

Shine Justice Ltd

ABN 93 162 817 905

FY22 Results

Investor Presentation

26 August 2022

Simon Morrison

MANAGING DIRECTOR & CEO

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CHIEF FINANCIAL OFFICER



FY22 Shine Justice – Important Notice



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Personal Injury

Motor vehicle, workplace, public liability, abuse

- Shine Lawyers*
- Sciaccas (QLD)
- Stephen Browne (WA)
- Bradley Bayly (WA)
- Claimify

NPA¹

Shine Lawyers

- Class actions
- Superannuation and disability
- Head trauma
- Catastrophic injuries
- Dust disease
- Commercial disputes
- Medical negligence

Family Law

- Best Wilson Buckley (QLD)
- Carr & Co (WA)

WE



are a **Purpose-driven** company



have a strong base established for future **Growth**



are **Resilient** through economic cycles

*Includes Abuse Law from 1 July 2022

¹ New Practice Areas

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FY22 Highlights

Simon Morrison Managing Director & CEO

Key Financial Metrics¹

Revenue

 **\$215.13m**

+14.91%

NPAT

 **\$31.21m**

+21.96%

EBITDA²

 **\$63.09m**

+14.29%

GOCF (ex Mesh)³

 **\$30.71m**

-8.98%

Total Dividend
(unfranked)

 **6.0c**

+14.29%

EPS (basic)

 **18.02c**

+22.17%

¹ Discontinued operations (Emanate) eliminated in PCP comparatives.

² EBITDA and GOCF are not IFRS calculations which appear in the financial statements, and have not been audited.

³ GOCF in the PCP included \$20.9m (excluding GST) Mesh Class Action funds received in December 2020.

Continued growth despite a challenging market

Delivered earnings growth and building momentum

Achieved landmark decision in Johnson & Johnson Class Action

Opened new offices in Adelaide, Darwin, Canberra and Wollongong

Significant investment in new marketing campaign, team training and client experience

Filed 7 new class actions and settled 3

Settled mesh class action against Boston Scientific for \$105 million

Grew our team to more than 1,000 members

Achieved strong employee engagement survey results – 83% compared with market average of 75%

Continued to execute towards strategy to be market leader in all major work types

Champion the Client

- Improved our client experience by continuing the development of Case Tracker and implementing client services and CRM programs

Prioritise People

- Enhanced learning to support Practice Managers and Specialist Lawyers. Enhanced Employer brand through talent programs

