

ASX ANNOUNCEMENT

28 February 2017

Shine Corporate Ltd (SHJ) FY17 Half-Year Financial Results

Measure	31 Dec 16	31 Dec 15	% change to PCP ⁴
Revenue	\$74.0m	\$64.0m	↑ 15.5%
Non-cash impairment charge	\$(5.0)m	-	-
NPAT ¹	\$3.9m	\$1.3m	↑ 194.3%
EBITDA ²	\$10.2m	\$2.1m	↑ 385.7%
Gross operating cash flow ³	\$5.2m	\$3.6m	↑ 44.4%
Interim Dividend	0.6 cents per share	Nil	-
Earnings per share	2.26 cents	0.77 cents	↑ 193.5%

¹ NPAT means Net Profit After Tax.

² EBITDA means Earnings Before Interest, Tax, Depreciation, Amortisation and Impairment. EBITDA is not an IFRS measurement and has not been reviewed by the Company's auditors.

³ Gross operating cash flow or GOCF means net cash provided by operating activities excluding finance costs and income tax. GOCF is not an IFRS measurement and has not been reviewed by the Company's auditors.

⁴ PCP means Prior Corresponding Period.

The Board of Shine Corporate Ltd (the **Company**) today announces the FY17 half-year financial results for the period ending 31 December 2016, with revenue of \$74 million compares with \$64 million in the prior corresponding period. The Company's NPAT result for the half-year of \$3.9 million (which includes a \$5m impairment of Goodwill relating to the Energy & Resources Practice) compares with \$1.3 million for the prior corresponding period. EBITDA of \$10.2 million for the half compares with \$2.1 million in the prior corresponding period.

Revenue in the prior corresponding period was impacted by the recognition of \$14.4 million of provisions against work in progress. Net revenue recognised in the current period reflects the higher ongoing provisioning rate as previously flagged in FY16.

Managing Director, Simon Morrison, said: "As indicated in the Company's announcement of 19 December 2016, the half year result has been impacted by the underperformance of the Energy & Resources practice (also known as the Land Access Practice). This has resulted in lower than expected revenue and an impairment charge of \$5.0 million against the goodwill attributed to this business."

"The Group has focused on ensuring that staff utilisation is maximized and operating costs are controlled tightly. More recently, we have undertaken a review of corporate overheads and are taking steps to improve efficiency and reduce costs."

"The half year statutory net profit after tax result of \$3.9 million is solid and the Group recorded record fees billed for the first half. The underlying business remains sound and we look forward to an improved second half performance."

Mr Morrison said "the Directors of Shine Corporate have reaffirmed FY17 full year EBITDA guidance provided in the market update on 19 December 2016. It remains in the range of \$36 million to \$40 million and is currently expected to be at the lower end of that range."

The Board of Directors are pleased to declare an interim dividend of 0.6 cents per share (unfranked) and to advise that the record date will be 21 March 2017 and the payment date will be 10 April 2017.

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The Company also advises that Mr Daniel Wilkie, Chief Financial Officer & Company Secretary has decided to stand down from his role following an extended absence due to health reasons. Mr Wilkie joined the Company in 2015 and has made a significant contribution to the senior leadership team through the wealth of experience and knowledge he brought to the role. The Board wishes to publicly acknowledge and thank Mr Wilkie for his service to the Company.

As previously announced, Mr Ravin Raj has been the Company's Acting Chief Financial Officer during Mr Wilkie's absence. Mr Raj will continue as Acting Chief Financial Officer.

Mr Raj is a seasoned CFO with listed company experience and brings a wealth of experience to the CFO role. Mr Raj is also a qualified Chartered Accountant, Member of the Institute of Chartered Accountants in Australia, Fellow of Financial Services Institute of Australasia and Graduate of the Australian Institute of Company Directors. Mr Raj commenced his career in accounting firm Touche Ross & Co before joining Watpac Limited, where he held the position of CFO for nearly two decades. More recently, Mr Raj has held senior finance, strategy and commercial roles at a number of organisations.

The Company also wishes to announce the resignation of General Counsel & Company Secretary Ms Vicki Clarkson who has resigned to pursue other opportunities. The Company wishes Ms Clarkson well in her next role and wishes to acknowledge her significant contribution to the Company's governance framework.

Ms Annette O'Hara has been appointed as General Counsel & Company Secretary with immediate effect. Mr Tony Bellas said "The Board is delighted to welcome Ms O'Hara as General Counsel & Company Secretary. Ms O'Hara is a very well credentialed corporate lawyer with extensive corporate governance and legal experience having previously worked at national law firm Corrs Chambers Westgarth for over 28 years. We are delighted to have someone of her standing joining the Company."

The FY17 H1 accounts and half-year results presentation have been lodged with the ASX and can also be found on the Company's website – www.shinecorporate.com.au

The Company will conduct an analyst and investor briefing at 10:30am AEST today. To join the briefing, telephone 1800 908 299 (Australia Toll Free) using Conference ID 301510.

For more information

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