Annual Report 2015

Pureprofile Limited ABN 37 167 522 901

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 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 is:
Level 1, 35 Reservoir 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 18 September 2015. The directors have the power to amend and reissue the financial statements.

Contents

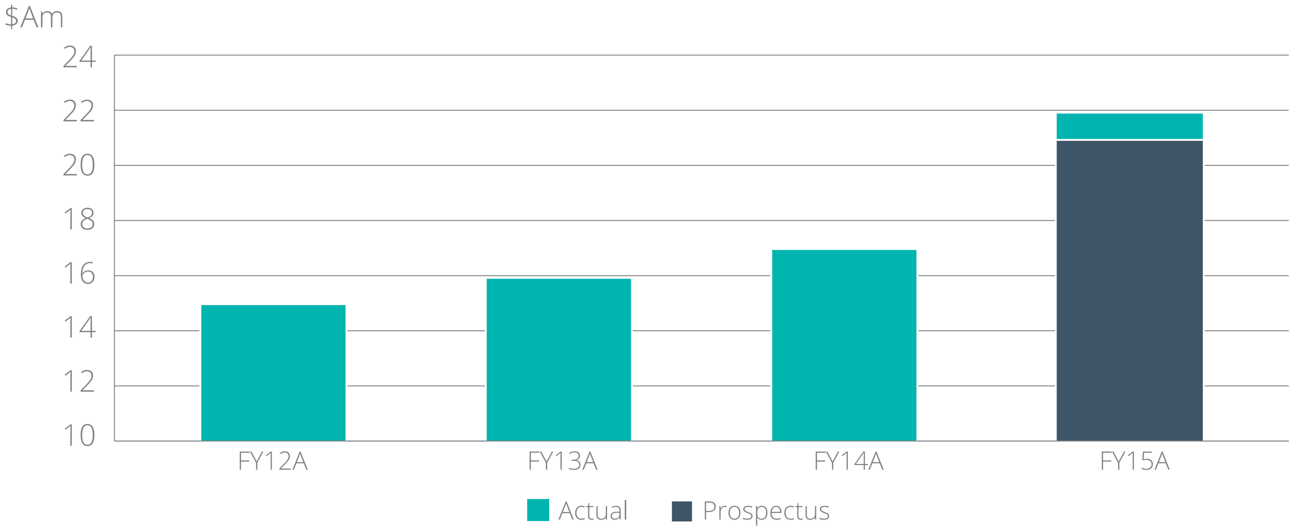
Our global footprint

Pureprofile is a global company headquartered in Sydney, Australia, with offices in Europe (UK, Poland & Greece), the US and India. We employ approximately 120 people worldwide.

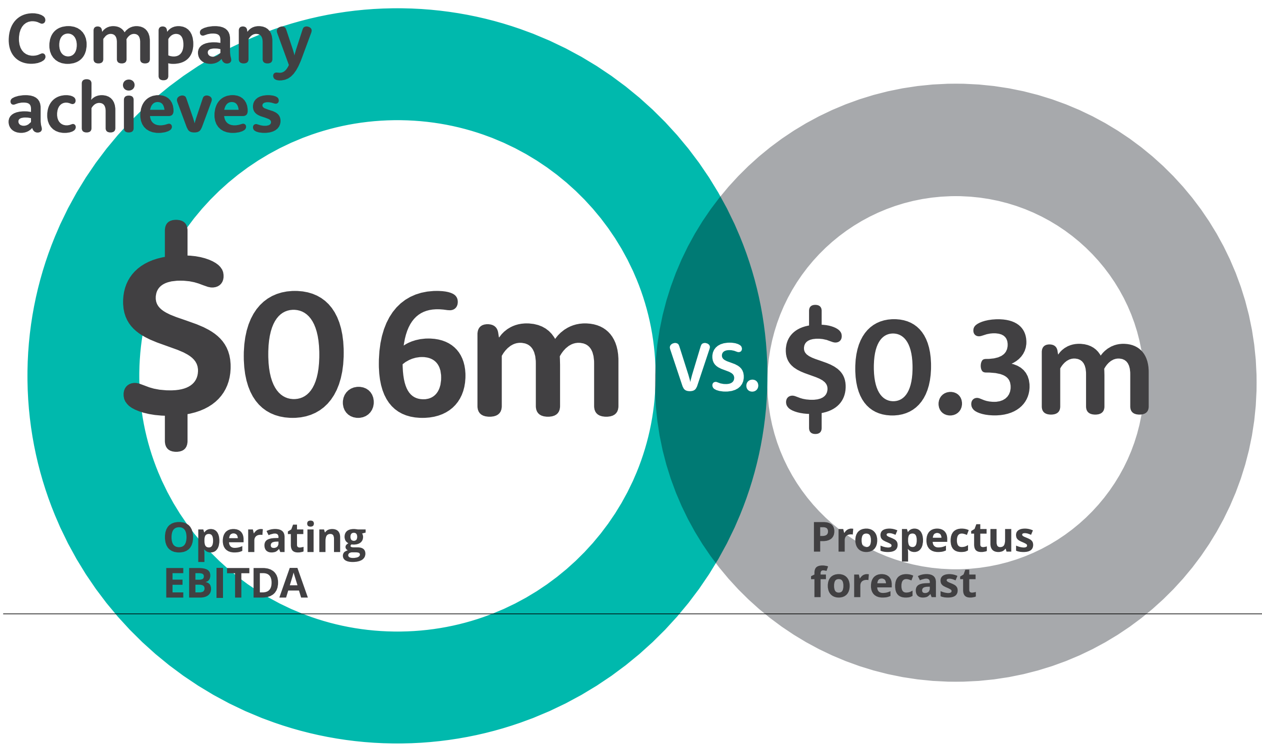
Financial highlights

Strong Revenue Growth

Revenue



Exceeded Prospectus forecast by $1.1m to $21.7m
Strong Revenue Growth 26% pcp FY14



What we do

Pureprofile is a consumer insights and technology company based around the premise of 'why guess, when you can ask?'

We believe a person's unique profile – that is the sum of all their attributes, interests and intentions – has real value that is theirs to leverage. We enable consumers to unlock the value of their own data and provide a platform for them to use on their own terms.

At the heart of all this are questions and answers. Our proprietary technology allows people to build a unique, deep profile of themselves by answering questions, and it uses this data to connect them to brands who will pay them for their time and attention. Consumers benefit because they're being paid fairly for their time, and businesses benefit because it takes the guesswork out of their decision making. ***Why guess what people are interested in buying and when they might buy something when you can simply ask them?***

Pureprofile began as a one-person enterprise back in 2000 and is now a listed company that has over 140 staff across six locations around the globe (Australia, UK, US, Greece, India and Poland). We have been driving innovation in the digital space for 15 years and have invested heavily in our own proprietary technology from the very beginning, evidenced by a patent filed in 2003.

Since Pureprofile began, it has collected more than 300 million answers that have powered the decisions of some of the world's best-known brands.

But the Pureprofile vision was always much bigger. At the company's inception, Founder and CEO Paul Chan viewed the internet as a place where a person's unique profile was the nucleus of it all. These profiles would combine volunteered information as well as other data sources consumers chose to connect (such as social, location, and browsing behaviour), and could be used to enrich and improve their digital experiences. Even before the research business gained momentum, the aim was to challenge the traditional marketing model using a person's profile. Which is why we continue to expand into new industries that can transform the way consumers and brands interact online.

Our future

2015 has been an exciting year for Pureprofile. In July, we listed on the ASX, which enabled the team to make the next step in our evolution a reality. This precipitated the acquisition of programmatic media company Sparc Media, which perfectly complements our profiling technology. Our combined expertise in consumer insights and programmatic media allows Pureprofile to create innovative forms of advertising that present real solutions to current industry challenges, such as the rise in ad-blocking and consumer dissatisfaction with what they see as irrelevant and intrusive marketing.

Pureprofile is pioneering a new era for advertising, in which the consumer is no longer a passive bystander but a participant in the marketing process. This is a fresh media model that gives more certainty to advertisers and keeps quality content essentially free for consumers.

This means brands can deliver more relevant offers and marketing to the people who are in-market for their products, and consumers will be able to use their profiles to customise their experience of content and advertising and earn more from their interactions with brands.

Our core products

– Online market research

Offering quality consumer insights to marketers and researchers across the globe, including many blue chip clients.

– SaaS platform licensing

Providing global media publishers with a profiling platform that allows them to optimise advertising yields while providing new ways for consumers to use their own data to pay for content.

– Media sales

Enabling advertisers and global brands to offer more effective advertising solutions through profile-driven programmatic targeting and enhanced performance marketing campaigns.

Our strategic partnerships and alliances

Over the past 12 months, Pureprofile has signed a number of significant alliances to accelerate growth.

News.com.au

Building on the existing relationship with News Limited, Pureprofile is now working with News.com.au, Australia's largest news website. Pureprofile's SaaS platform powers the Connect reader rewards service across News.com.au and News Limited's online mastheads. This extends our profiling capabilities to new audiences, as well as opening up new ways for publishers to build a data-rich picture of their readers and serve up more effective, relevant advertising.

AA Smartfuel

Following the agreement signed with AA Smartfuel Limited, the New Zealand Automobile Association's fuel rewards service, in FY15, Pureprofile plans to open a New Zealand office in Q2 FY16. This alliance with AA Smartfuel, to recruit their members for market research, facilitates our expansion into the New Zealand market.

ProductReview.com.au

In August 2015, the Company signed a commercial agreement with ProductReview.com.au, Australia's leading consumer opinions site with more than 4 million monthly visitors and 9 million monthly pageviews. Pureprofile now has the ability to access and monetise ProductReview.com.au's user data, which indicates purchase intent across high-value segments such as insurance, telecommunications and automotive.

Why guess what people are interested in buying when you can simply ask them?

Chairman's letter

Dear Shareholder

This year has been an eventful and rewarding year for Pureprofile. In 2015 we solidified our decision to become a publicly-listed company, undertaking a number or changes within the business as we embarked on what would be a transformational period for Pureprofile.

Business overview

During the year, the company strengthened its board and leadership team with the addition of three new board members: Geoffrey Nesbitt appointed as CFO and Executive Director, and Andrew Edwards and Clifford Rosenberg appointed as Non-Executive Directors. All appointments bring a wealth of industry corporate expertise.

Over the year, the company made substantial progress towards expanding its publisher alliances with a number of key agreements signed with prominent organisations. These included News Limited, which will see Pureprofile provide access to its profiling platform, big data analytics and support services; and AA Smartfuel in New Zealand, where Pureprofile will be establishing an office and expanding its presence and distribution.

The FY 2015 financial result showed strong momentum over the year, with pro forma revenues of $21.7 million, which exceeded both pro forma FY 2014 results and Prospectus forecast. This was a reflection of the strong performance across the business in all operations, including online research, media sales, and publisher licensing.

We continue to focus on our growth initiatives as we build on our media sales operations and further develop our products and technology in this sector. We're also focused on expanding our publisher alliances and have made good progress alongside our expansion into new markets.

Market outlook

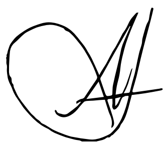
Pureprofile operates in the global market research industry which had revenues totalling US$40 billion in 2014. Pureprofile is positioned both domestically and internationally to take advantage of this opportunity. Through the acquisition of Sparc Media we have a further opportunity within the programmatic advertising market, which is expected to reach US$53 billion in global spend in 2018, by developing our profile data driven programmatic media offering.

Conclusion

This has been a transformational year for the company, following the expansion of our publisher alliances, international growth and our public listing, which saw Pureprofile officially float on the ASX on 29 July 2015. We received strong support from investors, which was a clear indication of both the demand in the market for marketing and technology companies and a validation of the offering we provide.

I am looking forward to the year ahead and what the company will achieve as a publicly-listed business. On behalf of my fellow board members, I would like to thank my staff for all their hard work this year and also welcome shareholders to the company and thank them for their support as we embark on our next phase of growth.

Yours Sincerely



Fredrick Swaab Chairman
18 September 2015 Sydney

CEO's report

Welcome to our first Annual Report. I founded Pureprofile 15 years ago and in many ways it feels like we are just getting started. I am proud and humbled by what we have achieved so far, however I truly believe the best is yet to come.

