the acquisition of B2B Rocket Incorporated ('B2B Rocket') on 21 August 2025. It comprises a deferred completion payment of up to US$3.0 million, payable on 21 August 2027, and earn-out payments of up to US$5.0 million in total, both dependent on B2B Rocket's annual recurring revenue ('ARR'). The terms are unchanged and are described in note 5 to the financial statements for the year ended 31 March 2026. Both components are financial liabilities measured at fair value through profit or loss.

Under the sale and purchase agreement, earn-out amounts become payable when B2B Rocket's annual recurring revenue ('ARR') first reaches specified milestones and is maintained for two consecutive months. Each earn-out amount is settled 50% in cash and 50% by the issue of ordinary shares in the Company, with the number of shares determined using the volume weighted average price of the Company's shares over the 30 business days before the milestone was met.

B2B Rocket met the first milestone, ARR of US$5.0 million, in April 2026, and the resulting earn-out amount of US$500 thousand was recognised as a current liability of $874 thousand at 31 March 2026. The tranche was settled in August 2026 by a cash payment of US$250 thousand ($427 thousand) and the issue of 499,972 ordinary shares, recognised in share capital at $435 thousand, being their fair value at the date of issue (see note 12). The difference between the liability at 31 March 2026 and the amounts settled is included in the change in fair value recognised in profit or loss.

Six earn-out tranches totalling US$4.5 million remain, with ARR milestones of between US$7.5 million and US$20.0 million. As set out below, the Group does not expect any of these to be met.

During the period B2B Rocket experienced material losses, for the 6 months ending 30 September 2026. During the period the Group restructured the B2B Rocket business, reducing its workforce by approximately 80%, and deferred further investment in B2B Rocket by approximately 18 months while the Group prioritises becoming cash flow positive. As a result, the Group no longer expects any earn-out milestone to be met and expects the deferred completion payment to fall within the lower payment tiers. These are post-acquisition events, so the resulting change in fair value is recognised in profit or loss. The same events gave rise to the impairment losses described in note 15.

Movement in the fair value of contingent consideration (Level 3)	Six months to 30 Sep 2026 Unaudited $000
Balance at 1 April 2026	5,768
Settled in cash	(427)
Settled by issue of ordinary shares	(435)
Remeasurement gain, recognised in profit or loss	(5,133)
Unwind of discount, recognised in profit or loss	512
Foreign exchange loss on retranslation, recognised in profit or loss	176
Balance at 30 September 2026	**461**

The net change in fair value recognised in profit or loss is a gain of $4,445 thousand, being the remeasurement gain less the unwind of discount and the foreign exchange loss. Consistent with the year ended 31 March 2026 (net charge of $549 thousand), the whole movement is presented in 'Changes in fair value of contingent consideration' in the income statement, and it is not offset against the impairment losses in note 15. Any amount that becomes payable is due on 21 August 2027, so the liability is classified as current (31 March 2026: $874 thousand current and $4,894 thousand non-current). The carrying amount of $461 thousand is a fair value estimate based on the payment tier probabilities set out below. It is not an agreed or fixed amount, and the amount ultimately paid, if any, depends on B2B Rocket's ARR at that date.

Fair value measurement

The fair value of contingent consideration is a Level 3 measurement in the fair value hierarchy. It is determined using a probability-weighted discounted cash flow, the same valuation technique that was applied at acquisition and at 31 March 2026. The significant unobservable inputs are the probabilities assigned to each payment tier and the discount rate:

- Deferred completion payment - The Group expects B2B Rocket's ARR at 21 August 2027 to remain within the 20% to 39.99% tier, giving an expected payment of US$0.3 million, and has assigned no probability to the higher tiers (at acquisition and at 31 March 2026: 100% probability of the maximum payment of US$3.0 million).
- Earn-out - valued at nil. No further milestone is expected to be met at any remaining test date.
- Discount rate - 17.9% (31 March 2026: 17.9%). The US dollar fair value is translated at the closing rate of NZ$1.7748 per US$1.

The range of undiscounted amounts that could become payable is unchanged, being nil to US$3.0 million for the deferred completion payment and nil to US$5.0 million for the earn-out.

Sensitivity of the fair value to changes in unobservable inputs

The fair value is most sensitive to the payment tier probabilities and is not significantly affected by reasonably possible changes in the discount rate. The table shows the fair value of the liability at 30 September 2026 under alternative assumptions; a decrease in the liability would increase the gain recognised in profit or loss.

