INVESTOR PRESENTATION

Lease Accounting and update

3rd and 4th October 2018

Consolidated Operations Group
Finance and Leasing

COG started building in December 2015 and is delivering

Step 1 – rebuild lease business and acquire distribution foot print

TL Rentals

✓ Done

- Annual growth rate of > 30% pa over last 3 years.
- $70m forecast annual origination this year.
- Growth in origination has slowed this year to improve systems, processes and human capital - $600k budgeted for system development.
- Westlawn investment adds to funding certainty.
- Demand for product driven by infrastructure and referrals from COG brokers and aggregators.

Broker and Aggregation

✓ Done

- Key strategic acquisitions have now been made, most capital now deployed.
- Good growth in brokers numbers and NAF.
- NAF forecast to be $4.2Bn for FY 19.
- CFG moved from 80% to 100% ownership, and Centrepoint is 100%, reduces effective tax rate and increases ability to leverage.
- Correct tax treatment in Taylor Collison report would result in EPS excluding amortisation of 1 cent per share.

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Foundation built to unlock the value of the model

Step 2 – deliver suitable product

1. Prime consumer and commercial car loans.
2. Equipment leases.
3. Other broker distributed SME lending products.

Step 3 – grow originations

COG forecast to grow to $5bn of NAF, 10% - 20% of this to be funded by COG.

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STRATEGIC OBJECTIVE

Building a leading position in the Australian business equipment and asset finance industry

Value

Establish leading position in equipment finance broking market

Acquisitions and organic growth
Targeting 20% market share by annual net asset finance settled (c$5 – 6bn pa)

Expand in-house leasing products capability and funding sources

New products
- auto loans
- equipment leases

External funding
- bank warehouse facility
- securitisation program

Grow origination of company owned products and shareholder returns

Leveraging company's broker distribution network (equity owned brokers and independent network partners)

Increasing margins and growing shareholder value

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FY18 HIGHLIGHTS

- Solid progress in implementing growth strategy with strong momentum going into FY19
- FY18 EBITDA* up 21% to $14.4m, in line with FY18 guidance of $13.7- $15.0m (with no new acquisitions made post guidance given in Feb 18)
- FY18 Net Asset Finance (NAF) settled up 7% to $3.4bn, representing c11% market share of broker originated NAF
- New operating leases (rentals) written in FY18 up 38% to $58.7m
- Forecasting FY19 EBITDA attributable to COG shareholders of $17.1 - $19.0m - representing 19 - 32% growth vs FY18 before the impact of unannounced acquisitions

Revenue $160.5m ↑ **+39%**

EBITDA* $14.4m ↑ **+21%**

NPATA* $8.5m ↑ **+23%**

** On an underlying basis attributable to COG shareholders (after minority interests) - excluding transaction and redundancy costs of $0.8m in FY18*

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FY18 PERFORMANCE AND FY19 GUIDANCE

EBITDA (after minority interests) ($m)	FY18 Guidance	FY18 Actual	FY19 Forecast
Commercial Equipment Leasing	7.0 - 7.5	7.7	9.0 - 10.0
Finance Brokers & Aggregation	8.9 - 9.9	9.0	10.2 - 11.3
Head Office + Other	(2.2) – (2.4)	(2.3)	(2.1) - (2.3)
TOTAL	**13.7 - 15.0**	**14.4**	**17.1 - 19.0**

Commentary

> **Commercial Equipment Leasing** forecast is based on lease origination of $70m with 44% funding via Sale of Receivable and the remaining 58% funded via debt

> **Finance Brokers & Aggregation** forecast includes the expected uplift in EBITDA due to the acquisition of the remaining 20% of CFG

The forecast does not include any amounts for the application of surplus cash for further potential broker acquisitions in FY19

The guidance was provided with the release of the FY 18 full year results and does not reflect the Centrerpoint Finance Pty Ltd acquisition (see ASX release on 11 September 2018) and the Wesltawn Finance Group Ltd acquisition (see ASX release, 20 September 2018).

