

Pureprofile 

H1 FY24

Investor Presentation

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H1 Update

Martin Filz & Melinda Sheppard



→ H1 FY24 financial highlights

Delivered a positive \$41k Net Profit after Tax for H1 FY24 from the continuing business units, up from a Net Loss after Tax of (\$386k) for H1 FY23

+111% continuing business NPAT growth on pcp

\$4.5m reported cash balance at 31 December 2023. Net cash from operating activities of **\$1.2m** (debt unchanged \$3m)

+8% continuing business revenue growth on pcp

795 clients commissioned projects with Pureprofile in the 12 months to 31 December 2023, up from **784** clients in the pcp (12 months to 31 December 2022)

+6% continuing business EBITDA (excl. significant items) growth on pcp. On a like-for-like basis EBITDA (excl. significant items and the impact of the change to cash-based STI) was up **+21%** on pcp

Platform revenue growth of **104%** on pcp, driven by an increase in panellists recruited from Audience Builder partnerships



→ H1 FY24 strategic achievements

Global business growth



- Investment in new commercial team helping to generate revenue growth of **22%**
- Opened and expanded **Indonesian** sales office
- **US** client now **top 5** global client

Platform



- New Audience Builder partners: **ShopBack** in Aus and **Prograd** in UK
- **Expanded** and consolidated existing **Audience Builder** partners

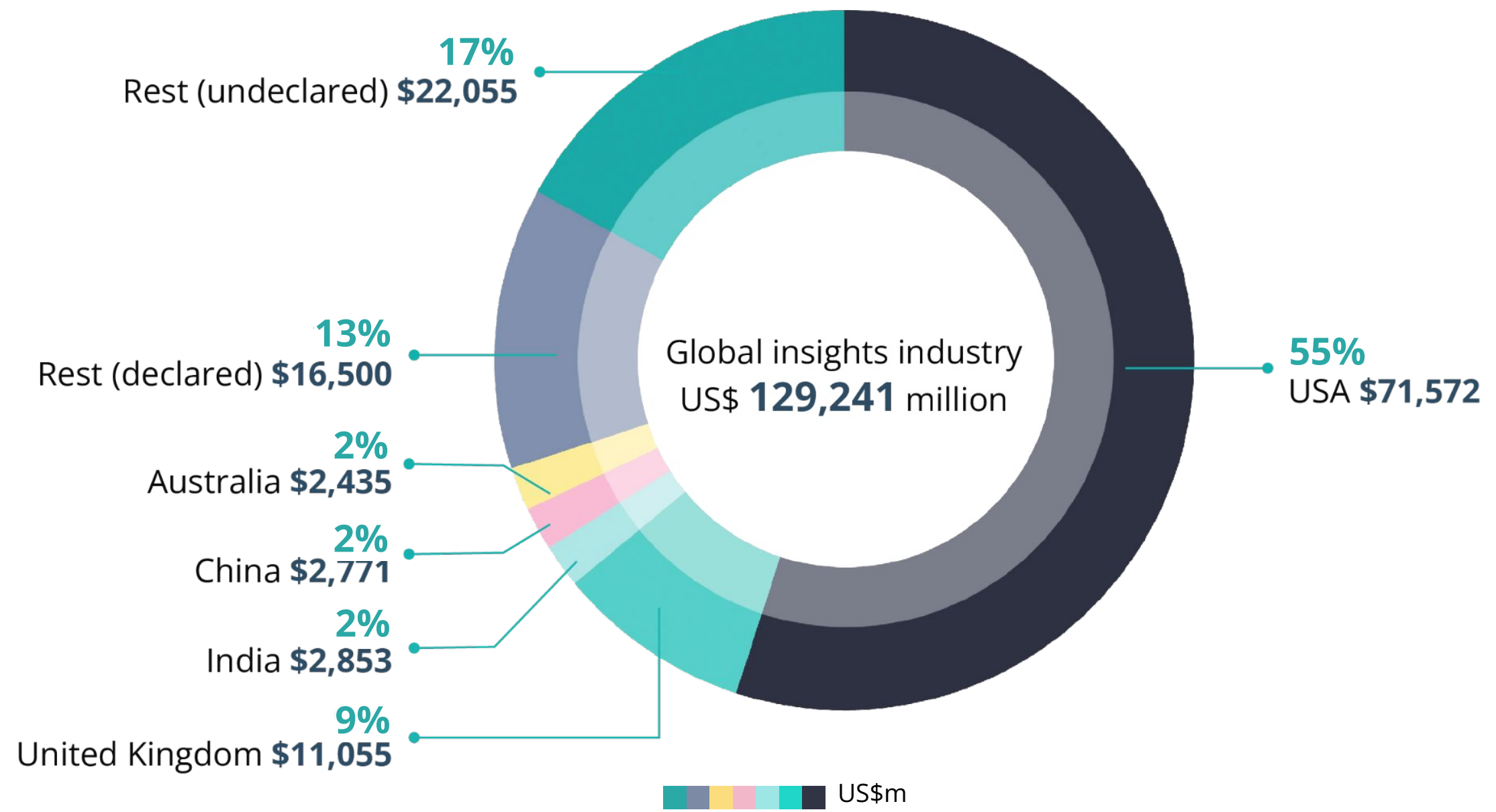
Technology enhancements



- Audience Builder **improvements** focused on efficient partner set-up
- Opening up core panels to enable **direct access** for clients, increasing revenues and efficiencies
- Established **AI** group to evaluate and rollout Generative AI solutions

→ The Opportunity

Top 5 largest markets - total insights industry



Global insights industry turnover, 2022

Source: ESOMAR Global Market Research 2023

Artificial Intelligence (AI): The most significant change in the Insights and Data space