Grow Shine

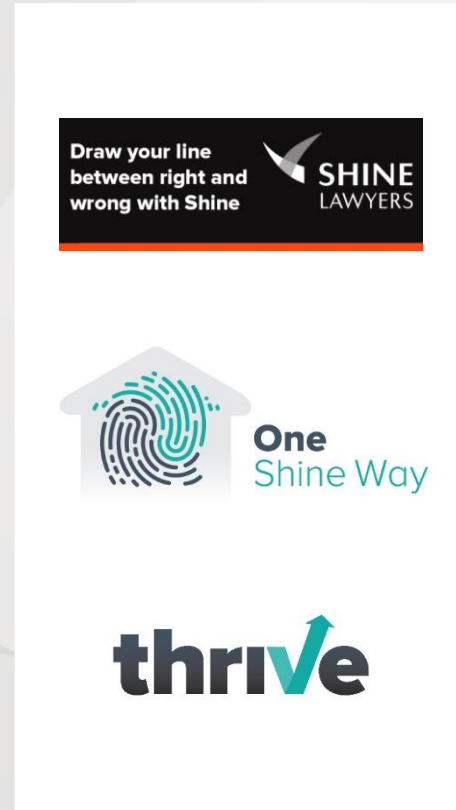
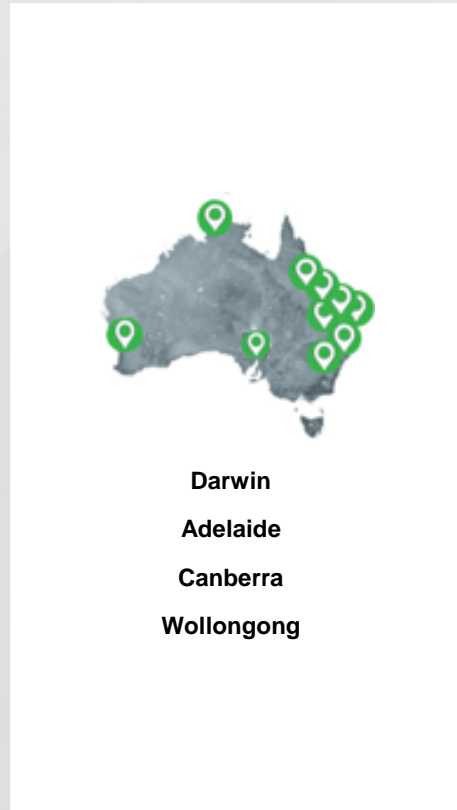
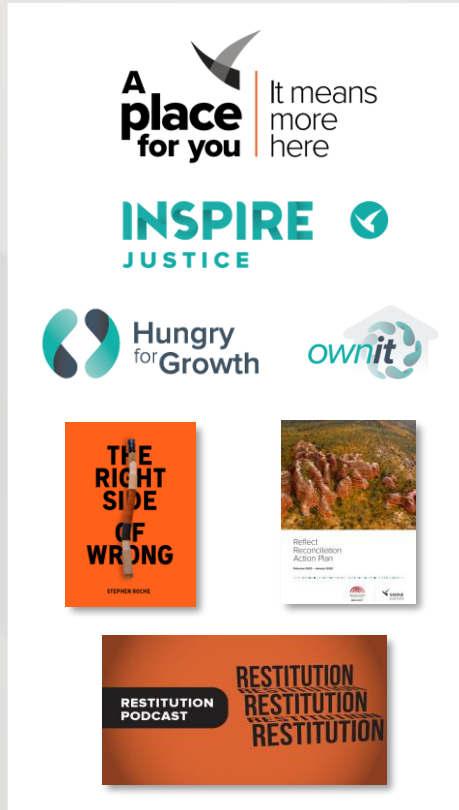
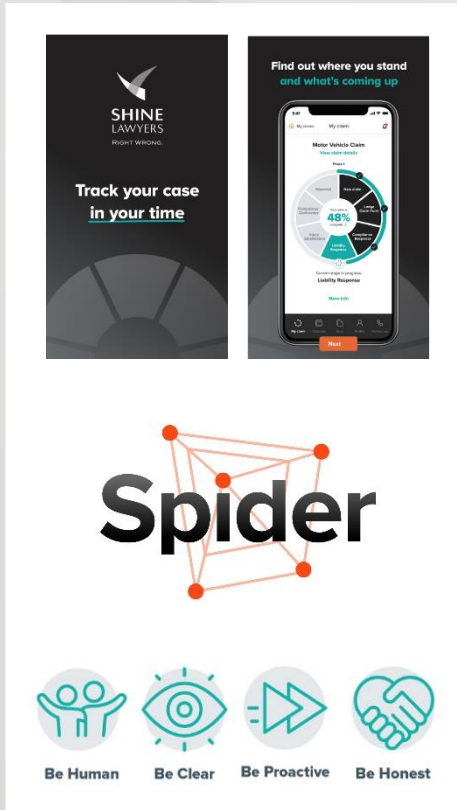
- Focused on growth of Personal Injury and Class Actions including new sites and state opportunities whilst improving execution and conversion

