

A Business on the Front Foot

Pureprofile Ltd

Evolution Capital reiterates coverage on Pureprofile Ltd (ASX:PPL) with an unchanged fair value of **\$0.11 per share**, following a strong H1 and Q2 FY26 update that reinforces the investment thesis and improves near-term earnings visibility. Pureprofile continues to execute its transition from a traditional research provider into a profitable, cash-generative, AI-enabled global data and insights platform, supported by accelerating platform adoption and growing international scale.

Following the FY25 inflection, FY26 is demonstrating consistent delivery. In H1 FY26, Pureprofile generated record revenue of **\$33.3 million (+14% YoY)** and EBITDA of **\$3.8 million (+14% YoY)**, maintaining an EBITDA margin of 11% despite continued investment in growth initiatives. Platform revenue accelerated to **\$9.4 million (+54% YoY)**, reflecting increasing uptake of scalable, technology-led solutions. Client numbers rose to 962, with annuity revenue increasing to **\$14.1 million (LTM)**.

Momentum continued in Q2 FY26, with record quarterly revenue of **\$17.3 million (+13% YoY)** and EBITDA of **\$1.9 million (11% margin)**. On a half-year basis, Rest-of-World revenue surpassed ANZ for the first time, driven by sustained strength in the UK and US. This milestone materially improves geographic diversification, reduces reliance on the mature domestic market and increases confidence in the company's international growth strategy.

Clear Catalysts Emerging

Pureprofile is entering a phase where multiple value drivers are aligning. Accelerating platform penetration is shifting the revenue mix toward more recurring and higher-margin income, while AI-enabled products are expanding use cases and cross-sell opportunities. At the same time, growing scale in international markets is beginning to unlock operating leverage, supporting margin resilience and earnings visibility.

With a strong balance sheet, minimal debt and upgraded FY26 revenue guidance of **\$64–65 million** at a **10–11% EBITDA margin**, the outlook remains constructive. Key catalysts over the next 6–12 months include continued platform monetisation, further international revenue mix-shift toward the UK and US, and increasing operating leverage as scale benefits flow through.

Pureprofile is progressing from execution to value creation. With improving earnings quality, visible growth catalysts and an unchanged valuation, the company remains well positioned for sustained growth and potential valuation upside.

Key Near-Term Catalysts

Accelerating platform revenue growth from AI-enabled Datarubico tools	FY26
Sustained outperformance in international markets, led by the UK and US	FY26
Improving operating leverage as scale benefits offset growth investment	FY26
Increasing recurring and annuity revenue driven by deeper platform adoption	FY26–FY27
Selective acquisitions to enhance technology capability and data assets	FY26–FY27

Recommendation	Spec BUY
Price Target	\$0.11
Share Price	\$0.053
TSR	107.5%

Company Profile

Market Cap	\$62m
Enterprise Value	\$59m
EV/Sales	1.03
SOI	1,170m
Free Float	~60%
Cash	\$5.7m
ADV (3-month)	\$84k
52-Week Range	\$0.03-\$0.056

Price Performance (PTM)



Company Overview

Pureprofile is an Australian data and insights company using AI to transform how organisations understand consumers. Its proprietary Datarubico platform automates the research process, turning real human data into actionable intelligence. With owned first-party data, recurring revenue, and a growing global footprint across 14 offices and 93 countries, Pureprofile is evolving from a traditional research agency into a scalable, profitable ResTech platform with accelerating international growth.

Analyst

Johanna Burkhardt jb@eveq.com
Industrials Analyst

Click [here](#) to access Evolution Capital's Initiation Report of Pureprofile published 13 November



Investment Summary

Pureprofile Ltd (ASX: PPL) has delivered a strong H1 and Q2 FY26 update, reinforcing the core investment thesis and marking a clear step forward in the company’s evolution into a scalable, AI-enabled global data and insights platform. The latest results demonstrate not just continued growth, but a meaningful improvement in earnings quality, geographic diversification and platform leverage — key ingredients for long-term value creation.

