



**FY2016
Financial Highlights**

31 August 2016

**Sequoia Financial Group Ltd
(SEQ.ASX)**



An Integrated Financial Services Company

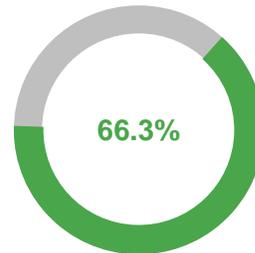


AN INTEGRATED FINANCIAL SERVICES COMPANY

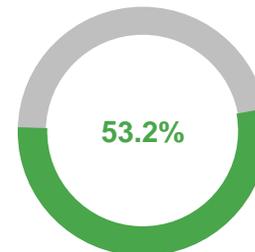


CORPORATE SNAPSHOT

Financial Metrics	
ASX Code	SEQ
Shares on Issue (share consolidation pending)	4,880b
Share Price	\$0.002
Market Cap (at \$0.002)	\$9.76m



Top 20 Shareholders



Staff & Associates Shareholders

BOARD MEMBERS



Michael Carter
Non-Executive Director & Chairman



Scott Beeton
Managing Director



Marcel Collignon
Executive Director

FY2016 – A TRANSFORMATIONAL YEAR



FY 2016 – A TRANSFORMATIONAL YEAR

A strong turnaround in financial performance.

	FY 2016	FY 2015	Change
NPAT	\$285,733	(\$17,974,212)	Positive
EBITDA	\$903,208	(\$1,071,122)	Positive
Operating Income	\$22,548,153	\$20,624,949	↑ 9.3%
Net Assets	\$9,295,270	\$6,654,800	↑ 39.7%



FY 2016 – A TRANSFORMATIONAL YEAR

- 1 Transformational Year:**
 - Profit: **\$285,733 NPAT** (2015: \$17.974m loss).
 - Stronger Balance Sheet. Trade and other payables reduced by ~\$1.9m during FY16.
- 2 Turning around Trading & Execution Businesses.**
 - Trading & Execution revenues UP 345% (2016: \$8.265m. 2015: \$1.855m).
- 3 Rebranding complete (corporate & divisions).**
- 4 Well positioned with diverse revenue streams.**



FY 2016 – A TRANSFORMATIONAL YEAR

- 5 **FNN acquisition integration complete.**
- 6 **New premises in Sydney and Melbourne to allow for further expansion.**
- 7 **Poised for growth from FY2017 and beyond with B2C and B2B offerings.**
- 8 **Share consolidation expected in second half of 2016.**
- 9 **Experienced Board and Management Team in place to drive growth.**



DIVISION HIGHLIGHTS



FY 2016 DIVISION HIGHLIGHTS



Trading & Execution

- **FY2016 Revenue: \$8.265m**
- **345% increase in revenue. \$8.265m (FY2015 \$1.855)**



Software Subscriptions

- **FY2016 Revenue: \$1.291m**
- **New software platform to be deployed during late 2016.**



SMSF Administration

- **FY2016 Revenue: \$1.884m**
- **Solid growth, with growing customer base.**



Investment Solutions

- **FY2016 Revenue: \$8.723m**
- **Innovative new product pipeline.**



Wealth Advisory

- **FY2016 Revenue: \$1.520m**
- **New wealth managers engaged with SWG and driving growth.**



Capital Market Advisory

- **FY2016 Revenue: \$0.701m**
- **New team, with multiple long term mandates for FY17.**



Balance Sheet

- **Strengthening Balance sheet**
- **Trade and other payables reduced by ~\$1.9m during FY16.**



Funding Capacity

- **Profitable with continued growth expected.**
- **SEQ convertible notes to be replaced/repaid as maturities approach from Nov16-Jan17.**

- **Maintain profitable growth and strengthen balance sheet.**
- **Drive organic growth in operating businesses – real opportunity to scale up existing operations.**
- **Leverage cross sale opportunities as customer base increases.**
- **Share consolidation in late 2016** (pending shareholder approval).
- **Realise value from strategic investments.**
- **New acquisitions targets that are EPS accretive and complement existing businesses.**

APPENDIX 1:

Consolidated Statement of Profit & Loss. FY2016

	Note	Consolidated	
		2016 \$	2015 \$
Revenue	4	22,980,597	21,406,293
Expenses			
Data fees		(1,139,430)	(575,189)
Dealing and settlement		(6,498,185)	(2,098,539)
Payments to investors		(3,965,169)	(9,690,353)
Commission and hedging		(4,128,428)	(4,773,828)
Employee benefits	5	(4,103,466)	(2,814,908)
Occupancy		(379,491)	(307,135)
Telecommunications		(268,881)	(135,299)
Marketing		(203,995)	(245,994)
General and administrative		(1,390,344)	(1,836,170)
Impairment	5	(160,861)	(17,130,595)
Other expenses		(240,756)	(119,866)
Profit / (loss) before income tax from continuing operations		501,591	(18,321,583)
Income tax (expense)/ benefit	6	(215,858)	347,371
Profit / (loss) from continuing operations		285,733	(17,974,212)
Other comprehensive income			
<i>Items that will be reclassified subsequently to profit or loss when specific conditions are met:</i>			
Fair value gains on available-for-sale financial assets, net of tax		297,645	-
Total other comprehensive income		297,645	-
Total comprehensive income for the year		583,378	(17,974,212)
Total profit/(loss) and comprehensive income attributable to:			
- Members of the parent entity		618,042	(17,974,212)
- Non-controlling interest		(34,664)	-
		583,378	(17,974,212)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

