



2021

# Annual Report





Pureprofile's vision is to deliver more value from the world's information



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**34%**

of Aussies get their  
news from social  
media platforms

SECTION ONE

# About Pureprofile



# About Pureprofile

Pureprofile's vision is to deliver more value from the world's information.

We are a global data and insights organisation providing online research and digital advertising services for agencies, marketers, researchers and publishers.

Our research division delivers rich insights into real human behaviour and provides the "Why" behind the "What" through ResTech and SaaS solutions. Our digital advertising division taps into these rich insights on behalf of advertisers and publishers and executes impactful, targeted digital marketing strategies.

We build in-depth profiles of consumers via our proprietary and partner panels and give businesses the ability to understand, target, and ultimately engage with their audiences.

The Company, founded in 2000 and based in Surry Hills, Australia, now operates in North America, Europe and APAC and has delivered solutions for over 700 clients.



# Pureprofile at a glance

## Our aspiration

Pureprofile insights are used by every company in their decision making.

## Our vision

To deliver more value from the world's information, allowing deeper connections between organisations and their audiences.

## Our mission

To reward people for sharing their thoughts, opinions and behaviours and provide valuable, actionable insights to businesses for better decision making.

## Our values



### Discovery

We invite our people to continually ask questions and be open to new ideas. To be inquisitive and to understand that we are on a journey together, learning from one another at every step.



### Ownership

We encourage our people to take responsibility for everything they do and say, to be bold and fearless and to lead with passion. We encourage our team to challenge themselves daily.



### Trust

We foster a culture of trust at Pureprofile. We trust ourselves, colleagues and clients. We also trust the process - things don't always go to plan but hard work and integrity always yield the best results.



### Team

We know that we are one team and appreciate how much strength there is in that. We always treat others with respect and compassion. We show kindness to everyone.



**60%**

of Aussies  
think that the  
COVID vaccine  
is safe

SECTION TWO

# Our Business



# Our business



## Why clients work with us

### Our client value proposition

#### Global reach

Direct access to millions of deeply profiled consumers

#### Trusted

With over 20 years of experience in the online market research space

#### Service

Fast personal quick turnaround, dedicated teams



## What services we offer our clients

### Our divisions

#### Data & Insights

Enabling organisations to understand their audiences and to make better business decisions

#### Self-service platform

Access insights and campaigns through our proprietary technology platform

#### Pure.amplify media

Through first-party data our advertising campaigns reach the right people at the right time



## How we grow our business

### Our corporate strategy

#### Global panel

Focus on expanding and diversifying our global panel, and adding complementary data sources through strategic partnerships

#### More data, more insights

Leverage Pureprofile proprietary data

#### Self-service

Innovate and enhance our SaaS solutions

# Our divisions

We provide our global clients with the ammunition to make better business decisions.

Our commitment to delivering best-in-class research & digital advertising solutions is evidenced via our three core divisions:

## Data & Insights

Online market research solutions conducted via a global network of highly engaged, demographically diverse consumers. We connect our clients to groups of deeply profiled people and offer a range of market-leading services to deliver critical insights quickly and effectively.

“Pureprofile were invaluable in helping us gather market feedback. The team were extremely collaborative, working with us to create a seamless process for uncovering the insights we needed. The speed and quality of the responses gave us the ability to make informed business decisions at critical touchpoints.”

**Richard Spencer**  
Chief Customer Experience Officer  
Business Australia

iag

LSE

medibank

oppo

## Self-service platform

Research technology that delivers consumer intelligence for the future. Our tools allow clients to manage, enrich and activate their data via cutting-edge ResTech and SaaS solutions, placing us at the forefront of the data & insights industry.

“Pureprofile is the best research partner for us! Their profiling capabilities allow us to target our core audience and conduct research in a cost-effective way - with high quality and fast turnarounds.”

**Matthew Zionzee**  
Assistant Brand Manager  
Vitaco Health

Uber Eats

SGAG

Adora  
handmade  
chocolates

flybuys

## Pure.amplify media

Powerful insights-driven digital media solutions fit for a cookie-less world. We plan, execute and optimise every step of our clients' digital advertising campaigns for maximum impact, connecting our clients to the right consumers on the right channels.

“We were very impressed with the results obtained during this very volatile time. News of our relief fund garnered over 9.2 million impressions. We even found generous new donors who selflessly contributed to our fund, despite experiencing challenging circumstances themselves.”

**Adnan Shahzad**  
Senior Digital Growth Manager  
Barnardos

R N I B

Barnardos  
Australia

CATERPILLAR

TOYOTA



# Our advantage

Humans aren't one dimensional, they're complex. We hold the key to understanding the depth of human behaviour, empowering brands to truly know their audience.

**34** years old

**Single**, no dependants

**CMO** at a Tier 1 not-for-profit

Lives in **Byron Bay**

Earns **\$145k**



## Preferences

Likes **high-end products**, eco-products

Reads **Frankie** magazine

Gets her news from **The New Yorker**



**VOLVO**

Prime candidate for high-end hybrid cars

**medibank**

Interested in ethical health insurance products

## Beliefs

Drives a **Lexus Hybrid**

Is a **vegetarian**

Volunteers at a **wildlife conservation centre**

Donates 10% of her salary to **charity**



Climate change is the biggest issue that influences her vote

## Habits

Drinks 4 **almond lattes** a day

Walks her dog **every day**



Ideal target for Christmas donor acquisition activity

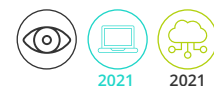
# Our vision is to deliver more value from the world's information

-  Data & Insights
-  Pure.amplify
-  Platform
-  Operations Hub

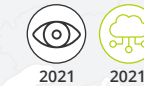
USA



UK



Mainland Europe



India



Singapore



Australia



New Zealand



Offices in 7 countries

700 clients globally

155 staff globally

91% repeat clients

20% in recurring revenue



# Delivering global insights

We are a truly  
global company  
completing studies  
in 91 countries  
so far this year



Insights from these countries



An aerial photograph of five surfers in the ocean, each on their own surfboard. The water is a deep teal color with visible ripples and small waves. The surfers are wearing dark wetsuits. One surfer in the center has a surfboard with a blue and white design. Another surfer in the top right has a surfboard with a blue logo. A white line connects the text box to the bottom left corner of the image.

**48%**

of Aussies  
are excited  
about Brisbane  
being announced  
as the host of  
the 2032 Olympics

SECTION THREE

# Our Corporate Strategy

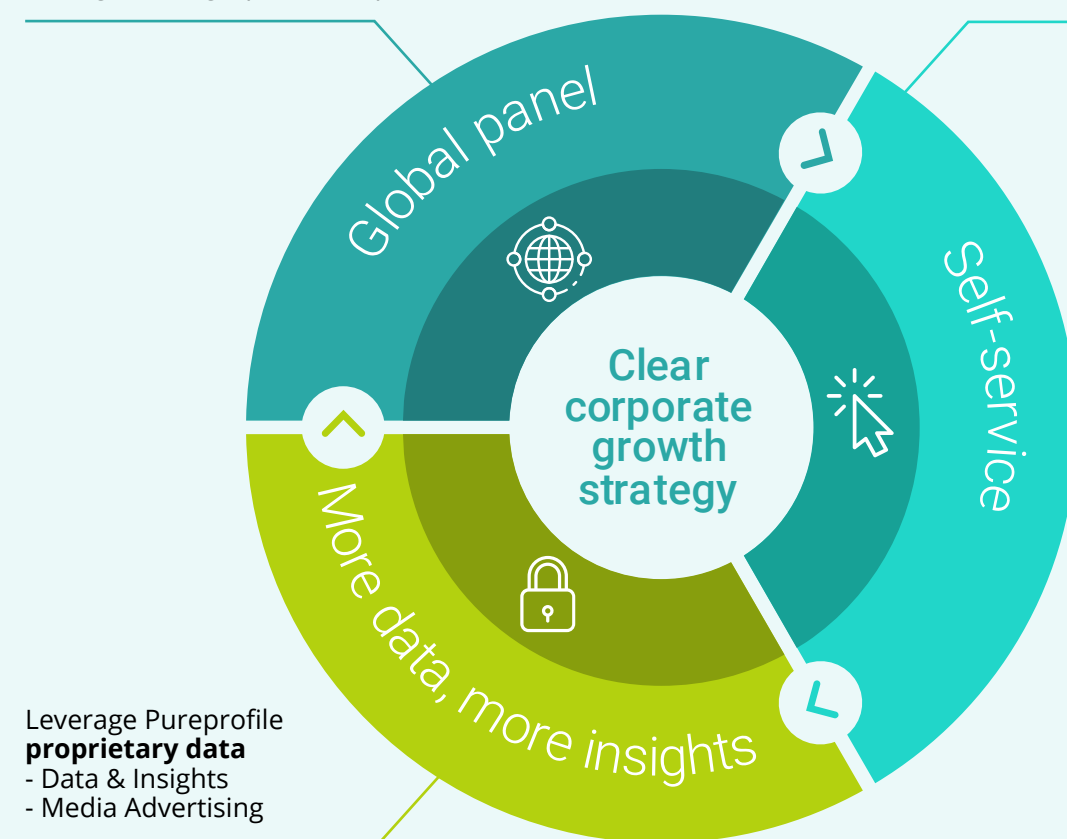


# Our corporate strategy

Pureprofile will continue to build on its core data and analytics assets while leveraging them through commercial applications such as the self-service platform.

Focus on building a stronger and more diverse **global panel** and add **complementary data sources** through strategic partnerships

Accelerate our SaaS **self-service solutions**



Leverage Pureprofile **proprietary data**  
- Data & Insights  
- Media Advertising

# Great progress in 2021

Strategic Pillar	Strategy	FY21 Progress
Global panel	Focus on building a stronger and more diverse <b>global panel</b> and add <b>complementary data sources</b> through strategic partnerships	Doubled the size of the AU & UK panels  Refer-a-friend program implemented driving panel acquisition  Further quality and fraud prevention initiatives implemented
More data, more insights	Leverage Pureprofile <b>proprietary data</b> <ul style="list-style-type: none"> <li>• Data &amp; Insights</li> <li>• Media Advertising</li> </ul>	Launched Flybuys partnership  Launched SGAG community in Singapore
Self-service	Accelerate our SaaS <b>self-service solutions</b> <ul style="list-style-type: none"> <li>• Audience Intelligence</li> <li>• Insights Builder</li> </ul>	Pilot launched Audience Intelligence SaaS solution in Food Delivery vertical  Signed marquee client and further client trials



A full-page background image showing a man in dark swim trunks jumping overboard from a boat into the sea. The sun is reflecting on the water's surface. Another person is partially visible on the left side of the frame, also appearing to be on the boat.

**55%**

of Brits have experienced lock-down fatigue since the pandemic began

SECTION FOUR

# Our Year in Review



# Financial highlights



Positive  
operating  
net cash flow



EBITDA  
exceeding  
guidance



Closing cash at  
bank balance of  
\$3.6m up from  
\$1.8m on pcip



Total revenue up  
**24%** to **\$30.0m**



EBITDA up  
**124%** to **\$3.1m**



Operating net cash flow up  
**65%** to **\$2.4m**



SaaS Platform revenue up  
**119%** to **\$1.0m**



Global Data & Insights  
revenue up  
**34%** to **\$24.6m**

# Operational KPIs

**40%**

of new clients from  
new markets

**58%**

growth in number  
of SaaS clients

**71%**

YOY increase in  
completed surveys

**45%**

YOY increase in  
project volume

**91%**

of revenue coming from  
repeat clients

**4 years**

average tenure  
of clients

**15%**

YOY increase  
in active clients

**20%**

of Data & Insights  
revenue is recurring

**219 million**

ads delivered by  
Pure.amplify

**90%**

growth in  
panel acquisition

**\$5.9m**

incentives earned by  
Pureprofile panellists in Q4



# Our client community

Our NPS score for FY21 was 82 which places Pureprofile in the top quartile\* of organisations for client loyalty.\*\*



The survey was programmed amazingly quickly and any requested updates were implemented almost immediately. - **CSIRO**



Knows what they are doing and are friendly and willing to go above and beyond to contribute to a successful project. - **SACAP**



The quality was much higher than what is received via other partners. - **Empirica Research**



Pureprofile is really emerging as the market leader in the panel space. - **Woolcott**



Fast and high quality. Whatever quality assurances you have in place are definitely working! - **Bastion Insights**



PP team spanned across time zones, so it felt like they were working on this 24/7! - **TRA NZ**

\* Top quartile NPS is defined as 72 and above.

\*\* Our NPS score reflects our loyal clients who continually work with Pureprofile.

# Account holder highlights



The best thing about Pureprofile is the flexibility and opportunity to earn a little something almost every day just by giving my opinion. I honestly enjoy doing the surveys and being greeted by such a wide variety of topics, it really keeps me interested and motivated.



The little bit I get from Pureprofile helps pay for small luxuries each month that I would not normally be able to afford during these lockdown times. The reviews are easy to do and rewards are fair and reasonable.



I've been a member of Pureprofile for a while now and I love being able to share my opinions on topics important to me. Being rewarded for doing so is such an added bonus. Pureprofile and their user-friendly website make it incredibly easy to answer surveys whenever I can and wherever I am.



I absolutely love working with Pureprofile as the surveys are always varied which makes it interesting and the rewards are very good as well.



Pureprofile is one of my favourite survey sites because there is always something new there to do - and you can make some extra money and have the chance to win prizes on top of it.



I am thoroughly enjoying the surveys and find myself refreshing the screen throughout the day to see if any more surveys have popped up. I have the time & energy and needed the money. So it's perfect.



I like Pureprofile because there is always a variety of subjects to fill surveys in on and they don't repeat the same question in five different ways so they are fun to do. Another obvious reason is every time you do the work you are rewarded.



What I like most about Pureprofile is that I can login anytime and answer a quick survey which keeps my brain active while being a stay at home mum. It has been so nice having something to think about other than a newborn, especially during lockdown with no adult company during the day.



# Pureprofile in the news

The world is talking about Pureprofile.

**287 individual feature articles** and press mentions during FY21 in multiple countries across various media formats including publications, radio and TV.

**Pureprofile shares rocket on appointment of new CEO**

**The rise of BVOD is the content trend that cannot be ignored**

*The shift is here to stay, argues Pure.amplify's general manager of media business Tasneem Ali.*

**Three UK Promotions for Pureprofile**

May 12 2021

**PUREPROFILE APPOINTS EUROPEAN SALES DIRECTOR**

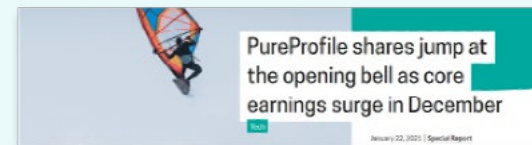
NEWS | PUBLISHED | UK

**Pureprofile Hires Schellekens to Lead European Growth**

January 13 2021

**Pureprofile reveals record quarterly revenue, up 26% to \$8.2m in Q2**

January 22, 2021



**PUREPROFILE SNARES FORMER KANTAR DIRECTOR OF DATA SOLUTIONS & SOURCING YOUNG HAM**

**Flybuys spies member engagement, product improvements through new survey deal**

*Flybuys partners with Pureprofile to create its own member survey offering*

**Victorians planning road trips in their droves**

*Southern staters most likely to hit the road in coming months, but will their cars be ready?*

**Pureprofile makes key hires off the back of record quarterly revenue**

January 25, 2021 10:51  
by ZANDA WILSON

**Australians want ongoing GP video telehealth services**

Friday, 30 April, 2021

**Budget 2020: SMEs demand incentives, networking support and tech support to help rebound from COVID-19**

**Australians support mandatory COVID-19 vaccine: survey**

10 May 2021

*New study finds wide support for a government mandate*

**Pureprofile continues double digit revenue growth in latest financials**

April 22, 2021

**Pureprofile posts strong revenue growth, beats guidance**

**Consumers show interest in CBDCs**

23 July 2021

**Global Digital OOH Execs Expecting Dramatic Growth In Next Five Years: Survey**

July 7, 2021 by Dave Haynes

**Alfi Global Research Finds Digital Out of Home (DOOH) Advertising Market to Surpass \$50 Billion by 2026**

**Pureprofile Hires New Biz Dev Director**

July 6 2021

**PUREPROFILE HIRES DYNATA'S WADSWORTH**

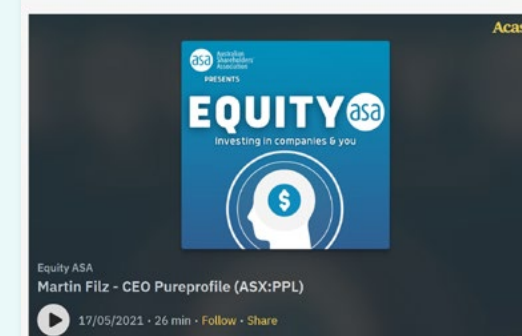
**Nickel Survey: Institutional Investors and Wealth Managers Plan to Increase Exposure on Crypto and Digital Assets**

**Google's cookie delay represents a second chance for digital advertising**

*Tasneem Ali, general manager at Pure.amplify, explores the opportunity that exists in the third-party cookie's stay of execution.*

The Australian Shareholders' Association podcast  
Posted at 17:27h in Media Center, Podcasts & webinars by Pureprofile

Originally published: Acast, 17 May 2021



**MUMBRELLACAST**

**Mumbrellacast: Martin Filz interview**

Originally published: Mumbrellacast, 21 May 2021 On this week's Mumbrellacast hear from our CEO Martin Filz. Martin discusses how consumers are waking up to the fact that they are valuable to businesses...

18 June, 2021

**Q-Wrap: Oriel Morrison interviews Martin Filz, CEO of Pureprofile**



**ShareCafe 'Hidden Gems' webinar**

Originally published: ShareCafe, 21 May 2021 ...

