

ASX Announcement



26 August 2022

Shine Justice Ltd (SHJ)

FY22 Financial Results

Measure	FY22	FY21 ¹	% change to PCP ²
Total revenue	\$215.13m	\$187.21m	↑ 14.91%
Net Profit After Tax (NPAT)	\$31.21m	\$25.59m	↑ 21.96%
EBITDA ³	\$63.09m	\$55.20m	↑ 14.29%
Underlying EBITDA ⁴	\$54.00m	\$46.48m	↑ 16.18%
GOCF ⁵ excluding FY21 Mesh funds	\$30.71m	\$33.74m	↓ 8.98%
Final dividend per share (cents)	3.50	3.25	↑ 7.69%
Total dividend per share (cents)	6.00	5.25	↑ 14.29%
Earnings per share (cents)	18.02	14.75	↑ 22.17%

Financial Performance

The Company today announces the financial results for the financial year ended 30 June 2022.

NPAT was \$31.21 million for the financial year, an increase of 21.96% on the PCP. EBITDA was \$63.09 million for the full year, compared with \$55.20 million in the PCP (an increase of 14.29%), with strong contributions from Personal Injuries in Queensland and Western Australia, Class Actions, Abuse Law, Medical Law and Head Trauma.

¹ Certain comparatives in FY21 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. EBITDA and GOCF are not IFRS measurements and have not been audited by the Company's auditors. EBITDA results improved through the adoption of AASB 16 Leases from 1 July 2018.

⁴ Excludes adoption of AASB 16 Leases.

⁵ GOCF means Gross Operating Cash Flow.



GOCF was \$30.71m in FY22 compared to \$33.74m in the PCP, excluding the \$20.91 million (excluding GST) received in the PCP in respect of work in progress following the decision of the Federal Court of Australia in favour of Kathryn Gill, Diane Dawson and Ann Sanders in the class action against Ethicon Sàrl, Ethicon, Inc. and Johnson & Johnson Medical Pty Limited in November 2019 (Mesh Class Action).

GOCF in FY22 was within expectations, particularly as the business is going through significant growth phase reflected by the increase in staff numbers, incoming new files, as well as investments in branding, marketing, innovation and geographic expansion.

Business Performance

Managing Director & CEO Simon Morrison, said 'We are very pleased with our strong market position and solid earnings growth in FY22. The financial performance and outstanding results for our clients demonstrate the Group's adaptability, innovation and organisational discipline to execute across our business. Our leadership team continued to strengthen, leading our capable and talented team members.

We implemented a body of work to improve consistency and quality of client experience. The Group has made good progress and remains on track to achieve its long-term strategy to expand its technological capabilities and continue to grow'.

Milestone Achievements

The Group achieved a number of significant milestones in FY22.

We expanded with new offices in Darwin, Adelaide, Canberra and Wollongong, ensuring we are on track with our plans to pursue growth opportunities in new sites, and for the first time increased our team to more than 1,000 members.

We congratulated team members for many significant anniversaries, including 20, 25 and 35 years with the Group.

We celebrated the High Court decision to dismiss Johnson & Johnson's application for special leave to appeal the historic Mesh Class Action judgment handed down by the Federal Court in November 2019. The Class Actions team has advocated on behalf of our clients for almost a decade and we are delighted that this historic victory has been upheld. The court proceedings relate to faulty prolapse mesh and tape implants, one of Australia's largest product liability class actions. Now that all avenues of appeal are exhausted, the action is expected to deliver justice for up to 12,000 Australian women left with life altering complications from the defective implants.

Our Class Actions team also:

- settled a further class action for \$105 million against pelvic mesh manufacturer Boston Scientific, subject to Court approval;
- succeeded on appeal in the class action against Worley Limited, the first shareholder class action appeal. While we await the High Court's decision as to whether it will allow a further appeal, the decision provides valuable guidance in relation to continuous disclosure obligations;
- achieved judgment for ratepayers in Redlands who were charged incorrect levies, the first class action decision in the Queensland Supreme Court;
- settled a class action against BSA Limited in relation to its contracting arrangements for \$20 million, subject to Court approval;
- received Court approval to settle a class action against Westpac Life in relation to allegedly overpriced insurance products, for an amount capped at \$30 million; and
- filed class actions on behalf of employees of a fast food operator, superannuation fund members who were overcharged for life insurance products, clients of a financial adviser which provided unsuitable advice and shareholders who were misled by listed companies in the resources, consumer products, payment solutions and data analytics industries.

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Our Personal Injuries, Abuse Law, Medical Law, Head Trauma, Superannuation and Disability, Dust Diseases and Employment Law teams also achieved outstanding outcomes for our clients during the year.

Dividend

The Board is pleased to declare a final dividend of 3.5 cents per share (unfranked), with a record date of 23 September 2022 and a payment date of 7 October 2022.

FY23 Outlook

With respect to initiatives for FY23, Mr Morrison said 'Despite economic uncertainty in FY22, Shine Justice is in a strong financial position, with a committed and talented team and the right strategy to deliver continually improving results, grow in new and existing markets and leverage opportunities with innovation and integration. We are expecting increasing EBITDA growth again in FY23, in the order of a low double-digit percentage.'

The FY22 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 here](#).

Approved for release by the Board

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For more information

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