

20 RESULTS 23

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PURPOSE DRIVEN, RESILIENT AND DETERMINED TO SEEK JUSTICE FOR OUR CLIENTS

NPA¹

Shine Lawyers

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

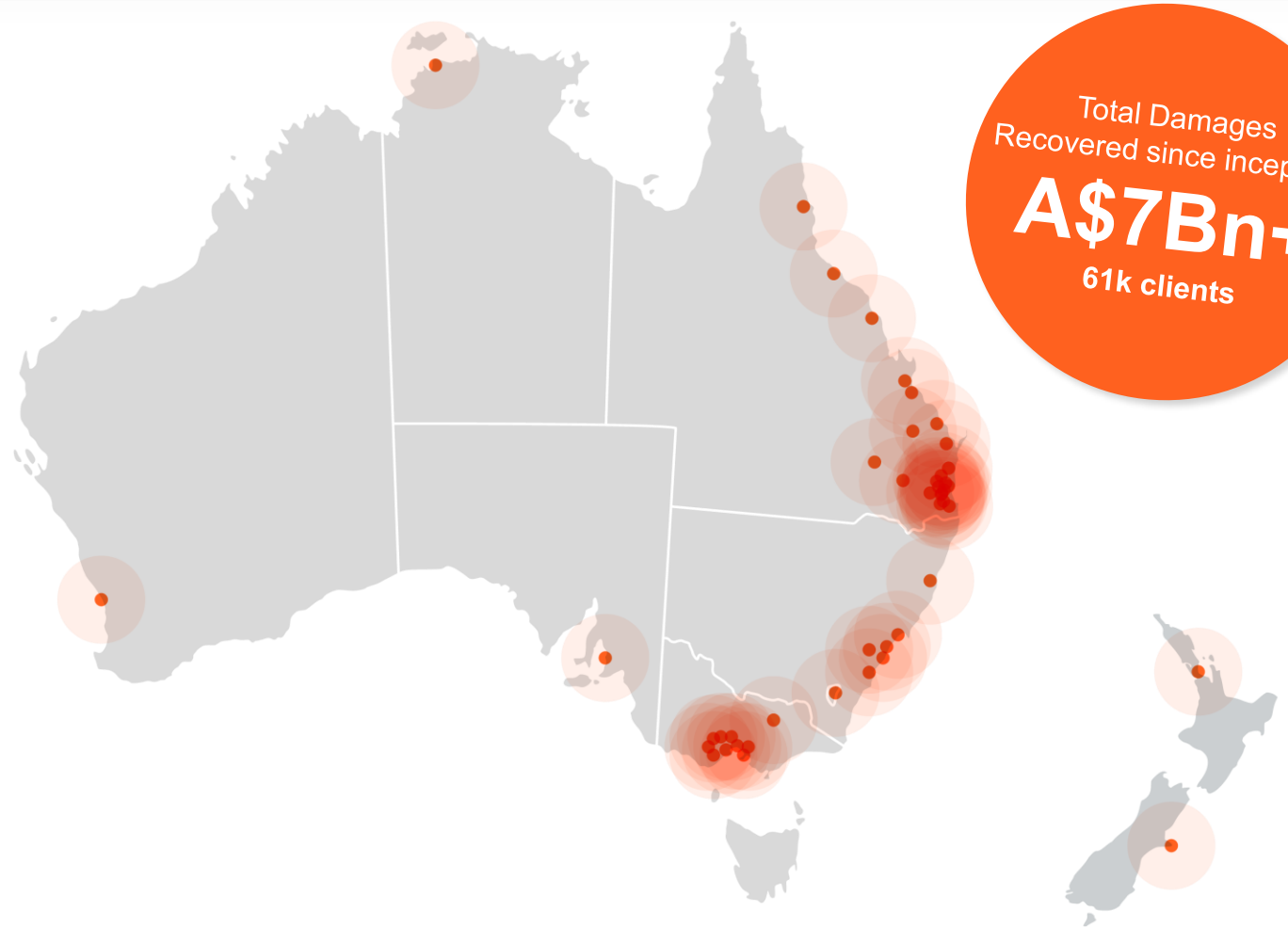
Family Law

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

Personal Injury

Motor vehicle, workplace, public liability, abuse

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



¹ New Practice Areas

*Includes Abuse Law from 1 July 2022



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FY23

Overview

Simon Morrison Managing Director & CEO



Key Financial Metrics

<p>Revenue</p> <p>↑ \$231.64m</p> <p>+7.67%</p>	<p>NPAT</p> <p>↓ \$3.31m</p> <p>-89.39%</p>
<p>Adjusted EBITDA¹</p> <p>↓ \$61.61m</p> <p>-2.35%</p>	<p>GOCF¹</p> <p>↓ -\$3.91m</p> <p>-110.69%</p>
<p>Total Dividend (unfranked)</p> <p>↓ 1.5c</p> <p>-75%</p>	<p>EPS (basic)</p> <p>↓ 1.92c</p> <p>-89.34%</p>

¹ EBITDA and GOCF are not IFRS calculations which appear in the financial statements and have not been audited. Adjusted EBITDA is adjusted to exclude the impact of the \$32.4m fair value adjustment to Unbilled Disbursements (Ethicon Mesh Class Actions interest)



Learnings

- Post covid fatigue still present
- Delayed settlements / approvals affected cashflows significantly
- Key changes implemented in class action practice leadership
- Requirement to reshape legal and management structures

