



23 February 2024

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

31 December 2023 H1 Results

COG Financial Services Limited (COG) is pleased to announce the release of its half year results for the six months ended 31 December 2023.

1HY24 Highlights

- NPATA attributable to shareholders of \$12.6m, up 14% on the previous year.
- Revenue up 45% to \$237.8m on the previous year.
- Novated Leasing EBITDA to shareholders up 186% on the previous year.
- EPSA of 6.61cps up 12% on the previous year.
- FY24 interim dividend (fully franked) declared of 4.0 cps, up 8% on the previous period.
- Net Assets Financed (NAF) of \$4.3b up 27% on the previous period.
- Growth in Assets under management to \$854.8m, up 22% on this time last year.
- Acquisition of 100% of United Financial Services Pty Ltd, United Financial Services Network Pty Ltd, United Financial Services (Qld) Pty Ltd (together 'UFS') and National Finance Choice Pty Ltd ('NFC'), effective 31 July 2023.
- Acquisition of a 20% equity interest in Centrepoint Alliance Limited (ASX: CAF), effective 30 November 2023.

FY24 Outlook

- The Group's strong balance sheet, with unrestricted cash of \$74.5m as at 31 December 2023, will enable the Company to achieve further earnings growth organically and through acquisition.
- Good levels of activity expected to continue across all areas of the business as evidenced by the continued growth in NAF in H1.
- The performance of the Group's Novated Leasing segment has been particularly pleasing. We expect significant ongoing organic growth while we invest in systems and people to enable us to continue to capture the opportunity in this space.
- Dividend policy of up to 70% of NPATA.

Commenting on the performance, COG CEO, Andrew Bennett, said:

"This is another pleasing result, being a 14% increase on PCP, reflecting our continued business momentum off the back of FY 23. We are particularly encouraged by the performance of our Novated Leasing segment which continues to grow organically while also benefiting from the acquisition of Paywise. Our Asset Management & Lending segment has experienced strong originations growth but has been adversely impacted by a temporary margin squeeze on historical originations, however we are confident of future growth in both volume and margin".

Announcement authorised by: Patrick Tuttle, Chair



For further information please contact:

Andrew Bennett
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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. Asset Management and Lending (AM&L”) formally known as 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.