

Intermap Technologies Corporation - Q1 2026

Earnings Call

Wednesday, May 13, 2026 5:00 PM

Event Participants

Executives

Patrick Blott, Jennifer Bakken

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Sean Peasgood

Good afternoon, and thank you for joining us for Intermap Technologies Conference Call to discuss its financial results for the first quarter of 2026. On the call today, we have CEO, Patrick Blott; and CFO, Jennifer Bakken. [Operator Instructions] Certain information in this presentation constitutes forward-looking statements, including statements regarding revenue growth, conversion of government awards, timing of revenue recognition, expansion of recurring commercial revenue, capital deployment, and future operating performance.

Forward-looking statements are identified by words such as anticipate, expect, project, estimate, forecast, continue, focus, will, and intend. These statements are based on current assumptions and involve risks and uncertainties, including availability of capital, revenue variability, timing and structure of government contracts, customer concentration, economic conditions, competitive dynamics, technology risk, cybersecurity, and other factors described in Intermap's public filings. Actual results may differ materially. The company undertakes no obligation to update forward-looking statements, except as required by law. With that out of the way, I'd like to pass the call to CEO, Patrick Blott.

Patrick Blott, Executive

Thanks, Sean. We're on Slide 3. Good afternoon, everyone, and thank you for joining us. We just had an in-depth call a few weeks ago, so I will focus on the highlights today. The first quarter demonstrates the strength of Intermap's commercial business, Slide 4.

Recurring subscription and data revenue exceeded 80% of total revenue. We continue to see strong enterprise adoption of our analytics platform and growing demand for our proprietary geospatial intelligence products and models, Slide 5.

Importantly, as we position to upsize in Southeast Asia, including upgrades to our sensors, platform, data processing chains, and proprietary AI software tools, we're also adding capabilities such as the ability to deliver on-premise sovereign data and secure cloud-native AI agents. These capabilities push processing to the edge, reduce latencies, consume less power, and speed up workflows. We're taking advantage of opportunistic capital investments we made a few years ago, acquiring advanced NVIDIA chips, hardware, processing power at very attractive prices, building processing capacity, and then we're sharing these advantages with our customers to produce exquisite large-scale GEOINT with greater speed and lower cost.

All of this important work positions us to execute quickly on large enterprise and government programs currently moving through the procurement and contracting phases. We're particularly building to scale in Europe with recent large additions, including the addition to our as-a-service platform of the Czech Republic's eight leading insurers, representing a majority of the residential property insurance market. Broad adoption of Intermap's GEOINT to price billions of dollars of complex and dynamic risks in real time is an incredible demonstration of our exquisite GEOINT capabilities.

Slide 6. Our government pipeline remains active and funded. We continue to maintain strong visibility into large opportunities in Indonesia, U.S. federal GEOINT programs, and recurring revenue continues to scale. Slide 7.

We operated the underlying business at or near breakeven during the quarter after stripping out the impact of accounting uplist and equity transactions to position ourselves for U.S. uplisting. And I think with that, we're on Slide 8, and I will now turn the call over to our CFO, Jennifer Bakken, to walk through the financial results in more detail.

Jennifer Bakken, Executive

Thanks, Patrick. The total revenue for the first quarter was \$1.4 million compared to \$4.3 million in the prior year period. The decline primarily reflects the timing and delays associated with large government programs, particularly Indonesia acquisition services revenue. Importantly, recurring subscription and data revenue represented more than 80% of total revenue during the quarter, reflecting continued growth in enterprise analytics and insurance solutions. Software and Solutions revenue was \$1.2 million compared to \$1.4 million in the prior year.

The decrease was primarily related to the timing of software overages, which vary with contract terms and deferred revenue recognition timing. Value-added data revenue was \$0.2 million compared to \$0.5 million in the prior year, reflecting timing differences in the delivery of repeating data products.

