

ASX ANNOUNCEMENT

10 January 2020

TRADING UPDATE – FIRST HALF FINANCIAL YEAR 2020

Objective Corporation (ASX:OCL) provides the following trading update for the first half of financial year 2020 (1HY2020), based on unaudited management accounts as at December 31, 2019.

The expected headline results for 1HY2020 are revenue of \$33.2m (1HY2019: \$29.2m) with an Operating Profit increase of 24% to \$5.8m (1HY2019: \$4.7m).

Annual Recurring Revenue (ARR) at 31 December 2019 was \$54.1m, representing an increase of 28% over 31 December 2018 (\$42.2m). Recurring revenue for 1HY2020 was 75% of total revenue (1HY2019: 71%)

Cash balance at 31 December 2019 was \$34.1m, a lift of 16% over 31 December 2018 (1HY2019: \$29.3m), after paying \$6.7m as consideration for the acquisitions of Alpha Group and Master Business Systems and dividends of \$5.6m.

We have continued our policy of expensing 100% of Research and Development expenditure as incurred.

Summary expected headline results for 1HY2020:

A\$m	1HY2020	1HY2019	Change
Revenue	33.2	29.2	+ 14%
ARR	54.1	42.2	+ 28%
Operating Profit	5.8	4.7	+ 24%
EBITDA	6.8	5.7	+ 20%
Cash Balance	34.1	29.3	+ 16%

FOR FURTHER INFORMATION, PLEASE CONTACT:

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