

ASX ANNOUNCEMENT

22 August 2024

Objective Corporation – Full Year Results FY2024

- **Adjusted EBITDA of \$44 million (+66% over FY2023); Operating Cash Flow of \$56 million (127% of Adjusted EBITDA)**
- **SaaS ARR growth of 15%, overall ARR growth of 11% to \$105 million**
- **First UK customer for Objective RegWorks, \$3.4 million 6-year contract with the Gambling Commission, Great Britain**

FINANCIAL SUMMARY

Results summary for full year ended	30 June 2024	30 June 2023	Change
	AU \$million	AU \$million	
Revenue	117.5	110.4	+ 6 %
Adjusted EBITDA ¹	44.3	26.7	+ 66 %
Net profit after tax	31.3	21.1	+ 49 %
Annualised recurring revenue (ARR)	104.5	94.2	+ 11 %
R&D investment	28.2	27.2	+ 4 %
Cash at balance date	96.0	72.5	+ 32 %
Earnings per share	32.9 cps	22.2 cps	+ 43 %
Dividends	17.0 cps	13.5 cps	+ 26 %

BUSINESS LINE SUMMARY

Results summary for full year ended	30 June 2024	30 June 2023	Change
	AU \$million	AU \$million	
Content Solutions			
Sales Revenue	80.3	76.1	+ 5 %
ARR	76.1	69.0	+ 10 %
Planning & Building			
Sales Revenue	12.3	11.7	+ 5 %
ARR	14.0	12.2	+ 15 %
Regulatory Solutions			
Sales Revenue	22.2	21.1	+ 5 %
ARR	14.4	13.0	+ 11 %

¹ Adjusted earnings before interest, tax, depreciation and amortisation expenses and excluding share-based payment expenses for the year of \$2,005,000 (2023: \$600,000) and is a non-IFRS financial measure.

FINANCIAL HIGHLIGHTS

Group revenue for Financial Year 2024 (FY2024) grew by 6% to \$117.5 million (FY2023: \$110.4 million), Adjusted EBITDA increased by 66% to \$44.3 million (FY2023: \$26.7 million) and Net Profit After Tax (NPAT) increased by 49% to \$31.3 million (FY2023: \$21.1 million).

During FY2024, 100% of our software revenue was contracted under a subscription model and recurring revenue represented 81% of total revenue from customers. In FY2024, Perpetual Right To Use (PRTU) licences sales were \$zero (FY2023: \$2.0 million) and all customers are contracting via subscription models regardless of the customer's choice of cloud or on-premise deployment for their chosen solution.

The Annualised Recurring Revenue (ARR) balance at 30 June 2024 increased by 11% to \$104.5 million (\$94.2 million at 30 June 2023). Content Solutions ARR increased by 10% to \$76.1 million (FY2023: \$69.0 million); Regulatory Solutions ARR increased by 11% to \$14.4 million (FY2023: \$13.0 million); Planning and Building ARR increased by 15% to \$14.0 million (FY2023: \$12.2 million).

During FY2024 we invested \$28.2 million in Research and Development (R&D) (FY2023: \$27.2 million), representing 30% of software revenue. \$14.1 million of this R&D investment was capitalised in FY2024 (FY2023 and prior: no R&D expenditure was capitalised).

Group operating cash flow in FY2024 was \$55.8 million (FY2023: \$23.4 million) and the total cash balance at 30 June 2024 was \$96.0 million, an increase of 32% over the balance at 30 June 2023, after total capital returns to shareholders of \$15.3 million in FY2024 (Dividends of \$12.8 million and share buybacks of \$2.5 million). The peak cash balance in August 2024 was \$110 million (unaudited). The Group has no external borrowings.

The statement of financial position of the Group provides significant capacity to further pursue investment opportunities that enhance returns for stakeholders.

Directors declared a final fully franked dividend of 8 cents per ordinary share and a final unfranked dividend of 9 cents per ordinary share. Total dividends declared in relation to FY2024 were 17 cents per ordinary share.

ABOUT OBJECTIVE CORPORATION

We create software to make a difference.

Using Objective software, thousands of public sector organisations are shifting to being completely digital. Where our customers can work from anywhere; with access to information, governance guaranteed, and security assured.

Innovation is our lifeblood. We invest significantly in the ongoing development of our products to deliver outstanding solutions to the public sector and regulated industries.

The result – stronger national and community outcomes, and accountability that builds trust in government.

www.objective.com

FOR FURTHER INFORMATION, PLEASE CONTACT:

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