Strengthen Shine

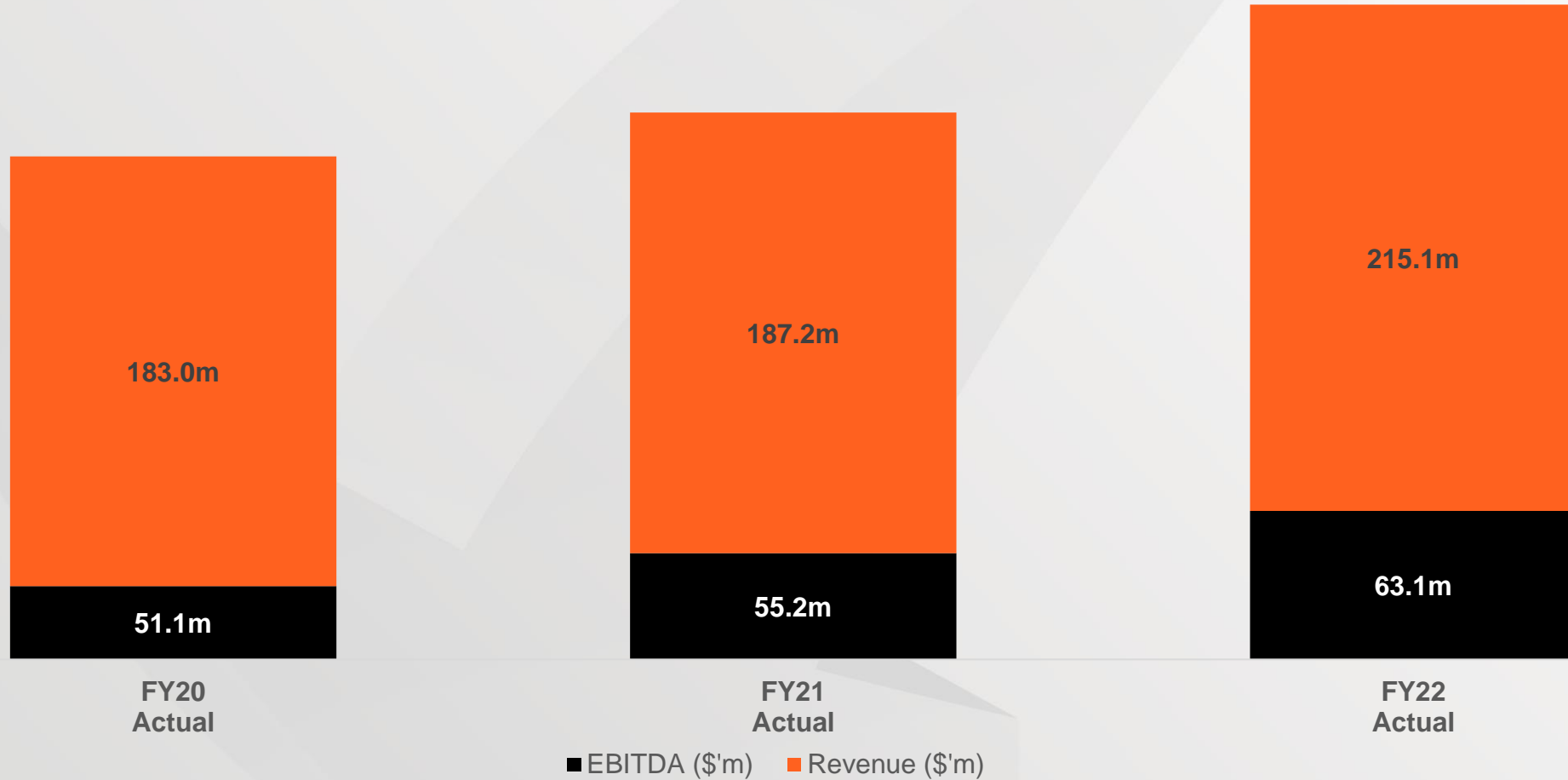
- Continued to embed One Shine Way, sharpen our brand positioning, and implemented Phase 1 of Thrive (operating model review)

Innovate Shine

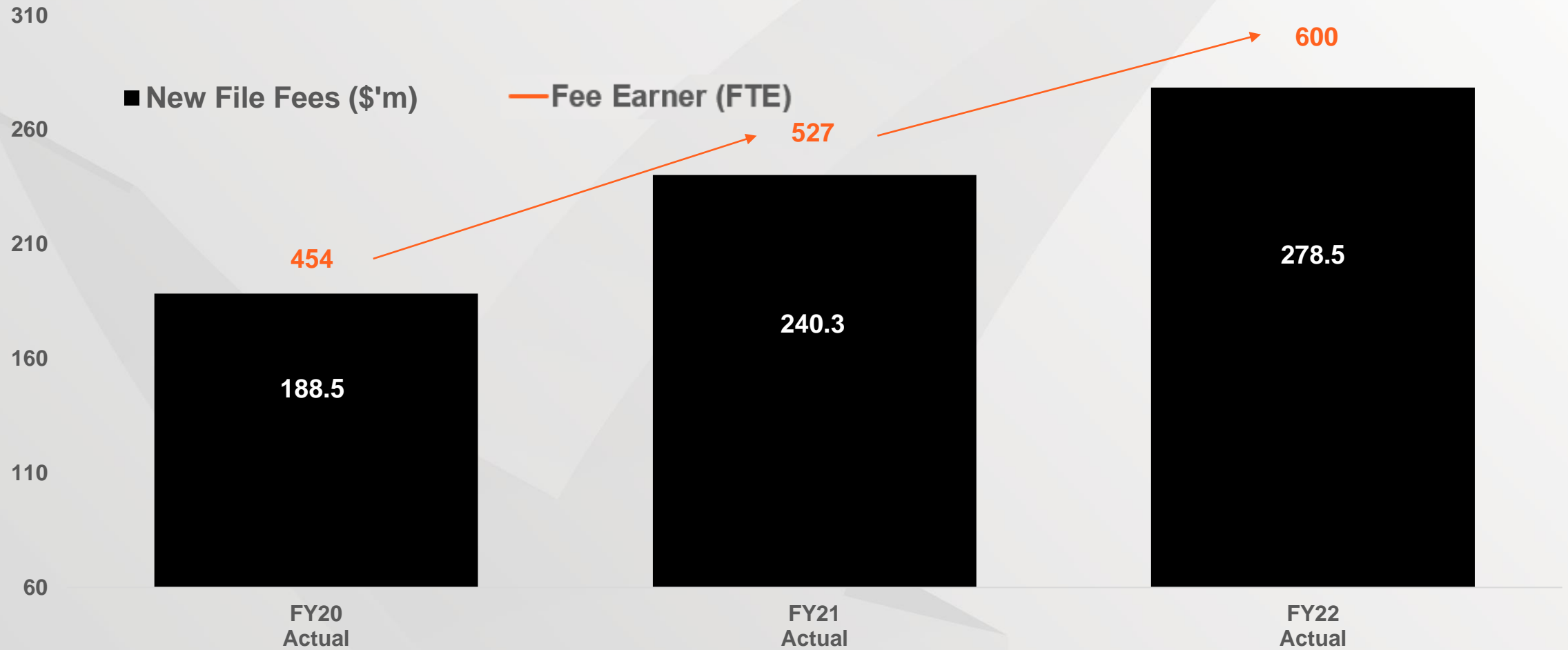
- Cultivated an innovation culture aligning its delivery to the Shine Program Frame