Operating results during the quarter were impacted by several items that distort comparability, including financing-related settlement costs associated with previously issued incentive awards, foreign currency translation impacts, and timing-related deferred revenue effects. Excluding these items, underlying operations were near breakeven during the quarter. We ended the quarter with approximately \$18.8 million in cash and \$16.3 million in positive working capital, which we believe provides a strong capital foundation to support the execution of our growth strategy and government pipeline. I'll now turn the call back to Patrick.

Patrick Blot, Executive

Thank you, Jen. We're now on Slide 9. As we look ahead, our focus remains on scaling and converting our government and commercial pipelines. First, we're continuing to grow recurring subscription data and analytics revenue, increasingly driven by AI-enabled geospatial solutions that promote adoption. Second, we're advancing a large funded government pipeline that we expect will convert into recognized revenue as procurement and contracting processes advance during the next few quarters.

And finally, we're maintaining the operational readiness, infrastructure and personnel necessary to support rapid deployment for large international programs. The company is positioned for long-term growth and operating leverage as these larger programs convert. Thank you, everyone, for joining us today. We'll now open the line for questions. Sean?

Sean Peasgood, Attendee

Great. Thank you, Patrick. [Operator Instructions] I'd like to thank all participants for your questions. First question is on the Indonesia project. On Indonesia Phase 2, how is your level of confidence in winning work evolved given the delays in the process to date?

Understanding you've submitted bids for all four lots, what is your confidence level in winning all four? And has that changed at all?

Patrick Blott, Executive

I don't think -- I mean, the if part hasn't changed, when has been a moving target. But at the same time, we're in pretty frequent contact and have a good sense of what's going on in terms of they've bitten off a lot, and they're working through it. And it is moving slowly, but it isn't stalled. And I do think we're going to see something on that in the coming near term. So -- but our confidence remains high.

Sean Peasgood

Great. Can you discuss how many companies were down selected for the final selection of the Indonesian contracts?

Patrick Blot, tExecutive

Well, there's various things that they tendered, so it depends on which bucket. The one that we care about, I'm not going to get into too much detail on that because we don't know. We know we were. And we will know more once they get to the financing phase because they're going to do a public procurement. But I do know that it's fluid.

So I'm not going to speculate on where they sit with it right now specifically.

Sean Peasgood, Attendee

Okay. With the \$18.8 million in cash and current burn rate, how does management think about capital needs through contract signing? Is the current balance sheet sufficient to fund mobilization if awarded?

Patrick Blott, Executive

Yes. I mean it has been -- I mean the company has operated at or near breakeven for a very, very long time. It's the way we run the business. So we're very careful with capital allocation. I think what you're calling burn rate is not an operating burn rate.

We're doing extra things because we want to get uplisted. We want to be ready to hit the go button immediately. And we've made some commitments in terms of in terms of the process that we're standing by.

So even though Indonesia maybe are taking longer than they expected to get through their decisions, that doesn't change our commitments or our level of commitment. So all of these things factor in, but the company has been adequately capitalized for a while, and it certainly has what I would call excess capital pointed at some of these large programs, specifically Indonesia, but not just. And we're standing by those check-the-box requirements, and we have capital reserved for that, but it's not a situation where we have an operating burn.

Sean Peasgood

Shifting to the commercial business, roughly how much ARR are you at currently with the commercial business? And can you discuss how much of the guidance may be attributed to that side of the business for the 2026 guidance?

Patrick Blott, Executive

Yes. I mean -- so previously, we haven't broken it out. However, what is interesting about this quarter is kind of the clean look that you're getting at that business, although it is understated because of the timing effects and other things that we talked about. But generally, that business is through \$7 million, approaching \$8 million on a run rate, and we're guiding in the neighborhood of \$10 million.

Sean Peasgood

Okay. Great. Can you give an update on the initial Malaysia flood mapping contract and if and when that revenue should be recognized?

Patrick Blott, Executive

Yes. We haven't done that. We're not going to do that. We are -- because we have several mandates with them at various stages. So that is still both part in execution, part in tendering.

