



27 November 2023

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

## 2023 AGM CEO Presentation

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

- CEO Presentation, by Mr Andrew Bennett.

*Announcement authorised by: Andrew Bennett, Chief Executive Officer*

For further information please contact:

Andrew Bennett  
Chief Executive Officer  
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### Who we are:

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

1. Finance Broking & Aggregation: 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, novated leasing, and through equity investment in brokers.
2. Funds Management and Lending: Through broker distribution, COG provides equipment finance to SMEs, and real property loans via its subsidiary Westlawn Finance Limited. Growth in Funds Management is a key focus, and through its subsidiary Westlawn, COG has approximately \$750m currently under management, including mortgage-backed lending arrangements.

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



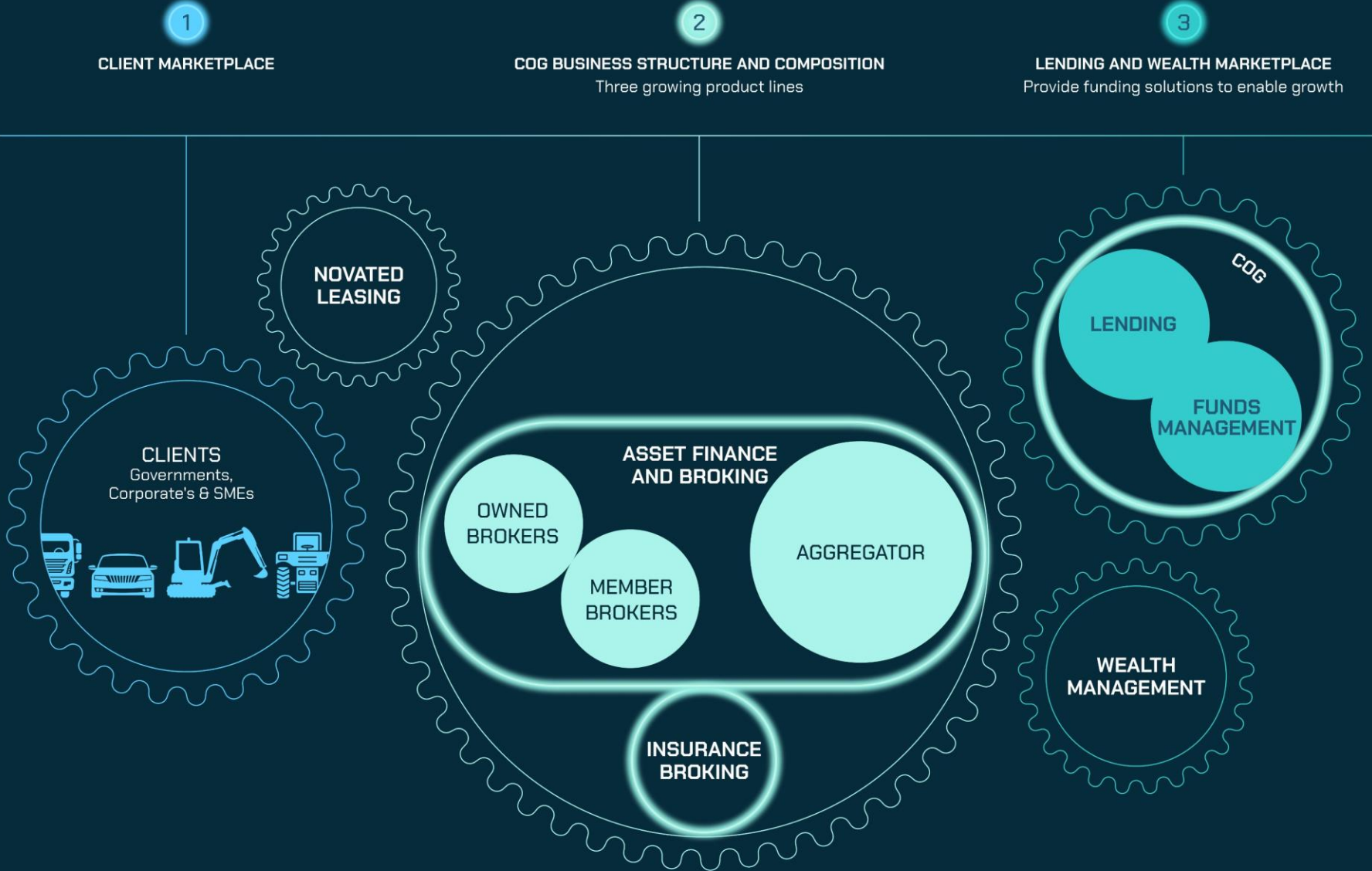
Financial Services Limited

**AGM**

27 November 2023

**Andrew Bennett**  
Group Chief Executive Officer

# COG's business ecosystem



**\$7.7BN**  
of assets financed in FY23

**21%**  
of all asset finance  
transactions in Australia

# Strategy – COG is an aggregator of small businesses in linked financial services segments, where we can grow earnings:



Providing capital to businesses to maximize medium term potential