At our core we are a technology business with a very big vision. As a public company, we now have further capacity to accelerate our growth via our core research panel and programmatic media businesses. In addition to this, I am very excited about strategic investments that will utilise our new proprietary technology, developed to take further advantage of major structural changes happening in the marketing, insights and big data industries.

Financial performance

The full-year financial results reflected strong performance for the year, with pro forma revenues of $21.7 million for FY 2015, surpassing the Prospectus forecasts by more than $1.1 million.

Key growth drivers for the business were online research sales, which performed strongly and saw pro forma revenue growth of 18% year on year, together with media sales and trading (through the acquisition of Sparc Media), which increased its pro forma revenue by 39% on FY 2014. Our SaaS (software as a platform service), which is a relatively new addition to Pureprofile's revenue streams, demonstrated its potential, generating pro forma revenues of $0.6 million in FY 2015 from SaaS fees.

Operational performance

During the year, we made significant progress expanding the SaaS Platform business. In January 2015 a licensing agreement was signed with News Limited for Pureprofile's platform technology and services to be used to power its News Connect product, which launched in July 2015.

This marked a key milestone for the company, securing an alliance with one of the largest media corporations to expedite further growth in this sector.

In addition, we also signed an alliance agreement with AA Smartfuel Limited, one of New Zealand's largest consumer reward programs, to rapidly grow the New Zealand market for Pureprofile's research and media products. Post year-end, we secured a commercial agreement with ProductReview.com.au, Australia's leading consumer reviews site, to access its rich user content and purchase intent data spanning more than 4 million monthly visitors and 9 million monthly impressions.

Corporate vision and strategy

As we step into FY 2016, we will continue to focus on our growth strategy and pursue opportunities that capitalise on our core strategic initiatives, including:

- extending publisher alliances;
- continued investment in enhancing products and technology;
- international expansion; and
- incorporating further Profile data into programmatic media.

The funds raised upon listing allowed us to complete the acquisition of Sparc Media and we have accelerated our entry into the programmatic media market. By combining our profiling capabilities and Sparc's programmatic media sales and performance marketing expertise, we have created an incredibly valuable offering for our clients, which provides them with the ability to run highly-targeted campaigns and build deeper relationships with their customers.

In 2016, in addition to expanding our publisher alliances, we will also continue to focus on growing our Profile and client base, both organically and by expanding into new markets internationally, and to further develop and enhance our products and services.

Outlook

I am excited about where we are today and how much we have achieved to date. We have a number of exciting opportunities ahead of us as we step into this next phase of growth and expansion for the company. We have put in place key strategic initiatives to drive further growth across all areas of our business. We have already demonstrated, through our alliances with high profile corporations, the strength of our offering and the opportunity ahead of us.

We expect to see significant value created through our alliances with News Limited, AA Smartfuel and ProductReview.com.au as we move into FY 2016 and as a company we are confident of achieving our Prospectus forecasts in this financial year.

I look forward to providing further updates on our initiatives and business growth over the next few months. I would like to take this opportunity to thank each investor for their support to the company over the years.

Yours faithfully

Paul Chan Executive Director & Chief Executive

18 September 2015 Sydney

Fredrick Swaab

Non-Executive Chairman

Fred has been the chairman of Pureprofile since its inception in 2000 and has played a key role in guiding Pureprofile's strategy, planning and management. He has been closely involved in raising capital, investor and business relations, and driving Pureprofile's global expansion.

An experienced lawyer and businessman, Fred is also Chairman of Partners at Swaab Attorneys, a Sydney-based law firm specialising in corporate and commercial law with a special interest in venture capital and private equity initiatives.

Paul Chan

Managing Director & Chief Executive Officer

Paul founded Pureprofile in 2000, after coming up with the idea for the business while working on a startup in Sydney, LA and Silicon Valley during the dotcom boom of the late 90s. His vision was to provide a service to allow consumers to create, enrich and monetise their own unique profiles.

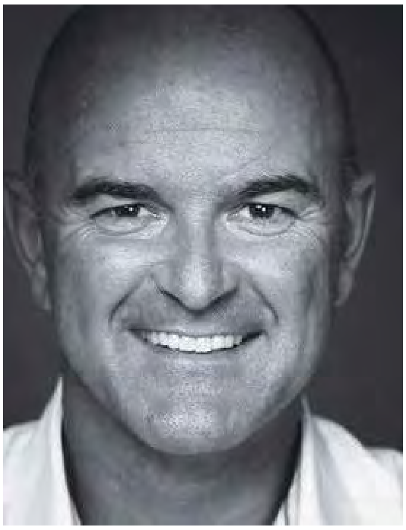
Paul set up his first business – a real estate company – when he was 22, and has held the position of Managing Director and CEO of Pureprofile since its inception. He has extensive expertise in developing the Pureprofile suite of online applications, including user experience, database and profile architectures.

Geoffrey Nesbitt

Executive Director and Chief Financial Officer

Geoff was appointed as CFO in September 2014 and oversees all aspects of Pureprofile's financial operations, including working capital, capital expenditures, debt levels, taxes, budgets and general accounting.

During his career, Geoff has managed an extensive list of M&A transactions across Asia-Pacific, the US and UK. He played an integral role in the initial public offer while CFO of Enero Group Limited (EGG) (Formerly Photon Group Limited) in 2004.



Andrew Edwards

Non-Executive Director

Andrew has more than 30 years of marketing experience behind him and is currently the Chairman and CEO of internationally-renowned advertising and marketing agency Leo Burnett Group UK and President of Leo Burnett Central Europe, having held several senior roles within the company since joining in 2003.

Prior to his roles for Leo Burnett, Andrew ran Australia's most-awarded direct marketing company, Cartwright Williams.

Clifford Rosenberg

Non-Executive Director

Cliff has spent more than 20 years working at digital companies leading innovation and change in the industry, both as an entrepreneur and senior executive. He is currently the Managing Director for LinkedIn South-East Asia, Australia and New Zealand.

Prior to joining LinkedIn, Cliff was the Managing Director of Yahoo! Australia and New Zealand, and previously the Founder and Managing Director of iTouch Australia and New Zealand, one of the largest mobile content and application service providers in Australia.

The company's directors and management are committed to conducting the group's business in an ethical manner and in accordance with the highest standards of corporate governance. The company has adopted and substantially complies with the ASX Corporate Governance Principles and Recommendations (3rd Edition) ('Recommendations') to the extent appropriate to the size and nature of the group's operations.

The company has prepared a Corporate Governance Statement which sets out the corporate governance practices that were in operation throughout the financial year for the company, identifies any Recommendations that have not been followed, and provides reasons for not following such Recommendations.

The company's Corporate Governance Statement and policies, which was approved by the Board of directors at the same time as the Annual Report can be found on its website:
http://businesses.pureprofile.com/investors/corporate-governance

Financial report

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Pro forma adjustments to the statutory income statement

The table below sets out the adjustment to the Statutory Results for 2015 to primarily reflect the acquisitions that Pureprofile Ltd. has made since 1 July 2015 as if they had occurred as at 1 July 2014 and the full year impact of the operating and capital structure that is in place following completion of the Initial Public Offering ('IPO') (on 29 July 2015) as if it was in place as at 1 July 2014. In addition, certain other adjustments to eliminate non-recurring items have been made. These adjustments are summarised below:

	Pro forma Actual Consolidated 30 June 2015 $m	Prospectus Pro forma Forecast 30 June 2015 $m	Change %
Statutory revenue	**9.4**	**9.2**	**2%**
Pro forma impact of acquisition[1]	12.3	11.4	8%
Pro forma revenue	**21.7**	**20.6**	**5%**
Statutory NPAT	**(1.4)**	**(0.7)**	**(100%)**
Pro forma impact of acquisition[1]	0.6	0.4	50%
Non-recurring expenses[2]	0.7	0.6	17%
Non-recurring share-based payment expense	0.2	-	100%
Non-recurring IPO expenses[3]	0.6	-	100%
Non-recurring M&A expenses[4]	0.4	-	100%
Amortisation of intangible upon acquisition[5]	(0.3)	(0.3)	0%
IPO-related remuneration costs[6]	(0.2)	(0.2)	0%
Public company costs[7]	(0.4)	(0.4)	0%
Tax effect[8]	0.1	0.1	0%
Total pro forma adjustments	**1.7**	**0.2**	**750%**
Pro forma NPAT	**0.3**	**(0.5)**	**160%**

The pro forma adjustments made to statutory revenue and NPAT of Pureprofile reflects the following events and assumptions:

1. **Pro forma impact of acquisition** represents the full impact of Sparc** revenue and NPAT as if Pureprofile controlled Sparc since 1 July 2014.
2. **Non-recurring expenses** represents the pro forma adjustment for non-recurring 'one-off' business expenditure incurred by Pureprofile which are specific to circumstances at the time, and include such items as recruitment fees, consultant fees and salaries as a result of the transition of key management roles.
3. **Non-recurring IPO expenses** relates to 'one-off' legal, auditor, corporate advisor and accounting services expenditure incurred in relation to the IPO on the Australian Securities Exchange.
4. **Non-recurring M&A expenses** relates to 'one-off' legal, auditor and accounting services expenditure incurred in relation to the acquisition of Sparc.
5. **Amortisation of intangible upon acquisition** represents the amortisation expense over four years stemming from the identifiable intangibles of the Sparc acquisition
6. **IPO-related remuneration costs** adjustment for increases in senior management remuneration on completion of the IPO and to remove the impact of one-off share-based payment expense relating to the issue of 3,371,000 options to directors, senior executive and staff of Pureprofile.
7. **Public company costs** based on Pureprofile's estimate of the incremental annual costs that it will incur as a listed public company. These costs include incremental increase to non-executive director remuneration, company secretary costs, additional audit and legal costs, listing fees, share registry fees, directors' and officers' insurance premiums as well as annual general meeting and annual report costs.
8. **Tax-effect of pro forma adjustments** relating to 1 to 7 above has been reflected in this adjustment as appropriate.

** Sparc Media Pty Limited, Adsparc Pty Limited, Future Students Pty Limited, Funbox India Private Limited (India) and Sparc Media sp. z o.o. (Poland) (collectively referred to as 'Sparc').

Pureprofile

Pro forma consolidated income statements: Financial year ended 30 June 2015 compared to financial year ended 30 June 2014

The pro forma consolidated income statement for the financial year ended 30 June 2015 and 30 June 2014 has been prepared on the same basis as the pro forma consolidated financial income statement for the year ended 30 June 2015 and 30 June 2014 published in the Pureprofile Ltd. IPO prospectus issued in July 2015.

The table below sets out the pro forma consolidated income statement for the financial years ended 30 June 2015 and 30 June 2014.

	Pro forma Actual		Forecast Results[1]	Forecast v Actual
	30 June 2014 $m	30 June 2015 $m	30 June 2015 $m	30 June 2015 %
Revenue				
- Research	7.3	8.6	8.5	1%
- Media	9.0	12.5	11.6	8%
- Platform	0.9	0.6	0.5	20%
Total revenue	**17.2**	**21.7**	**20.6**	**5%**
Cost of sales	8.1	10.9	10.9	0%
Gross Profit	**9.1**	**10.8**	**9.7**	**11%**
Operating EBITDA[2]	**(1.1)**	**0.6**	**0.3**	**100%**
Depreciation	0.1	0.1	0.1	0%
Amortisation	0.7	1.0	1.0	0%
NPAT before non-recurring items[3]	**(1.4)**	**0.3**	**(0.5)**	**160%**
NPATA before non-recurring items[4]	**(1.1)**	**0.6**	**(0.2)**	**400%**

Notes:
1. **Forecast results** are as presented in the Pureprofile Prospectus dated 19 June 2015.
2. **Operating EBITDA** represents EBITDA before the impact of non-recurring items.
3. **NPAT before non-recurring items** represent net profit after tax before the impact of non-recurring items.
4. **NPATA before non-recurring items** is net profit after tax but prior to the amortisation of intangibles relating to acquisitions (net of tax effect), before the impact of non-recurring items.

Summary key operating metrics

Summary key operating metrics: Financial year ended 30 June 2015 compared to financial year ended 30 June 2014

	Pro forma		
	30 June 2015	30 June 2014	Change
Key financial metrics			
- Revenue growth	26%	6%	333%
- Gross profit margin	50%	53%	(6%)
- EBITDA growth	155%	(219%)	170%
- EBITDA margin	3%	(6%)	150%
- NPATA growth	155%	(265%)	158%
- NPATA margin	3%	(7%)	143%

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 year ended 30 June 2015.

