

ASX AND MEDIA RELEASE

Thursday, 18 August 2022

SEQUOIA FINANCIAL GROUP ANNOUNCES FY 2022 FINANCIAL RESULTS

FY2022 Financial results

Sequoia Financial Group Limited (ASX: **SEQ**) (**Sequoia** or the **Company**) is pleased to release its 2022 full-year results.

- Total revenue of \$147.3m, was an increase of \$30.85m or 26.5% on FY21
- Operating net cash flow pre-tax of \$14.7m was 36.2% over FY21
- Operating net cash flow pre-tax about 10% of total revenue
- Total operating expenses increased \$3.2m over last year
- EBITDA of \$12.4m, was an increase of 7.3%
- EBITDA margin remained at 8.4% for the year
- NPAT of \$5.7m was a 3% increase over last year
- Cash conversion ratio to EBITDA of 119.4% compared to 94% in FY21
- Fully Diluted Earnings per share (EPS) of 4.23 cents
- Dividend payout ratio increased to 33% representing a 1.4 cents per share FY22 distribution and an increase of 40% on FY21
- Cash on balance sheet increased to \$14.9m from \$13.7m (increase 8.8%).

Commentary

The Company's total revenue increased by 26.5% from FY21. The EBITDA of \$12.4m also increased 7% from FY21. From a consolidated viewpoint this resulted in a 26% operating return on Shareholder Equity, giving us the confidence that our diversified services offering is both profitable and in growing demand.

This announcement was approved by the Board of Directors.

For further information please contact:

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Rebecca Weir, Company Secretary +61 431 240 642

ABOUT SEQUOIA FINANCIAL GROUP LIMITED

Sequoia Financial Group (ASX: SEQ) is an integrated financial services company providing products and services to self-directed investors, AFSL holders and 3rd party professional firms. Its' businesses include: InterPrac Financial Planning, Morrison Securities, Sequoia Direct, Finance News Network, Bourse Data, SMSF Engine, Libertas, Sequoia Specialist Investments, Sequoia Superannuation and Sequoia Wealth Management

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

Registered Office:

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The Company's NPAT is \$5.7m, a modest increase of 3% from last year, largely due to higher OPEX and made strategic investments to boost the sales and marketing efforts and enhance the Company's cyber security capabilities, technology upgrades and service uplift.

Outlook

The Company is in a very strong position to move towards our longer-term revenue target of \$300m with more than 10% operating net cash flows pre-tax and EBITDA by 2026.

The margin in Professional Services and our Direct Investment Divisions is now above 25% and we expect to see very strong revenue growth in these Divisions in the years ahead. We are also looking to lift the margin within Equity Markets and Licensee Services to above 10% as these businesses evolve.

The Company remain focused on our dividend strategy, where we are gradually increasing dividends, whilst continuing to use a large part of our profit to fund acquisitions. We are again pleased to report an increase in the dividend pay-out ratio to 33% in 2022, representing 1.4 cents of fully franked dividend, which is a 40% uplift from the 1 cent distributed in 2021.

We thank our shareholders for their ongoing support and look forward to continuing to deliver strong results for all our shareholders in 2023. Readers are referred to the Company's 2022 Annual Report and Investors Presentation for additional information regarding the Company's performance.

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Full Year 2022 Results Webcast

Shareholders are invited to attend the Full Year 2022 Results Webcast on **Thursday, 18 August 2022 at 2.00 pm (AEST)**. Please use the link below to register for the conference call:

<https://teams.microsoft.com/registration/hhW449tvc0STvTBRcsRggw,tijXU2wMKkywYsgSukl-4g,RCtfQAFVdEeJtVu7JDQRXA,LLsW0vkInKGN0GnUhEtcaA,mS6Q4M-1ckOgPxNjU6grRg,VBz5crFJwkeSk7e5tKAmFA?mode=read&tenantId=e3b81586-6fdb-4473-93bd-305172c46083>

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