

A Platform Engine Emerging

Pureprofile Ltd

Evolution Capital reiterates coverage on Pureprofile Ltd (ASX:PPL) with an unchanged fair value of **\$0.11 per share**, following a Q3 FY26 update that marks a step-change in earnings quality and further strengthens our conviction in the company's medium-term margin expansion profile. Pureprofile is transitioning from a growth-led narrative to a higher-quality, platform-driven business, with operating leverage emerging as a key driver of value.

FY26 is shifting from revenue growth to margin progression. In H1 FY26, the company delivered revenue of \$33.3 million (+14% YoY) and EBITDA of \$3.8 million, maintaining an 11% margin despite continued investment in product development and international expansion. Platform revenue grew 54% YoY to \$9.4 million, reinforcing the structural shift toward scalable, recurring, and technology-enabled revenue streams.

The Q3 result provides the clearest evidence to date that this transformation is translating into financial outcomes. Revenue increased **17% YoY to \$14.8 million**, while **EBITDA rose 67% YoY to \$1.0 million**, implying a meaningful step-up in incremental margins. This divergence between revenue and earnings growth signals the early stages of operating leverage, as increasing platform mix and automation begin to structurally reduce cost-to-serve. Growth remains broad-based across both ANZ and international markets, while the doubling of platform revenue year-on-year underscores accelerating client migration toward higher-margin delivery channels.

Platform Scale Driving Margin Expansion

We see a clear shift in the company's earnings engine. Rising platform penetration is improving the revenue mix toward more predictable, higher-margin income streams, while AI-enabled products are deepening client engagement and increasing wallet share. Importantly, international markets, particularly the UK and US, are emerging as a key driver of scale, supporting revenue growth, diversification and operating efficiency.

The Q3 performance indicates that incremental revenue is converting into earnings at a higher rate, suggesting the business is entering a phase of self-reinforcing margin expansion. With FY26 guidance of \$64–65 million in revenue and a 10–11% EBITDA margin reaffirmed, we see the focus shifting from revenue delivery to margin progression.

As platform revenues scale and cost intensity declines, Pureprofile's profile is evolving toward that of a technology-enabled data platform. At the same time, the company continues to trade on an undemanding valuation of **~0.6x** FY26 EV/Sales, which we view as not fully reflecting the improving earnings quality and emerging operating leverage. In our view, this leaves scope for a re-rating as operating leverage becomes more visible.

Key Near-Term Catalysts

Accelerating platform monetisation and mix shift toward higher-margin revenues	FY26
Emerging operating leverage driven by scale and cost discipline	FY26
Selective acquisitions to enhance technology capability and data assets	FY26–FY27

Recommendation	Spec BUY
Price Target	\$0.11
Share Price	\$0.037
TSR	197%

Company Profile

Market Cap	\$45m
Enterprise Value	\$42m
EV/Sales	0.6
SOI	1,204m
Free Float	~60%
Cash	\$5.6m (<i>unaudited</i>)
ADV (3-month)	\$81k
52-Week Range	\$0.034-\$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 112 countries, Pureprofile is evolving from a traditional research agency into a scalable, profitable ResTech platform with accelerating international growth.

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PPL Coverage

Update 28 Jan 2026 [Link](#)
 Initiation 13 Nov 2025 [Link](#)



Investment Summary

Pureprofile's Q3 FY26 result provides not only confirmation of near-term momentum but also reinforces the strength of its multi-year growth trajectory across key revenue streams and geographies. The underlying trend data highlights a business that is scaling consistently, with improving revenue mix and early signs of margin expansion.

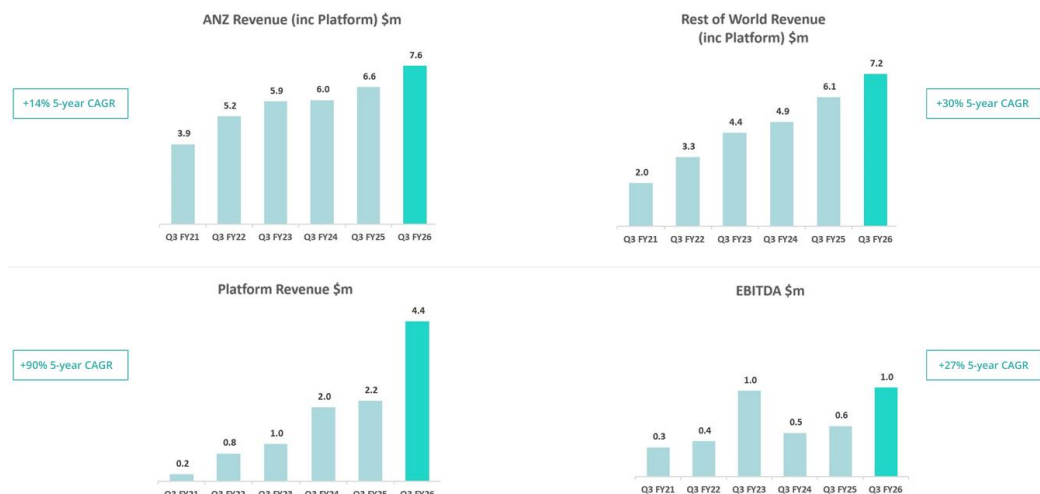
Over the past five years, Pureprofile has delivered sustained growth across both domestic and international markets. ANZ revenue has grown at a 14% CAGR, while Rest-of-World revenue has expanded at a materially higher 30% CAGR, reflecting the successful execution of the company's global expansion strategy. This dynamic is increasingly visible in current performance, with Q3 FY26 revenue of \$14.8 million (+17% YoY) evenly split between ANZ (\$7.6 million) and international markets (\$7.2 million).

