

The Manager – Listings  
Australian Securities Exchange Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

5 December 2019

## **ENTITLEMENT OFFER RESULTS AND SUCCESSFUL SHORTFALL PLACEMENT**

Consolidated Operations Group Limited (ASX: COG) (**Company** or **COG**) advises that acceptances closed for the Company's non-renounceable entitlement offer at 5.00pm on 2 December 2019 (**Entitlement Offer**). The proceeds of the Entitlement Offer are being used to fund the cash consideration that COG may be required to pay under its proposed merger with CML Group Limited (ASX: CGR) by way of a scheme of arrangement (**Scheme**).

The Board is pleased to advise that approximately \$12.4 million was raised under the Entitlement Offer, including approximately \$1.4 million of acceptances from existing shareholders under the shortfall facility. In accordance with the Entitlement Offer timetable the Company will allot and issue, in aggregate, 137,998,617 shares on 6 December 2019 to shareholders who participated in the rights issue. These shares are expected to commence trading on ASX on Monday, 6 December 2019.

In addition, in accordance with the terms of the Entitlement Offer, the Board has undertaken a successful placement of all the remaining shortfall shares under the Entitlement Offer to sophisticated and professional investors, raising approximately, a further, \$7.8 million. The shortfall placement was managed by Petra Capital. Settlement of the shortfall placement is to occur on 12 December 2019, with allotment on 13 December 2019.

Through the Entitlement Offer and the sale of shortfall shares COG has successfully raised the maximum \$20.2 million that it sought to raise under the Entitlement Offer, which satisfies one of the conditions precedent to the Scheme.

Andrew Bennett, CEO said

*"We are delighted with the support for the shortfall placement and welcome a number of new institutional investors to the register. The overall uptake in the Entitlement Offer, including the shareholder shortfall facility, was strong, at over 61%. The Board thanks existing shareholders for their continued support."*

*Now that we have raised the proceeds raised to satisfy our potential cash consideration obligation under the scheme of arrangement with CML Group Limited, we look forward to progressing the merger with CML to accelerate the growth of both businesses, and creating a combined leader in SME business lending in Australia."*

*Announcement authorised by:*

*Andrew Bennett, Chief Executive Officer*

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#### **Who We Are**

Consolidated Operations Group (COG) has two complementary businesses:

1. **Asset Finance Broking.** Through our membership group serving independent brokers and COG's equity owned brokers (brokers in which we have invested), we are Australia's largest asset finance group, representing over \$4 billion per annum of Net Asset Finance (NAF). We will grow NAF through organic growth and further equity investment in brokers.
2. **Product.** Through broker distribution, TL Rentals provide equipment finance to SMEs. We have grown annual lease origination organically by 27% and 38% in the last two financial years.

In both businesses we are small parts of large markets, with growth opportunities through consolidation and organic growth.