



ASX: SEQ

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Sequoia's strong growth continues with third quarter revenue up 238% on PCP to \$7.2m

- **Year to date revenue was \$18.8 million**
- **Balance sheet continues to strengthen**
- **Operating businesses performing well with solid organic growth**
- **Well placed for continued growth in current quarter**

Sydney, 31th April 2016: Diversified financial services group Sequoia Financial Group Limited (ASX:SEQ) ("Sequoia" or "the Company") is pleased to report solid revenue growth for the quarter ending March 2016.

The Company has witnessed a 238% increase in revenue on the previous comparable period (PCP) to \$7.2m (Q3FY2015: \$2.13m). Sequoia is also pleased to report a 41% increase in revenue from the December 2015 quarter (Q2FY2016: \$5.1m).

Year to date revenue for FY2016 is \$18.8m, a pleasing reflection of the organic growth materialising from Sequoia's operating businesses.

It should be noted that the reported cash flow of approximately \$1.2m and the cash position of \$2.11 million at the end of the quarter does not reflect a direct cost associated with the launch of a successful investment product that was made early April 2016.

Sequoia continued to invest in its growth in the quarter with ongoing investment in people and a new premises in the Sydney CBD to cater for the increased headcount. The additional strategic investment in Finance News Network was also made in the period.

Performance across the operating businesses has been encouraging with the majority experiencing solid organic growth. Of particular note was the strong performance of the Investment Solutions division which outperformed budgeted revenue. Also, the Trading and Execution business has continued to attract new Shadow Brokers with a total of 27 Shadow Brokers now using the D2MX trading platform with additional agreements pending.

Sequoia's Managing Director Scott Beeton commented: "Sequoia is experiencing pleasing growth and this is well reflected in the increase in revenue for the quarter. Whilst up significantly against the prior corresponding period, a better measurement is the 41% increase over the December quarter which is a more representative like-for-like comparison.

We are now witnessing the benefits of the investments we have made in our operating businesses, the consolidation of our businesses largely under one unified brand, and the strengthening of our team across the group.

Sequoia is trading well and the current quarter has commenced strongly. We look forward to providing shareholders with updates on our operational performance during the quarter as developments arise."





– ENDS –

For further information please contact:

Scott Beeton, Managing Director & CEO +61 2 8114 2222

Released through: Ben Jarvis, Six Degrees Investor Relations +61 413 150 448

ABOUT SEQUOIA FINANCIAL GROUP

ASX-listed Sequoia Financial Group Limited (ASX: SEQ) (formerly MDS Financial Group Ltd) 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 d2mx is an ASX Market Participant



Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/00. Amended 30/9/01, 24/10/05, 17/12/10.

Name of entity

Sequoia Financial Group Limited

ABN

90 091 744 884

Quarter ended ("current quarter")

31 March 2016

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter	Year to date (9 months)
		\$A'000	\$A'000
1.1	Receipts from customers	7,169	18,801
1.2	Payments for		
	(a) staff costs	(1,053)	(2,944)
	(b) advertising and marketing	(79)	(187)
	(c) research and development	-	-
	(d) leased assets	-	-
	(e) other working capital	(3,852)	(13,721)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	1
1.5	Interest and other costs of finance paid	(53)	(166)
1.6	Income taxes paid	(29)	(369)
1.7	Other (provide details if material)	(195)	(195)
Net operating cash flows		1,908	1,220

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (9 months) \$A'000
1.8 Net operating cash flows (carried forward)	1,602	1,220
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	(650)	(650)
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(33)	(86)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	7	42
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
Net investing cash flows	(676)	(694)
1.14 Total operating and investing cash flows	1,232	526
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	366	1,100
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	200	200
1.18 Repayment of borrowings	(324)	(324)
1.19 Dividends paid	-	-
1.20 Other	-	-
Net financing cash flows	242	976
Net increase (decrease) in cash held	1,474	1,502
1.21 Cash at beginning of quarter/year to date	642	614
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	2,116	2,116

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	203
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions <div style="border: 1px solid black; padding: 5px;">Includes Directors fees paid in the quarter.</div>	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows
-
- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest.
- Shares purchased in non - listed entity.

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

	Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	0
3.2	Credit standby arrangements	-
3.3	Explanation necessary for an understanding of the transactions <div style="border: 1px solid black; padding: 5px;">N/A</div>	

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Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	2,116	642
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)		2,116	642

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	Finance TV Pty LTD (trading as Finance News Network)
5.2	Place of incorporation or registration	NSW
5.3	Consideration for acquisition or disposal	Cash
5.4	Total net assets	196,087
5.5	Nature of business	Media

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:
 (Director/Company Secretary)

Date:

31/03/2016

Print name: Andrew Phillips

+ See chapter 19 for defined terms.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.
4. These statements exclude bonds and bank guarantees held as at 31 March 2016 of \$1,244,356. The total bond held by the Company's third party clearers is \$1,000,000, bank guarantees are held for the Melbourne premises of \$85,250, the new Sydney premise of \$110,000, a term deposit of \$43,106 and a term deposit for \$6,000 is held for a merchant facility.

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