

## **ASX RELEASE**

21 February 2019

## **TRADING UPDATE**

Sequoia Financial Group Limited (the Company or Group) anticipates it will release its half year results in the last week of February.

As announced to the market on 4th February 2019, the Company is considering the sale of a number of non core assets, and as a result has undertaken a full review of the carrying value of all business units.

As part of the review process, the board believes it is prudent to impair the carrying value of some of these assets. This will have a negative impact on the half yearly results.

In addition to these write downs, the company has incurred a number of one off expenses, and extra costs associated with the integration of the various trading businesses within the Group, such as Morrison Securities Pty Ltd and Interprac Ltd.

On a positive front, changes to aspects of our business model have seen a significant lift in revenue, expected to be in the range between \$43M and \$45M. This compares to revenue of \$25M for the corresponding period in 2018. In addition, during this accounting period we aggressively paid down debt, which has been reduced from \$7.4M to \$3.1M. Cash at bank, bonds and investments held at the end of December remain in excess of \$20M.

Our expectation for the first half result is therefore a loss in the range between \$1.8M and \$2.0M, however the board is confident that the second half of the 2019 financial year will be profitable, and we are pleased with the progress the company is making in building a leaner and more nimble business.

All financials are subject to end of period finalisation processes and sign off by the Company's auditor.

Garry Crole  
Acting CEO /Chairman.

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### **ABOUT SEQUOIA FINANCIAL GROUP LIMITED**

ASX-listed Sequoia Financial Group Limited (ASX: SEQ) is an integrated financial services company providing products and services to self-directed retail and wholesale clients and those of third party professional service firms.

It provides:

- Investment and superannuation products
- Wealth management and advisory services
- Corporate advisory and capital markets expertise
- Retail, wholesale and institutional trading platforms
- Market data and financial news services

Sequoia operates various AFS Licenses and Its subsidiary Morrison Securities Pty Ltd is an ASX Market Participant.