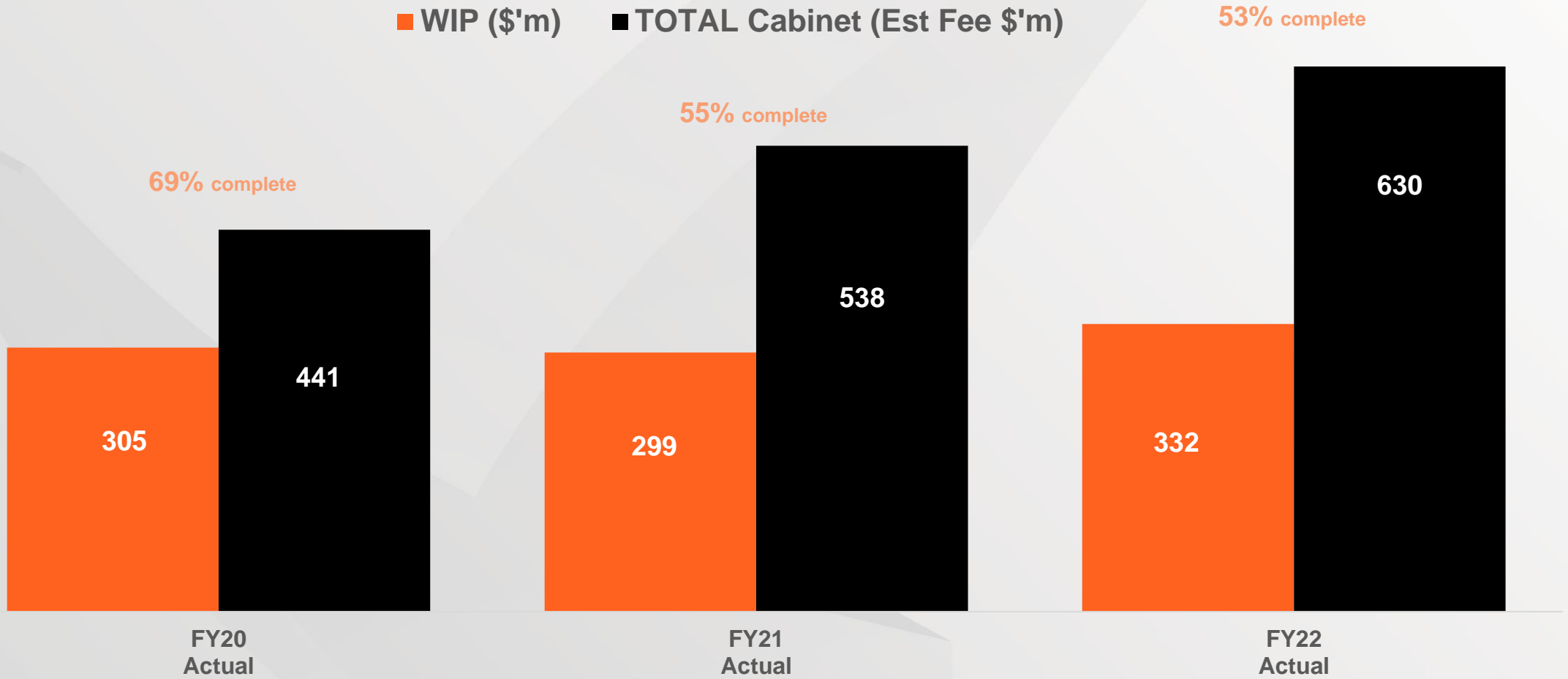


FY22 Past three year growth



FY22 Past three year growth





FY22 Financial Results

Ravin Raj Chief Financial Officer

FY22 Financial Results – Detailed Profit and Loss

	FY22 (\$m)	FY21 (\$m)	Variance (%)
Revenue ¹	215.13	187.21	↑ 14.91
NPAT	31.21	25.59	↑ 21.96
EBITDA ^{1,2}	63.09	55.20	↑ 14.29
Underlying EBITDA ^{1,3}	54.00	46.48	↑ 16.18
Employee Benefits Expense ¹	111.58	97.14	↑ 14.87
Overheads ¹	58.51	54.08	↑ 8.19