So I'm not going to get any more detail on that at this time.

Sean Peasgood

Okay. On potential contracts from the NGA, recent media reports indicate that the NGA wants to open programs to more vendors and accelerate its use of commercial technology. Are you seeing evidence of that in potential opportunities for Intermap?

Patrick Blott, Executive

Yes, we certainly are. And it's frequent. And I was just recently on the thing where the director was last week. What's going on there -- what's really important is they very much now care about getting good data with really low latency. This is something we've been talking about for a long time, but they need it fast and especially in certain theaters, they need it really fast, and they need it to be accurate.

They need better accuracy, better accuracy in certain areas that you can certainly get from space. They need proper GEOINT, right? Like GEOINT is the combination of data from data sets from various sources, various sensors, various platforms. And that's what we really excel at.

And so to get the best data for any place at any point in time, that's a data mix. That's a GEOINT product. And that's what we focus on. That's what we're really good at, delivering that with accuracy, scale, and speed. So all of that is good news for us.

And the reason that they're doing it, what's driving it is just the broader sort of use cases and demand that's going on right now. Like they have activity in just about every area of operations, INDOPACOM, obviously, Europe, obviously, SOUTHCOM is active right now. NORTHCOM, which also includes Mexico, is active right now. And even AFRICOM, AFRICOM is a spillover from what's happening in Ukraine, right? So all of the theaters are requiring assets, they're requiring sensors, and they're requiring exquisite GEOINT.

And so in order to meet the demand for GEOINT product, they have to broaden it. They have to bring in more and more commercial and various other sources. But very, very importantly, in order to meet their requirement, these new opportunities, you have to be able to do it fast, and it has to be accurate when you do it fast. And so we've been focused on that as many of the people on this call know for a very long time. So I think we're really well positioned for it.

Sean Peasgood

When you say large government contracts to convert in the next few quarters, can you add any further clarity there? What do you attribute to the continued delays in the various government contracts?

Patrick Blott, Executive

Activity and really -- not activity on our side, but activity on the government side. And whether it's domestic or U.S. gov or whether it is even in Indonesia as one example, but not the only one, they're all really slammed. And so that's a good thing. It means they need data, but it's also driving some of the slowness in the bureaucracy and the time lines here, which are getting extended.

But the requirements themselves are expanding, they're not shrinking.

Sean Peasgood

I have to clarify. So value-added data and software solution revenue declined compared to Q1 last year. Just maybe wondering why or if there's a specific reason that, that went down if it wasn't related to Asia Pac.

Patrick Blott, Executive

No, I mean, it's timing effects, as we pointed out. Partly, it's how the -- by the way, we've invested a lot of resources on accounting as part of getting prepped for our uplisting and partly, how these things are accounted for in terms of deferrals and everything else is part of it. So you have to go look at things like the balance sheet and contract liability to see activities where you normally go and look at the top line and the revenue to see that. But all of that away, what is happening is that in every line of our business, but especially in that data and software, is we're doing more business.

So we're doing more business than we've ever done, and we're doing more business, significantly more business than we were doing at this time last year. And you'll see that as revenue gets recognized. And -- but quarter-to-quarter, I discourage people -- I know people do that, and they try and do that. Every time

they do, I discourage them because of how these accounts work, how these upsells, renewals, overages, how all this stuff filters through our systems and our accounting. It makes it difficult to do it quarter-to-quarter, but I know people like to do that.

But that -- there is -- those businesses are growing, not shrinking.

Sean Peasgood

Do you currently have enough personnel on payroll to handle Indonesia? Or will that be part of ramping up if awarded?

Patrick Blott, Executive

As part of the requirements for Indonesia, it had -- I mean, right down to the details of resume submissions and other things. I mean, it's a very -- and you can see that because they made the tender documents public. So as we said in the call, we are positioned for readiness to mobilize to hit the go button, and we are committed to that as part of the process. So all of those -- and it's not just human resources.

