



18 October 2023

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

2023 AGM Notice of Meeting and Proxy

COG Financial Services Limited (COG) attaches the following documents in relation to the FY2023 Annual General Meeting (AGM):

- AGM Notice of Meeting; and
- Proxy Form.

Announcement authorised by: 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 three 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 \$7.7 billion per annum of Net Assets Finance (NAF). Further growth is being achieved through organic growth in equipment finance, insurance broking, and through equity investment in brokers.
2. Novated Leasing ("Novated"): Through Fleet Network and its subsidiaries, Paywise and Be Car Wise, COG operates in the novated lease and salary packaging sector. Further growth is being achieved through organic growth, with a significant opportunity arising from existing tax incentives associated with electric cars financed through a novated lease arrangement.
3. Funds Management & Lending ("FM&L"): Through broker distribution, COG provides equipment finance to SMEs, and real property loans via its subsidiary Westlawn Finance Limited.

In all three businesses COG's market share is small relative to the market size in which it operates, and there are significant growth opportunities through future consolidation and organic growth.

**COG Financial Services
Limited**

Level 5, 126 Phillip Street,
Sydney NSW 2000
ACN: 100 854 788

www.coglimited.com.au



COG FINANCIAL SERVICES LIMITED

Notice of 2023 Annual General Meeting

Explanatory Statement | Proxy Form

Monday, 27 November 2023

4:00PM AEDT

As a **Hybrid Meeting**

Held at:

Level 5
126 Phillip Street
Sydney
NSW 2000

And as a **virtual meeting** at

https://us02web.zoom.us/webinar/register/WN_EaNda8p9TaOxcKSj4nsuQQ

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Contents

Venue and Voting Information	2
Notice of Annual General Meeting – Agenda and Resolutions	5
Notice of Annual General Meeting – Explanatory Statement	7
Glossary	15
Proxy Form	Attached

Important Information for Shareholders about the Company's 2023 AGM

This Notice is given based on circumstances as at 17 October 2023. Should circumstances change, the Company will make an announcement on the ASX market announcements platform and on the Company's website at <https://cogfs.com.au/>. Shareholders are urged to monitor the ASX announcements platform and the Company's website.

Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held as a **hybrid meeting** at 4:00PM AEDT on Monday, 27 November 2023 at the Automic Group Offices, Level 5, 126 Phillip Street, Sydney, NSW 2000 and as a **virtual meeting (Meeting)**.

To be able to hold this Meeting at both a physical and virtual venue, the Company is relying upon s249R(b) of the Corporations Act.

If you wish to virtually attend the AGM (which will be broadcast as a live webinar), please **pre-register** in advance for the virtual meeting here:

https://us02web.zoom.us/webinar/register/WN_EaNda8p9TaOxcKSj4nsuOQ

After registering, you will receive a confirmation containing information on how to attend the virtual meeting on the day of the AGM.

Shareholders will be able to vote (see the "Voting virtually at the Meeting" section of this Notice of Meeting below) and ask questions at the virtual meeting.

Shareholders are also encouraged to submit questions in advance of the Meeting to the Company.

Questions must be submitted in writing to David Franks at david.franks@automicgroup.com.au at least 5 business days before the AGM.

The Company will also provide Shareholders with the opportunity to ask questions during the Meeting in respect to the formal items of business as well as general questions in respect to the Company and its business.

Your vote is important

The business of the Annual General Meeting affects your shareholding and your vote is important.

Voting in person

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

Voting virtually at the Meeting

Shareholders who wish to vote virtually on the day of the AGM will need to login to the online meeting platform powered by Automic.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account **as soon as possible and well in advance of the Meeting** to avoid any delays on the day of the Meeting. An account can be created via the following link investor.automic.com.au and then clicking on “**register**” and following the prompts. Shareholders will require their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.

To access the virtual meeting on the day:

1. Open your internet browser and go to investor.automic.com.au;
2. Login with your username and password or click “**register**” if you haven’t already created an account. **Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting;**
3. After logging in, a banner will display at the bottom of your screen to indicate that the meeting is open for registration, click on “**Register**” when this appears. Alternatively, click on “**Meetings**” on the left-hand menu bar to access registration;
4. Click on “**Register**” and follow the steps;
5. Once the Chair of the Meeting has declared the poll open for voting click on "Refresh" to be taken to the voting screen; and
6. Select your voting direction and click "confirm" to submit your vote. Note that you cannot amend your vote after it has been submitted.

