

ASX ANNOUNCEMENT

7 August 2019

ACQUISITION OF LIBERTAS FINANCIAL PLANNING PTY LTD

Sequoia Financial Group Limited (ASX: SEQ) ("**SEQ**", "**Sequoia**" or "**the Company**") is pleased to announce the acquisition of Libertas Financial Planning Pty Ltd (**Libertas**) ACN 160 419 134.

Libertas is a successful financial advice dealer group with approximately 70 authorised representatives, established by Mr Mark Euvrard.

The acquisition provides Sequoia with further scale in the advice marketplace and based on the latest Money Management dealer group survey makes Sequoia one of the largest non-bank owned financial adviser groups in the country.

Sequoia's focus is to gain scale in the financial advice market allowing continued investment in leading regulatory and compliance frameworks, technology and product access to financial advisers and their clientele.

The acquisition of Libertas is expected to add approximately \$6 million of annual revenue, an incremental \$600,000 of EBIT and to be immediately EPS accretive. The purchase is being funded out of existing cash reserves on an EBIT multiple of approximately 4, with 50% of the cash consideration payable up front and an additional payment in 12 months. As a part of the consideration the Company will issue 1.5 million fully paid ordinary shares at 20 cents per share to the seller. The issue of fully paid ordinary shares is expected to use the Company's existing capacity under the listing rules. \$1 million cash will be paid upfront with an additional cash payment in 12 months capped at \$1 million and subject to revenue and earnings targets being achieved. There is no need to raise capital to fund this purchase.

Mr Euvrard requested to take partial consideration in Sequoia shares for the business and will remain as a consultant to Sequoia for a minimum period of 12 months where he will be actively seeking to grow the business.

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For further information please contact:

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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.

Sequoia's CEO Garry Crole commented "Libertas will provide Sequoia with additional scale in financial advice with immediate financial benefit to the Group and is highly EPS accretive. We are actively recruiting financial advisers where they fit with our culture and client service objectives and are delighted to be working with the Libertas team".

Libertas' Managing Director Mark Euvrard commented, "Our business was highly sought after, and I wanted to ensure the advisers I work with will be a part of a quality organization. I am very pleased to be working with Garry Crole and his strong support team and know this will provide a smooth handover of support services for each adviser. I am excited my planners will be a part of a larger, well-regarded licensee focussed on the provision of highly compliant advice to the Australians who need support and guidance".

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