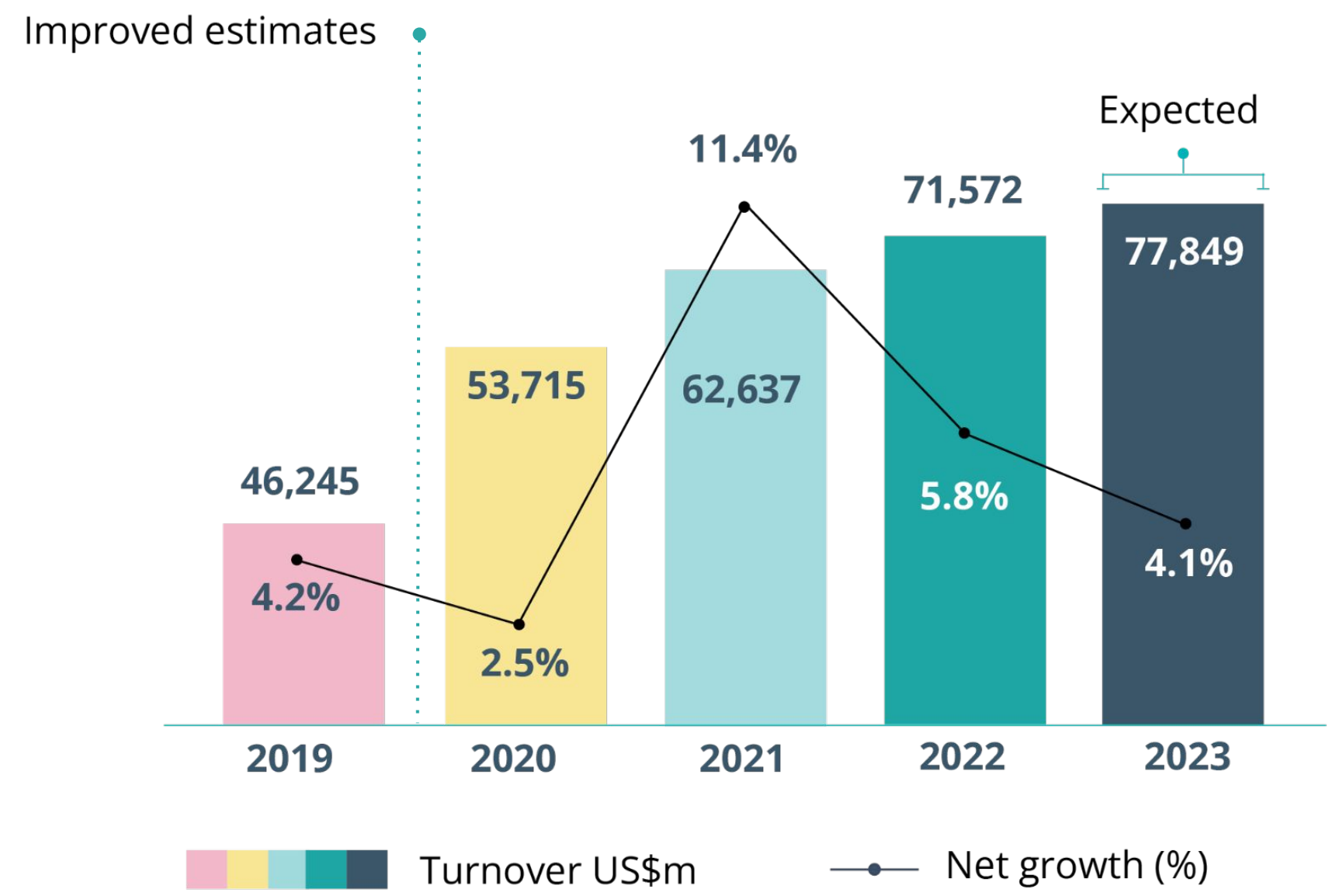
Opportunities for Pureprofile, include:

- **Qualitative Research** - AI enables conversational text to be analysed at speed. This means traditional quantitative companies like Pureprofile can now offer qualitative solutions to clients
- **Synthetic Data** - AI can predict how respondents will react. This will result in Pureprofile being able to offer insights based on a small group of qualified respondents
- **New Clients** - AI companies need the audiences that Pureprofile has for 3 main reasons; Training data, Verification and Deep Dive to understand the “Why”
- **New Solutions** - Generative AI allows analysis of the Pureprofile rich lake of data from millions of panellists. This can be offered as new Insights solutions
- **Real-time Insights** - AI facilitates real-time data analysis, allowing businesses to respond promptly to changing conditions
- **Automation** - AI automates repetitive tasks, freeing up time for more value - adding tasks
- **Efficient Data Analysis** - AI accelerates data processing, freeing up resources and delivering faster results
- **Cost savings** - AI replaces existing tools and processes, such as carrying out translations in-house rather than using agencies, saving money and time
- **Innovation** - AI enables and completes such things as auto code generation, bug fixes, natural language processing, machine learning algorithms, and auto testing to name a few which makes for faster development

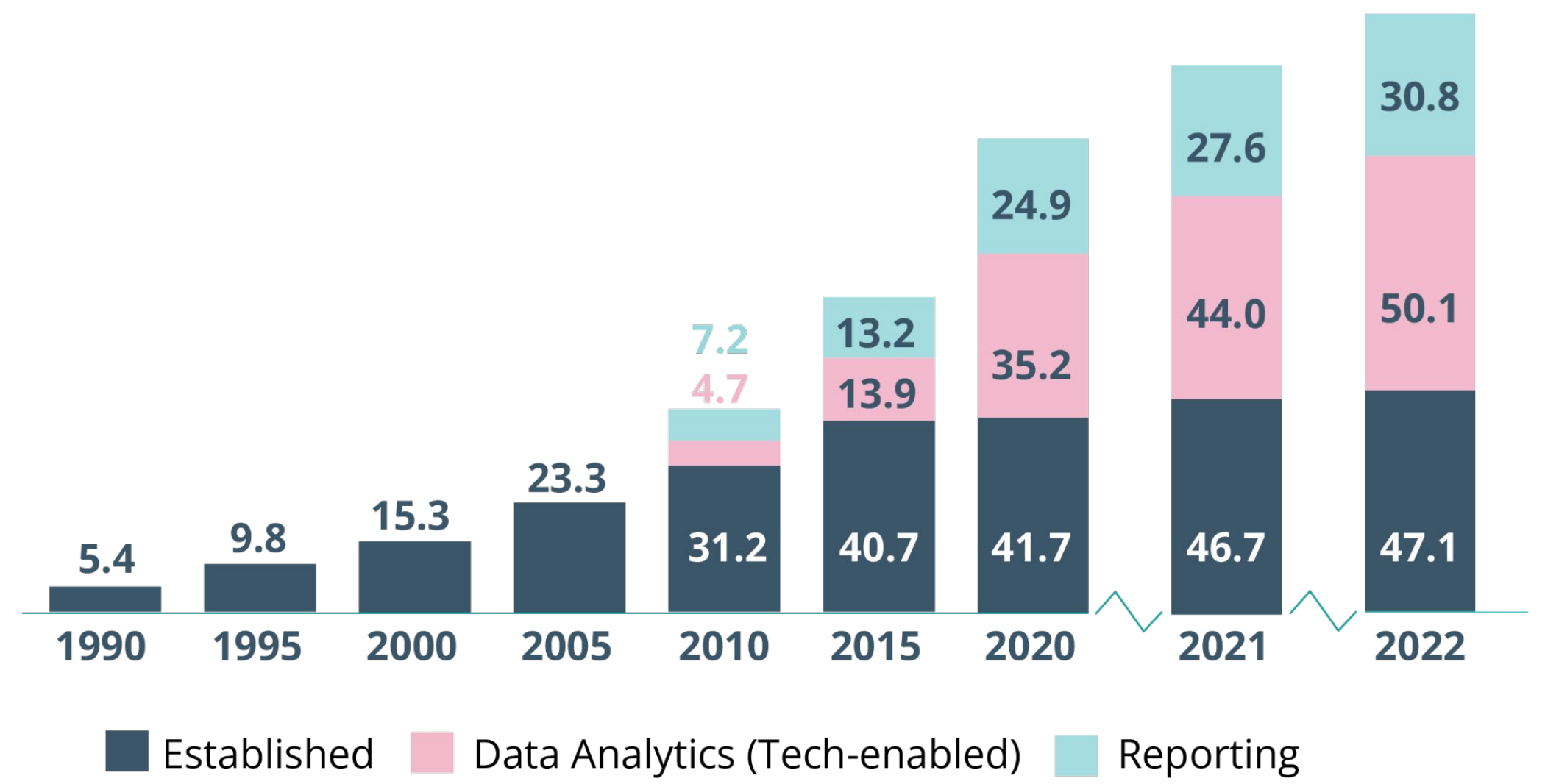
→ The Opportunity

Since 2019 there has been notable net growth in the US and global insights industry