The platform segment continues to be the primary engine of growth and structural improvement. Platform revenue has delivered a ~90% five-year CAGR and reached \$4.4 million in Q3 FY26, representing a step-change in scale relative to prior periods. This reflects accelerating adoption of self-service and API-enabled solutions, as well as increasing integration of AI-driven tools across the product suite. As platform penetration increases, the revenue base is becoming more scalable, less labour-intensive and structurally higher margin.

The recently completed CRNRSTONE acquisition provides an incremental growth lever, adding a ~\$3 million revenue business for a total consideration of ~\$0.7 million, with an additional ~\$0.05 million in transaction costs. While the near-term financial contribution is modest (~\$0.2 million in Q3), the transaction appears highly attractive on a valuation basis and enhances Pureprofile's qualitative research capabilities, supporting broader cross-sell opportunities across its existing client base.

Year-to-date trends further reinforce this trajectory. Platform revenue reached \$13.8 million on a March YTD basis, up significantly from \$8.3 million in FY25, while total group EBITDA increased to \$4.8 million (YTD). This reflects steady EBITDA growth over time, with profitability beginning to scale alongside revenue. Notably, EBITDA growth is now accelerating relative to revenue, with Q3 EBITDA increasing 67% YoY to \$1.0 million and margin expanding to 7%, reflecting improving cost efficiency and early-stage operating leverage.

Figure 1: Q3 FY26 Financial metrics trends



Source: Q3 FY26, Investor Presentation

Geographically, the increasing contribution from international markets is structurally important. Rest-of-World revenue has grown from approximately one-third of group revenue five years ago to approaching parity with ANZ, supported by strong demand in the UK and US. This shift not only diversifies the revenue base but also expands the company's addressable market and enhances long-term growth optionality.

From a strategic standpoint, Pureprofile's positioning within the data and insights ecosystem continues to strengthen. The combination of proprietary first-party data, scalable platform infrastructure and expanding AI capabilities enables the company to deliver higher-quality insights at lower cost and greater speed. This is particularly relevant in an AI-driven environment, where demand for validated, consented data is increasing and represents a potential additional growth vector over time.

Overall, the data indicates a business that is scaling along three key dimensions: (i) sustained multi-year growth across regions, (ii) rapid expansion of high-margin platform revenues, and (iii) improving profitability driven by operating leverage. With FY26 guidance of \$64–65 million revenue and a 10–11% EBITDA margin reiterated, Pureprofile appears well positioned to continue converting scale into earnings, with margin expansion increasingly underpinning the investment case.

Valuation

Our valuation remains unchanged following the Q3 FY26 update, with our FY26 revenue forecast of ~\$64.5 million continuing to align with company guidance. We have made no material changes to our core operating assumptions.

We have updated our option schedule to reflect the latest disclosures, with no material impact on our valuation. The recently completed CRNRSTONE acquisition (~\$0.7m consideration) has been funded from existing cash reserves and is incorporated within our model.

The Q3 result provides further support for our margin assumptions. Strong platform growth and EBITDA expansion (+67% YoY) indicate that operating leverage is beginning to emerge, consistent with the margin progression embedded in our DCF framework.

Accordingly, we reiterate our price target of **\$0.11 per share**. While near-term forecasts remain unchanged, improving earnings quality and visibility reinforce our conviction, with upside driven by margin expansion rather than further revenue upgrades.

Risks

Pureprofile remains exposed to a defined set of strategic, operational and regulatory risks, broadly consistent with those outlined at initiation. While recent performance supports execution, key risks remain relevant as the company scales.

