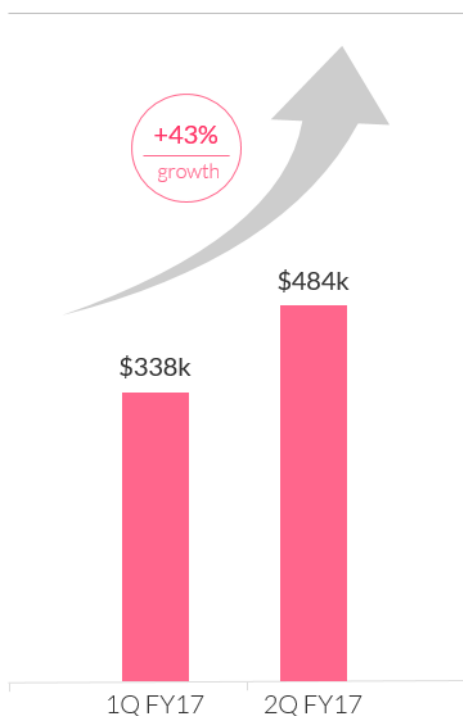


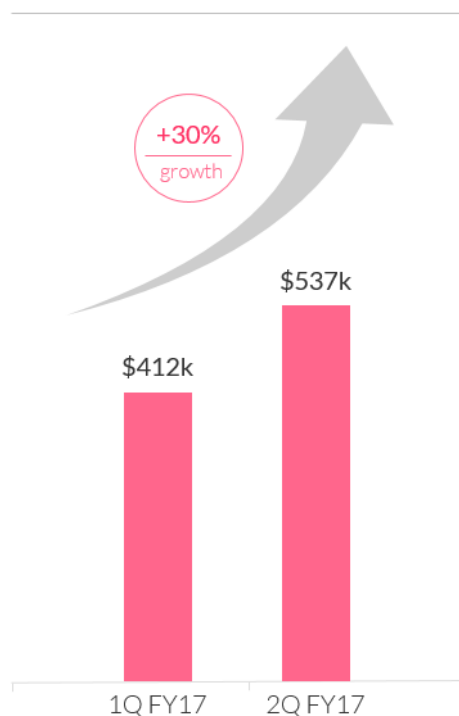
## DateTix Group revenue up 43% quarter-on-quarter

- **Revenue of \$484,000 for the quarter, +43% quarter-on-quarter growth**
  - Revenue of \$268,000 in Hong Kong, +115% quarter-on-quarter
- **Receipts from customers of \$537,000 for the quarter, +30% quarter-on-quarter growth**
  - Receipts from customers of \$162,000 in Hong Kong, +205% quarter-on-quarter
- **Global cash flow profitability targeted for calendar fourth quarter of 2017**
  - Scalable hybrid online plus offline dating platform expected to drive continued growth in revenue and operating cash flows
- **Completed asset acquisition of Noonswoon, a Thailand-based online dating platform well positioned for revenue growth and expansion in Southeast Asia**
- **Premium matchmaking business expected to be launched in Singapore and Bangkok, Thailand in first half of 2017**