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FINANCE BROKING & AGGREGATION
Commentary

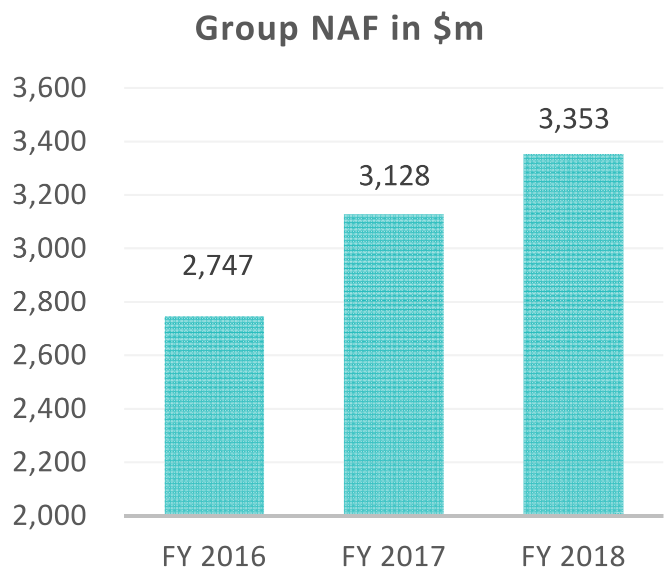
Australia's largest equipment finance broker aggregation group

COG provides aggregation services to:
- independent network member finance brokers
- COG equity owned finance brokers

Total net asset finance (NAF) settled increased by 7.2% to $3.35bn

COG offers Finance Brokers
- Access to wider panel of financiers and volume based incentives
- Improved service offering and profitability
- Compliance and processing services
- Workflow and CRM software
- Annual Asset Finance Broker Conference
- Succession planning

Rolled out new IT platform (Evolved) in Q2 FY18 to Platform – designed to interface with financiers



Brands

Consolidated Finance Group — 100%* owned

** Post FY18 year end moved from 80% to 100% ownership*

Platform Consolidated Group — 66% owned

Example of a lease book – use your own sensitivities

Base Case

Example of $70m/year of origination (all written on the 1st day of the year)

Year	1	2	3	4	5	6	Receivable Balance
1	$70,000,000						$70,000,000
2	$55,775,665	$70,000,000					$125,775,665
3	$39,559,923	$55,775,665	$70,000,000				$165,335,589
4	$21,073,978	$39,559,923	$55,775,665	$70,000,000			$186,409,567
5		$21,073,978	$39,559,923	$55,775,665	$70,000,000		$186,409,567
6			$21,073,978	$39,559,923	$55,775,665	$70,000,000	$186,409,567

After year 4 (i.e. first day of year 5), assuming NIM of 4%

RV cash income	Interest Spread	Total Income	Op Ex	Bad debt	NPBT
$10,206,000	$7,034,903	$17,240,903	$5,300,000	$1,398,072	$10,542,831

$10,206,000 = (× .98 × .21) − (× .06)