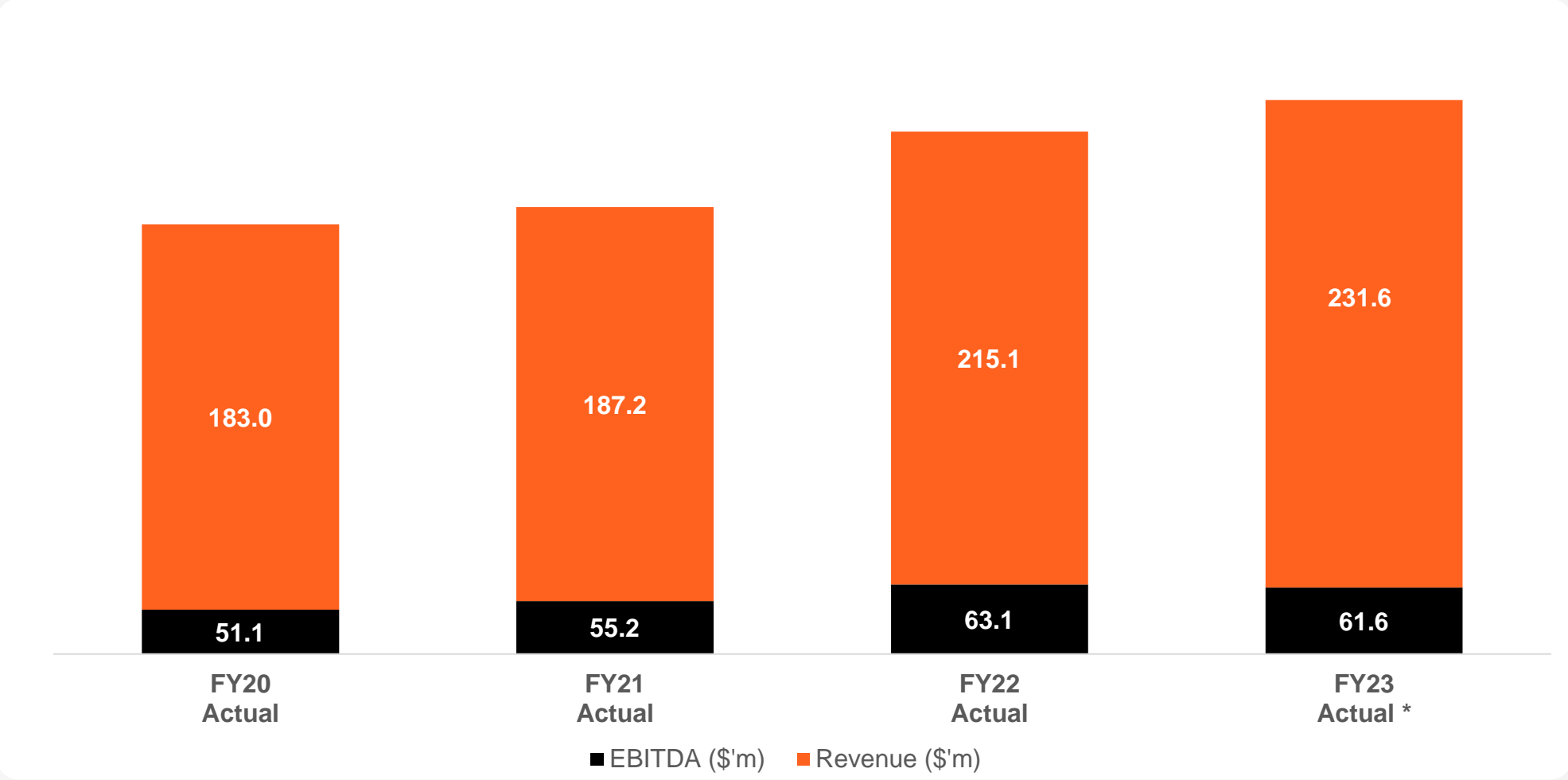
Achievements

- QLD core PI business continues to be a significant contributor to Group results
- Settled 6 class actions for \$672m and commenced 3 new class actions for approximately 25,000 group members
- Resolved the largest medical device product liability case in Australian legal history
- Reviewed legal and operational cost base to allow investment for the future

