



DateTix Group Limited (ASX:DTX)

29 April 2016

## **DateTix platform achieves strong growth momentum across key metrics in 3Q16**

DateTix Group Limited (ASX: DTX) is pleased to present its quarterly cash flow report for the quarter ending 31 March 2016, and provide an update on operations. Key highlights from the quarter include:

- **Successful launch of DateTix iOS and Android apps**
- **DateTix surpassed Tinder in both iOS and Android Hong Kong download charts<sup>1</sup>**
- **Very strong growth in Monthly Active Members, date listings and app downloads over the quarter – key drivers to creating value in the DateTix platform**
- **Early monetisation of member base through premium matchmaking service and events**
- **Finalised sale of legacy sales consulting services business, with \$404,500 in cash received subsequent to the quarter end**

Reflecting on the quarter, DateTix Founder and CEO, Michael Ye, said:

“For the DateTix Group, the third quarter has been a pivotal period in terms of its platform rollout and initial user growth in Hong Kong. A highlight for DateTix was the successful launch of the iOS and Android apps in February and March respectively, with strong user take-up achieved in a very short period of time. We are well positioned to ride a wave of growing popularity for online dating services. Our highly differentiated offering appeals to busy young professionals who are eager to meet new people but are increasingly pressed for time. We are very pleased with the traction that the DateTix platform has already achieved in Hong Kong and we are very encouraged by the significant value potential of being the first to market an “on-demand” focused online dating platform in this region.”

### **3Q16 operational achievements**

#### **Strong growth in active members**

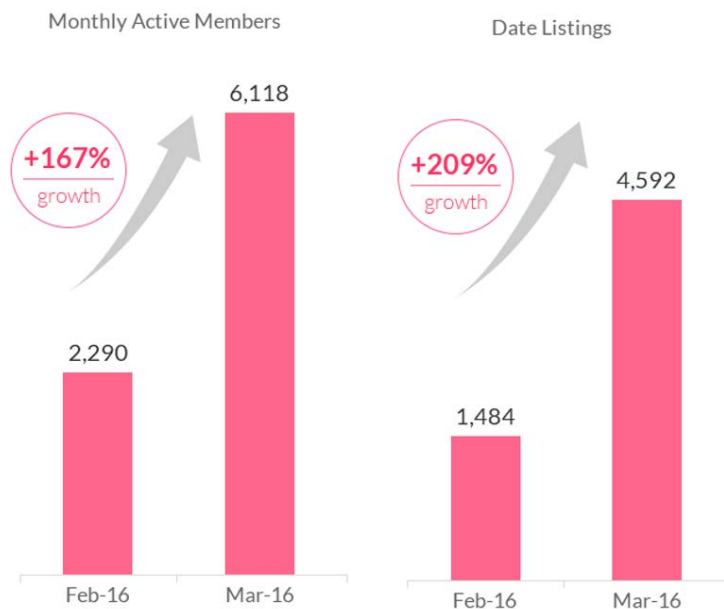
The DateTix iOS app was launched on 5 February 2016 and the Android app was launched on 4 March 2016. In the short period of time up to 31 March 2016, the DateTix platform generated very strong growth in its Monthly Active Members, date listings, and app downloads. Notably, the DateTix app surpassed Tinder in the lifestyle category download charts in Hong Kong over the period<sup>1</sup>.

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<sup>1</sup> Based on App Annie rankings, DateTix surpassed Tinder in app downloads in Hong Kong on Apple iOS for the first time on March 2, 2016, and on Google Play for the first time on March 9, 2016

Key metrics for quarter ending 31 March 2016:

- Over 6,100 Monthly Active Members in Hong Kong in March 2016 – up approximately 167% month-over-month
- Over 4,500 date listings in Hong Kong in March 2016 – up approximately 209% month-over-month
- Over 15,800 downloads of the DateTix app across all platforms for the quarter ending 31 March 2016



### Early monetisation of member base through matchmaking business

DateTix launched its offline premium matchmaking service in December to complement its online platform. Early monetisation of the online member base commenced over the quarter, with an average selling price of approximately A\$3,000 per client, per package. Each package includes a guaranteed number of dates over a 12 month period for each client. The offline matchmaking business provides upfront cash flows for DateTix as it continues to grow its member base.

Matchmaking is an important strategic and complementary business for DateTix, as the proprietary DateTix technology platform generates highly qualified sales leads to the DateTix matchmaking sales team, which is a key competitive advantage. The offline matchmaking market represents a very large opportunity for DateTix, particularly in mainland China where the size of the matchmaking market is projected to be A\$1.2 billion in 2016, approximately twice as large as China's online dating market in terms of total dollar spend<sup>2</sup>.

<sup>2</sup> 2016 iResearch China Dating and Marriage Market Report



### **Continued product innovation and enhancements**

Providing a market-leading user experience and user interface remains a key priority for DateTix. Since the launch of the DateTix app, development has continued and significant improvements are being designed and deployed on a regular basis. Additional product innovation is expected to continue, with a strong focus on further enhancing user engagement and retention.