In our case, we're a GEOINT company and we're a tech company, right? I mean what we -- the reason there's so much operating leverage in the business is because a lot of what we do is technology-driven. So we're also positioned for readiness in terms of scalability for our systems, for our processing, our sensors, like all of it. And so that is all happening real time, and it's in place, and it's to support very prescriptive, very detailed, if you go and take a look at it, procurement documents.

Sean Peasgood

Regarding uplisting, can you provide any information about expected timing for this to occur? And is the plan to uplist to a U.S. major exchange?

Patrick Blott, Executive

Yes. And it's been our stated objective because we think that we're getting -- the company is maturing to a place where it should be on a major exchange, specifically the NASDAQ. And then the liquidity and the trading and the registrations that make all of that beneficial for our shareholders. And I think that's a really important technical objective, and it's -- and the lower exchange right now causes friction, and we're going to remove that. And so there's variables that go into it.

It's not just snap your fingers. We have now an uplisted audit that is at the PCAOB standard.

That took a long time. And that's multiple years. You can't just do it for 1 year. And so we changed our auditors to get that started, and we've now -- I mean, now we have like all kinds of accountants to help us get to that place, which we're now at. And then there's registration statements.

But really, at this point, it's very important that we're supported, that we have particularly dealer support for that, so that I don't want to uplist, and it's not in our shareholders' interest to uplist and be an orphaned security. So that's a really important aspect of it. And then having all of that line up with our valuation and making it all make sense, right, so that we're not just stuck there. So all of these things have to come together. The stuff that we have the most control over, which is a lot of the accounting and legal, is largely in place now.

And so we're getting very close. And I expect that the business and the investor interest is now to follow with the support from the agency and the dealers, and I think that will take us over the finish line to get it done.

Sean Peasgood

The \$30 million to \$35 million guidance implies \$29 million to \$34 million in the remaining three quarters. You've already discussed the commercial aspect of what the makeup is there. Can you help us understand the expected revenue cadence? Will it be back-end weighted?

Patrick Blott, Executive

It will be back-end weighted because of how the contracting works. But then the difference and the really, I think, thing that I keep trying to express is that the upsize of the contracts is pretty dramatic. So this isn't -- our commercial business, which is a fantastic grower and high margin, is also a small dollar and multiple parties. And by comparison, the government side and these vehicles that we're working on every day, engaged with the customer every day -- and they're big, really big dollars. So when they step up, they have a huge financial impact.

So it will be towards the back part of the year, but those dollars are much, much bigger. And so that's why we feel comfortable with the guidance, where it sits.

Sean Peasgood

Are there any opportunities for partnerships with large AI players to utilize new Intermap AI tools?

Patrick Blott, Executive

We have productized AI. We actually have an agentic AI risk assistant agent that a good number of our larger insurance customers are -- and the way that the large ones work is they have multiple -- they're basically around geography and product. So they have multiple groups. So as they adopt, it's not all at once, but they're starting to adopt. So from that perspective, we have something that's working that we're selling, and we have customers that like it a lot, and it is driving performance for us.

We also -- depending on the requirements, we do partner. So we have an extensive sort of history of partnering with large companies. And where there's value and mutual value, we will do that. Where there's value that's either hard to quantify or -- we're not going to go chase the rainbows. I've seen enough of those, especially in GEOINT -- especially in government land.

Where we are in that space right now is in a good place because -- especially our key customers appreciate very, very much because they're in kinetic activity that it's the GEOINT that matters. It's useful points.

I say that a lot, useful points that matter and how you can -- software can't give you a useful point. Software can help you consume it, but investing in software isn't going to give you a useful point. That's a data product. And so how you consume it better, obviously, I think AI does potentially help with that. That's why we're using it and selling it.

But our customers are focused on that now, the GEOINT. They're not as focused on the stuff that's either how they consume software or sources and sensors. They're concerned about the points, and that's a good thing for us.