For further information on the live voting process please see the **Registration and Voting Guide** at <https://www.automicgroup.com.au/virtual-agms/>

Voting by proxy

To vote by proxy, please use one of the following methods:

Online	Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form. For further information on the online proxy lodgement process please see the Online Proxy Lodgement Guide at https://www.automicgroup.com.au/virtual-agms/
By post	Completing the enclosed Proxy Form and posting it to: Automic, GPO Box 5193, Sydney NSW 2001
By hand	Completing the enclosed Proxy Form and delivering it by hand to: Automic, Level 5, 126 Phillip Street, Sydney NSW 2000
By email	Completing the enclosed Proxy Form and emailing it to: meetings@automicgroup.com.au

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

Power of Attorney

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already provided it to the Share Registry.

Corporate Representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

Asking Questions

We encourage you to submit questions in advance of the Meeting on any matter that may be relevant to the Meeting. You can do this by sending your question to the Company Secretary by email to david.franks@automicgroup.com.au

To allow time to collate questions and prepare answers, you must submit any questions by 4:00PM AEDT on Monday, 20 November 2023.

Questions will be collated and, during the Meeting, the Chair of the Meeting will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the Meeting to address all topics raised. Please note that individual responses will not be sent to shareholders.

Shareholders and proxy holders will also have the ability to listen to the discussion at the Meeting and ask questions during the Meeting via the online meeting platform.

Technical difficulties

Technical difficulties may arise during the course of the Annual General Meeting. The Chair has discretion as to whether and how the Meeting should proceed in the event that a technical difficulty arises. In exercising his discretion, the Chair will have regard to the number of Shareholders impacted and the extent to which participation in the business of the Meeting is affected. Where he considers it appropriate, the Chair may continue to hold the Meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, Shareholders are encouraged to lodge a proxy not later than 48 hours before the commencement of the Meeting.

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Shareholders of COG Financial Services Limited ACN 100 854 788 will be held as a hybrid meeting at 4:00PM AEDT on Monday, 27 November 2023 at the Automic Group Offices, Level 5, 126 Phillip Street, Sydney, NSW 2000 and as a **virtual meeting (Meeting)**.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form forms part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 4:00PM AEDT on Saturday, 25 November 2023.

In accordance with clause 5.7(b) of the Company's Constitution, the Chair intends to call a poll on each of the resolutions proposed at the AGM. Each resolution considered at the AGM will therefore be conducted by a poll, rather than on a show of hands. The Chair considers voting by poll to be in the interests of the shareholders as a whole and is a way to ensure the views of as many shareholders as possible are represented at the meeting.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

Agenda

Ordinary business

Financial statements and reports

"To receive and to consider the Annual Financial Report of the Company for the financial year ended 30 June 2023 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report for that financial year."

Note: This item of ordinary business is **for discussion only and is not a resolution**.

Pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to, each of the aforementioned reports during consideration of these items.

Resolutions

Remuneration Report

1. **Resolution 1** – Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **Ordinary Resolution**:

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's Annual Financial Report for the financial year ended 30 June 2023."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement: In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Company's key management personnel (including the Directors), whose remuneration details are included in the Remuneration Report (**KMP**), or any of that person's Closely Related Parties (such as close family members and any controlled companies of those persons) (collectively referred to as Restricted Voter). However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and
- (b) it is not cast on behalf of a Restricted Voter.

If you appoint the person chairing the Meeting (**Chair**) and you are not a Restricted Voter, by submitting the Proxy Form you authorise the person chairing the Meeting to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote in favour of Resolution 1. If you do not want your vote exercised in favour of Resolution 1, you should direct the person chairing the Meeting to vote "against", or to abstain from voting on, this Resolution.

Re-election of Directors

2. Resolution 2 – Re-election of Mr Mark Crain as Director

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **Ordinary Resolution**:

"That Mr Mark Crain, a Director who retires by rotation in accordance with the Company's Constitution and ASX Listing Rule 14.4, and being eligible offers himself for re-election as a Director of the Company, effective immediately."

3. Resolution 3 – Re-election of Mr Cameron McCullagh as Director

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **Ordinary Resolution**:

"That Mr Cameron McCullagh, a Director who retires by rotation in accordance with the Company's Constitution and ASX Listing Rule 14.5, and being eligible offers himself for re-election as a Director of the Company, effective immediately."

