



Tuesday 24 December 2019

Court Approves Convening of Scheme Meeting for merger with COG and dispatch of Scheme Booklet

CML Group Limited (ASX:CGR) ("CML" or the "Company") advises that the First Court Hearing for the Scheme of Arrangement ("Scheme with COG") for the merger with Consolidated Operations Group Ltd ("COG") resumed today in the Federal Court of Australia ("Court").

The Court has today made orders approving the despatch of the Scheme Booklet to CML shareholders in relation to the Scheme with COG. The Court has also ordered that a meeting of CML shareholders be convened to consider and vote on the Scheme with COG (Scheme Meeting).

Non-Binding Indicative Offer from Scottish Pacific

The Company announced on 19 December 2019 the receipt of a non-binding indicative and conditional offer from Scottish Pacific Group Limited ("Scottish Pacific").

The Company determined that this offer constituted a Superior Proposal for purposes of Scheme Implementation Agreement entered into with COG.

The Company has provided Scottish Pacific with due diligence materials to enable it to progress its proposal.

The Company continues to pursue the COG Scheme of Arrangement as it remains presently the best available transaction for shareholders. The CML Board continues its recommendation of the COG transaction in the absence of a superior proposal capable of acceptance by shareholders.

Scheme with COG

Following today's Court orders, the Scheme Meeting will be held on Wednesday, 5 February 2020, at Level 5, 126 Phillip Street, Sydney NSW 2000, commencing at 10:00am (AEDT).

The Scheme with COG is subject to the approval of CML's shareholders at the Scheme Meeting and the Court.

Also following today's Court orders, the Scheme Booklet for the Scheme with COG has been registered with the Australian Securities and Investments Commission ("ASIC").

A copy of the Scheme Booklet, which includes the notice of Scheme Meeting and the Independent Expert's Report, will be released to the market shortly and will be sent to CML shareholders on or about Thursday 2 January 2020.

Further Updates

CML will make further announcements about the Scheme with COG and the Indicative Scotpac Proposal as and when appropriate.

The Company intends to make an announcement regarding the status of the Indicative Scotpac Proposal prior to the Scheme Meeting.



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ABOUT CML GROUP

CML provides finance to SME businesses.

CML's primary service is 'factoring' or 'receivables finance'. Through the factoring facility CML provides an advance payment of up to 80% of a client's invoice to help their business overcome the cash pressure of delivering goods or services in advance of payment from their customers (often 30 to 60 days). This is a flexible line of credit that is utilised in line with sales volume. CML will consider an additional advance to a client (above the usual 80%) on occasion, for an additional fee and when there is adequate security from the client to cover the position.

Other services include trade finance to assist clients finance purchases, as well as equipment finance to assist SME's with capital expenditure on items required to operate their business.