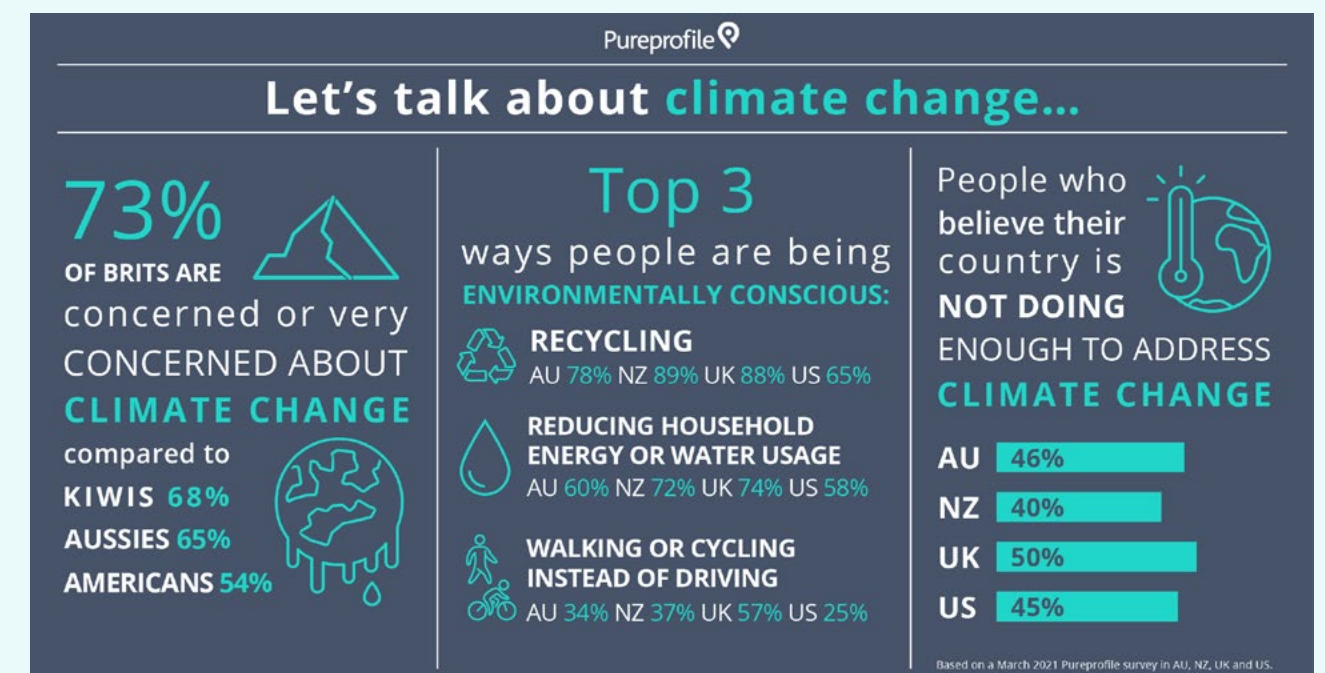
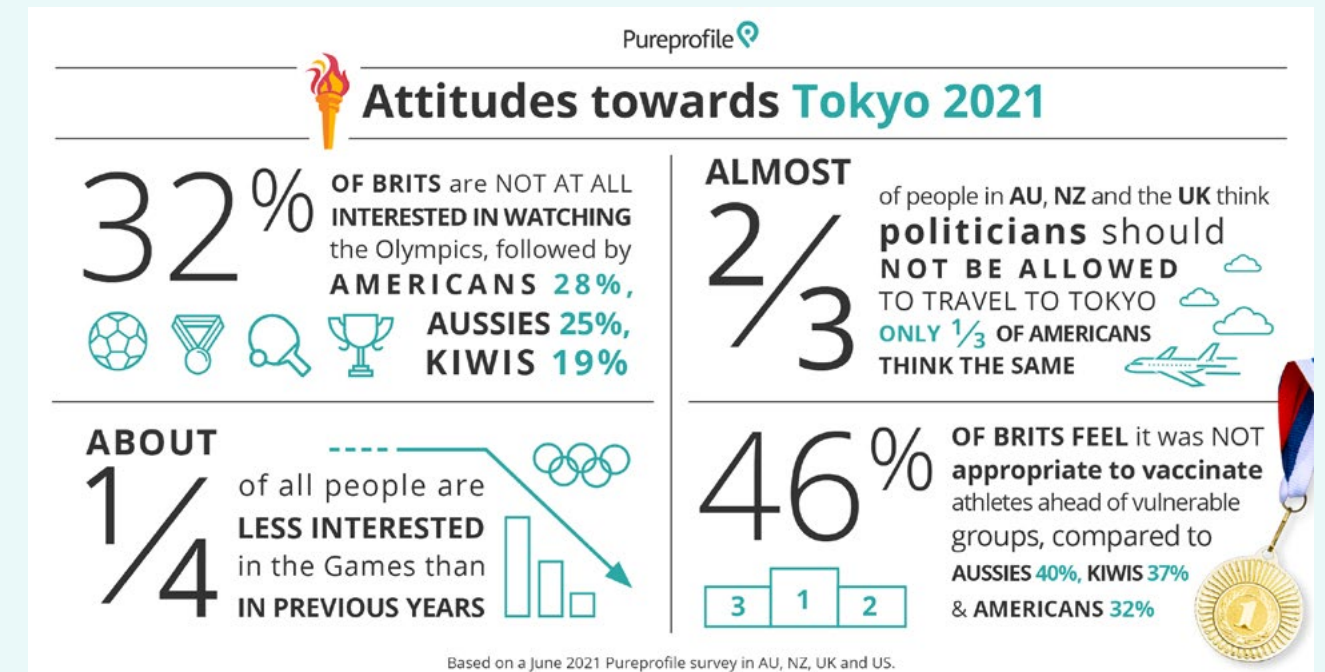
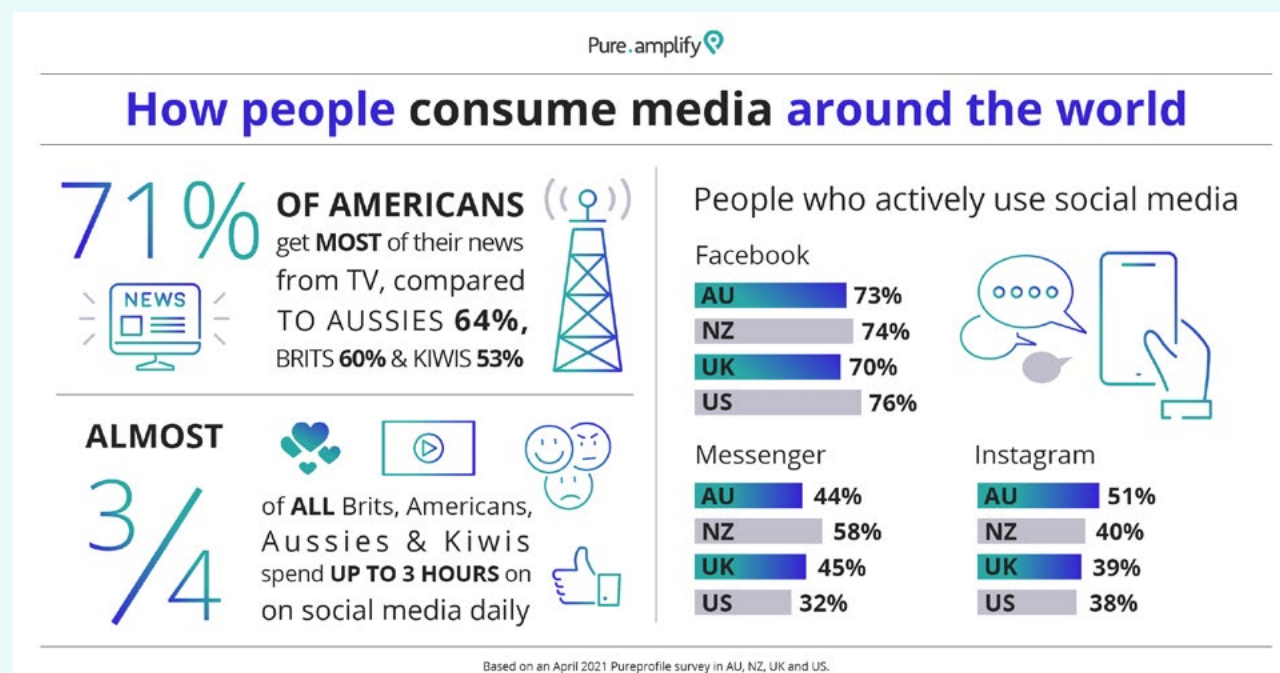
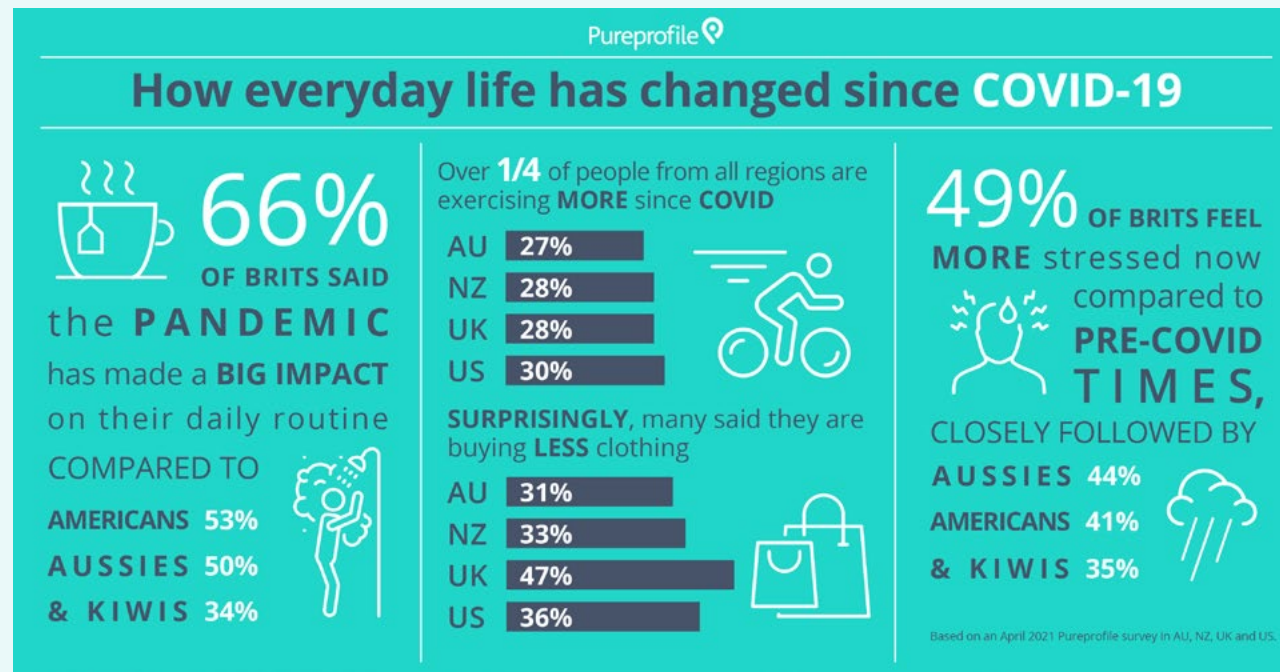
22 May, 2021



# What our panellists think

We're on the pulse of consumer insights.

We conduct marketing surveys on a weekly basis to determine what our members think about current world events. Insights are used to create infographics, shared across all of our platforms and social media channels.





**94%**

of Kiwis think  
gambling is  
a problem

SECTION FIVE

# Chairman & CEO's Letter





# Chairman and CEO's letter



**Andrew Edwards**  
Non-Executive Chairman



**Martin Filz**  
Managing Director and CEO

We are pleased to present the 2021 Annual Report to our shareholders.

At Pureprofile, our vision is to deliver more value from the world's information. This year, we've made tremendous progress in realising that vision.

## STRONG STRATEGIC PROGRESS

Over the last 21 years we've built a solid reputation as a data and analytics centre of excellence. Pureprofile continues to develop year on year, and

in 2021, we had our best year in terms of customer growth and satisfaction, leading us to report our highest revenue growth and end of year cash position in Pureprofile's history. The Company is now operating in 7 countries and delivering insights from 91 countries. We've continued to grow our team under the direction of our new CEO and Managing Director, Martin Filz, adding industry experts who provide extra depth and skill to our leadership team and board. We've opened sales offices in Singapore and the Netherlands, added crucial data and insights and sales professionals to our global team. Our strengthened talent pool has helped us meet the rigours of being a dynamic global data, analytics and media company. Through FY21 we recorded a 34 per cent increase in customers from the United Kingdom and 40 per cent of new customer growth in the past year has come from outside Australia. We rebranded our media arm Pure.amplify, launched Pure.amplify in the UK and are well positioned to take advantage of the new cookieless world. Now we're ready to further extend our international business.

We are proud of Pureprofile's strong financial performance across the past year. EBITDA grew from \$1.4 million in FY21 to \$3.1 million, up 124% and early month-on-month results in the first part of FY22 suggest this momentum will continue. Full-year revenue was \$30 million, 24% over the prior year. We finished FY21 with a cash balance of \$3.6 million as at 30 June 2021, up from \$1.8 million on 30 June 2020.

We have achieved solid customer and revenue growth over the year thanks to the talent and efforts of our people, who concentrated on delivering meaningful work to our customers.

## EXPANDED PRODUCT SUITE ENABLES CROSS-CLIENT GROWTH

Our new and improved product suite, which now includes our SaaS platform solution Audience Intelligence with its data analysis capabilities has allowed us to organically expand our offering to our existing client base, with 91% of revenue coming from repeat clients, with an average client tenure of 4 years. The quality of our services helped to secured over 100 new customers in FY21. Our Audience Intelligence platform has already begun to accelerate what we believe will be transformational growth and global expansion opportunities. Audience Intelligence is a true

SaaS play with its software delivery allowing clients access to unrivalled market intelligence and consumer trends. Using the platform, clients can slice and dice our contextualised data in way that provides deep, compelling, and precise competitive insights. UberEats signed onto the Audience Intelligence solution at the end of the fiscal year, with several interested parties currently running trials. Our unique solution has been shortlisted for the Australian Business Awards 2021's SaaS Innovation Award.

## GROWING QUALITY PANELS WITH STRONG PARTNERS

Our focus on building more robust and diverse global panels and adding complementary data sources through strategic partnerships has helped increase panel size. Panel quality is a key differentiator of Pureprofile's business, and through the year, our panels grew globally, demonstrated by a 90% increase in the number of new panellists joining over the last 12 months. This growth in new panellists gives Pureprofile the ability to provide more insights to new and existing clients, grow revenue, and improve margins. New global partnerships, especially the exclusive survey platform created for members of Flybuys - one of Australia's largest loyalty programs - will help increase panel size and revenue. The Pureprofile Perks platform that went live in April 2021 will create the largest insights panel in Australia, allowing more brands and businesses to unearth the attitudes and behaviours of consumers. This new partnership is an exciting extension of our existing relationships with Raiz, News Corporation, and AASmartfuel.

## GROWTH

We intend to open more offices in South East Asia in the first half of the FY22 financial year to complement our new office in Singapore, and we are excited to expand in other areas across Europe where we are currently experiencing profitable revenue growth, supporting our strategy of growing into these new markets.

## TEAM ENGAGEMENT- A PROUD ACHIEVEMENT

A proud operational achievement was the growth of employee engagement this year, which helped to drive the Company's results. In FY21, our employee satisfaction increased to 86 per cent, up 14 per cent from the prior year. This is

well above the industry average, and above the global best companies rating of 78 per cent. As you would expect from a tech-enabled company, we invite our people to ask questions continually which inform our engagement strategy. We ask them to be open to new ideas, to be inquisitive and understand that we are on a journey together, learning from one another at every step.

## OUTLOOK

We are on a clear path - focused on driving our global expansion. The Global Market Research industry was valued at US\$90 billion in 2019\*, with the US and Europe accounting for nearly 80% of that value. By increasing new partnership development in Asia, Europe, and the United States, launching new panels in mainland Europe and Singapore to support our growing businesses in these regions, and expanding our SaaS offering globally, Pureprofile will be able to further attract new clients and build recurring revenues while maintaining focus on controlling costs and staying cash flow positive.

This strategy underpins our drive toward measured growth and profitability

We have a unique opportunity to think about consumer data differently and to help brands grow, whilst staying relevant in a rapidly changing landscape. With our eyes firmly on our obligations in the area of data privacy and compliance, we are committed to building customer trust in everything we do. It all begins and ends with customer trust; accessing their data ethically and creating mutual value-based benefits.

At Pureprofile, this is what we pride ourselves on and this is what we deliver day in, day out. Finally, we would like to thank our staff, board, business partners, panellists, and shareholders for their generous support over the year, and assure you that the whole Pureprofile team is focused on positioning the Company for ongoing growth.



94%

of Kiwis would  
travel into space  
if they got  
the chance

SECTION SIX

# Our People & Culture





# Our people and culture



**Melinda Sheppard**  
Chief Operating Officer

Pureprofile is home to 155 employees globally, with teams in Australia, New Zealand, the United Kingdom, Mainland Europe, India, Singapore and in the US.

We're very proud that our employees want to work for us, with 98% of our employees recommending Pureprofile as a great place to work.

The health, wellbeing and safety of our people remains our number one priority. At the onset of COVID-19 in March 2020 all our offices moved to a virtual working environment. We are an agile business, and our existing flexible workplace culture has enabled us to transition some of our teams to a hybrid working model in regions where lockdowns were lifted throughout the year. To support our leaders, we implemented COVID leadership training and toolkit to assist our leaders to transition to managing their teams 100% remotely. In addition to our bi-annual employee engagement surveys we also surveyed all employees to gauge our team's wellbeing and mental health, as well as the level of satisfaction with communications from our leadership and management. To ensure we kept our teams connected, we introduced weekly global virtual business update meetings, team meetings, lunches, dinners and social events. Pleasingly as a result of this initiative, in June 2021 95% of our employees told us that our leaders keep them informed about what is happening at Pureprofile.

## 98% OF EMPLOYEES WOULD RECOMMEND PUREPROFILE AS A GREAT PLACE TO WORK

Despite a disruptive year of COVID-19 lockdowns and global stress, FY21 saw a 14% uplift in employee engagement over the year. We've continued to support our employees through our flexible workplace policies as well as health and wellness programs designed to aid the wellbeing of our people. All our global teams have access to an Employee Assistance Program to provide access to mental health support services to help them with whatever they might be going through. Given the escalating situation in India during the year, we created a more specific support package which included an immediate cash payment to employees and providing health cover to all our Indian employees, their spouses, children and parents. More recently we have implemented our Pure Movers Program. Pure Movers is a movement, exercise, physical and psychological drive to get everyone away from their desks for 1 hour every week and move together. This initiative takes into account our global employee base and is suitable for employees in lockdown or working both from home and in the office.

We want our Pureprofile employees to feel they are part of our community, and we encourage everyone in our workplace to be themselves. We believe teams with diverse ideas and experiences are more creative, more effective and fuel disruptive thinking. Be it cultural and ethnic backgrounds, gender identity, age or sexual orientation, we know diverse teams are critical to maintaining our success and driving business performance.

In FY21, across our global teams we had 52% male employees, 46% female employees, 1% gender fluid and 1% non-binary. We are also proud of the diverse backgrounds of our team with 20 different nationalities and 35 different ethnic backgrounds across the group.

During FY21, in line with our commitment to corporate social responsibility and sustainability we implemented a working group to drive our approach to environmental, social and governance factors ("ESG"). We operate lawfully and ethically in all areas relevant to our

business, including how we collect data from panellists, how we service our clients, and how we handle our employee data internally. Moving into FY22, we will continue to review our ESG practices to ensure that they are relevant and fit for purpose, and we have a solid governance framework to support that.

## 97% OF EMPLOYEES ARE PROUD TO WORK FOR PUREPROFILE

## Environment, social and governance (ESG)

### Environment

#### Digital business model

We are committed to reducing our environmental footprint by working fully online and reducing paper consumption.

#### Amazon web services

We use AWS for all our infrastructure services, reducing our carbon impact. AWS data centers are more energy-efficient than enterprise sites due to their comprehensive efficiency programs.

#### Flexible and hybrid working environment

We are helping to cut emissions by allowing our employees to work from home for part or all of their working week. Transportation is currently Australia's third largest source of carbon emissions, with the fastest pace of growth.

#### Reduction in permanent office space

Conducting meetings and townhalls online, reducing our collective energy consumption and realising other carbon saving benefits.

### Social

#### Diversity & inclusion

We are committed to providing a working environment in which our people contribute to our success irrespective of gender, marital status, ethnic origin, nationality, religion, sexual orientation or age.

#### Employee engagement

Engaged employees are an integral part of our business. In FY21 our focus was company wide updates weekly, ongoing two-way conversations, regular review and career discussions and activities such as Shark Tank sessions.

#### Employee wellness, health and safety

We are committed to ensuring that our employees feel part of a caring culture with a strong sense of support and wellbeing at work.

#### Data protection and privacy

Is fundamental to Pureprofile. The protection and security of our employee, client and panel data is fundamental to our business and a key priority.

### Governance

#### ASX listed company

We comply with the ASX Corporate Governance Council's 4th edition Corporate Governance Principles.

#### ISO 20252:2019 certified

Reflecting our commitment to quality, consistency, and operational excellence across our market research services.

#### GDPR compliance

According to local privacy legislation in the countries where we operate, we place a high premium on respecting the privacy of our panellists' data.

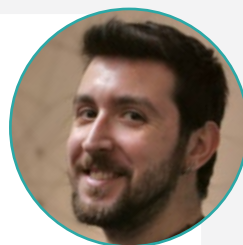
#### Ethical behaviour

At all times we require our employees to maintain high professional, ethical and moral standards. In August 2021, we amended our Anti-Bribery & Corruption Policy and Whistleblowing Policy.



# Employee spotlights

## Thomas Vliagkoftis


**Role:**

Full Stack Senior Developer

**Length of time at company:**

5 years

**Tell us a little bit about yourself:**

I was born and raised in Thessaloniki, Greece and studied Applied informatics at the University of Macedonia. After completing my Bachelors degree, I decided to pursue my passion for playing music. At age 31 and returned to the engineering industry & completed a Masters degree in Health Applied Informatics at the Open University of Cyprus.

**Favorite quote:**

"Together we stand, divided we fall" - Pink Floyd

## Claire Fletcher


**Role:**

Campaign Manager

**Length of time at company:**

5.5 years

**Tell us a little bit about yourself:**

I grew up in Belfast, Northern Ireland. After completing my studies in Communication, Advertising and Marketing, I struggled to find a job in the industry so spent a couple of years working at a construction company. I used the money to go travelling and when I came back I found a job with what was then Cohort in London.

**What's one thing about you that's not on your LinkedIn profile?**

I worked at the 2012 London Olympics as a volunteer.

## Ujwala Rawool


**Role:**

Campaign Manager

**Length of time at company:**

1 year

**Tell us a little bit about yourself:**

I grew up in Thane, India and have completed my post graduate diploma in Advertising & Media. I have 8 years of experience in SEO & paid marketing.

