For immediate release, 29 July 2025

1Q FY26 Performance Update

- Continued growth of annual subscription revenue exit run rate (+29% vs pcp).
- Reiteration of FY26 guidance for ~35% or greater growth in platform subscription revenue and EBITDA breakeven on a run-rate basis in H2 FY26.
- Total recognized revenue in the period of NZ$6.4m (+12% vs pcp).
- Gross margin percentage of 76% (up from pcp of 70%).
- Fully funded to execute continued growth plans via completion of A$18.0 million (NZ$19.6 million) fully underwritten placement.

ikeGPS Group Limited (IKE) (NZX: IKE / ASX: IKE) is pleased to provide a performance update for the 3-month period to 30 June 2025. All figures are in NZD, rounded to the nearest decimal.

Highlights for the 3-month period to 30 June 2025:

+ Exit run rate of annual platform subscription revenue of NZ$16.6m (+29% vs pcp).
+ Total recognized revenue in the period of NZ$6.4m (+12% vs pcp) comprised of the following:
    + Subscription revenue of NZ$4.1m (+28% vs pcp).
    + Transaction revenue of NZ$1.5m (-16% vs pcp).
    + Hardware and other services revenue of NZ$0.8m (+3% vs pcp).
+ Gross margin of NZ$4.8m (+20% vs pcp)
    + Gross margin percentage of 76% (up from pcp of 70%), driven by revenue mix continuing to shift to high-margin subscription software products.
+ Total cash and net receivables NZ$11.7m.
    + This comprises NZ$8.8m in cash and NZ$2.9min net receivables (NZ$4.0m in receivables with payables of NZ$1.1m) and no debt.

      A fully underwritten institutional placement was completed in July raising A$18.0 million (approximately NZ$19.6 million) and non-underwritten share purchase plan in process to raise up to A$2.0 million (approximately NZ$2.2 million).

Commenting on company progress through the recent quarter, IKE CEO Glenn Milnes said:

"Pleasingly, 1Q26 met or exceeded internal performance expectations for the period in terms of revenue, new customer adds, gross margin, EBITDA and pipeline development targets. IKE reconfirms previous FY26 guidance for ~35% or greater platform subscription revenue and EBITDA breakeven on a run-rate basis in H2 FY26.

"While the exit run rate of annual platform subscription revenue (ERR) of NZ$16.6m was +29% on prior year, this was lower than the level three months prior by ~NZ$1m, largely due to impacts of FX. The relative weakness of the NZD versus USD (dropped ~7.5% between March 2025 and June 2025) impacted IKE as it generates USD revenue and reports in NZD. This FX change effectively reduced reported ERR by ~NZ$1.3m. There were also some expected impacts forecasted operating shifts from two long-term customers. Importantly, neither are lost, and include a national engineering group who have continued to transition to a full self-perform transaction-based business model with IKE, versus per seat subscriptions. We currently expect ~NZ$0.5m in self-perform transaction revenue from this group at near 100% margin FY26. We also saw a reduction of subscription seats from a tier-1 national fiber customer, as they completed a large fiber network assessment project in California via the use of IKE's products. This group remains a long-term customer– and we continue to jointly-assess other potential programs across other markets in the U.S. where they build and maintain communications infrastructure.

"As announced earlier in the month, IKE is now fully funded to accelerate growth plans and new product development. Following the significant commercial success of the customer-council led process to design and sell-through the IKE PoleForeman product, a now extended customer-council group has engaged with IKE to define two extension subscription product modules that we believe provide a new and compelling offer that addresses important needs across the entire electric utility industry in North America. Holistically, these next generation product modules are intended to extend IKE's value in supporting utilities and communications companies to capture, digitize, and manage their distribution networks.

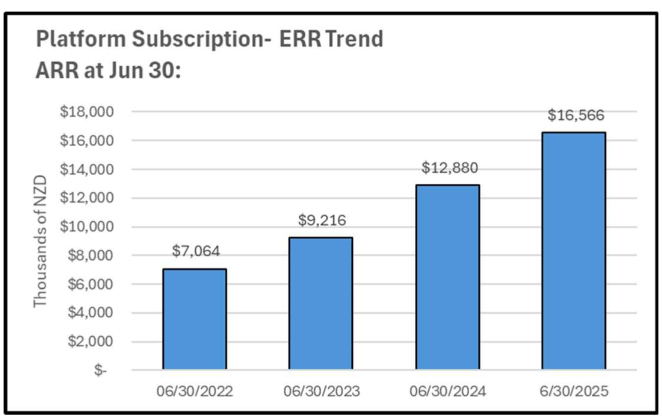
"A strategic imperative is to maintain and extend IKE's market leadership in this specific space. The investment in this platform is expected to secure IKE's position as the definitive solution provider, ensuring long-term contracts with customers, sustainable growth and market leadership for the next decade and beyond.

"Targeted new product benefits include >5x productivity gains for customers for our defined distribution network applications versus capability in the market today and >2x subscription seat revenue growth per user via value-based pricing; while shifting customers to a next-generation stack and user-experience best practices."

"As we consistently witness, macro-market tailwinds in North America remain highly supportive of IKE's business and are expected to drive growth over the coming decades, and our North American-based team continues to capitalize on significant sales opportunities."