Applying management expertise, standardized IT back office and accounting systems, providing management capacity to focus on growing their businesses



Aligning of interest with “skin in the game” model to ensure long term profitable growth, with certainty of eventual exit which provides confidence to invest and grow

COG’s capital light model will allow for further future organic growth. With close relationships with governments, large corporates and SMS’s allowing COG to distribute its novated leasing, equipment finance, property lending and insurance broking products.

All businesses acquired by COG have increased earnings organically since acquisition. The business model works.

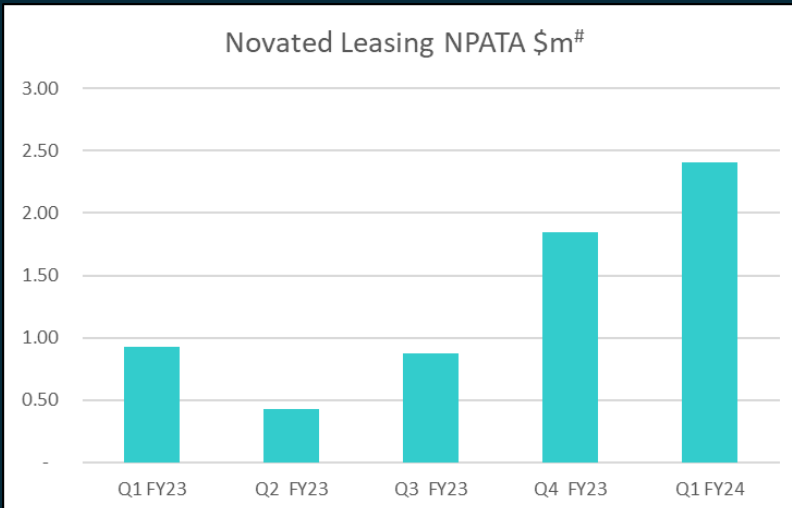
# Novated Leasing and Salary Packaging have momentum

- In April 2023 via its novated leasing subsidiary business, FleetNetwork, COG acquired Paywise, a salary packaging business.
- COG simultaneously divested an 18% interest in the consolidated FleetNetwork business (which includes Paywise) to the EML Group.
- The rationale was to allow COG to expand its existing novated lease offering, to salary packaging, while simultaneously partnering with an established organisation that has been engaged for many decades in the provision of services to employers and their staff.
- Since acquisition, Paywise continues to show strong growth and several of the synergy opportunities expected at the time of acquisition, have been overachieved.

