

23 February 2023

ASX Announcement

Shine Justice Ltd (SHJ) FY23 Half Year Financial Results

Measure	31 Dec 22	31 Dec 21 ¹	% change from PCP ²
Total revenue	\$111.21m	\$101.76m	↑ 9.29%
Net Profit After Tax (NPAT)	\$10.65m	\$13.05m	↓ 18.39%
EBITDA ³	\$26.91m	\$27.44m	↓ 1.93%
Gross Operating Cash Flow (GOCF) ⁴	-\$8.91m	\$6.68m	↓ 233.38%
Interim Dividend per share (cents)	1.50	2.50	↓ 40.00%
Earnings per share (cents)	6.18	7.54	↓ 18.04%

Financial Performance

The Company today announces the financial results for the six months ended 31 December 2022.

Revenue was \$111.21 million, an increase of 9.29% on the PCP.

NPAT was \$10.65 million for the half year, a decrease of 18.39% on the PCP. EBITDA was \$26.91 million, compared with \$27.44 million in the PCP (a decrease of 1.93%).

GOCF was -\$8.91 million, compared with \$6.68 million in the PCP.

Business Performance

Managing Director & CEO Simon Morrison said 'Although the operating performance of the Group was behind where we would normally be at this point in the financial year, revenue increased due to growth in our new practice areas, including medical law, and in our new States and Territories as well as growth in personal injuries.

GOCF in the half year was affected by expenditure in growth activities, including class action investigations and growth in team member and file numbers, compared with slower than anticipated case resolutions, as well as expenditure in marketing and recruitment.

We increased our team but like many businesses, were impacted by staff turnover, a situation in which we are now seeing improvement. We experienced delays in the resolution of cases, in part due to the lingering effects of the COVID-19 pandemic, but are implementing improvements in case execution and cash collection in the

¹ Certain comparatives in the PCP have been restated to reflect the discontinued operation of Emanate.

² PCP means prior corresponding period.

³ EBITDA means Earnings Before Interest, Tax, Depreciation and Amortisation.

⁴ GOCF means Gross Operating Cash Flow. GOCF is not an IFRS measurement and has not been audited by the Company's auditors.



second half. We are focused on ensuring that staff utilisation is maximised and operating costs are controlled. The underlying business remains strong and we look forward to an improved second half, consistent with previous seasonal performance.'

Milestone Achievements

In December, we successfully launched our Case Tracker for workers' compensation, public liability and motor vehicle accident claims in Queensland, allowing our clients to access, manage and track the details of their case from the convenience of their mobile device.

We continued to expand our Victorian presence, opening new offices in Pakenham and Melton, ensuring we are on track with our plans to pursue growth opportunities in new sites. We also relocated some branches in other States to ensure our office locations are accessible and visible to more clients and to provide optimal working spaces for our people.

We held our second 'think tank' forum that helps us explore emerging trends and discover new opportunities aligned with our values that benefit our clients, people and business.

We formalised our ongoing reconciliation journey with the launch of Shine's Innovate Reconciliation Action Plan which outlines the actions we have committed to implement over the next two years. Our second RAP will allow us to further strengthen relationships with Aboriginal and Torres Strait Island peoples, explore ways to engage our people and other stakeholders and develop innovative strategies to advance our reconciliation efforts.

We settled the historic Mesh Class Actions against Johnson & Johnson for \$300 million, subject to court approval. The Class Actions team has advocated on behalf of our clients for more than a decade. The court proceedings related to faulty prolapse mesh and tape implants, one of Australia's largest product liability class actions. The settlement will deliver justice for thousands of Australian women left with life altering complications from the defective implants.

Our Class Actions team also settled a further class action against pelvic mesh manufacturer Boston Scientific for \$105 million and an historic action against the Commonwealth Government for family members and deceased estates of the Northern Territory Stolen Generations for \$50.45 million.

Our Class Actions team also:

- succeeded on appeal in the class action against Worley Limited, the first shareholder class action appeal and in October 2022 the High Court declined Worley's application for leave to appeal the decision; and
- filed class actions on behalf of passengers who suffered from norovirus outbreaks on a series of Sun Princess cruises and shareholders who were misled by a listed investment company.



Dividend

The Board has declared an interim dividend of 1.5 cents per share (unfranked) with a record date of 8 March 2023 and a payment date of 22 March 2023.

FY23 Outlook

With respect to initiatives for FY23, Mr Morrison said 'Shine Justice is in a solid financial position, with a committed and talented team and the right strategy to deliver improved results, grow in new and existing markets and leverage opportunities with innovation and integration. We confirm that we are expecting a continuation of EBITDA growth in FY23, in the order of a low double digit percentage increase, subject to unforeseen economic conditions.'

The FY23 H1 accounts and investor presentation have been lodged with the ASX and can also be found on the Company's website – www.shinejustice.com.au. The Company will conduct an analyst and investor briefing at 10.30am AEST (Brisbane time) today. To register for the briefing, please [click here](#).

Approved for release by the Board

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