Turnover and net growth United States



Size of global insights industry



→ Pureprofile's Growth Journey



2020

Company restructure

- **Restructured** the group operations
- Unprofitable or non-core business units **divested**
- Strengthened balance sheet with a **capital raise**
- Completed debt to **equity swap** to provide the foundation to deliver on growth ambitions .
- **Refreshed** executive team



2020 - 2023

Invest in people, panels & tech

- **Replicated** successful Australian business unit in markets outside of Australia
- Focused on **global** team expansion
- Developed global **processes**
- **Re-engineered** core technology
- Recognised Audience Builder as USP
- Drove **efficiency** and improved product profitability
- Developed a highly motivated organisational **culture** with a clear goal to enhance **shareholder** value and **employee** experience

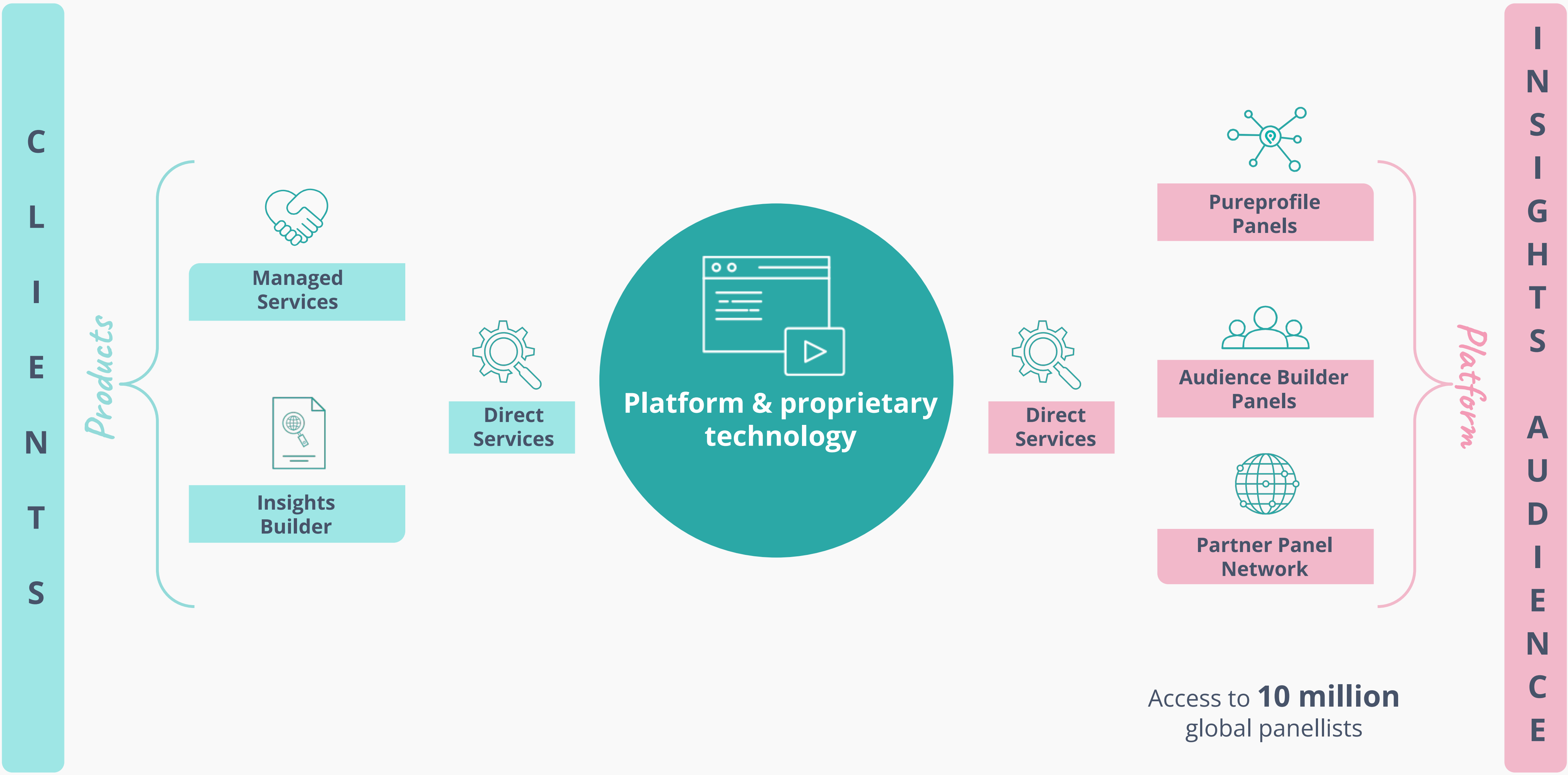


