

27 February 2025

## Objective Corporation first half results FY2025

[Objective Corporation](#) (ASX:OCL) today announced its first-half financial year 2025 (1HY2025) results.

In first-half financial year 2025 (1HY2025), group revenue grew by 6% to \$61.3 million (1HY2024: \$57.8 million). Adjusted EBITDA increased by 6% to \$23.3 million (1HY2024: \$22.0 million). Net profit after tax increased by 4% to \$17.0 million (1HY2024: \$16.4 million) for the half-year ended 31 December 2024.

The Annualised Recurring Revenue (ARR) balance at 31 December 2024 increased by 10% to \$107.0 million (\$97.5 million at 31 December 2023). Content Solutions ARR increased by 8% to \$77.0 million (1HY2024: \$71.2 million); Planning and Building ARR increased by 7% to \$13.9 million (1HY2024: \$13.0 million); Regulatory Solutions ARR increased by 22% to \$16.1 million (1HY2024: \$13.2 million).

In 1HY2025, we invested \$15.1 million in Research & Development (R&D), an increase of 7% over our investment in 1HY2024 (\$14.1 million) and representing 30% of software revenue. In 1HY2025, \$7.8 million of R&D investment was capitalised (1HY2024: \$7.0 million), representing 52% of the total R&D investment for the period (1HY2024: 50%).

Operating cash flow in 1HY2025 was \$12.6 million (1HY2024: \$16.3 million). The operating cash flow for the Company is weighted to the second half of the financial year, reflecting the annual payment cycle of the majority of customer contracts.

The Company's cash balance at 31 December 2024 was \$84.3 million, an increase of 26% over the balance at 31 December 2023 (\$67.1 million). In September 2024, the Company paid a franked dividend of 8 cents per share and an unfranked dividend of 9 cents per share. The total dividends paid to shareholders in 1HY2025 were \$16.1 million (1HY2024: \$12.8 million). Commencing 1HY2025, the company will split its dividend payment over the year, whilst maintaining its historical payout ratio.

The Company has no external borrowings.

The Directors have declared an interim unfranked dividend of 9 cents per ordinary share for the year ending 30 June 2025.

### Financial Summary

Summary for half-year ended	31 December 2024	31 December 2023	Change
	AU \$million	AU \$million	
Revenue	61.3	57.8	+ 6 %
Adjusted EBITDA	23.3	22.0	+ 6 %
Net profit after tax	17.0	16.4	+ 4 %
Annualised recurring revenue (ARR)	107.0	97.5	+ 10 %
R&D investment (100% expensed)	15.1	14.1	+ 7 %
Cash at balance date	84.3	67.1	+ 26 %
Earnings per share	17.9 cps	17.2 cps	+ 4 %

### Business Line Summary

Summary for half-year ended	31 December 2024	31 December 2023	Change
	AU \$million	AU \$million	
<b>Content Solutions</b>			
Sales revenue	41.1	39.5	+ 4 %
ARR	77.0	71.2	+ 8 %
<b>Planning and Building</b>			
Sales revenue	6.5	6.1	+ 4 %
ARR	13.9	13.0	+ 7 %
<b>Regulatory Solutions</b>			
Sales revenue	11.9	10.8	+ 11 %
ARR	16.1	13.2	+ 22 %

### Outlook

Mr Tony Walls, CEO, Objective Corporation said: “The performance of the business in 1HY2025 was in line with our expectations and again demonstrated the underlying strength of our business model. With this momentum, we are well placed against our targeted ARR growth of 15% and we have taken a robust set of advanced opportunities into the second half of the financial year.

“As I have outlined previously, our ARR growth target is set at the level that allows us to scale profitably and reflects a balanced return on our investment in go to market each year. In 1HY2025, we invested further in our sales capability, expanding our funnel of opportunities through additional marketing and supporting these through additional capacity in our team, including in new geographic regions.

“Delivering #outstanding software is at the core of everything that we do, and during 1HY2025 we have sustained the investment levels in R&D, particularly in Objective 3Sixty, Objective Nexus, Objective Build, and Objective RegWorks, to refine our market-leading products and capitalise on significant opportunities ahead. Our investment in accelerated delivery models for our solutions supports a higher cadence of software sales, including conversions of our on-premise Objective ECM customers to Objective Nexus.

“Over 1HY2025, we continued to progress several non-organic growth opportunities and incurred the due diligence costs associated with a comprehensive assessment of these targets. Whilst we continue to see M&A as a core strategic pillar and maintain the balance sheet capacity to move rapidly where there is strategic alignment and shareholder value, we are focused on executing against the stronger organic growth options that continue to emerge from our long-term investment in R&D.

“I look forward to sharing our success with you throughout the remainder of FY2025 and beyond.

“As always, I am extremely grateful for the hard work and commitment of our outstanding team and thank you for your trust and support.”

**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 – is stronger national and community outcomes; and accountability that builds trust in government.

**Objective:** [www.objective.com.au](http://www.objective.com.au)

**Further information**

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