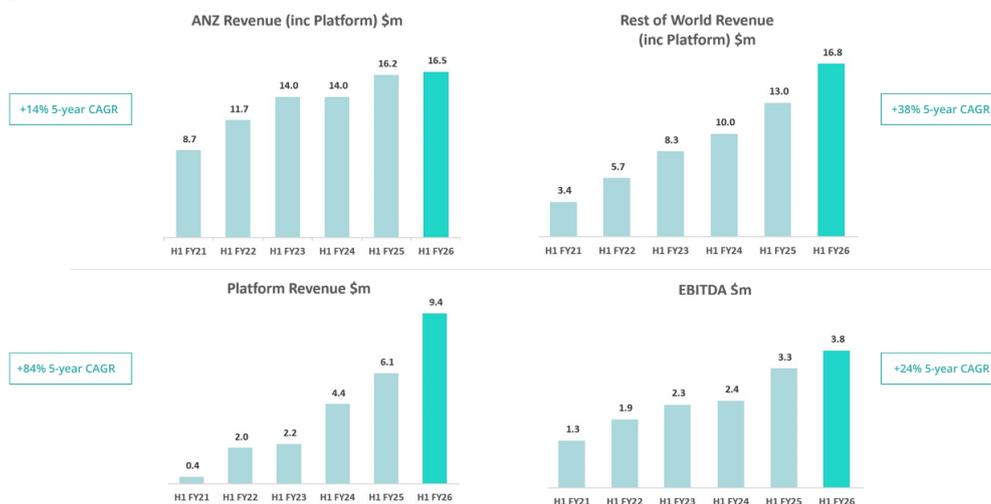
In H1 FY26, Pureprofile reported record revenue of \$33.3m (+14% YoY) alongside EBITDA of \$3.8m (+14% YoY), maintaining a robust EBITDA margin of 11% despite ongoing investment in international expansion and product innovation. This combination of sustained double-digit growth and margin stability highlights the increasing operating leverage embedded in the business model.

A major strategic milestone was achieved during the half, with Rest-of-World (ROW) revenue surpassing ANZ for the first time, contributing more than 50% of group revenue. Driven by strong momentum in the UK and US, this geographic mix shift materially reduces reliance on the mature domestic market and significantly expands Pureprofile’s addressable opportunity. It also confirms that the company’s platform and data offering resonates well beyond its Australian base.

The platform business continues to be the primary engine of value creation. Datarubico platform revenue grew 54% YoY to \$9.4m in H1 FY26, supported by increased API integrations, automation and accelerating adoption of AI-enabled solutions. As platform usage deepens, Pureprofile is transitioning toward a more recurring, predictable and higher-margin revenue profile. Annuity revenue reached \$14.1m on a last-twelve-months basis, reinforcing the structural shift toward SaaS-like economics.

Reflecting the strong first-half performance, management upgraded FY26 revenue guidance to \$64–65m (from \$63–64m) while reaffirming EBITDA margin guidance of 10–11%. This upgrade underscores both the momentum in the business and the growing visibility of earnings as scale benefits begin to flow through the P&L.

Figure 1: H1 FY26 Financial metrics trends



Source: H1 & Q2 FY26, Investor Presentation

Strategically, Pureprofile is well positioned at the intersection of first-party data, automation and artificial intelligence. Ownership of proprietary panels, combined with an expanding suite of AI-driven products, creates a defensible competitive advantage versus traditional research providers and data marketplaces without owned data assets. At the same time, increasing demand for high-quality, compliant “human data” opens up longer-term optionality in emerging “Data for AI” use cases.

Overall, the H1/Q2 FY26 update signals that Pureprofile is moving beyond its turnaround phase and into a period of scalable, globally driven growth. With accelerating platform adoption, improving revenue mix, upgraded guidance and increasing international exposure, the company is beginning to unlock the value of its technology and data investments — setting the stage for continued earnings growth and a potential valuation re-rating.

Valuation Update

Our valuation of Pureprofile is anchored in the framework outlined in the initiation report and continues to reflect the company's transition toward a scalable, technology-enabled data and insights platform. Following the H1 and Q2 FY26 update, we have made a limited adjustment to our model, incorporating an updated FY26 revenue assumption of **\$64.53m**. All other key assumptions remain unchanged.

The revenue update reflects stronger-than-expected first-half performance, driven by continued momentum in Rest-of-World markets and accelerating platform adoption. Importantly, this adjustment affects near-term forecasts only. We have not revised our medium- to long-term revenue growth assumptions, margin trajectory, capital expenditure profile, or discount rate, maintaining a conservative stance on the pace of platform monetisation and international scaling beyond FY26.

Our valuation continues to be derived primarily from a discounted cash flow (DCF) methodology, which we view as the most appropriate approach given Pureprofile's improving earnings quality, increasing recurring revenue and growing operating leverage. The model assumes gradual margin expansion over time as higher-margin platform revenues scale and automation reduces cost-to-serve, consistent with the strategy and trajectory outlined at initiation.