2024 - 2026

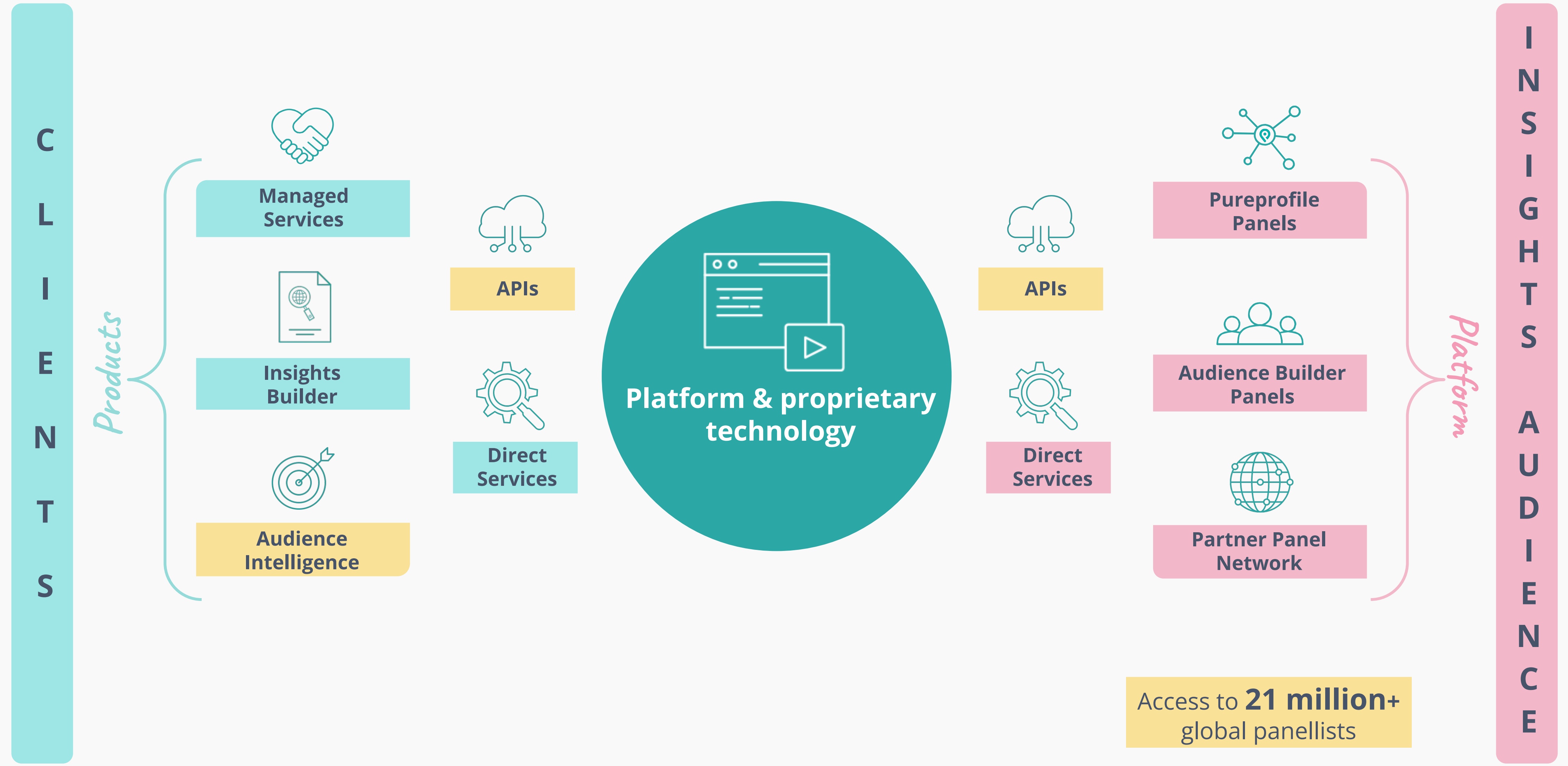
Accelerate global growth

- **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 growth

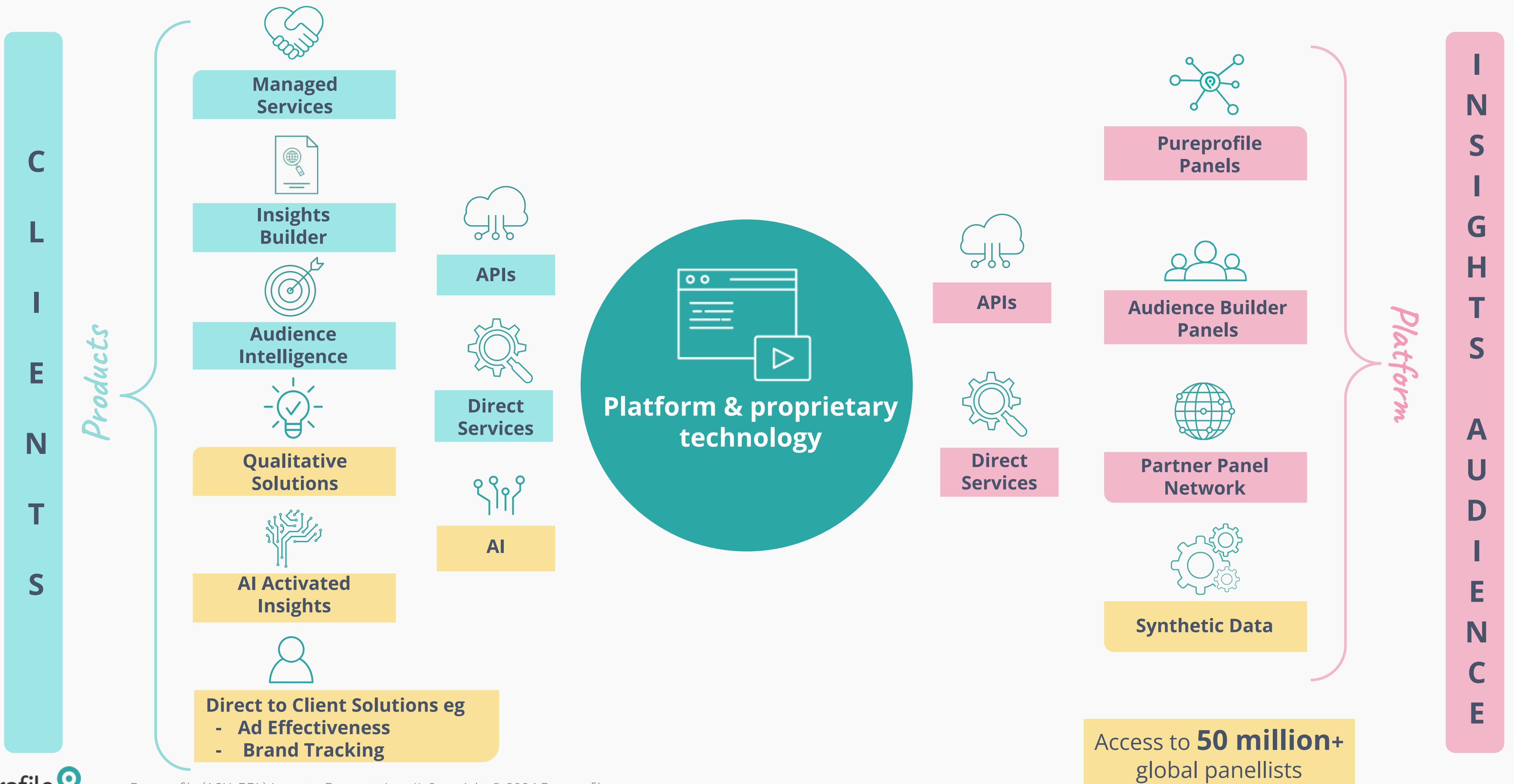
→ What We Did & Who We WERE in 2020



→ What We Do & Who We ARE in 2023



→ What We Will Do & Who We PLAN TO BE in 2025



H1 FY24 Financial Performance








Delivered an inaugural Net profit after tax result in H1 FY24

Net Profit after Tax of **A\$41k**, up **111%** on pcp, delivering an inaugural NPAT positive result compared to prior period NPAT losses

Revenue of **A\$24.0m**, up **8%** on pcp with growth across Data & Insights and Platform business units

EBITDA (excl. significant items) of **A\$2.4m**, up **6%** on pcp, representing a **10%** EBITDA margin. On a like-for-like basis EBITDA (excluding significant items and the impact of the change to cash-based STI) would have been up **21%** on pcp