**What's the most inspiring part of your job?**

I get to learn about new technologies and experiment with different strategies everyday.

## Sugu Supramaniam


**Role:**

Product Manager

**Length of time at company:**

6 months

**Tell us a little bit about yourself:**

I was born in Singapore and moved to Sydney in 2005 to do my Bachelors degree. I worked for about 15 years at a tech company and market research agency, before moving to Pureprofile.

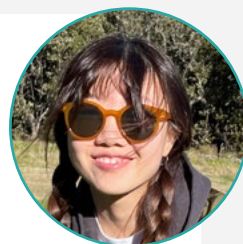
**How do you think the market research industry will shift over the next 3-5 years?**

With the increased need for fast insights, it's no surprise that AI is and will be more heavily utilised in interesting ways.

**In another life, I'm pretty sure I was...**

a food critic - I love my food!

## Rosie Li


**Role:**

Junior Financial Accountant

**Length of time at company:**

2 years, 4 months

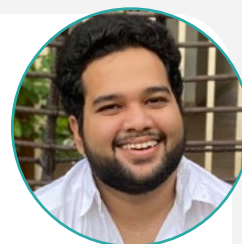
**Tell us a little bit about yourself:**

I was born and raised in Beijing, China. I moved to Sydney in 2013, and studied a Master of Professional Accounting at the University of Sydney for 2 years. After graduation, I started my career at WPPAUNZ before moving to Pureprofile 2 years later.

**What's one thing about you that's not on your LinkedIn profile?**

I am now a fully qualified Certified Practising Accountant (CPA)!

## Sharique Shaikh


**Role:**

Project Consultant

**Length of time at company:**

2 years, 8 months

**Tell us a little bit about yourself:**

I grew up in Mumbai, and started working in the hospitality industry. I worked for close to 2 years at Marriott Hotels before shifting gears to start a career in market research.

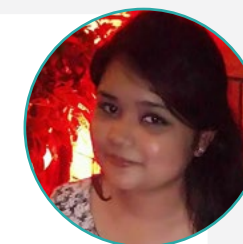
**What's your favourite meal?**

Sandwiches with any type of stuffing is my go-to meal any time of the day.

**What's the most inspiring part of your job?**

The chance to make an impact. I've seen brand new products being launched after helping a client run their research.

## Nisha Yadav


**Role:**

Campaign Manager

**Length of time at company:**

6 months

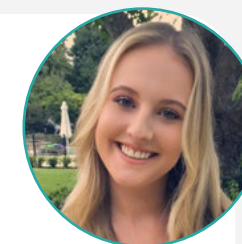
**Tell us a little bit about yourself:**

I am from Bhilai, India and have a degree in Computer science engineering. Before joining Pureprofile, I was working for a French-based skin care company as an associate digital marketer, where I was handling all the marketing activities from strategy-building to promotion.

**What's one thing about you that's not on your LinkedIn profile?**

I am a certified National Cadet Corps (NCC) candidate and have been selected for the Republic Day celebration which is held every year in New Delhi.

## Lizzie Osborn


**Role:**

Marketing Coordinator

**Length of time at company:**

1 year, 5 months

**Tell us a little bit about yourself:**

I grew up in Sydney & graduated from the University of Technology Sydney in 2017 with a Bachelors in Marketing Communications. I previously worked for an asset management software company before joining Pureprofile & haven't looked back!

**If I won the lottery tomorrow,**

I'd travel the world, and, you know, keep working here (remotely).

**What does success mean to you?**

Running my own race, being happy & healthy.



## SECTION SEVEN

# Data, Media & Innovation

**59%**

of Americans  
think drugs are  
a major cause  
of crime in the US



# Data, solutions and innovation: The changing landscape



**Young Ham**  
Global Head of Innovation & Partnerships

In FY21 the data and insights industry had to adapt quickly to the changing needs of businesses across the world.

The Covid-19 pandemic created a constantly shifting environment and, along with businesses everywhere, Pureprofile had to keep pace with the new normal.

I am extremely proud of the way our teams successfully rose to the challenge; delivering the insights clients needed with speed, in the way that they needed them.

In the last 12 months we've seen a number of trends gain traction. To ensure we stayed relevant and at the forefront of global developments we knew we had to future-proof our solutions.

Some of the most prevalent trends we identified included:

## TECHNOLOGY

Rapid advances in technology are enabling open connectivity and the sharing of data as we've never seen before. A business can quickly connect to consumers, partners, distribution channels and seamlessly link to internal systems.

## DATA

90% of the world's data has been created in the last 12 months. Covid-19 has accelerated the adoption of online consumption in the form of e-shopping, news, entertainment and social media. What this means is that businesses have more data than ever before at their fingertips. Their need is now to be able to make sense of this data and turn it into insights.

## SaaS

Our lives have been changed by SaaS, going to a bank, ordering food and hailing a taxi are just a few examples of how SaaS enables us to carry out daily tasks more easily. The data, insights and media industries have had to adapt to this trend as all businesses now expect to be able to access insights and launch campaigns as and when they want to.

In response to these trends, we focussed our efforts on creating and improving the solutions that would make the most impact in the current climate:

## AUDIENCE INTELLIGENCE

Businesses constantly need to understand the evolving landscape of their audiences. Analysing quantitative/qualitative data in isolation is no longer enough. It needs to be fused with transactional data to paint a holistic picture of consumers.

Audience Intelligence was launched in FY21 to identify "who" purchases "what" from "where". This product advances Pureprofile's market research capabilities to empower understanding into "why" people purchase or don't purchase from brands.

## Benefits:

- Competitive intelligence
- Consumer spending patterns
- Easy to use dashboard for insights

## SOFTWARE AS A SERVICE (SaaS)

Our proprietary survey and analytics platform is designed to enable clients to conduct fast, high quality consumer research with ease and at speed. We spent FY21 refining these capabilities, making them readily available to brands and businesses across all industries.



In essence, our SaaS solution allows clients to build surveys directly in the self-service platform and deploy them to Pureprofile's highly engaged, deeply profiled panels.

## Benefits:

- Self-serve survey building platform
- Access to Pureprofile's proprietary panels
- Quality respondents at speed

## COMMUNITIES

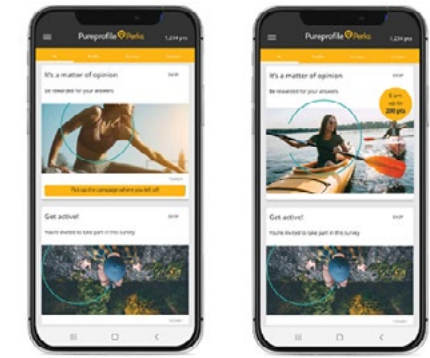
In FY21 we focussed our attention on helping clients create their own digitally engaged communities, developing first-party data assets to guide business decision making. Our communities platform allows clients to build, collect and analyse members' views to enrich their understanding of what drives behaviours and preferences.

## Benefits:

- Build first-party data asset
- Deeply profiled community members
- Branded eco-system, including quick insights

In April 21, we partnered with Flybuys, Australia's most popular loyalty program, to launch an exclusive community survey platform for their members. On top of developing these solutions, we also ensured that we kept up momentum with our commitment to innovation.

In FY21 we ran our inaugural Shark Tank Innovation Competition, which saw a fantastic response across the business (15% of the employees entered the competition). Ideas spanned many areas:



- Creating new revenue streams
- Building new solutions
- Improving efficiencies with new ways of working
- Supporting staff health
- Helping panel members cope with lockdown and mental health

It was amazing to see how much the employees care for the business and community around us. The winning entries were about our people (need for health and work/life balancing) and rewarding our loyal panellists (encourage participation, earn more, increase business revenue). These will be implemented by FY22 Q2. Following the huge success of the Shark Tank Competition, we will introduce regular competitions (twice a year). Inspiring an innovative workplace and encouraging forward-thinking is a big part of who we are as a business. In summary, businesses today want and need high quality insights, delivered quickly and at the right price. Pureprofile, with our combination of data, respondents, media capabilities all optimised by technology is perfectly positioned to take advantage of these needs and help clients understand and impact the world around them.



# Pure.amplify: How the media world is changing



**Tasneem Ali**  
General Manager  
Pure.amplify Media

In FY21 our primary objective was to cement our position as a media agency with a difference; crafting media strategies based on first-party declared data - a unique selling point that sets us apart from our competitors.

Our media clients benefit from having real-time access to consumer insights, which helps them execute a unique, fully customised digital media plan, thanks to Pureprofile's 21-year legacy (of history) in the first-party data business.

Our major achievements in FY21 can be defined in three specific areas:

## GLOBAL EXPANSION AND REBRAND

We worked hard to define our position in market by launching the Pure.amplify brand, expanding our offering into the UK and integrating our sales and operations teams. These enhancements have certainly made a difference where it matters, finishing the year with a 65% increase in new business compared to the previous year.

## NEW PARTNERSHIPS

FY21 saw us establish brand new relationships with both adtech and publishing partners, allowing us to deliver niche digital audiences, at scale.

## BESPOKE COOKIELESS SOLUTIONS

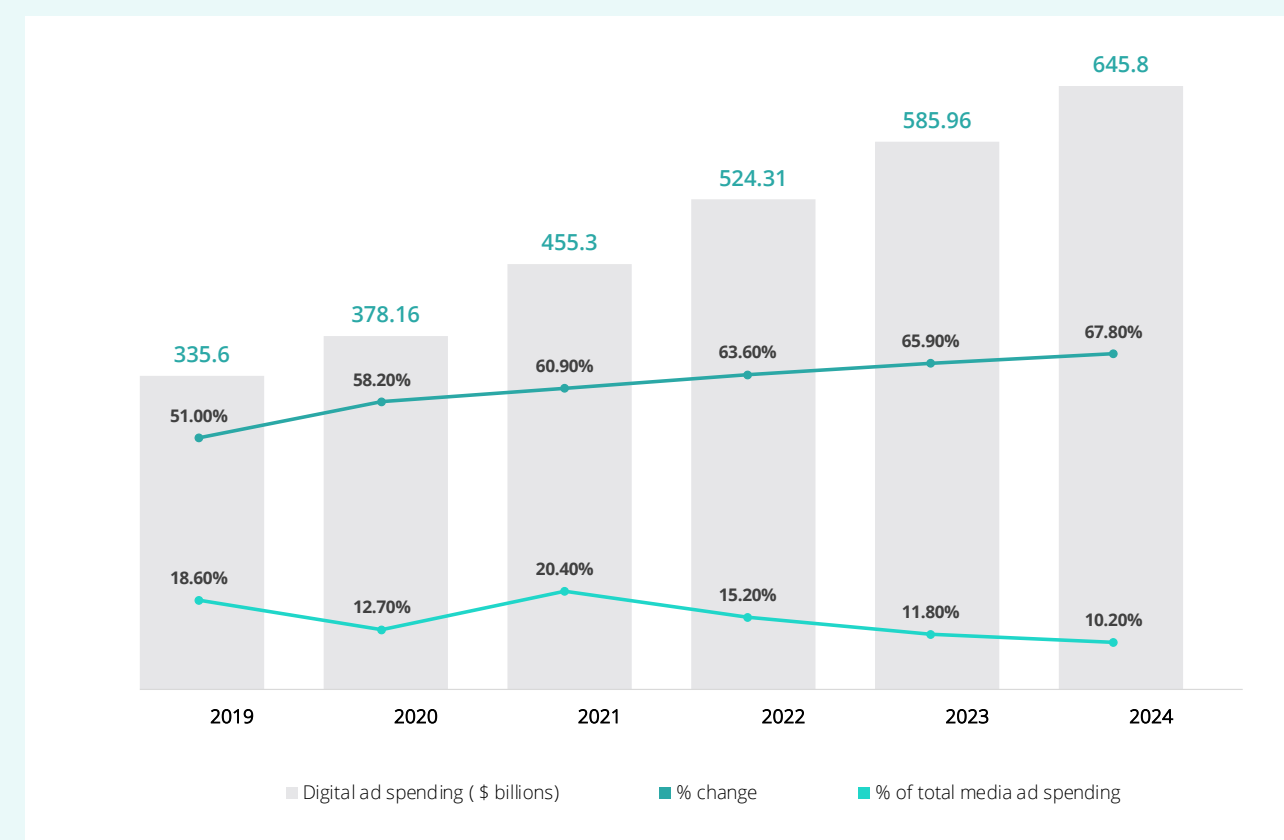
The digital world is set to shift dramatically when third-party cookies are phased out in 2023. Looking ahead, we see these developments as a huge potential for the industry, and one that Pure.amplify, Pureprofile's dedicated digital advertising business, is really excited to tackle. Throughout FY21 and into FY22, we will work on several solutions that strategically align with the new cookieless media landscape:

- Leverage our first-party assets for direct ad targeting
- Focus on digital programmatic advertising solution
- Harness the power of creating bespoke audiences for brands

We have an inherent ability to adapt and innovate at Pure.amplify. With the tools and technology already in place, we are well placed to deliver the cookieless solutions that the industry needs to thrive. In the process, we remain dedicated to making data more relevant and more tailored to the specific needs of our clients.

We are about to enter an exciting moment of change, which will bring with it tremendous potential. I have complete faith that we are well prepared and ready to deliver our very unique offering to agencies and brands across the globe.

## DIGITAL AD SPENDING WORLDWIDE 2019-2024



Source: eMarketer, March 2021





A photograph of three people sitting on a patterned rug on a grassy bank, looking out over a calm river. The person in the foreground is a woman with long brown hair, wearing a light blue t-shirt and red shorts. Behind her are two other people, a man and a woman, both looking towards the river. The background shows a lush green forest and a small bridge in the distance.

**13%**

of Aussies are  
vegan or vegetarian  
in order to be more  
environmentally  
conscious

SECTION EIGHT

# Meet our Directors



# Meet our directors



**Andrew Edwards**  
Non-Executive Chairman

Andrew has more than 30 years of marketing and executive leadership experience. Prior to joining Pureprofile, Andrew was Chairman and CEO of internationally renowned advertising and marketing agency, Leo Burnett Group UK and Ireland and President of Leo Burnett Central Europe. Andrew was also a Global Board Director with the specific remit of driving mergers and acquisitions in Europe, the Middle East, Africa and roll out of the group's social and mobile strategy.

Prior to his roles at Leo Burnett, Andrew ran Australia's most successful and awarded direct and database marketing company, Cartwright Williams. Andrew now focuses his time on Pureprofile and his portfolio of other business interests.



**Sue Klose**  
Non-Executive Director

Sue Klose is an experienced non-executive director and executive, with a diverse background in digital business growth and operations, corporate development, strategy and marketing. Previously the Chief Marketing Officer of GraysOnline and COO of 12WBT, she brings deep experience in digital operations, marketing and brand strategy, and digital product development. As Director of Digital Corporate Development for News Ltd, Sue screened hundreds of potential investments, leading multiple acquisitions and establishing the CareerOne and CarsGuide joint ventures.

She is currently a non-executive director of Envirosuite (ASX: EVS), Nearmap (ASX: NEA), Stride and Honan Insurance Group.



**Martin Filz**  
Managing Director and CEO

Martin is one of the most well-respected and influential individuals in the market research industry and has held senior executive roles as Managing Director of EMEA and APAC at Research Now (now a part of Dynata) and CEO of EMEA / APAC at Kantar-owned, Lightspeed GMI. He joined Pureprofile from Eureka AI, a business intelligence platform, where he was Managing Director and Chief Revenue Officer.

Martin is active in digital and research bodies including the Association of Market and Social Research Organisations (AMSRO), ESOMAR, the Australian Market and Social Research Society (AMSRS), and the Interactive Advertising Bureau (IAB).



**Albert Hitchcock**  
Board Associate

Albert Hitchcock is Chief Technology and Operations Officer for Pearson, the world's leading learning company. In this role Albert leads Digital product development, Information technology, Operations encompassing Supply chain, Procurement, Customer service, Real Estate and shared services across Finance, HR and Technology.

Albert spent a 28-year career in the technology industry working for BAE systems, Racal Electronics and Nortel Networks. In January 2007 Albert joined Vodafone and was appointed into the role of Vodafone Group Chief Information Officer. Albert is currently a Non-Executive Director of Nationwide Building Society. Albert is a Fellow of the Institute of Engineering and Technology and a Chartered Engineer. Albert is based in London.



# Meet some of our leaders

## United Kingdom



**Catherine Jones**

Head of Media - UK



**Georgia Prorok**

Business Development Director - UK



**Rebecca Mansley**

Head of Data & Insights - UK

## Europe



**Joris Schellekens**

Sales Director - Mainland Europe



**George Georgopoulos**

Head of Engineering - Europe

## USA



**Andy Averill**

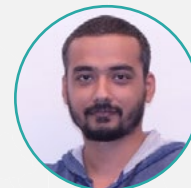
Vice President of Sales - USA

## India



**Boni Krishnaswam**

Team Leader - Panel Management



**Bhanu Singh**

Team Leader - AdOps



**Maqsood Lulaniya**

Manager - Survey Scripting



**Sumedh Gaikwad**

Manager - Project Management Data & Insights

## Asia



**Augustin Ong**

Project Consultant - Asia



**Keith Ang**

Client Solutions Director - Asia

## Australia



**Briar Hawkins**

Talent & Culture Manager



**Mo Li**

Financial Controller



**Jo Harris**

Global Head of Marketing & Communications



**Papaya Huang**

Head of Acquisition, Panel Management & Partnership

## New Zealand



**Emily Bing**

Account Director - NZ





**54%**

of Americans are  
concerned about  
climate change

SECTION NINE

# Director's Report



### Pureprofile Ltd Directors' report 30 June 2021

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'group') consisting of Pureprofile Ltd (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2021.

#### Directors

The following persons were directors of Pureprofile Ltd during the whole of the financial year and up to the date of this report, unless otherwise stated:

Andrew Edwards - Non-Executive Chairman  
Sue Klose - Non-Executive Director  
Martin Filz - Chief Executive Officer and Managing Director (appointed Chief Executive Officer on 3 August 2020 and appointed Managing Director on 2 September 2020)  
Aaryn Nania - Non-Executive Director (appointed on 28 August 2019 and resigned on 2 September 2020)

#### Principal activities

During the financial year the principal continuing activities of the group consisted of the provision of profile marketing and insights technology services.

#### Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

#### Review of operations

The profit for the group after providing for income tax amounted to \$2,811,156 (30 June 2020: loss of \$9,829,481).

Earnings before interest, tax, depreciation, amortisation and significant items ('EBITDA excluding significant items') for the financial year amounted to a profit of \$3,141,689 (30 June 2020: \$1,401,152).

EBITDA excluding significant items is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the profit under AAS adjusted for non-specific non-cash and significant items.

The following table summarises key reconciling items between statutory loss after income tax and EBITDA excluding significant items:

	Consolidated 2021 \$	2020 \$
Profit/(loss) after income tax	2,811,156	(9,829,481)
Less: Interest income	(815)	(105)
Add: Depreciation and amortisation	3,747,842	4,350,338
Add: Impairment of assets	-	2,107,127
Add: Loss on disposal of intangible assets	258,906	625,027
Add: Finance costs	2,708,473	4,130,173
Add: Income tax expense	43,097	18,073
EBITDA	9,568,659	1,401,152
Less: Gain on loan forgiveness	(8,416,780)	-
Add: Restructuring, acquisition and capital raising costs	848,202	-
Add: Share-based payment expense	1,141,608	-
EBITDA (excluding significant items)	3,141,689	1,401,152

Revenue from ordinary activities of \$30,002,853 was up 24.0% on prior comparable period ('pcp').

During financial year ('FY') ended 30 June 2021, the group implemented a clear corporate strategy focused on 3 key areas:

### Pureprofile Ltd Directors' report 30 June 2021

- **Global panel** - focus on expanding and diversifying our global panel and adding complementary data sources through strategic partnerships.
- **More data, more insights** - leverage Pureprofile proprietary data via its Data & Insights and Pure.amplify divisions.
- **Self-service** - accelerate our Software as a Service ('SaaS') self-service solutions including Audience Intelligence and Insights Builder.

At the end of FY2021, the group delivered a number of initiatives against its corporate strategy including:

- **Global Panel** - doubled the size of the Australian & United Kingdom panels, implemented a Refer-a-friend program driving panel acquisition and implemented several quality and fraud prevention initiatives.
- **More data, more insights** - launched Flybuys partnership and the SGAG community in Singapore.
- **Self-service** - we continued to see success in our SaaS solutions Survey Builder and Community Manager. In addition we launched Audience Intelligence where we signed Uber Eats as a client and are running a number of client trials. Also, we implemented Flybuys on our Community Manager platform.