	Fair value of liability $000	Increase / (decrease) $000
Probability-weighted across the four lowest tiers (expected payment of US$0.54 million)	828	367
ARR recovers to the 50% to 59.99% tier (100% probability)	1,380	919
No amount payable (ARR below 20% of completion ARR)	-	(461)

15. IMPAIRMENT OF GOODWILL

The Group tested the B2B Rocket cash generating unit ('CGU') for impairment at 30 September 2026, as indicators of impairment existed at that date. The Group restructured the B2B Rocket business in mid-2026 and reduced its workforce by approximately 80%, further investment in B2B Rocket has been deferred by approximately 18 months, and no further earn-out is expected to be paid to the vendors (see note 14). The customer relationship asset acquired with B2B Rocket does not generate cash inflows that are largely independent of the other assets of the CGU, so it was tested as part of the CGU and not on its own. An impairment loss of $7,954 thousand has been recognised in profit or loss and allocated entirely to goodwill. The loss is presented separately in the interim consolidated statement of profit or loss, relates to the B2B Rocket operating segment, is not deductible for tax and has no deferred tax effect.

Goodwill - B2B Rocket CGU

All goodwill arising on the acquisition of B2B Rocket is allocated to the B2B Rocket CGU. The carrying amount of the CGU before impairment, including goodwill and the customer relationship asset, was $16,135 thousand. The recoverable amount of the CGU was $8,181 thousand, which is its value in use. The impairment loss of $7,954 thousand has been allocated entirely to goodwill, so no other asset of the CGU has been written down. An impairment loss recognised for goodwill is not reversed in a subsequent period.

	B2B Rocket Unaudited $000	Other CGUs Unaudited $000	Total Unaudited $000
Goodwill before impairment	12,582	2,872	15,454
Impairment loss	(7,954)	-	(7,954)
Goodwill at 30 September 2026	**4,628**	**2,872**	**7,500**

Key assumptions used in the value in use calculation

Value in use was measured using post-tax cash flow projections over five years, based on the forecast prepared by management in November 2026, which reflects the B2B Rocket customer base and cost base as they existed at 30 September 2026. The first two years follow the Group's two-year rolling forecast and years three to five extend it using the customer and cost assumptions below. The key assumptions, which reflect past experience and management's expectations for the business, are:

- Revenue from existing customers - held at $130 thousand per month until March 2028, being the revenue from customers retained at 30 September 2026, which management considers to be a stable base.
- New customers - 30 new customers per year from April 2028, each paying US$2,550 per month, with churn of six customers in the first year and 12 customers per year from April 2029. Forecast annual revenue increases from $1.6 million in year one to $4.9 million in year five.
- Costs - in line with the forecast until March 2028, increasing by 4% per year from April 2028.
- Sales staff costs - the cost of B2B Rocket sales staff who have sold other Group products since the restructure (three staff until November 2026 and two thereafter, $0.9 million per year) is excluded from the CGU's cash flows: 100% until March 2028 and 75% from April 2028. The revenue those staff generate is also excluded.
- Discount rate - a post-tax rate of 19.42%, applied to post-tax cash flows. The equivalent pre-tax discount rate is 22.6%.
- Terminal growth rate - 2.0%, in line with long-term inflation targets in the United States and New Zealand. US dollar cash flows are translated at the closing rate of NZ$1.7748 per US$1.

Sensitivity to changes in key assumptions

Following the impairment, the carrying amount of the B2B Rocket CGU equals its recoverable amount, so any adverse change in a key assumption would result in a further impairment loss. The table shows the impairment loss that would have been recognised at 30 September 2026 if a key assumption had been changed, with all other assumptions held constant.

	Impairment loss $000	Increase / (decrease) $000
Discount rate 1 percentage point higher (20.42%)	8,563	609
Terminal growth rate of 1.0%	8,315	361
27 new customers per year from April 2028	9,257	1,303
40 new customers per year from April 2028	3,533	(4,421)

Other cash generating units

The Group also assessed its other CGUs at 30 September 2026 and did not identify any impairment. That assessment is most sensitive to the achievement of budgets, which comprise forecast subscription revenue, marketing, staff costs and overheads based on current and anticipated market conditions and have been considered and approved by the Board.

16. RELATED PARTY TRANSACTIONS

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

Related party	Transaction or balance	Note	30 September 2026 $000	30 September 2025 $000
Prospect Desk LLC	Data provision services provided to the Group	(i)	329	305
Prospect Desk LLC	Data provision services provided by the Group	(i)	257	168
The Crown Room (Auto Drive Real Estate LLC)	US working spaces	(i)	10	-
Heidi J Crown 2012 Irrevocable Trust	Share subscription received in advance	(i)	343	-

(i) Tim Crown is the Chair, a director and a major shareholder of the Company. He is also a director and major shareholder of The Crown Room (previously Auto Drive Real Estate LLC), and the settlor and trustee of the Heidi J Crown 2012 Irrevocable Trust. Persons associated with him hold shares in Prospect Desk LLC.

