

1. Company details

Name of entity:	Pureprofile Ltd
ABN:	37 167 522 901
Reporting period:	For the half-year ended 31 December 2023
Previous period:	For the half-year ended 31 December 2022

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	3.1% to	24,033,454
EBITDA (excluding significant items)	up	9.6% to	2,371,485
Profit from ordinary activities after tax attributable to the owners of Pureprofile Ltd	up	100.8% to	3,888
Profit for the half-year attributable to the owners of Pureprofile Ltd	up	100.8% to	3,888

Dividends

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

Comments

The profit for the group after providing for income tax amounted to \$3,888 (31 December 2022: loss of \$502,949).

Earnings before interest, tax, depreciation, amortisation and significant items ('EBITDA excluding significant items') for the financial half-year amounted to a profit of \$2,371,485 (31 December 2022: profit of \$2,164,725).

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 directors consider EBITDA and operating profit before tax to be the two core earnings measures of the group.

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

	Consolidated 31 Dec 2023	31 Dec 2022
	\$	\$
Profit/(loss) after income tax from continued business	41,405	(385,853)
Add: Loss after income tax expense from discontinued operations	(37,517)	(117,096)
Profit/(loss) after income tax	3,888	(502,949)
Less:		
Interest	(245)	-
Add back:		
Finance costs	150,510	164,790
Income tax expense	2,268	38,227
Depreciation and amortisation expense	1,402,417	1,499,093
Interest expense on leases	81,111	84,853
Restructuring and acquisition costs	54,195	48,990
Share-based payments expense	670,052	775,732
Professional fees and payroll tax on share-based payments	7,289	55,989
EBITDA (excluding significant items)	2,371,485	2,164,725
Add:		
EBITDA Loss (excluding significant items) from discontinued business	37,517	109,614
EBITDA (excluding significant items) from continued business	2,409,002	2,274,339

Refer to the Directors' report for further commentary on the group's results for the reporting period.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>(0.19)</u>	<u>(0.28)</u>

As at 31 December 2023, the net tangible assets per ordinary security presented above is exclusive of right-of-use assets and inclusive of lease liabilities.

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividend reinvestment plans

Not applicable.

7. Details of associates and joint venture entities

Not applicable.

8. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

9. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

10. Attachments

Details of attachments (if any):

The Interim Report of Pureprofile Ltd for the half-year ended 31 December 2023 is attached.

11. Signed

As authorised by the Board of Directors

Signed  _____

Linda Jenkinson
Non-Executive Chair
Sydney

Date: 27 February 2024

Pureprofile Ltd

ABN 37 167 522 901

Interim Report - 31 December 2023

Pureprofile Ltd
Contents
31 December 2023

Directors' report	2
Auditor's independence declaration	5
Statement of profit or loss and other comprehensive income	6
Statement of financial position	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to the financial statements	11
Directors' declaration	21
Independent auditor's review report to the members of Pureprofile Ltd	22

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 half-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 27 February 2024.

Pureprofile Ltd
Directors' report
31 December 2023

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 half-year ended 31 December 2023.

Directors

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

Linda Jenkinson - Non-Executive Director and Chair
 Martin Filz - Chief Executive Officer and Managing Director
 Albert Hitchcock - Non-Executive Director
 Elizabeth Smith - Non-Executive Director
 Mark Heeley - Non-Executive Director (appointed on 17 October 2023)

Principal activities

During the financial period 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 half-year.

Review of operations

The profit for the group after providing for income tax amounted to \$3,888 (31 December 2022: loss of \$502,949).

During the financial half-year, Earnings before interest, tax, depreciation, amortisation and significant items ('EBITDA excluding significant items') inclusive of discontinued business resulted in a profit of \$2,371,485 (31 December 2022: profit of \$2,164,725).