The updated FY26 revenue forecast results in only a marginal uplift to near-term cash flows and does not materially alter intrinsic value. Accordingly, we reiterate our **price target of \$0.11 per share**, unchanged from initiation. At current trading levels, the stock continues to offer meaningful upside, supported by improving revenue mix, increasing earnings visibility and a strengthening international contribution.

We continue to believe that the market undervalues Pureprofile's evolving business model, with the company still often perceived as a traditional research services provider rather than a technology-led ResTech platform. As platform revenues increase as a share of group income and international scale becomes more evident, we see scope for a valuation re-rating toward multiples more reflective of higher-quality, recurring-revenue data and software peers.

In summary, the H1/Q2 FY26 update reinforces confidence in execution and earnings visibility but does not necessitate a reassessment of valuation. The investment case remains intact, with upside driven primarily by continued platform adoption, operating leverage and international growth rather than changes to near-term assumptions.

Risks

Pureprofile remains exposed to a defined set of strategic, operational and regulatory risks consistent with those outlined at initiation.

Execution and international expansion risk

Growth is increasingly driven by the UK and US, which are larger but more competitive markets. While H1 FY26 results demonstrate solid execution, including Rest-of-World revenue surpassing ANZ, sustained performance is required to support longer-term growth assumptions.

**Platform adoption and margin risk**

The investment case relies on continued adoption of the Datarubico platform and gradual margin expansion. While platform revenue growth in H1 FY26 supports the strategy, slower uptake or cost pressures could delay operating leverage.

Competitive and regulatory risk

Pureprofile operates in a competitive global insights market and remains exposed to evolving data privacy and cybersecurity regulation. The company's first-party data model mitigates, but does not eliminate, these risks.

Macroeconomic and currency exposure

Increasing international exposure introduces sensitivity to global economic conditions and foreign exchange movements, which could impact reported earnings.

Overall, the risk profile remains unchanged from initiation and is considered appropriate given the company's growth trajectory and valuation.



Appendix

Financials

VALUATION DETAILS		PER SHARE DATA			
		FY25	FY26E	FY27E	FY28E
Share Price (A\$)	\$0.053	1,169.2	1,185.3	1,228.0	1,263.7
Market Cap (A\$m)	62.00	0.001	0.002	0.003	0.004
Enterprise Value (A\$m)	59.00	0.00	0.00	0.00	0.00
Fair Value/Share (A\$)	\$0.11	0%	0%	0%	0%
		0%	0%	0%	0%

FINANCIAL STATEMENTS (A\$m)	FY25	FY26E	FY27E	FY28E
Income Statement				
Revenue	57.18	64.53	71.47	77.72
EBITDA	4.84	7.09	8.78	10.84
EBIT	1.97	4.13	5.91	8.01
Net Income	1.54	2.85	4.03	5.51
Balance Sheet				
Cash & Cash Equivalents	5.72	7.71	11.28	16.67
Trade and other receivables	12.70	14.67	14.10	16.18
Contract assets	1.92	2.56	3.28	4.05
Other Assets	10.21	10.88	11.95	13.07
Total Assets	30.55	35.83	40.61	49.98
Total Debt	2.72	2.80	0.00	0.00
Other Liabilities	20.48	22.14	24.70	28.55
Total Liabilities	23.20	24.94	24.70	28.55
Shareholders' Equity	7.35	10.89	15.91	21.43
Cash Flow Statement				
Net Income	1.54	2.85	4.03	5.51
Add: Depreciation & Amortisation	2.87	2.96	2.86	2.83
Less: Change in Net Working Capital/Other	0.38	-1.61	1.67	0.40
Cash Flow from Operations	4.79	4.19	8.56	8.74
Cash Flow from Investing	-3.72	-2.59	-2.71	-2.80
Equity Raised (net)	0.10	0.69	1.00	0.00
Net Borrowings/Other	-0.70	-0.30	-3.28	-0.55
Cash Flow from Financing	-0.61	0.39	-2.29	-0.55
Unlevered Free Cash Flow	1.07	1.60	5.86	5.94