Directors

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

Fredrick Swaab	Non-Executive Chairman
Paul Chan	Managing Director & Chief Executive Officer
Geoffrey Nesbitt	Executive Director & Chief Financial Officer (appointed 5 November 2014)
Clifford Rosenberg	Non-Executive Director (appointed 12 June 2015)
Andrew Edwards	Non-Executive Director (appointed 12 June 2015)
Bronwyn Pott	Non-Executive Director (resigned 5 November 2014)

Principal activities

During the financial year 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 year.

Review of operations

The loss for the group after providing for income tax amounted to $1,438,839 (30 June 2014: $675,759).

Normalised EBITDA loss for the financial year amounted to $374,607 (30 June 2014: $192,691).

EBITDA 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 loss after income tax and normalised EBITDA:

	Consolidated	
	2015 $	2014 $
Loss after income tax	(1,438,839)	(675,759)
Add: Depreciation and amortisation	719,236	548,898
Less: Interest income	(6,012)	(5,575)
Add: Share-based payment expense	211,056	104,791
Add: Restructuring, acquisition and IPO costs	1,035,728	-
Less: Income tax benefit	(895,776)	(165,046)
Normalised EBITDA	(374,607)	(192,691)

Overview

The company’s financial performance for the year was very strong, with pro forma revenue of $21.7 million for FY 2015, which surpassed the Prospectus forecasts by more than $1.1 million (5%).

Pro forma Operating EBITDA was up 100% against pro forma forecast to $0.6 million for FY 2015. The increase reflects Pureprofile’s high operating leverage and the improvement in Pro forma Gross Profits to 50% (vs. 47% forecast).

All revenue lines experienced strong growth in Q4, which positions the company well going into FY 2016.

Review of key business segments

Online Research
Online Research performed strongly with pro forma revenue increasing to $8.6m, up 18% on FY 2014.

Pureprofile intends to expand its market research business internationally, opening its New Zealand operation in Q2 2016. This is initially to support the SaaS platform and revenue share agreement with AA Smartfuel (described below), but will also accelerate the Pureprofile expansion strategy.

Programmatic media
The programmatic media business continues to grow, with record results achieved. FY 2015 with pro forma revenue up 39% on FY 2014.

The Sparc Media integration is progressing well, and development of a sell-side platform is under way, which will result in greater process efficiencies across the programmatic media business. In FY 2016, Pureprofile will increase media revenues by incorporating profile data into managed programmatic and performance marketing campaigns. This will offer clients more targeted and effective marketing campaigns and provides a competitive advantage in the programmatic media space.

SaaS platform fees
SaaS platform is a relatively new business for Pureprofile that generated pro forma revenue of $0.6m in FY 2015. Pureprofile typically receives a monthly SaaS license fee and a share of revenue generated from the platform.

There is an opportunity for Pureprofile to license its SaaS platform to other large publishers. It is currently in a number of discussions with several content publishers and membership-based rewards organisations.

Strategic alliances
- *News Limited*
  In FY 2015, the company signed an agreement with News Limited to license Pureprofile's SaaS technology platform and services. Under this agreement, Pureprofile also partnered with News Limited to launch its new "News Connect" service, which incentivises News Limited's readers and members' to build their profiles in return for free subscriptions and other rewards. It launched on 31 July 2015.
- *News.com.au*
  Pureprofile has further expanded its relationship with News Limited to incorporate news.com.au, Australia's largest news website. The alliance provides significant advantages to the insights and media components of the business.
- *ProductReview.com.au*
  The company signed a revenue-sharing agreement with ProductReview.com.au, Australia's leading consumer opinions site, to open up new profiling and media opportunities. ProductReview.com.au has more than 4 million monthly visitors and 9 million monthly page views.
- *AA Smartfuel*
  Pureprofile signed an agreement with AA Smartfuel Limited to recruit AA Smartfuel members to Pureprofile to expand its online market research and marketing products in the New Zealand market. This is on track to launch in Q2 FY 2016.

Growth initiatives
The company continues to move forward with its stated growth initiatives in line with Pureprofile's four key strategic drivers:
- extending its publisher alliances;
- continued investment in enhancing its products and technology;
- international expansion; and
- incorporating further Profile data into programmatic media.

The current FY 2016 forecast is not dependent on these new income streams, which seek to provide additional revenue growth.

Significant changes in the state of affairs

Corporate/group reorganisation - Pureprofile Ltd. with Pureprofile Global Pty Ltd and Pureprofile.com, Inc.

Pureprofile Ltd. was incorporated on 14 January 2014. On 6 November 2014 the shareholders of the company undertook a corporate reorganisation, in which Pureprofile Ltd acquired Pureprofile Global Pty Ltd and Pureprofile.com Inc. and their subsidiaries ('existing Merged Group').

This corporate reorganisation did not represent a business combination in accordance with AASB 3 'Business Combination'. Instead the appropriate accounting treatment for recognising the new group structure is on the basis that the transaction is a form of capital reconstruction and group reorganisation. Accordingly, the financial statements represent a continuation of the existing Merged Group.

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

Matters subsequent to the end of the financial year

On 23 July 2015, the group acquired the business and assets of Sparc Media's Australian business carried on by Sparc Media Pty Limited, Adsparc Pty Limited and Future Students Pty Limited, and the share capital of Funbox India Private Limited and Sparc Media sp. z o.o. (Poland) (collectively referred to as 'Sparc'). The purchase price is to be based upon the financial performance of Sparc in FY 2015 and FY 2016 but will be a minimum price of $2,500,000 and a maximum price of $6,600,000. The consideration will be settled in a mix of both cash and shares of Pureprofile Ltd. Sparc specialises in programmatic media sales of online advertising inventory for advertisers and publishers.

On 29 July 2015, the company completed an initial public offering ('IPO') of 20,000,000 shares of its common stock at $0.50 per share and was admitted to the Official List of ASX Limited with the ASX code PPL. The net proceeds of the IPO after payment of fees, expenses and underwriting discounts were $9,450,000.

No other matter or circumstance has arisen since 30 June 2015 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

Sparc Media integration

Combining Pureprofile's profiling technology with Sparc Media's programmatic capabilities, the parties will develop a unique offering that delivers publisher audiences based on consumer intent and behaviour. This, combined with anticipated growth of more than 27% per year in global programmatic spend between FY 2014 and FY 2018, positions Pureprofile's programmatic media business strongly for FY 2016.

International expansion

Together with the opening of its New Zealand office, Pureprofile anticipates growth in the company's operations globally. This is expected to be achieved by increasing market share in the online research space and by bringing on new large publishers and reward programs to its SaaS platform offering.

Platform development

Pureprofile continues to invest heavily in its technology, constantly striving to improve on its vision of matching a person's profile to relevant offers and content, developing new revenue models from deeper interactions.

The identified growth strategies and current momentum behind the established research and media business is expected to result in $28.1m revenue and $2.5m EBITDA in FY 2016.

Environmental regulation

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

Information on directors

Name:	Fredrick Swaab
Title:	Non-Executive Chairman
Qualifications:	Bachelor of Arts from University of NSW; Bachelor of Laws from University of Sydney; Fellow of Australian Institute of Company Directors; Member of the International Corporate Governance Network; Member of the Business Law Section of the Law Council of Australia; Member of the City of Sydney Law Society; Member of the Law Council of Australia; Admitted to practice in the High Court of Australia.
Experience and expertise:	An experienced lawyer and businessman, Fred is also Chairman of Partners at Swaab Attorneys, a Sydney-based law firm specialising in corporate and commercial law with a special interest in venture capital and private equity initiatives, both from investor and investee perspectives. Fred has acted on many public and private fundraisings, business mergers and acquisitions, including initial public offerings and other projects in the commercial, industrial and digital sectors, as well as for sophisticated investment trusts. Throughout his professional life, Fred has been a director of a variety of public and private companies, university foundations, sporting clubs and business associations. He acts as legal counsel to many public and private corporations and as personal adviser to directors of not-for-profits, government executives and senior corporate managers.
Other current directorships:	None
Former directorships (last 3 years):	UXC Ltd (ASX Listed) Former Board member 10 years
Special responsibilities:	Chairman of the Audit Committee and member of the Nomination and Remuneration Committee
Interests in shares:	5,736,676 ordinary shares
Interests in options:	400,000 options over ordinary shares
Contractual rights to shares:	None

Name:	Paul Chan
Title:	Managing Director & Chief Executive Officer
Qualifications:	Bachelor of Land Economics from the University of Technology, Sydney; member of the Sydney Chapter of the Entrepreneurs Organisation, since 2008.
Experience and expertise:	Paul began his career when he was a 19-year-old student working for the developers of one of the first industrial to residential waterfront development conversions in Mortlake on Parramatta River, called Green Point. When he was 22, he set up his own real estate company, Paul Chan & Associates, while he was still studying his undergraduate degree. The business operated under Paul's own real estate licence and specialised in commercial and retail leasing and property management. He then became the real estate licensee in charge of Country State Property Services, working on the Citivilla project in the Sydney CBD – a luxury hotel managed investment opportunity. Paul founded Pureprofile in 2000 after coming up with the idea for the business while working on a startup in Sydney, Los Angeles and Silicon Valley during the dotcom boom of the late 90s.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	6,962,656 ordinary shares
Interests in options:	500,000 options over ordinary shares
Contractual rights to shares:	None

Name:	Geoffrey Nesbitt (appointed 5 November 2014)
Title:	Executive Director & Chief Financial Officer
Qualifications:	Bachelor of Business degree in Accounting from Southern Cross University (formerly University of New England, Northern Rivers) and is a member of CPA Australia.
Experience and expertise:	Geoff has extensive experience across the marketing and digital communications and recruitment sectors, having held senior roles in both private and public companies. During his career, Geoffrey has managed an extensive list of M&A transactions across the Asia-Pacific region, US and UK. He also played an integral role in the initial public offer during his time as CFO of Enero Group Limited (EGG) (formerly Photon Group Limited) in 2004.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	250,000 ordinary shares
Interests in options:	570,000 options over ordinary shares
Contractual rights to shares:	None

Name:	Clifford Rosenberg (appointed 12 June 2015)
Title:	Non-Executive Director
Qualifications:	Cliff holds a Master of Science degree in Management, as well as Bachelor of Business Science in Economics and Marketing. He is also a member of the Australian Institute of Company Directors (AICD).
Experience and expertise:	Cliff Rosenberg worked at companies driving innovation and change in the digital space for more than 20 years, both as an entrepreneur and senior executive. He is currently the Managing Director for LinkedIn South East Asia, Australia and New Zealand. Cliff was formerly the Managing Director of Yahoo! Australia and New Zealand, where he was responsible for all aspects of the local operation for more than three years. Prior to joining Yahoo!, Cliff was the Founder and Managing Director of iTouch Australia and New Zealand, a leading wireless application service provider. He grew the Australian office to one of the largest mobile content and application providers in Australia, forming key partnerships with companies such as Telstra and Ninemsn. Previously, Cliff was head of corporate strategy for Vodafone Australasia and also served as an international management consultant with Gemini Consulting and Bain Consulting.
Other current directorships:	Non-Executive Director of ASX-listed Nearmap (NEA)
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit Committee and Chairman of the Nomination and Remuneration Committee
Interests in shares:	200,000 ordinary shares
Interests in options:	400,000 options over ordinary shares
Contractual rights to shares:	None

Name:	Andrew Edwards (appointed 12 June 2015)
Title:	Non-Executive Director
Experience and expertise:	Andrew has more than 30 years of marketing experience behind him and is currently the Chairman and CEO of internationally-renowned advertising and marketing agency Leo Burnett Group UK and President of Leo Burnett Central Europe. Andrew joined Leo Burnett as the Global Discipline Lead for DM and CRM of Arc in 2003 and was soon promoted to Managing Director of Leo Burnett Sydney, incorporating Arc. During his tenure, the agency topped the new business league and, in September 2005, Burnett/Arc was voted Australia's number one agency. Over the past 10 years, Andrew has been appointed to several senior roles within the company, including President of Arc for the EMEA region, Chairman of Arc UK and Deputy Chairman of the Leo Burnett Group London, before becoming CEO of the UK Group in November 2007 and Chairman in December 2010. Prior to his roles for Arc/Leo Burnett, Andrew ran Australia's most-awarded direct marketing company, Cartwright Williams.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit Committee and Nomination and Remuneration Committee
Interests in shares:	201,358 ordinary shares
Interests in options:	400,000 options over ordinary shares
Contractual rights to shares:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Ondine De Meautis was appointed company secretary on 10 August 2015, replacing Elissa Hansen. With extensive knowledge in all areas of corporate secretarial matters including compliance and corporate governance, Ondine acts as a Company Secretary for a number of ASX listed and unlisted companies. Ondine's previous experience includes corporate secretarial roles for a number of large ASX-listed companies and portfolios of unlisted subsidiaries. She holds a Bachelor of International Studies and a Masters of Policy Studies from the University of New South Wales.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2015, and the number of meetings attended by each director were:

	Full Board		Nomination and Remuneration Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
Fredrick Swaab	7	8	-	-	-	-
Paul Chan	8	8	-	-	-	-
Geoffrey Nesbitt	6	7	-	-	-	-
Clifford Rosenberg	1	1	-	-	-	-
Andrew Edwards	1	1	-	-	-	-

Held: represents the number of meetings held during the time the director held office.