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 profit/(loss) after income tax and EBITDA excluding significant items:

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$	\$
Profit/(loss) after income tax from continued business	41,405	(385,853)
Add: Loss after income tax expense from discontinued operations	(37,517)	(117,096)
Profit/(loss) after income tax	3,888	(502,949)
Less:		
Interest	(245)	-
Add back:		
Finance costs	150,510	164,790
Income tax expense	2,268	38,227
Depreciation and amortisation expense	1,402,417	1,499,093
Interest expense on leases	81,111	84,853
Restructuring and acquisition costs	54,195	48,990
Share-based payments expense	670,052	775,732
Professional fees and payroll tax on share-based payments	7,289	55,989
EBITDA (excluding significant items)	2,371,485	2,164,725
Add:		
EBITDA Loss (excluding significant items) from discontinued business	37,517	109,614
EBITDA (excluding significant items) from continued business	2,409,002	2,274,339

Revenue from ordinary activities amounted to \$24,033,208 (inclusive of discontinued business), marking a 3% decrease compared to the previous comparable period ('pcp'). However, when considering revenue solely from continued business, it reached \$24,032,882, indicating an 8% increase over the pcp (31 December 2022: \$22,238,417).

During the financial half-year, the company embarked on stage 3 of its corporate strategy focused on accelerating global growth as below:

- **Increase** revenues and margin by providing end to end solutions directly to clients
- Build an **integrated** suite of products, services and tools
- Continue to invest in **global** growth
- Establish technology **partnerships** to accelerate client innovation
- Utilise **AI** to deliver client solutions and internal efficiency
- **Growing** Audience Builder partners
- **Innovate** through technology development
- Identify/execute acquisition **opportunities** that can help accelerate financial and technology growth

At the end of the first half of the financial year, the company delivered a number of initiatives consistent with its corporate strategy. Key highlights included:

- Rest of the world experienced a robust revenue growth of 22% compared to the previous corresponding period (pcp), driven significantly by exceptional increases in India (92%), Southeast Asia (56%), and the European Union (11%).
- In the ANZ region, revenue stayed on par with the previous corresponding period. However, Q2 revenue was affected by a more subdued global trading environment in October, leading to a decline in revenue for the quarter. Fortunately, we observed a recovery in trading conditions in November and December, showing improvement compared to the results from the same period in the previous year.
- The Platform sustained growth in our network, generating new revenue streams both within and outside of Australia. This expansion also contributed to improved margins by extending our own panels.
- A total of 795 clients commissioned projects with Pureprofile in the 12 months leading up to 31 December 2023, representing an increase from the 784 clients in the previous corresponding period (12 months to 31 December 2022).
- There was a notable 13% uplift in project volumes compared to the previous corresponding period.
- A new debt facility was secured in November with a big four Australian bank at favourable commercial terms.

Exclusively for the continued business, EBITDA excluding significant items achieved a profit of \$2,409,002, reflecting a 6% growth compared to the pcp (31 December 2022: profit of \$2,274,339).

Net cash from operating activities was \$1,160,073, demonstrating a substantial 216% increase compared to pcp. This positive outcome was achieved despite a slight decline in total revenue resulting from the discontinuation of businesses in the end of last financial year and the fees associated with refinancing.

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial half-year

No matter or circumstance has arisen since 31 December 2023 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

During the second half of the year, Pureprofile will continue to focus on generating revenue growth and margin expansion whilst laying the foundations for further growth in FY25 and beyond.