Execution and international expansion risk

Growth is increasingly driven by the UK and US, which are larger but more competitive markets. Q3 FY26 results confirm continued momentum across Rest-of-World markets; however, sustaining this growth is critical to achieving long-term expansion targets and maintaining a balanced geographic revenue mix.

Platform adoption and margin risk

The investment case is dependent on continued platform penetration and margin expansion. While Q3 platform revenue growth (+100% YoY) and improving EBITDA margins provide early evidence of operating leverage, any slowdown in adoption or increase in cost-to-serve could delay the expected margin trajectory.

Operating leverage execution risk

Recent results indicate emerging operating leverage, with EBITDA growth outpacing revenue. However, the sustainability of this trend remains dependent on disciplined cost control and continued scaling of higher-margin platform revenues. Failure to maintain this dynamic could limit earnings expansion.

Competitive and regulatory risk

Pureprofile operates in a highly competitive global insights market and remains exposed to evolving data privacy, cybersecurity and AI-related regulation. While its first-

party data model provides a degree of differentiation, regulatory changes or increased competition could impact growth and margins.

Macroeconomic and currency exposure

Increasing international exposure introduces sensitivity to global economic conditions and foreign exchange movements. As highlighted in Q3, FX headwinds can impact reported growth, particularly in Rest-of-World markets.

Overall, the risk profile remains broadly unchanged. While recent results reduce near-term execution risk, the investment case remains dependent on sustained platform growth, international scaling and the delivery of operating leverage over time.

Appendix

Financials

VALUATION DETAILS					PER SHARE DATA				
					FY25	FY26E	FY27E	FY28E	
Share Price (A\$)	\$0.037				Shares Outstanding (m)	1,169.2	1,241.3	1,279.1	1,319.4
Market Cap (A\$m)	44.53				Normalised EPS (A\$)	0.001	0.002	0.003	0.004
Enterprise Value (A\$m)	41.73				Dividends per Share (A\$)	0.00	0.00	0.00	0.00
Fair Value/Share (A\$)	\$0.11				Payout	0%	0%	0%	0%
					Franking	0%	0%	0%	0%
FINANCIAL STATEMENTS (A\$m)					RATIOS				
	FY25	FY26E	FY27E	FY28E		FY25	FY26E	FY27E	FY28E
Income Statement					Liquidity				
Revenue	57.18	64.53	71.47	77.72	Current Ratio	1.13	1.11	1.29	1.44
EBITDA	4.84	7.09	8.78	10.84	Quick Ratio	0.83	0.82	0.85	0.85
EBIT	1.97	4.13	5.91	8.01					
Net Income	1.54	2.85	4.03	5.51	Solvency				
					Debt to Equity	0.56	0.45	0.14	0.11
Balance Sheet					Debt to Assets	0.13	0.13	0.05	0.05
Cash & Cash Equivalents	5.72	6.75	9.80	15.19	LT Debt to Assets	0.08	0.00	0.00	0.00
Trade and other receivables	12.70	14.67	14.10	16.18	Profitability				
Contract assets	1.92	2.56	3.28	4.05	Net Margin	2.7%	4.4%	5.6%	7.1%
Other Assets	10.21	11.16	12.70	13.82	EBITDA Margin	8.5%	11.0%	12.3%	14.0%
Total Assets	30.55	35.14	39.87	49.24	ROA	5.0%	8.1%	10.1%	11.2%
Total Debt	2.72	2.80	0.00	0.00	ROE	20.9%	27.9%	26.6%	26.7%
Other Liabilities	20.48	22.14	24.70	28.55	Growth				
Total Liabilities	23.20	24.94	24.70	28.55	Revenue	18.9%	12.9%	10.7%	8.8%
Shareholders' Equity	7.35	10.20	15.18	20.69	EBITDA	48.21%	46.55%	23.80%	23.50%
					NPAT	1337%	85%	42%	37%
Cash Flow Statement					Valuation				
Net Income	1.54	2.85	4.03	5.51	P/E	32.3	47.6	34.7	25.4
Add: Depreciation & Amortisation	2.87	2.96	2.86	2.83	P/B	17.9	13.3	9.2	6.8
Less: Change in Net Working Capital/Other	0.38	-1.61	1.67	0.40	EV/EBITDA	24.8	5.9	4.8	3.8
Cash Flow from Operations	4.79	4.19	8.56	8.74	EV/Sales	2.1	0.6	0.6	0.5
Cash Flow from Investing	-3.72	-3.34	-2.71	-2.80					
Equity Raised (net)	0.10	0.47	0.47	0.00					
Net Borrowings/Other	-0.70	-0.30	-3.28	-0.55					
Cash Flow from Financing	-0.61	0.17	-2.81	-0.55					
Unlevered Free Cash Flow	1.07	0.85	5.86	5.94					



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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