The Nomination and Remuneration Committee and the Audit and Risk Committee did not hold any meetings during the year ended 30 June 2015.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and conforms to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Nomination and Remuneration Committee is responsible reviewing and making recommendations to the Board on remuneration packages and policies relating to the directors and executives and to ensure that the remuneration policies and practices are consistent with the group's strategic goals and human resource objectives.

In consultation with external remuneration consultants (refer to the section 'use of remuneration consultants' below), the Nomination and Remuneration Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the group.

Alignment to shareholders' interests:
- has economic profit as a core component of plan design
- focuses on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracts and retains high calibre executives

Alignment to program participants' interests:
- rewards capability and experience
- reflects competitive reward for contribution to growth in shareholder wealth
- provides a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive directors and executive remunerations are separate.

Non-executive directors remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive Directors do not receive short-term incentives and their remuneration must not include a commission on, or a percentage of, operating revenue.

ASX listing rules require the aggregate Non-executive Directors remuneration be determined periodically by a general meeting. Under the company’s Constitution and as set out in the IPO Prospectus, total aggregate remuneration available to Non-executive Directors is set currently at $600,000 per annum. Non-executive Director fees (Directors' fees and committee fees, inclusive of superannuation) proposed for the year ending 30 June 2016 are summarised as follows:

Name	FY 2016 Fees
Fredrick Swaab	$100,000
Clifford Rosenberg	$70,000
Andrew Edwards	$70,000

Fredrick Swaab, Clifford Rosenberg and Andrew Edwards are also eligible for additional long term incentives under the company's Long Term Incentive plan ('LTI'). The company has granted each of Fredrick Swaab, Clifford Rosenberg and Andrew Edwards 400,000 share options under the LTI. Refer to Long Term Incentives section below for key terms and conditions of the LTI.

Executive remuneration
The group aims to reward executives with a level and mix of remuneration based on their position and responsibility, which has both fixed and variable components.

The executive remuneration and reward framework has four components:
- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration. The remuneration packages for executives are considered by the Nomination and Remuneration Committee and approved by the Board. The remuneration of the executives will be reviewed annually by the Nomination and Remuneration Committee. At the absolute discretion of the Nomination and Remuneration Committee, the company may seek external advice on the appropriate level and structure of remuneration packages from time to time.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Nomination and Remuneration Committee, based on individual and business unit performance, the overall performance of the group and comparable market remuneration.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the group and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the targets of those executives responsible for meeting those targets. Under the STI, eligible executives may be offered cash incentives ('rewards') which may be subject to vesting conditions set by the Board. Each offer of rewards under the STI is, or will be, on the terms generally described as follows:
- the Board will determine the total dollar amount of the STI, calculated as a percentage of their salary package;
- the payment (or part payment) of the STI will be subject to fulfilment (or part fulfilment) of performance conditions set by the Board;
- any STI that becomes payable will be paid in cash and, at the discretion of the Board, by the grant of rights to receive shares ('service rights') of equivalent value (as determined by the Board at the time of grant);
- if granted the service rights will vest 13 months from grant date and provided that the eligible employee is still employed by the company at the vesting date;
- on vesting employees will receive the shares that are subject to the service rights without payment of any exercise price;
- service right holders are not entitled to participate in new issues of shares or other securities made by the company to holders of shares without receiving the shares that are subject to the service rights before the record date for the relevant issue;
- if, prior to the receipt of shares that are subject to the service right, the company makes a pro rata bonus issue to the holders of its shares, and the shares that are subject to the service right are not issued prior to the record date in respect of that bonus issue, the service right will, when vested, entitle the holder to one share plus the number of bonus shares which would have been issued to the holder if the shares that are subject to the service right had been issued prior to the record date; and
- if, prior to the receipt of shares that are subject to the service right, the company undergoes a reorganisation of capital (other than by way of a bonus issue for cash), the terms of the service rights will be changed to the extent necessary to comply with the ASX Listing Rules as they apply at the relevant time.

The long-term incentives include long service leave and share-based payments. The company has adopted a long term incentive plan ('LTI') in order to assist in the motivation and retention of key staff. The LTI is designed to align the interest of eligible executives and employees more closely with the interests of the Shareholders by providing an opportunity for eligible executives and employees to receive an equity interest in the company.

Under the LTI, eligible executives and employees may be given options to acquire Shares ('options') which may be subject to vesting conditions set by the Board. Each grant of options under the LTI is, or will be, on the terms generally described as follows:

- the Board will determine the number of options to be granted to each eligible employee;
- options will vest progressively over the periods determined by the Board at the time of the grant. As outlined in the prospectus, for the initial grant of options under the LTI, one third of the options will vest on completion of the IPO; another one third of the options will vest on 31 August 2016 and the remaining one third of the options will vest on 31 August 2017;
- vesting of the initial options granted under the LTI is conditional to the IPO completing by 31 December 2015 and, additionally in the case of eligible employees transferring from Sparc, the completion of the Sparc acquisition;
- the options will expire five years from the vesting date;
- options will have an exercise price as set by the Board at the time of the grant. For the initial grant of options under the LTI as outlined in the prospectus, the exercise price will be $0.60 for Non-Executive Directors and $0.50 for all other executives and employees issued options;
- options holders are not entitled to participate in new issues of shares or other securities made by the company to holders of shares without exercising the options before the record date for the relevant issue;
- if, prior to the exercise of an option, the company makes a pro rata bonus issue to the holders of its shares, and the option is not exercised prior to the record date in respect of that bonus issue, the option will, when vested, entitle the holder to one share plus the number of bonus shares which would have been issued to the holder if the option had been exercised prior to the record date; and
- if, prior to the exercise of an option, the company undergoes a reorganisation of capital (other than by way of a bonus issue for cash), the terms of the options will be changed to the extent necessary to comply with the ASX Listing Rules as they apply at the relevant time.

Group performance and link to remuneration
Remuneration for certain individuals is directly linked to the performance of the group. A portion of cash bonus and incentive payments are dependent on defined earnings per share targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee is of the opinion that the continued improved results can be attributed in part to the adoption of performance based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

Use of remuneration consultants
During the financial year ended 30 June 2015, the group engaged Crichton and Associates Pty Limited, remuneration consultants, to review its existing remuneration policies and provide recommendations on how to improve both the STI and LTI programs. This has resulted in share-based payments remuneration in the form of options (LTI) being implemented. Crichton and Associates Pty Limited was paid $23,734 for these services.

An agreed set of protocols were put in place to ensure that the remuneration recommendations would be free from undue influence from key management personnel. The Board is satisfied that these protocols were followed and as such there was no undue influence.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the group are set out in the following tables.

The key management personnel of the group consisted of the following directors of Pureprofile Ltd.:

- Fredrick Swaab - Non-Executive Chairman
- Paul Chan - Managing Director & Chief Executive Officer
- Geoffrey Nesbitt - Executive Director & Chief Financial Officer (appointed 5 November 2014)
- Clifford Rosenberg - Non-Executive Director (appointed 12 June 2015)
- Andrew Edwards - Non-Executive Director (appointed 12 June 2015)

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2015	Cash salary and fees $	Cash bonus $	Other $	Super-annuation $	Employee leave $	Equity-settled*** $	Total $
Non-Executive Directors:							
F. Swaab	64,641	-	-	-	-	2,783	67,424
C. Rosenberg*	3,196	-	-	304	-	2,783	6,283
A. Edwards*	3,196	-	-	304	-	2,783	6,283
Executive Directors:							
P. Chan	246,636	-	-	2,530	-	4,104	253,270
G. Nesbitt**	187,556	-	-	15,431	-	4,679	207,666
	505,225	-	-	18,569	-	17,132	540,926

* Represents remuneration from date of appointment
** Represents remuneration from date of appointment as Chief Financial Officer (8 September 2014)
*** Represents share options granted to KMP

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2014	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Employee leave $	Equity-settled $	Total $
Non-Executive Directors:							
F. Swaab	62,500	-	-	-	-	-	62,500
Executive Directors:							
P. Chan	240,000	-	-	-	-	-	240,000
	302,500	-	-	-	-	-	302,500

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2015	2014	2015	2014	2015	2014
Non-Executive Directors:						
F. Swaab	96%	100%	-%	-%	4%	-%
C. Rosenberg	55%	-%	-%	-%	45%	-%
A. Edwards	55%	-%	-%	-%	45%	-%
Executive Directors:						
P. Chan	99%	100%	-%	-%	1%	-%
G. Nesbitt	99%	-%	-%	-%	1%	-%

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Fredrick Swaab
Title:	Non-Executive Chairman
Agreement commenced:	12 June 2015
Term of agreement:	Up until the next annual general meeting
Details:	Base salary for the year ending 30 June 2016 of $100,000 including superannuation and any GST, to be reviewed from time to time by the Nomination and Remuneration Committee in accordance with constitution and policies. Appointment until next Annual General Meeting, during which he will be eligible for re-election. Share options of up to 400,000 granted in year 1, and 200,000 annually thereafter with respect to the Employee Share Scheme.

Name:	Paul Chan
Title:	Managing Director and Chief Executive Officer
Agreement commenced:	1 June 2015
Term of agreement:	No fixed end date
Details:	Base salary for the year ending 30 June 2016 of $350,000 including superannuation, to be reviewed annually by the Nomination and Remuneration Committee. Reimbursement of reasonable out-of-pocket expenses incurred in connection with the performance of duties. 6 month termination notice period by either party. Eligibility to short-term incentive reward of up to $170,000 and long-term incentives of 500,000 options under the Incentives Scheme, which defines the amount, form, frequency, KPIs and targets to which the incentives relate.

Name:	Geoffrey Nesbitt
Title:	Executive Director and Chief Financial Officer
Agreement commenced:	1 May 2015
Term of agreement:	No fixed end date
Details:	Base salary for the year ending 30 June 2016 of $250,000 including superannuation, to be reviewed annually by the Nomination and Remuneration Committee. Reimbursement of reasonable out-of-pocket expenses incurred in connection with the performance of duties. 6 month termination notice period by either party. Share options of 570,000 granted in year 1 and eligibility to short-term and long-term incentives under the Incentives Scheme, which defines the amount, form, frequency, KPIs and targets to which the incentives relate.

Name:	Clifford Rosenberg
Title:	Non-Executive Director
Agreement commenced:	12 June 2015
Term of agreement:	Up until the next annual general meeting
Details:	Base salary for the year ending 30 June 2016 of $70,000 including superannuation and any GST, to be reviewed from time to time by the Nomination and Remuneration Committee in accordance with constitution and policies. Appointment until next Annual General Meeting, during which he will be eligible for re-election. Share options of up to 400,000 granted in year 1, and 200,000 annually thereafter with respect to the Employee Share Scheme.

Name:	Andrew Edwards
Title:	Non-Executive Director
Agreement commenced:	12 June 2015
Term of agreement:	Up until the next annual general meeting
Details:	Base salary for the year ending 30 June 2016 of $70,000 including superannuation and any GST, to be reviewed from time to time by the Nomination and Remuneration Committee in accordance with constitution and policies. Appointment until next Annual General Meeting, during which he will be eligible for re-election. Share options of up to 400,000 granted in year 1, and 200,000 annually thereafter with respect to the Employee Share Scheme.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2015.