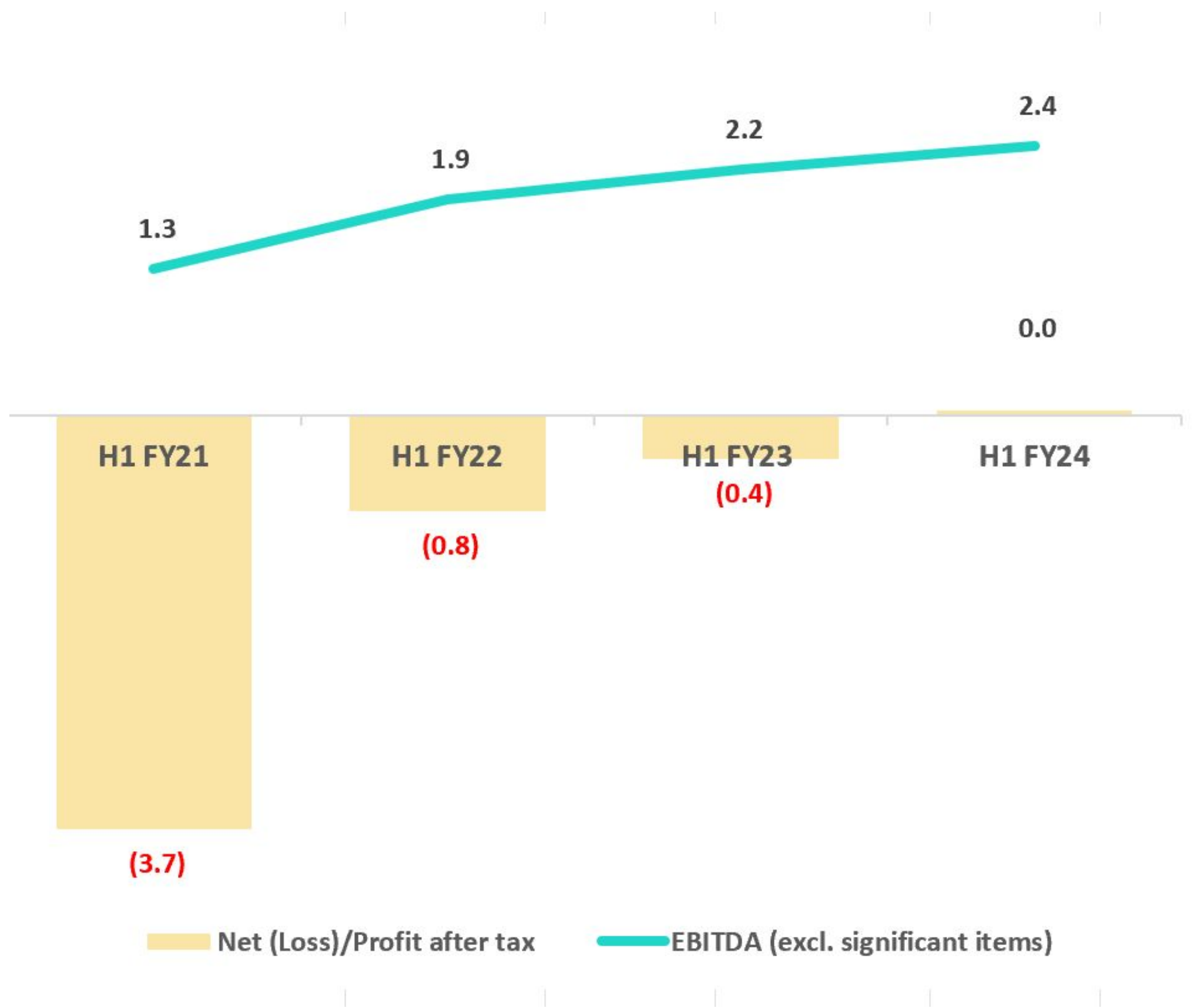
Business Results	H1 FY24	vs H1 FY23
Revenue	\$24.0m	8% 
EBITDA (excl. significant items)	\$2.4m	6% 
Net Profit after Tax	\$0.0m	111% 

Business Unit Revenues	H1 FY24	vs H1 FY23
ANZ (incl. Platform)	\$14.0m	0%
Rest of World (incl. Platform)	\$10.0m	22% 
Platform	\$4.4m	104% 

NB: All numbers in this slide **exclude** the discontinued Pure.amplify Media business units
EBITDA excludes significant items and share-based payments

Please refer to slide 18 in this presentation for the **Statutory Net Profit/(Loss)** reconciliation to **EBITDA** (excl. significant items)

Business Net Profit/(Loss) after tax \$m



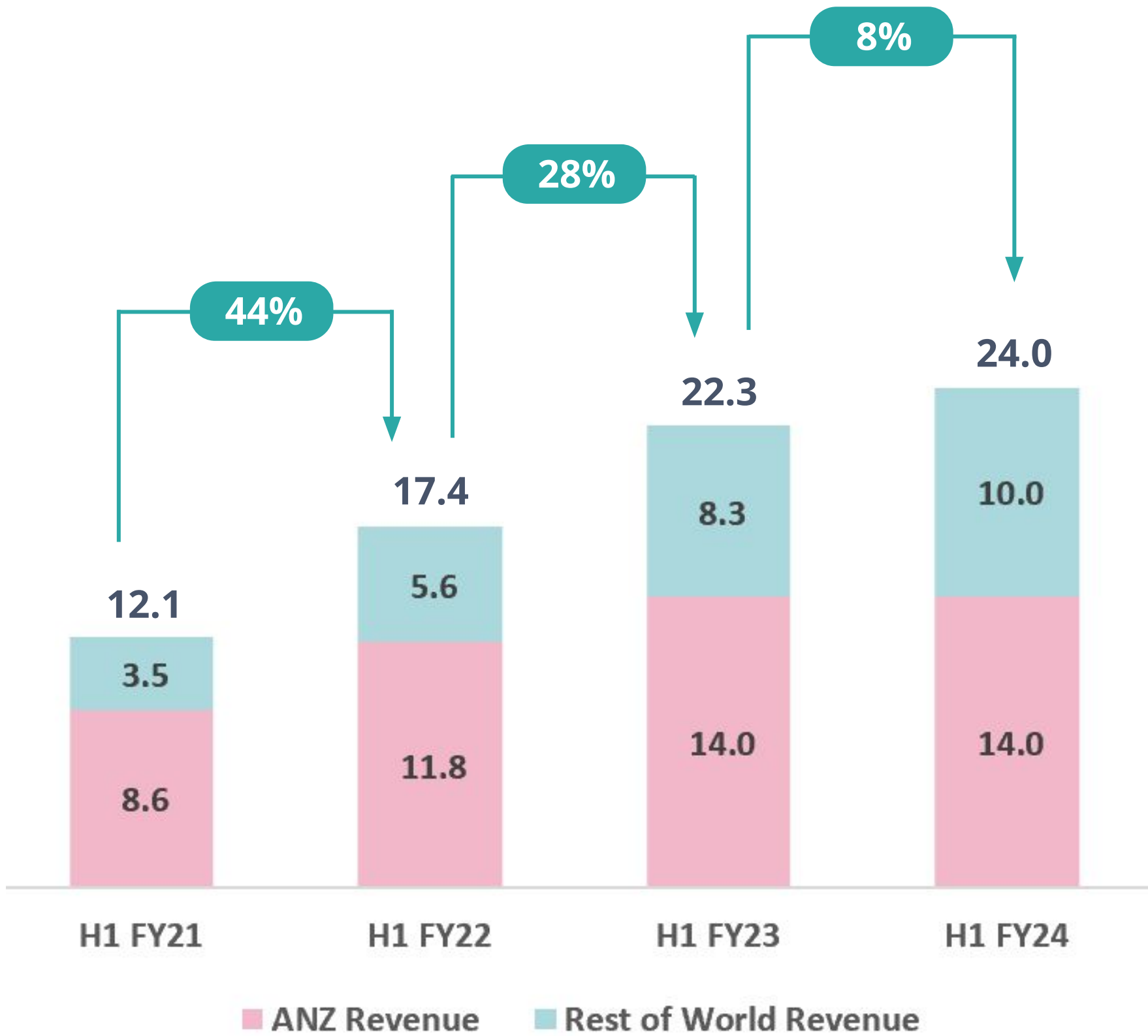
NB: FY21 Net Loss after Tax excludes loan forgiveness of A\$8.4m

