



21 February 2022

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

Westlawn Finance Limited acquisition of Equity-One Mortgage Fund Limited

COG Financial Services Limited (ASX: COG) is pleased to announce that Westlawn Finance Limited (a 75% owned subsidiary) has agreed to acquire 100% of the issued capital of Equity-One Mortgage Fund Limited a funds management business based in Melbourne. Equity-One Mortgage Fund Limited operates a contributory mortgage scheme (peer to peer) and has approximately \$350 million of funds under management. The transaction is structured in 4 tranches as set out below:

- **Tranche 1.** 70% of the issued capital to be acquired on 1 March 2022 (subject to satisfaction of certain conditions) for a cash consideration of \$24m;
- **Tranche 2.** 10% of the issued capital subject to option exercise not before 1 October 2024;
- **Tranche 3.** 10% of the issued capital subject to option exercise not before 1 October 2026; and
- **Tranche 4.** 10% of the issued capital subject to option exercise not before 1 October 2027.

Commenting on the facility COG CEO, Mr Andrew Bennett said:

“This is a highly EPS accretive transaction using a portion of the surplus cash on Westlawn’s balance sheet. In addition, Westlawn will provide growth pathways for Equity-One Mortgage Fund Limited through the utilisation of its existing branch distribution network.”

Announcement authorised by: Mr Patrick Tuttle, Chair

For further information please contact:

Andrew Bennett
Chief Executive Officer
M 0405 380 241

**Who we are:**

COG Financial Services Limited (COG) has two complementary businesses:

1. Finance Broking & Aggregation (FB&A). Through its membership group of independent and equity owned brokers (brokers in which COG has invested), COG is Australia's largest asset finance group, representing over \$5.1 billion per annum of Net Asset Finance (NAF). Further growth is being achieved through organic growth in equipment finance and insurance broking and through equity investment in brokers.
2. Funds Management & Lending. Through broker distribution, COG provides asset and equipment finance to SMEs, and real property loans via its subsidiary Westlawn Finance Limited. Westlawn is Funded through the issue of unsecured notes and a Managed Investment Scheme (MIS), a scalable / capital light funding structure as compared to other non-banks.

In both businesses, our market share is small relative to the size of the markets we operate in, and there are significant growth opportunities through consolidation and organic growth.