Intentions

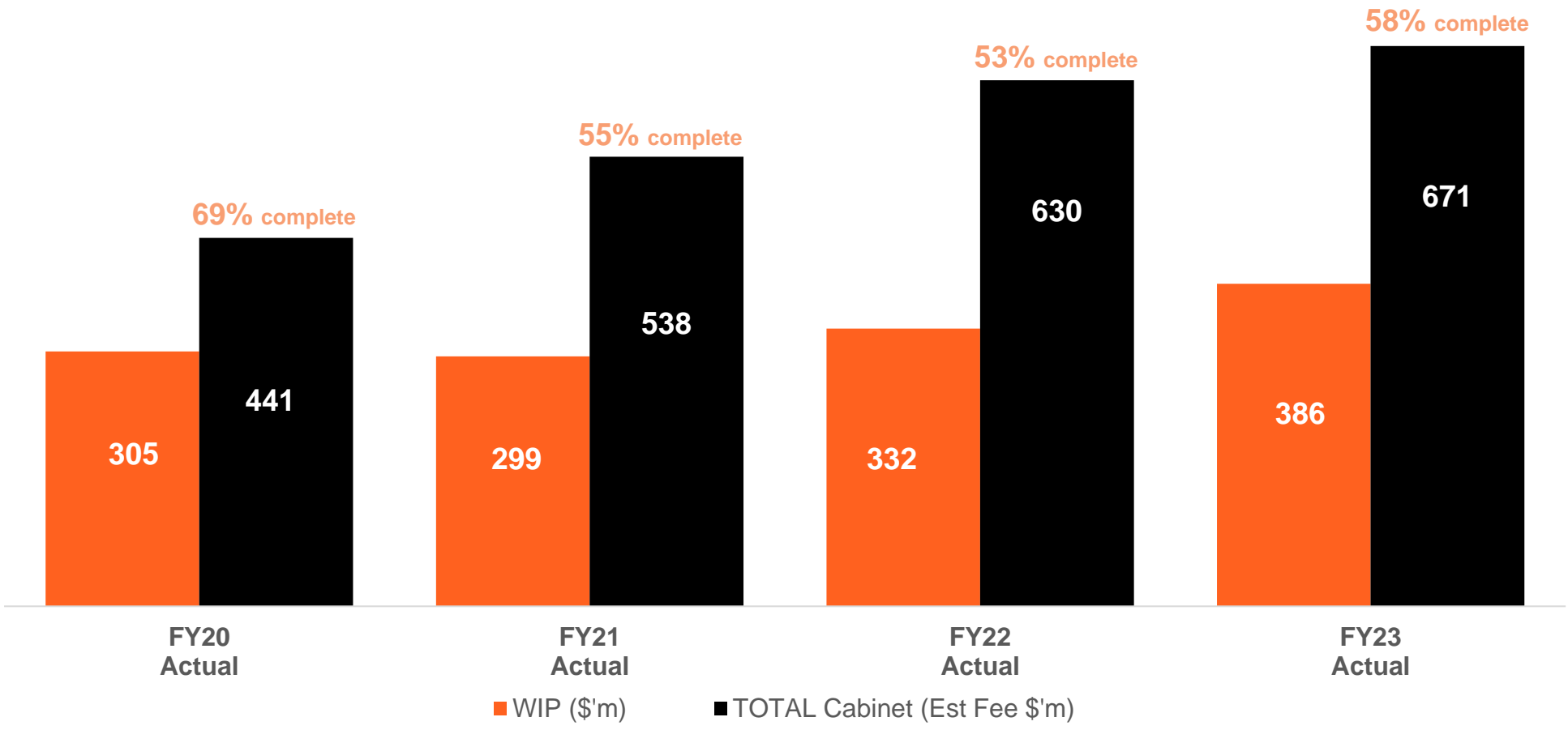
- FY24 will show significant improvement in cashflow
- The baseline for class actions continues to grow strongly, including sourcing US actions
- Reviewed cost base and management structure positions to assist with future EBITDA

FY23 Past Four-Year Performance



* FY23 is Adjusted EBITDA

FY23 Healthy Forward Book of Work



NB: Values shown are for current and active workbook only and exclude settled, and on pause matters

FY23

Financial Results

Ravin Raj Chief Financial Officer

FY23 Financial Results – Detailed Profit and Loss



	FY23 (\$m)	FY22 (\$m)	Variance (%)
Revenue ¹	231.64	215.13	↑ 7.67
NPAT	3.31	31.21	↓ 89.39
Adjusted EBITDA ^{1,2}	61.61	63.09	↓ 2.35
Employee Benefits Expense ¹	123.30	111.58	↑ 10.50
Overheads ¹	69.93	58.51	↑ 19.52

¹ Discontinued operations (Emanate) eliminated in certain PCP comparatives

² EBITDA is not an IFRS calculation which appears in the financial statements and has not been audited. Adjusted EBITDA is adjusted to exclude \$32.4m of fair value adjustment to Unbilled Disbursements (Ethicon Mesh Class Actions interest)

