

# ASX Announcement

30 April 2020

## Q3 FY20 Activity Report and Appendix 4C

Pureprofile Limited (ASX: **PPL** or the **Company**) is pleased to present the following activity report and Appendix 4C for the quarter ended 31 March 2020.

The Company had a closing cash balance at the end of the quarter of \$764k, up from \$641k for Q2 FY20.

Net cash received from operating activities was \$301k for the quarter, an improvement on the previous quarter where net cash used from operating activities was (\$480k). Total operating expenses was \$6.6m, a reduction on prior quarter. This was a result of lower staff costs flowing through from the executive team restructure in Q1 FY20; timing differences in payroll withholding relating to this quarter, which were paid in Q2 FY20 or deferred to Q4 FY20; and reduced payments to suppliers, which were accelerated in Q2 FY20, through additional draw-down of the Company's debt facility. Payments identified in item 6.1 of the attached Appendix 4C relate to directors fees paid to executive and non-executive directors.

Net cash used in investing activities for Q3 FY20 was \$654k, consistent with the prior quarter.

Net cash from financing activities for Q3 FY20 was \$0.55m, down on the proceeds from Q2 FY20 of \$1.2m. The Company utilised the senior debt facility in Q3 to support the Company's financial position from the impact of COVID-19 on the Company.

On 20 March 2020, the Company withdrew its EBITDA guidance whilst it was assessing the financial impact of COVID-19 on its full year FY20 results. During this time, the Company implemented a number of initiatives to minimise the impact of COVID-19 on its cash position, which will come into full effect from April 2020. These initiatives include a cessation of payments of directors fees and pay cuts or a reduction in working hours for all other employees and contractors. The Company has also negotiated a reduction or a deferral of payments for other operating expenses and supplier payments. The Company is also exploring its eligibility for government schemes, including the Jobkeeper allowance.

As a result of these initiatives, the Company expects its net cash from operating activities in Q4 FY20 to be consistent with Q3 FY20. The Company is also expecting a closing cash balance at 30 June 2020 to be consistent with the prior quarter.

This announcement has been authorised for release to the ASX by the Board of Directors.



Pureprofile Limited  
ABN 37 167 522 901

[www.pureprofile.com](http://www.pureprofile.com)  
[info@pureprofile.com](mailto:info@pureprofile.com)

[Sydney](#)

[Melbourne](#)

[London](#)

[New York](#)

[Thessaloniki](#)

[Mumbai](#)

- ENDS -

For further information, please contact:

**Andrew Edwards**

*Executive Chairman*

Pureprofile Limited

[aedwards@pureprofile.com](mailto:aedwards@pureprofile.com)

+61 2 9333 9700

**About Pureprofile**

Pureprofile Limited (ASX: PPL) connects brands with empowered customers across the world by finding, understanding and engaging them through direct-to-consumer technology platforms. The Pureprofile group is a global leader in data and insights, programmatic media and performance media. Pureprofile delivers next-generation marketing solutions for more than 700 brands, publishers and research groups worldwide.

**Pureprofile** 

Pureprofile Limited  
ABN 37 167 522 901

[www.pureprofile.com](http://www.pureprofile.com)  
[info@pureprofile.com](mailto:info@pureprofile.com)

[Sydney](#)

[Melbourne](#)

[London](#)

[New York](#)

[Thessaloniki](#)

[Mumbai](#)

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

Pureprofile Ltd

**ABN**

37 167 522 901

**Quarter ended ("current quarter")**

 31<sup>st</sup> March 2020

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	6,874	21,953
1.2 Payments for		
(a) research and development	(281)	(913)
(b) product manufacturing and operating costs	(2,605)	(9,436)
(c) advertising and marketing	(87)	(243)
(d) leased assets	(139)	(865)
(e) staff costs	(2,269)	(7,980)
(f) administration and corporate costs	(1,156)	(3,539)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	(51)	(232)
1.6 Income taxes paid	(7)	(43)
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>301</b>	<b>(1,599)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(13)	(25)
(d) investments		
(e) intellectual property	(633)	(1,893)
(f) other non-current assets		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from disposal of:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		1
(d) investments		
(e) intellectual property		
(f) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)	(7)	(7)
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(654)</b>	<b>(1,925)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2 Proceeds from issue of convertible debt securities		
3.3 Proceeds from exercise of options		
3.4 Transaction costs related to issues of equity securities or convertible debt securities		
3.5 Proceeds from borrowings	550	5,600
3.6 Repayment of borrowings		(2,069)
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
<b>3.10 Net cash from / (used in) financing activities</b>	<b>550</b>	<b>3,531</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	641	524
4.2 Net cash from / (used in) operating activities (item 1.9 above)	301	(1,298)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(654)	(1,925)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	550	3,531
4.5	Effect of movement in exchange rates on cash held	(74)	(69)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>764</b>	<b>764</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	764	641
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>764</b>	<b>641</b>

**6. Payments to related parties of the entity and their associates**

6.1 Aggregate amount of payments to related parties and their associates included in item 1

6.2 Aggregate amount of payments to related parties and their associates included in item 2

<b>Current quarter \$A'000</b>
81

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

**7. Financing facilities**

*Note: the term "facility" includes all forms of financing arrangements available to the entity.*

*Add notes as necessary for an understanding of the sources of finance available to the entity.*

7.1 Loan facilities

7.2 Credit standby arrangements

7.3 Other (please specify)

7.4 **Total financing facilities**

	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
	20,000	20,000
	20,000	20,000

7.5 **Unused financing facilities available at quarter end**

0

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

**Loan Facility:** Lender – Lucerne Finance Pty Ltd, Interest rate 20% p.a. Secured loan

**8. Estimated cash available for future operating activities**

**\$A'000**

8.1 Net cash from / (used in) operating activities (Item 1.9)

301

8.2 Cash and cash equivalents at quarter end (Item 4.6)

764

8.3 Unused finance facilities available at quarter end (Item 7.5)

0

8.4 Total available funding (Item 8.2 + Item 8.3)

764

8.5 **Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**

2.54

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2020

Authorised by: the Board of Pureprofile Ltd.

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.