The group experienced strong global growth in the core Data & Insights operating segment (which includes SaaS platform) of 36% on pcp. The Data & Insights division (excluding the SaaS Platform division) delivered growth of 34% on pcp. During FY2021, the group expanded its Data & Insights division into new regions with offices in Singapore and Mainland Europe. This coupled with further investment in global sales capability resulted in new client growth, increased project volumes and revenue growth in all regions.

The group also experienced Platform SaaS growth of 119% on pcp bolstered by revenue from the Flybuys partnership and the Audience Intelligence solution both of which launched in quarter 4. Pureprofile Perks is an exclusive survey platform created for members of Flybuys, one of Australia's largest loyalty programs. The Flybuys community platform has substantially increased project and survey complete volumes, further driving Pureprofile's revenue and profitability. In quarter 4 ('Q4') FY2021, a new panelist joined Pureprofile Perks every 5 minutes, 27 million Flybuys points were earned and 95,000 surveys completed. Pureprofile's unique Audience Intelligence SaaS solution pilot launched in April 2021, providing clients with direct access to unrivalled market intelligence and consumer trends. Using Audience Intelligence, Pureprofile's clients are able to access demographic and spending behaviours related to their own businesses and markets. UberEats signed onto the Audience Intelligence solution in Q4 with a number of interested parties running trials.

EBITDA (excluding significant Items) was \$3,141,689 which was up 124% on pcp due to the strong EBITDA growth in the Data & Insights operating segment coupled with improved business operations from other segments.

#### Significant changes in the state of affairs

The following significant changes in the state of affairs occurred during the half year:

- **Board members:** Mr Martin Filz was appointed as Chief Executive Officer and Executive board member, Mr Aaryn Nania resigned as non-executive board member, effective on 2 September 2020.
- **Capital raising and Restructure of Debt facility:** During Q2, the group successfully raised \$18.80 million (before expenses and subject to rounding) (the **Entitlement Offer**). The proceeds of the Entitlement Offer have been used as follows:
  - significantly restructured the balance sheet by converting a large proportion of the group's debt to equity
  - partially pay down the group's existing debt to \$3m;
  - inject further funds into the sales team and global panel partnership;
  - commercialisation of the group's technology;
  - provide working capital for the group; and
  - pay the costs of the Entitlement offer.

Following the completion of the Entitlement Offer and allocation of funds under that offer against the existing debt, the remaining balance of the facilities (\$8,416,780) has been forgiven. The **New Facility** terms are as follows:

- **New \$3m facility** - replacing the previous facilities is a new, fully-drawn \$3m loan facility, effective on 29 December 2020;
- **Interest on New Facility** - interest rate of 8.5% per annum (payable quarterly);
- **Maturity of New Facility** - 3 years from the date of completion of the Entitlement Offer and payable in advance at the group's discretion;
- **No performance covenants** - the New Facility does not contain business performance covenants; and
- **Performance rights cancelled** - the performance rights that were previously issued to Lucerne have been cancelled.

The New Facility is subject to warranties, indemnities, fees and default fees and terms, which the group considers usual for a transaction of this size and scope.



**Pureprofile Ltd  
Directors' report  
30 June 2021**

There were no other significant changes in the state of affairs of the group during the financial year.

**Matters subsequent to the end of the financial year**

The consequences of the Coronavirus (COVID-19) pandemic are continuing to be felt around the world, and its impact on the group, if any, has been reflected in its published results to date. It is not possible at this time to state that the pandemic will not subsequently impact the group's operations going forward. The group now has experience in the swift implementation of business continuation processes should future lockdowns of the population occur, and these processes continue to evolve to minimise any operational disruption. Management continues to monitor the situation both locally and internationally.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the group's operations, the results of those operations, or the group's state of affairs in future financial years.

**Likely developments and expected results of operations**

Information on likely developments in the operations of the group and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the group.

The group will continue to build on its core Data and Analytics assets while leveraging them through commercial applications such as its self-service platform. The group's corporate strategy is three-fold:

- (1) Focus on building a stronger and more diverse global panel and add complementary data sources through acquisition and partnerships.
- (2) Leverage Pureprofile's proprietary data.
- (3) Begin distribution of our SaaS self-service insights platform.

Although the economic outlook for the year ahead is uncertain, we will focus on the execution of our corporate strategy and investment to drive earnings growth and positive cash flows from operating activities.

**Environmental regulation**

The group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

**Information on directors**

Name:	Andrew Edwards
Title:	Non-Executive Chairman
Experience and expertise:	Andrew has more than 30 years of marketing and executive leadership experience. Prior to joining Pureprofile, Andrew was Chairman and CEO of internationally renowned advertising and marketing agency, Leo Burnett Group UK and Ireland and President of Leo Burnett Central Europe. Andrew was also a Global Board Director with the specific remit of driving mergers and acquisitions in Europe, the Middle East and Africa and roll out of the group's social and mobile strategy.
	Prior to his roles at Leo Burnett, Andrew ran Australia's most successful and awarded direct and database marketing company, Cartwright Williams. Andrew now focuses his time on Pureprofile and his portfolio of other business interests.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee
Interests in shares:	8,862,219 ordinary shares
Interests in options:	4,930,156
Interests in rights:	14,000,000
Contractual rights to shares:	None

**Pureprofile Ltd  
Directors' report  
30 June 2021**

Name:	Sue Klose
Title:	Non-Executive Director
Qualifications:	Sue has an MBA in Finance, Strategy and Marketing from the JL Kellogg School of Management at Northwestern University, and a Bachelor of Science in Economics from the Wharton School of the University of Pennsylvania.
Experience and expertise:	Sue Klose is an experienced non-executive director and executive, with a diverse background in digital business growth and operations, corporate development, strategy and marketing. Previously the Chief Marketing Officer of GraysOnline and COO of 12WBT, she brings deep experience in digital operations, marketing and brand strategy, and digital product development. As Director of Digital Corporate Development for News Ltd, Sue screened hundreds of potential investments, leading multiple acquisitions and establishing the CareerOne and CarsGuide joint ventures.
Other current directorships:	She is currently a non-executive director of Envirosuite (ASX: EVS), a provider of real-time environmental intelligence management systems, Nearmap (ASX: NEA), a provider of aerial imagery and location intelligence; Stride, one of Australia's largest mental health care providers; and Honan Insurance Group, an insurance, risk and financial solutions provider.
Former directorships (last 3 years):	Non-Executive Director of Nearmap (ASX: NEA), Non-Executive Director of Envirosuite (ASX: EVS)
Special responsibilities:	Chair of the Nomination and Remuneration Committee and Member of the Audit Committee
Interests in shares:	None
Interests in options:	2,000,000
Interests in rights:	1,750,000
Contractual rights to shares:	None

Name:	Martin Filz
Title:	Chief Executive Officer (appointed on 3 August 2020) and Managing Director (appointed 2 September 2020)
Qualifications:	Institutional Management - Northampton College
Experience and expertise:	Martin is one of the most well-respected and influential individuals in the market research industry and has held senior executive roles as Managing Director of EMEA & APAC at Research Now (now a part of Dynata) and CEO of EMEA / APAC at Kantar-owned, Lightspeed GMI. Most recently Martin was the Managing Director and Chief Revenue Officer of Eureka AI, a business intelligence platform, which generates actionable insights from mobile data.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	375,000 ordinary shares
Interests in options:	32,867,707
Interests in rights:	9,875,000

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

**Company secretary**

Lee Tamplin was appointed Company Secretary on 14 December 2020. Lee has almost 20 years' experience in a variety of roles covering investment management, financial services and corporate governance in both Australia and the UK. Lee is currently Company Secretary for a number of ASX listed, NSX listed and unlisted public and private companies across a range of industries. Lee has a Degree in Financial Services, a diploma in Financial Planning and is a Graduate of the Australian Institute of Company Directors Course. He is also a member of the Governance Institute of Australia. Prior to joining Automic, Lee was a Senior Client Relationship and Business Development Manager for a global share registry.



Pureprofile Ltd  
Directors' report  
30 June 2021

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2021, and the number of meetings attended by each director were:

	Full Board		Nomination and Remuneration Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
Andrew Edwards	11	11	-	-	-	-
Sue Klose	11	11	-	-	-	-
Martin Filz	11	11	-	-	-	-

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation; and
- transparency.

The Nomination and Remuneration Committee is responsible for reviewing and making recommendations to the Board on remuneration packages and policies relating to the directors and executives and to ensure that the remuneration policies and practices are consistent with the group's strategic goals and human resource objectives.

In consultation with external remuneration consultants who were engaged in previous financial years, the Nomination and Remuneration Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the group.

The reward framework is designed to align executive reward to shareholders' interests. The Board has considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design;
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

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In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors do not receive short-term incentives and their remuneration must not include a commission on, or a percentage of, operating revenue.

ASX listing rules require the aggregate non-executive directors remuneration be determined periodically by a general meeting. Under the company's constitution and as set out in the IPO Prospectus, total aggregate remuneration available to non-executive directors is set currently at \$600,000 per annum. Non-executive director fees (directors' fees and committee fees, inclusive of superannuation) proposed for the year ending 30 June 2022 are summarised as follows:

Name	FY 2022 Fees
Sue Klose	\$70,320
Andrew Edwards*	\$132,000

\* Reverted to Non-Executive Chairman on 2 September 2020.

All directors are also eligible for additional long term incentives under the company's Long Term Incentive plan ('LTI'). The company from time to time grant director share options under the LTI. Refer to Long Term Incentives section below for key terms and conditions of the LTI.

Executive remuneration

The group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits;
- short-term performance incentives;
- share-based payments; and
- other remuneration such as superannuation and long service leave.

The combination of these comprises the executive's total remuneration. The remuneration packages for executives are considered by the Nomination and Remuneration Committee and approved by the Board. At the absolute discretion of the Nomination and Remuneration Committee, the company may seek external advice on the appropriate level and structure of remuneration packages from time to time.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, is reviewed annually by the Nomination and Remuneration Committee, based on individual and business unit performance, the overall performance of the group and comparable market remuneration.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the group and provides additional value to the executive.



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The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. Under the STI, eligible executives may be offered cash incentives ('rewards') which may be subject to vesting conditions set by the Board. Each offer of rewards under the STI is, or will be, on the terms generally described as follows:

- the Board will determine the total dollar amount of the STI, calculated as a percentage of their salary package;
- the payment (or part payment) of the STI will be subject to fulfilment (or part fulfilment) of performance conditions set by the Board;
- any STI that becomes payable will be paid in cash and, at the discretion of the Board, by the grant of rights to receive shares ('service rights') of equivalent value (as determined by the Board at the time of grant);
- if granted, the service rights will vest 13 months from grant date provided that the eligible employee is still employed by the company at the vesting date;
- on vesting employees will receive the shares that are subject to the service rights without payment of any exercise price;
- service right holders are not entitled to participate in new issues of shares or other securities made by the company to holders of shares without receiving the shares that are subject to the service rights before the record date for the relevant issue;
- if, prior to the receipt of shares that are subject to the service right, the company makes a pro rata bonus issue to the holders of its shares, and the shares that are subject to the service right are not issued prior to the record date in respect of that bonus issue, the service right will, when vested, entitle the holder to one share plus the number of bonus shares which would have been issued to the holder if the shares that are subject to the service right had been issued prior to the record date; and
- if, prior to the receipt of shares that are subject to the service right, the company undergoes a reorganisation of capital (other than by way of a bonus issue for cash), the terms of the service rights will be changed to the extent necessary to comply with the ASX Listing Rules as they apply at the relevant time.

The long-term incentives include long service leave and share-based payments. The company has adopted a long term incentive plan ('LTI') in order to assist in the motivation and retention of key staff. The LTI is designed to align the interest of eligible executives and employees more closely with the interests of the shareholders by providing an opportunity for eligible executives and employees to receive an equity interest in the company.

Under the LTI, eligible executives and employees may be given rights or options to acquire shares which may be subject to vesting conditions set by the Board. Each grant of rights or options under the LTI is, or will be, on the terms generally described as follows:

- the Board will determine the number of rights or options to be granted to each eligible employee;
- rights or options will vest progressively over the periods which were determined by the Board at the time of the grant;
- the expiration date will be determined by the Board at the time of the grant;
- the exercise price is set by the Board at the time of the grant;
- rights or options holders are not entitled to participate in new issues of shares or other securities made by the company to holders of shares without exercising the rights or options before the record date for the relevant issue;
- if, prior to the exercise of a right or option, the company makes a pro rata bonus issue to the holders of its shares, and the right or option is not exercised prior to the record date in respect of that bonus issue, the right or option will, when vested, entitle the holder to one share plus the number of bonus shares which would have been issued to the holder if the right or option had been exercised prior to the record date; and
- if, prior to the exercise of a right or option, the company undergoes a reorganisation of capital (other than by way of a bonus issue for cash), the terms of the rights or options will be changed to the extent necessary to comply with the ASX Listing Rules as they apply at the relevant time.

**Group performance and link to remuneration**

Remuneration for certain individuals is directly linked to the performance of the group. A portion of cash bonus and incentive payments are dependent on defined revenue and earnings targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee is of the opinion that the adoption of performance based compensation will have a positive impact on its earnings, which in turn will have a positive impact on its share price. This is expected to increase shareholder wealth if maintained over the coming years.

**Consequences of performance on shareholder wealth**

In considering the group's performance and benefits to shareholder wealth, the remuneration committee has had regard to the share price in respect of the current financial year and the previous two financial years.

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	2021	2020	2019
Share price	\$0.027	\$0.006	\$0.010

**Use of remuneration consultants**

During the financial year ended 30 June 2021, the group engaged PricewaterhouseCoopers ('PwC') to review the group's share-based incentive programs and provide recommendations on how to improve the LTI program. PwC were paid \$66,300 for these services.

**Voting and comments made at the company's 2020 Annual General Meeting ('AGM')**

At the 2020 AGM, 97.7% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2020. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

**Details of remuneration**

**Amounts of remuneration**

Details of the remuneration of key management personnel of the group are set out in the following tables.

The key management personnel of the group consisted of the following directors of Pureprofile Ltd:

- Andrew Edwards - Non-Executive Chairman (appointed Executive on 28 August 2019 and re-appointed Non-Executive on 2 September 2020)
- Sue Klose - Non-Executive Director
- Martin Filz - Chief Executive Officer and Managing Director (appointed Chief Executive Officer on 3 August 2020 and appointed Managing Director on 2 September 2020)
- Aaryn Nania - Non-Executive Director (appointed on 28 August 2019 and resigned 2 September 2020)

And the following person:

- Melinda Sheppard - Chief Operating Officer/Chief Financial Officer

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees	Cash bonus	Other	Super-annuation	Employee leave	Equity-settled	Total
	\$	\$	\$	\$	\$	\$	\$
<b>2021</b>							
<b>Non-Executive Directors:</b>							
A. Edwards	110,000	-	-	10,450	-	411,213	531,663
S. Klose	58,600	-	-	5,567	-	72,511	136,678
A. Nania*	-	-	-	-	-	-	-
<b>Executive Directors:</b>							
M. Filz*	326,521	-	-	20,229	-	326,225	672,975
<b>Other Key Management Personnel:</b>							
M. Sheppard	262,173	-	-	22,390	-	112,068	396,631
	757,294	-	-	58,636	-	922,017	1,737,947

\* Represents remuneration from the date of appointment and/or to the date of resignation



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	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees	Cash bonus	Other	Super-annuation	Employee leave	Equity-settled	Total
	\$	\$	\$	\$	\$	\$	\$
<b>2020</b>							
<i>Non-Executive Directors:</i>							
S. Klose	78,618	-	-	4,049	-	-	82,667
A. Nania	32,690	-	-	3,106	-	-	35,796
<i>Executive Directors:</i>							
A. Edwards	120,500	-	-	7,600	-	-	128,100
N. Jones*	184,951	-	-	15,402	-	-	200,353
<i>Other Key Management Personnel:</i>							
M. Sheppard	236,250	-	-	22,444	-	-	258,694
	653,009	-	-	52,601	-	-	705,610

\* Represents remuneration from the date of appointment and/or to the date of resignation

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration 2021	2020	At risk - STI 2021	At risk - LTI 2021
<i>Non-Executive Directors:</i>				
A. Edwards	23%	100%	77%	-
S. Klose	47%	100%	53%	-
A. Nania	-	100%	-	-
<i>Executive Directors:</i>				
N. Jones	-	100%	-	-
M. Filz	52%	-	48%	-
<i>Other Key Management Personnel:</i>				
M. Sheppard	72%	100%	28%	-

**Service agreements**

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Andrew Edwards
Title:	Non-Executive Chairman
Agreement commenced:	12 June 2015
Term of agreement:	Appointment until next Annual General Meeting, at which he will be eligible for re-election
Details:	Base salary for the year ended 30 June 2021 of \$120,000 plus superannuation, to be reviewed from time to time by the Nomination and Remuneration Committee in accordance with constitution and policies and eligibility to short-term and long-term incentives under the Incentives Scheme, which defines the amount, form, frequency, KPIs and targets to which the incentives relate. As from March 2020, consistent with the group's COVID-19 cost saving measures, Andrew has stopped receiving director fees voluntarily for the remainder of the financial year. The base salary has been reinstated from August 2020, after the group has seen its recovery from the pandemic.

**Pureprofile Ltd  
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Name:	Sue Klose
Title:	Non-Executive Director
Agreement commenced:	1 September 2018
Term of agreement:	Appointment until next Annual General Meeting, at which she will be eligible for re-election
Details:	Base salary of \$70,000 for the year ended 30 June 2021 including superannuation, to be reviewed from time to time by the Nomination and Remuneration Committee in accordance with constitution and policies. Eligibility to long-term incentives under the Incentives Scheme, which defines the amount, form, frequency, KPIs and targets to which the incentives relate. As from March 2020, consistent with the group's COVID-19 cost saving measures, Sue has stopped receiving director fees voluntarily for the remainder of the financial year. The base salary has been reinstated from August 2020, after the group has seen its recovery from the pandemic.

Name:	Martin Filz
Title:	Chief Executive Officer and Managing Director
Agreement commenced:	3 August 2020
Term of agreement:	No fixed end date
Details:	Base salary of \$400,000 plus superannuation, to be reviewed from time to time by the Nomination and Remuneration Committee in accordance with constitution and policies. Reimbursement of reasonable out-of-pocket expenses incurred in connection with the performance of duties. 3 month termination notice period by either party. Eligibility to short-term and long-term incentives, under the Incentives Scheme, which defines the amount, form, frequency, KPI's and targets to which the incentives relate.

Name:	Melinda Sheppard
Title:	Chief Operating Officer/Chief Financial Officer
Agreement commenced:	25 June 2018
Term of agreement:	No fixed end date
Details:	Base salary for the year ended 30 June 2021 of \$276,750 plus superannuation, to be reviewed from time to time by the Nomination and Remuneration Committee in accordance with constitution and policies. Reimbursement of reasonable out-of-pocket expenses incurred in connection with the performance of duties. 3 month termination notice period by either party. Eligibility to short-term incentive reward of up to \$151,250 and eligibility to long-term incentives, under the Incentives Scheme, which defines the amount, form, frequency, KPIs and targets to which the incentives relate. As from April 2020, consistent with the group's COVID-19 cost saving measures, Melinda has voluntarily taken a temporary 50% salary cut in Q4 FY20 and 20% salary cut in Q1 FY21. The salary has been reinstated to normal from October 2020, after the group has seen its recovery from the pandemic.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

**Share-based compensation**

**Issue of shares**

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2021 (2020: nil).



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**Options**

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
A. Edwards	4,930,156	29/01/2021	30/06/2021	01/04/2026	\$0.020	\$0.0153
S. Klose	2,000,000	29/01/2021	30/06/2021	01/04/2026	\$0.020	\$0.0153
M. Filz	10,955,902	29/01/2021	01/09/2021	01/04/2026	\$0.020	\$0.0153
	10,955,902	29/01/2021	01/09/2022	01/04/2026	\$0.020	\$0.0153
	10,955,903	29/01/2021	01/09/2023	01/04/2026	\$0.020	\$0.0153
M. Sheppard	4,208,906	01/04/2021	01/09/2021	01/04/2026	\$0.020	\$0.0161
	4,208,906	01/04/2021	01/09/2022	01/04/2026	\$0.020	\$0.0161
	4,208,907	01/04/2021	01/09/2023	01/04/2026	\$0.020	\$0.0161

Options granted carry no dividend or voting rights.