Our key focus areas include:

- **International expansion** - in January, we have grown our mainland European team by two, to now cover Portugal, Spain, Germany and Austria
- **Pannelist growth** - continuing to add Audience Builder partners to increase our data coverage and add panels for the new mainland Europe team
- **Technology improvements** - internally focused AI solutions developed in H1 to be fully implemented to create efficiencies and enhance the delivery of client solutions
- **Targeting NPAT profitability** - clear focus on targeting NPAT profitability (including significant items), whilst continuing to focus on measured re-investment in growth opportunities

Environmental regulation

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

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.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Linda Jenkinson
Non-Executive Chair

27 February 2024
Sydney

Grant Thornton Audit Pty Ltd
Level 17
383 Kent Street
Sydney NSW 2000
Locked Bag Q800
Queen Victoria Building
NSW 1230
T +61 2 8297 2400

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 review of Pureprofile Limited for the half-year ended 31 December 2023, 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 review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



Grant Thornton Audit Pty Ltd
Chartered Accountants



A L Spowart
Partner – Audit & Assurance
Sydney, 27 February 2024

Pureprofile Ltd
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2023

	Note	Consolidated 31 Dec 2023 \$	31 Dec 2022 \$
Revenue from continuing operations	3	24,032,882	22,238,417
Other income	4	15,557	35,496
Interest revenue calculated using the effective interest method		245	-
Expenses			
Direct cost of sales		(10,655,339)	(10,423,838)
Panel expenses		(303,213)	(458,764)
Employee benefits expense		(8,439,225)	(7,362,751)
Foreign exchange loss		(91,415)	(105,797)
Depreciation and amortisation expense		(1,402,417)	(1,491,610)
Technology, engineering and licence fees		(961,802)	(640,878)
Share-based payments expense	16	(670,052)	(775,732)
Professional fees and payroll tax on share-based payments		(7,289)	(55,989)
Restructuring and acquisition costs		(54,195)	(48,990)
Occupancy costs		(190,456)	(115,616)
Other expenses		(997,987)	(891,931)
Interest expense (lease)		(81,111)	(84,853)
Finance costs		(150,510)	(164,790)
Profit/(loss) before income tax expense from continuing operations		43,673	(347,626)
Income tax expense		(2,268)	(38,227)
Profit/(loss) after income tax expense from continuing operations		41,405	(385,853)
Loss after income tax expense from discontinued operations	5	(37,517)	(117,096)
Profit/(loss) after income tax expense for the half-year attributable to the owners of Pureprofile Ltd		3,888	(502,949)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		18,616	61,417
Other comprehensive income for the half-year, net of tax		18,616	61,417
Total comprehensive income/(loss) for the half-year attributable to the owners of Pureprofile Ltd		<u>22,504</u>	<u>(441,532)</u>
Total comprehensive income/(loss) for the half-year is attributable to:			
Continuing operations		60,021	(324,436)
Discontinued operations		(37,517)	(117,096)
		<u>22,504</u>	<u>(441,532)</u>

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

Pureprofile Ltd
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2023

		31 Dec 2023	31 Dec 2022
		Cents	Cents
Earnings per share for profit/(loss) from continuing operations attributable to the owners of Pureprofile Ltd			
Basic earnings per share	15	0.0036	(0.0348)
Diluted earnings per share	15	0.0034	(0.0348)
Earnings per share for loss from discontinued operations attributable to the owners of Pureprofile Ltd			
Basic earnings per share	15	(0.0033)	(0.0106)
Diluted earnings per share	15	(0.0033)	(0.0106)
Earnings per share for profit/(loss) attributable to the owners of Pureprofile Ltd			
Basic earnings per share	15	0.0003	(0.0454)
Diluted earnings per share	15	0.0003	(0.0454)