¹ Discontinued operations (Emanate) eliminated in certain PCP comparatives

² EBITDA is not an IFRS calculation which appear in the financial statements and has not been audited.

³ Excludes impact of AASB16 Leases

FY22 Financial Results – Financial Highlights

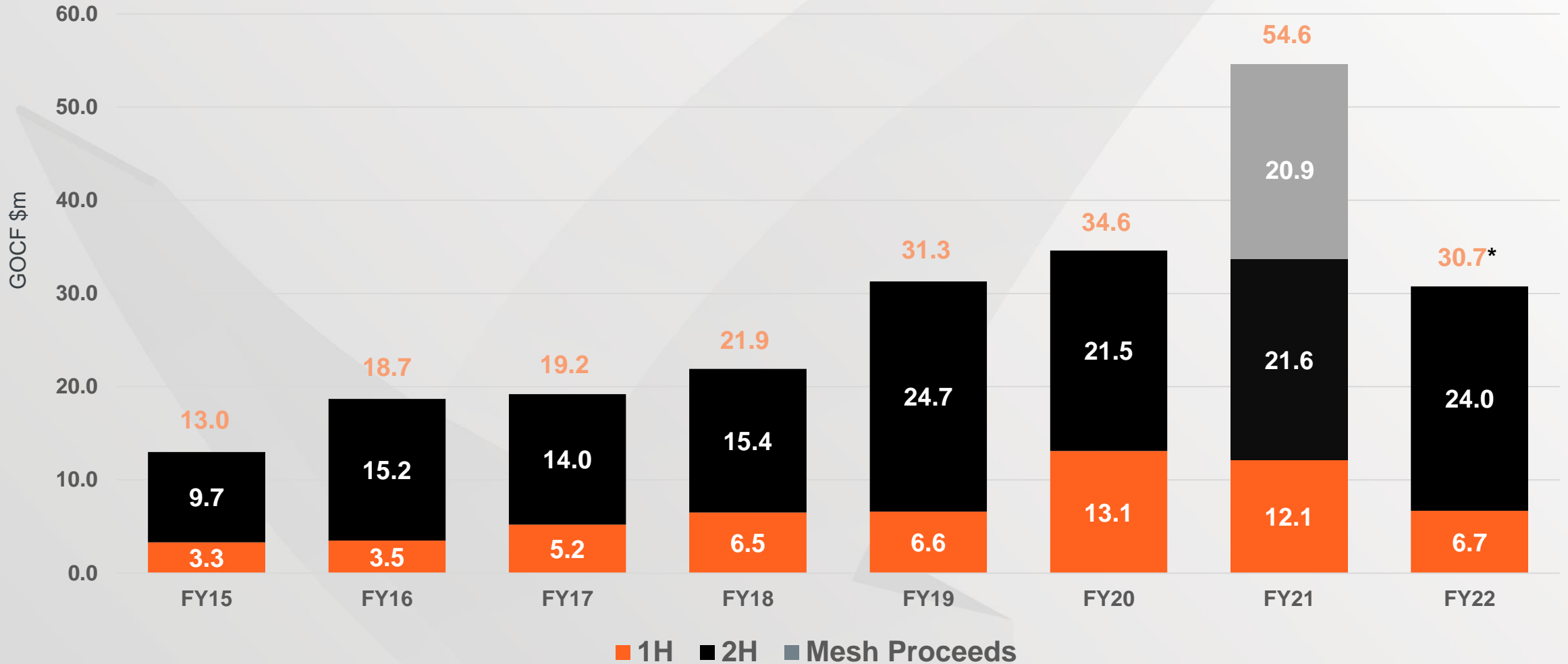
	FY22	FY21	Variance (%)
Earnings per share (cents)	18.02	14.75	↑ 22.17
Final dividend per share (cents)	3.50	3.25	↑ 7.69
Full year dividend per share (cents)	6.00	5.25	↑ 14.29