RATIOS	FY25	FY26E	FY27E	FY28E
Liquidity				
Current Ratio	1.13	1.15	1.36	1.49
Quick Ratio	0.83	0.82	0.85	0.85
Solvency				
Debt to Equity	0.83	0.56	0.42	0.13
Debt to Assets	0.18	0.13	0.13	0.05
LT Debt to Assets	0.11	0.08	0.00	0.00
Profitability				
Net Margin	2.7%	4.4%	5.6%	7.0%
EBITDA Margin	8.4%	10.9%	12.2%	13.8%
ROA	5.0%	7.9%	9.9%	11.0%
ROE	20.9%	26.2%	25.3%	25.7%
Growth				
Revenue	18.9%	12.9%	10.7%	8.8%
EBITDA	48.21%	46.55%	23.80%	23.50%
NPAT	1337%	85%	42%	37%
Valuation				
P/E	327.8	31.2	48.5	34.7
P/B	23.2	18.0	12.7	8.8
EV/EBITDA	-0.9	25.6	17.4	13.8
EV/Sales	-0.1	2.1	1.9	1.8



Board & Management

Michael Anderson Non-Executive Chair	Appointed in June 2024. Former CEO of MediaWorks Group and Non-Executive Chair of oOh! Media. Previously Director at Fairfax Media, where he helped develop digital ventures such as Domain and Stan. Over 25 years of media leadership, including seven years as CEO of Austereo Group. Holds a BA in Political Science from La Trobe University.
Martin Filz Chief Executive Officer & Managing Director	CEO since 2020. Over 20 years of leadership across data, technology, and research sectors. Former Managing Director at Eureka AI and CEO EMEA/APAC at Kantar Lightspeed. Previously held senior roles at Research Now (Dynata), Capgemini, and Nielsen. Board member of ADIA and The Research Society.
Elizabeth Smith Non-Executive Director / Chair, Audit & Risk	Experienced finance and governance professional with over 25 years in corporate finance, M&A, and risk. Former Partner at William Buck and Grant Thornton. Non-Executive Director at NuChev (ASX: NUC) and Australian Red Cross. Holds a B.Com and MBA (La Trobe), Fellow of CA ANZ, FINSIA, and the Governance Institute.
Mark Heeley Non-Executive Director	Entrepreneur and investor with 30+ years in marketing and technology. Co-founder and former CEO of Claydon Heeley (sold to Omnicom). Long-time Chair of Brandwatch (acquired for US\$450m). Extensive experience scaling digital businesses globally. Holds a BA from Durham University (UK).
Adrian Gonzalez Non-Executive Director	Appointed in 2024. Former CEO of Kantar Insights APAC, leading 2,000 staff across 12 markets. Co-founder of Millward Brown Australia; drove expansion across Asia-Pacific. Currently Head of Corporate Development at Geoscape and advisor to Quilt.AI. Holds a Master's in Business Innovation (York St John University).
Melinda Sheppard Chief Operating Officer & CFO	Oversees finance, operations, and strategy. Joined in 2021, driving efficiency, process automation, and profitability improvements. Extensive experience in financial management and technology-driven transformation.
Niamh Fitzpatrick Chief Product Officer	Leads product innovation and AI-enabled platform strategy, including Datarubico and Insights Creator. Background in digital insights and CX strategy across Europe and Australia. Focused on scalable, tech-led solutions.

Evolution Capital Ratings System

Recommendation Structure

- **Buy:** The stock is expected to generate a total return of >10% over a 12-month horizon. For stocks classified as 'Speculative', a total return of >30% is expected.
- **Hold:** The stock is expected to generate a total return between -10% and +10% over a 12-month horizon.
- **Sell:** The stock is expected to generate a total return of <-10% over a 12-month horizon.

Risk Qualifier

- **Speculative ('Spec'):** This qualifier is applied to stocks that bear significantly above-average risk. These can be pre-cash flow companies with nil or prospective operations, companies with only forecast cash flows, and/or those with a stressed balance sheet. Investments in these stocks may carry a high level of capital risk and the potential for material loss.

Other Ratings

- **Under Review (UR):** The rating and price target have been temporarily suppressed due to market events or other short-term reasons to allow the analyst to more fully consider their view.
- **Suspended (S):** Coverage of the stock has been suspended due to market events or other reasons that make coverage impracticable. The previous rating and price target should no longer be relied upon.
- **Not Covered (NC):** Evolution Capital does not cover this company and provides no investment view.

Expected total return represents the upside or downside differential between the current share price and the price target, plus the expected next 12-month dividend yield for the company. Price targets are based on a 12-month time frame.

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Evolution Capital Pty Ltd

Level 8, 143 Macquarie Street Sydney, NSW 2000

Tel: +61 (2) 8379 2960

www.eveq.com