RaaS Interview
Pureprofile Ltd (ASX:PPL)
31 August 2026

Duration 11mins 17sec

00:00:01:22 - 00:00:19:15
Finola Burke
Hello, I'm Finola Burke from RaaS Research Group, and today we're focusing on Pureprofile ASX:PPL. Joining me to discuss the company's recent FY 26 results is CEO Martin Filz and CFO Mel Sheppard. Welcome back, Mel and Martin.

00:00:19:17 - 00:00:21:11
Martin Filz
Morning, Finola.

00:00:21:13 - 00:00:32:09
Finola Burke
Well, Martin, Pureprofile delivered its third consecutive year of positive NPAT increasing reported NPAT by 50% to $2.3 million. What were the standouts for you in this result?

00:00:32:11 - 00:00:55:05
Martin Filz
Yeah Finola, look we're delighted with the year at the top line we've had strong revenue growth. The EBITDA margin expansion and net profit expansion as well as been fantastic. And that even with effects headwinds for our rest of the world business, which Mel's talked about before, we took $1 million of revenue off the top line.

00:00:55:05 - 00:01:27:18
Martin Filz
So we had it in spite of that, we're seeing operating leverage come through. We're able to realise the business efficiencies throughout the year with the tech, AI and process changes. We made in financial year 25. And so they're flowing through in 26. But really going to flow through in 27. So more expansion platform revenue growth. That was so strong and again contributes to EBITDA margin.

00:01:27:20 - 00:01:55:09
Martin Filz
Another small tuck in acquisition of CRNRSTONE. So that brought new capabilities people to the group. And also really a creative great use of capital. Client growth, both share of wallet and also new clients with nearly at 1000 clients around the world. All of that, strong team engagement, retention, and business culture, not only remains incredibly strong, but is growing.

00:01:55:15 - 00:02:18:05
Martin Filz
And then and then within all of that, we've got a strong pipeline of new solutions and continued business enhanced enhancements. And we just put our first boots on the ground in the US at the end of June. So I'm really, really delighted with the year and all markets doing phenomenally well. And you can see that coming through in themselves.

00:02:18:07 - 00:02:33:06
Finola Burke
Mel, ANZ demonstrated some real momentum in H2, growing 11%. It excludes CRNRSTONE and 16% including it. How much of this has been driven by the investment in technology and consumers embracing platform products?

00:02:33:08 - 00:03:01:01
Melinda Sheppard
Yeah. So technology and platform adoption absolutely did contribute to the result, but the momentum was kind of a bit broader than that. Growth was kind of achieved across the entire client base. When we put our Q3 results out, we did talk about growth coming from a lot of our top clients. What we saw in the fourth quarter of the year was really growth across a variety of different types of clients, and not just large ones, small ones as well.

00:03:01:03 - 00:03:21:19
Melinda Sheppard
So we have increased our share of wallet from key clients, but that's kind of only part of the overall performance. I think one of the key drivers of the momentum in the ANZ business actually really comes down to the strength and the experience of our team. We've got a really long tenured, experienced team and probably the most experienced in the industry in Australia.

00:03:21:21 - 00:03:49:16
Melinda Sheppard
And clients really place a lot of value on that quality of your team and the viability of the team and the service that you provide to them. So our team has continued to deliver to clients across all those areas. Obviously technology supports that proposition. And then also the ability for our clients to utilise our platform. But ultimately clients come back to us because they trust our people.

00:03:49:18 - 00:04:03:10
Melinda Sheppard
And the quality of our data and our ability to deliver for them. So that's, that's really what we attribute a lot of the momentum in, in ANZ is that combination of the people and the technology and the platform that we have.

00:04:03:12 - 00:04:12:07
Finola Burke
And Martin, as you mentioned, you just, made your first significant boots on the ground hire in the US. How soon could we expect to see results?

00:04:12:09 - 00:04:35:06
Martin Filz
Yeah. So, the US is actually already our second largest dollar market in the group. We just don't call it out separately. It sits in rest of the world. And so we've we've serviced, domestic US market through remote sales teams, and, and marketing both local and remote. So, it is already a large market for us.

00:04:35:11 - 00:05:01:13
Martin Filz
So, the new hirer, we're already seeing great results from Christina. And actually somewhere in the region of sort of four x, what we would see by adding a new commercial head in, another market, say, Australia, Southeast Asia or Europe. So really seeing strong growth and this year it's our absolute priority to build out that commercial team locally.

00:05:01:13 - 00:05:09:10
Martin Filz
So we will start you will start to see new hires come through in the US, particularly in this half.

00:05:09:12 - 00:05:19:06
Finola Burke
And Martin, platform revenue really accelerated in FY26 is this likely to continue in FY 27? And is there one particular product driving this growth?

00:05:19:08 - 00:05:51:09
Martin Filz
Yeah, so it has. The platform has has had amazing take out for the business. And if you look at platforms made up of three solutions. So it's now internally we use the same backbone for all of our operations. So that gives us end to end automation. That's the first way. Second way is clients connecting directly to, human generated data through APIs, computer to computer.