**Share rights**

The terms and conditions of each grant of share rights over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of rights granted	Grant date	Vesting date and exercisable date	Expiry date	Fair value per right at grant date
A. Edwards	14,000,000	29/01/2021	30/06/2021	01/04/2026	\$0.0240
S. Klose	1,750,000	29/01/2021	30/06/2021	01/04/2026	\$0.0240

Share rights granted carry no dividend or voting rights.

**Performance rights**

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of rights granted	Grant date	Vesting date and exercisable date	Expiry date	Fair value per right at grant date
M. Filz	4,937,500	29/01/2021	29/07/2021	01/04/2026	\$0.0240
	2,468,750	29/01/2021	29/01/2022	01/04/2026	\$0.0240
	2,468,750	29/01/2021	29/01/2023	01/04/2026	\$0.0240
M. Sheppard	3,125,000	01/04/2021	01/10/2021	01/04/2026	\$0.0250
	1,562,500	01/04/2021	01/04/2022	01/04/2026	\$0.0250
	1,562,500	01/04/2021	01/04/2023	01/04/2026	\$0.0250

Performance rights granted carry no dividend or voting rights.

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**Additional disclosures relating to key management personnel**

**Shareholding**

The number of shares in the company held during the financial year by each director and other members of key management personnel of the group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other*	Balance at the end of the year
<b>Ordinary shares</b>					
A. Edwards	984,691	-	7,877,528	-	8,862,219
M. Filz	-	-	375,000	-	375,000
M. Sheppard	-	-	250,000	-	250,000
	<u>984,691</u>	<u>-</u>	<u>8,502,528</u>	<u>-</u>	<u>9,487,219</u>

\* Disposals/other represents a member no longer being designated as a KMP and does not represent a disposal of holding.

**Option holding**

The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the group, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Expired	Disposals/ other*	Balance at the end of the year
<b>Options over ordinary shares</b>					
A. Edwards	-	4,930,156	-	-	4,930,156
S. Klose	-	2,000,000	-	-	2,000,000
M. Filz	-	32,867,707	-	-	32,867,707
M. Sheppard	-	12,626,719	-	-	12,626,719
	<u>-</u>	<u>52,424,582</u>	<u>-</u>	<u>-</u>	<u>52,424,582</u>

\* Disposals/other represents a member no longer being designated as a KMP and does not represent a disposal of holding.

**Share rights holding**

The number of share rights over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the group, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other*	Balance at the end of the year
<b>Share rights over ordinary shares</b>					
A. Edwards	-	14,000,000	-	-	14,000,000
S. Klose	-	1,750,000	-	-	1,750,000
	<u>-</u>	<u>15,750,000</u>	<u>-</u>	<u>-</u>	<u>15,750,000</u>

\* Disposals/other represents a member no longer being designated as a KMP and does not represent a disposal of holding.



**Pureprofile Ltd  
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**Performance rights holding**

The number of performance rights over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the group, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the year
<i>Performance rights over ordinary shares</i>					
M. Filz	-	9,875,000	-	-	9,875,000
M. Sheppard	-	6,250,000	-	-	6,250,000
	-	16,125,000	-	-	16,125,000

**Other transactions with key management personnel and their related parties**

During the financial year, expenses totalling \$7,934 (2020: \$2,612) were reimbursed to key management personnel. There were no loans to or from key management personnel at the current and previous reporting date.

***This concludes the remuneration report, which has been audited.***

**Shares under option**

Unissued ordinary shares of Pureprofile Ltd under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
19/10/2020	08/12/2022	\$0.030	15,000,000
29/01/2021	01/04/2026	\$0.020	4,930,156
29/01/2021	01/04/2026	\$0.020	2,000,000
29/01/2021	01/04/2026	\$0.020	32,867,707
01/04/2021	01/04/2026	\$0.020	12,626,719
01/04/2021	01/04/2026	\$0.020	34,023,703
24/05/2021	08/12/2022	\$0.030	4,000,000
			<u>105,448,285</u>

**Shares issued on the exercise of options**

There were no ordinary shares of Pureprofile Ltd issued on the exercise of options during the year ended 30 June 2021 and up to the date of this report.

**Shares under share rights**

Unissued ordinary shares of Pureprofile Ltd under share rights at the date of this report are as follows:

Grant date	Expiry date	Number under rights
29/01/2021	01/04/2026	14,000,000
29/01/2021	01/04/2026	1,750,000
01/04/2021	01/04/2026	2,453,740
01/04/2021	01/04/2026	703,942
		<u>18,907,682</u>

No person entitled to exercise the share rights had or has any right by virtue of the service right to participate in any share issue of the company or of any other body corporate.

**Shares issued on the exercise of share rights**

There were no ordinary shares of Pureprofile Ltd issued on the exercise of share rights during the year ended 30 June 2021 and up to the date of this report.

**Pureprofile Ltd  
Directors' report  
30 June 2021**

**Shares under performance rights**

Unissued ordinary shares of Pureprofile Ltd under performance rights at the date of this report are as follows:

Grant date	Expiry date	Number under rights
29/01/2021	01/04/2026	9,875,000
01/04/2021	01/04/2026	6,250,000
		<u>16,125,000</u>

No person entitled to exercise the performance rights had or has any right by virtue of the performance rights to participate in any share issue of the company or of any other body corporate.

**Shares issued on the exercise of performance rights**

There were no ordinary shares of Pureprofile Ltd issued on the exercise of performance rights during the year ended 30 June 2021 and up to the date of this report.

**Indemnity and insurance of officers**

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

**Indemnity and insurance of auditor**

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

**Proceedings on behalf of the company**

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

**Non-audit services**

There were no non-audit services provided during the financial year by the auditor.

**Officers of the company who are former partners of Grant Thornton Australia**

There are no officers of the company who are former partners of Grant Thornton Australia.

**Rounding of amounts**

The company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in the Directors' Report and Financial Report have been rounded to the nearest dollar.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.



Pureprofile Ltd  
Directors' report  
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This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Andrew Edwards  
Non-Executive Chairman

26 August 2021  
Sydney



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Sydney NSW 2000

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Sydney NSW 1230

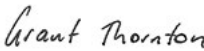
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Auditor's Independence Declaration

To the Directors of Pureprofile Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Pureprofile Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



Grant Thornton Audit Pty Ltd  
Chartered Accountants



S M Coulton  
Partner – Audit & Assurance

Sydney, 26 August 2021


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A woman with blonde hair, wearing a teal sweater, is smiling and holding a vintage camera up to her eye, taking a photograph. She is standing on a rocky shore next to a calm lake. In the background, there are steep, forested mountains and a tall electricity pylon. The overall scene is serene and scenic.

**24%**  
of Brits believe  
that the monarchy  
should be abolished

SECTION TEN

# Financial Report



**Pureprofile Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2021**

	Note	Consolidated 2021 \$	2020 \$
<b>Revenue</b>	5	30,002,038	24,186,722
Other income	6	843,454	899,243
Interest revenue calculated using the effective interest method		815	105
Gain on loan forgiveness		8,416,780	-
<b>Expenses</b>			
Direct costs of revenue		(13,210,595)	(10,507,493)
Employee benefits expense		(10,339,644)	(8,995,359)
Foreign exchange loss		(30,813)	-
Depreciation and amortisation expense	7	(3,747,842)	(4,350,338)
Impairment of assets		-	(2,107,127)
Loss on disposal of intangible assets		(258,906)	(625,027)
Technology, engineering and licence fees		(2,222,129)	(2,116,084)
Share-based payment expense		(1,141,608)	-
Restructuring, acquisition and capital raising costs		(848,202)	-
Occupancy costs		(62,449)	(326,859)
Other expenses		(1,838,173)	(1,568,018)
Finance costs	7	(2,708,473)	(4,130,173)
<b>Profit/(loss) before income tax expense from continuing operations</b>		2,854,253	(9,640,408)
Income tax expense	8	(43,097)	(18,073)
Profit/(loss) after income tax expense from continuing operations		2,811,156	(9,658,481)
Loss after income tax expense from discontinued operations		-	(171,000)
<b>Profit/(loss) after income tax expense for the year attributable to the owners of Pureprofile Ltd</b>		2,811,156	(9,829,481)
<b>Other comprehensive loss</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(4,700)	(32,900)
Other comprehensive loss for the year, net of tax		(4,700)	(32,900)
<b>Total comprehensive profit/(loss) for the year attributable to the owners of Pureprofile Ltd</b>		<u>2,806,456</u>	<u>(9,862,381)</u>
Total comprehensive profit/(loss) for the year is attributable to:			
Continuing operations		2,806,456	(9,691,381)
Discontinued operations		-	(171,000)
		<u>2,806,456</u>	<u>(9,862,381)</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the

**Pureprofile Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2021**

		Cents	Cents
<b>Profit/(loss) per share for profit/(loss) from continuing operations attributable to the owners of Pureprofile Ltd</b>			
Basic earnings per share	37	0.43	(8.22)
Diluted earnings per share	37	0.42	(8.22)
<b>Loss per share for loss from discontinued operations attributable to the owners of Pureprofile Ltd</b>			
Basic earnings per share	37	-	(0.15)
Diluted earnings per share	37	-	(0.15)
<b>Profit/(loss) per share for profit/(loss) attributable to the owners of Pureprofile Ltd</b>			
Basic earnings per share	37	0.43	(8.36)
Diluted earnings per share	37	0.42	(8.36)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the



**Pureprofile Ltd**  
**Statement of financial position**  
**As at 30 June 2021**

	Note	Consolidated 2021 \$	2020 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	9	3,621,675	1,768,401
Trade and other receivables	10	5,700,828	3,717,695
Contract assets	11	689,083	402,593
Other	12	1,056,642	797,253
Total current assets		<u>11,068,228</u>	<u>6,685,942</u>
<b>Non-current assets</b>			
Property, plant and equipment	13	147,611	187,540
Right-of-use assets	14	1,945,484	2,374,240
Intangibles	15	6,237,541	7,434,547
Total non-current assets		<u>8,330,636</u>	<u>9,996,327</u>
<b>Total assets</b>		<u>19,398,864</u>	<u>16,682,269</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	17	7,172,052	5,956,450
Contract liabilities	18	733,321	377,687
Borrowings	19	-	24,392,384
Lease liabilities	20	362,007	489,534
Income tax		66,584	40,275
Provisions	21	2,453,258	2,015,580
Total current liabilities		<u>10,787,222</u>	<u>33,271,910</u>
<b>Non-current liabilities</b>			
Borrowings	22	3,000,000	-
Lease liabilities	23	1,750,327	2,024,027
Provisions	24	112,859	124,958
Total non-current liabilities		<u>4,863,186</u>	<u>2,148,985</u>
<b>Total liabilities</b>		<u>15,650,408</u>	<u>35,420,895</u>
<b>Net assets/(liabilities)</b>		<u>3,748,456</u>	<u>(18,738,626)</u>
<b>Equity</b>			
Issued capital	25	59,892,781	41,461,502
Reserves	26	1,482,306	237,659
Accumulated losses		<u>(57,626,631)</u>	<u>(60,437,787)</u>
<b>Total equity/(deficiency)</b>		<u>3,748,456</u>	<u>(18,738,626)</u>

**Pureprofile Ltd**  
**Statement of changes in equity**  
**For the year ended 30 June 2021**

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total deficiency in equity \$
Balance at 1 July 2019	41,461,502	270,559	(50,608,306)	(8,876,245)
Loss after income tax expense for the year	-	-	(9,829,481)	(9,829,481)
Other comprehensive loss for the year, net of tax	-	(32,900)	-	(32,900)
Total comprehensive loss for the year	-	(32,900)	(9,829,481)	(9,862,381)
Balance at 30 June 2020	<u>41,461,502</u>	<u>237,659</u>	<u>(60,437,787)</u>	<u>(18,738,626)</u>
Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2020	41,461,502	237,659	(60,437,787)	(18,738,626)
Profit after income tax expense for the year	-	-	2,811,156	2,811,156
Other comprehensive loss for the year, net of tax	-	(4,700)	-	(4,700)
Total comprehensive profit/(loss) for the year	-	(4,700)	2,811,156	2,806,456
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 25)	18,431,279	-	-	18,431,279
Share-based payments (note 38)	-	1,249,347	-	1,249,347
Balance at 30 June 2021	<u>59,892,781</u>	<u>1,482,306</u>	<u>(57,626,631)</u>	<u>3,748,456</u>



**Pureprofile Ltd**  
**Statement of cash flows**  
**For the year ended 30 June 2021**

	Note	Consolidated 2021 \$	2020 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		30,331,757	28,878,388
Payments to suppliers and employees (inclusive of GST)		(28,246,741)	(27,359,407)
		2,085,016	1,518,981
Receipts from Government grant		478,500	234,000
Interest received		815	105
Interest and other finance costs paid		(175,681)	(255,653)
Income taxes paid		(37,683)	(75,064)
Net cash from operating activities	39	2,350,967	1,422,369
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment	13	(43,736)	(30,387)
Payments for intangibles	15	(2,012,257)	(2,375,521)
Proceeds from disposal of property, plant and equipment		8,841	-
Net cash used in investing activities		(2,047,152)	(2,405,908)
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	25	13,396,878	-
Share issue transaction costs		(1,080,749)	-
Proceeds from borrowings		-	5,600,000
Repayment of borrowings		(9,896,878)	(2,069,339)
Repayment of lease liabilities		(863,588)	(1,267,371)
Net cash from financing activities		1,555,663	2,263,290
Net increase in cash and cash equivalents		1,859,478	1,279,751
Cash and cash equivalents at the beginning of the financial year		1,768,401	524,322
Effects of exchange rate changes on cash and cash equivalents		(6,204)	(35,672)
Cash and cash equivalents at the end of the financial year	9	<u>3,621,675</u>	<u>1,768,401</u>

**Pureprofile Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 1. General information**

The financial statements cover Pureprofile Ltd as a group consisting of Pureprofile Ltd and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Pureprofile Ltd's functional and presentation currency.

Pureprofile Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

**Registered office**

Level 5  
126 Phillip Street  
Sydney NSW 2000  
Australia

**Principal place of business**

263 Riley Street  
Surry Hills NSW 2010  
Australia

A description of the nature of the group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 26 August 2021. The directors have the power to amend and reissue the financial statements.

**Note 2. Significant accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**

The group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the group:

**Conceptual Framework for Financial Reporting (Conceptual Framework)**

The group has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the group's financial statements.

**IFRS Interpretations Committee guidance on cloud computing arrangement**

In April 2021, the International Financial Reporting Standards Interpretations Committee ('IFRIC') issued a final agenda decision, configuration or customisation costs in a cloud computing arrangement. The decision discusses whether configuration or customisation expenditure relating to cloud computing arrangements is able to be recognised as an intangible asset and if not, over what time period the expenditure is expensed. The adoption of this agenda decision has no material impact on the group's current or prior periods presented. As at 30 June 2021, The group has adopted this IFRIC agenda decision.

**Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

**Historical cost convention**

The financial statements have been prepared under the historical cost convention.



**Pureprofile Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 2. Significant accounting policies (continued)**

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

**Principles of consolidation**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Pureprofile Ltd ('company' or 'parent entity') as at 30 June 2021 and the results of all subsidiaries for the year then ended. Pureprofile Ltd and its subsidiaries together are referred to in these financial statements as the 'group'.

Subsidiaries are all those entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

The acquisition of common control subsidiaries is accounted for at book value. The acquisition of other subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

**Operating segments**

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

**Foreign currency translation**

The financial statements are presented in Australian dollars, which is Pureprofile Ltd's functional and presentation currency.

*Foreign currency transactions*

Foreign currency transactions are translated into the company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

*Foreign operations*

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

**Pureprofile Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 2. Significant accounting policies (continued)**

**Revenue recognition**

The group recognises revenue as follows:

*Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

*Sales revenue - Data and Insights*

Revenue relating to the provision of services for Data & Insights encapsulates online market research services which helps businesses connect to, and receive feedback from, consumers who are registered to www.pureprofile.com. The group generates sales revenue by charging clients for access to its online panel for survey responses and may additionally charge for set-up and support services. Contracts with clients generally comprise a single distinct performance obligation, being the provision of market research services and the transaction price is allocated to the single performance obligation. Some contracts contain multiple deliverables – such as set-up and support services. In such circumstances, these multiple deliverables are considered to represent a single distinct performance obligation, given there is a significant integration performed by the group in delivering the services. For fixed-price contracts, revenue is recognised over time and is based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. This is determined based on the actual surveys completed relative to the total expected surveys.

*Sales revenue - Pure.amplify Media AU (formerly Media)*

Revenue relating to Media sales is generated through the programmatic buying and selling of ad inventory, provision of online marketing solutions for advertisers and advertising yield optimisation solutions for online publishers. The group generates sales revenue for managed campaign (programmatic trading) services by charging clients for purchasing ad inventory and managing the placement of ads on their behalf (at a marked-up price to the ad inventory purchased or as a service fee). The group also generates sales revenue for Media Trading service by buying and reselling ad inventory. The group also generates sales revenue by helping publishers to increase yield through programmatically selling their ad inventory. Contracts with clients generally comprise a single distinct performance obligation, being the provision of Media services described above and the transaction price is allocated to the single performance obligation. Fees for the provision of services are recognised as revenue as the services are rendered, in accordance with the terms and conditions of the service agreement.

*Sales revenue - Pure.amplify Media UK (formerly Performance)*

Revenue relating to the provision digital marketing is generated by providing lead generation and email marketing services. The group generates sales revenue for lead generation services by charging clients on a price per lead basis. The group generates sales revenue from email marketing using various revenue models including cost per thousand (CPM), cost per click (CPC) and cost per acquisition (CPA). Contracts with clients generally comprise a single distinct performance obligation, being the provision of Lead Generation and Email marketing services described above and the transaction price is allocated to the single performance obligation. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. This is determined based on the actual leads obtained relative to the total expected leads.



**Pureprofile Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 2. Significant accounting policies (continued)**

**Interest**

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

**Other revenue**

Other revenue is recognised when it is received or when the right to receive payment is established.

**Government grants**

Grants from the government are recognised at their fair value when there is reasonable assurance that the grant will be received and that the group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in profit or loss as other income over the periods necessary to match them with the costs that they are intended to compensate.

Government grants received which do not relate to any specific costs are recognised as income received in the period in which they are received.

**Income tax**

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Pureprofile Ltd. (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group with tax funding agreements, under the tax consolidation regime, effective 7 November 2014. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

**Pureprofile Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 2. Significant accounting policies (continued)**

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

**Discontinued operations**

A discontinued operation is a component of the group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

**Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

**Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

**Contract assets**

Contract assets are recognised when the group has transferred goods or services to the customer but where the group is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

**Property, plant and equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Office and computer equipment	3 to 9 years
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The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

**Pureprofile Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 2. Significant accounting policies (continued)**

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

**Right-of-use assets**

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

**Intangible assets**

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

**Goodwill**

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

**Software**

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reductions are capitalised. Costs capitalised include external direct costs of materials and service and employee costs. Software development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the group has an intention and ability to use the asset. Software costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of between four and five years.

**Customer contracts and partner network arrangements**

Acquired membership database is amortised over 7 years, on a straight line basis.

**Membership base**

Membership bases acquired are amortised over their useful economic life of 7 years on a straight line basis.

**Brand names**

Acquired brand names are not amortised. Instead, brand names are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired, and is carried at cost less accumulated impairment losses.

**Pureprofile Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 2. Significant accounting policies (continued)**

**Impairment of non-financial assets**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

**Trade and other payables**

Trade and other payables represent liabilities for goods and services provided to the group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 59 days of recognition.

**Contract liabilities**

Contract liabilities represent the group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the group has transferred the goods or services to the customer.

**Borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

**Lease liabilities**

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties.

The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred. Variable lease payments include rent concessions in the form of rent forgiveness or a waiver as a direct consequence of the Coronavirus (COVID-19) pandemic and which relate to payments originally due on or before 30 June 2021.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

**Group as a lessor**

Leases in which the group transfers substantially all the risks and rewards of ownership of an asset are classified as finance leases held by the customer. Lease receivables are recognised at an amount equal to the net investment in the lease which represents the gross investment discounted at the implicit interest rate. Lease payments received are accounted for as a repayment of principal and receipt of income. Interest income is calculated on the principal balance outstanding and is brought to account to produce a constant rate of return over the lease term.

