

Appendix 4C – Quarterly report

A second consecutive **positive operating cash flow** quarter of \$0.661 million for the June 2016 quarter. Following from the positive net operating cashflow in Q3 of \$0.912 million resulted in 2HFY2016 net operating cashflow of \$1.57 million and represented a substantial improvement of \$3.13 million on 1HFY2016 and positive net operating cashflow for FY2016.

This strong result reflects further improvement of the Group's working capital management strategy to support and fund Pureprofile's global growth platform in key global markets across US, UK, New Zealand and its core market of Australia. Sound growth indicators are well positioned for a solid platform for on-going expansion derived from further cash conversion for FY2017.

Net operating cash flow included further non-capitalised investment in platform & systems development of \$0.512 million (\$0.767 million in Q3) and a decrease (compared to Q3 of \$0.235 million) in staff costs of \$0.211 million. This reduction of staff costs reflects the successful integration of the Sparc acquisition to enhance further productivity improvements in the future. These investments are expected to support further growth in FY17.

PPL redeployed an additional \$0.41 million in Q4 towards additional investment of the Group's tech platform of \$1.177 million (\$0.750 million in Q3) to accelerate further campaign scalability and volumes across key revenue growth generating platforms for Pureprofile's online panel, News Corp, AA Smartfuel and other key clients as it embarks on its global publisher solution led strategy.

PPL anticipates future investment of the capitalised development costs will be maintained at consecutive quarterly investment in capitalised development costs will increase by quarter beyond the Q4FY2016 investment spends.

Cash at the end of June quarter was \$1.622 million compared to \$2.191 million at the end of the March quarter. Following balance date of 30 June, cash balance during July is \$2.1 million.

+ See chapter 19 for defined terms.

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

Pureprofile Ltd

ABN

37 167 522 901

Quarter ended ("current quarter")

30th June 2016

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12months) \$A'000
1.1	Receipts from customers	6,706	25,640
1.2	Payments for (a) staff costs	(2,430)	(9,283)
	(b) advertising and marketing	(129)	(278)
	(c) non capitalised dev. & license costs: (Note 3)	(512)	(2,423)
	(d) survey fees and other direct costs	(2,869)	(10,562)
	(e) other working capital /overheads	(374)	(3,334)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	5	21
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	264	228
1.7	Other (provide details if material) – IPO/M&A costs	-	-
Net operating cash flows		661	9

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Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (12months) \$A'000
1.8 Net operating cash flows (carried forward)	661	9
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	0	(3,010)
(b) equity investments	-	-
(c) intellectual property – capitalised dev. costs	(1,177)	(3,100)
(d) physical non-current assets	(42)	(266)
(e) other non-current assets (Note 6)	-	(110)
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material) – IPO / M&A costs (Note 4)	-	(1,413)
Net investing cash flows	(1,219)	(7,899)
1.14 Total operating and investing cash flows	(558)	(7,890)
Cash flows related to financing activities		
1.15 Net Proceeds from issues of shares (Note 5)	-	9,103
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	(100)
Net financing cash flows	-	9,003
Net increase (decrease) in cash held	(558)	1,113
1.21 Cash at beginning of quarter/year to date	2,191	531
1.22 Exchange rate adjustments to item 1.20	(11)	(22)
1.23 Cash at end of quarter	1,622	1,622

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	-
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions	
	N/A	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	665	271
3.2 Credit standby arrangements		

+ See chapter 19 for defined terms.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	1,328	1,615
4.2	Deposits at call	440	661
4.3	Bank overdraft	(146)	(85)
4.4	Other (provide details)		
Total: cash at end of quarter (item 1.23)		2,103	2,191


Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	a) Trade business of Sparc Media Pty Ltd, b) Sparc Media Sp z o.o. , c) Funbox India Pvt Ltd.	
5.2	Place of incorporation or registration	a) Australia, (business assets acquired by an Australian entity) b) Poland, c) India	
5.3	Consideration for acquisition or disposal	Up to \$6.6m via shares and cash contingent on performance conditions. To date consideration paid is \$3.010m	
5.4	Total net assets	Total Net Assets including Intangibles up to purchase consideration of \$6.6m	
5.5	Nature of business	Online programmatic media	

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 27 July 2016
Director

Print name: Geoffrey Nesbitt

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. Item 1.2(c) - Non-capitalised development and license costs represent direct payroll, on-costs and other costs not directly attributable to the development phase in developing products or systems that will contribute to future period financial benefits.
4. Item 1.13 - Other (IPO/M&A costs) relates to 'one-off' payments including legal, accounting, auditor and corporate advisor incurred in relation to the IPO and acquisition of Sparc paid in the quarter.
5. Item 1.15 - Net Proceeds from issue of shares reflects the net proceeds of \$10 million as a result of the gross proceeds of the IPO offset by capital raising costs of \$0.9 million paid to the Underwriter and other advisors.
6. Item 1.9(e) - Asset purchase of Effective Measure Australia and New Zealand (reported to the ASX 23 February 2016).

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