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

Pureprofile Ltd
Statement of financial position
As at 31 December 2023

	Note	Consolidated	30 Jun 2023
		31 Dec 2023	\$
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		4,469,513	4,726,460
Trade and other receivables		9,674,808	7,518,690
Contract assets		1,297,071	1,259,996
Income tax receivable		6,505	-
Financial assets		268,022	265,531
Prepayments		1,051,272	1,035,976
Total current assets		<u>16,767,191</u>	<u>14,806,653</u>
Non-current assets			
Property, plant and equipment		134,688	132,143
Right-of-use assets		1,811,166	2,004,885
Intangibles	6	5,536,624	5,582,914
Total non-current assets		<u>7,482,478</u>	<u>7,719,942</u>
Total assets		<u>24,249,669</u>	<u>22,526,595</u>
Liabilities			
Current liabilities			
Trade and other payables		9,977,754	8,672,121
Contract liabilities		1,581,612	1,502,499
Borrowings	7	222,724	3,000,000
Lease liabilities	8	389,328	352,704
Income tax		-	69,475
Provisions		2,422,473	2,619,364
Total current liabilities		<u>14,593,891</u>	<u>16,216,163</u>
Non-current liabilities			
Borrowings	7	2,800,000	-
Lease liabilities	8	1,495,608	1,682,877
Provisions		256,884	216,825
Total non-current liabilities		<u>4,552,492</u>	<u>1,899,702</u>
Total liabilities		<u>19,146,383</u>	<u>18,115,865</u>
Net assets		<u>5,103,286</u>	<u>4,410,730</u>
Equity			
Issued capital	9	62,829,929	61,788,147
Reserves	10	2,914,562	3,267,676
Accumulated losses		(60,641,205)	(60,645,093)
Total equity		<u>5,103,286</u>	<u>4,410,730</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Pureprofile Ltd
Statement of changes in equity
For the half-year ended 31 December 2023

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2022	60,426,781	3,725,266	(59,790,908)	4,361,139
Loss after income tax expense for the half-year	-	-	(502,949)	(502,949)
Other comprehensive income for the half-year, net of tax	-	61,417	-	61,417
Total comprehensive income/(loss) for the half-year	-	61,417	(502,949)	(441,532)
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments (note 16)	-	775,732	-	775,732
Share options and rights exercised	15,000	-	-	15,000
Balance at 31 December 2022	<u>60,441,781</u>	<u>4,562,415</u>	<u>(60,293,857)</u>	<u>4,710,339</u>

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	61,788,147	3,267,676	(60,645,093)	4,410,730
Profit after income tax expense for the half-year	-	-	3,888	3,888
Other comprehensive income for the half-year, net of tax	-	18,616	-	18,616
Total comprehensive income for the half-year	-	18,616	3,888	22,504
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments (note 16)	-	670,052	-	670,052
Share options and rights exercised	1,041,782	(1,041,782)	-	-
Balance at 31 December 2023	<u>62,829,929</u>	<u>2,914,562</u>	<u>(60,641,205)</u>	<u>5,103,286</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Pureprofile Ltd
Statement of cash flows
For the half-year ended 31 December 2023

	Note	Consolidated	
		31 Dec 2023	31 Dec 2022
		\$	\$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		23,145,108	24,839,602
Payments to suppliers and employees (inclusive of GST)		<u>(21,603,862)</u>	<u>(24,246,008)</u>
		1,541,246	593,594
Interest received		245	-
Interest, restructuring and other finance costs paid		(302,785)	(135,623)
Income taxes paid		<u>(78,633)</u>	<u>(90,403)</u>
Net cash from operating activities		<u>1,160,073</u>	<u>367,568</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(33,837)	(177,841)
Payments for intangibles	6	(1,098,726)	(1,173,245)
Proceeds from disposal of property, plant and equipment		600	1,691
Payment for expenses relating to acquisitions		<u>-</u>	<u>(48,990)</u>
Net cash used in investing activities		<u>(1,131,963)</u>	<u>(1,398,385)</u>
Cash flows from financing activities			
Proceeds from issue of shares		-	15,000
Repayment of lease liabilities		<u>(275,867)</u>	<u>(191,542)</u>
Net cash used in financing activities		<u>(275,867)</u>	<u>(176,542)</u>
Net decrease in cash and cash equivalents		(247,757)	(1,207,359)
Cash and cash equivalents at the beginning of the financial half-year		4,726,460	5,298,389
Effects of exchange rate changes on cash and cash equivalents		<u>(9,190)</u>	<u>7,100</u>
Cash and cash equivalents at the end of the financial half-year		<u><u>4,469,513</u></u>	<u><u>4,098,130</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

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. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the group.