Leases in which the group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.



**Pureprofile Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 2. Significant accounting policies (continued)**

**Finance costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

**Provisions**

Provisions are recognised when the group has a present (legal or constructive) obligation as a result of a past event, it is probable the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

**Reward redemption**

The group invites its internet panel members to complete surveys in exchange for a cash or points-based incentive. These amounts are not paid until a predetermined target value has accrued on a members account. An assessment of incentives likely to be paid (present obligation) is made taking into account past behaviour and activity. This is recognised as an expense in the period in which the service is provided.

**Employee benefits**

**Short-term employee benefits**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

**Other long-term employee benefits**

The liability for employee benefits not expected to be settled wholly within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

**Defined contribution superannuation expense**

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

**Share-based payments**

Equity-settled share-based compensation benefits are provided to employees. Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

**Pureprofile Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 2. Significant accounting policies (continued)**

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, they are treated as if they had vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award are treated as if they were a modification.

**Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

**Issued capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**Business combinations**

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

**Pureprofile Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 2. Significant accounting policies (continued)**

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

**Earnings per share**

*Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to the owners of Pureprofile Ltd, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

*Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

**Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

**Rounding of amounts**

The company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this Report have been rounded to the nearest dollar.

**New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the group for the annual reporting period ended 30 June 2021. The group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

**Pureprofile Ltd**  
**Notes to the financial statements**  
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**Note 3. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Coronavirus (COVID-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

*Share-based payment transactions*

The group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

*Allowance for expected credit losses*

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates, the impact of the Coronavirus (COVID-19) pandemic and forward-looking information that is available. The allowance for expected credit losses, as disclosed in note 10, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

*Capitalised software development costs*

Distinguishing the research and development phases of a new customised software project and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. After capitalisation, management monitors whether the recognition requirement continue to be met and whether there are any indicators that capitalised costs may be impaired.

*Estimation of useful lives of assets*

The group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

*Goodwill and other indefinite life intangible assets*

The group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

*Impairment of non-financial assets other than indefinite life intangible assets*

The group assesses impairment of non-financial assets other than indefinite life intangible assets at each reporting date by evaluating conditions specific to the group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined.



**Pureprofile Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 3. Critical accounting judgements, estimates and assumptions (continued)**

*Income tax*

The group is subject to income taxes in the jurisdictions in which it operates. Significant judgement and estimates are required in recognising and measuring current and deferred tax amounts. For any uncertain tax treatment adopted relating to transactions or events, the group recognises and measures tax related amounts having regard to both the probability that such amounts may be challenged by a tax authority and the expected resolution of such uncertainties. In such circumstances, tax balances are determined based on either most-likely amount or expected-value probability based outcomes. Where final tax outcomes vary from what is estimated, such differences will impact the current and deferred tax provisions recognised in the financial statements.

*Recovery of deferred tax assets*

Deferred tax assets are recognised for deductible temporary differences only if the group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

*Lease term*

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

*Incremental borrowing rate*

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

*Reward redemption provision*

In determining the level of provision required for reward redemptions the group has made judgements in respect of the expected outflows necessary to settle the redemptions. The provision represents the maximum amount that the group estimates is likely to be claimed by panel members and is based on estimates made from historical data and likely redemption patterns. Balances accrued by panel members that have been inactive (i.e. not completed any transaction) for more than one year are written back to profit or loss.

**Note 4. Operating segments**

*Identification of reportable operating segments*

The Group is organised into three operating segments:

- Data & Insights;
- Pure.amplify Media AU (formerly Media); and
- Pure.amplify Media UK (formerly Performance)

These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

Other segments represent the corporate headquarters of the group.

The CODM reviews adjusted EBITDA (earnings before interest, tax, depreciation and amortisation, adjusted for non-cash and significant items). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

**Pureprofile Ltd**  
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**Note 4. Operating segments (continued)**

*Types of products and services*

The principal products and services are as follows:

Data & Insights	Conducting market research and accessing insights and campaigns through our proprietary Self-service platform
Pure.amplify Media AU	Buying and selling online advertising inventory on behalf of advertisers and publishers
Pure.amplify Media UK	Generates leads for clients through its consumer database and proprietary and partner digital assets

During financial year 2021, the media and performance operating segments were rebranded under Pure.amplify division. The media operating segment is now known as Pure.amplify Media AU and the performance operating segment is now known as Pure.amplify Media UK.

*Major customers*

During the years ended 30 June 2021 and 30 June 2020 no single customer contributed more than 10% to the group's external revenue.

*Operating segment information (continuing and discontinued operations)*

	Data & Insights \$	Pure.amplify Media AU \$	Pure.amplify Media UK \$	Other segments \$	Total \$
<b>Consolidated - 2021</b>					
<b>Revenue</b>					
Sales to external customers	25,651,046	3,253,125	1,097,867	-	30,002,038
Interest	-	-	-	815	815
<b>Total revenue</b>	<b>25,651,046</b>	<b>3,253,125</b>	<b>1,097,867</b>	<b>815</b>	<b>30,002,853</b>
<b>EBITDA</b>	<b>8,951,635</b>	<b>225,639</b>	<b>(66,589)</b>	<b>(5,968,996)</b>	<b>3,141,689</b>
Depreciation and amortisation	(2,950,357)	-	-	(797,485)	(3,747,842)
Gain on loan forgiveness	-	-	-	8,416,780	8,416,780
Share-based payment expense	-	-	-	(1,141,608)	(1,141,608)
Restructuring, acquisition and capital raising costs	-	-	-	(848,202)	(848,202)
Loss on disposal of intangible assets	(164,906)	-	-	(94,000)	(258,906)
Interest	-	-	-	815	815
Interest expense on leases	-	-	-	(204,227)	(204,227)
Finance costs	-	-	-	(2,504,246)	(2,504,246)
<b>Profit/(loss) before income tax expense</b>	<b>5,836,372</b>	<b>225,639</b>	<b>(66,589)</b>	<b>(3,141,169)</b>	<b>2,854,253</b>
Income tax expense	-	-	-	-	(43,097)
<b>Profit after income tax expense</b>					<b>2,811,156</b>

Pureprofile Ltd  
Notes to the financial statements  
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Note 4. Operating segments (continued)

	Data & Insights \$	Pure.amplify Media AU \$	Pure.amplify Media UK \$	Other segments \$	Total \$
<b>Consolidated - 2020</b>					
<b>Revenue</b>					
Sales to external customers	18,866,160	3,471,696	1,848,866	-	24,186,722
Interest	-	-	-	105	105
<b>Total revenue</b>	<u>18,866,160</u>	<u>3,471,696</u>	<u>1,848,866</u>	<u>105</u>	<u>24,186,827</u>
<b>EBITDA</b>	6,176,341	491,461	245,836	(5,512,486)	1,401,152
Depreciation and amortisation	(3,104,740)	(159,576)	-	(1,086,022)	(4,350,338)
Impairment of intangible assets	-	(2,107,127)	-	-	(2,107,127)
Loss on disposal of intangible assets	(409,068)	(215,959)	-	-	(625,027)
Interest	-	-	-	105	105
Interest expense on leases	-	-	-	(258,152)	(258,152)
Finance costs	-	-	-	(3,872,021)	(3,872,021)
<b>Profit/(loss) before income tax expense</b>	<u>2,662,533</u>	<u>(1,991,201)</u>	<u>245,836</u>	<u>(10,728,576)</u>	<u>(9,811,408)</u>
Income tax expense					(18,073)
<b>Loss after income tax expense</b>					<u>(9,829,481)</u>

All assets and liabilities, including taxes are not allocated to the operating segments as they are managed on an overall group basis.

Revenue by geographical area (continuing and discontinued operations)

The group has operations in 7 countries working with clients based in 3 (2020: 3) regions. The sales revenue based on each client region is as follows:

	<b>Consolidated 2021 \$</b>	<b>2020 \$</b>
<b>Sales to external customers</b>		
Australasia	21,318,089	16,901,665
Europe	6,359,052	4,787,349
United States	<u>2,324,897</u>	<u>2,497,708</u>
	<u><b>30,002,038</b></u>	<u><b>24,186,722</b></u>

Note 5. Revenue

	<b>Consolidated 2021 \$</b>	<b>2020 \$</b>
Data & Insights	25,651,046	18,866,160
Pure.amplify Media AU	3,253,125	3,471,696
Pure.amplify Media UK	<u>1,097,867</u>	<u>1,848,866</u>
Revenue	<u><b>30,002,038</b></u>	<u><b>24,186,722</b></u>

Disaggregation of revenue

Refer to note 4 'Operating segments' for analysis of revenue by major product line and geographical region.

During the financial years ended 30 June 2021 and 30 June 2020, all revenue was recognised based on services transferred over time.

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Notes to the financial statements  
30 June 2021

Note 6. Other income

	<b>Consolidated 2021 \$</b>	<b>2020 \$</b>
Net foreign exchange gain	-	11,545
Net gain on disposal of intangible assets, property, plant and equipment	8,841	-
Government grants (COVID-19)	364,500	348,000
Rental income	468,997	516,049
Other income	<u>1,116</u>	<u>23,649</u>
Other income	<u><b>843,454</b></u>	<u><b>899,243</b></u>

Government grants (COVID-19) represents grants received from the Government comprising of JobKeeper support payments. During the Coronavirus (COVID-19) pandemic, the group has received JobKeeper support payments from the Australian Government which are passed on to eligible employees. These have been recognised as government grants in the financial statements and recorded as other income over the periods in which the related employee benefits are recognised as an expense. The group is eligible for JobKeeper support from the government on the condition that employee benefits continue to be paid.



**Pureprofile Ltd**  
**Notes to the financial statements**  
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## Note 7. Expenses

	2021 \$	Consolidated 2020 \$
Profit/(loss) before income tax from continuing operations includes the following specific expenses:		
<i>Depreciation</i>		
Right-of-use assets	711,103	906,059
Office and computer equipment	86,382	114,118
Total depreciation	797,485	1,020,177
<i>Amortisation</i>		
Software	2,572,181	2,951,985
Membership base	378,176	378,176
Total amortisation	2,950,357	3,330,161
Total depreciation and amortisation	3,747,842	4,350,338
<i>Impairment</i>		
Goodwill	-	2,107,127
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings	2,504,246	3,872,021
Interest and finance charges paid/payable on lease liabilities	204,227	258,152
Finance costs expensed	2,708,473	4,130,173
<i>Leases</i>		
Short-term lease payments	-	254,197
COVID-19 related rent concessions	(22,916)	(34,824)
Low-value assets lease payments	3,970	4,717
	(18,946)	224,090
<i>Superannuation expense</i>		
Defined contribution superannuation expense	680,932	645,736
<i>Employee benefits expense excluding superannuation</i>		
Employee benefits expense excluding superannuation	9,658,712	8,349,623

**Pureprofile Ltd**  
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#### Note 8. Income tax expense

	Consolidated 2021 \$	2020 \$
<i>Income tax expense</i>		
Current tax	66,929	99,035
Adjustment recognised for prior periods	(23,832)	(80,962)
Aggregate income tax expense	43,097	18,073
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Profit/(loss) before income tax expense from continuing operations	2,854,253	(9,640,408)
Loss before income tax expense from discontinued operations	-	(171,000)
	2,854,253	(9,811,408)
Tax at the statutory tax rate of 30%	856,276	(2,943,422)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Entertainment expenses	12,682	11,615
Share-based payments	342,482	-
Capital gain from loan forgiveness	(3,959,962)	-
Thin capitalisation - deduction denial amount	591,038	834,007
Intercompany loan write-off disallowed	1,434,928	-
Disposal of intangible assets	77,672	-
Sundry items	2,347	632,759
	(642,537)	(1,465,041)
Adjustment recognised for prior periods	(23,832)	(80,962)
Current year tax losses not recognised	450,232	1,272,366
Prior year tax losses not recognised now recouped	(12,211)	-
Current year temporary differences not recognised	283,295	303,018
Difference in overseas tax rates	(11,850)	(11,308)
Income tax expense	43,097	18,073
	Consolidated 2021 \$	2020 \$
<i>Tax losses not recognised</i>		
Potential unused tax benefit for which no deferred tax asset has been recognised	4,820,760	5,469,681

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

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**Note 9. Current assets - cash and cash equivalents**

	Consolidated	
	2021	2020
	\$	\$
Cash at bank	3,612,716	1,758,741
Cash on deposit*	8,959	9,660
	<u>3,621,675</u>	<u>1,768,401</u>

\* Cash on deposit of \$8,959 (2020: \$9,660) is a restricted cash balance which is held and maintained as security over the group's leased properties.

**Note 10. Current assets - trade and other receivables**

	Consolidated	
	2021	2020
	\$	\$
Trade receivables	5,700,476	3,765,943
Less: Allowance for expected credit losses	(64,646)	(94,422)
	<u>5,635,830</u>	<u>3,671,521</u>
Other receivables	64,998	46,174
	<u>5,700,828</u>	<u>3,717,695</u>

*Allowance for expected credit losses*

The group has recognised a loss of \$31,576 (2020: \$57,355) in profit or loss in respect of impairment of receivables for the year ended 30 June 2021.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

Consolidated	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2021	2020	2021	2020	2021	2020
	%	%	\$	\$	\$	\$
Not overdue	-	0.0331%	4,774,602	2,720,076	-	900
0 to 3 months overdue	0.0081%	0.0323%	847,180	923,775	69	298
3 to 6 months overdue	35.3873%	23.3055%	68,994	40,678	24,415	9,480
Over 6 months overdue	53.7664%	65.6366%	74,698	127,588	40,162	83,744
			<u>5,765,474</u>	<u>3,812,117</u>	<u>64,646</u>	<u>94,422</u>

The group has increased its monitoring of debt recovery as there is an increased probability of customers delaying payment or being unable to pay, due to the Coronavirus (COVID-19) pandemic. As a result, the calculation of expected credit losses has been revised as at 30 June 2021 and rates have increased in each category up to 6 months overdue.

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**Note 10. Current assets - trade and other receivables (continued)**

Movements in the allowance for expected credit losses are as follows:

	Consolidated	
	2021	2020
	\$	\$
Opening balance	94,422	266,091
Additional provisions recognised	31,576	57,355
Receivables written off during the year as uncollectable	(61,352)	(229,024)
	<u>64,646</u>	<u>94,422</u>

**Note 11. Current assets - contract assets**

	Consolidated	
	2021	2020
	\$	\$
Contract assets	<u>689,083</u>	<u>402,593</u>

*Reconciliation*

Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

	Consolidated	
	2021	2020
	\$	\$
Opening balance	402,593	412,903
Additions	690,298	403,808
Cumulative catch-up adjustments	5,826	(1,236)
Transfer to trade receivables	(409,634)	(412,331)
Disposals/write off of assets	-	(551)
	<u>689,083</u>	<u>402,593</u>

*Allowance for expected credit losses*

The allowance for expected credit losses on contract assets for the year ended 30 June 2021 is \$nil (2020: \$nil).

**Note 12. Current assets - other**

	Consolidated	
	2021	2020
	\$	\$
Prepayments	<u>1,056,642</u>	<u>797,253</u>

**Note 13. Non-current assets - property, plant and equipment**

	Consolidated	
	2021	2020
	\$	\$
Office and computer equipment - at cost	784,294	737,841
Less: Accumulated depreciation	(636,683)	(550,301)
	<u>147,611</u>	<u>187,540</u>



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Note 13. Non-current assets - property, plant and equipment (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Office and computer equipment \$
<b>Consolidated</b>	
Balance at 1 July 2019	222,226
Additions	88,380
Disposals	(4,213)
Exchange differences	(4,735)
Depreciation expense	(114,118)
Balance at 30 June 2020	187,540
Additions	43,736
Disposals	(154)
Exchange differences	2,871
Depreciation expense	(86,382)
Balance at 30 June 2021	147,611

Note 14. Non-current assets - right-of-use assets

	Consolidated 2021 \$	2020 \$
Right-of-use assets	2,848,098	2,931,316
Less: Accumulated depreciation	(902,614)	(557,076)
	<u>1,945,484</u>	<u>2,374,240</u>

The group leases buildings under agreements of between 1 to 5 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Right-of-use assets \$
<b>Consolidated</b>	
Balance at 1 July 2019	2,937,297
Additions	432,196
Exchange differences	(89,194)
Depreciation expense	(906,059)
Balance at 30 June 2020	2,374,240
Additions	233,413
Exchange differences	48,934
Depreciation expense	(711,103)
Balance at 30 June 2021	<u>1,945,484</u>

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Note 15. Non-current assets - intangibles

	Consolidated 2021 \$	2020 \$
Goodwill - at cost	15,503,285	15,503,285
Less: Impairment	(15,503,285)	(15,503,285)
	-	-
Software - at cost	26,819,404	24,972,053
Less: Accumulated amortisation	(16,873,956)	(14,301,775)
Less: Impairment	(4,598,724)	(4,598,724)
	<u>5,346,724</u>	<u>6,071,554</u>
Customer contracts and partner network arrangement - at cost	3,622,000	3,622,000
Less: Accumulated amortisation	(1,168,990)	(1,168,990)
Less: Impairment	(2,453,010)	(2,453,010)
	-	-
Membership base - at cost	2,694,410	2,694,410
Less: Accumulated amortisation	(1,803,593)	(1,425,417)
	<u>890,817</u>	<u>1,268,993</u>
Brand names - at cost	-	94,000
	<u>6,237,541</u>	<u>7,434,547</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Goodwill \$	Software \$	Membership base \$	Brand names \$	Total \$
<b>Consolidated</b>					
Balance at 1 July 2019	2,107,127	7,273,045	1,647,169	94,000	11,121,341
Additions	-	2,375,521	-	-	2,375,521
Disposals	-	(625,027)	-	-	(625,027)
Impairment of assets	(2,107,127)	-	-	-	(2,107,127)
Amortisation expense	-	(2,951,985)	(378,176)	-	(3,330,161)
Balance at 30 June 2020	-	6,071,554	1,268,993	94,000	7,434,547
Additions	-	2,012,257	-	-	2,012,257
Disposals	-	(164,906)	-	(94,000)	(258,906)
Amortisation expense	-	(2,572,181)	(378,176)	-	(2,950,357)
Balance at 30 June 2021	<u>-</u>	<u>5,346,724</u>	<u>890,817</u>	<u>-</u>	<u>6,237,541</u>

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Note 16. Non-current assets - deferred tax

	Consolidated	
	2021	2020
	\$	\$
<i>Deferred tax asset comprises temporary differences attributable to:</i>		
Amounts recognised in profit or loss:		
Allowance for expected credit losses	8,656	8,606
Prepayments	(1,687)	(1,186)
Capitalised expenditure	(347,054)	(565,035)
Brand names	(28,200)	(28,200)
Employee benefits	159,734	206,513
Accrued expenses and other payables	(95,835)	62,940
Provision for reward redemptions	31,885	419,148
Other assets	-	(694,188)
Business related capital expenditure	298,940	152,413
Research and development expenditure	-	410,224
Unrealised foreign exchange (gain)/loss	(26,439)	28,765
Deferred tax asset	-	-
<i>Movements:</i>		
Opening balance	-	-
Credited to profit or loss (note 8)	-	-
Closing balance	-	-

The group has unused tax losses of \$4,820,760 (2020: \$5,469,681) for which no tax benefit has been recognised. Based on management's assessment, taking into consideration the group's future forecasts, deferred tax assets on tax losses have only been recognised to the extent that it is probable that there will be taxable future income from which to offset the tax losses.

Note 17. Current liabilities - trade and other payables

	Consolidated	
	2021	2020
	\$	\$
Trade payables	2,424,285	2,281,193
Accrued expenses	3,944,087	2,352,800
Other payables	803,680	1,322,457
	7,172,052	5,956,450

Note 18. Current liabilities - contract liabilities

	Consolidated	
	2021	2020
	\$	\$
Contract liabilities	733,321	377,687

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Note 18. Current liabilities - contract liabilities (continued)

*Reconciliation*

Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

	Consolidated	
	2021	2020
	\$	\$
Opening balance	377,687	331,421
Payments received in advance	1,170,984	668,431
Transfer to revenue	(816,747)	(549,855)
Disposals	(1,339)	(72,113)
Foreign exchange differences	2,736	(197)
Closing balance	733,321	377,687

*Unsatisfied performance obligations*

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was \$733,321 as at 30 June 2021 (\$377,687 as at 30 June 2020) and is expected to be recognised as revenue in future periods as follows:

	Consolidated	
	2021	2020
	\$	\$
Within 6 months	666,372	296,487
6 to 12 months	66,949	74,700
12 to 18 months	-	6,500
	733,321	377,687

Note 19. Current liabilities - borrowings

	Consolidated	
	2021	2020
	\$	\$
Loans	-	20,000,000
Interest accrued on loans	-	4,392,384
	-	24,392,384

Refer to note 22 for further information.

