



## ASX Announcement

17 August 2016

### **Pureprofile delivers strong revenue and earnings growth for FY2016, and exceeds Prospectus forecasts**

Pureprofile Limited (ASX:PPL) ("Pureprofile" "PPL", or "the Company") today announced strong pro forma revenue and pro forma earnings growth of 31% and 333% respectively for the year ended 30 June 2016, the first year PPL has operated as a publicly listed company.

PPL has exceeded Prospectus forecasts and the objectives set out in its prospectus, a great outcome for the Board, management, staff and shareholders.

#### Key Highlights:

- **Pro forma revenue of \$28.5m up 31% on FY2015**
- **Pro forma operating EBITDA of \$2.6m up 333% on FY2015**
- **Pro forma gross profit margin of 53% compared to 50% in the prior year**
- **Pro forma net profit after tax and before amortisation & non-recurring items (NPATA) of \$1.3m up 117% on FY15**
- **PPL in discussions with News Corp to extend News Connect platform to the US and UK**
- **FY2017 has started well; revenue expected to grow at a similar rate as FY2016**

#### Operational performance

Pureprofile strengthened its business with a number of key operational developments;

- Strategic alliances with News Corporation in Australia and AA Smartfuel in New Zealand continued to underpin PPL's growth and enable the rapid scaling up of the Programmatic Media and Data & Insights business units.
- The Sparc Media business was successfully integrated with a focus on growing the core businesses in Australia, New Zealand, the UK and the United States – all high growth markets for PPL,
- In February, PPL acquired the big data technology platform from Effective Measure Pty Ltd in Australia and New Zealand, along with extensive publisher relationships, including Mamamia, Australia Post and Bauer, whose specialist audience targeting and measurement capabilities broadens PPL's range of products,



## News Corp - International Expansion

Following the success of the News Connect platform in Australia, PPL is working with News Corp on plans to expand the platform across the US and UK markets. In the US and UK, News Corp has significant publishing and data assets reaching tens of millions of consumers. PPL generates revenue from News Connect through Platform licensing fees and a revenue share on advertising and online research carried out through the News Connect platform.

### Management commentary

Pureprofile Limited CEO, Paul Chan said: “We are very pleased with the solid growth of revenue, operating EBITDA and margins achieved in FY2016. This highlights the strong performance of both our Data & Insights and Programmatic Media divisions. Our FY16 results have exceeded the forecasts published in our prospectus at the time of our listing in July 2015.”

“PPL’s solid operational and financial performance in FY2016 has been achieved through organic growth in both of our operating divisions. More agencies and corporates are switching their promotional spend to campaigns that are facilitated by the products that PPL offers. This is reflected in the growing number of campaigns we are managing across PPL each month.”

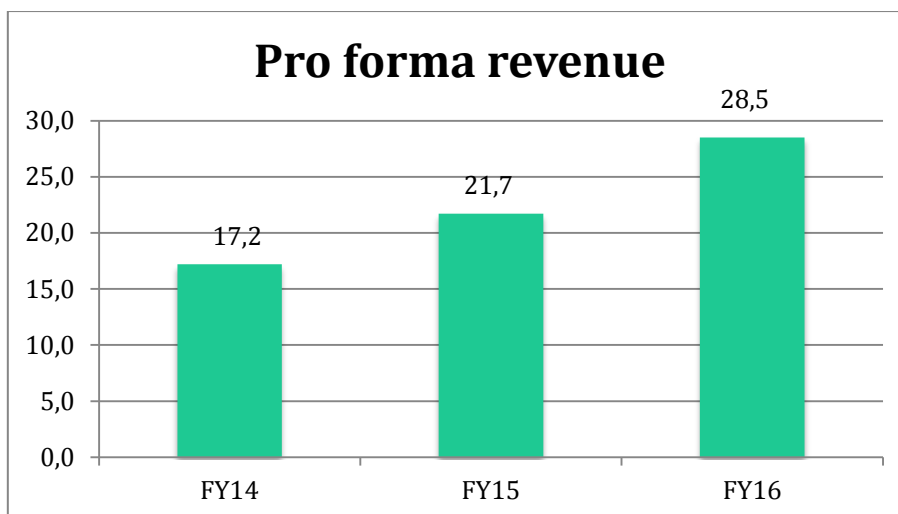
“Data analytics and programmatic media continue to be aggressively adopted by advertisers and this bodes well for PPL in FY2017 and beyond. Our objective for FY2017 will be to maintain the improvement in our margins and pursue further expansion with our clients in Australia, US, UK, and Europe, and other international markets where we see opportunity.” We will also continue to pursue acquisitions that add capabilities and scale to our business and that are earnings accretive.

### Financial performance summary (pro forma):

<b>\$A million</b>	<b>FY2016</b>	<b>Prospectus</b>	<b>Change</b>	<b>FY2015</b>	<b>Change</b>
<b>Revenue</b>	<b>\$28.5</b>	<b>\$28.1</b>	<b>+1%</b>	<b>\$21.7</b>	<b>+31%</b>
<b>Gross Profit</b>	<b>15.2</b>	<b>14.0</b>	<b>+9%</b>	<b>10.8</b>	<b>+41%</b>
<b>Margin %</b>	<b>53%</b>	<b>50%</b>	<b>+6%</b>	<b>50%</b>	<b>+6%</b>
<b>Operating EBITDA <sup>1</sup></b>	<b>2.6</b>	<b>2.5</b>	<b>+4%</b>	<b>0.6</b>	<b>+333%</b>
<b>Margin %</b>	<b>9%</b>	<b>9%</b>	<b>In-line</b>	<b>3%</b>	<b>+200%</b>
<b>NPATA<sup>2</sup></b>	<b>1.3</b>	<b>1.1</b>	<b>+18%</b>	<b>0.6</b>	<b>+117%</b>

<sup>1</sup> Operating EBITDA represents EBITDA before the impact of non-recurring items associated with the costs of IPO, Sparc Media acquisition, integration of the Sparc Media operation and investment of introducing new products and future revenue streams in new markets in US UK, Europe and Australia and NZ. This represents a key performance measure used by management and the directors in assessing the operational performance of the Group.

<sup>2</sup> NPATA before non-recurring items is net profit after tax prior to the amortisation of intangibles relating to the IPO, Sparc Media acquisition, integration of the Sparc Media operation and investment in establishing new markets in US UK, Europe and Australia and NZ net of tax effect.



#### **FY2017 Outlook**

In May and June 2016 PPL recorded a record number of new managed campaigns. The revenue from many of these campaigns will be recognised in Q1FY2017.

PPL is encouraged by the strong momentum of the business at the end of FY2016 and in the first month of FY2017 and expects that revenue should continue to grow during FY2017 at a rate similar to FY2016 and maintaining gross profit and EBITDA margins.

Cash balance at 31 July 2016 has improved from FY2016 balance, benefiting from a strong Q4FY2016 trading quarter.

**- ENDS -**

#### **For more information please contact:**

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#### **About Pureprofile (ASX: PPL)**

Pureprofile is a data insights and programmatic media company. It sits at the heart of where programmatic media, big data and quantitative research converge. Through its deep connection with real people, Pureprofile delivers the next generation in marketing solutions for brands, publishers and researchers.