The introduction of a localised Chinese language version of the DateTix app is expected to be launched across the iOS and Android platforms in May, in advance of DateTix's entry into the mainland China market.

### **Cash in the bank**

DateTix had a cash position of \$2.8 million as at the end of 31 March 2016. This is a very comfortable position with respect to the company's ongoing product development and marketing requirements.

Subsequent to the balance date, a cash injection of A\$404,500 was received for the sale of DateTix's non-core services business, PRM Cloud Solutions. An additional contingent amount of up to A\$280,000 is due in April 2017.

### **Outlook**

The key areas of focus for DateTix in the near term are:

- Further building user density in the Hong Kong market – targeting 30-50k in Monthly Active Members by the end of the calendar year
- Launch of the DateTix app into the city of Shenzhen in mainland China and Singapore
- Develop new marketing and strategic partnership opportunities for new revenue streams

Commenting on the outlook, Mr Ye said:

“We have very positive growth opportunities to look forward to as we continue the rollout of the DateTix platform. We are committed to building user density in Hong Kong and are confident of continued growth across key metrics in upcoming quarters. The initial user growth achieved, combined with a differentiated focus on facilitating offline and in-person dates, provides us with the confidence in our ability to expand in the Hong Kong market.

“The launch into the mainland China city of Shenzhen is significant and Singapore remains on track in the current quarter, representing a substantial growth opportunity for DateTix. With a combination of localised product and marketing teams based in Shenzhen, and extensive China internet experience within the DateTix senior management team, we are well positioned to capture market share in mainland China and look forward to continued strong growth,” concluded Mr Ye.



For further information, please contact:

**Investors**

Eric Kuret  
Director, Market Eye  
D: +61 7 3225 4598 | M: +61 417 311 335  
E: [eric.kuret@marketeye.com.au](mailto:eric.kuret@marketeye.com.au)

**Media**

Georgie Morell  
Director Media & Communications, Market Eye  
D: +61 3 9591 8900 | M: +61 438 008 383  
E: [georgie.morell@marketeye.com.au](mailto:georgie.morell@marketeye.com.au)

**About DateTix**

DateTix is a mobile online marketplace that facilitates on-demand dates by connecting like-minded people who are nearby each other and free at the same times. With the tap of just a few buttons, DateTix members can quickly and effortlessly meet new people for casual dating, serious relationship, business networking and more, at nearby establishments for meals, drinks and other activities. DateTix has developed a proprietary matchmaking engine that algorithmically scores, ranks and matches people based on multiple dimensions of compatibility, including physical attributes, personality traits and date preferences, delivering highly personalised and relevant matches to each and every DateTix member. With an initial focus on major Asian cities, DateTix plans to build, grow and cultivate leading local mobile marketplaces for in person and on-demand dates in major cities around the world.

<http://www.datetix.com>

# 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

DATETIX GROUP LTD (ASX - DTX)

ABN

82 009 027 178

Quarter ended ("current quarter")

31 March 2016

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from customers	294	907
1.2 Payments for		
(a) staff costs	(466)	(1,168)
(b) advertising and marketing	(205)	(373)
(c) research and development	(71)	(102)
(d) leased assets	-	-
(e) other working capital	(330)	(863)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	21	46
1.5 Interest and other costs of finance paid	-	(1)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net operating cash flows</b>	<b>(757)</b>	<b>(1,554)</b>

+ See chapter 19 for defined terms.

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

	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	(757)	(1,554)
<b>1.9 Cash flows related to investing activities</b>		
Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	(13)	(29)
(e) other non-current assets		
<b>1.10 Proceeds from disposal of:</b>		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	-	16
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other-Transaction costs	(3)	(176)
Cash acquired in business combination	-	312
<b>Net investing cash flows</b>	<b>(16)</b>	<b>123</b>
<b>1.14 Total operating and investing cash flows</b>	<b>(773)</b>	<b>(1,431)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, (costs)	-	2,669
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	(1)	(4)
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
<b>Net financing cash flows</b>	<b>(1)</b>	<b>2,665</b>
<b>Net increase (decrease) in cash held</b>	<b>(774)</b>	<b>1,234</b>
1.21 Cash at beginning of quarter/year to date	3,630	1,622
1.22 Exchange rate adjustments to item 1.21	-	-
<b>1.23 Cash at end of quarter</b>	<b>2,856</b>	<b>2,856</b>

+ 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	152
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Directors fees and superannuation,

**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 - leasing	19	19
3.2	Credit standby arrangements	Nil	Nil

+ See chapter 19 for defined terms.

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

**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	335	160
4.2 Deposits at call	2,521	3,470
4.3 Bank overdraft	-	-
4.4 Other (bank bills)	-	-
<b>Total: cash at end of quarter (item 1.23)</b>	<b>2,856</b>	<b>3,630</b>

**Acquisitions and disposals of business entities**

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity		
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

*The Group incorporated two new subsidiaries, one in China and one in Singapore during the quarter in preparation for expansion.*

**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: 29 April 2016  
 (Director/Company secretary)

Print name:    Garry M Edwards

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## 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. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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