Options
The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
29/05/2015	31/12/2015	29/05/2020	$0.50	$0.0931
29/05/2015	31/08/2016	29/05/2020	$0.50	$0.0931
29/05/2015	31/08/2017	29/05/2020	$0.50	$0.0931
29/05/2015	31/12/2015	29/05/2020	$0.60	$0.0789
29/05/2015	31/08/2016	29/05/2020	$0.60	$0.0789
29/05/2015	31/08/2017	29/05/2020	$0.60	$0.0789

Options granted carry no dividend or voting rights.

The number of options over ordinary shares granted to and vested by directors and other key management personnel as part of compensation during the year ended 30 June 2015 are set out below:

Name	Number of options granted during the year 2015	Number of options vested during the year 2015
Fredrick Swaab	400,000	-
Paul Chan	500,000	-
Geoffrey Nesbitt	570,000	-
Clifford Rosenberg	400,000	-
Andrew Edwards	400,000	-

Values of options over ordinary shares granted, exercised and lapsed for directors and other key management personnel as part of compensation during the year ended 30 June 2015 are set out below:

Name	Value of options granted during the year $	Value of options exercised during the year $	Value of options lapsed during the year $
Fredrick Swaab	31,560	-	-
Paul Chan	46,550	-	-
Geoffrey Nesbitt	53,067	-	-
Clifford Rosenberg	31,560	-	-
Andrew Edwards	31,560	-	-

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other*	Balance at the end of the year
Ordinary shares					
Fredrick Swaab	5,736,676	-	-	-	5,736,676
Paul Chan	6,462,656	-	500,000	-	6,962,656
Geoffrey Nesbitt	-	-	250,000	-	250,000
Andrew Edwards	201,358	-	-	-	201,358
	12,400,690	-	750,000	-	13,150,690

Option holding
The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the group, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Fredrick Swaab	-	400,000	-	-	400,000
Paul Chan	-	500,000	-	-	500,000
Geoffrey Nesbitt	-	570,000	-	-	570,000
Clifford Rosenberg	-	400,000	-	-	400,000
Andrew Edwards	-	400,000	-	-	400,000
	-	2,270,000	-	-	2,270,000

Other transactions with key management personnel and their related parties
During the financial year, expenses for professional legal and non-executive director services from Swaab Attorneys (director-related entity of Fredrick Swaab) of $463,707 (2014: $74,292) were incurred. The current amounts payable at 30 June 2015 was $399,941 (2014: $31,873). All transactions were made on normal commercial terms and conditions and were at market rates.

As at 30 June 2015, the group had borrowings from Pilmore Pty Limited (director-related entity of Fredrick Swaab) of $100,000 (2014: $300,000). The borrowings attracted an interest expense of $8,927 (2014: $10,017) during the financial year. Included in the current amounts payable at 30 June 2015 was $25,493 (2014: $16,566). All transactions were made on normal commercial terms and conditions and were at market rates.

During the financial year, expenses for subscription and recruitment services from LinkedIn (director-related entity of Clifford Rosenberg) of $13,158 (2014: $16,900) were incurred. The current amount payable at 30 June 2015 was $700 (2014: $1,804). All transactions were made on normal commercial terms and conditions and were at market rates.

During the financial year, expenses for CEO services from Worldfire Pty Limited (director-related entity of Paul Chan) of $220,000 (2014: $240,000) were incurred. The current amount payable at 30 June 2015 was $88,000 (2014: $44,000). All transactions were made on normal commercial terms and conditions and were at market rates.

During the financial year, expenses for consulting services from JamisonYork Pty Limited (director-related entity of Geoff Nesbitt) of $15,750 (2014: $nil) were incurred prior to his employment. All transactions were made on normal commercial terms and conditions and were at market rates.

During the financial year ended 30 June 2014, income for services of $1,605 were earned from Leo Burnett Group UK (related entity of Andrew Edwards). The current amount receivable at 30 June 2014 was $1,766. All transactions were made on normal commercial terms and conditions and were at market rates.

This concludes the remuneration report, which has been audited.

Shares under option
Unissued ordinary shares of Pureprofile Ltd. under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
29/05/2015	29/05/2020	$0.50	2,171,000
29/05/2015	29/05/2020	$0.60	1,200,000
			3,371,000

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

Shares issued on the exercise of options
There were no ordinary shares of Pureprofile Ltd. issued on the exercise of options during the year ended 30 June 2015 and up to the date of this report.

Indemnity and insurance of officers
The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 25 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 25 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:
- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Officers of the company who are former partners of Moore Stephens Sydney
There are no officers of the company who are former partners of Moore Stephens Sydney.

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 on the following page.

Auditor
Moore Stephens Sydney continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Fredrick Swaab
Chairman

18 September 2015
Sydney

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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 audit of Pureprofile Limited for the year ended 30 June 2015, 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 audit; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Pureprofile Limited and the entities it controlled during the financial year.

Moore Stephens Sydney

Moore Stephens Sydney
Chartered Accountants

Melissa Alexander

Melissa Alexander
Partner

Dated in Sydney this 18th day of September 2015.

Pureprofile Ltd.
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2015

	Note	Consolidated 2015 $	Consolidated 2014 $
Revenue	4	9,358,820	8,604,053
Other income	5	54,403	81,928
Expenses			
Survey fees and other direct costs		(3,155,261)	(3,108,961)
Employee benefits expense		(2,848,949)	(2,985,997)
Foreign exchange loss		(44,931)	(16,455)
Depreciation and amortisation expense	6	(719,236)	(548,898)
Technology, engineering and licence fees		(2,075,224)	(1,261,481)
Share-based payment expense		(211,056)	(104,791)
Restructuring, acquisition and IPO costs		(1,035,728)	-
Other expenses		(1,657,453)	(1,500,203)
Loss before income tax benefit		(2,334,615)	(840,805)
Income tax benefit	7	895,776	165,046
Loss after income tax benefit for the year attributable to the owners of Pureprofile Ltd.	21	(1,438,839)	(675,759)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(135,084)	(16,113)
Other comprehensive income for the year, net of tax		(135,084)	(16,113)
Total comprehensive income for the year attributable to the owners of Pureprofile Ltd.		(1,573,923)	(691,872)
		Cents	**Cents**
Basic earnings per share	34	(4.21)	(2.25)
Diluted earnings per share	34	(4.21)	(2.25)

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

	Note	Consolidated 2015 $	Consolidated 2014 $
Assets			
Current assets			
Cash and cash equivalents	8	733,118	998,604
Trade and other receivables	9	3,261,482	2,186,064
Income tax receivable		925,920	420,555
Other	10	503,833	320,938
Total current assets		5,424,353	3,926,161
Non-current assets			
Property, plant and equipment	11	119,601	44,143
Intangibles	12	2,581,869	1,338,285
Deferred tax	13	1,235,587	714,844
Other		43,419	-
Total non-current assets		3,980,476	2,097,272
Total assets		9,404,829	6,023,433
Liabilities			
Current liabilities			
Trade and other payables	14	4,162,970	2,487,594
Borrowings	15	426,956	425,000
Provisions	16	2,384,842	2,596,052
Deferred revenue		248,000	39,822
Total current liabilities		7,222,768	5,548,468
Non-current liabilities			
Deferred tax	17	1,000,282	535,315
Provisions	18	29,114	-
Total non-current liabilities		1,029,396	535,315
Total liabilities		8,252,164	6,083,783
Net assets/(liabilities)		1,152,665	(60,350)
Equity			
Issued capital	19	7,175,254	4,015,461
Reserves	20	1,529	509,468
Accumulated losses	21	(6,024,118)	(4,585,279)
Total equity/(deficiency)		1,152,665	(60,350)

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

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total deficiency $
Balance at 1 July 2013	4,015,461	420,790	(3,909,520)	526,731
Loss after income tax benefit for the year	-	-	(675,759)	(675,759)
Other comprehensive income for the year, net of tax	-	(16,113)	-	(16,113)
Total comprehensive income for the year	-	(16,113)	(675,759)	(691,872)
Transactions with owners in their capacity as owners:				
Share-based payments (note 35)	-	104,791	-	104,791
Balance at 30 June 2014	4,015,461	509,468	(4,585,279)	(60,350)

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2014	4,015,461	509,468	(4,585,279)	(60,350)
Loss after income tax benefit for the year	-	-	(1,438,839)	(1,438,839)
Other comprehensive income for the year, net of tax	-	(135,084)	-	(135,084)
Total comprehensive income for the year	-	(135,084)	(1,438,839)	(1,573,923)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 19)	2,575,882	-	-	2,575,882
Share-based payments (note 35)	-	211,056	-	211,056
Transfer (notes 19 and 20)	583,911	(583,911)	-	-
Balance at 30 June 2015	7,175,254	1,529	(6,024,118)	1,152,665

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

	Note	Consolidated 2015 $	Consolidated 2014 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		9,450,452	9,346,209
Payments to suppliers and employees (inclusive of GST)		(9,300,148)	(9,166,661)
		150,304	179,548
Restructuring, acquisition and IPO costs (inclusive of GST)		(1,381,864)	-
Interest received		6,012	5,575
Other income		63,376	81,928
Income taxes refunded		334,635	523,516
Net cash from/(used in) operating activities	33	(827,537)	790,567
Cash flows from investing activities			
Payments for property, plant and equipment	11	(79,650)	(30,307)
Payments for intangibles	12	(1,934,516)	(828,081)
Proceeds from disposal of property, plant and equipment		11,761	-
Net cash used in investing activities		(2,002,405)	(858,388)
Cash flows from financing activities			
Proceeds from issue of shares	19	2,500,000	-
Share issue transaction costs	19	(137,500)	-
Net cash from financing activities		2,362,500	-
Net decrease in cash and cash equivalents		(467,442)	(67,821)
Cash and cash equivalents at the beginning of the financial year		998,604	1,066,425
Cash and cash equivalents at the end of the financial year	8	531,162	998,604

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

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The group has adopted all of the new, revised or amending 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.

Adoption of AASB 1 'First time adoption of Australian Accounting Standards'

The group has historically prepared ‘separate financial statements’ for each relevant entity for the purposes of satisfying the directors reporting requirements. The group is now required to prepare ‘general purpose financial statements’ in accordance with International Financial Reporting Standards ('IFRS') for the first time for the year ended 30 June 2015. In accordance with AASB 1 ‘First time adoption of Australian Accounting Standards’ the group has adopted all relevant IFRS standards with effect from the beginning of the comparative period, 1 July 2013. The adoption of AASB 1 has not resulted in any changes in recognition or measurement of amounts in the financial statements.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the group only. Supplementary information about the parent entity is disclosed in note 29.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Pureprofile Ltd. ('company' or 'parent entity') as at 30 June 2015 and the results of all subsidiaries for the year then ended. Pureprofile Ltd. and its subsidiaries together are referred to in these financial statements as the 'group'.

Subsidiaries are all those entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

The acquisition of common control subsidiaries is accounted for at book value. The acquisition of other subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Note 1. Significant accounting policies (continued)

Where the group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation
The financial statements are presented in Australian dollars, which is Pureprofile Ltd.'s functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition
Revenue is recognised when it is probable that the economic benefit will flow to the group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, after taking into account any trade discounts and volume rebates allowed.

Sales revenue - research, media and platform
Revenue relating to the provision of services, consisting of research, media and platform revenue, is recognised with reference to the stage of completion of the transaction at the end of the reporting period.

Stage of completion is measured by reference to the services performed to date as a percentage of total anticipated services to be performed. Where the contract outcome cannot be reliably estimated, revenue is only recognised to the extent of the recoverable costs incurred to date.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Grant income
Grant income received is recognised as income in the period in which it is received.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Note 1. Significant accounting policies (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Pureprofile Ltd. (the 'head entity') and its wholly-owned Australian subsidiaries are in the process of forming an income tax consolidated group with tax funding agreements, under the tax consolidation regime, effective 1 July 2014. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Note 1. Significant accounting policies (continued)

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Office and computer equipment	three to nine years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements (including make-good asset) and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Leases
Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Software
Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reductions are capitalised. Costs capitalised include external direct costs of materials and service, employee costs and an appropriate portion of relevant overheads. Software development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the group has an intention and ability to use the asset. Software costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of between four and five years.