- EPS growth matches improved profitability
- Final and full year dividend increased as outlook for business is strong
- Dividends unfranked

FY22 Financial Results – Balance Sheet

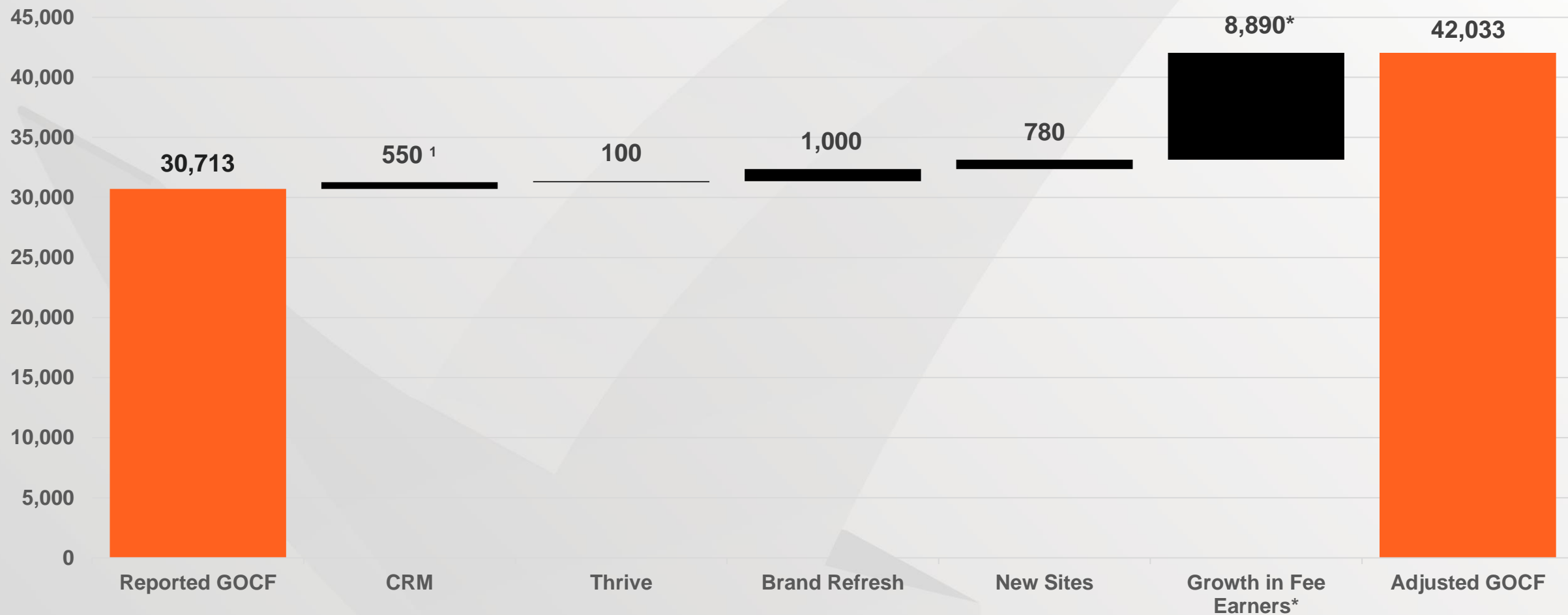
AS AT (\$'000)	30 June 22	30 June 21
Cash	51,864	55,992
Receivables	15,754	15,272
Work in progress	332,476	299,312
Unbilled disbursements	104,249	106,890
PP&E and other	15,739	12,596
Intangibles	46,998	48,578
Right of Use Assets	34,108	34,551
Financial assets of fair value	12,156	-
Total assets	613,344	573,191
Trade payables	16,203	18,568
Disbursement creditors	99,357	91,081
Borrowings	50,196	50,383
Lease liabilities	42,518	42,943
Deferred and current tax liabilities	114,056	103,039
Provisions and other	1,864	1,892
Employee liabilities	11,346	10,144
Total liabilities	335,540	318,050
Net assets	277,804	255,141

- Cash in hand and in PCP includes Mesh class action funds received in December 2020
- Expenditure on new offices, technology and new marketing platform
- Increase in Employee liabilities reflecting growth in employee numbers
- Reflects Emanate sale proceeds receivable
- Deferred tax liability increased due to utilisation of tax losses



* 1st half is lower due to investment and growth in new employees, CRM and marketing project spend, and brand refresh etc.

FY22 Growth Initiatives Impacting GOCF FY22



* \$14m increase in salary costs overall but including 73 fee earners. Fee earner salaries of \$8.89m, but cash delivery in future.

