

**ASX ANNOUNCEMENT:** 13th April 2026

## Business Update April 2026

Xref Limited (**ASX:XF1**) (**the Company**) is pleased to provide an update on its unaudited financial results for the March Quarter FY26, and our progress on the strategic direction articulated in the recent investor presentation in respect to platform adoption, sales growth and operational efficiency.

### Financial & Operational FY26 Q3 Highlights

- **Sales Growth:** \$4.5m +4% yoy
- **Positive EBITDA Performance:** \$0.3m EBITDA
- **ARR Growth:** \$10.6 million +54% yoy
- **Reduced Operational Expenses:** \$4.6m -28% yoy
- **Cash receipts from clients:** \$4.4m -10.3% yoy
- **Cash Balance at 31st March:** \$2.0m
- **Leadflow:** 1,120 + 159% yoy

### Sales & Marketing

The Group delivered strong sales momentum during Q3, underpinned by a significant growth in demand and execution. Marketing initiatives yielded 1,120 new leads, a substantial increase from the 442 recorded in the prior corresponding period (pcp). This top-of-funnel growth translated into 199 new opportunities (up 63% pcp) and the generation of \$1.7 million in new pipeline, representing an 89% increase pcp.

Total sales for the quarter reached \$4.5 million, with the core Xref platform contributing \$4.0 million, a 15% increase over its performance in the pcp. Notably, this included \$1.2 million in multi-year agreements and \$0.3 million in cap extensions, a 1,600% increase on pcp. This growth validates the policy mandate introduced in H1 FY26 to prioritise capacity extensions over early subscription renewals.

Furthermore, the composition of these results underscores a strong shift to the new platform, which accounted for 97% of total sales this quarter. This represents a significant evolution from the pcp, where the new platform accounted for 66% of sales, demonstrating successful user migration and adoption.

Customer acquisition and platform migration also remained robust:

- **New Logos:** 41 new clients joined the Xref platform, up 46% pcp.
- **Retention & Migration:** 309 clients successfully renewed, while 60 legacy users were migrated to Xref's enterprise-grade 'hire-to-retain' platform.
- **ARR Growth:** Annual Recurring Revenue (**ARR**) for the new platform climbed to \$10.6 million,

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reflecting a 54% increase year-on-year and a 15% growth rate since the H1 reporting period ended 31 December 2025.

These results demonstrate the scalability of the new platform and our continued success in driving higher-value, long-term client engagements.

### **Platform Adoption**

Platform adoption grew well in Q3 as Xref continued its transition into a comprehensive 'hire-to-retain' ecosystem. Total active users rose to 5,734, representing a 72% increase on pcp. Engagement across our expanded product suite saw strong growth, highlighted by a 326% increase in Pulse Surveys (9,752 sent) and a 366% increase in Exit Surveys (2,039 sent), reflecting the high value clients place on longitudinal employee sentiment data. Core verification services remained strong, with References up 123% to 60,000 and Background Checks increasing by 103% compared to pcp.

To further accelerate global adoption and embed Xref deeper into HR workflows, the Company announced two major strategic integrations on 18 March with Teamtailor and HiBob. These partnerships provide Xref with direct "one-click" connection with a combined ecosystem of over 13,500 enterprise companies and 200,000 active recruiters, positioning Xref for continued high-margin, API-driven growth across North America, Europe and the UK.

### **Operational Efficiency & Cash Management**

Xref's strategic focus on operational discipline resulted in a significant reduction in overheads during Q3. Operational expenses for the quarter were \$4.6 million, representing a 28% decrease on pcp. This figure included one-off redundancy costs associated with the January restructure, as the Company transitioned toward a more efficient, AI-driven development model. As part of this transition, Xref discontinued its development team extension in Lahore, Pakistan, which is expected to reduce annual costs by an additional \$700,000. Additionally, SaaS expenditure from suppliers began to decline following the implementation of improved software procurement strategies.

The Company's leaner cost base is expected to drive further margin expansion, with Q4 operational expenses projected at \$3.8 million.

The Group's focus on profitability was reflected in an EBITDA of \$0.3 million, a 1,146% increase on pcp. Cash receipts from customers remained robust at \$4.4 million for the quarter. As at 31 March 2026;

- Cash at Bank: \$2 million
- Accounts Receivable: \$1.8 million in unpaid invoices (\$1.5m aged <30 days)

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The combination of a reduced expense base, increasing high-margin ARR, and a healthy pipeline should position Xref to deliver sustainable, profitable growth through the remainder of FY26.

### **Product Innovation: Driving Adoption & Competitive Edge**

In Q3, Xref improved its competitive positioning with the launch of the next-generation Pulse Surveys, specifically designed to increase platform "stickiness" and capture enterprise market share. By integrating AI-powered summaries, the platform now automatically synthesises qualitative feedback into actionable executive insights, providing a level of sophisticated analytics that traditional survey tools lack.