00:05:51:15 - 00:06:24:12
Martin Filz
And the third way is clients using our two front end systems within Datarubico again to access that human generated data. So that's the three ways all three, EBITDA margins ensure we're faster for clients. We're more efficient in the business. And I do expect growth to continue, maybe not as fast as we saw this year. However, the 26 run rate will continue, will really contribute to the 27 margin expansion.

00:06:24:12 - 00:06:40:11
Martin Filz
So it's all about that exit rate that we saw of platform, in June. We will see that coming through in 27. So really pleased with the way platform's delivering for us and the way we're seeing that efficiencies come through the business.

00:06:40:13 - 00:06:50:11
Finola Burke
And Mel costs outside of COGs have remained relatively flat. Can we expect to see this continue in FY 27 with this adding to operating leverage and margin expansion?

00:06:50:13 - 00:07:12:24
Melinda Sheppard
Yeah, so we absolutely have been working incredibly hard over the last couple of years to maintain a discipline across our cost base. With and obviously this year, the key thing that, everyone can see from the results is that our revenue grew a lot faster than our cost base, which is why our EBIT grew at 25%, which is fantastic.

00:07:13:01 - 00:07:34:14
Melinda Sheppard
So nothing's going to change with that with regards to our investment. The discipline around investment that we have now, where Martin and I continuously look at is where is best use of the capital for the business. Do we invest in more headcount in one region? Where are we going to get the growth from? How long is that turnaround going to be that will get a return on that investment?

00:07:34:16 - 00:08:07:21
Melinda Sheppard
So you know, we've been making a lot of investments in technology, automation and AI. And we're going to continue to do that. And that's going to allow our teams to, scale more, scale the revenue more, without, with lower heads. So we're going to continue to do the same investment philosophy that we've always done. But I would expect that what the themes that you saw with regards to our improvement in margin during FY 26 to continue into 27, we'll continue to make investments where it makes sense, and it's going to give us top line and bottom line growth.

00:08:07:23 - 00:08:29:07
Finola Burke
And Mel you entered the year with $6.8 million in cash, which is 1.1 million more than you had the beginning of the year. And that's despite acquiring CRNRSTONE and paying down some debt with an increasingly improving balance sheet. Can we expect to see some further acquisitions or capital management initiatives? Martin you might also want to comment on this as well.

00:08:29:07 - 00:08:31:00
Finola Burke
But Mel, over to you first.

00:08:31:02 - 00:08:52:05
Melinda Sheppard
Yeah, yeah, we obviously did leave, finish up FY26 with a really strong cash balance of the $6.8 million, which was a net cash position of $4.3m, and absolutely did. We funded the the CRNRSTONE acquisition and some of restructuring costs out of that money as well that we, have shared with the market this week in our audited results.

00:08:52:07 - 00:09:15:23
Melinda Sheppard
So it has demonstrated we've actually, generated, we're in a strong cash generating position at the moment, which is fantastic. I suppose the first thing is just to make sure that we do maintain an appropriate level of liquidity and flexibility within our, obviously operating cash flow. Beyond that, we absolutely will, continue to assess both acquisition opportunities and capital management initiatives.

00:09:16:00 - 00:09:41:04
Melinda Sheppard
So with acquisitions, obviously, we would love and I'd love to, do some more smaller tuck in acquisitions similar to what we did with CRNRSTONE. And obviously the year before that, iLink, we would absolutely love to find some acquisitions that we could fund out about our own operating cash flow now, particularly in the US, where that's our absolutely key strategy moving forward.

00:09:41:06 - 00:10:03:04
Melinda Sheppard
So we will continue to do that. And then on top of that, from a capital management perspective, our board will continue to assess. We'll work with our board to continue to assess those appropriate capital management strategies and opportunities. And we'll obviously assess that alongside using the cash for acquisitions or continuing to actually invest in organic growth.

00:10:03:06 - 00:10:20:22
Melinda Sheppard
We may well put more headcount in the US as we start to see that return really deliver for us there as well. So the good cash position gives us a bit of flexibility that we maybe haven't had in prior years. And I think that's a really important part of our growth story.

00:10:20:24 - 00:10:55:15
Martin Filz
Yeah, I just I totally agree. I just want to add a couple of things. I mean, firstly, we've never done a raise in the business in the six years to keep the lights on, for expansion so that, that isn't, something that we would do in the future. But just to add, the acquisitions that we will look at and are looking at in the US, are tuck in acquisitions for cash. At the level that the share price is at the moment, we wouldn't expect to do any sort of, raise, and any sort of dilution to our existing shareholders.

00:10:55:15 - 00:11:09:11
Martin Filz
So it is as Mel said, the sort of tuck-in out of cash, just like we did with iLink year before last and CRNRSTONE last year. A small tuck in out of cash, is something that we're looking for.

00:11:09:13 - 00:11:16:08
Finola Burke
Well, thank you, Martin and Mel for joining me today. I'm looking forward to catching up with you over the course of the next 12 months to check on Pureprofile’s progress.

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