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

Note 2. Operating segments

Identification of reportable operating segments

The Group is organised into three operating segments:

- Data & Insights;
- Pure.amplify Media AU ; and
- Pure.amplify Media UK.

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

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

Discontinued operations

During the year ended 30 June 2023, the Pure.amplify Media AU and Pure.amplify Media UK segments ceased operations.

Note 2. Operating segments (continued)

Operating segment information (continuing and discontinued operations)

	Data & Insights \$	Pure.amplify Media AU \$	Pure.amplify Media UK \$	Other segments \$	Total \$
Consolidated - 31 Dec 2023					
Revenue					
Sales to external customers	24,032,882	327	-	-	24,033,209
Interest	-	-	-	245	245
Total revenue	24,032,882	327	-	245	24,033,454
EBITDA (excluding significant items)					
Depreciation and amortisation	(1,145,016)	-	-	(257,401)	(1,402,417)
Share-based payments expense	-	-	-	(670,052)	(670,052)
Professional fees and payroll tax on share-based payments	-	-	-	(7,289)	(7,289)
Restructuring and acquisition costs	-	-	-	(54,195)	(54,195)
Interest	-	-	-	245	245
Interest expense on leases	-	-	-	(81,111)	(81,111)
Finance costs	-	-	-	(150,510)	(150,510)
Profit/(loss) before income tax expense	6,131,650	(42,729)	5,212	(6,087,977)	6,156
Income tax expense					(2,268)
Profit after income tax expense					3,888
Consolidated - 31 Dec 2022					
Revenue					
Sales to external customers	22,238,417	2,428,591	143,653	-	24,810,661
Total revenue	22,238,417	2,428,591	143,653	-	24,810,661
EBITDA (excluding significant items)					
Depreciation and amortisation	(1,240,234)	-	(7,483)	(251,376)	(1,499,093)
Share-based payments expense	-	-	-	(775,732)	(775,732)
Professional fees and payroll tax on share-based payments	-	-	-	(55,989)	(55,989)
Restructuring and acquisition costs	-	-	-	(48,990)	(48,990)
Interest expense on leases	-	-	-	(84,853)	(84,853)
Finance costs	-	-	-	(164,790)	(164,790)
Profit/(loss) before income tax expense	4,954,779	20,080	(137,177)	(5,302,404)	(464,722)
Income tax expense					(38,227)
Loss after income tax expense					(502,949)

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

Note 2. Operating segments (continued)

Revenue by geographical area

The group has operations in 10 countries working with clients based in 3 (2022: 3) regions. The sales revenue based on each client region is as follows:

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$	\$
Australasia	15,401,553	17,543,194
Europe	4,715,865	4,431,148
US	3,915,791	2,836,319
	<u>24,033,209</u>	<u>24,810,661</u>

Note 3. Revenue

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$	\$
From continuing operations		
Data & Insights	19,584,081	20,058,674
Data & Insights - Platform	4,448,801	2,179,743
Revenue from continuing operations	<u>24,032,882</u>	<u>22,238,417</u>

Disaggregation of revenue

Refer to note 2 'Operating segments' for analysis of revenue by major product line and geographical region.

During the financial half-years ended 31 December 2023 and 31 December 2022, all revenue was recognised based on services transferred over time.

Note 4. Other income

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$	\$
Net gain on disposal of intangible assets, property, plant and equipment	600	1,691
Miscellaneous	14,957	33,805
Other income	<u>15,557</u>	<u>35,496</u>

Note 5. Discontinued operations

The discontinued operations represented Pureprofile Performance Ltd (UK) (Pure.amplify Media UK business) that ceased activity in the first half of financial year 2023 and Pure.amplify Media AU (Pure.amplify Media Australia business) that ceased activity in the second half of financial year 2023.