Note 1. Significant accounting policies (continued)

Membership base
The acquired membership base is amortised on a straight-line basis over the period of its expected benefit, being a finite life of four years.

Brand names
Acquired brand names are not amortised. Instead, brand names are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired, and is carried at cost less accumulated impairment losses.

Impairment of non-financial assets
Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30-45 days of recognition.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions
Provisions are recognised when the group has a present (legal or constructive) obligation as a result of a past event, it is probable the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Reward redemption
The group invites its internet panel members to complete surveys in exchange for a cash or points-based incentive. These amounts are not paid until a predetermined target value has accrued on a members' account, and despite this, an assessment of incentives likely to be paid (present obligation) is made taking into account past behaviour and activity. This is recognised as an expense in the period in which the service is provided.

Note 1. Significant accounting policies (continued)

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for employee benefits not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments
Equity-settled share-based compensation benefits are provided to employees. Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Note 1. Significant accounting policies (continued)

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Business combinations
The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Corporate/group reorganisation - Pureprofile Ltd. with Pureprofile Global Pty Ltd and Pureprofile.com, Inc.
Pureprofile Ltd. was incorporated on 14 January 2014. On 6 November 2014 the shareholders of the company undertook a corporate reorganisation, in which Pureprofile Ltd, acquired Pureprofile Global Pty Ltd and Pureprofile.com, Inc. and their subsidiaries ('existing Merged Group').

Note 1. Significant accounting policies (continued)

This corporate reorganisation did not represent a business combination in accordance with AASB 3 'Business Combination'. Instead the appropriate accounting treatment for recognising the new group structure is on the basis that the transaction is a form of capital reconstruction and group reorganisation. Accordingly the financial statements are a continuation of the existing Merged Group and as such:

- The assets and liabilities recognised and measured are at carrying amounts of the existing Merged Group rather than at fair value;
- The retained earnings and other equity balances recognised are the existing retained earnings and other equity balances of the existing Merged Group;
- No 'new' goodwill has been recognised as a result of the combination; and
- The comparatives presented are those of the existing Merged Group.

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Pureprofile Ltd., excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the group for the annual reporting period ended 30 June 2015. The group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the group, are set out below.

AASB 9 Financial Instruments
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. The group expects to adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the group.

Note 1. Significant accounting policies (continued)

AASB 15 Revenue from Contracts with Customers
This standard is applicable to annual reporting periods beginning on or after 1 January 2017. Exposure Draft (ED 263) 'Effective Date of AASB 15' proposes to defer the application date by one year (1 January 2018). The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgements made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The group expects to adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the group.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Accounting for the internal restructure prior to Initial Public Offering (‘IPO’)
During the financial year, an internal restructure took place in preparation of the listing of the group on the Australian Securities Exchange. This resulted in a newly incorporated company, Pureprofile Ltd., becoming the legal parent of the group.

The directors elected to account for the restructure as a capital reorganisation rather than a business combination. In the directors’ judgement, the continuation of the existing accounting values most appropriately reflects the substance of the internal restructure. As such, the consolidated financial statements of the new Pureprofile Ltd. group have been presented as a continuation of the pre-existing accounting values of assets and liabilities of the combined financial statements of Pureprofile Global Pty Ltd and Pureprofile.com, Inc. and their subsidiaries.

In adopting this approach the directors note that there is an alternate view that such a restructure should be accounted for as a business combination that follows the legal structure of Pureprofile Ltd. being the acquirer. If this view had been taken, the net assets of the group would have been uplifted to fair value, with consequential impacts on profit or loss and the statement of financial position. An IASB project on accounting for common control transactions is likely to address such restructures in the future. However, the precise nature of any new requirements and the timing of these are uncertain. In any event, history indicates that any potential changes are unlikely to require retrospective amendments to the financial statements.

Share-based payment transactions
The group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Estimation of useful lives of assets
The group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than indefinite life intangible assets
The group assesses impairment of non-financial assets other than indefinite life intangible assets at each reporting date by evaluating conditions specific to the group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax
The group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The group recognises liabilities for anticipated tax audit issues based on the group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Reward redemption provision
In determining the level of provision required for reward redemptions the group has made judgements in respect of the expected outflows necessary to settle the redemptions. The provision represents the maximum amount that the group estimates is likely to be claimed by panel members and is based on estimates made from historical data and likely redemption patterns. Balances accrued by panel members that have been inactive (i.e. not completed any transaction) for more than one year are written back to profit or loss.

Note 3. Operating segments

Identification of reportable operating segments
The group has one operating segment based 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. This segment's financial information is detailed throughout these financial statements.

The CODM reviews sales by product type and geographical region.

Types of products and services
The principal products and services are as follows:

Research	Conducting research and brand awareness
Media	Buying and re-selling advertising inventory
Platform	Platform usage and surveys and other activities

Refer to note 4 for details of revenue split by product and service line.

Major customers
There are no major customers that contributed more than 10% of revenue to the group (2014: nil).

Revenue by geographical area
The group operates in 3 (2014: 3) regions. The sales revenue for each region is as follows:

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Note 3. Operating segments (continued)

	Consolidated 2015 $	Consolidated 2014 $
Australia	7,251,590	7,231,955
Europe	1,377,058	787,340
US	724,160	579,183
	9,352,808	8,598,478

Note 4. Revenue

	Consolidated 2015 $	Consolidated 2014 $
Sales revenue		
Research	8,620,633	7,440,573
Media	117,464	289,481
Platform	614,711	868,424
	9,352,808	8,598,478
Other revenue		
Interest	6,012	5,575
Revenue	9,358,820	8,604,053

Note 5. Other income

	Consolidated 2015 $	Consolidated 2014 $
Net gain on disposal of property, plant and equipment	4,409	-
Government grants	49,994	81,928
Other income	54,403	81,928

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Note 6. Expenses

	Consolidated 2015 $	Consolidated 2014 $
Loss before income tax includes the following specific expenses:		
Depreciation		
Office and computer equipment	28,304	112,180
Amortisation		
Software	687,107	436,718
Membership base	3,825	-
Total amortisation	690,932	436,718
Total depreciation and amortisation	719,236	548,898
Finance costs		
Interest and finance charges paid/payable	54,901	22,517
Rental expense relating to operating leases		
Minimum lease payments	334,678	372,627
Superannuation expense		
Defined contribution superannuation expense	276,285	203,154
Share-based payments expense		
Share-based payments expense	211,056	104,791
Employee benefits expense excluding superannuation		
Employee benefits expense excluding superannuation	2,572,664	2,782,843

Note 7. Income tax benefit

	Consolidated 2015 $	Consolidated 2014 $
Income tax benefit		
Current tax	(840,000)	(322,046)
Deferred tax - origination and reversal of temporary differences	(55,776)	157,000
Aggregate income tax benefit	(895,776)	(165,046)
Deferred tax included in income tax benefit comprises:		
Decrease/(increase) in deferred tax assets (note 13)	(520,743)	379,590
Increase/(decrease) in deferred tax liabilities (note 17)	464,967	(222,590)
Deferred tax - origination and reversal of temporary differences	(55,776)	157,000
Numerical reconciliation of income tax benefit and tax at the statutory rate		
Loss before income tax benefit	(2,334,615)	(840,805)
Tax at the statutory tax rate of 30%	(700,385)	(252,242)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Entertainment expenses	3,208	10,061
Share-based payments	63,317	31,437
Eligible research and development expenditure	570,000	506,652
Deemed income	44,052	145,047
Sundry items	662	93,750
	(19,146)	534,705
Current year tax losses not recognised	-	48,591
Prior year tax losses not recognised now recouped	(74,392)	-
Difference in overseas tax rates	(52,193)	11,636
Research and development tax concession	(750,045)	(759,978)
Income tax benefit	(895,776)	(165,046)

	Consolidated 2015 $	Consolidated 2014 $
Tax losses not recognised		
Potential unused tax benefit for which no deferred tax asset has been recognised	489,694	411,006

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

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Note 8. Current assets - cash and cash equivalents

	Consolidated 2015 $	Consolidated 2014 $
Cash at bank	233,118	498,604
Cash on deposit*	500,000	500,000
	733,118	998,604

Reconciliation to cash and cash equivalents at the end of the financial year
The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

	2015 $	2014 $
Balances as above	733,118	998,604
Bank overdraft (note 15)	(201,956)	-
Balance as per statement of cash flows	531,162	998,604

* Cash on deposits of $500,000 (2014: $500,000) is a restricted cash balance which is held and maintained as security over the group's bank overdraft facility.

Note 9. Current assets - trade and other receivables

	Consolidated 2015 $	Consolidated 2014 $
Trade receivables	3,052,477	2,341,388
Less: Provision for impairment of receivables	(35,120)	(196,698)
	3,017,357	2,144,690
Other receivables	244,125	41,374
	3,261,482	2,186,064

Impairment of receivables
The group has recognised a loss of $20,976 (2014: $8,204) in profit or loss in respect of impairment of receivables for the year ended 30 June 2015.

The ageing of the impaired receivables provided for above are as follows:

	Consolidated 2015 $	Consolidated 2014 $
0 to 3 months overdue	-	4,981
3 to 6 months overdue	3,520	7,572
Over 6 months overdue	31,600	184,145
	35,120	196,698

Note 9. Current assets - trade and other receivables (continued)

Movements in the provision for impairment of receivables are as follows:

	Consolidated 2015 $	Consolidated 2014 $
Opening balance	196,698	188,494
Additional provisions recognised	20,976	9,132
Receivables written off during the year as uncollectable	(182,554)	-
Unused amounts reversed	-	(928)
Closing balance	35,120	196,698

Past due but not impaired
Customers with balances past due but without provision for impairment of receivables amount to $1,449,333 as at 30 June 2015 ($1,257,936 as at 30 June 2014).

The group did not consider a credit risk on the aggregate balances after reviewing the credit terms of customers based on recent collection practices.

The ageing of the past due but not impaired receivables are as follows:

	Consolidated 2015 $	Consolidated 2014 $
0 to 3 months overdue	1,162,795	950,117
3 to 6 months overdue	133,332	305,680
Over 6 months overdue	153,206	2,139
	1,449,333	1,257,936

Note 10. Current assets - other

	Consolidated 2015 $	Consolidated 2014 $
Accrued revenue	38,846	152,109
Prepayments	464,987	168,829
	503,833	320,938

Note 11. Non-current assets - property, plant and equipment

	Consolidated 2015 $	Consolidated 2014 $
Office and computer equipment - at cost	171,758	97,460
Less: Accumulated depreciation	(52,157)	(53,317)
	119,601	44,143

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Note 11. Non-current assets - property, plant and equipment (continued)

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

Consolidated	Office and computer equipment $	Total $
Balance at 1 July 2013	91,135	91,135
Additions	30,307	30,307
Make-good addition	35,000	35,000
Exchange differences	(119)	(119)
Depreciation expense	(112,180)	(112,180)
Balance at 30 June 2014	44,143	44,143
Additions	79,650	79,650
Make-good addition	37,000	37,000
Disposals	(7,352)	(7,352)
Exchange differences	(5,536)	(5,536)
Depreciation expense	(28,304)	(28,304)
Balance at 30 June 2015	119,601	119,601

Note 12. Non-current assets - intangibles

	Consolidated	
	2015 $	2014 $
Software - at cost	3,956,106	2,183,589
Less: Accumulated amortisation	(1,532,412)	(845,304)
	2,423,694	1,338,285
Membership base - at cost	68,000	-
Less: Accumulated amortisation	(3,825)	-
	64,175	-
Brand names - at cost	94,000	-
	2,581,869	1,338,285

Note 12. Non-current assets - intangibles (continued)

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

Consolidated	Software $	Membership base $	Brand names $	Total $
Balance at 1 July 2013	946,922	-	-	946,922
Additions	828,081	-	-	828,081
Amortisation expense	(436,718)	-	-	(436,718)
Balance at 30 June 2014	1,338,285	-	-	1,338,285
Additions	1,772,516	68,000	94,000	1,934,516
Amortisation expense	(687,107)	(3,825)	-	(690,932)
Balance at 30 June 2015	2,423,694	64,175	94,000	2,581,869

Impairment testing
Brand names are tested annually for impairment. For the year ended 30 June 2015, the recoverable amount of the brand name has determined based on fair value less to costs to sell. On the basis that the brand name was acquired on 9 April 2015, management have assessed that the carrying value of the brand name at 30 June 2015 approximates it's fair value less cost to sell. Therefore the carrying amount of the brand name does not exceed it's recoverable amount.

