

ASX Announcement

19 January 2022

Q2 FY22 Activity Report and Appendix 4C

Pureprofile achieves \$10.6m in revenue, up 31% and \$1.4m in EBITDA, up 82% on pcp

Pureprofile Limited (ASX: **PPL** or the **Company**) is pleased to present its Q2 FY22 Business Activity Report and Appendix 4C for the quarter ended 31 December 2021, highlighting sustained growth in revenue for the last five quarters. Pureprofile achieved a revenue uplift of 31%, an EBITDA improvement of 82% and growth across all products and services on pcp.

Pureprofile is also pleased to provide a preliminary view of its H1 FY22 financial performance, after experiencing record revenue and EBITDA for the half on a like for like basis. Pureprofile achieved a revenue uplift of 44%, an EBITDA improvement of 53% and strong SaaS platform revenue performance, up 339% on pcp. Normalised EBITDA was 147% up on pcp (excluding Jobkeeper and associated COVID savings in FY21).

Pureprofile is executing its corporate growth strategy in the following ways:

Global business growth (outside of Australia)

- Markets outside of Australia had revenue growth in Q2 FY22 of 45% pcp
- \$898k in new client revenue in Q2 FY22
- \$3m in revenue from 137 new clients achieved in the past 12 months
- 35% increase in active clients in the past 12 months
- 59% growth in panellists in the past 12 months
- Operating in 7 countries and delivering insights from over 90 countries
- 88% of new headcount hired in Q2 FY22 was from regions outside of Australia

More data, more insights & partnerships

- New partners signed in Q2 FY22 include theAsianparent (11 countries) and iGoDirect (Australia)
- Discussions progressing with potential new international partners
- 62 million points rewarded in Q2 FY22 to community members from our partnership network
- 294k partner panel surveys completed by community members in Q2 FY22


Technology solutions

- Audience Intelligence - a number of trials with clients in the Retail and Quick Service Restaurant verticals underway
- Audience Builder - partnerships signed in Q2 FY22 include theAsianparent (11 countries) and iGoDirect (Australia)

- Internal efficiency - continual improvement with new systems including global project management system, new feasibility tool and enhanced reporting for panel management team. Delivering improved speed, client quality and efficiency

Key Financial Metrics

Q2 (quarter ended 31 December 2021)

Revenue	EBITDA	Net Operating Cash Flow
31% ▲ to \$10.6m versus pcg	82% ▲ to \$1.4m versus pcg	386% ▲ to \$0.9m versus pcg
Data & Insights Revenue	SaaS Platform Revenue	Pure.amplify Media Revenue
23% ▲ to \$7.9m versus pcg	383% ▲ to \$1.0m versus pcg	16% ▲ to \$1.7m versus pcg
Continued positive operating cash flows for Q2		
	Closing cash balance of \$4.7m ▲ as at 31 December 2021 up 24% from \$3.8m at 30 September 2021	

H1 (half year ended 31 December 2021)

Revenue	EBITDA	Net Operating Cash Flow
44% ▲ to \$20.8m versus pcg	53% ▲ to \$2.5m versus pcg	829% ▲ to \$1.6m versus pcg
Data & Insights Revenue	SaaS Platform Revenue	Pure.amplify Media Revenue
33% ▲ to \$15.4m versus pcg	339% ▲ to \$2.0m versus pcg	46% ▲ to \$3.5m versus pcg



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Key Operational Metrics

Q2

Repeat Client Revenue	Active Clients	Annuity Revenue
\$31.6m of revenue from repeat clients in last 12 months	35% ▲ increase in active clients from outside Australia versus pcp	\$1.5m up from \$1.3m versus pcp
Net Promoter Score	Surveys	Panel Acquisition
83 placing Pureprofile in the top quartile of global organisations for client loyalty	32% ▲ increase in completed surveys versus pcp	59% ▲ increase in panellists from outside Australia versus pcp

Pureprofile CEO Martin Filz said "We're delighted for our team members, clients and partners to see the progress that we are making. The continued strong returns are the result of a clear growth strategy and delivering on the Company's three year plan. Behind the scenes, the goal to create industry leading solutions for our clients is delivering strong client satisfaction and internal efficiencies".

Panels

Panel growth

Quality panels¹ are the key differentiator of Pureprofile's business. Through the quarter our qualified panels continued to grow globally. New panellists in regions outside of Australia grew 59% 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.

Products & Partnerships

Survey & project volumes

The Data & Insights division continues to perform strongly, delivering an increase in both completed surveys by panellists and project volumes, resulting in 23% revenue growth. In Q2 FY22, completed surveys grew 32% on the pcp. Over the same period there was growth in project volumes of 26% over pcp. These project volume increases were driven by new clients and higher levels of engagement from existing clients in Australia and in regions outside of Australia.

¹ Panels are groups of people who are recruited to take part in Pureprofile's market research

Global growth

Our focus on worldwide expansion and growing our personnel in Europe and Asia enabled Pureprofile to obtain clients in new markets by hiring industry specialists with a diverse set of talents and market expertise.

The table below showcases some new organisations that used our insights in regions outside of Australia in H1 FY22.

UK	EUROPE	SINGAPORE
		
		
		
		
		

Partnerships

Two new partnerships were added this quarter. iGoDirect increases Pureprofile's ability to deliver insights for brands wishing to talk with Australian consumers. theAsianparent allows us to tap into 39 million consumers across 11 countries, which will see us grow our SE Asian client base and revenues.

Audience Intelligence

With the recent launch of the Quick Service Restaurants and Retail verticals we continue to broaden our market opportunity. Additional trials of our expanded solution will result in onboarding of new clients during H2.