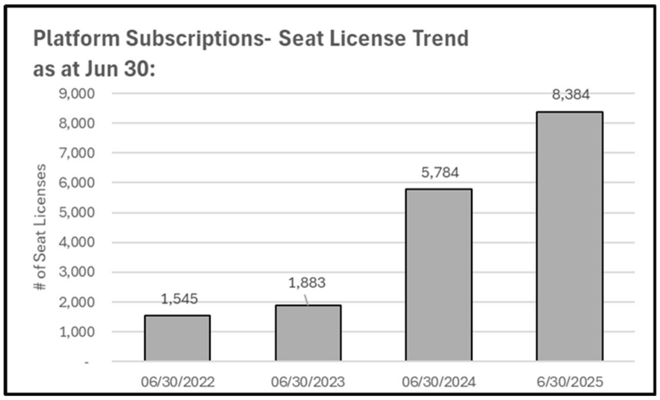
Performance summary

Performance across the business is set out in the following charts and table:



Takeaways

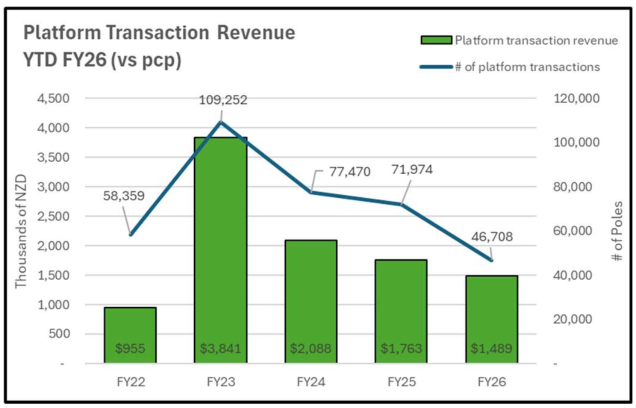
- +29% YoY growth in the exit run rate (ERR) of annual platform subscription revenue.
- YoY subscription revenue CAGR of 28%
- Three-year subscription revenue CAGR of +33%.



Takeaways

Subscription seat license growth of +45% YoY.

Seat count growth has accelerated at a fast pace due to customer additions and upsells, as well as selling customers onto a per-seat subscription model when adopting the new IKE PoleForman product (released late FY24).

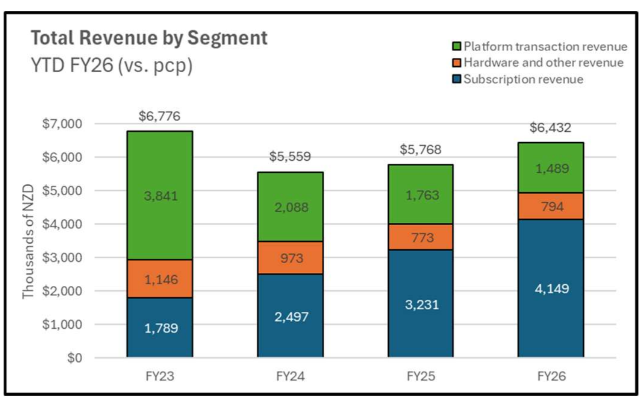


Takeaways

Revenue and gross margin decreased YoY.

This part of IKE's revenue model will continue to have some volatility but continues to generate positive cash flow, and the services element provide real value, and stickiness, for customers.

IKE expects transaction volumes and associated revenue to continue to build through the medium and long-term.



Takeaways

Recurring subscription and reoccurring transaction revenues (shown in the green and blue segments in this chart) dominate IKE's revenue mix, at 88% for YTD FY26.

An expectation for healthy revenue growth in the full FY26 period, including ~35% or greater growth in platform subscription revenue.

	YTD FY26	YTD FY25	% Change
Total Revenue	$6.4m	$5.8m	+12%
Total Gross Margin	$4.8m	$4.0m	+20%
Gross Margin %	75%	70%	
Platform Subscriptions			
Total # of Subscription Customers	411	400	+3%
Total Number of Seat Licenses	8,384	5,847	+43%
Platform Subscription Revenue	$4.1m	$3.2m	+28%
Gross Margin	$3.9m	$2.8m	+35%
Gross Margin %	92%	88%	
Platform Transactions			
# of Billable Transactions	47k	72k	-35%
Platform Transaction Revenue	$1.5m	$1.8m	-16%
Gross Margin	$0.3m	$0.7m	-54%
Gross Margin %	22%	41%	
Hardware & Other			
Hardware & Services Revenue	$0.8m	$0.8m	+3%
Gross Margin	$0.6m	$0.5m	+47%
Gross Margin %	80%	59%	

The Company added 22 new subscriptions customers during 1Q 2026, or approximately 1.8 new customers per week

ENDS

About IKE

We are IKE, the PoleOS™ Company. IKE aims to become the standard for collecting, analyzing and managing pole and overhead asset information for electric utilities, communications companies, and their engineering service providers.

The IKE platform enables electric utilities, communications companies, and their engineering service providers to enhance speed, quality, and safety in the construction and maintenance of distribution assets.

The core revenue engine for IKE is driven by the number of enterprise customers subscribing to the IKE platform and the volume of assets (called Transactions) being processed through IKE's software.

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