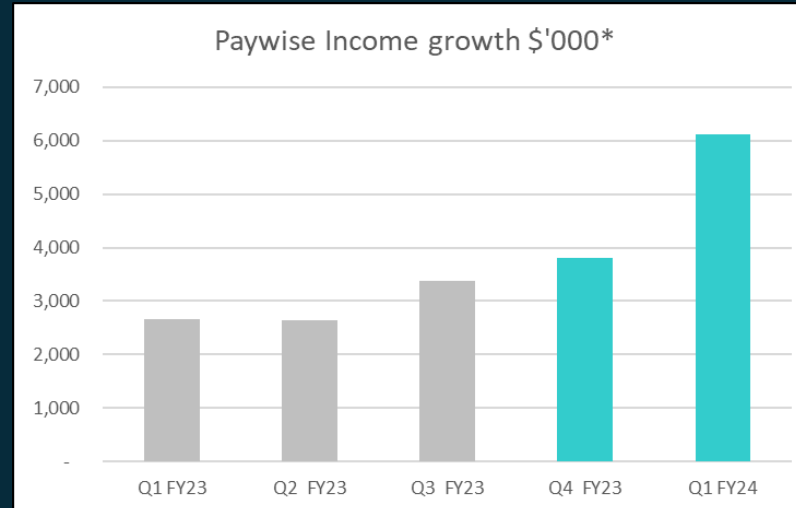


# Novated Leasing and Salary Packaging have significant momentum

### NPATA



### Paywise



### Operationally

Activity	Q1 FY 24 '000	Q1 FY 23 '000	Growth %
Web / Digital leads	3.6	2.5	44
EV leads	1.1	0.1	696
ICE leads	5.2	3.3	60
Total leads	6.3	3.4	86
Quotes	3.0	2.0	50
EV Settlements	0.3	0.03	1000
ICE Settlements	0.7	0.62	15
Total Settlements	1.0	0.65	52
Yield \$'s	5.2	4.5	16
Open leads	2.1	1.4	50

# Effective 1 July 2023, the Novated Leasing business is reported as a separate business segment. It is inclusive of the recently acquired novated lease business Paywise as well as Fleet Network and Be Car Wise. Previously Novated Leasing was reported within Financing Broking and Aggregation.

\* The chart reflects 100% of Paywise Income. COG only acquired Paywise in April 2023. Prior to the acquisition COG had no interest in Paywise.

# Salary Packaging – a worked example

Employer FBT status	Full Fbt Payable	FBT Method	Statutory
Payroll cycle	Fortnightly	FBT Rate	20.00%
Description:	Not Packaging:	Packaging using FBT Method:	
<b>Annual Salary</b>	<b>\$100,000.00</b>	<b>\$100,000.00</b>	
Less motor vehicle	\$0.00	\$30,481.92	
Less FBT	\$0.00	\$0.00	
Less GST on employee contribution	\$0.00	\$0.00	
Less luxury car charge	\$0.00	\$987.25	
Add input tax credits	\$0.00	\$2,771.16	
<b>Taxable Salary</b>	<b>\$100,000.00</b>	<b>\$71,301.99</b>	
Tax (inc. medicare)	\$24,967.00	\$15,066.19	
Net salary pre employee contribution	\$75,033.00	\$56,235.80	
Employee contribution (vehicle)	\$30,481.92	\$0.00	
<b>Net Cash Salary after ITC</b>	<b>\$44,551.08</b>	<b>\$56,235.80</b>	
<b>Fortnightly all inclusive costs of salary packaging with GST input tax credits</b>		<b>\$1,103.77</b>	
<b>Fortnightly reduction in take home pay after tax with salary packaging</b>		<b>\$722.97</b>	
<b>Net Packaging Benefit per year*</b>		<b>\$11,684.72</b>	

- The above comparative analysis shows the net benefit gained per annum by acquiring the vehicle with a novated lease agreement versus a private finance agreement assuming the monthly repayments and running costs are the same in both scenarios.
- TESLA MODEL Y REAR-WHEEL DRIVE MY23 5D WAGON ELECTRIC, 2 years.

# Looking Forward - FY 24

- COG will continue to remain active in the identification of strategic acquisitions (at the right price) to add to the underlying businesses organic growth trajectory.
- Good levels of activity continue across all areas of the business with the strength of Novated Leasing and Funds Management particularly pleasing.
- Despite higher market interest rates, liquidity remains available with banks and nonbanks continuing to lend, securitisation markets remain strong.
- COG is continuing to invest in key operational areas of its business particularly in functional improvements within the broker aggregation space and on cyber security, data protection and our operating system footprint.

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Words such as 'anticipates', 'expects', 'intends', 'plans', 'believes', 'seeks', 'estimates' and similar expressions are intended to identify forward-looking statements.

These statements are not guarantees, representations or warranties of future performance and are subject to known and unknown risks, uncertainties and other factors (some of which are beyond the control of COG), are difficult to predict, and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements.

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This Presentation should be read in conjunction with COG Appendix 4E and COG's 30 June 2023 Annual Financial Report, and all other ASX announcements by COG.