Note 13. Non-current assets - deferred tax

	Consolidated 2015 $	Consolidated 2014 $
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Tax losses	253,034	-
Impairment of receivables	8,484	46,903
Property, plant and equipment	3,018	-
Employee benefits	41,744	35,070
Accrued expenses	57,077	47,023
Provision for reward redemptions	500,177	524,411
Unrealised foreign exchange loss	61,306	60,908
Business related capital expenditure	310,718	-
Sundry	29	529
Deferred tax asset	1,235,587	714,844
Movements:		
Opening balance	714,844	1,094,434
Credited/(charged) to profit or loss (note 7)	520,743	(379,590)
Closing balance	1,235,587	714,844

Note 14. Current liabilities - trade and other payables

	Consolidated	
	2015	2014
	$	$
Trade payables	2,071,380	1,678,132
Accrued expenses	1,187,298	421,921
Other payables	904,292	387,541
	4,162,970	2,487,594

Refer to note 22 for further information on financial instruments.

Note 15. Current liabilities - borrowings

	Consolidated	
	2015	2014
	$	$
Bank overdraft	201,956	-
Bank loans	125,000	125,000
Convertible notes payable	100,000	300,000
	426,956	425,000

Refer to note 22 for further information on financial instruments.

The convertible notes were issued to Pilmore Pty Limited (a director-related entity). Under the terms of the loan agreement $200,000 was repaid during the year ended 30 June 2015 by the issue of 400,000 shares in Pureprofile Ltd. The remaining balance and any accrued interest will be repaid from the proceeds of the initial public offering. Interest on the convertible notes is accrued at 2.45% per annum.

Total secured liabilities
The total secured current liabilities are as follows:

	Consolidated	
	2015	2014
	$	$
Bank overdraft	201,956	-
Bank loans	125,000	125,000
	326,956	125,000

Assets pledged as security
The bank overdraft is secured by cash on deposit of $500,000 as disclosed in note 8. Bank loans are secured by personal guarantees provided by Fredrick Swaab (Chairman) and Paul Chan (Chief Executive Officer).

Note 15. Current liabilities - borrowings (continued)

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

	Consolidated 2015 $	Consolidated 2014 $
Total facilities		
Bank overdraft	500,000	500,000
Bank loans	125,000	125,000
	625,000	625,000
Used at the reporting date		
Bank overdraft	201,956	-
Bank loans	125,000	125,000
	326,956	125,000
Unused at the reporting date		
Bank overdraft	298,044	500,000
Bank loans	-	-
	298,044	500,000

Note 16. Current liabilities - provisions

	Consolidated 2015 $	Consolidated 2014 $
Employee benefits	142,774	116,902
Deferred lease incentives	3,193	-
Lease make good	37,352	35,000
Reward redemption	2,201,523	2,444,150
	2,384,842	2,596,052

Deferred lease incentives
The provision represents operating lease incentives received. The incentives are allocated to profit or loss in such a manner that the rent expense is recognised on a straight-line basis over the lease term.

Lease make good
The provision represents the present value of the estimated costs to make good the premises leased by the group at the end of the respective lease terms.

Reward redemption
This provision represents the estimated costs of rewards awarded to customers in respect of services sold. The provision is estimated based on historical reward redemption information, sales levels and any recent trends that may suggest future reward redemptions could differ from historical amounts.

Note 16. Current liabilities - provisions (continued)

Movements in provisions
Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

Consolidated - 2015	Deferred lease incentive $	Lease make good $	Reward redemption $
Carrying amount at the start of the year	-	35,000	2,444,150
Additional provisions recognised	3,193	37,000	2,043,688
Amounts used	-	(35,000)	-
Payments	-	-	(1,938,615)
Unwinding of discount	-	352	-
Unused amounts reversed	-	-	(347,700)
Carrying amount at the end of the year	3,193	37,352	2,201,523

Note 17. Non-current liabilities - deferred tax

	Consolidated 2015 $	Consolidated 2014 $
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Prepayments	35,386	-
Accrued income	9,763	-
Capitalised expenditure	716,349	401,486
Deferred research and development credit	238,784	133,829
Deferred tax liability	1,000,282	535,315
Movements:		
Opening balance	535,315	757,905
Credited/(charged) to profit or loss (note 7)	464,967	(222,590)
Closing balance	1,000,282	535,315

Note 18. Non-current liabilities - provisions

	Consolidated 2015 $	Consolidated 2014 $
Employee benefits	29,114	-

Note 19. Equity - issued capital

	Consolidated 2015 Shares	Consolidated 2014 Shares	Consolidated 2015 $	Consolidated 2014 $
Ordinary shares - fully paid	37,531,146	30,000,000	7,175,254	4,015,461

As a result of the corporate/group reorganisation, the number of shares are based on the shares that would have been in issue had the reorganisation occurred at 1 July 2013.

Note 19. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	$
Balance	1 July 2013	30,000,000	4,015,461
Balance	30 June 2014	30,000,000	4,015,461
Capital adjustment on reissue of shares	6 November 2014	-	13,382
Shares issued on capital raising	7 November 2014	6,250,000	2,500,000
Shares issued as share-based payment	3 June 2015	881,146	583,911
Shares issued on redemption of convertible note	3 June 2015	400,000	200,000
Less: share issue costs		-	(137,500)
Balance	30 June 2015	37,531,146	7,175,254

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management
The group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the previous period.

Note 20. Equity - reserves

	Consolidated 2015 $	Consolidated 2014 $
Foreign currency reserve	(151,197)	(16,113)
Share-based payments reserve	152,726	525,581
	1,529	509,468

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.

Note 20. Equity - reserves (continued)

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 and previous financial year are set out below:

Consolidated	Foreign currency $	Share-based payments $	Total $
Balance at 1 July 2013	-	420,790	420,790
Foreign currency translation	(16,113)	-	(16,113)
Share-based payments	-	104,791	104,791
Balance at 30 June 2014	(16,113)	525,581	509,468
Foreign currency translation	(135,084)	-	(135,084)
Share-based payments	-	211,056	211,056
Transfer to issued capital (note 19)	-	(583,911)	(583,911)
Balance at 30 June 2015	(151,197)	152,726	1,529

Note 21. Equity - accumulated losses

	Consolidated 2015 $	Consolidated 2014 $
Accumulated losses at the beginning of the financial year	(4,585,279)	(3,909,520)
Loss after income tax benefit for the year	(1,438,839)	(675,759)
Accumulated losses at the end of the financial year	(6,024,118)	(4,585,279)

Note 22. Financial instruments

Financial risk management objectives
The group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the group. The group uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Market risk

Foreign currency risk
The group operates internationally and is exposed to foreign currency risk from various currency exposures, primarily with respect to the US dollar and GB Pound.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The carrying amount of the group's foreign currency denominated financial assets and financial liabilities at the reporting date were not significant.

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Note 22. Financial instruments (continued)

Price risk
The group is not exposed to any significant price risk.

Interest rate risk
The group's main interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the group to interest rate risk. Borrowings issued at fixed rates expose the group to fair value interest rate risk.

As at the reporting date, the group had the following variable rate borrowings outstanding:

	2015		2014	
Consolidated	Weighted average interest rate %	Balance $	Weighted average interest rate %	Balance $
Bank overdraft	6.36%	201,956	-%	-
Bank loans	6.26%	125,000	6.76%	125,000
Convertible notes payable	2.45%	100,000	3.10%	300,000
Net exposure to cash flow interest rate risk		426,956		425,000

An analysis by remaining contractual maturities in shown in 'liquidity and interest rate risk management' below.

For the group the borrowings outstanding, totalling $426,956 (2014: $425,000), are principal and interest payment loans. An official increase/decrease in interest rates of 100 (2014: 100) basis points would have an adverse/favourable effect on loss before tax of $4,270 (2014: $4,250) per annum. The percentage change is based on the expected volatility of interest rates using market data and analysts forecasts.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The group does not have any material credit risk exposure to any single debtor or group of debtors and does not hold any collateral.

Liquidity risk
Vigilant liquidity risk management requires the group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Financing arrangements
Unused borrowing facilities at the reporting date:

	Consolidated	
	2015 $	2014 $
Bank overdraft	298,044	500,000

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time and have an average maturity of 1.9 years (2014: 2.9 years).

Note 22. Financial instruments (continued)

Remaining contractual maturities
The following tables detail the group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2015	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-%	2,017,380	-	-	-	2,017,380
Other payables	-%	904,292	-	-	-	904,292
Interest-bearing - variable						
Bank overdraft	6.36%	201,956	-	-	-	201,956
Bank loans	6.26%	125,000	-	-	-	125,000
Convertible notes payable	2.45%	100,000	-	-	-	100,000
Total non-derivatives		3,348,628	-	-	-	3,348,628

Consolidated - 2014	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-%	1,678,132	-	-	-	1,678,132
Other payables	-%	387,541	-	-	-	387,541
Interest-bearing - variable						
Bank loans	6.76%	125,000	-	-	-	125,000
Convertible notes payable	3.10%	300,000	-	-	-	300,000
Total non-derivatives		2,490,673	-	-	-	2,490,673

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 23. 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 24. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the group is set out below:

	Consolidated 2015 $	Consolidated 2014 $
Short-term employee benefits	505,225	302,500
Post-employment benefits	18,569	-
Share-based payments	17,132	-
	540,926	302,500

Note 25. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Moore Stephens Sydney, the auditor of the company, and its network firms:

	Consolidated 2015 $	Consolidated 2014 $
Audit services - Moore Stephens Sydney		
Audit or review of the financial statements	95,570	57,430
Other services - Moore Stephens Sydney		
Taxation services	20,950	39,265
Investigating accountant's report	94,500	10,000
Assistance in taxation due diligence	29,900	-
Assistance in financial due diligence	66,500	-
	211,850	49,265
	307,420	106,695
Audit services - network firms		
Audit or review of the financial statements	36,300	24,900
Other services - network firms		
Taxation services	11,400	10,800
	47,700	35,700

Fees for the audit or review of the financial statements for the year ended 30 June 2015 comprise of $53,000 for the audit of the 30 June 2015 financial statements and $42,750 for the audit of financial statements between the years ended 30 June 2012, 30 June 2013 and 30 June 2014.

Note 26. Contingent liabilities

The group has given a bank guarantee as at 30 June 2015 of $127,904 (2014: Nil) to their landlord for leased property.

Note 27. Commitments

	Consolidated	
	2015	2014
	$	$
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	241,343	253,583
One to five years	419,419	660,762
	660,762	914,345

Operating lease commitments includes contracted amounts for offices and plant and equipment under non-cancellable operating leases expiring within 1 to 3 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

Note 28. Related party transactions

Parent entity
Pureprofile Ltd. is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 30.

Key management personnel
Disclosures relating to key management personnel are set out in note 24 and the remuneration report in the directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	2015	2014
	$	$
Sale of goods and services:		
Sale of services to director-related entity	-	1,605
Payment for goods and services:		
Payment for services from director-related entities	721,542	340,809

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2015	2014
	$	$
Current receivables:		
Trade receivables from director-related entity	-	1,766
Current payables:		
Payables to director-related entities	515,338	94,243

Note 28. Related party transactions (continued)

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	2015 $	2014 $
Non-current borrowings:		
Convertible notes from director-related entity	100,000	300,000

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 29. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2015 $	2014 $
Loss after income tax	(733,197)	-
Total comprehensive income	(733,197)	-

Statement of financial position

	Parent	
	2015 $	2014 $
Total current assets	2,525,846	525,581
Total assets	7,105,060	4,541,042
Total current liabilities	510,277	-
Total liabilities	510,277	-
Equity		
Issued capital	7,175,254	4,015,461
Share-based payments reserve	152,726	525,581
Accumulated losses	(733,197)	-
Total equity	6,594,783	4,541,042

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity is a party to a deed of cross guarantee (refer note 31) which was formed during the financial year, under which it guarantees the debts of certain of its subsidiaries as at 30 June 2015.

Comparative period
The parent entity was incorporated on 14 January 2014 and for the period from incorporation to 30 June 2014, did not trade.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2015 and 30 June 2014.