Giving of Financial Assistance

4. Resolution 4 – Giving of Financial Assistance

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **Special Resolution**:

"That, for the purposes of section 260B(2) of the Corporations Act and for all other purposes, the Company, in general meeting approves the giving of financial assistance by the Company to KLN Finance Pty Ltd (ACN 620 703 219) (KLNPL), an associate of Mr Nittin Gopaul, who operates independently but engages the aggregation services of Linx Group Holdings Pty Ltd (ACN 613 645 284) (Linx), a controlled subsidiary of the Company, to assist with the acquisition by KLNPL of 1.032% of the issued shares in the capital of Linx (Acquisition), and all elements of that transaction and any other transactions which may constitute financial assistance by the Company for the purposes of section 260A of the Corporations Act in connection with the Acquisition, in the manner and on the terms set out in the Explanatory Statement accompanying the Notice."

BY ORDER OF THE BOARD



David Franks

Company Secretary

17 October 2023

Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held as a hybrid meeting at 4:00PM AEDT on Monday, 27 November 2023 at the Automic Group Offices, Level 5, 126 Phillip Street, Sydney, NSW 2000 and as a **virtual meeting (Meeting)**.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the Annual General Meeting are set out below.

Agenda

Ordinary business

Financial statements and reports

In accordance with the Constitution and the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2023 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

In accordance with the amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company's Annual Financial Report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's Annual Financial Report unless specifically requested to do so, Shareholders may view the Company Annual Financial Report on its website at <https://cogfs.com.au/annual-report/>.

No resolution is required for this item, but Shareholders will be given the opportunity to ask questions and to make comments on the management and performance of the Company.

The Company's auditor will be present at the Meeting. During the discussion of this item, the auditor will be available to answer questions on the:

- Conduct of the audit;
- Preparation and content of the Auditor's Report;
- Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- Independence of the auditor in relation to the conduct of the audit.

Written questions of the auditor

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report of the Company's auditor, please send your question to the Company Secretary. A list of qualifying questions will be made available at the Meeting.

Please note that all written questions must be received at least five business days before the Meeting, which is by 4:00PM AEDT on Monday, 20 November 2023.

Resolutions

Remuneration Report

Resolution 1 – Adoption of Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company's Annual Financial Report.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Financial Report and is also available on the Company's website at <https://cogfs.com.au/annual-report/>.

However, if at least 25% of the votes cast are against the adoption of the Remuneration Report at the Meeting (subject of this Notice of Meeting), and then again at the 2024 Annual General Meeting (**2024 AGM**), the Company will be required to put to the vote a resolution (**Spill Resolution**) at the 2023 AGM to approve the calling of a further meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the 2024 AGM. All of the Directors who were in office when the 2024 Directors' Report was approved, other than the Managing Director (if applicable), will (if desired) need to stand for re-election at the Spill Meeting.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to KMPs (including Directors) and sets out remuneration details, service agreements and the details of any share-based compensation.

Voting

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters must not vote on this Resolution and must not cast a vote as proxy, unless the appointment gives a direction on how to vote, or the proxy is given to the Chair and you submit the Proxy Form, authorising the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP and that in doing so you will be taken to have directed the Chair to vote in accordance with the Chair's stated intention to vote in favour of Resolution 1.

Shareholders are urged to read carefully the Proxy Form and to provide a direction to the proxy on how to vote on this Resolution.

Directors' recommendation

The Directors have not made a recommend for this Resolution.

The Chair intends to vote in favour of this resolution.

Re-election of Directors

Resolution 2 – Re-election of Mr Mark Crain as Director

Rule 6.7(b) of the Company's Constitution requires that at every general meeting, one third of the Directors, or if their number is not a multiple of 3 then the number nearest to one third (rounded up to the nearest whole number) must retire from office and be eligible for re-election. Rule 6.7(d) of the Company's Constitution provides that a director must not hold office without re-election past the third annual general meeting following the Director's appointment, or three years, whichever is the longer.

ASX Listing Rule 14.4 also provides that each Director must not hold office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever

is longer.

Mr Mark Crain was appointed a Director of the Company on 15 November 2019 and was last re-elected as a Director at the 2020 AGM and therefore is due for re-election in 2023.

Under this Resolution, Mr Crain has elected to retire by rotation, and being eligible, seeks re-election as a Director of the Company at this AGM.