To further entrench Xref within the enterprise tech stack and to enable us to compete for larger global contracts, we have also introduced:

- **Enterprise Scalability:** Expanded survey capacity to 100 questions with optional text context, catering to complex organisational needs; and
- **Data Portability:** New direct data exports for PowerBI and other BI tools, ensuring Xref remains a central pillar of our clients' data ecosystems.

These enhancements are designed to drive deeper user engagement and higher platform adoption, reinforcing our "hire-to-retain" mandate and bolstering our competitive barriers.

### **Optimised 'Self Sign-Up': Accelerating Conversion & Market Reach**

Xref has launched a revitalised Self Sign-Up process, evolving the successful pilot launched in May 2025 which has already onboarded over 600 clients. To maximise conversion rates and compete more aggressively for the "prosumer" and SME segments, the new process removes friction and heightens product transparency:

- **Zero-Friction Entry:** By removing credit card requirements on sign-up, Xref has lowered the barrier to entry, significantly increasing the volume of potential leads entering the ecosystem.
- **Full Product Exposure:** Prospects can now explore the entire platform during a 14-day trial, creating a "hands-on" experience that proves the value of the 'hire-to-retain' suite before a purchase decision is made.
- **In-Platform Monetisation:** A new "days remaining" countdown and visible on-platform pricing tiers allow for a seamless transition to a paid subscription at any point during the trial.

By locking certain premium features during the trial, Xref can better direct the sales team toward high-intent users, driving faster conversion from trial to paid subscription and shortening the customer acquisition cycle.

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**Xref Founder & CEO, Lee-Martin Seymour** said: "Q3 represents a turning point for Xref. We have successfully re-engineered our cost base, reducing operational spend by 28% while simultaneously achieving record lead volumes and a 1,974% increase in EBITDA compared to the prior year. Our transition to a comprehensive 'hire-to-retain' platform is resonating, evidenced by the 54% growth in ARR and the adoption of our new AI-powered Pulse and Exit surveys.

*With our new frictionless self-sign-up process and strategic integrations with global partners like HiBob and Teamtailor, we are competing harder and winning larger enterprise mandates. As we enter our busiest quarter, Xref is leaner, faster, and more profitable, with a clear runway to deliver a successful full-year result."*

## Outlook

As we enter Q4, historically our busiest period, Xref is well positioned to capitalise on record lead flow and a significantly optimised cost base. Our focus remains on four key pillars: accelerating new business, completing client migrations, securing renewals, and driving platform adoption.

Having streamlined our onboarding process and expanded our partner ecosystem through Teamtailor and HiBob, we are primed for efficient, high-margin client acquisition. With projected Q4 operational expenses falling to \$3.8 million, the Group is in a good position to deliver a strong finish to the fiscal year and drive long-term shareholder value.

This announcement has been approved by the board of directors of Xref Limited.

To learn more or ask questions, please visit

**Website:** [xref.com](https://xref.com)

**Xref Investor Hub:** [xf1.com](https://xf1.com)

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## Xref Limited (ASX:XF1): The Global Employer Intelligence Platform

Xref is a business-critical SaaS employer intelligence platform and a permanent, transformational piece of an organisation's technology stack. We operate as a survey and data science business that replaces high-friction, manual HR tasks with automated workflows designed to harvest longitudinal employee data across the entire "hire-to-retire" lifecycle. By capturing structured and unstructured point-in-time sentiment, Xref provides organisations with actionable clarity through advanced analytics and AI toolsets.

Xref drives organisational value through a "Data Engine" focused on four strategic pillars:

- **Validation:** Establishing a "Truth Baseline" for every hire using automated referencing and a Trust Marketplace of global background-checking vendors.
- **Retention:** Measuring engagement via Pulse and Engagement surveys and predictive analytics to prevent future turnover.
- **Reutilisation:** Transforming referees and departed employees via Exit surveys into active talent pools to reduce recruitment costs.
- **Network Effect:** Every request advertises Xref to the talent market, building an interconnected network of career histories that ensures our Data Lake remains current and comprehensive.

Our competitive advantage is anchored in a verified, private archive that cannot be replicated by standard AI scraping or competitors. This data harvesting engine has secured over 9 million career histories, 11 million employee opinions, and 7 million reference reports. Built on 16 years of pre-employment data and 26 years of engagement history, this moat provides a foundational library of professional truth. The infrastructure is accessible through our native platform or via a scalable API, allowing organisations to power the wider HR tech ecosystem with verified talent data.

Xref is founder-led by Lee-Martin Seymour (CEO), the visionary designer of the original platform and driving force behind its evolution into a comprehensive "employer intelligence" suite. Lee's passion for client satisfaction drives solutions, including pulse, engagement, and exit surveys, that meet the evolving needs of the employment sector. We provide a predictable revenue base fueled by high-margin SaaS contracts and AI-powered operational efficiencies, scaling as the industry's essential trust layer.

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