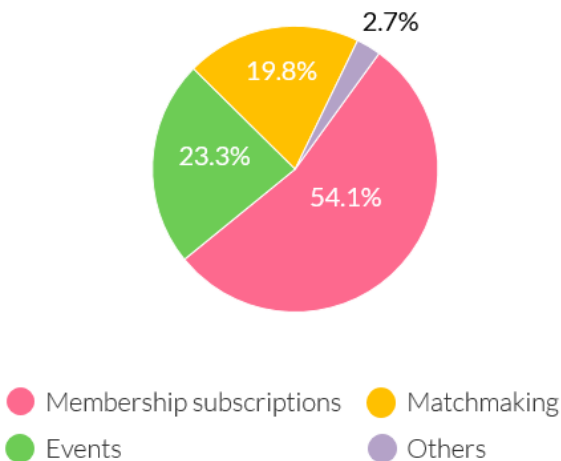
Revenue<sup>1</sup>



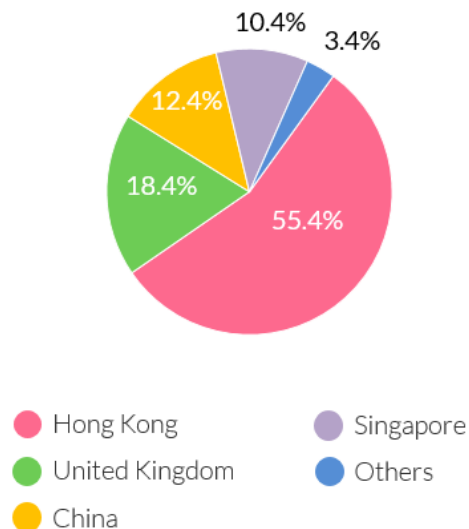
Receipts from customers<sup>1</sup>



## 2Q FY17 revenue by product



## 2Q FY17 revenue by geography



DateTix Group Ltd (ASX:DTX) is pleased to present its quarterly cash flow report and operational update for the quarter ending December 2016.

**DateTix Founder and CEO, Michael Ye:** *"We have seen strong growth in revenue and cash flows in our December quarter, with excellent performance from our premium matchmaking business, which has grown directly as a result of the growth of our online user databases across our portfolio of online dating websites and apps."*

*Our Hong Kong business has become a standout performer due to our strong local brand awareness and market positioning. Dating is a local marketplace-driven business and achieving critical mass in a given territory significantly improves supply and demand dynamics to drive local network effects that directly lead to improved operational and financial metrics.*

*Looking ahead, we are excited about continuing to scale our hybrid online plus offline business model in Hong Kong, and replicating this proven model to additional new markets. Furthermore, the successful completion of the asset acquisition of Noonswoon will help us jumpstart our Southeast Asia expansion."*

### Quarterly operational achievements

#### Strong operational and financial metrics in Hong Kong as a result of strengthening local critical mass

Hong Kong has continued to grow as the company's largest market, accounting for approximately 55% of revenues in the December quarter, up from 36% in the September quarter.

Online membership subscriptions continue to be the largest revenue contributor, with offline premium matchmaking and events businesses also making significant contributions. As the online dating user

database in a region grows, it directly leads to more leads and customers for the offline matchmaking and events businesses, which can lead to substantial increases in average revenue per user (ARPU).

Going forward, the company plans to continue to adopt a hyperlocal approach to marketing in order to realise and benefit from localised network effects that can significantly increase ARPU, reduce user acquisition costs, and create long-term barriers to entry.

## **Completion of Noonswoon acquisition to accelerate Southeast Asia expansion**

DateTix Group completed the asset acquisition of Noonswoon in December. Noonswoon is a leading dating app in Thailand for serious relationships, introducing its members to one curated and high quality match per day. The Noonswoon app has been featured by the Apple App Store and is multilingual and readily adaptable to multiple geographic markets.

This is a highly strategic acquisition that is expected to deliver significant value for shareholders. Noonswoon immediately expands DateTix Group's geographic reach into the large and fast growing Thailand market and accelerates the expansion of the company's hybrid online plus offline dating platform into the Southeast Asia region.

Adding Noonswoon to the DateTix Group's brand portfolio increases the breath of the company's product offerings, and allows the company to better share marketing, research and development, and other fixed costs to enjoy benefits from operating leverage to drive margin expansion.

The company also plans to launch Noonswoon in Hong Kong in the first quarter of 2017, which is expected to further increase the number of sales leads available for upselling to the premium matchmaking businesses.

## **Continued growth of premium matchmaking business**

The company's premium matchmaking business has continued to grow strongly in the December quarter, with revenues of approximately \$96,000, up 22% from approximately \$79,000 in the September quarter. The company currently has two matchmaking offices operating in Hong Kong and Shenzhen, China, and plans to launch new matchmaking operations in Singapore and Bangkok, Thailand in the first half of 2017.

Matchmaking packages have an average selling price of approximately A\$2,000 to 3,000 per year per client, and include bespoke matchmaking services for singles seeking serious relationships or marriage, and in particular targets those who value highly personalised services and privacy.

