

CONSOLIDATED OPERATIONS GROUP AGM 2019

CHAIRMAN'S ADDRESS

I am pleased to report that the Company delivered an NPATA to shareholders of \$7.9 million for the year ended 30 June 2019, up 32% on the prior year.

Total revenue increased by \$52.7 million or 32% to \$217.2 million, largely due to organic growth in commission and fee income from our core Finance Broking & Aggregation business and higher interest income from our Commercial Equipment Leasing business, TL Rentals.

Andrew will shortly take you through the Company's financial performance in more detail, however in my first full year as COG's Chairman, I am pleased to inform you that we have continued to make solid progress in FY19 towards our strategic goal of positioning COG as Australia's leading SME business equipment finance advisor.

During this last financial year (FY2019), Net Assets Financed (NAF) increased by 26%, representing approximately \$4.2 billion in settlements and a circa 17% market share of broker originated Net Assets Financed. COG has now established itself as Australia's leading SME equipment finance distribution network. With that in mind, we are continuing to invest in our in-house lending infrastructure, IT systems and people with a view to further expanding our auto, business and equipment financing capability and capturing more diversified earnings through lending-related net interest margin, supplementing our already strong finance broking & aggregation revenues.

This remains a high priority as we move into the current financial year, clearly evidenced by this week's announcement to acquire CML Group via a Scheme of Arrangement and related COG Rights Issue. We believe the merger of COG with CML is highly strategic and will accelerate the Group's ongoing growth and expansion in the years ahead.

I would like to personally thank all of our shareholders for your continuing support and encouragement. Rest assured we value your feedback and will continue to listen and act in areas where we believe it makes sense to do so. In this vein, I'd like to reiterate the Board's recent decision to adopt an annual dividend policy, targeting a dividend payout ratio of up to 50% of statutory Net Profit After Tax, after non-controlling interests, commencing in the year ending 30 June 2020. This will also be supported by a Dividend Reinvestment Plan, with a proposed discount of up to 5%. The DRP Policy is currently being prepared and will be announced to the market as soon as it is completed and approved by the Board.

Finally, I would like to thank my fellow directors for their tireless efforts and support over the past 12 months. It has been a busy year, but also one in which we've made some solid progress in terms of platform growth and future strategy.

On that note, I will now hand over to Andrew Bennett who will take you through both the Company's financial performance and this week's announcement of the proposed merger between COG and CML Group, in more detail.

Patrick Tuttle

Chairman