Experience and Expertise

Mark has over 20 years' experience in banking and finance, with the last 15 years specialising in commercial asset finance. After completing his International Business degree, Mark held roles at NAB and Mercedes-Benz Finance. In 2008, Mark joined QPF (now a 57% owned finance broking business of COG) and has since developed a strong client base and established a number of broker partnership models with national vendors and financiers. Mark has been heavily involved in various acquisitions since QPF joined COG in 2016 and is an Executive director.

Directors' recommendation

The Directors (excluding Mr Crain) recommend that Shareholders vote for this Resolution.

The Chair intends to vote in favour of this resolution.

Resolution 3 – Re-election of Mr Cameron McCullagh as Director

Rule 6.7(b) of the Company's Constitution requires that at every general meeting, one third of the Directors, or if their number is not a multiple of 3 then the number nearest to one third (rounded up to the nearest whole number) must retire from office and be eligible for re-election. Rule 6.7(d) of the Company's Constitution provides that a director must not hold office without re-election past the third annual general meeting following the Director's appointment, or three years, whichever is the longer.

ASX Listing Rule 14.5 also provides that an entity which has Directors must hold an election of Directors at each annual general meeting.

Mr Cameron McCullagh was appointed a Director of the Company on 5 October 2015 and was last re-elected as a Director at the 2021 AGM.

Under this Resolution, Mr McCullagh has voluntarily elected to retire by rotation, and being eligible, seeks re-election as a Director of the Company at this AGM.

Experience and Expertise

Mr McCullagh has over 40 years' experience in the finance sector, having trained as a Chartered Accountant at KPMG. Mr McCullagh was a partner at Moore Stephens Sydney and founded and grew White Outsourcing to an entity with back office administration of over \$30 billion. Mr McCullagh was CEO of Employers Mutual until 2010, having grown it from \$30 million of annual premium under management to over \$1 billion. As COO, Mr McCullagh took operational responsibility for the successful listing on the ASX of the insurance broking accumulator Steadfast Group. Mr McCullagh is Chairman of AS White Global Pty Limited, which has over 1,000 employees in Australia and Asia providing offshore teams to Australian businesses.

Mr McCullagh is not considered by the Board to be independent, being a substantial shareholder in the Company.

Directors' recommendation

The Directors (excluding Mr McCullagh) recommend that Shareholders vote for this Resolution.

The Chair intends to vote in favour of this resolution.

Giving of Financial Assistance

Resolution 4 – Giving of Financial Assistance

Background and details of Proposed Financial Assistance

Mr Nittin Gopaul (**NG**), finance broker who operates independently but engages the aggregation services of Linx Group Holdings Pty Ltd (ACN 613 645 284) (**Linx**) is the sole shareholder of KLN Finance Pty Ltd (ACN 620 703 219) (**KLNPL** or **Purchaser**). KLNPL is an existing shareholder of Linx and is seeking to acquire a further 1.032% (or 313,373 fully paid ordinary shares) of the issued shares in Linx (**Acquisition**). Linx is a controlled subsidiary of the Company.

The Acquisition will be through an acquisition of shares in the capital of Linx, purchased from an exiting shareholder in Linx. As at the date of this Notice of Meeting the Company owns 59.794% of Linx.

The Acquisition will be financed through a loan from the Westpac Banking Corporation Limited to Linx, guaranteed by the Company, in the amount of \$600,000. This amount will then be onlent by Linx to KLNPL through a formal loan agreement and personally guaranteed by NG.

Linx is, or will be, party to the following agreements, with the noted material terms:

Non-Binding offer for shareholding in Linx Group Holdings Pty Ltd between Linx and KLNPL (**Buyer**):

- (i) Exiting shareholder of Linx agrees to sell to KLNPL 313,373 ordinary shares (**Linx Shares**) for \$605,324 (**Sale of Securities**);
- (ii) Effective date of sale is 1 October 2023 but with completion of the Sale of Securities dependent on the passing of this COG shareholder resolution; and
- (iii) Sale of Securities to be provided through a Commercial Loan facility between Linx and KLNPL in the amount of \$605,324, with \$0 deposit, interest in arrears at the same rate as the Westpac loan, debt reduction over 24 months with ability to make discretionary repayments and personal guarantee to be provided by NG.

