

ASX ANNOUNCEMENT

29 August 2022

OBJECTIVE CORPORATION – FINAL RESULTS FY2022

Objective Corporation (ASX:OCL) today announced its audited full year results for the financial year 2022 (FY2022). These results were in line with the Trading Update provided on 14 July 2022.

In FY2022, Group revenue grew by 12% to \$106.5 million (FY2021: \$95.1 million); EBITDA¹ grew by 20% to \$30.7 million (FY2021: \$25.6 million) and Net Profit After Tax (NPAT)¹ increased by 31% to \$21.0 million (FY2021: \$16.1 million).

The Annualised Recurring Revenue (ARR) balance at 30 June 2022 increased by 15% to \$85.5 million (\$74.2 million at 30 June 2021).

Recognised revenue in most key subscription product lines grew strongly: Objective ECMaaS (58%); Objective Connect (20%); Objective Keystone (7%); Objective Trapeze (25%); Objective RegWorks (45%). All new customers are contracting via subscription models regardless of the customer's choice of cloud or on-premise deployment for their chosen solution.

FY2022 represented another record year for Objective's investment in Research and Development (R&D). We invested \$25.0 million in R&D, representing 24% of revenue. In keeping with our long-term accounting policies, no R&D expenditures are capitalised, they are 100% expensed when incurred.

On 18 March 2022, Objective Corporation (through Objective Corporation North America, Inc) acquired Simflofy, Inc for a net consideration of \$6.2 million, comprised of approximately \$3.3 million in net cash and \$2.9 million in Objective Corporation shares, which are subject to a two-year escrow period from the date of acquisition. There is no deferred consideration due. The business was fully integrated into the Content & Process line of business for segment reporting.

Group operating cash flow in FY2022 was \$30.5 million, an increase of 24% over FY2021 (\$24.7 million).

The total cash balance at 30 June 2022 was \$63.8 million, an increase of 32% over the balance at 30 June 2021. The Group has no external borrowings.

Directors declared dividends of 11.0 cents per share (Final Franked Dividend of 5.0 cents per share and Final Unfranked Dividend of 6.0 cents per share).

¹ NZCC settlement relates to provision raised in relation to the agreed settlement with the New Zealand Commerce Commission amounting to \$1,440,000. Management believes that presenting figures excluding this item can enable a better assessment of Objective's ongoing economic performance.

FINANCIAL SUMMARY

Results summary for full year ended	30 June 2022	30 June 2021	Change
	AU \$million	AU \$million	
Revenue	106.5	95.1	+ 12%
Annualised recurring revenue (ARR)	85.5	74.2	+ 15%
EBITDA (excluding NZCC settlement) ¹	30.7	25.6	+ 20%
Net profit after tax (excluding NZCC settlement) ¹	21.0	16.1	+ 31%
R&D investment (100% expensed)	25.0	23.1	+ 8%
Cash at balance date	63.8	48.4	+ 32%
Earnings per share (excluding NZCC settlement) ¹	22.2 cps	17.2 cps	+ 29%
Dividends	11.0 cps	9.0 cps	+ 22%

¹ NZCC settlement relates to provision raised in relation to the agreed settlement with the New Zealand Commerce Commission amounting to \$1,440,000. Management believes that presenting figures excluding this item can enable a better assessment of Objective's ongoing economic performance.

BUSINESS LINE SUMMARY

Revenue summary for full year ended	30 June 2022	30 June 2021	Change
	AU \$million	AU \$million	
Content & Process	74.2	68.9	+ 8 %
RegTech	20.4	15.3	+ 34 %
Planning & Building	11.8	10.7	+ 10 %

ABOUT OBJECTIVE CORPORATION

We create software to make a difference.

Using Objective software, thousands of public sector organisations are shifting to being completely digital. Where our customers can work from anywhere; with access to information, governance guaranteed, and security assured.

Innovation is our lifeblood. We invest significantly in the ongoing development of our products to deliver outstanding solutions to the public sector and regulated industries.

The result – stronger national and community outcomes, and accountability that builds trust in government.

www.objective.com

FOR FURTHER INFORMATION, PLEASE CONTACT:

Ben Tregoning – Chief Financial Officer
Objective Corporation
Email: enquires@objective.com
Ph: +61 2 9955 2288