Delivered a Net Profit after Tax in H1 FY24

After several years of reinvestment deployed in growing a global business we have achieved an **inaugural** Net Profit after Tax in H1 FY24

Statutory NPAT for H1 FY24 was **A\$4k**. The discontinued business Pure.amplify recorded expenses in Q1 of **(A\$37k)** resulting in NPAT for the continuing business units for H1 FY24 being **A\$41k**

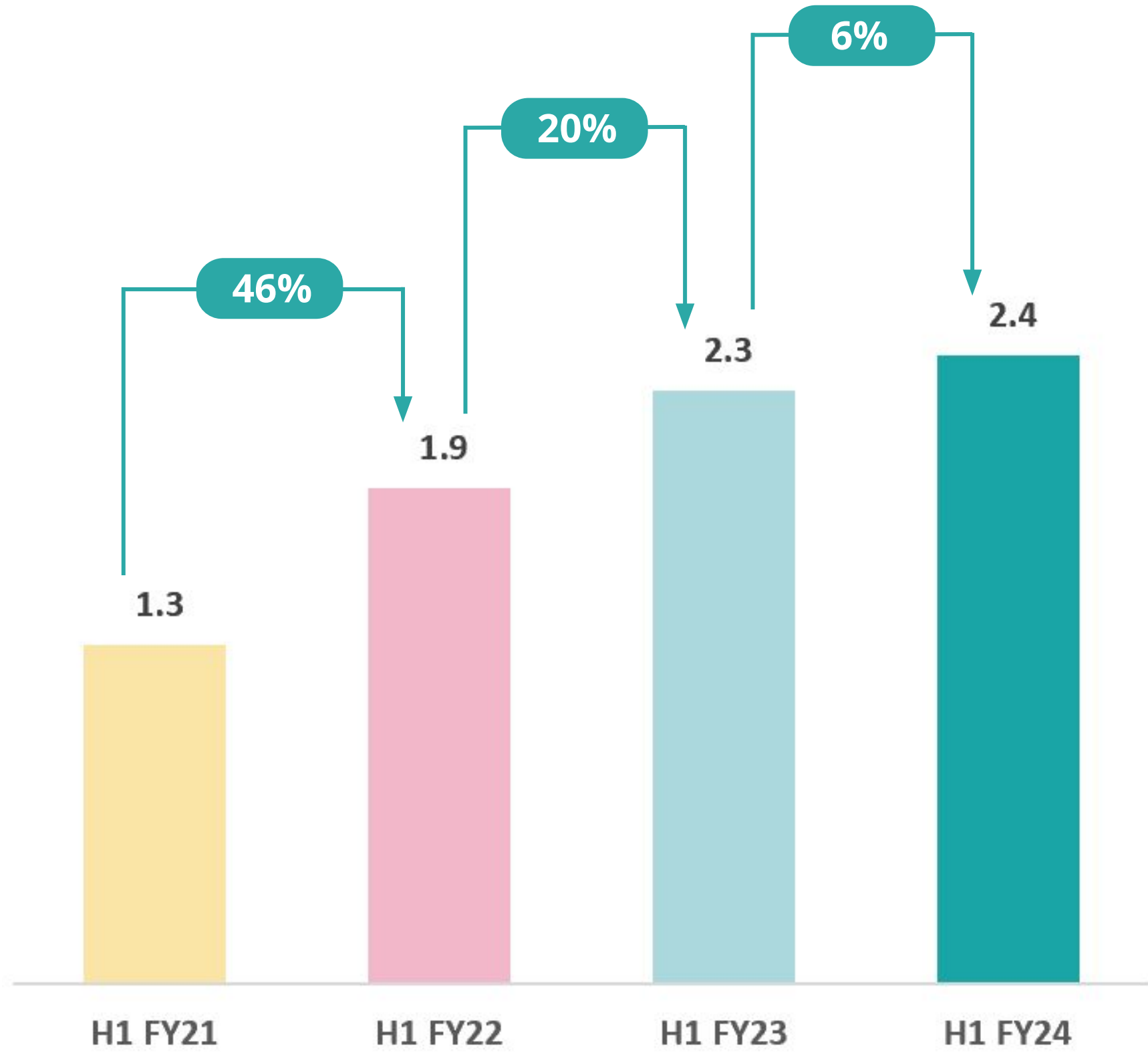
Business revenue up 8% on prior year (\$m)



Business revenue strong with growth of 8% in H1 FY24

- **Rest of World** - Revenue growth of **22%** on pcp (main driver of the H1 revenue growth), with significant revenue growth in India **+92%**, SEA **+56%** and EU **+11%** on pcp, respectively
- **ANZ** - Revenue in line with pcp, with Q2 revenue impacted by a softer global trading environment in October
- **Platform** - Continued growth in our network has generated new revenue streams within and outside of Australia, generating **104%** growth
- **Clients** - **795** clients commissioned projects with Pureprofile in the 12 months to 31 December 2023, up from **784** clients in the pcp (12 months to 31 December 2022)
- **Projects** - **13%** uplift in project volumes on pcp

Business EBITDA up 6% on prior year (\$m)