Matchmaking is a strategically complementary business to the company's portfolio of online dating platforms. The company applies data mining algorithms and technologies to the large user databases of its online platforms to identify potential customers who have a high likelihood of purchasing premium matchmaking services. This results in a high volume and recurring stream of highly-qualified sales leads for the sales team to contact and invite to our offices for personal consultations and upselling.

The size of the matchmaking market in Asia is substantial, worth approximately \$1.3 billion per year in China alone. DateTix Group is well positioned to capture share in this market, in particular in Hong Kong, Singapore and Bangkok, Thailand, where it has already established large online user databases.

## Cash at bank

DateTix had a strong cash position of \$2.6 million as at 31 December 2016, and with no debt. The company is well funded to execute its strategic growth plans, with the goal of achieving global cash flow profitability in the calendar fourth quarter of 2017.

## Growth Outlook

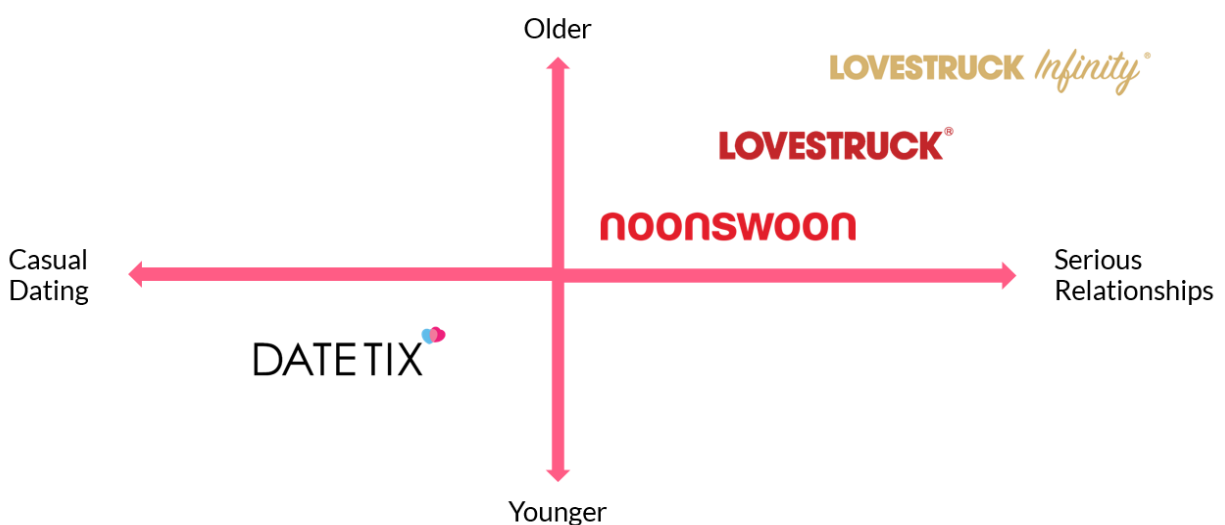
DateTix Group is well positioned to continue its strong growth trajectory in 2017, with a proven business model and clearly defined strategy to deliver shareholder value. Growth is expected to continue to be driven by its largest market Hong Kong, as well as other existing and new markets across Asia.

The company looks forward to rolling out its successful hybrid online dating plus offline matchmaking business model in Hong Kong to new markets in Asia, where the matchmaking market opportunity is large but still highly fragmented. The company believes that the combination of its world-class and award-winning online platforms and experienced offline matchmaking teams makes it well placed to consolidate market share and become a profitable leader in its target markets.

In addition, beginning in 2017 and consistent with general market practice, the company will be moving from monthly to quarterly reporting of ongoing operational and financial metrics.

## Building a global portfolio of dating brands to target distinct market segments

The DateTix Group's vision is to build a portfolio of dating brands with a diverse range of relevant online and offline services to capture the large and highly fragmented global dating services market. Adopting such a brand portfolio approach allows the company to capture a larger share of the market by more effectively targeting different market segments, ranging from casual daters to those seeking serious long-term relationships and marriage.