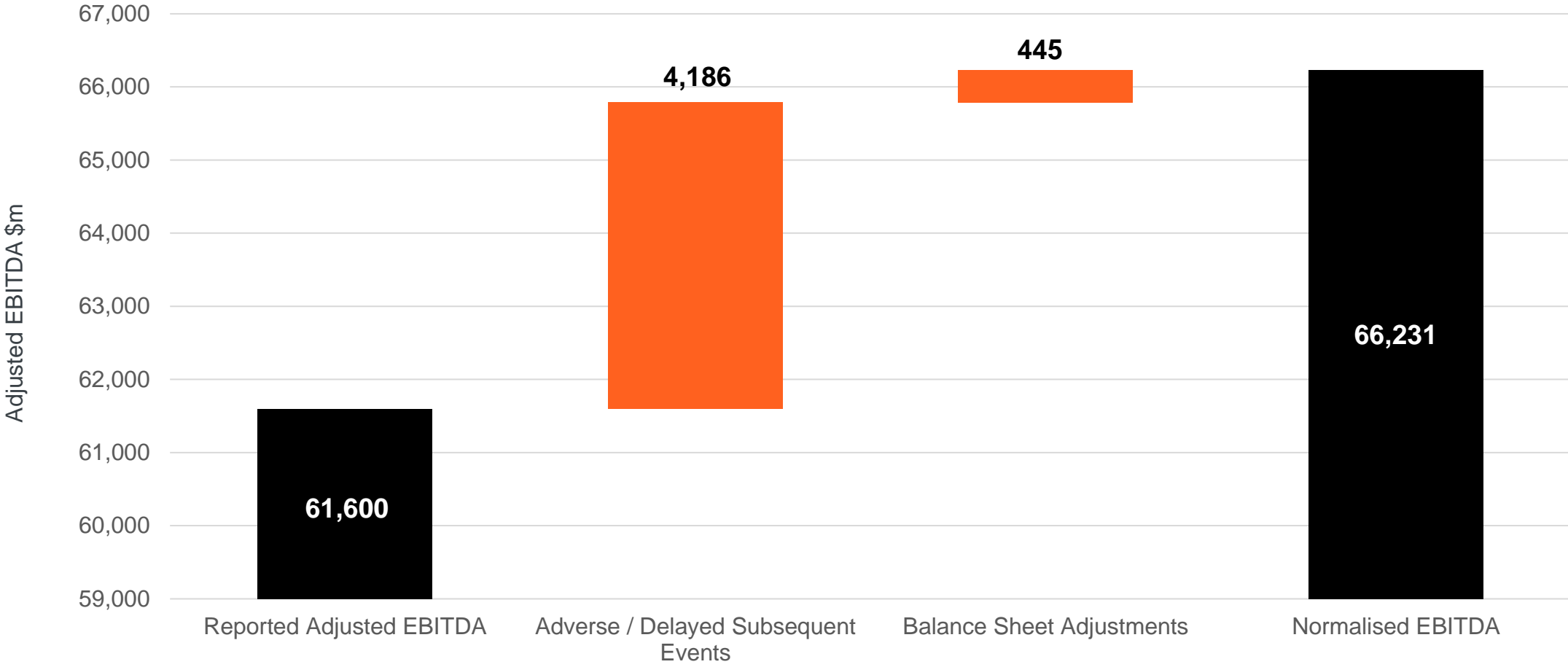
FY23 Earnings



	FY23	FY22	Variance (%)
Earnings per share (cents)	1.92	18.02	↓ 89%
Final dividend per share (cents)	0.00	3.50	↓ 100%
Full year dividend per share (cents)	1.50	6.00	↓ 75%

- EPS impacted by Ethicon adjustment
- No final dividend due to low cash conversion in FY23

FY23 Normalised EBITDA Bridge



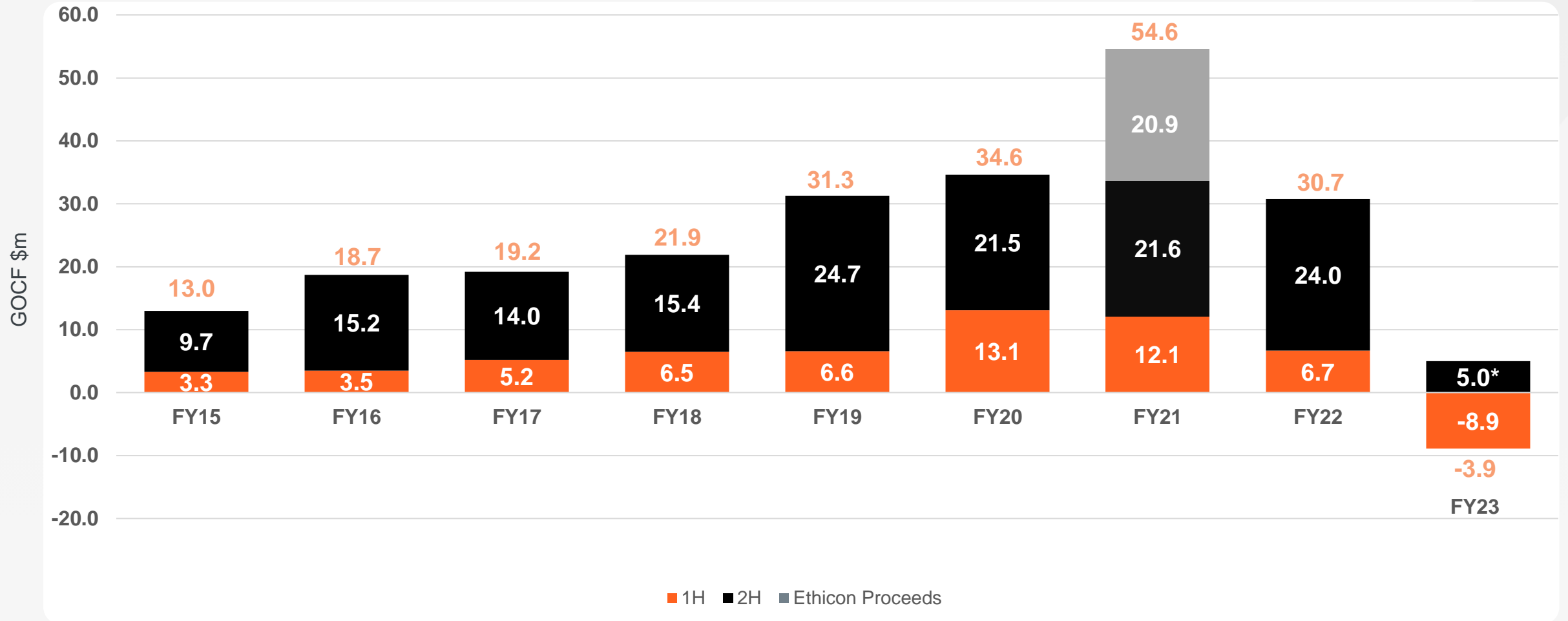
FY23 Financial Results – Balance Sheet



AS AT (\$'000)	30 June 23	30 June 22
Cash	21,088	51,864
Receivables	13,332	15,754
Work in progress	380,581	332,476
Unbilled disbursements	89,404	104,249
PP&E and other	19,408	15,739
Intangibles	47,068	46,998
Right of Use Assets	39,070	34,108
Financial assets of fair value	11,346	12,156
Total assets	621,297	613,344
Trade payables	12,886	16,203
Disbursement creditors	94,781	99,357
Borrowings	64,424	50,196
Lease liabilities	47,456	42,518
Deferred and current tax liabilities	116,083	114,056
Provisions and other	2,863	1,864
Employee liabilities	11,960	11,346
Total liabilities	350,453	335,540
Net assets	270,844	277,804

