



ASX Announcement and Media Release

6 May 2015

CML Group to undertake \$25m floating rate corporate note offering

CML Group Limited (ASX: CGR) (CML) is pleased to announce it will undertake a 6 year floating rate senior, secured corporate note offering to raise \$25 million.

The note offering will increase the funds available to grow the loan book in its Finance Division, earlypay. The net proceeds of the offering will be used to fund the acquisition of Cash Finance Australia Pty Ltd (CFA) and organic growth.

The Lead Arranger for the transaction is FIIG Securities Limited. The note offering is only open to eligible professional and sophisticated investors. No prospectus or other disclosure documents in relation to the note will be lodged with the Australian Securities and Investment Commission or any other regulatory authority.

CEO Daniel Riley said: "This senior secured note presents CML with an opportunity to substantially increase the size and performance of its finance division by providing funds to complete the acquisition of established invoice finance provider, CFA, with sufficient capacity to also fund approximately \$11m of organic growth in its loan book."

FIIG Securities CEO Mark Paton said the company was pleased to assist CML to diversify and lengthen the duration of its debt funding. "CML's note offering is another positive development for the expanding Australian note market for mid-sized corporates and non-bank financial intermediaries," Mr Paton said.

For full terms and conditions of the offering please refer to the Information Memorandum to be lodged with the ASX once the terms have been finalised. This Information Memorandum is not a prospectus or other disclosure document for the purposes of the Corporations Act 2001 and, as noted above, the offering is only open to eligible professional and sophisticated investors.

A summary of the key terms of the proposed note offering is set out below:

Issuer	CML Limited
Guarantors	CML Payroll Pty Ltd Zenith Management Services Group Pty Ltd Lester Australia Ltd The Lester Partnership Pty Ltd Lester Payroll Services Pty Ltd Lester Associates Good Migration Pty Ltd Lester Associates Business Services Pty Ltd LesterPlus Pty Ltd Cash Finance Australia Pty Ltd – post acquisition
Eligible investors	The offering is only available to investors who qualify as professional and sophisticated investors as prescribed in and in accordance with

	Part 6D.2 of the Corporations Act 2001
Type	Floating Rate Medium Term Notes (the Note)
Status and ranking	The Note will be direct senior, secured obligations of the Issuer
Denominations	The Note will be issued in denominations of A\$1,000, subject to a minimum initial subscription of A\$50,000
Indicative coupon	5.40% per annum over 30 day Bank Bill Swap Rate (BBSW), payable monthly in arrears to May 2020 then steps up to 7.00% until May 2021.
Indicative term	6 years
Rating	The Note will not be rated by any rating agency
Negative pledge and other covenants	The Note will include a negative pledge and certain covenants, including Issuer and Group financial indebtedness incurrence covenants and limits on the quantum of cash distributions.

Lead Arranger: FIIG Securities Limited

Telephone: 1800 010182

Website: www.fiig.com.au

- Ends -

About CML Group Ltd

The Company delivers finance, payroll & employment solutions, enabling its clients to focus on and succeed in their core activities.

The Finance division undertakes 'factoring' or 'receivables finance'. Through the factoring facility the Company 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 customer (often 30 to 60 days). This is a flexible line of credit that is utilised in line with sales volume. The Company 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.

The Payroll & Employment division provides 'managed employment' services to clients that do not wish to engage their workforce directly, generally as they do not have the processes, systems, insurances or desire to employ directly. This division also includes labour sourcing through recruitment agency panel management, project management and a migration practice.

About FIIG Securities

FIIG Securities Limited, which is licensed by the Australian Securities and Investment Commission (ASIC), is Australia's largest specialist fixed-income broker. FIIG offers private investors access to Australia's widest range of domestic and international corporate bonds through its ground-breaking DirectBonds service. FIIG has more than \$11 billion in term deposits and corporate bonds under advice in its short-term money market and custody business. The company has offices in Sydney, Melbourne, Brisbane and Perth