Note 20. Current liabilities - lease liabilities

	Consolidated	
	2021	2020
	\$	\$
Lease liability	362,007	489,534

Refer to note 28 for further information on financial instruments.



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Note 21. Current liabilities - provisions

	Consolidated	
	2021	2020
	\$	\$
Employee benefits	562,760	410,515
Reward redemption	1,890,498	1,605,065
	<u>2,453,258</u>	<u>2,015,580</u>

*Reward redemption*

This provision represents the estimated costs of rewards awarded to customers in respect of services sold. The provision is estimated based on historical reward redemption information, sales levels and any recent trends that may suggest future reward redemptions could differ from historical amounts.

Refer to note 24 for further information.

Note 22. Non-current liabilities - borrowings

	Consolidated	
	2021	2020
	\$	\$
Loans	<u>3,000,000</u>	<u>-</u>

Refer to note 28 for further information on financial instruments.

On 19 October 2020, the group and its existing lender, Lucerne, entered into a new agreement in respect of its debt facility ('new facility'). Under the terms of the new facility, \$7,300,000 of borrowings (balance as at 30 September 2020) under the previous facility were to be forgiven on the basis that funds from the group's capital raise were used to repay the remaining debt under the previous facility. Following completion of the capital raise, the group repaid \$9,896,878 of the loan and in accordance with the terms of the new facility and the underwriting letter agreement, a shortfall amount of \$5,407,292 has been converted into shares (note 25). The remaining balance of \$8,416,780, which included accrued interest, was forgiven. The performance rights that were previously issued to Lucerne under the previous facility have been cancelled.

The new facility is \$3,000,000, which is effective from 29 December 2020. Interest is fixed and payable at 8.5% per annum and is payable quarterly on the last day of the quarter. The facility expires on 29 December 2023. The new facility does not contain business performance covenants. The loan is secured over the assets of the group. As at 30 June 2021, the new facility has been fully drawn.

*Total secured liabilities*

The total secured liabilities (current and non-current) are as follows:

	Consolidated	
	2021	2020
	\$	\$
Loans	<u>-</u>	<u>20,000,000</u>

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Note 22. Non-current liabilities - borrowings (continued)

*Financing arrangements*

Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated	
	2021	2020
	\$	\$
Total facilities		
Bank loans	<u>3,000,000</u>	<u>20,000,000</u>
Used at the reporting date		
Bank loans	<u>3,000,000</u>	<u>20,000,000</u>
Unused at the reporting date		
Bank loans	<u>-</u>	<u>-</u>

Note 23. Non-current liabilities - lease liabilities

	Consolidated	
	2021	2020
	\$	\$
Lease liability	<u>1,750,327</u>	<u>2,024,027</u>

Refer to note 28 for maturity analysis of lease liabilities.

Note 24. Non-current liabilities - provisions

	Consolidated	
	2021	2020
	\$	\$
Employee benefits	39,195	64,015
Lease make good	73,664	60,943
	<u>112,859</u>	<u>124,958</u>

*Lease make good*

The provision represents the present value of the estimated costs to make good the premises leased by the group at the end of the respective lease terms.

*Movements in provisions*

Movements in each class of provision (current and non-current) during the current financial year, other than employee benefits, are set out below:

	Reward redemption	Lease make good
	\$	\$
Carrying amount at the start of the year	1,605,065	60,943
Additional provisions recognised	5,916,649	11,000
Amounts used	(4,336,707)	-
Payments	(261,023)	-
Foreign exchange differences	(706)	1,721
Unused amounts reversed	(1,032,780)	-
Carrying amount at the end of the year	<u>1,890,498</u>	<u>73,664</u>

Consolidated - 2021

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Note 25. Equity - issued capital

	2021 Shares	Consolidated 2020 Shares	2021 \$	2020 \$
Ordinary shares - fully paid	<u>1,057,734,591</u>	<u>117,526,063</u>	<u>59,892,781</u>	<u>41,461,502</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2019	<u>117,526,063</u>		<u>41,461,502</u>
Balance	30 June 2020	117,526,063		41,461,502
Issue of shares	24 November 2020	353,600,944	\$0.020	7,072,019
Issue of shares	1 December 2020	186,500,000	\$0.020	3,730,000
Issue of shares*	8 December 2020	400,107,584	\$0.020	8,002,152
Less: share issue costs net of taxation		-	\$0.000	(372,892)
Balance	30 June 2021	<u>1,057,734,591</u>		<u>59,892,781</u>

\* Includes shares issued on conversion of Lucerne loan of \$5,407,292 (refer to note 22 for further information).

Ordinary shares

Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the company be wound up in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The group's objectives when managing capital is to safeguard its ability to continue as a going concern so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the previous period.

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Note 26. Equity - reserves

	Consolidated 2021 \$	2020 \$
Foreign currency reserve	(216,282)	(211,582)
Share-based payments reserve	<u>1,698,588</u>	<u>449,241</u>
	<u>1,482,306</u>	<u>237,659</u>

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

	Foreign currency \$	Share-based payments \$	Total \$
Balance at 1 July 2019	(178,682)	449,241	270,559
Foreign currency translation	<u>(32,900)</u>	-	<u>(32,900)</u>
Balance at 30 June 2020	(211,582)	449,241	237,659
Foreign currency translation	(4,700)	-	(4,700)
Share-based payments	-	1,141,608	1,141,608
Share options issued for underwriting services*	-	61,248	61,248
Share options issued as referral fee for underwriting services	-	37,741	37,741
Consultancy fee paid as share option	-	8,750	8,750
Balance at 30 June 2021	<u>(216,282)</u>	<u>1,698,588</u>	<u>1,482,306</u>

\* On 8 December 2020, 15,000,000 unlisted options were granted to Peloton Capital Pty Ltd as consideration for underwriting services provided to the company. The options vested on the date they were granted. Each option has an exercise price of \$0.03 and a contractual life of two years.

Note 27. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 28. Financial instruments

Financial risk management objectives

The group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the group. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk.



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**Note 28. Financial instruments (continued)**

**Market risk**

**Foreign currency risk**

The group operates internationally and is exposed to foreign currency risk from various currency exposures, primarily with respect to the US dollar and GB Pound.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The carrying amount of the group's foreign currency denominated financial assets and financial liabilities at the reporting date were not significant.

**Price risk**

The group is not exposed to any significant price risk.

**Interest rate risk**

The group's main interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the group to interest rate risk. Borrowings issued at fixed rates expose the group to fair value risk.

An analysis by remaining contractual maturities is shown in the liquidity section below.

As at the 30 June 2021 and 30 June 2020, the group's borrowings were subject to a fixed interest rate, hence the group was not susceptible to interest rate risk arising from fluctuation in the variable interest rate.

**Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The group does not have any material credit risk exposure to any single debtor or group of debtors and does not hold any collateral.

The group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the group based on recent sales experience, historical collection rates and forward-looking information that is available. As disclosed in note 10, due to the Coronavirus (COVID-19) pandemic, the calculation of expected credit losses has been revised as at 30 June 2021 and rates have increased in each category up to 6 months overdue.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

**Liquidity risk**

Vigilant liquidity risk management requires the group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

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**Note 28. Financial instruments (continued)**

**Remaining contractual maturities**

The following tables detail the group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
<b>Consolidated - 2021</b>						
<b>Non-derivatives</b>						
<b>Non-interest bearing</b>						
Trade payables	-	2,424,285	-	-	-	2,424,285
Other payables	-	803,680	-	-	-	803,680
Reward redemption provision	-	1,890,498	-	-	-	1,890,498
<b>Interest-bearing - fixed rate</b>						
Loans	8.50%	-	-	3,000,000	-	3,000,000
Lease liability	8.59%	362,007	85,794	1,162,972	501,560	2,112,333
Total non-derivatives		5,480,470	85,794	4,162,972	501,560	10,230,796

	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
<b>Consolidated - 2020</b>						
<b>Non-derivatives</b>						
<b>Non-interest bearing</b>						
Trade payables	-	2,281,193	-	-	-	2,281,193
Other payables	-	1,322,457	-	-	-	1,322,457
Reward redemption provision	-	1,605,065	-	-	-	1,605,065
<b>Interest-bearing - fixed rate</b>						
Loans	20.00%	24,392,384	-	-	-	24,392,384
Lease liability	8.59%	489,534	319,959	787,525	916,545	2,513,563
Total non-derivatives		30,090,633	319,959	787,525	916,545	32,114,662

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

**Note 29. Fair value measurement**

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

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**Note 30. Key management personnel disclosures**

*Compensation*

The aggregate compensation made to directors and other members of key management personnel of the group is set out below:

	Consolidated 2021 \$	2020 \$
Short-term employee benefits	757,294	653,009
Post-employment benefits	58,636	52,601
Share-based payments	922,017	-
	<u>1,737,947</u>	<u>705,610</u>

**Note 31. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by Grant Thornton Australia, the auditor of the company, and unrelated firms:

	Consolidated 2021 \$	2020 \$
<i>Audit services - Grant Thornton Australia</i>		
Audit or review of the financial statements	158,750	162,000
<i>Other services - Grant Thornton Australia</i>		
Taxation services	91,150	37,412
	<u>249,900</u>	<u>199,412</u>
<i>Audit services - other firms</i>		
Audit or review of the financial statements	31,500	37,892
<i>Other services - other firms</i>		
Taxation services	46,414	42,146
Assistance in financial due diligence	36,300	37,500
	<u>82,714</u>	<u>79,646</u>
	<u>114,214</u>	<u>117,538</u>

**Note 32. Contingent liabilities**

The group had no contingent liabilities as at 30 June 2021 (2020: none).

**Note 33. Related party transactions**

*Parent entity*

Pureprofile Ltd is the parent entity.

*Subsidiaries*

Interests in subsidiaries are set out in note 35.

*Key management personnel*

Disclosures relating to key management personnel are set out in note 30.

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**Note 33. Related party transactions (continued)**

*Transactions with related parties*

The following transactions occurred with related parties:

	Consolidated 2021 \$	2020 \$
Payment for goods and services:		
Payment for expenses reimbursed to key management personnel	7,934	2,612

*Receivable from and payable to related parties*

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

*Loans to/from related parties*

There were no loans to or from related parties at the current and previous reporting date.

*Terms and conditions*

All transactions were made on normal commercial terms and conditions and at market rates.

**Note 34. Parent entity information**

Set out below is the supplementary information about the parent entity.

*Statement of profit or loss and other comprehensive income*

	Parent 2021 \$	2020 \$
Loss after income tax	(3,632,643)	(79,331)
Total comprehensive loss	<u>(3,632,643)</u>	<u>(79,331)</u>

*Statement of financial position*

	Parent 2021 \$	2020 \$
Total current assets	609,839	399,839
Total assets	11,175,375	12,321,126
Total current liabilities	1,084,445	1,275,924
Total liabilities	<u>4,084,445</u>	<u>21,275,924</u>
Equity		
Issued capital	59,931,480	41,462,460
Foreign currency reserve	(2,435)	(180)
Share-based payments reserve	1,660,847	449,241
Accumulated losses	<u>(54,498,962)</u>	<u>(50,866,319)</u>
Total equity/(deficiency)	<u>7,090,930</u>	<u>(8,954,798)</u>

*Guarantees entered into by the parent entity in relation to the debts of its subsidiaries*

The parent entity is a party to a deed of cross guarantee (refer note 36), under which it guarantees the debts of certain of its subsidiaries as at 30 June 2021 and 30 June 2020.



**Pureprofile Ltd**  
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**Note 34. Parent entity information (continued)**

*Contingent liabilities*

The parent entity had no contingent liabilities as at 30 June 2021 and 30 June 2020.

*Capital commitments - Property, plant and equipment*

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2021 and 30 June 2020.

*Significant accounting policies*

The accounting policies of the parent entity are consistent with those of the group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

**Note 35. Interests in subsidiaries**

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2021 %	2020 %
Pureprofile.com, Inc.	USA	100.00%	100.00%
Pureprofile Australia Pty Limited	Australia	100.00%	100.00%
Pureprofile Global Pty Ltd	Australia	100.00%	100.00%
Pureprofile Media PLC**	United Kingdom	100.00%	100.00%
Pureprofile UK Ltd	United Kingdom	100.00%	100.00%
Pureprofile US Inc.	USA	100.00%	100.00%
Pure Network Pty Ltd*	Australia	-	100.00%
Real Research Global Pty Ltd*	Australia	-	100.00%
Real Research Pty Ltd*	Australia	-	100.00%
Sparc Media Pty Ltd	Australia	100.00%	100.00%
Funbox India Private Limited	India	100.00%	100.00%
Sparc Media sp. Z o.o.	Poland	100.00%	100.00%
Pureprofile NZ Ltd	New Zealand	100.00%	100.00%

\* Deregistered on 22 July 2020.

\*\* Deregistered on 22 June 2021.

**Note 36. Deed of cross guarantee**

The following entities are party to a deed of cross guarantee under which each company guarantees the debts of the others:

Pureprofile Australia Pty Limited  
 Pureprofile Global Pty Ltd  
 Pure Network Pty Ltd\*  
 Real Research Global Pty Ltd\*  
 Real Research Pty Ltd\*  
 Sparc Media Pty Ltd

\* Deregistered on 22 July 2020.

By entering into the deed, the wholly-owned entities have been relieved from the requirement to prepare financial statements and directors' report under Corporations Instrument 2016/785 issued by the Australian Securities and Investments Commission.

The above companies represent a 'Closed Group' for the purposes of the Corporations Instrument, and as there are no other parties to the deed of cross guarantee that are controlled by Pureprofile Ltd, they also represent the 'Extended Closed Group'.

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**Note 36. Deed of cross guarantee (continued)**

Set out below is a consolidated statement of profit or loss and other comprehensive income and statement of financial position of the 'Closed Group'.

	2021 \$	2020 \$
<b>Statement of profit or loss and other comprehensive income</b>		
Revenue	27,679,051	21,410,640
Other income	492,061	418,641
Interest revenue calculated using the effective interest method	107	41
Gain on loan forgiveness	8,416,780	-
Gain from intercompany loan forgiveness	4,783,094	-
Direct costs of revenue	(12,133,953)	(9,039,325)
Employee benefits expense	(8,211,958)	(6,712,830)
Depreciation and amortisation expense	(3,410,125)	(3,612,888)
Impairment of assets	-	(2,107,127)
Loss on disposal of intangible assets	(258,906)	(625,027)
Technology, engineering and licence fees	(2,154,683)	(2,048,392)
Share-based payment expense	(1,107,969)	-
Restructuring, acquisition and capital raising costs	(848,202)	-
Occupancy costs	(20,575)	(9,279)
Other expenses	(2,758,814)	(2,455,650)
Finance costs	(2,502,699)	(4,053,322)
<b>Profit/(loss) before income tax expense</b>	<b>7,963,209</b>	<b>(8,834,518)</b>
Income tax expense	-	-
<b>Profit/(loss) after income tax expense</b>	<b>7,963,209</b>	<b>(8,834,518)</b>
Other comprehensive income for the year, net of tax	-	-
<b>Total comprehensive profit/(loss) for the year</b>	<b>7,963,209</b>	<b>(8,834,518)</b>
<b>Equity - accumulated losses</b>	<b>2021 \$</b>	<b>2020 \$</b>
Accumulated losses at the beginning of the financial year	(62,617,478)	(53,782,960)
Profit/(loss) after income tax expense	7,963,209	(8,834,518)
Accumulated losses at the end of the financial year	(54,654,269)	(62,617,478)

Pureprofile Ltd  
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Note 36. Deed of cross guarantee (continued)

	2021 \$	2020 \$
<b>Statement of financial position</b>		
<b>Current assets</b>		
Cash and cash equivalents	1,864,832	1,083,923
Trade and other receivables	5,724,903	3,226,853
Contract assets	383,892	398,025
Other	1,000,120	867,761
	<u>8,973,747</u>	<u>5,576,562</u>
<b>Non-current assets</b>		
Property, plant and equipment	45,962	43,573
Right-of-use assets	223,396	420,296
Intangibles	6,237,541	6,165,555
Deferred tax	-	1,311,230
Investment in subsidiary	765,465	765,465
Related party receivable	6,504,656	-
	<u>13,777,020</u>	<u>8,706,119</u>
<b>Total assets</b>	<u>22,750,767</u>	<u>14,282,681</u>
<b>Current liabilities</b>		
Trade and other payables	6,327,120	4,886,037
Contract liabilities	564,911	280,764
Borrowings	-	24,392,385
Lease liabilities	201,125	354,655
Income tax	-	1,275,924
Provisions	2,210,928	1,813,028
Related party payables	3,386,077	1,937,603
	<u>12,690,161</u>	<u>34,940,396</u>
<b>Non-current liabilities</b>		
Borrowings	3,000,000	-
Lease liabilities	13,482	73,410
Provisions	50,195	64,015
	<u>3,063,677</u>	<u>137,425</u>
<b>Total liabilities</b>	<u>15,753,838</u>	<u>35,077,821</u>
<b>Net assets/(liabilities)</b>	<u>6,996,929</u>	<u>(20,795,140)</u>
<b>Equity</b>		
Issued capital	59,931,481	41,462,461
Reserves	1,719,717	359,877
Accumulated losses	(54,654,269)	(62,617,478)
<b>Total equity/(deficiency)</b>	<u>6,996,929</u>	<u>(20,795,140)</u>
<b>Note 37. Earnings per share</b>		
	<b>Consolidated 2021 \$</b>	<b>2020 \$</b>
<i>Profit/(loss) per share for profit/(loss) from continuing operations</i>		
Profit/(loss) after income tax attributable to the owners of Pureprofile Ltd	<u>2,811,156</u>	<u>(9,658,481)</u>

Pureprofile Ltd  
Notes to the financial statements  
30 June 2021

Note 37. Earnings per share (continued)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	660,151,961	117,526,063
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	1,672,283	-
Rights over ordinary shares	12,990,935	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>674,815,179</u>	<u>117,526,063</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	0.43	(8.22)
Diluted earnings per share	0.42	(8.22)
	<b>Consolidated 2021 \$</b>	<b>2020 \$</b>
<i>Loss per share for loss from discontinued operations</i>		
Loss after income tax attributable to the owners of Pureprofile Ltd	<u>-</u>	<u>(171,000)</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	660,151,961	117,526,063
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	1,672,283	-
Rights over ordinary shares	12,990,935	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>674,815,179</u>	<u>117,526,063</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	-	(0.15)
Diluted earnings per share	-	(0.15)
	<b>Consolidated 2021 \$</b>	<b>2020 \$</b>
<i>Profit/(loss) per share for profit/(loss)</i>		
Profit/(loss) after income tax attributable to the owners of Pureprofile Ltd	<u>2,811,156</u>	<u>(9,829,481)</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	660,151,961	117,526,063
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	1,672,283	-
Rights over ordinary shares	12,990,935	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>674,815,179</u>	<u>117,526,063</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	0.43	(8.36)
Diluted earnings per share	0.42	(8.36)



**Pureprofile Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 38. Share-based payments**

*Share options granted during the year ended 30 June 2021*

On 19 October 2020, 15,000,000 unlisted options were granted to Peloton Capital Pty Ltd as consideration for underwriting services provided to the company. The options vest on the date they were granted. Each option has an exercise price of \$0.03 and a contractual life of two years.

On 29 January 2021, 4,930,156 unlisted options were granted to A. Edwards, the chairman of the company. The options vest on 30 June 2021 and the contractual life of each option is five years.

On 29 January 2021, 2,000,000 unlisted options were granted to S. Klose, a director of the company. The options vest on 30 June 2021 and the contractual life of each option is five years.

On 29 January 2021, 32,867,707 unlisted options were granted to M. Filz, the chief executive officer of the company. The options vest in three tranches: 10,955,902 options will vest on the date following the announcement of annual audited results for financial year ('FY') 2021 (1 September 2021), 10,955,902 options will vest on the date following the announcement of annual audited result for FY2022 (1 September 2022) and 10,955,903 options will vest on the date following the announcement of annual audited result for FY2023 (1 September 2023). The contractual life of each option is five years.

