

24 February 2021

Shine Justice Ltd (SHJ)

FY21 Half Year Financial Results

Measure	31 Dec 20	31 Dec 19	% change to PCP ¹
Total revenue	\$93.57m	\$89.44m	↑ 4.6%
Net Profit After Tax (NPAT)	\$10.05m	\$8.83m	↑ 13.9%
EBITDAI ²	\$24.29m	\$21.67m	↑ 12.1%
Gross Operating Cash Flow (GOCF) ³	\$33.91m ⁴	\$7.99m ⁵	↑ 324.4%
Interim Dividend per share	2.00 cents	1.50 cents	↑ 33.3%
Earnings per share	5.80 cents	5.08 cents	↑ 14.2%

Financial Performance

The Company today announces the financial results for the six months ended 31 December 2020. NPAT was \$10.05 million for the half year, an increase of 13.9% on the PCP. EBITDAI was \$24.29 million for the half year, compared with \$21.67 million in the PCP (an increase of 12.1%), with strong contributions from class actions, abuse law, medical law and disability and superannuation.

GOCF was positively impacted by the partial receipt of costs following the decision of the Federal Court of Australia in favour of Kathryn Gill, Diana Dawson and Ann Sanders (**Applicants**) in the class action against Ethicon Sàrl, Ethicon, Inc. and Johnson & Johnson Medical Pty Limited (**Respondents**) in November 2019 (the **Mesh Class Action**). The Court ordered the costs of the Applicants payable by the Respondents to be fixed in the sum of \$39,786,867, which was received in respect of fees and disbursements on 23 December 2020. An appeal in the matter has been heard and we await the appeal decision.

Business Performance

Managing Director & CEO Simon Morrison, said 'We are very pleased with improved profitability in the first half of FY21. Revenue increased overall due to growth in our new practice areas, including class actions, abuse law and medical law. The challenges posed for business and the entire community by the COVID-19 pandemic in 2020 were met by the team at Shine Justice with remarkable resilience. The financial performance and outstanding results for our clients demonstrate the Group's adaptability, innovation and organisational discipline to execute across our business. We implemented a range of initiatives to maintain communication, workflow continuity and importantly to ensure our team remained motivated and in good health.

We commenced a body of work to improve consistency of client experience. The impact of COVID accelerated the implementation of digital marketing and user facing client technology. As a result, the Group has made good progress and remains on track to achieve its long-term strategy to expand its capabilities and set a platform for growth'.

¹ PCP means Prior Corresponding Period.

² EBITDAI means Earnings Before Interest, Tax, Depreciation, Amortisation and Impairment. EBITDAI and GOCF are not IFRS measurements and have not been audited by the Company's auditors.

³ Gross Operating Cash Flow or GOCF means net cash provided by operating activities, excluding interest income, finance costs and income tax.

⁴ GOCF includes Mesh Class Action cash of \$22.9 million.

⁵ Cashflows relating to disbursement funding in the PCP have been reclassified to be consistent with H1 FY21.



Milestone Achievements

Class actions have been filed on behalf of:

- Passengers and families affected by the deadly outbreak of coronavirus on board the Ruby Princess cruise ship
- Indigenous workers who were forced to work in slave-like conditions in Western Australia for little or no money
- Workers subject to sham contracting arrangements
- Insurance customers who received unethical financial advice.

This month we filed a class action against the Department of Defence on behalf of indigenous Australians whose culturally significant land on the New South Wales south coast was contaminated by toxic fire-fighting foam.

We settled our first Super Online claim, after extending our online model to include our Disability and Superannuation practice.

Board Renewal

In July 2020, the Company was delighted to welcome Graham Bradley AM as its new Chairman, following the appointments of Teresa Dyson and David Bayes in February 2020. In December 2020, the Board renewal process was completed with the appointment of Rod Douglas, an experienced company director with a specialisation in culture, strategy and organisational value. All new Board members are highly experienced, supportive of the Shine Justice Group's values and bring significant skills to the Board in their respective areas of expertise.

Dividend

The Board is pleased to declare an interim dividend of 2 cents per share (unfranked), with a record date of 12 March 2021 and a payment date of 26 March 2021.

FY21 Outlook

With respect to initiatives for FY21, Mr Morrison said 'Despite prevailing economic uncertainty, Shine Justice is in a strong 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 are expecting a continuation of EBITDAI growth in FY21, in the order of a high single digit percentage, subject to any material or unforeseen future impacts of the COVID-19 pandemic.'

The FY21 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 today. To register for the briefing, please click [this link](#).

Approved for release by the Board

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For more information

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