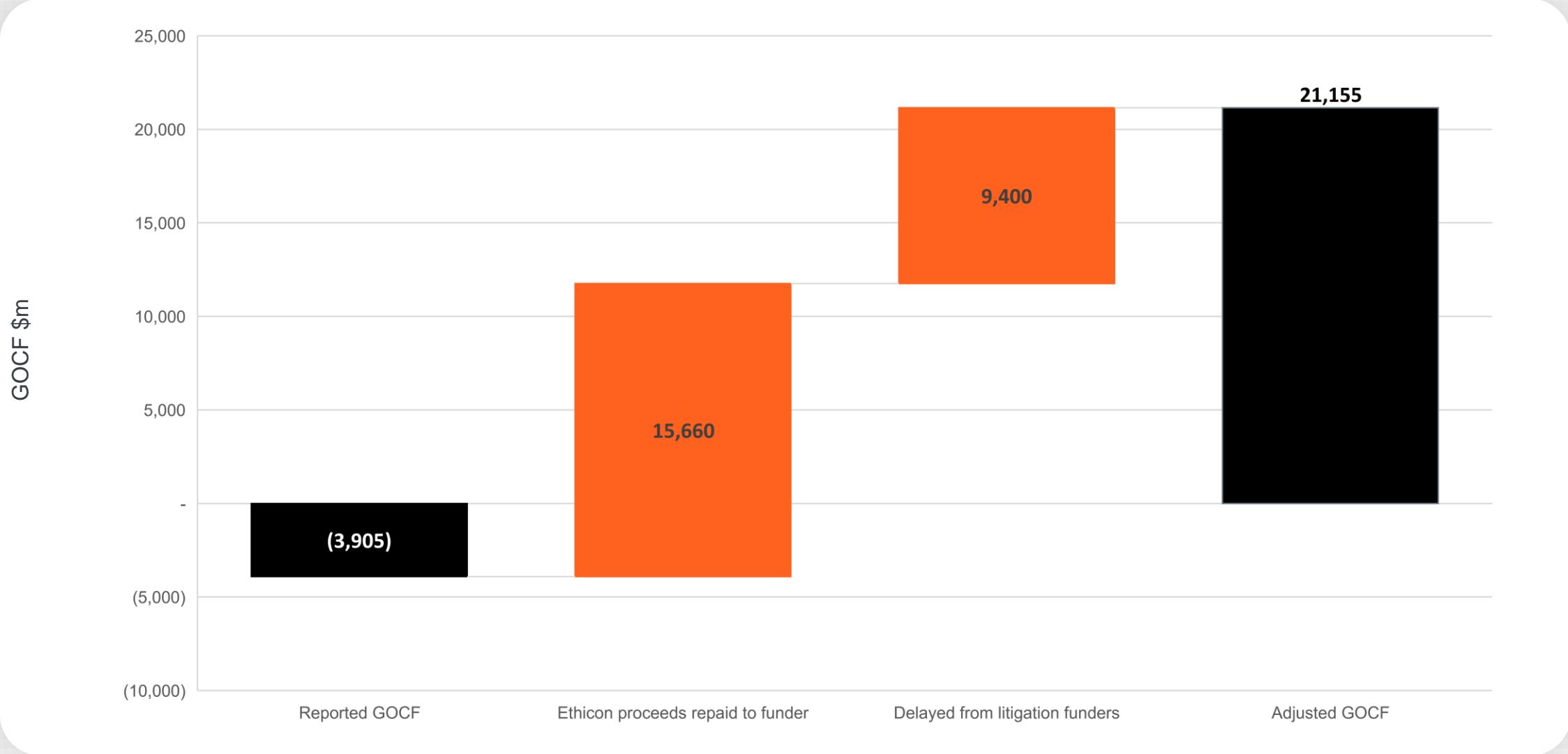
- Cash in hand reduction due to low cash conversion in FY23
- Growth in borrowings due to above and expenditure on new offices, technology, new marketing platform

FY23 Financial Results – Gross Operating Cash Flow



*Ethicon fees received of \$15.6m paid to disbursement funder in H2

FY23 Gross Operating Cash Flow Bridge (GOCF)

