

25 August 2023

ASX Announcement

Shine Justice Ltd (SHJ) FY23 Full Year Financial Results Update

Shine Justice Ltd (the **Company**) is finalising the preparation of its full year financial results for the financial year ended 30 June 2023 for release on Tuesday 29 August 2023.

As announced on 3 August 2023, the Federal Court of Australia (**Court**) delivered a judgment in relation to the class actions brought by Shine Lawyers (**Shine Lawyers**) against Johnson & Johnson Medical Pty Limited, Ethicon Sàrl and Ethicon, Inc. (**Class Actions**). The Class Actions were settled for AUD\$300 million (**Settlement Fund**), subject to approval of the Court which was granted on 16 March 2023, subject to the separate and later determination of orders with respect to the distribution of the Settlement Fund.

The Class Actions were conducted on a 'no win no fee' basis under which Shine Lawyers would not recover its professional fees or its disbursements (necessarily payable to third parties including medical experts and barristers) unless the Class Actions were successfully resolved. For several years, Shine Lawyers itself bore all of the costs of the Class Actions, including the disbursements. As the length of the Class Actions and the scale of the disbursements increased, it became necessary for Shine Lawyers to obtain external funding in order to continue to fund disbursements. Funding was obtained on available commercial terms, including a commercial rate of interest (**Interest**). The Interest was a necessary cost of continuing to conduct the Class Actions.

On 3 August 2023 the Court dismissed Shine Lawyers' application to recover the full amount of the Interest (currently approximately \$32.4 million) from the Settlement Fund. As permitted by the Court, Shine Lawyers intends to make a further application to the Court for recovery of an alternative proportion of the Interest.

As announced on 18 August 2023, the Company is addressing the financial impact of the judgment.

It is anticipated that the prudent approach proposed to be taken in relation to the financial impact of the judgment, coupled with the impact of a number of other results (including work in progress recovery on recently settled and pending cases) will mean that previously provided guidance that the Company was expecting a continuation of EBITDA growth in FY23 in the order of a low double digit percentage will not be achieved and that it will be in the range of up to a 5% decrease on FY22 EBITDA.

Further detail will be provided in the financial results on Tuesday 29 August 2023.

Authorised for release by the Board



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