

**ASX AND MEDIA RELEASE**

**Thursday, 27 February 2025**

**SEQUOIA FINANCIAL GROUP – FIRST HALF FY25 FINANCIAL RESULTS**

Sequoia Financial Group Limited (ASX: SEQ) (Sequoia or the Company) today released its first half Financial Results for FY25 (1HFY25).

**1HFY25 Financial Performance (for continuing operations):**

- Revenue \$60.6m, down 3.5% on previous corresponding period (PCP)
- NPAT \$3.6m, +136.8% on PCP
- Operating cashflow from continuing operations \$3.4m, +61.9% on PCP
- Interim dividend of 2.0 cents per share (PCP 2.0 cents per share) fully franked to be paid on 18 March 2025

While Operating Profit (normalized EBITDA) declined 14.6% to \$2.7m, down from \$3.2m in 1HFY24, pleasingly, Net Profit After Tax from continuing operations was \$3.6m, up 137% on the PCP.

Our operating revenue of \$60.6m was a slightly weaker performance than anticipated however this was due to several changes made by the Group within our Licensee and Adviser Services Division where we both closed and divested some businesses. Some of this reduction in revenue was offset by continued growth in our Legal and Administration Services Division.

As mentioned, throughout the period we divested two general insurance broking companies and two Media companies as part of our continuing drive to remove non-core operations. We also completely revamped and rebranded our media business and lowered our ongoing risk appetite within our specialist investment business to drive more consistent and predictable returns in these areas.

The recent restructuring into two Divisions has simplified our business model and driven significant cost efficiencies. This has meant incurring upfront restructuring costs and some unbudgeted rebranding expenses, however, overall we have reduced our ongoing headcount by more than 10%, which will save approximately \$1.5m annually in employment costs.

**This announcement was authorised for release by the Board of Directors.**

**For further information please contact:**

**Garry Crole, Managing Director 03 9209 9777**  
**Natalie Climo, Company Secretary 02 8016 2875**

**ABOUT SEQUOIA FINANCIAL GROUP LTD**

ASX-listed Sequoia Financial Group Ltd (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 Licences.

**Registered Office:**

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Our Legal and Administration Services Division has continued to emerge as a cornerstone group of businesses within our Group achieving operating profit growth of 70% over PCP to \$1.6m via a mix of organic and acquisitive initiatives and further margin improvement.

The impact of the many changes made to improve performance is also evident in the positive and significant improvement in operating cash flow across the period.

Our Board is committed to the regular distribution of fully franked dividends and is declaring an interim fully franked dividend of 2.0 cents per share, which equates to a payout ratio of 70%. This reflects the Group's strong balance sheet, high franking credit balance and confidence in delivering a stronger 2HFY25 operating profit.

In terms of ongoing capital management, it is the Board's intention to deliver a payout ratio of 40-60% over the next 2-3 years (assuming 'normal' business conditions) which is higher than the 20-50% ratios we flagged over previous periods. We believe our business will continue to grow profitably, particularly after we have implemented the various changes emanating from the current strategic review we are undertaking.

It is also worth noting throughout the period we were able to reduce our issued capital by 5% through an on-market buyback at an average price of 41.5 cents per share. (Note we will be reassessing our position on the current share buyback before it expires in May 25.)

#### **Future Outlook**

Looking ahead, the Board intends to strengthen the alignment between Operating Profit (and consequently earnings per share (EPS) from continuing operations) and dividend payouts. Sustainable growth in Operating Profit within our core businesses remains the key driver for our ability to drive future increases in dividends.

Our Group is well positioned to meet the rising demand for advice as more Australians focus on building and protecting their wealth for retirement. The scale and broad range of services available to accountants and financial advisers is anticipated to drive further growth, provide opportunities for industry consolidation and to deliver cost-effective advice to more Australians.

We are bullish about our future as we undergo significant but necessary changes to our business. We expect the remainder of FY25 to be strong as we start to realise the full value of recent changes within our businesses, and as we continue to execute on our key strategic initiatives. **-END-**

NB: Securities held by the top 20 investors as at 27 February 2025 is attached to this announcement.

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Sequoia Financial Group Ltd  
ABN 90 091 744 884  
Securities held by top 20 investors as at: 27/02/2025

Investor	Ordinary Fully Paid Shares Total		% of total
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	26026149	26026149	20.97%
MR GARRY CROLE	9358136	9358136	7.54%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	6960815	6960815	5.61%
SANDHURST TRUSTEES LTD <JMFG CONSOL A/C>	5172861	5172861	4.17%
DMX CAPITAL PARTNERS LIMITED	2700000	2700000	2.18%
CITICORP NOMINEES PTY LIMITED	2681532	2681532	2.16%
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	2330891	2330891	1.88%
BNP PARIBAS NOMS PTY LTD	2138804	2138804	1.72%
VANWARD INVESTMENTS LIMITED	1974497	1974497	1.59%
MR NEIL CLIFFORD DUNCAN	1947472	1947472	1.57%
NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	1908700	1908700	1.54%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	1852831	1852831	1.49%
Mr PETER STIRLING + Mrs ROS STIRLING	1800000	1800000	1.45%
TIBARRUM PTY LTD <PAUL ROBINSON FAM S/F A/C>	1698000	1698000	1.37%
EMERALD SHARES PTY LIMITED <EMERALD UNIT A/C>	1500000	1500000	1.21%
BROWNLOW PTY LTD	1350000	1350000	1.09%
RUFFY STEEDEN LEGACY PTY LTD <RUFFY STEEDEN LEGACY SF A/C>	1310000	1310000	1.06%
DIXSON TRUST PTY LTD	1300000	1300000	1.05%
LEOPARD ASSET MANAGEMENT PTY LTD	1200000	1200000	0.97%
WATERLINE PROPERTIES PTY LTD <MURNANE FAMILY A/C>	1038900	1038900	0.84%
Total held by top 20			76249588 61.43%
Held by others			47873026 38.57%
Total			124122614 100.00%