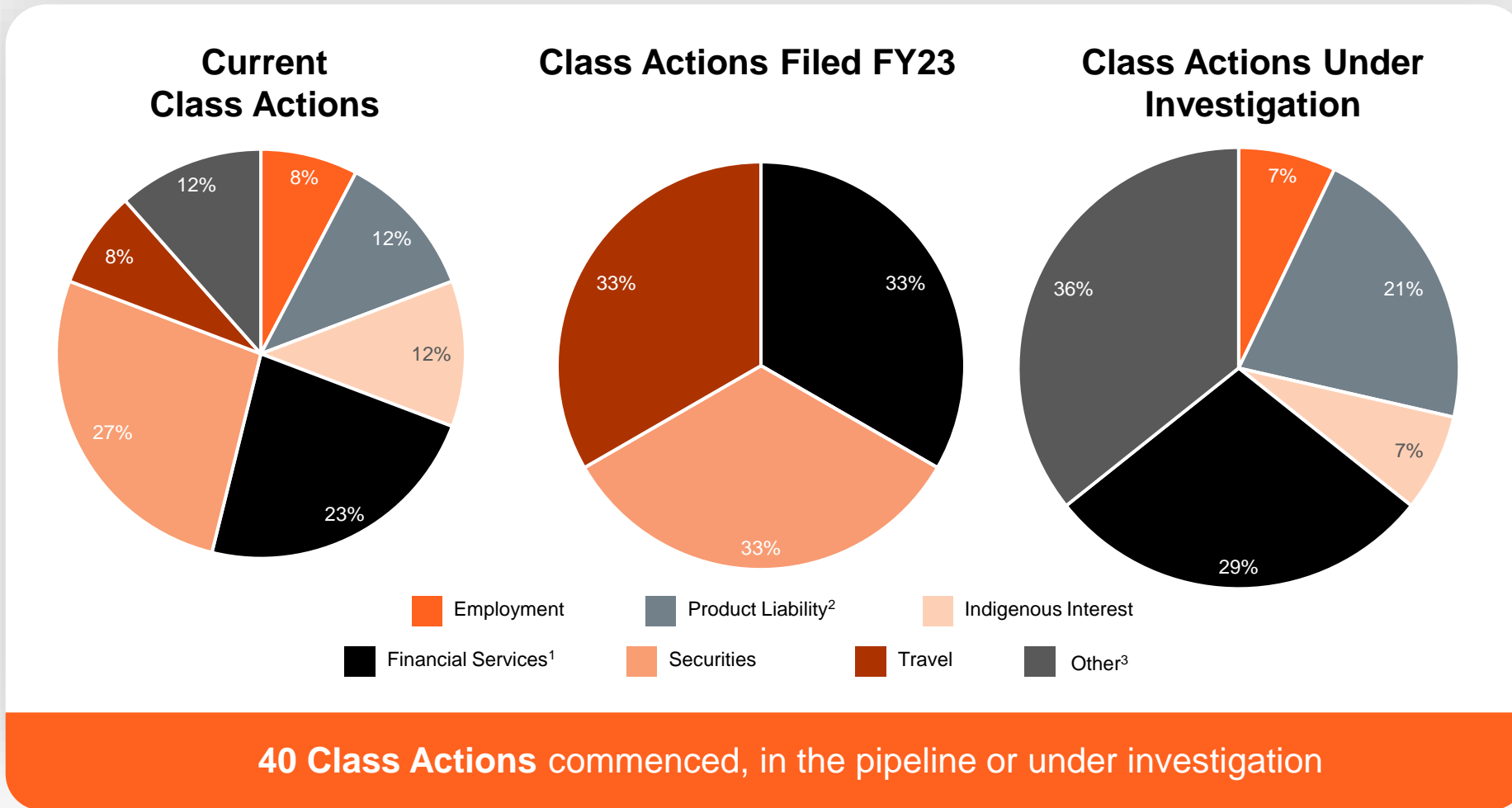


FY23

Operating Update

Simon Morrison Managing Director & CEO

FY23 Diversity in Class Action Portfolio



1. Includes Banking and Super.

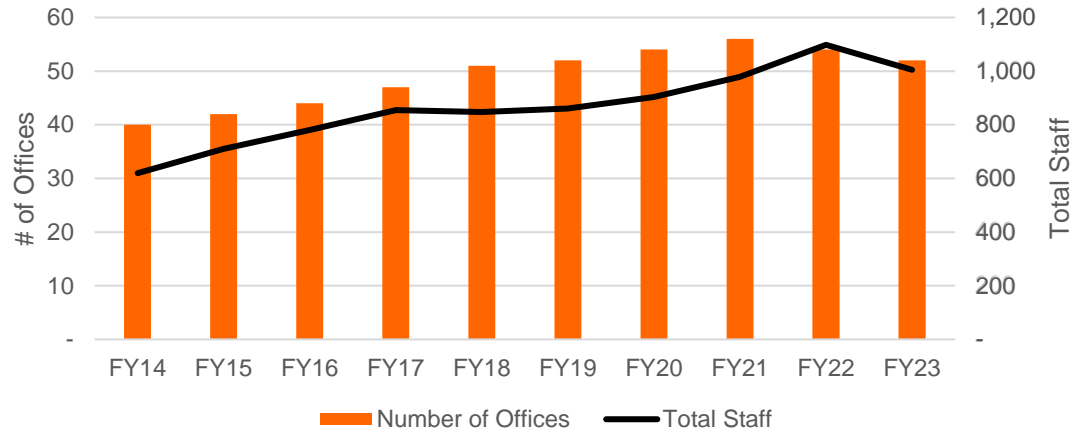
2. Includes Auto.