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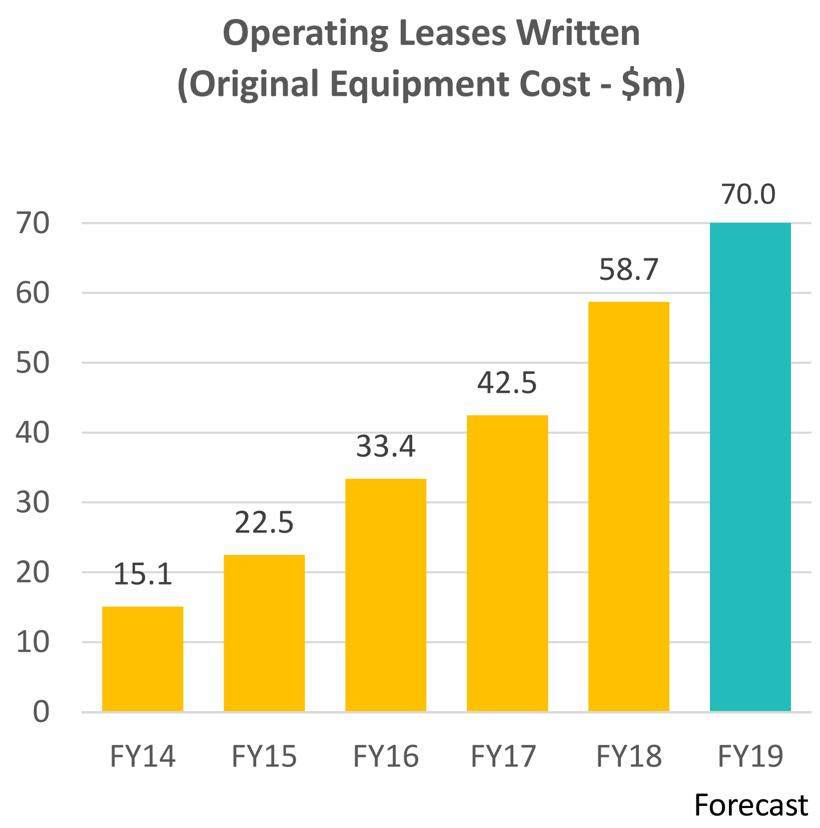
COMMERCIAL EQUIPMENT LEASING
Origination Growth

Lease origination growth



Growing lease referrals from COG finance broker network

	OEC written	COG broker referrals
FY15	$22.5m	$0
FY16	$33.4m	$1.3m
FY17	$42.5m	$5.6m
FY18	$58.7m	$9.9m

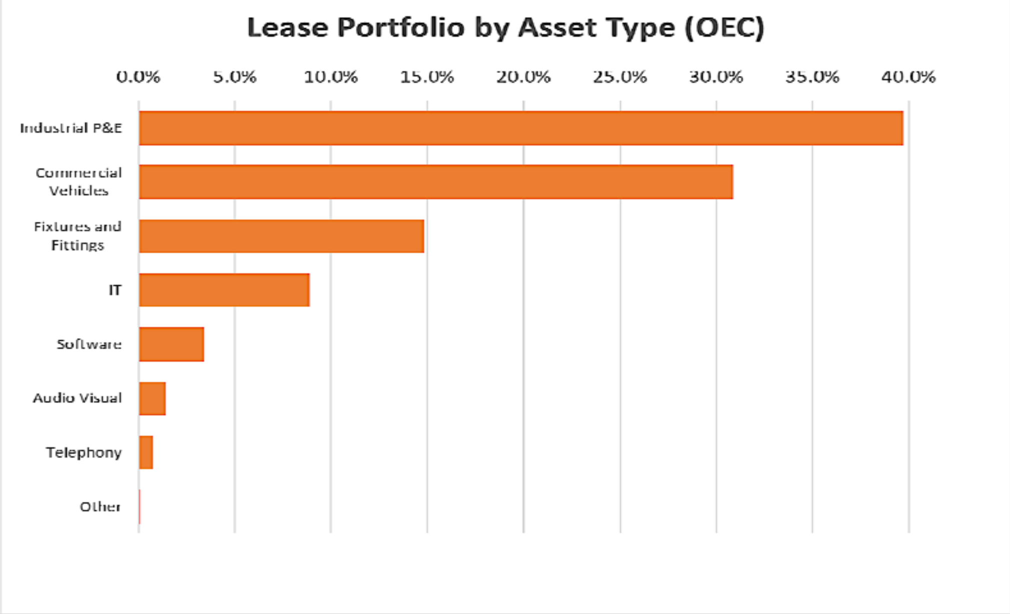
COMMERCIAL EQUIPMENT LEASING
Leasing Book Features

Key statistics

OEC of lease book	$124m
PV of lease book	$89m
Number of leases	2,606
Average deal size	$48k
Average tenure	48mth
Loss rate[1]	2%
Inertia rate	21%

PV of self funded leases $9.8m

1. *Loss rate is calculated on a static loss basis*



Funding

91% of total lease book has been externally funded through various funder and 9% remains internally funded.