Pureprofile 

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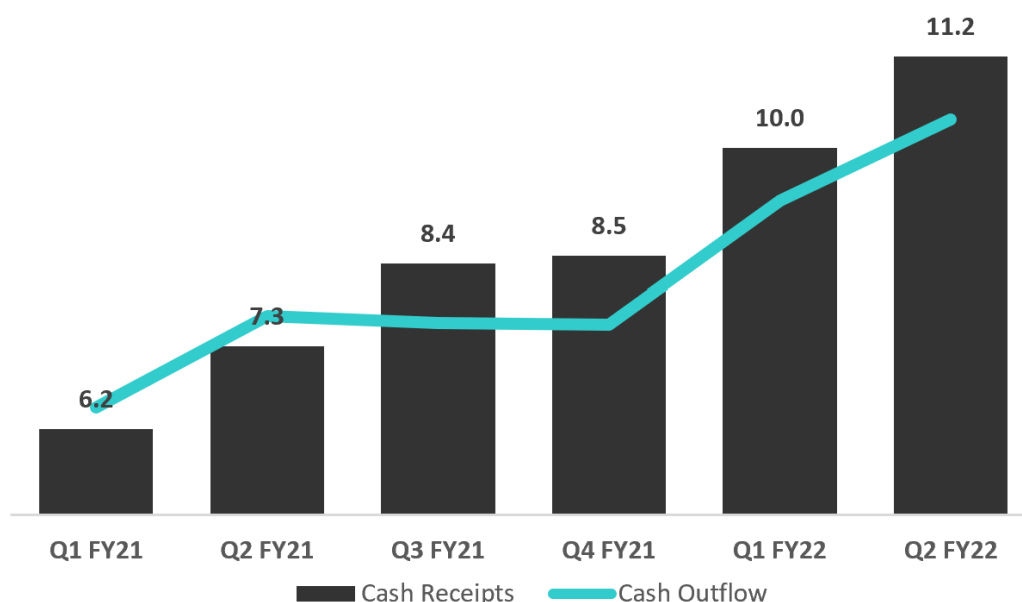
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Financial Management

Appendix 4C commentary

The Company's cash balance at the end of the Q2 FY22 was **\$4.7m**, up **\$848k** on the closing balance of \$3.8 m at the end of Q1 FY22. Net cash from operating activities for Q2 FY22 was **\$861k**. The solid operating cash generation for the quarter was the result of record cash receipts of \$11.2m from increased sales revenue of **\$10.6m, 31% up on pcp**. Net cash used in investing activities was **\$539k** which was in line with the prior quarter. Net cash from financing activities was **\$519k** reflecting payments made for the exercise of options in Pureprofile Limited. Payments made to related parties for Q2 FY21 were \$161k. The related party payments were Directors fees paid during the quarter.

Operating Cash Flow (Quarterly)



NB: cash receipts are receipts from clients. Cash outflows are payments made for operating expenses, as per the attached Appendix 4C. Any government payments such as Jobkeeper receipts are excluded from this chart.

Outlook

The strategy remains on track to expand Pureprofile's international business into the larger UK, European and US markets, whilst also growing our Australian revenues and clients. We expect to see continued growth in these regions over H2 FY22 and to benefit from the global and technology foundations which have been laid over the last 18 months.



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We are progressing well on our long term business plan and expect to provide further details at the half yearly update.

Webinar Invitation

The Company is pleased to invite investors to attend an online briefing today at **11.00am Australian Eastern Daylight Time (AEDT)**. During the briefing CEO, Martin Filz and CFO, Melinda Sheppard, will present an activity update and discuss recent developments. This will be followed by a Q+A session.

Participants can pre-register ahead of time via the following link:

https://us02web.zoom.us/webinar/register/WN_n3x_EeumQSGOSjj03m2UjQ

Once the registration form is completed, investors will receive a confirmation email with details on how to access the briefing. If you would like to ask a question during the briefing, please send your question ahead of the session to: george.kopsiaftis@irdepartment.com.au

All numbers in this release are preliminary and unaudited. This announcement has been authorised for release to the ASX by the Board of Directors.

- ENDS -

For further information, please contact:

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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.

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.



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Appendix 4C

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

Name of entity

Pureprofile Ltd

ABN

37 167 522 901

Quarter ended ("current quarter")
31st December 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	11,198	21,149
1.2 Payments for		
(a) research and development	(366)	(633)
(b) product manufacturing and operating costs	(4,690)	(8,810)
(c) advertising and marketing	(126)	(236)
(d) leased assets	(124)	(312)
(e) staff costs	(3,441)	(6,745)
(f) administration and corporate costs	(1,515)	(2,668)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	(66)	(132)
1.6 Income taxes paid	(9)	(43)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)		-
1.9 Net cash from / (used in) operating activities	861	1,571

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property	(538)	(1,077)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(f) other non-current assets	(1)	(4)
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(539)	(1,80)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	519	534
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	519	534

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,823	3,622
4.2	Net cash from / (used in) operating activities (item 1.9 above)	861	1,571
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(539)	(1,080)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	519	534
4.5	Effect of movement in exchange rates on cash held	6	25
4.6	Cash and cash equivalents at end of period	4,671	4,671

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,671	3,823
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,671	3,823

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	161
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i> Item 6.1: Payments for Directors' monthly fees		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	3,000	3,000
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities	3,000	3,000
7.5	Unused financing facilities available at quarter end		0
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	Lender – Lucerne Finance Pty Ltd, Interest rate 8.5% p.a. Secured loan		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	861
8.2	Cash and cash equivalents at quarter end (item 4.6)	4,671
8.3	Unused finance facilities available at quarter end (item 7.5)	0
8.4	Total available funding (item 8.2 + item 8.3)	4,671
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	NA
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer:	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer:	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer:	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

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

Date: 19 January 2022

Authorised by: Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

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