Sean Peasgood

Okay. Great. Do the guided 28% EBITDA margin -- or sorry, does the guided 28% EBITDA margin reflect start-up drawdowns? Is the steady-state margin of the business higher as you move past the mobilization phase? How should we think about margin trajectory over the life of these programs?

Patrick Blott, Executive

I think that's a good question. And depending on your time horizon, yes, I mean, our commercial business rivals any top-shelf as-a-service business out there. And so the more that our customers are consuming our points that way, the more our margins will approach those high margins. And that's happening, and it's happening in real time. And so on where we currently sit is where we're guiding, where we're headed is more and more of our business model, which is consuming points as a service, is going to be adopted by all of our customers.

They're all consuming the points, right? The actual product is similar, but the way they consume it is different.

And our commercial business, especially the insurance customers, they're consuming it entirely cloud -- as a cloud-based service. And so those margins are really good for us. And I expect our business as a whole will start to more and more reflect that as our other customers move up that adoption curve and consume that way. They have to because it's really the fastest, like what matters, especially as you get more into urgent requirements, what matters is speed and accuracy. And the only way you're going to get that at the end of the day, with a proliferation of source sensors in space and in the air and on the sea, the only way you're going to get that speed and accuracy at scale is when you're consuming it as a service.

So I really believe that is the steady end state. I think the adoption cycles are different depending on which customer you're talking about. And I think the best example is our insurance customers who have been the early adopters and they're using it that way right now.

Sean Peasgood

[Operator Instructions] We're running out of questions here. Let's give it one second to see if any other ones come in. I don't know if you're going to be able to answer, but do we feel that boundary disputes in Indonesia will delay project execution and revenue generation time lines? Or do we think that this will be resolved after the project has been executed on an internal basis?

Patrick Blott, Executive

I'm not totally clear on the question. However, what I will say is that we're -- what we're doing there for them and one of the reasons it does take time is it is all of government in terms of users and use cases. And so there's a lot of parties involved and external party with the World Bank. So a lot of these issues -- and you can enumerate them probably by the 100 because every department and every minister and

every -- there's issues out there, right, that they all have. They all factor in and they all get absorbed, and then they'll make a decision.

And fundamentally, at the end of the day, it's really -- if you want the high-grade map, we're the place to get it. And do you want the high-grade map or not? And so it does simplify to that. But there's a whole lot of things that factor into it, and they tend to cause these timing impacts. But at the end of the day, it doesn't change the reality of the technology or the reality of the product or the reality of the need.

So I feel like -- I'm sure it will get -- whatever it is, it will get considered. But at the end of the day, I think they need a map, they think they need a map. We're the ones who can give them the best map.

Sean Peasgood

Okay. Great. Last one. A few people have been asking just about technical evaluation scores and things that could come out of this Indonesia project. Maybe is there any -- are there any possible public details that investors will be able to see along the process?

I don't want to stick to any dates because I know they're moving. But are there things that investors can watch for that will be publicly released along the process to kind of give them a sense of how it's going? If you can talk to that, and then I think we'll leave it there.

Patrick Blott, Executive

Yes. I don't want to get into it because, a, they've got -- they are publishing it and two -- but two, so is World Bank and so are others, and it's all changing. And so I don't want to add to that mix. And I think we have some obviously strong views internally of when and where. But I think I'm not going to comment further on it at this time.

Sean Peasgood

Okay. That's great. If anyone has any follow-up questions, please contact us. We're available any time through e-mail or by phone. Our contact information is on the bottom of every press release.

Thank you, everyone, for joining the call today. I'll pass the call back to Patrick for closing remarks.

Patrick Blott, Executive

Yes. Thank you for joining today's call. We look forward to updating you on our progress in future quarters. Take care, everybody.

Sean Peasgood

This concludes Intermap's First Quarter of 2026 Conference Call. Thank you for joining us.