3. Includes Competition, Environmental, Government, Privacy & Data and Social Justice / Human Rights.

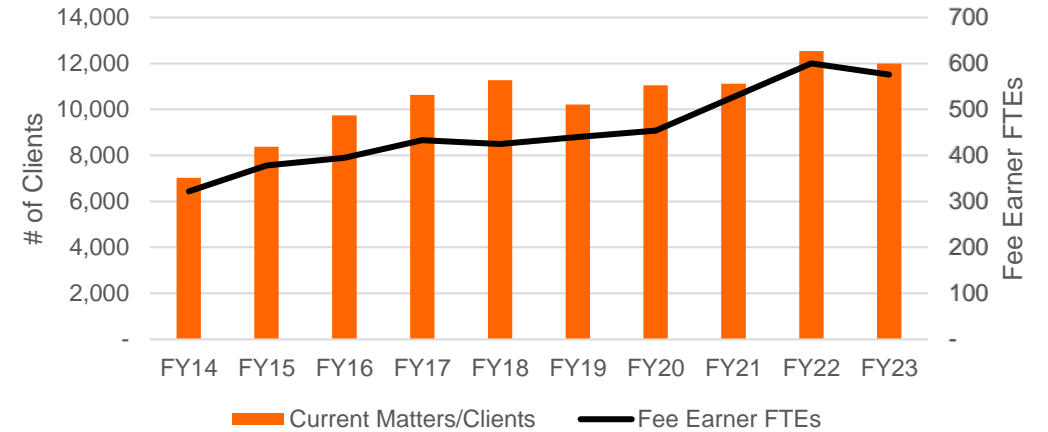
Ten-Year Company Performance



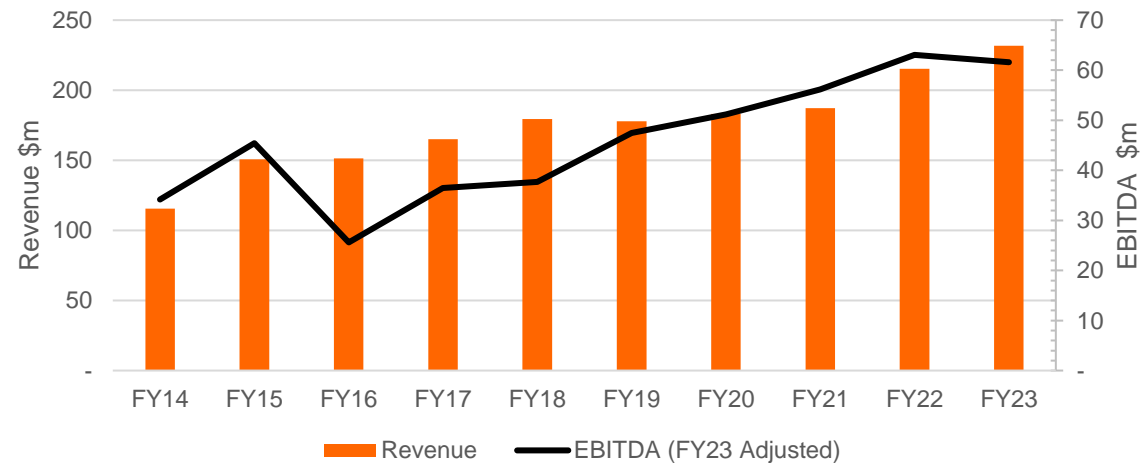
of Offices & Staff



Clients & Fee Earner FTEs



Financial Performance

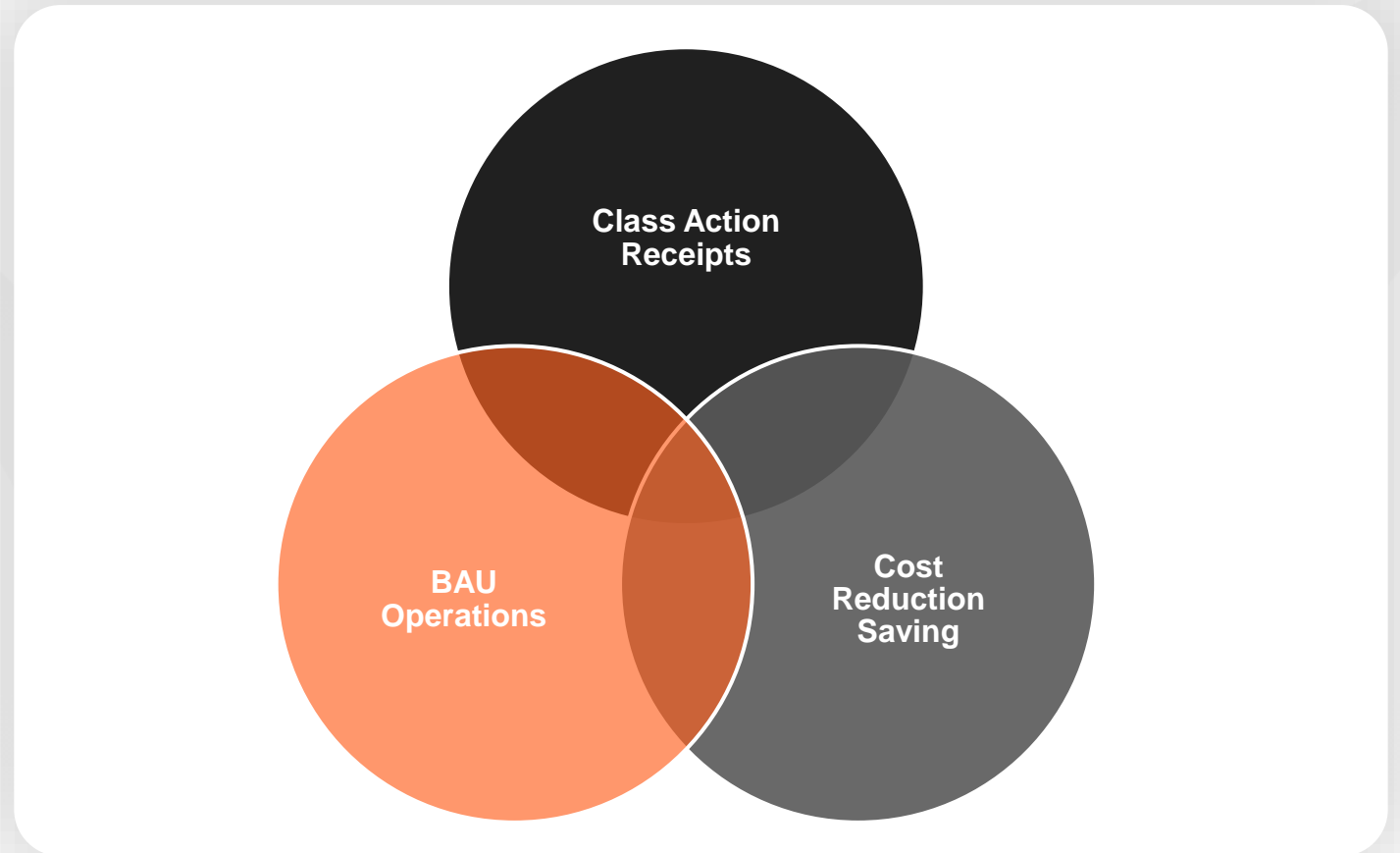


FY24

Strategic Priorities & Outlook



- Strategies to improve FY24 cash flow
- H1 cash to be boosted by Class Actions settlements
- Multi-site Contamination Class Action \$123 million settlement approved by Federal Court on 25 August 2023, including fees to Shine of \$8.45m





