

31 March 2020

## Update on Corporate Activity

CML Group Limited (ASX:CGR) (“**CML**” or the “Company”) announces that it has entered into a conditional Deed of Release with Consolidated Operations Group Limited (“**COG**”) today in relation to the Scheme Implementation Agreement (**SIA**) with COG dated 13 November 2019, under which both parties agree to release each other from all claims.

Pursuant to the Deed of Release, CML has sought the consent of the Takeovers Panel to withdraw its application (as referred to in ASX announcement of 11 March 2020). Furthermore, pursuant to the Deed of Release and as referred to in the COG announcement of today COG has undertaken to vote its shares in CML in favour of the current Scheme of Arrangement with Scottish Pacific Group Limited (“**Scottish Pacific**”).

### ***Voting Intentions***

As announced by CML on ASX on 2 March 2020, the major shareholder of CML, First Samuel Limited, has advised the Company that its intention is to vote in favour of the Scheme, in the absence of a Superior Proposal.

The CML Board intends to vote all the Shares held or controlled by them in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude the Scheme to be in the best interests of CML Shareholders.

First Samuel Limited, COG and the CML Board together account for approximately 45.69% of the CML Share Register, being:

<b>Shareholders</b>	<b>% of shareholding</b>
First Samuel Limited	18.12%
Consolidated Operations Group Limited	17.36%
CML Board	10.21%
<b>Total</b>	<b>45.69%</b>

### ***Updated indicative timetable***

CML is progressing the Scheme Booklet which will contain information relating to the Scheme with Scottish Pacific, including the reasons for the Directors’ recommendation and details of the Scheme Meeting. The Scheme Booklet will also include the Independent Expert’s Report.

Subject to ASIC registration, Court availability and Court Approval, the Scheme Booklet is expected to be sent to CML shareholders in April 2020.

Subject to timing of receipt of regulatory approvals, it is currently anticipated that CML shareholders will be given the opportunity to vote on the Scheme at a Scheme Meeting expected to be held in May 2020. An updated indicative timetable for the Scheme is set out below:

<b>Event</b>	<b>Indicative date</b>
First Court hearing	Tuesday, 14 April 2020
Dispatch of Scheme Booklet to CML shareholders	Friday, 17 April 2020
Scheme Meeting	Monday, 18 May 2020
Second Court hearing	Wednesday, 20 May 2020
Scheme Effective Date	Friday, 22 May 2020
Scheme Record Date	Wednesday, 27 May 2020
Scheme Implementation Date	Friday, 29 May 2020

## **Advisors**

CML is advised by financial advisers Henslow Pty Ltd and legal advisers Automic Legal Pty Ltd.

This announcement has been authorised by the Board of CML.

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## **ABOUT CML GROUP**

CML provides finance to SME businesses.

CML's primary service is receivables finance. Through the receivables finance 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



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## **ABOUT SCOTTISH PACIFIC**

Established in 1988, Scottish Pacific is a leading provider of SME finance solutions in Australia and New Zealand, offering a range of finance products to support small and medium sized businesses realise their growth aspirations.