



19 August 2024

Blackpearl Group Secures Growth Funding

Black Pearl Group Limited (NZX:BPG) is pleased to announce that it has today entered into a NZ\$5 million revolving loan facility with Bank of New Zealand.

Please see the below letter to shareholders for more information.

Letter to Shareholders

Dear Shareholders,

At our Annual Shareholders' Meeting I said that BPG had earned itself options.

Now, weeks away from reaching NZ\$10 million in annual recurring revenue (ARR), we could fund our growth from monthly net cash. However, our aspiration is to achieve true scale, one befitting our market opportunity – after all, there are 33 million SME businesses in the USA.

As such, we are investing in increasing our velocity beyond what an operating net cash investment could yield, with the ambition of growing to \$20 million ARR in the next 1–2 years.

To support this, the Board has today entered into a Growth Facility with Bank of New Zealand (BNZ), becoming one of BNZ's select Project Scale Up clients. Having access to a non-dilutive debt facility with a major trading bank reflects the great success we have had as a company to date and our proven growth velocity.

The loan facility is for a two-year term and the purpose of the loan facility is for growth. BPG is subject to a key financial covenant under the facility to maintain a minimum growth rate of 20% per annum in its ARR.

We appreciate this is not the traditional growth funding approach for a technology business at our life stage. Typically, we would issue new stock. While this is clearly an option for BPG, we do not believe that our share price is an accurate representation of the company's value and we are not going to dilute our shareholders by issuing stock at a bargain. If you want stock at the current share price, buy on the market.



This facility means BPG controls the timing and terms of future growth funding.

Kind regards,
Nick Lissette
CEO

Contact

Released for and on behalf of the Blackpearl Group Board.

For further information please contact:

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About Blackpearl Group

Blackpearl Group (BPG) is a market-leading data technology company pioneering 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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