Financial performance information

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$	\$
Revenue	327	2,572,244
Other income	-	13,367
Direct cost of sales	(16,062)	(1,626,973)
Employee benefits expense	(2,038)	(863,151)
Depreciation and amortisation expense	-	(7,483)
Technology, engineering and licence fees	(4,854)	(99,478)
Occupancy costs	-	(31,136)
Foreign exchange loss	-	(2,035)
Other expenses	(14,890)	(72,451)
Total expenses	<u>(37,844)</u>	<u>(2,702,707)</u>
Loss before income tax expense	(37,517)	(117,096)
Income tax expense	-	-
Loss after income tax expense from discontinued operations	<u>(37,517)</u>	<u>(117,096)</u>

Note 6. Intangibles

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
<i>Non-current assets</i>		
Goodwill - at cost	15,503,285	15,503,285
Less: Impairment	<u>(15,503,285)</u>	<u>(15,503,285)</u>
	-	-
Software - at cost	32,132,104	31,033,378
Less: Accumulated amortisation	(21,996,756)	(20,986,205)
Less: Impairment	<u>(4,598,724)</u>	<u>(4,598,724)</u>
	5,536,624	5,448,449
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	<u>(2,453,010)</u>	<u>(2,453,010)</u>
	-	-
Membership base - at cost	2,694,410	2,694,410
Less: Accumulated amortisation	<u>(2,694,410)</u>	<u>(2,559,945)</u>
	-	134,465
	<u>5,536,624</u>	<u>5,582,914</u>

Note 6. Intangibles (continued)

Reconciliations

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

Consolidated	Software \$	Membership base \$	Total \$
Balance at 1 July 2023	5,448,449	134,465	5,582,914
Additions	1,098,726	-	1,098,726
Amortisation expense	(1,010,551)	(134,465)	(1,145,016)
Balance at 31 December 2023	<u>5,536,624</u>	<u>-</u>	<u>5,536,624</u>

Note 7. Borrowings

	Consolidated 31 Dec 2023 \$	30 Jun 2023 \$
<i>Current liabilities</i>		
Loans	200,000	3,000,000
Interest accrued on loans	<u>22,724</u>	<u>-</u>
	<u>222,724</u>	<u>3,000,000</u>
<i>Non-current liabilities</i>		
Loans	<u>2,800,000</u>	<u>-</u>

Effective 30 November 2023, the existing facility of \$3,000,000 was refinanced with the Commonwealth Bank of Australia. The new facility's pricing structure encompasses a line fee of 4.20% per annum, calculated on the facility limit and payable in arrears on the first day of each calendar quarter. Additionally, interest on the loan balance is computed on the last calendar day of each month, based on a variable rate tied to the BBSY rate and payable the next day, utilising a 365-day year. The facility is scheduled to terminate on 30 November 2026. As part of the facility terms, a principal repayment of \$50,000 is required on the last day of each calendar quarter.

Total secured liabilities

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

	Consolidated 31 Dec 2023 \$	30 Jun 2023 \$
Loans	<u>3,000,000</u>	<u>3,000,000</u>

Assets pledged as security

The loans are secured by the assets of the group.

Note 7. Borrowings (continued)

Financing arrangements

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

	Consolidated	Consolidated
	31 Dec 2023	30 Jun 2023
	\$	\$
Total facilities		
Loans	<u>3,000,000</u>	<u>3,000,000</u>
Used at the reporting date		
Loans	<u>3,000,000</u>	<u>3,000,000</u>
Unused at the reporting date		
Loans	<u>-</u>	<u>-</u>

Note 8. Lease liabilities

	Consolidated	Consolidated
	31 Dec 2023	30 Jun 2023
	\$	\$
<i>Current liabilities</i>		
Lease liability	<u>389,328</u>	<u>352,704</u>
<i>Non-current liabilities</i>		
Lease liability	<u>1,495,608</u>	<u>1,682,877</u>

Note 9. Issued capital

	31 Dec 2023	30 Jun 2023	Consolidated	30 Jun 2023
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>1,158,960,028</u>	<u>1,133,322,342</u>	<u>62,829,929</u>	<u>61,788,147</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2023	1,133,322,342		61,788,147
Shares issued on exercise of share rights*	14 September 2023	2,459,677		72,511
Shares issued on exercise of performance rights*	22 November 2023	23,178,009		969,271
Balance	31 December 2023	<u>1,158,960,028</u>		<u>62,829,929</u>

* The exercise price is a notional amount that is not paid in cash.