¹ FY22 capex \$1.3m; opex \$0.55m

FY22

Operating Update

Simon Morrison Managing Director & CEO

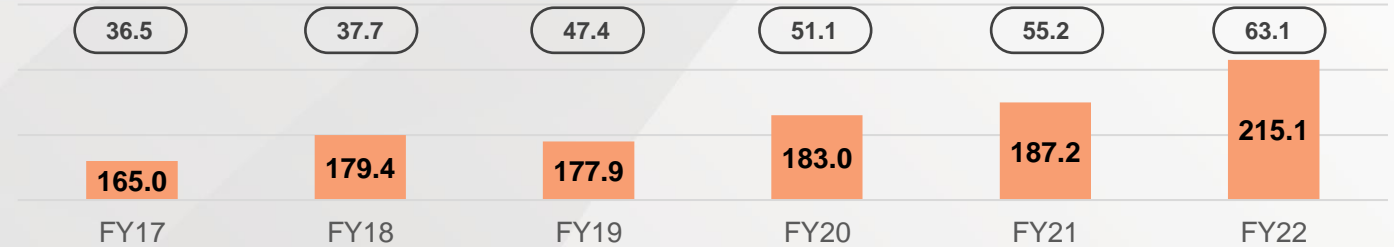
FY22 Key Financial Highlights

Delivered on five-year recovery plan

1

- Resilience
- Performed strongly throughout COVID-19 headwinds

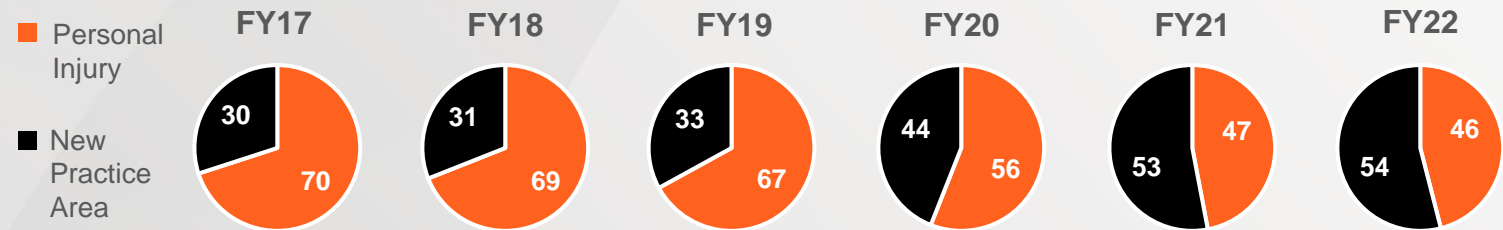
Revenue and EBITDA¹ (A\$m)



2

- Diversifying revenue and mitigating risk remain a priority
- Consistent growth rate

Revenue Composition (%)

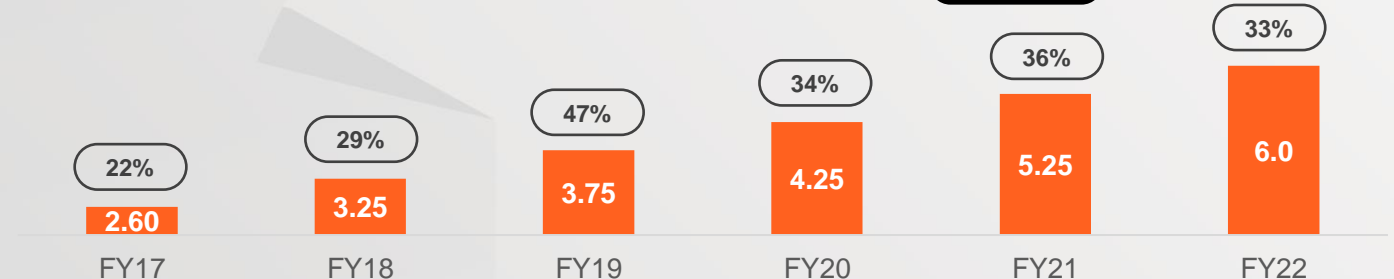


3

- Track record of paying increasing dividends

Dividend per Share (cents per share)

% of NPAT



Source: Company filings

1. Earnings Before Interest, Tax, Depreciation and Amortisation

FY22 Class Actions Initiatives and Update

Current Class Actions

- AMP
- Tandem / ISGM
- Westpac
- Colonial First State Group Insurance
- Worley Parsons
- IOOF
- Stolen Wages WA
- Stolen Wages NT
- Stolen Generation NT
- Ruby Princess
- BSA
- JJ Mesh
- Post 4 July JJ Mesh
- Boston Mesh
- AMS Mesh
- Multi Site PFAS
- Wreck Bay PFAS
- Redlands Council
- Evans Dixon
- QSuper
- McDonald's
- Nuix
- EML Payments
- A2 Milk Company
- Beach Energy