Initiatives underpin future EBITDA

- Commenced broad review of business and programs
- Simplify business structure and operations
- Focus on driving meaningful growth and improved earnings over time
- Identified areas to reduce annualised costs at the corporate / business units
- Expansion of our operating footprint along East Coast of Australia on specific markets
- Potential savings will materialise FY24

Footprint	<ul style="list-style-type: none">• Refocus on PI and CA market share• Reset total cost structure• Improved marketing strategies
Working Capital	<ul style="list-style-type: none">• Targeting vendors with share risk reward partnerships• Reduce discretionary expenditure• Identify procurement savings
Capex	<ul style="list-style-type: none">• Reduce discretionary capex

Appendices

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:

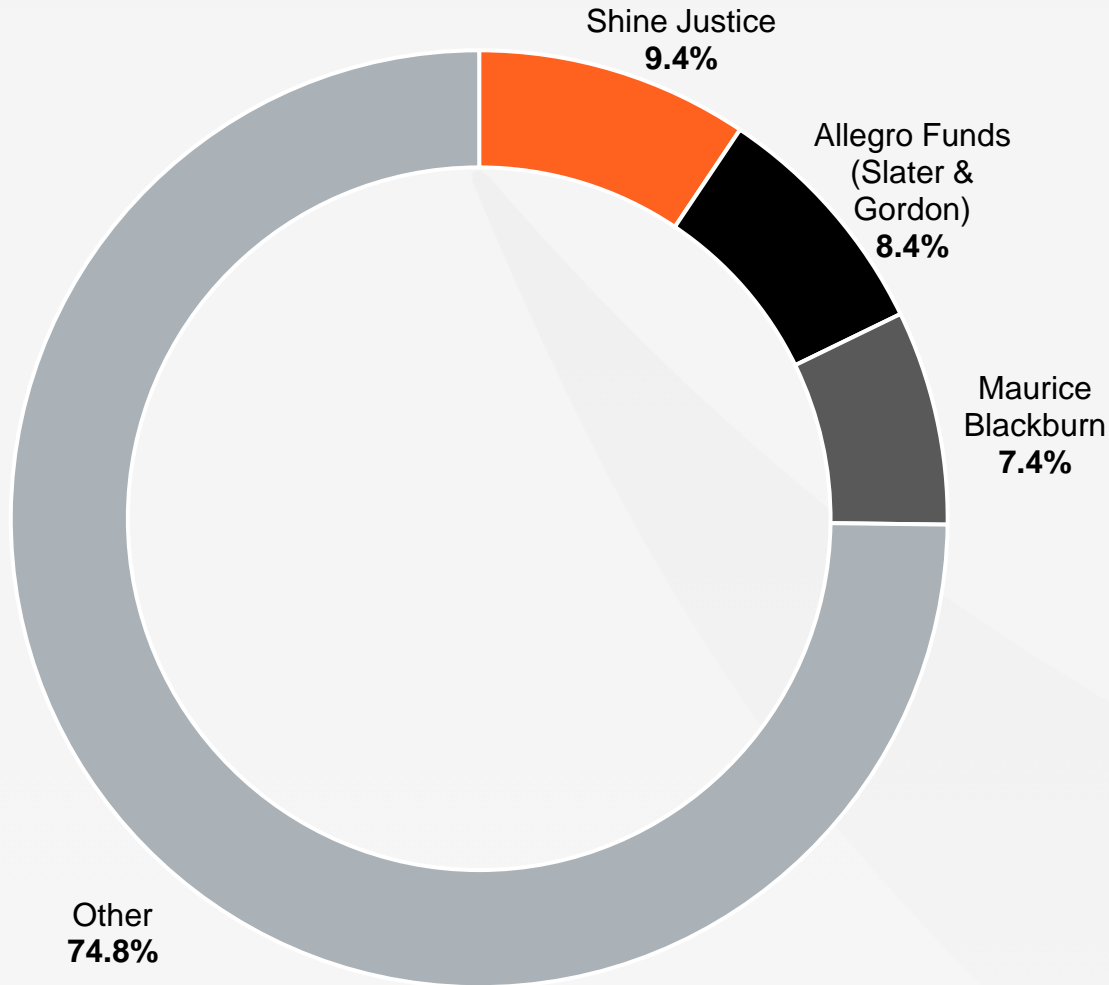
- Continuation of our Shine A Light Foundation, supporting charitable organisations that promote prevention, rehabilitation, education and safety programs for people impacted by injury, injustice and adversity (current partner The Good Box)



Supporting Reconciliation in Australia

We launched our second Reconciliation Action Plan setting out actions to create a more inclusive business and build strong, respectful and mutually beneficial relationships

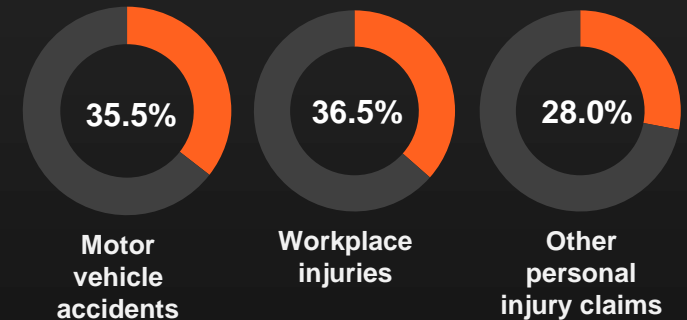
Personal Injury Update: Shine Continues to Grow Market Share



Industry at a glance

\$2B
Revenue
p.a

Products & Services Segmentation



- High revenue growth (2024 – 2029)
- Low volatility
- Low customer and product concentration