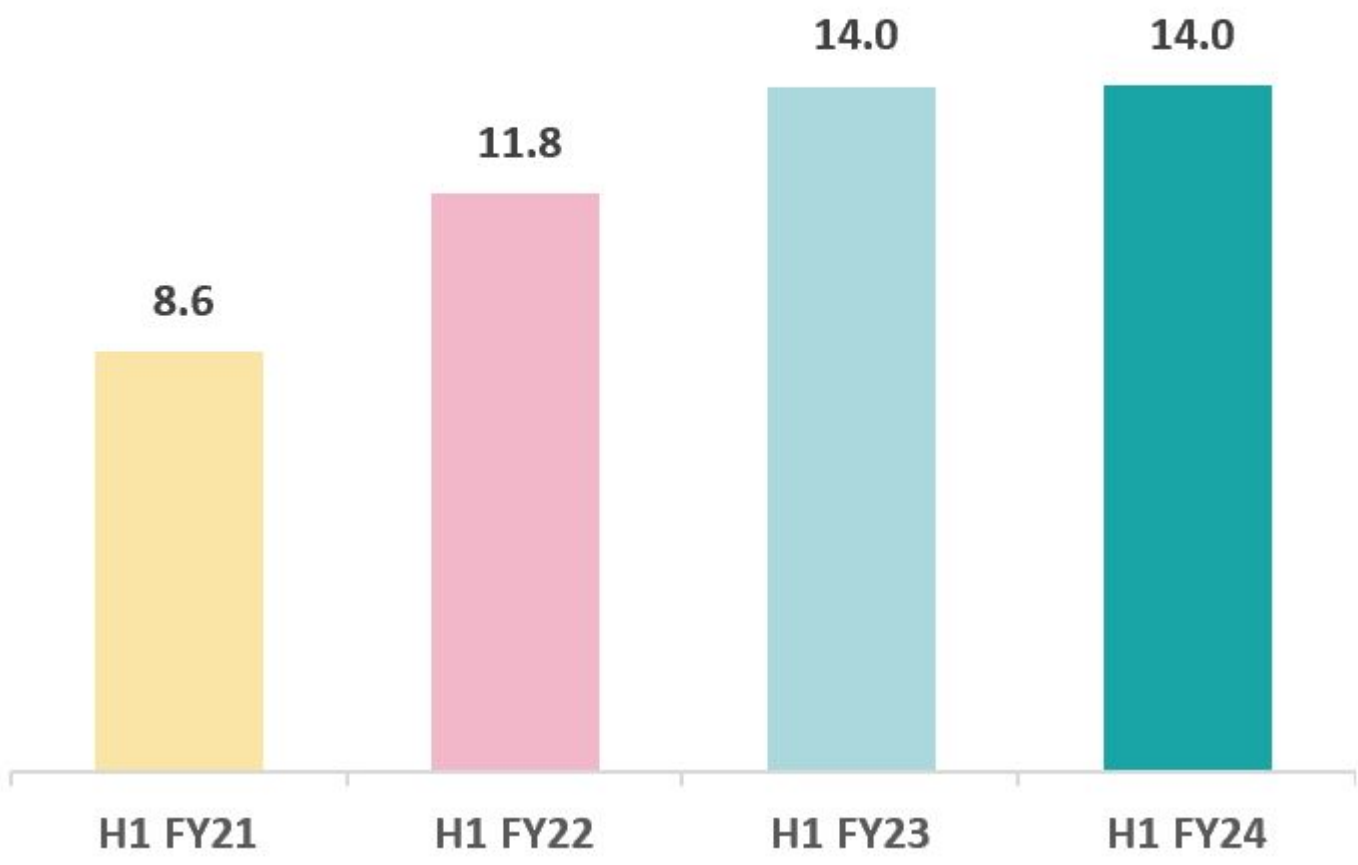
EBITDA growth of 6% on pcp and EBITDA margin of 10%

- Continuing business **EBITDA** (excluding significant items) growth of **6%** on pcp benefiting from strong revenue growth, improved gross margins and rigorous management of expenses
- **Margin expansion** from scale benefits achieved from our focus on global expansion, increased project margins and driving operational efficiencies
- **Platform** - Panellists recruited from **Audience Builder partnerships**, positively impacting margins and reducing reliance on lower margin 3rd party panellists

→ Financial metrics trends

ANZ Revenue (inc Platform) \$m

+18% 3-year CAGR



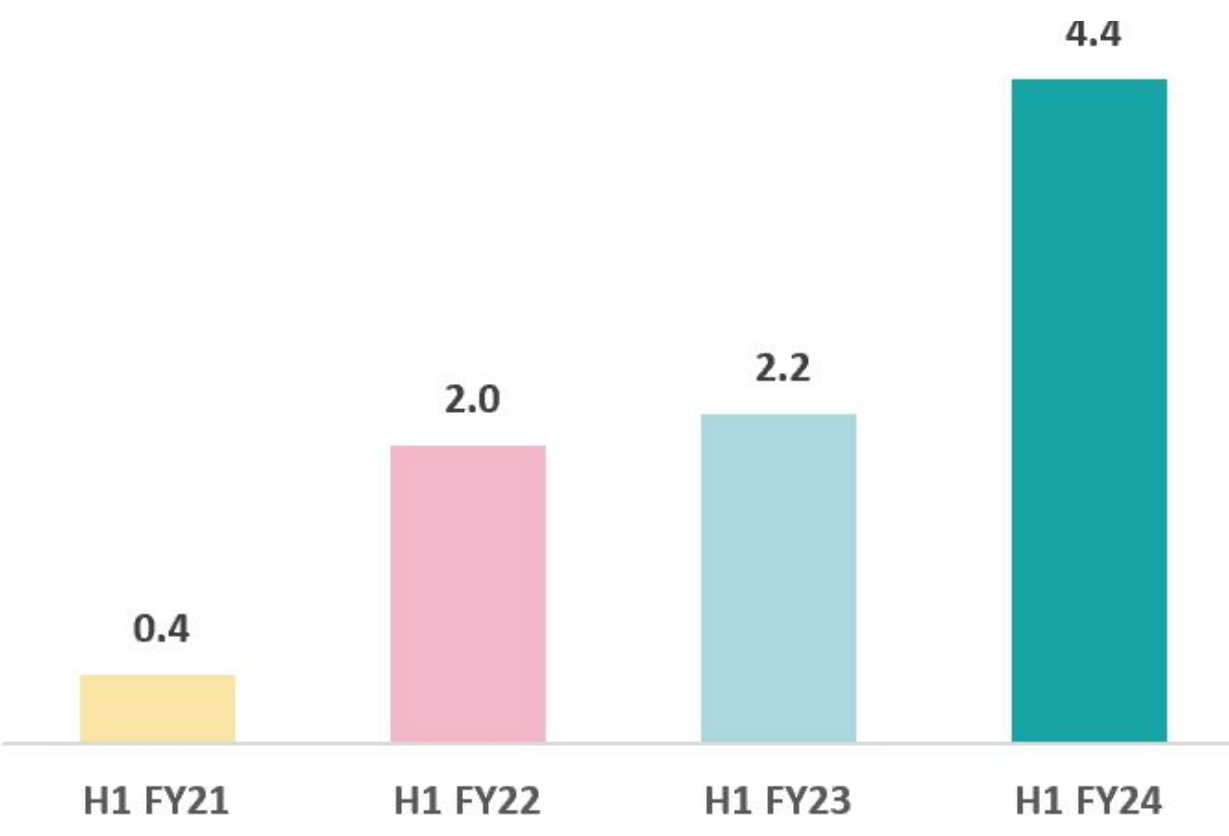
Rest of World Revenue (inc Platform) \$m