17. GOING CONCERN

The Group prepares its financial statements on a going concern basis, which assumes the Group has the ability and intention to continue operations for at least 12 months from the date these interim financial statements are approved.

In the six months ended 30 September 2026, the Group had operating cash outflows of $7.62 million (30 September 2025: $6.19 million) and a total comprehensive loss of $12.01 million (30 September 2025: $7.56 million). At 30 September 2026 it had cash of $0.56 million (31 March 2026: $9.59 million) and net current liabilities of $3.33 million (31 March 2026: net current assets of $0.74 million). This excludes the BNZ facility of $4.98 million, which is classified as non-current (see note 10) but could become repayable within 12 months. Including it, net current liabilities would be $8.31 million.

These factors, together with the matters described below, indicate a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The Group's ability to continue as a going concern depends on BNZ's continued support of the facility, including at the 31 December 2026 covenant test date; securing the funding required, through the proposed placement, additional bank funding or a combination of these; and achieving its forecast revenue growth.

At 30 September 2026 the Group did not meet the liquidity covenant under its $5.0 million BNZ facility, which is an Event of Review (see note 10). On 24 November 2026 BNZ waived the breach, subject to conditions. The waiver applies to the 30 September 2026 test date only, and BNZ has not assessed the Group's position for the 31 December 2026 test date. If the covenants are not met at that date and no further waiver is given, BNZ may require repayment of the facility. BNZ also provided a temporary overdraft facility of $1.3 million, of which $1.1 million was drawn at the date of authorisation, which matures on 27 November 2026 (see note 18).

The Group's forecast shows a funding requirement of between $3.72 million and $5.90 million to reach positive monthly operating cash flow in 2027. On 23 November 2026 the Company requested a trading halt to launch a capital raise by way of a private placement of new ordinary shares. At the date these interim financial statements were authorised for issue, no decision to proceed with the placement had been made and its terms had not been determined (see note 18). Other than share subscriptions of $0.34 million received in advance (see note 4), no funding to meet the requirement had been committed at that date.

The Group's forecast assumes growth in Data-as-a-Service revenue, including customers referred under its strategic partnership, and that the Group holds its operating cost base at the level achieved after the cost reductions made during the period. The Directors have reviewed sensitivity scenarios, including a downside case in which partnership revenue does not arrive and cost savings held in reserve are applied. After making due enquiry, and having regard to the material uncertainty and the actions available to address it, the Directors consider the going concern basis appropriate. In reaching this conclusion, the Directors have considered BNZ's waiver of the 30 September 2026 breach and the further cost reductions available to the Group. The Directors believe the Group will secure the funding required and achieve its financial forecast. These interim financial statements do not include any adjustments that would be needed if the Group were unable to continue as a going concern.

18. EVENTS AFTER REPORTING PERIOD

- BNZ Overdraft: On 14 October 2026, Bank of New Zealand (BNZ) provided the Group with a temporary overdraft facility of $1.3 million to fund operating costs while the Group raises capital from shareholders. The facility matures on the earlier of 27 November 2026 and the date BNZ demands repayment, and may be cancelled earlier once funds are received. It is secured under the Group's existing security arrangements with BNZ and bears interest at BNZ's overdraft base rate plus a margin of 4.50% per annum.

  At the date these financial statements were approved, $1.1 million was drawn under the facility. The Group intends to repay the facility at maturity.
- BNZ facility: As set out in note 10, the Group did not meet the liquidity covenant under its BNZ facility at 30 September 2026. On 24 November 2026 BNZ waived the resulting Event of Review, subject to conditions. The waiver applies to the 30 September 2026 test date only, and the covenants are next tested at 31 December 2026. This is a non-adjusting event.
- Proposed placement: On 23 November 2026 the Company requested a trading halt in its ordinary shares on the NZX and ASX. The Company intends to launch a capital raise by way of a private placement of new ordinary shares to investors in New Zealand, Australia and the United States (the 'Placement'). A decision to proceed with the Placement will be made only once the book build is complete. At the date these interim financial statements were authorised for issue, no decision to proceed had been made and the terms of the Placement, including the issue price, the number of shares and the amount to be raised, had not been determined. If the Company decides not to proceed with the Placement, it will advise the market of its alternative funding arrangements. This is a non-adjusting event and its financial effect cannot yet be estimated. The share subscription received in advance (see note 4) relates to this capital raise.

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Thank You — Ad Astra

Blackpearl Group is a market-leading data technology company that pioneers AI-driven, sales and marketing solutions for the US market.

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

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

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

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