Note 10. Reserves

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
Foreign currency reserve	(210,206)	(228,822)
Share-based payments reserve	3,124,768	3,496,498
	<u>2,914,562</u>	<u>3,267,676</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 financial half-year are set out below:

Consolidated	Foreign currency \$	Share-based payments \$	Total \$
Balance at 1 July 2023	(228,822)	3,496,498	3,267,676
Foreign currency translation	18,616	-	18,616
Share-based payments	-	(371,730)	(371,730)
	<u>(210,206)</u>	<u>3,124,768</u>	<u>2,914,562</u>
Balance at 31 December 2023	<u>(210,206)</u>	<u>3,124,768</u>	<u>2,914,562</u>

Note 11. Dividends

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

Note 12. Fair value measurement

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value. The carrying amounts of trade receivables and trade 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 instruments.

Note 13. Contingent liabilities

The group had no contingent liabilities as at 31 December 2023 (30 June 2023: none).

Note 14. Non-cash investing and financing activities

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$	\$
Additions to the right-of-use assets	<u>105,888</u>	<u>1,114,466</u>

Note 15. Earnings per share

	Consolidated	Consolidated
	31 Dec 2023	31 Dec 2022
	\$	\$
<i>Earnings per share for profit/(loss) from continuing operations</i>		
Profit/(loss) after income tax attributable to the owners of Pureprofile Ltd	<u>41,405</u>	<u>(385,853)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	1,139,678,798	1,108,090,646
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	402,511	-
Rights over ordinary shares	<u>73,332,789</u>	<u>-</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>1,213,414,098</u>	<u>1,108,090,646</u>
	Cents	Cents
Basic earnings per share	0.0036	(0.0348)
Diluted earnings per share	0.0034	(0.0348)
<i>Earnings per share for loss from discontinued operations</i>		
Loss after income tax attributable to the owners of Pureprofile Ltd	<u>(37,517)</u>	<u>(117,096)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	1,139,678,798	1,108,090,646
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>1,139,678,798</u>	<u>1,108,090,646</u>
	Cents	Cents
Basic earnings per share	(0.0033)	(0.0106)
Diluted earnings per share	(0.0033)	(0.0106)
<i>Earnings per share for profit/(loss)</i>		
Profit/(loss) after income tax attributable to the owners of Pureprofile Ltd	<u>3,888</u>	<u>(502,949)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	1,139,678,798	1,108,090,646
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	402,511	-
Rights over ordinary shares	<u>73,332,789</u>	<u>-</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>1,213,414,098</u>	<u>1,108,090,646</u>

Note 15. Earnings per share (continued)

	31 Dec 2023 Cents	31 Dec 2022 Cents
Basic earnings per share	0.0003	(0.0454)
Diluted earnings per share	0.0003	(0.0454)

Options and rights have been excluded from the calculation of diluted earnings per share when they are considered anti-dilutive.

Note 16. Share-based payments

Share-based payments expense for the financial half-year was \$670,052 (31 December 2022: \$775,732).

The following share options were issued during the financial half-year ended 31 December 2023:

- On 27 November 2023, 15,000,000 unlisted options were granted to Linda Jenkinson, Chair of the Board of the company. Each unlisted option is exercisable at \$0.028 and expires on 15 January 2029. The options vest in three tranches of 5,000,000 before 1 December 2023, 1 December 2024 and 1 December 2025.