The Company and Linx are, or will be, party to the following agreements, with the noted material terms:

Bank Bill Business Loan between Westpac Banking Corporation Limited (**Lender**) and Linx (**Borrower**):

- (i) the Lender agrees to advance monies, in the amount of \$600,000, to the Borrower, who will provide a Commercial Loan facility to KLNPL to acquire Linx Shares pursuant to the Sale of Securities (**Loan Facility**);
- (ii) repayments on the outstanding loan will be made monthly, in the amount of \$26,641 per month;
- (iii) interest will accrue on the outstanding loan at a rate of 1.69% margin above BBSY, and a line fee of 1.00% per annum;
- (iv) loan service fees of \$40 per month and establishment and registration fee of \$1,215; and
- (v) the term of the Loan Facility is capped at 2 years.

General Security Agreement by Borrower and Guarantee & Indemnity given by Borrower and the Company (**Guarantors**):

- (i) the Borrower grants a security interest in favour of the Borrower, to be registered on the PPSR;

- (ii) the Borrower gives a Guarantee & Indemnity limited to the amount of \$241,260;
- (iii) the Company gives a Guarantee & Indemnity limited to the amount of \$358,740;
- (iv) includes standard terms for borrower guarantor undertakings, representations and warranties.

together the **Acquisition Documentation**.

The Acquisition Documentation is presently being negotiated and finalised. The indicative terms of the Acquisition Documentation are outlined above.

The Directors consider that the terms of the Acquisition Documentation, including in relation to interest charges, events of default, undertakings, representations and warranties, are customary for a facility of this nature.

The Sale of Securities in Linx to KLNPL and the granting of the Loan Facility by the Borrower to Lender including security may constitute the Borrower giving “financial assistance” in connection with the Acquisition within the meaning of section 260A of the Corporations Act insofar as doing so assists KLNPL to purchase shares in Linx, a controlled subsidiary of the Company.

Accordingly, Shareholders are being asked under Resolution 4 to approve the giving of the financial assistance by Linx together with the assistance to be given by the Company for the purposes of section 260B(2) of the Corporations Act in order for the Sale of Securities to KLNPL to take place.

The requirements for obtaining member approval under section 260B of the Corporations Act

Under section 260A of the Corporations Act, a company may financially assist a person to acquire shares in the company or its holding company only in certain circumstances, one of which is if the assistance is approved by shareholder(s) under section 260B of the Corporations Act at a general meeting of the company.

While the Corporations Act does not define what is meant by “financially assist”, it is generally accepted that the Loan Facility including the security to be provided by Linx and the Company may fall within the broad scope of that term insofar as it assists KLNPL to purchase shares in Linx, a controlled subsidiary of the Company.

The relevant requirements for shareholder approval under section 260B of the Corporations Act are:

- (a) The assistance must be approved by shareholders of the company (in this case Linx) by:
 - a. a Special Resolution passed at a general meeting of the Company with no votes being cast in favour of the resolution by the person acquiring the shares or by their associates; or
 - b. a resolution agreed to, at a general meeting of the Company, by all ordinary shareholders.
- (b) If the company (Linx) will be a subsidiary of a listed domestic corporation immediately after the acquisition that is being financially assisted occurs, the financial assistance must also be approved by a special resolution passed at a general meeting of that corporation (that is, by the Company).
- (c) The Corporations Act requires that the Company must include with the notice of meeting a statement setting out all the information known to the Company that is material to the decision on how to vote on the resolution, unless it would be unreasonable to require the Company to do so because the Company has previously disclosed the information to its shareholders. The information has been included in section titled “*Giving of Financial Assistance*” of this Explanatory Statement by the Company to satisfy this requirement.

Reasons for Proposed Financial Assistance

The strategic rationale and reasons why Linx is providing the Loan Facility and the Company is providing the supporting guarantee is to provide an incentive package to NG and his associated company, NG being a key financial broker within the Linx group. Such incentive aligns NG to seek long term capital appreciation and dividend income for Linx, a subsidiary entity of the Company.

Advantages

- (a) As a member of the group of companies of which the Company is the ultimate holding company, Linx will continue to have the benefit of access to the skills and insurance broker expertise of NG who will be further incentivised to grow the business of Linx.
- (b) NG, in his role as a key finance broker within the Linx business who operates independently but engages the aggregation services of Linx through his ownership of KLNPL, will be more strongly aligned to the Company's remaining and controlling shareholding in Linx on a long term basis. Such incentive better aligns NG to seek long term capital appreciation and dividend income for all shareholders through growth in the insurance broker sector for the benefit of all shareholders of Linx and hence for the benefit of the shareholders of the Company.