Note 29. Parent entity information (continued)

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2015 and 30 June 2014.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the group, as disclosed in note 1, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 30. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest 2015 %	Ownership interest 2014 %
Pureprofile.com, Inc.	USA	100.00%	100.00%
Pureprofile Australia Pty Limited	Australia	100.00%	100.00%
Pureprofile Global Pty Ltd	Australia	100.00%	-%
Pureprofile Media PLC	United Kingdom	100.00%	100.00%
Pureprofile UK Ltd	United Kingdom	100.00%	100.00%
Pureprofile US Inc.	USA	100.00%	100.00%
Pure Network Pty Ltd	Australia	100.00%	100.00%
Real Research Global Pty Ltd	Australia	100.00%	100.00%
Real Research Pty Ltd	Australia	100.00%	100.00%
Sparc Media Pty Ltd	Australia	100.00%	-%

Note 31. Deed of cross guarantee

The following entities are party to a deed of cross guarantee under which each company guarantees the debts of the others:

Pureprofile Australia Pty Limited
Pureprofile Global Pty Ltd
Pure Network Pty Ltd
Real Research Global Pty Ltd
Real Research Pty Ltd
Sparc Media Pty Ltd

By entering into the deed, the wholly-owned entities have been relieved from the requirement to prepare financial statements and directors' report under Class Order 98/1418 (as amended) issued by the Australian Securities and Investments Commission ('ASIC').

The above companies represent a 'Closed Group' for the purposes of the Class Order, and as there are no other parties to the deed of cross guarantee that are controlled by Pureprofile Ltd., they also represent the 'Extended Closed Group'.

Note 31. Deed of cross guarantee (continued)

Set out below is a consolidated statement of profit or loss and other comprehensive income and statement of financial position of the 'Closed Group'.

Statement of profit or loss and other comprehensive income	2015 $	2014 $
Revenue	7,880,842	7,237,454
Other income	53,494	81,928
Survey fees and other direct costs	(3,146,832)	(2,449,051)
Employee benefits expense	(1,993,330)	(2,101,748)
Technology, engineering and licence fees	(2,067,738)	(1,261,481)
Share-based payment expense	(211,056)	(104,791)
Restructuring, acquisition and IPO costs	(1,035,728)	-
Other expenses	(2,213,186)	(1,586,737)
Loss before income tax benefit	(2,733,534)	(184,426)
Income tax benefit	911,305	213,794
Profit/(loss) after income tax benefit	(1,822,229)	29,368
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	(1,822,229)	29,368

Equity - retained profits	2015 $	2014 $
Accumulated losses at the beginning of the financial year	(7,905,958)	(7,935,326)
Profit/(loss) after income tax benefit	(1,822,229)	29,368
Accumulated losses at the end of the financial year	(9,728,187)	(7,905,958)

Note 31. Deed of cross guarantee (continued)

Statement of financial position	2015 $	2014 $
Current assets		
Cash and cash equivalents	550,277	867,683
Trade and other receivables	3,049,245	1,652,703
Other	1,370,666	677,898
	4,970,188	3,198,284
Non-current assets		
Property, plant and equipment	111,208	37,486
Intangibles	2,581,869	1,338,285
Deferred tax	1,235,588	714,844
Investment in subsidiary	765,461	765,461
Related party receivable	1,940,185	2,106,293
	6,634,311	4,962,369
Total assets	11,604,499	8,160,653
Current liabilities		
Trade and other payables	3,588,273	1,831,784
Borrowings	426,956	425,000
Provisions	1,817,933	1,865,074
Deferred revenue	248,000	39,822
	6,081,162	4,161,680
Non-current liabilities		
Deferred tax	1,000,282	535,315
Provisions	29,114	-
Related party payable	6,894,148	6,828,574
	7,923,544	7,363,889
Total liabilities	14,004,706	11,525,569
Net liabilities	(2,400,207)	(3,364,916)
Equity		
Issued capital	7,175,254	4,015,461
Reserves	152,726	525,581
Accumulated losses	(9,728,187)	(7,905,958)
Total deficiency in equity	(2,400,207)	(3,364,916)

Note 32. Events after the reporting period

On 23 July 2015, the group acquired the business and assets of Sparc Media's Australian business carried on by Sparc Media Pty Limited, Adsparc Pty Limited and Future Students Pty Limited, and the share capital of Funbox India Private Limited and Sparc Media sp. z o.o. (Poland) (collectively referred to as 'Sparc'). The purchase price is to be based upon the financial performance of Sparc in FY 2015 and FY 2016 but will be a minimum price of $2,500,000 and a maximum price of $6,600,000. The consideration will be settled in a mix of both cash and shares of Pureprofile Ltd. Sparc specialises in programmatic media sales of online advertising inventory for advertisers and publishers.

On 29 July 2015, the company completed an initial public offering ('IPO') of 20,000,000 shares of its common stock at $0.50 per share and was admitted to the Official List of ASX Limited with the ASX code PPL. The net proceeds of the IPO after payment of fees, expenses and underwriting discounts were $9,450,000.

No other matter or circumstance has arisen since 30 June 2015 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.

Note 33. Reconciliation of loss after income tax to net cash from/(used in) operating activities

	Consolidated 2015 $	Consolidated 2014 $
Loss after income tax benefit for the year	(1,438,839)	(675,759)
Adjustments for:		
Depreciation and amortisation	719,236	548,898
Share-based payments	211,056	104,791
Net gain on disposal of non-current assets	(4,409)	-
Capital adjustment on reissue of shares	13,382	-
Foreign currency differences	(129,548)	(15,994)
Change in operating assets and liabilities:		
Increase in trade and other receivables	(1,075,418)	(127,976)
Decrease/(increase) in income tax refund due	(505,365)	201,470
Decrease/(increase) in deferred tax assets	(520,743)	379,590
Decrease/(increase) in accrued revenue	113,263	(152,109)
Decrease/(increase) in prepayments	(296,158)	79,658
Increase in other operating assets	(43,419)	-
Increase in trade and other payables	1,675,376	572,364
Increase/(decrease) in deferred tax liabilities	464,967	(222,590)
Increase in employee benefits	54,986	116,902
Decrease in other provisions	(274,082)	(58,500)
Increase in other operating liabilities	208,178	39,822
Net cash from/(used in) operating activities	(827,537)	790,567

Note 34. Earnings per share

	Consolidated 2015 $	Consolidated 2014 $
Loss after income tax attributable to the owners of Pureprofile Ltd.	(1,438,839)	(675,759)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	34,139,376	30,000,000
Weighted average number of ordinary shares used in calculating diluted earnings per share	34,139,376	30,000,000
	Cents	**Cents**
Basic earnings per share	(4.21)	(2.25)
Diluted earnings per share	(4.21)	(2.25)

The weighted average number of ordinary shares are calculated based on the number of ordinary shares that would have been in existence had the corporate/group reorganisation occurred as at 1 July 2013.

Options have been excluded from the diluted earnings per share as they were anti-dilutive.

Note 35. Share-based payments

A long term incentive plan ('LTI') has been established by the group, whereby the group may, at the discretion of the Board, grant options over ordinary shares in the company to certain key management personnel and employees of the group. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Board.

The general terms under which the share options are granted are summarised in the Remuneration report section of the Directors' report.

Share-based payments expense for the financial year was $211,056 (2014: $104,791).

Expenses relating to the provision of services from employees and consultants incurred during the financial year that were agreed to be settled in shares amounted to $184,886 (2014: $104,791). These transactions were measured at the market value of services provided. The remainder of the expense for the year of $26,170 (2014: Nil) relates to the value of options provided during the year.

Set out below are summaries of options granted under the plan:

2015

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
29/05/2015	29/05/2020	$0.50	-	2,171,000	-	-	2,171,000
29/05/2015	29/05/2020	$0.60	-	1,200,000	-	-	1,200,000
			-	3,371,000	-	-	3,371,000
Weighted average exercise price			$0.00	$0.54	$0.00	$0.00	$0.54

As at 30 June 2015 no options were exercisable.

The weighted average share price during the financial year was $0.30 (2014: n/a).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 4.9 years (2014: n/a years).

For the options granted during the current financial 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
29/05/2015	29/05/2020	$0.30	$0.50	50.00%	-%	2.08%	$0.0931
29/05/2015	29/05/2020	$0.30	$0.60	50.00%	-%	2.08%	$0.0789

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the group's financial position as at 30 June 2015 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 31 to the financial statements.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Fredrick Swaab
Chairman

18 September 2015
Sydney

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PUREPROFILE LIMITED

We have audited the accompanying financial report of Pureprofile Limited and its Controlled Entities (the consolidated entity), which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of Pureprofile Limited are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

MOORE STEPHENS

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We have given the directors of Pureprofile Limited a written Auditor's Independence Declaration, a copy of which is included in the financial report

Auditor's Opinion

In our opinion, the financial report of Pureprofile Limited and its Controlled Entities is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of Pureprofile Limited's consolidated financial position as at 30 June 2015 and of their performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 17 to 24 of the directors' report for the year ended 30 June 2015. The directors of Pureprofile Limited are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Pureprofile Limited for the year ended 30 June 2015, complies with section 300A of the *Corporations Act 2001.*

Moore Stephens Sydney

Moore Stephens Sydney
Chartered Accountants

Melissa Alexander

Melissa Alexander
Partner

Dated in Sydney this 18th day of September 2015.

Directors	Fredrick Swaab Paul Chan Geoffrey Nesbitt Clifford Rosenberg Andrew Edwards
Company secretary	Ondine De Meautis
Registered office	Level 1, 35 Reservoir Street Surry Hills NSW 2010 Tel: +61 2 9333 9700
Principal place of business	Level 1, 35 Reservoir Street Surry Hills NSW 2010 Tel: +61 2 9333 9700
Share register	Boardroom Pty Limited Level 12, 225 George Street Sydney NSW 2000 Tel: +61 2 9290 9600
Auditor	Moore Stephens Sydney Level 15, 135 King Street Sydney, NSW 2000 Tel: +61 2 8236 7700 Tel: +61 2 9233 4636
Stock exchange listing	Pureprofile Ltd. shares are listed on the Australian Securities Exchange (ASX code: PPL)
Website	www.pureprofile.com
Business objectives	Pureprofile Ltd. has used cash and cash equivalents held at the time of listing, in a way consistent with its stated business objectives.

The shareholder information set out below was applicable as at 9 September 2015.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares	Number of holders of options over ordinary shares
1,001 to 5,000	265	-
5,001 to 10,000	54	-
10,001 to 100,000	170	-
100,001 and over	68	-
	557	-
Holding less than a marketable parcel	2	-

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
PAUL CHAN	5,702,090	9.45
FREDRICK SWAAB	3,921,977	6.50
UBS WEALTH MANAGEMENT AUSTRALIA NOMINEES PTY LTD	3,300,000	5.47
CITICORP NOMINEES PTY LIMITED	2,605,698	4.32
FUNBOX MEDIA GROUP	2,420,624	4.01
NATIONAL NOMINEES LIMITED	2,419,302	4.01
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,398,175	3.98
NOFUSA PTY LTD (HERSCH FAMILY A/C)	1,858,756	3.08
YAP LIM SEN	1,858,756	3.08
PILMORE PTY LTD (MIWA SUPER FUND A/C)	1,814,699	3.01
CS FOURTH NOMINEES PTY LTD	1,629,000	2.70
MYALL RESOURCES PTY LTD (MYALL GROUP SUPER FUND A/C)	1,470,000	2.44
ONMELL PTY LTD (ONM BPSF A/C)	1,455,000	2.41
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 3	1,371,000	2.27
FAIR CHOICE LIMITED	1,300,000	2.16
MR GREGORY PAUL YEATMAN	1,000,000	1.66
MR FRANCIS SALVESEN	807,832	1.34
MR BASIL KARAM	786,375	1.30
J P MORGAN NOMINEES AUSTRALIA LIMITED	741,051	1.23
CONNECTED CONCEPTS PTY LTD	740,370	1.23
	39,600,705	65.65

Unquoted equity securities

	Number on issue	Number of holders
Options	3,371,000	19

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares Number held	% of total shares issued
Paul Chan	5,702,090	9.45
Fredrick Swaab	3,921,977	6.50

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Securities subject to voluntary escrow

Class	Expiry date	Number of shares
Ordinary	Date on which the 30 June 2016 audited financial report is released	14,359,390

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Pureprofile

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