Share options

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

31 Dec 2023

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the half-year
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	10,955,903	-	-	-	10,955,903
01/04/2021	01/04/2026	\$0.020	4,208,907	-	-	-	4,208,907
01/04/2021	01/04/2026	\$0.020	15,578,276	-	-	-	15,578,276
16/09/2021	16/09/2026	\$0.026	13,138,866	-	-	-	13,138,866
17/09/2021	17/09/2026	\$0.026	26,371,978	-	-	-	26,371,978
15/08/2022	30/06/2025	\$0.060	3,000,000	-	-	-	3,000,000
16/02/2023	16/02/2026	\$0.053	2,000,000	-	-	-	2,000,000
03/01/2023	30/06/2026	\$0.055	2,500,000	-	-	(2,500,000)	-
27/11/2023	15/01/2029	\$0.028	-	5,000,000	-	-	5,000,000
27/11/2023	15/01/2029	\$0.028	-	5,000,000	-	-	5,000,000
27/11/2023	15/01/2029	\$0.028	-	5,000,000	-	-	5,000,000
			84,684,086	15,000,000	(2,000,000)	(2,500,000)	95,184,086

Weighted average exercise price	\$0.026	\$0.028	\$0.020	\$0.055	\$0.026
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The weighted average remaining contractual life of share options outstanding at the end of the financial half-year was 2.84 years (2022: 3.46 years).

Note 16. Share-based payments (continued)

Share rights

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

31 Dec 2023

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the half-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)	-	-
07/12/2022	07/12/2027	\$0.000	414,630	-	-	-	414,630
17/02/2023	17/02/2028	\$0.000	19,186,080	-	-	(797,993)	18,388,087
			<u>35,350,710</u>	<u>-</u>	<u>(1,750,000)</u>	<u>(797,993)</u>	<u>32,802,717</u>

The weighted average remaining contractual life of share rights outstanding at the end of the financial half-year was 3.33 years (2022: 3.3 years).

Performance rights

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

31 Dec 2023

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the half-year
26/10/2021	26/10/2026	\$0.000	5,633,333	-	(2,816,667)	-	2,816,666
13/12/2022	13/12/2027	\$0.000	12,299,458	-	(12,299,458)	-	-
13/12/2022	13/12/2027	\$0.000	13,825,536	-	(4,608,511)	-	9,217,025
20/12/2022	20/12/2027	\$0.000	5,086,826	-	(2,359,286)	-	2,727,540
20/12/2022	20/12/2027	\$0.000	7,076,829	-	(1,094,084)	-	5,982,745
			<u>43,921,982</u>	<u>-</u>	<u>(23,178,006)</u>	<u>-</u>	<u>20,743,976</u>

The weighted average remaining contractual life of performance rights outstanding at the end of the financial half-year was 3.96 years (2022: 4.73).

For the share options granted during the current financial half-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
27/11/2023	15/01/2029	\$0.027	\$0.028	49.00%	-	4.25%	\$0.013
27/11/2023	15/01/2029	\$0.027	\$0.028	49.00%	-	4.25%	\$0.013
27/11/2023	15/01/2029	\$0.027	\$0.028	49.00%	-	4.25%	\$0.013

Note 17. Events after the reporting period

No matter or circumstance has arisen since 31 December 2023 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
31 December 2023

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the group's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Linda Jenkinson
Non-Executive Chair

27 February 2024
Sydney

Independent Auditor's Review Report

To the Members of Pureprofile Limited

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Pureprofile Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, and 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 half-year ended on that date, a summary of significant accounting policies, other selected explanatory notes, and the Directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Pureprofile Limited does not comply with the *Corporations Act 2001* including:

- a giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- b complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Group 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibility for the half-year financial report

The Directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Grant Thornton Audit Pty Ltd
Chartered Accountants



A L Spowart
Partner – Audit & Assurance

Sydney, 27 February 2024