**For further information, please contact:**

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**Follow DateTix on Twitter:** <https://twitter.com/DateTixIR>

### **About DateTix Group**

DateTix Group is a leading provider of social and dating products and services, including the DateTix platform, the Lovestruck platform, and premium matchmaking services.

The DateTix platform is a mobile online marketplace that facilitates offline dates by connecting like-minded people who are nearby each other and free at the same times. With the tap of just a few buttons, DateTix members can quickly and effortlessly meet new people at nearby establishments for meals, drinks, live events, outdoor activities and more, for a wide range of intentions, including casual dating, serious relationship, friendship, business networking. With an initial focus on major Asian cities, DateTix plans to build, grow and cultivate leading local mobile marketplaces for dates in major markets around the world. For more information, please visit <http://www.datetix.com>

Lovestruck is a leading premium online dating platform currently operating in Hong Kong, Singapore and the United Kingdom. Founded in 2006 in London, the platform has since expanded to other markets, including Hong Kong and Singapore. Lovestruck has established itself as a readily identifiable brand position in a competitive yet burgeoning market. Genuinely regarded as a preeminent brand within the dating industry – and a founding member of the Online Dating Association, a new trade body created to set and uphold the highest standards in the industry – Lovestruck has won numerous awards, most notably 'Online Dating Brand of the Year' for the second year running at the UK Dating Awards in November 2015. For more information, please visit <http://www.lovestruck.com>

Noonswoon is a pioneering dating company operating in Thailand. The company's primary product is a mobile app targeting people who are serious daters. Unlike other dating apps where the quantity of profiles is key, Noonswoon focuses on the quality and compatibilities of profiles, aiming to introduce people who have similar socio-economic backgrounds. The app introduces its members to only one curated and high quality match per day. In addition to the mobile app, the company also offers a premium matchmaking service to those who want to be more personal. The company's matchmakers will learn about the need of each customer, and help facilitate and arrange date for him or her. For more information, please visit <https://www.noonswoonapp.com>

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

DATEFIX GROUP LTD (ASX - DTX)

**ABN**

82 009 027 178

**Quarter ended ("current quarter")**

31 DECEMBER 2016

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date ( 6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	537	949
1.2 Payments for		
(a) research and development	(179)	(296)
(b) product manufacturing and operating costs	(77)	(219)
(c) advertising and marketing	(476)	(810)
(d) leased assets	-	-
(e) staff costs	(404)	(759)
(f) administration and corporate costs	(157)	(350)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	21
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(751)</b>	<b>(1,464)</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date ( 6 months) \$A'000
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(4)	(8)
	(b) businesses (see item 10)	(135)	(350)
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other		
	- Cash acquired in business combination	1	238
	- Transaction Costs in business combination	(11)	(17)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(149)</b>	<b>(137)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	1,760	1,760
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(1)	(3)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other - Cost for issues of shares	(140)	(140)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,619</b>	<b>1,617</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date ( 6 months) \$A'000
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	1,932	2,635
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(751)	(1,464)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(149)	(137)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,619	1,617
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>2,651</b>	<b>2,651</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,051	932
5.2	Call deposits	1,600	1,000
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,651</b>	<b>1,932</b>

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	107
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
Directors fees, annual leave compensation and superannuation		



7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

N/A

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	14	14
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Finance lease provided by Esanda for a motor vehicle.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	100
9.2 Product manufacturing and operating costs	90
9.3 Advertising and marketing	580
9.4 Leased assets	-
9.5 Staff costs	360
9.6 Administration and corporate costs	150
9.7 Other (provide details if material)	-
<b>9.8 Total estimated cash outflows</b>	<b>1,280</b>

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity	Noonswoon Inc.	Enverro Inc.
10.2	Place of incorporation or registration	U.S.A	U.S.A
10.3	Consideration for acquisition or disposal	700,000 fully paid ordinary shares	NIL
10.4	Total net assets	\$4,969 + Goodwill.	NIL
10.5	Nature of business	A leading premium online dating platform for serious long term relationship.	Dormant

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



25 January 2017

Sign here: .....  
(Director/~~Company secretary~~)

Date: .....

Michael Ye

Print name: .....

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.