Sale of Receivables (SOR) as % of OEC written:

$m	2014	2015	2016	2017	2018	2019 (F)
OEC written	15.1	22.5	33.4	42.5	58.7	70.0
% Funded by SOR	3%	88%	59%	43%	30%	44%

APPENDICES

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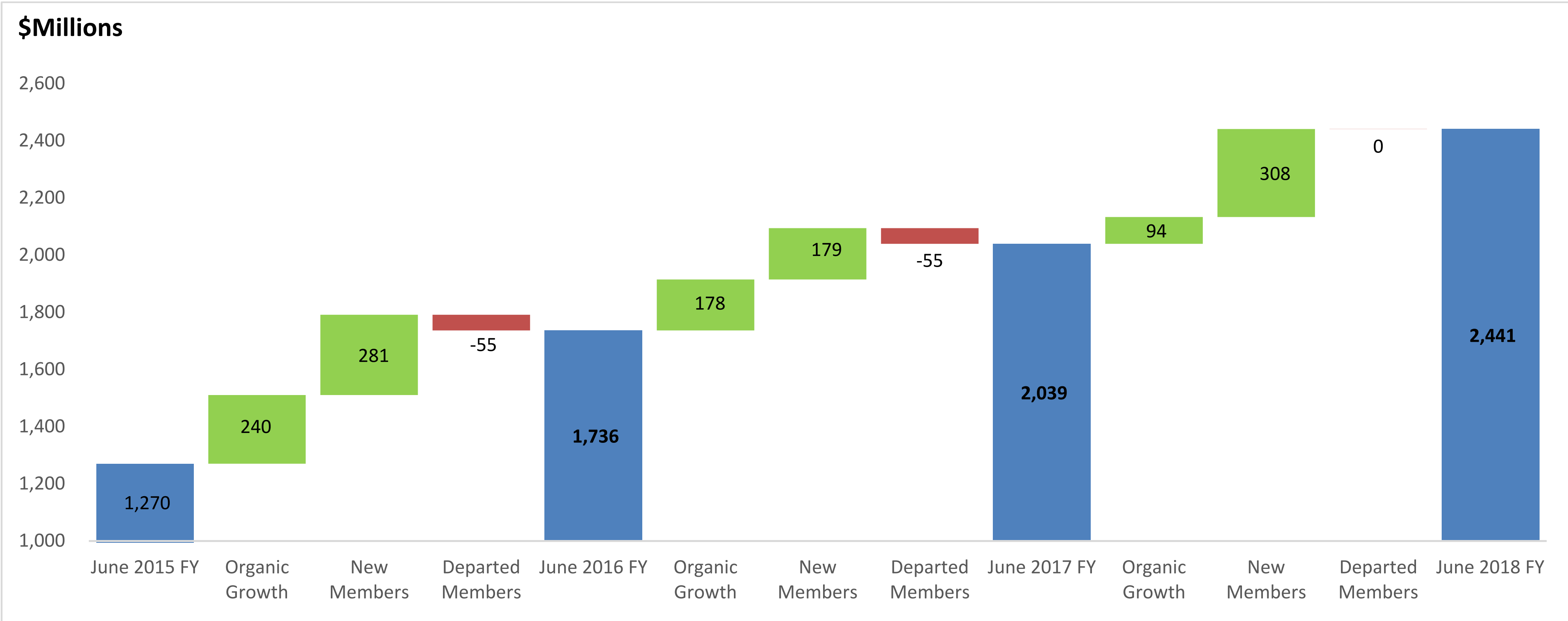
Growth and New Members – Volumes



