



22 January 2024

## Blackpearl Group Q3 FY24 Results Announcement

Blackpearl Group targets \$10 million milestone as annual recurring revenue doubles.

### Introduction

Blackpearl Group (BPG) today announced its results for the three-month period to 31 December 2023, showcasing significant growth driven by strategic initiatives and technological advancements.

### Key Highlights

- **Subscription Revenue:** Achieved a 215% increase year-on-year, reaching \$1.2 million in Q3 FY24, up 29% from the previous quarter, Q2 FY24.
- **Annual Recurring Revenue (ARR):** Achieved a 122% increase year-on-year, totalling \$5.5 million as of 31 December 2023, up 20% from the previous quarter, Q2 FY24.
- **Gross profit margin** increased to 73%, compared to 50% in Q3 FY23 and 70% in the previous quarter, Q2 FY24.
- **ARR Per Employee:** Demonstrated a significant increase of 314% year-on-year and 28% from the previous quarter, highlighting our team's productivity and effectiveness.

BPG's Chief Executive Nick Lissette commented on Q3 results, saying: "Every comparative metric has soared into triple digits, some even surpassing expectations multiple times over." Despite challenges in the US market, recurring revenues increased 20% from Q2. Our short-term goals of \$10 million recurring revenue and cash-flow profitability are imminent.



Lissette's focus is on sustained exponential growth through product development, infrastructure optimisation, and robust operations. With bolder long-term targets, including reaching the \$100 million revenue mark, BPG remains committed to innovation, strategic growth, and continued success.

## **Financial Update**

BPG's Q3 success marked a leap forward. We achieved substantial growth in subscription revenue, a rise in ARR, and demonstrated our continuing operational scalability and efficiencies through offshore resourcing and prior investment in our private platform, the Pearl Engine," notes Karen Cargill. "These results highlight our team's dedication, positioning us for ongoing success in the dynamic market."

## **Future Outlook**

Looking forward, BPG continues to navigate a path of robust growth and assured profitability. Our focus remains firmly on the strategic pillars of innovation, market expansion, and customer-centric product development. This approach has not only solidified our position but also set the stage for significant expansions and new ventures.

This quarter has been marked by significant progress in our technology and strategic partnerships. Notably, the development of our Pearl Large Language Model (LLM) prototype stands as a pivotal achievement. This hybrid large language model integrates open-source and proprietary capabilities alongside our bespoke AI. Pearl LLM will underpin additional product features that help our customers find more customers through refining audience targeting and strengthening the utility of insights for sales and marketing functions.

The value of this technology lies not only in the immediate use to enhance our current products, but also provides the backbone for further innovation. This technology improves with additional data flows and the use cases expand as customers engage with it. Our hybrid approach means we continue to leverage advancements in the AI eco-system while being centred on the most powerful specific use cases for our customers.



## **Future Quarterly Reporting**

BPG aims to release these updates by the 20th of the month following the end of each quarter.

## **Contact**

Released for and on behalf of BPG,

**Karen Cargill**

Chief Financial Officer

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## **About Blackpearl Group**

Blackpearl Group (BPG) 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), BPG consistently delivers exceptional value to its customers. Our mantra is simple: 'Better Growth Together'. When our customers win, we win.

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

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