New Class Actions Filed FY22

- Evans Dixon
- QSuper
- McDonald's
- Nuix
- EML Payments
- A2 Milk Company
- Beach Energy

Class Actions Under Investigation

- 4x Financial Services
- 2x Securities
- 5x Indigenous / Human Rights
- 1x Consumer

- Litigation funding in majority of current class actions
- Litigation funding accelerates invoicing and cash cycle
- Competitive advantage with scale and resources

FY23

Strategic Priorities and Outlook

Continue to grow market share and invest in future growth

Champion the Client

Fast track Case Tracker

- Launch Case Tracker in key states in Australia

Prioritise People

Be 'a place for you'

- Deliver specialist legal training at Shine Lawyers
- Implement recruitment program strategies

Grow Shine

Sharpen growth focus

- Upgrade client services and CRM programs
- Expand location network in Victoria
- Deliver on growth strategies in all practice areas
- Explore new practice areas and launch if aligned to new growth opportunity criteria

Strengthen Shine

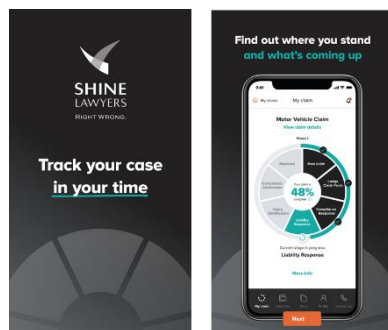
Embed our non-negotiables

- Continue Group education programs to ensure consistency across the network
- Implement new operating model in key states

Innovate Shine

Set innovation path

- Launch Shine Tank for FY23



Guidance

Increasing EBITDA growth in FY23 in the order of a low double digit percentage increase

Appendices



Our People and Shine Justice

Australia & New Zealand

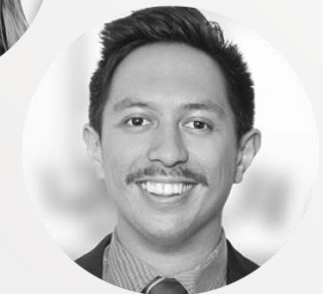
- 1,098 team members in Qld, NSW, Vic, WA, SA, NT, ACT and NZ
- Stable and experienced executive team
- Cultural alignment across Shine Justice
- A culture that is natural, authentic, inclusive, effective and enthused

Learning & Development

- Long term investment approach in learning and capabilities
- New leader and mentoring programs
- Continuous learning and wellbeing initiatives during COVID-19 and Work from Home

Social Equality & Justice

- Always standing up for the little guy and shining a light on injustice
- Landmark decisions in State, Federal and High Courts
- Right Wrong is in our DNA



Sustainability and Community

Supporting Community

We actively support charitable and not-for-profit organisations that deliver meaningful contributions to communities and align with the Group's Purpose and Values.

This includes:

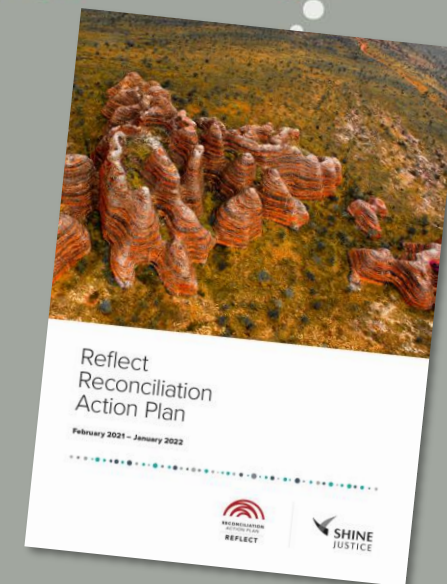
- Major partnership with LifeFlight Australia who are a highly reputable, not-for-profit organisation delivering emergency aeromedical care to seriously ill and injured patients across Queensland
- Continuation of our Shine A Light Foundation, supporting charitable organisations that promote prevention, rehabilitation, education and safety programs for people impacted by injury, injustice and adversity (current partner Eat Up)



Supporting the Environment

We recognise our activities impact the environment

- We are taking steps to improve energy efficiency in our offices and opting for virtual meetings when possible to reduce business travel and encourage sustainability
- We leverage our legal expertise to support environmental issues and communities impacted



Supporting Reconciliation in Australia

We are in the process of launching our second Reconciliation Action Plan setting out actions to create a more inclusive business and build strong, respectful and mutually beneficial relationships