+42% 3-year CAGR



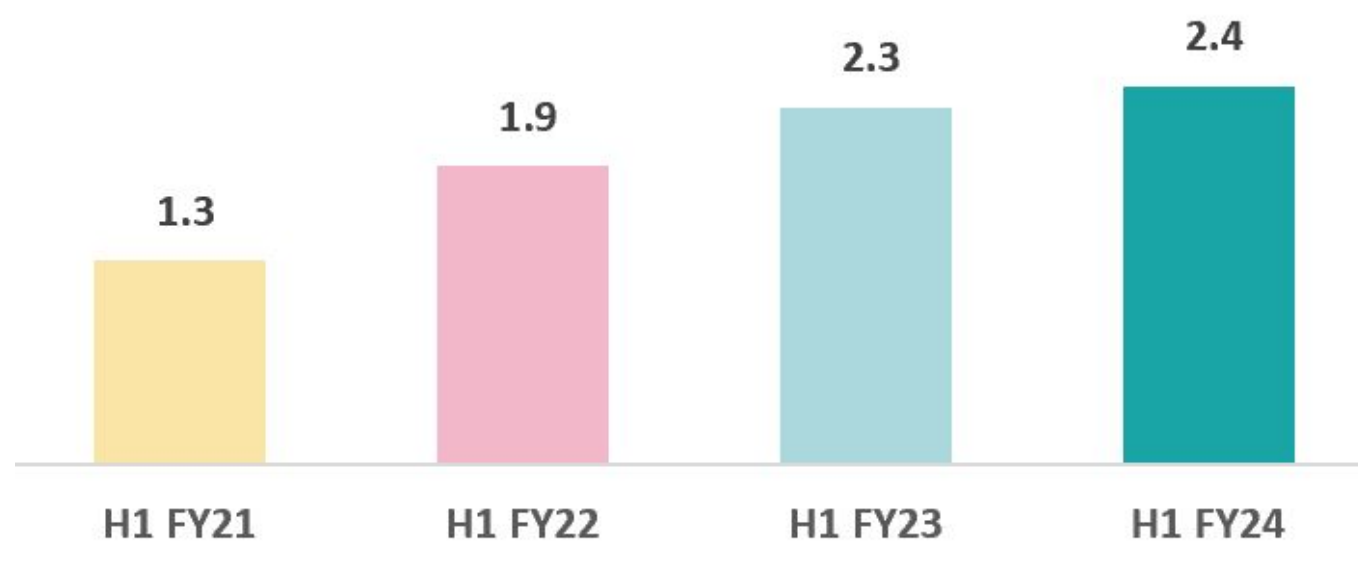
Platform Revenue \$m

+114% 3-year CAGR



EBITDA (excl significant items) \$m

+23% 3-year CAGR



Full year statutory profit reconciliation

Statutory NPAT for H1 FY24 was **A\$4k**. The discontinued business Pure.amplify recorded expenses in Q1 of **(A\$37k)** resulting in NPAT for the continuing business units for H1 FY24 being **A\$41k**

Depreciation and amortisation expense continues to decrease in line with prior periods

Significant items include share-based payments and other items that in the Directors' judgement are one-off or need to be disclosed separately by virtue of their size or incidence

Period Ending 31 December	1H FY24	1H FY23
EBITDA (excluding significant items)	\$2.4m	\$2.2m
<i>Less:</i>		
Finance Costs	(\$0.2m)	(\$0.3m)
Depreciation, amortisation expense & disposal of assets	(\$1.4m)	(\$1.5m)
Interest Expense (lease)	(\$0.1m)	(\$0.1m)
Share-based payment expense	(\$0.7m)	(\$0.8m)
Income tax expense	(\$0.0m)	(\$0.0m)
Profit/(Loss) after income tax	\$0.0m	(\$0.5m)

Balance sheet

Closing cash balance of **\$4.5m** down on 30 June 2023 by **\$200k** with cash balance slightly down due to the timing of expenses across the year. H1 typically generates lower operating cashflow compared to H2.

Trade receivables up due to higher invoiced revenue across the half

Trade and other payables up due to higher expenses related to increased revenue and includes the impact of the accrued STI bonus expenses (transitioned to be cash based from FY24)

The Company's debt facility was renewed in November 2023 maturing in 2026, and amortising at a rate of \$200k per annum

Period Ending	31 December 2023	30 June 2023
Cash and cash equivalents	\$4.5m	\$4.7m
Trade and other receivables	\$9.7m	\$7.5m
Other assets	\$2.6m	\$2.6m
Total Current Assets	\$16.8m	\$14.8m
Right of use assets	\$1.8m	\$2.0m
Intangibles & PPE	\$5.7m	\$5.7m
Total Non-Current Assets	\$7.5m	\$7.7m
Total Assets	\$24.3m	\$22.5m
Trade and other payables	\$10.0m	\$8.7m
Borrowings	\$0.2m	\$3.0m
Provisions & other liabilities	\$4.4m	\$4.5m
Total Current Liabilities	\$14.6m	\$16.2m
Borrowings	\$2.8m	\$0.0m
Other liabilities	\$1.8m	\$1.9m
Total Non-Current Liabilities	\$4.6m	\$1.9m
Total Liabilities	\$19.2m	\$18.1m
Net Assets	\$5.1m	\$4.4m

Cash flow (inc discontinued business units)

Net operating cash flows of **\$1.2m** in H1 FY24, compared to **A\$0.4m** in H1 FY23. 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.

Payments for PPE & Intangibles down on pcp as H1 FY23 included fit-out expenses related to opening new office premises

Period ending 31st December	H1 FY24	H1 FY23
Receipts from customers	\$23.2m	\$24.8m
Payments to suppliers and employees	(\$21.6m)	(\$24.2m)
Interest and other financing	(\$0.3m)	(\$0.1m)
Other	(\$0.1m)	(\$0.1m)
Net operating cash flows	\$1.2m	\$0.4m
Payments for PPE & intangibles	(\$1.1m)	(\$1.4m)
Investing cash flows	(\$1.1m)	(\$1.4m)
Repayment of lease liabilities	(\$0.3m)	(\$0.2m)
Financing cash flows	(\$0.3m)	(\$0.2m)
Total cash flows	(\$0.2m)	(\$1.2m)
Opening cash balance	\$4.7m	\$5.3m
Closing cash balance	\$4.5m	\$4.1m

→ FY24 Financial Guidance

Revenue Guidance



\$46m to \$51m

EBITDA Margin % (excl. significant items) Guidance

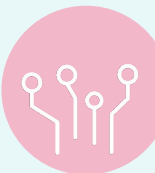






7% to 9%

Including the impact of the Company's short-term performance incentives (STI's) for Key Management Personnel and Executives to be paid as a cash incentive rather than an equity based incentive ,previously disclosed as a significant item. Excluding STI's, margin guidance would have been 9% to 11%.



→ Key Priorities for H2 FY24 and Beyond

 AI	Internal Processes - Utilising AI to increase internal efficiencies, client speed and lower costs
 AI	Client facing solutions - Building AI-enabled revenue generating solutions and selling to our 800+ clients
 Tech Innovation	Delivering Innovation - Core system work has been undertaken for 3 years; now focusing on internal and client-facing innovation
 Platform	Increasing use of Platform - Build larger audiences through Audience Builder and higher adoption of our “direct to panel” platform by clients.
 Team growth	Adding new Clients - Adding commercial people to enable client growth
 UK/US	64% of Global Market - Growing from our brand awareness and client foundations in the two largest global markets
 Commercial Partnerships	Upselling - Partnering with best of breed client solutions and utilising the extensive Pureprofile distribution channel to cross sell new solutions

Summary



Delivered a positive A\$41k Net Profit after Tax for H1 FY24



Record continuing business half-yearly revenue and EBITDA (excl. significant items) achieved in H1 FY24



International business continuing to grow faster than the ANZ growth rate



Highly loyal and satisfied employees and clients



Targeting global Data and Insights and Audience Builder opportunities

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



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