APPENDIX 2:

Consolidated Statement of Financial Position, FY2016

	Note	Consolidated	
		2016	2015
		\$	\$
Assets			
Cash and cash equivalents	7	812,831	613,627
Trade and other receivables	8	1,584,841	2,582,290
Derivative assets	9	883,111	5,390,430
Income tax receivable		-	10,529
Other assets	10	161,038	152,805
Deferred costs	11	2,865,995	4,177,368
Total current assets		6,317,616	12,928,947
Financial assets	12	1,838,575	1,213,248
Plant and equipment	13	154,847	30,349
Intangible assets	14	8,813,012	7,855,168
Derivative assets	9	5,278,868	5,499,868
Deferred tax assets	6	2,482,036	3,321,786
Other assets	10	1,215,652	1,088,507
Deferred costs	11	2,334,581	2,759,619
Total non-current assets		22,115,179	21,568,571
Total assets		28,432,795	34,496,518
Trade and other payables	15	2,274,715	4,181,572
Derivative liabilities	9	883,111	5,390,430
Employee benefits	18	370,451	267,721
Deferred revenue	17	3,491,262	5,119,825
Borrowings	16	2,060,000	-
Total current liabilities		9,004,539	14,959,548
Borrowings	16	-	1,860,000
Derivative liabilities	9	5,278,868	5,499,868
Employee benefits	18	32,517	13,107
Deferred tax liabilities	6	1,778,045	2,204,782
Deferred revenue	17	3,043,758	3,303,385
Total non-current liabilities		10,132,988	12,881,170
Total liabilities		19,137,527	27,840,718
Net assets		9,295,270	6,654,800
Equity			
Contributed equity	19	26,724,112	24,765,885
Reserves	20	177,088	(482,765)
Accumulated losses		(17,670,141)	(17,628,320)
Parent interest		9,231,069	6,654,800
Non-controlling interest	34	64,201	-
Total equity		9,295,270	6,654,800

The above statement of financial position should be read in conjunction with the accompanying notes.

APPENDIX 3: Strategic Investments

- **Finance News Network: an online provider of finance video news (SEQ: 50.09%)**
- **NobleOak Limited: unlisted Australian APRA regulated life insurer (SEQ: ~4% at 30 June 2016)**
- **Goldfields Money Limited: ASX listed Authorised deposit taking institution (SEQ: 2.4%)**



CONTACT

Managing Director & CEO:

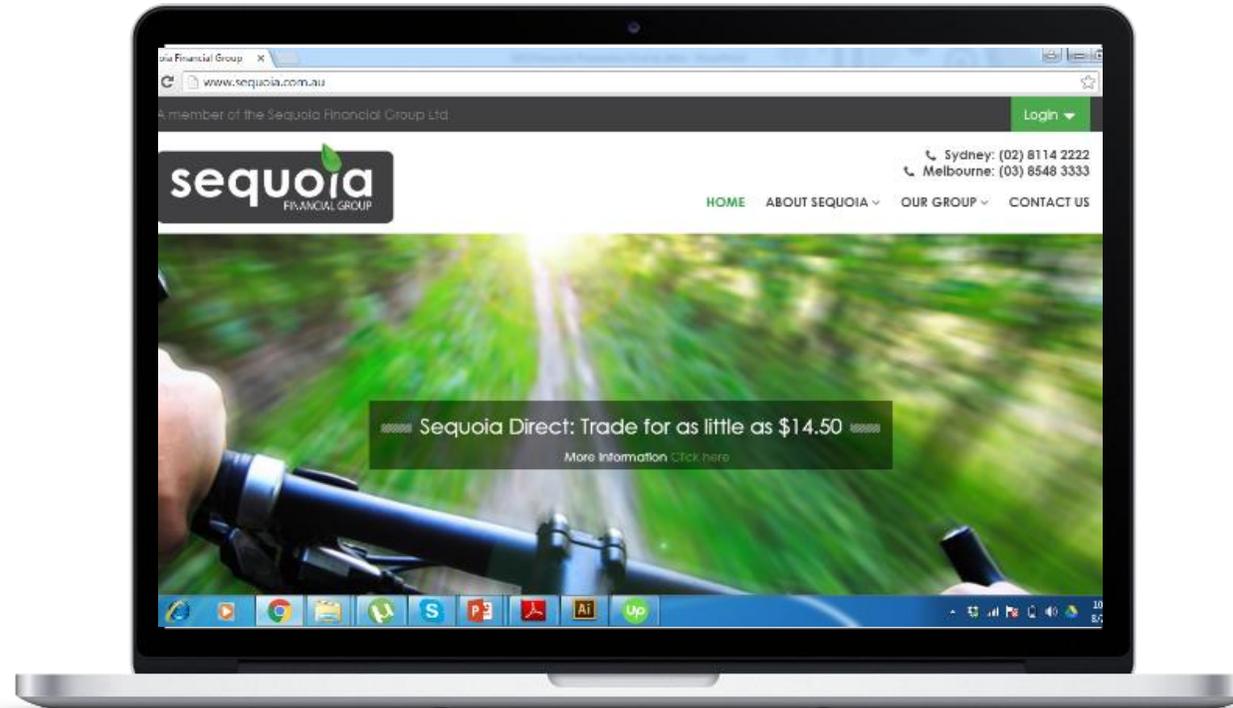
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