Disadvantages

- (a) As the Company will continue to be the ultimate holding company of Linx, the Directors of the Company do not believe there are any material disadvantages to the Company approving the giving of financial assistance by Linx and entry into the supporting guarantee.

In the unlikely event the expected growth and expansion of the insurance broker business conducted by Linx does not occur through the services of NG, the Shares – being the primary security of the Loan Facility – may lose their value and, in case of default by KLNPL of the Commercial Loan facility, Linx will need to enforce its rights against the NG as guarantor without other specific security. The Directors accordingly believe, after careful consideration of all relevant factors and in the context of the positive benefits of the acquisition by KLNPL of the Linx Shares that the provision of financial assistance by Linx and the guarantee by the Company as referred to in this Explanatory Statement is in the best interests of and of commercial benefit to the Company.

Special Resolution

Under the provisions of section 260B(2) of the Corporations Act, the proposed financial assistance requires shareholder approval by way of Special Resolution. That is, at least 75% of the votes cast by Shareholders entitled to vote on the Resolution must be in favour of the Resolution for it to be passed.

Notice to ASIC

Copies of the Notice and this Explanatory Statement were lodged with ASIC before being sent to Shareholders in accordance with section 260B(5) of the Corporations Act.

Disclosure of information

The Directors consider that this Explanatory Statement contains all material information known to the Company that could reasonably be required by Shareholders in deciding whether to approve Resolution 4, other than information that it would be unreasonable to require the Company to disclose because the Company has previously disclosed the information to Shareholders.

Directors' recommendation

The Directors recommend that Shareholders vote for this Resolution.

The Chair intends to vote in favour of this resolution.

Enquiries

Shareholders are asked to contact the Company Secretary, Mr David Franks, on +612 8072 1400 if they have any queries in respect of the matters set out in these documents.

Glossary

AEDT means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

Annual Financial Report means the 2023 Annual Report to Shareholders for the period ended 30 June 2022 as lodged by the Company with ASX on 25 August 2023.

Annual General Meeting or **AGM** or **Meeting** means an Annual General Meeting of the Company and, unless otherwise indicated, means the meeting of the Company's members convened by this Notice of Meeting.

ASIC means Australian Securities and Investment Commission.

Associate has the meaning given to it by the ASX Listing Rules.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

ASX Listing Rules or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Auditor's Report means the auditor's report of BDO Audit Pty Ltd dated 25 August 2023 as included in the Annual Financial Report.

Board means the current board of Directors of the Company.

Business Day means a day on which trading takes place on the stock market of ASX.

Chair means the person chairing the Meeting.

Closely Related Party of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporation Regulations 2001* (Cth).

Company means COG Financial Services Limited ACN: 100 854 788.

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth) as amended or replaced from time to time.

Director means a current director of the Company.

Directors' Report means the report of Directors as included in the Annual Financial Report.

Dollar or **"\$"** means Australian dollars.

Explanatory Statement means the explanatory statement accompanying this Notice of Meeting.

KMP means key management personnel (including the Directors) whose remuneration details are included in the Remuneration Report.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting dated 17 October 2023 including the Explanatory Statement.

Option means an option which, subject to its terms, could be exercised into a Share.

Ordinary Resolution means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Performance Right means a performance right which, subject to its terms, could convert to a Share.

Proxy Form means the proxy form attached to this Notice of Meeting.

Remuneration Report means the remuneration report as set out in the Annual Financial Report.

Resolutions means the resolutions set out in this Notice of Meeting, or any one of them, as the context requires.

Restricted Voter means a member of the Company's KMP and any Closely Related Parties of those members.

Securities mean Shares and/or Options (as the context requires).

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Share Registry means Automic Pty Ltd.

Special Resolution means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Spill Meeting means the meeting that will be convened within 90 days of the 2024 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2024 AGM.

Spill Resolution means the resolution required to be put to Shareholders at the 2024 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2024 AGM.

Trading Day has the meaning given to that term in ASX Listing Rule 19.12.

VWAP means the volume weighted average market (closing) price, with respects to the price of Shares.

Proxy Voting Form

If you are attending the virtual Meeting please retain this Proxy Voting Form for online Securityholder registration.

Your proxy voting instruction must be received by **04.00pm (AEDT) on Saturday, 25 November 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

<https://automicgroup.com.au/>

PHONE:

1300 288 664 (Within Australia)
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