On 1 April 2021, 12,626,719 unlisted options were granted to M. Sheppard, a key management personnel of the company. The options vest in three tranches: 4,208,906 options will vest on the date following the announcement of annual audited results for FY2021 (1 September 2021), 4,208,906 options will vest on the date following the announcement of annual audited result for FY2022 (1 September 2022) and 4,208,907 options will vest on the date following the announcement of annual audited result for FY2023 (1 September 2023). The contractual life of each option is five years.

On 1 April 2021, 34,023,703 unlisted options were granted to executive team members. The options vest in three tranches: 11,341,234 options will vest on the date following the announcement of annual audited results for FY2021 (1 September 2021), 11,341,234 options will vest on the date following the announcement of annual audited result for FY2022 (1 September 2022) and 11,341,235 options will vest on the date following the announcement of annual audited result for FY2023 (1 September 2023). The contractual life of each option is five years.

On 24 May 2021, 4,000,000 unlisted options were granted to eXtreme Visions as consideration for introducing Peloton Capital Pty Ltd as partial underwriter to the company. The options vest on the date they were granted. Each option has an exercise price of \$0.03 and a contractual life of 1.5 years.

*Share rights granted during the year ended 30 June 2021*

On 29 January 2021, 14,000,000 share rights were granted to A. Edwards, the chairman of the company. The share rights are exercisable at nil value. The share rights vest on 30 June 2021. The contractual life of each share right is five years.

On 29 January 2021, 1,750,000 share rights were granted to S. Klose, a director of the company. The share rights are exercisable at nil value. The share rights vest on 30 June 2021. The contractual life of each share right is five years.

On 1 April 2021, 2,453,740 share rights were granted to employees. The share rights are exercisable at nil value. The share rights vest on 1 April 2022. The contractual life of each share right is five years.

On 1 April 2021, 703,942 share rights were granted to Albert Hitchcock, a board associate. The share rights are exercisable at nil value. The share rights vest in two tranches: 351,971 rights vest on 30 June 2021 and 351,971 will vest on 30 September 2021. The contractual life of each share right is five years.

*Performance rights granted during the year ended 30 June 2021*

On 29 January 2021, 9,875,000 performance rights were granted to M. Filz, the chief executive officer of the company. The performance rights are exercisable at nil value. The performance rights vest in three tranches: 4,937,500 rights will vest on the 6 month anniversary of the grant date (29 July 2021), 2,468,750 rights will vest on the 12 month anniversary of the grant date (29 January 2022) and 2,468,750 rights will vest on the 24 month anniversary of the grant date (29 January 2023). The contractual life of each performance right is five years.

**Pureprofile Ltd**  
**Notes to the financial statements**  
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**Note 38. Share-based payments (continued)**

On 1 April 2021, 6,250,000 performance rights were granted to M. Sheppard, a key management personnel of the company. The performance rights are exercisable at nil value. The performance rights vest in three tranches: 3,125,000 rights will vest on the 6 month anniversary of the grant date (1 October 2021), 1,562,500 rights will vest on the 12 month anniversary of the grant date (1 April 2022) and 1,562,500 will vest on the 24 month anniversary of the grant date (1 April 2023). The contractual life of each performance right is five years.

*Share options and service rights granted prior to 30 June 2020*

A long term incentive plan ('LTI') and short term incentive plan ('STI') had been established by the group, whereby the group, at the discretion of the Board, granted options or performance rights (in the case of an LTI) or service rights (in the case of an STI) over ordinary shares in the company to certain key management personnel and employees of the group. The options were issued for consideration and were granted in accordance with guidelines established by the Board. The service rights were issued for nil consideration and are granted in accordance with performance guidelines established by the Board. All share options and service rights granted prior to 30 June 2020 expired during the year ended 30 June 2020.

*Performance rights granted prior to 30 June 2020*

On 12 December 2017, the company issued 2,100,000 performance rights to its finance facility provider, as part consideration for the financing facility obtained in November 2017. 950,000 performance rights, which will convert to fully paid-up ordinary shares upon the 60-day volume weighted average price ('VWAP') of Pureprofile shares reaching \$0.40 per share; and 1,150,000 performance rights, which will convert to fully paid-up ordinary shares upon the 60-day VWAP of Pureprofile shares reaching \$0.60 per share. These performance rights expired in November 2019.

Share-based payments expense for the financial year was \$1,141,608 (2020: \$nil).

*Share options*

Set out below are summaries of options granted by the company:

2021							
Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
19/10/2020	08/12/2022	\$0.030	-	15,000,000	-	-	15,000,000
29/01/2021	01/04/2026	\$0.020	-	4,930,156	-	-	4,930,156
29/01/2021	01/04/2026	\$0.020	-	2,000,000	-	-	2,000,000
29/01/2021	01/04/2026	\$0.020	-	32,867,707	-	-	32,867,707
01/04/2021	01/04/2026	\$0.020	-	12,626,719	-	-	12,626,719
01/04/2021	01/04/2026	\$0.020	-	34,023,703	-	-	34,023,703
24/05/2021	08/12/2022	\$0.030	-	4,000,000	-	-	4,000,000
			-	105,448,285	-	-	105,448,285
Weighted average exercise price			\$0.000	\$0.020	\$0.000	\$0.000	\$0.020
2020							
Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
29/05/2015	29/05/2020	\$0.500	2,009,000	-	-	(2,009,000)	-
29/05/2015	29/05/2020	\$0.600	1,200,000	-	-	(1,200,000)	-
			3,209,000	-	-	(3,209,000)	-
Weighted average exercise price			\$0.540	\$0.000	\$0.000	\$0.540	\$0.000

**Pureprofile Ltd**  
**Notes to the financial statements**  
**30 June 2021**

**Note 38. Share-based payments (continued)**

Set out below are the options that have vested and are exercisable at the end of the financial year:

Grant date	Expiry date	2021 Number	2020 Number
19/10/2020	08/12/2022	15,000,000	-
29/01/2021	01/04/2026	4,930,156	-
29/01/2021	01/04/2026	2,000,000	-
24/05/2021	08/12/2022	4,000,000	-
		<u>25,930,156</u>	<u>-</u>

The weighted average share price during the financial year was \$0.02 (2020: \$0.01).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 4.2 years (2020: nil).

*Share rights*

Set out below are summaries of share rights granted by the company:

2021

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
29/01/2021	01/04/2026	\$0.000	-	14,000,000	-	-	14,000,000
29/01/2021	01/04/2026	\$0.000	-	1,750,000	-	-	1,750,000
01/04/2021	01/04/2026	\$0.000	-	2,453,740	-	-	2,453,740
01/04/2021	01/04/2026	\$0.000	-	703,942	-	-	703,942
			<u>-</u>	<u>18,907,682</u>	<u>-</u>	<u>-</u>	<u>18,907,682</u>

Set out below are the share rights exercisable at the end of the financial year:

Grant date	Expiry date	2021 Number	2020 Number
29/01/2021	01/04/2026	14,000,000	-
29/01/2021	01/04/2026	1,750,000	-
01/04/2021	01/04/2026	351,971	-
		<u>16,101,971</u>	<u>-</u>

The weighted average remaining contractual life of share rights outstanding at the end of the financial year was 4.8 years.

*Performance rights*

Set out below are summaries of performance rights granted under the plan:

2021

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
29/01/2021	01/04/2026	\$0.000	-	9,875,000	-	-	9,875,000
01/04/2021	01/04/2026	\$0.000	-	6,250,000	-	-	6,250,000
			<u>-</u>	<u>16,125,000</u>	<u>-</u>	<u>-</u>	<u>16,125,000</u>

**Pureprofile Ltd**  
**Notes to the financial statements**  
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**Note 38. Share-based payments (continued)**

2020

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
12/12/2017	02/11/2019	\$0.000	2,100,000	-	-	(2,100,000)	-
			<u>2,100,000</u>	<u>-</u>	<u>-</u>	<u>(2,100,000)</u>	<u>-</u>

The weighted average remaining contractual life of performance rights outstanding at the end of the financial year was 4.8 years (2020: nil).

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
19/10/2020	08/12/2022	\$0.020	\$0.030	60.00%	-	0.14%	\$0.0041
29/01/2021	01/04/2026	\$0.024	\$0.020	75.00%	-	0.14%	\$0.0153
29/01/2021	01/04/2026	\$0.024	\$0.020	75.00%	-	0.14%	\$0.0153
29/01/2021	01/04/2026	\$0.024	\$0.020	75.00%	-	0.14%	\$0.0153
01/04/2021	01/04/2026	\$0.025	\$0.020	75.00%	-	0.14%	\$0.0160
01/04/2021	01/04/2026	\$0.025	\$0.020	75.00%	-	0.14%	\$0.0160
24/05/2021	08/12/2022	\$0.029	\$0.030	70.00%	-	0.14%	\$0.0094

For the share rights granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Fair value at grant date
29/01/2021	01/04/2026	\$0.024	\$0.000	\$0.0240
29/01/2021	01/04/2026	\$0.024	\$0.000	\$0.0240
01/04/2021	01/04/2026	\$0.025	\$0.000	\$0.0250
01/04/2021	01/04/2026	\$0.025	\$0.000	\$0.0250

For the performance rights granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Fair value at grant date
29/01/2021	01/04/2026	\$0.024	\$0.000	\$0.0240
01/04/2021	01/04/2026	\$0.025	\$0.000	\$0.0250



Pureprofile Ltd  
Notes to the financial statements  
30 June 2021

Note 39. Cash flow information

Reconciliation of profit/(loss) after income tax to net cash from operating activities

	Consolidated 2021 \$	2020 \$
Profit/(loss) after income tax expense for the year	2,811,156	(9,829,481)
Adjustments for:		
Depreciation and amortisation	3,747,842	4,350,338
Impairment of intangibles	-	2,107,127
Share-based payments	1,141,608	-
Consultancy fee paid in share option	8,750	-
Net loss on disposal of non-current assets	250,065	629,240
Foreign currency differences	-	2,482
Gain from loan forgiveness	(8,416,780)	-
Restructuring, acquisition and capital raising costs	794,142	-
Capitalised finance cost	2,328,565	3,616,369
Interest on lease liabilities	204,227	258,152
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(1,983,133)	2,613,240
Decrease/(increase) in contract assets	(286,490)	9,744
Increase in prepayments	(259,389)	(108,986)
Increase/(decrease) in trade and other payables	1,215,604	(2,524,995)
Increase in contract liabilities	355,634	47,148
Increase/(decrease) in provision for income tax	26,309	(54,471)
Decrease in employee benefits	(24,820)	(59,622)
Increase in other provisions	437,677	366,084
Net cash from operating activities	<u>2,350,967</u>	<u>1,422,369</u>

Non-cash investing and financing activities

	Consolidated 2021 \$	2020 \$
Additions to the right-of-use assets	233,413	432,196
Shares issued on conversion of loan	<u>5,407,292</u>	<u>-</u>
	<u>5,640,705</u>	<u>432,196</u>

Pureprofile Ltd  
Notes to the financial statements  
30 June 2021

Note 39. Cash flow information (continued)

Changes in liabilities arising from financing activities

Consolidated	Loans \$	Trade receivables financing facility \$	Lease liabilities \$	Total \$
Balance at 1 July 2019	14,400,000	2,069,339	-	16,469,339
Change in accounting policy	-	-	3,242,181	3,242,181
Net cash from/(used in) financing activities	5,600,000	(2,069,339)	(126,371)	3,404,290
Other changes	-	-	(602,249)	(602,249)
Balance at 30 June 2020	20,000,000	-	2,513,561	22,513,561
Net cash from/(used in) financing activities	(9,896,878)	-	(863,588)	(10,760,466)
Loans received	3,000,000	-	-	3,000,000
Acquisition of leases	-	-	233,413	233,413
Loan forgiveness	(8,416,780)	-	-	(8,416,780)
Other changes	(1,686,342)	-	228,948	(1,457,394)
Balance at 30 June 2021	<u>3,000,000</u>	<u>-</u>	<u>2,112,334</u>	<u>5,112,334</u>

Note 40. Events after the reporting period

The consequences of the Coronavirus (COVID-19) pandemic are continuing to be felt around the world, and its impact on the group, if any, has been reflected in its published results to date. It is not possible at this time to state that the pandemic will not subsequently impact the group's operations going forward. The group now has experience in the swift implementation of business continuation processes should future lockdowns of the population occur, and these processes continue to evolve to minimise any operational disruption. Management continues to monitor the situation both locally and internationally.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the group's operations, the results of those operations, or the group's state of affairs in future financial years.

**Pureprofile Ltd**  
**Directors' declaration**  
**30 June 2021**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the group's financial position as at 30 June 2021 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 36 to the financial statements.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Andrew Edwards  
Non-Executive Chairman

26 August 2021  
Sydney



**70%**

of Brits think children  
should be taught  
about the hazards of  
gambling in school

SECTION ELEVEN

# Auditor's Report





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Sydney NSW 2000

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## Independent Auditor’s Report

To the Members of Pureprofile Limited

Report on the audit of the financial report

### Opinion

We have audited the financial report of Pureprofile Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors’ declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the Group’s financial position as at 30 June 2021 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key audit matter	How our audit addressed the key audit matter
<b>Capitalisation of development costs, Note 2 and Note 15</b>	
During the year ended 30 June 2021, the Group capitalised \$2,012,257 of costs related to the development of its software assets. These intangible assets are being amortised over a 4 to 5 year period.	Our procedures included, amongst others: <ul style="list-style-type: none"><li>Assessing the Group’s accounting policy in respect of product development costs for compliance with AASB 138;</li><li>Assessing the reasonableness of management’s judgments and estimates made in capitalising development costs;</li><li>Testing the eligibility of development projects and costs capitalised, on a sample basis, with reference to the nature of the project and underlying supporting documentation including employment contracts, payroll reports, and invoices from external suppliers;</li><li>Assessing the reasonableness of the useful lives attributed to capitalised development costs and whether amortisation expense was recorded based upon the assigned useful lives; and</li><li>Assessing the adequacy of the disclosures relating to intangible assets in the financial statements.</li></ul>
AASB 138 <i>Intangible Assets</i> sets out the specific requirements to be met in order to capitalise development costs.	
We considered this to be a key audit matter given the magnitude of amounts capitalised and the significant judgements involved in determining which costs may be capitalised and in determining the assets’ useful lives.	

### Information other than the financial report and auditor’s report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report for the year ended 30 June 2021, but does not include the financial report and our auditor’s report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

### Auditor’s responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [https://www.auasb.gov.au/auditors\\_responsibilites/ar1\\_2020.pdf](https://www.auasb.gov.au/auditors_responsibilites/ar1_2020.pdf). This description forms part of our auditor’s report.





Report on the remuneration report

**Opinion on the remuneration report**

We have audited the Remuneration Report included in pages 59 to 67 of the Directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Pureprofile Limited, for the year ended 30 June 2021 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

*Grant Thornton*

Grant Thornton Audit Pty Ltd  
Chartered Accountants

S M Coulton  
Partner – Audit & Assurance  
Sydney, 26 August 2021

Pureprofile Ltd  
Corporate directory  
30 June 2021

Directors	Andrew Edwards Martin Filz Sue Klose
Company secretary	Lee Tamplin
Notice of annual general meeting	To be announced
Registered office	Level 5, 126 Phillip Street Sydney NSW 2000
Principal place of business	263 Riley Street Surry Hills NSW 2010
Share register	Automic Level 5, 126 Phillip Street Sydney NSW 2000 Tel: +61 2 9698 5414
Auditor	Grant Thornton Level 17, 383 Kent Street Sydney NSW 2000 Tel: +61 2 8297 2400
Stock exchange listing	Pureprofile Ltd. shares are listed on the Australian Securities Exchange (ASX code: PPL)
Website	pureprofile.investorportal.com.au
Business objectives	Pureprofile Ltd. has used cash and cash equivalents held at the time of listing, in a way consistent with its stated business objectives.
Corporate Governance Statement	The directors and management are committed to conducting the business of Pureprofile Limited in an ethical manner and in accordance with the highest standards of corporate governance. Pureprofile Limited has adopted and has substantially complied with the ASX Corporate Governance Principles and Recommendations (Fourth Edition) ('Recommendations') to the extent appropriate to the size and nature of its operations. The group's Corporate Governance Statement, which sets out the corporate governance practices that were in operation during the financial year and identifies and explains any Recommendations that have not been followed, and ASX Appendix 4G are released to the ASX on the same day the Annual Report is released. The Corporate Governance Statement can be found on the company's website at pureprofile.investorportal.com.au

**Pureprofile Ltd**  
**Shareholder information**  
**30 June 2021**

The shareholder information set out below was applicable as at 30 July 2021.

**Distribution of equitable securities**

Analysis of number of equitable security holders by size of holding:

	Ordinary shares		Options over ordinary shares		Rights over ordinary shares	
	Number of holders	% of total shares issued	Number of holders	% of total shares issued	Number of holders	% of total shares issued
1 to 1,000	33	-	-	-	-	-
1,001 to 5,000	129	0.04	-	-	-	-
5,001 to 10,000	58	0.04	-	-	-	-
10,001 to 100,000	556	2.46	-	-	61	7.15
100,001 and over	568	97.46	23	100.00	4	92.85
	<u>1,344</u>	<u>100.00</u>	<u>23</u>	<u>100.00</u>	<u>65</u>	<u>100.00</u>
Holding less than a marketable parcel	<u>263</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Equity security holders**

*Twenty largest quoted equity security holders*

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
Citicorp Nominees Pty Limited	162,615,979	15.37
J P Morgan Nominees Australia Pty Limited	129,149,835	12.21
Appwam Pty Ltd	50,000,000	4.73
CS Third Nominees Pty Limited (HSBC Cust Nom AU Ltd 13 A/C)	32,150,336	3.04
Mr Christopher Wayne Lonergan	30,400,000	2.87
Onmell Pty Ltd (ONM BPSF A/C)	21,705,795	2.05
BNP Paribas Nominees Pty Ltd (IB AU Noms Retailclient DRP)	17,253,808	1.63
Conrad Capital Group Pty Ltd	16,778,826	1.59
Depofo Pty Ltd (Ordinary A/C)	16,500,000	1.56
DMX Capital Partners Limited	15,400,000	1.46
Lonergan Foundation Pty Ltd (Lonergan Foundation A/C)	15,000,000	1.42
Vadina Pty Limited (Jordan Super Fund A/C)	15,000,000	1.42
Sanit Chapelle Pty Ltd (Hannon Fmaily A/C)	13,478,821	1.27
BFB Holdings Pty Ltd (BFB Investment A/C)	12,500,000	1.18
Mr Anand Singaram	10,500,000	0.99
Bilson Nominees (WA) Pty Ltd	9,128,821	0.86
Andrew Edwards	8,862,219	0.84
Mr Paul Augustine Chan (The Chan Family A/C)	7,500,000	0.71
BKLEB Pty Ltd (The BK LEBSANFT SF A/C)	7,000,000	0.66
Mr Calcidon Camilleri	6,500,000	0.61
	<u>597,424,440</u>	<u>56.47</u>

**Pureprofile Ltd**  
**Shareholder information**  
**30 June 2021**

**Substantial holders**

Substantial holders in the company are set out below:

	Number held	Ordinary shares % of total shares issued
Principis Master Fund SPC for the account and on behalf of Lucerne Composite Master Fund SP	174,148,230	16.46
Jencay Capital Pty Limited	88,823,601	8.40

**Voting rights**

The voting rights attached to each class of equity securities are set out below:

*Ordinary shares*

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

*Unlisted Options and Rights*

These classes do not have voting rights.

**Classes of unquoted equity securities**

	Number of Holders	Number of Securities
Unlisted Options	23	105,448,258
Rights	65	34,328,725

The only holders in these unquoted security classes holding more than 20% of the unquoted class were issued the securities under the company's Equity Plan.

**On-market buy-back**

The company is not currently conducting an on-market buy-back.





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The financial statements cover Pureprofile Ltd. as a group consisting of Pureprofile Ltd. and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Pureprofile Ltd.'s functional and presentation currency. Pureprofile Ltd. is a listed public Company limited by shares, incorporated and domiciled in Australia. Its registered address is Level 5, 126 Phillip Street, Sydney NSW 2000. Its principal business address is 263 Riley Street, Surry Hills NSW 2010. A description of the nature of the group's operations and its principal activities are included in the directors' report, which is not part of the financial statements. The financial statements were authorised for issue in accordance with a resolution of directors, on 24 August 2021. The directors have the power to amend and reissue the financial statements.