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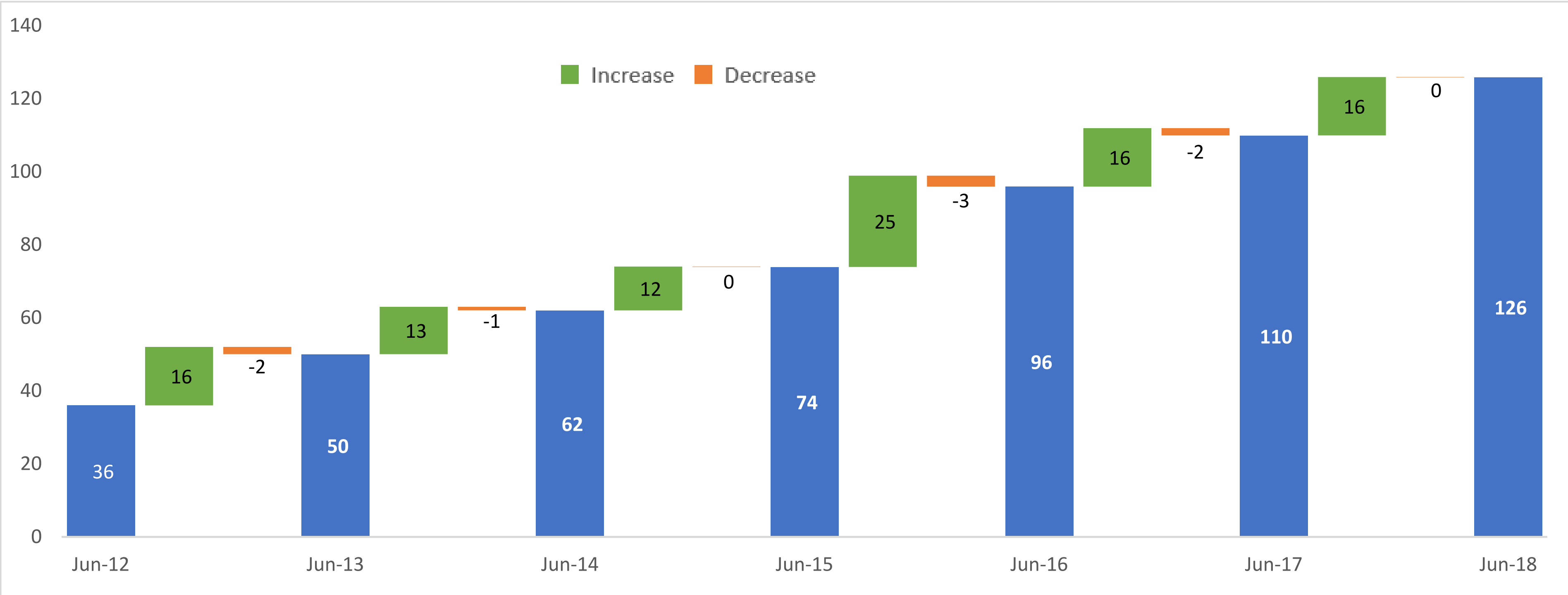
Number of New Members



- Members have increased by 250% since 2013
- Members have increased by 15% in 2018
- Industry dynamics and IT are encouraging increased membership

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Lease book – sensitivities

Upside Case

After year 4 (i.e. first day of year 5), assuming NIM of 5% & $80m year of originations

RV cash income	Interest Spread	Total Income	Op Ex	Bad debt	NPBT
$11,664,000	$10,543,629	$22,207,629	$5,300,000	$1,698,072	$15,209,557

Downside Case

After year 4 (i.e. first day of year 5), assuming NIM of 3% & $60m year of originations

RV cash income	Interest Spread	Total Income	Op Ex	Bad debt	NPBT
$8,748,000	$4,226,177	$12,974,177	$5,300,000	$1,098,072	$6,576,106

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