



## ASX ANNOUNCEMENT – CML GROUP LIMITED

8 March 2016

### CML GROUP LIMITED ANNOUNCES FURTHER SENIOR CORPORATE NOTE OFFERING

CML Group Limited (ASX:CGR) (**CML**) is pleased to announce that it is launching a senior secured note offering to raise a minimum of \$20 million and will be accepting oversubscriptions up to \$25m by 23 March 2016.

The note offering will increase the funds available to grow the loan book in its Finance Division. The net proceeds of the offering will be used to fund the acquisition of Cashflow Advantage Pty Ltd and organic growth. The acquisition of Cashflow Advantage was announced to the market by CML on 19 February 2016.

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

CEO Daniel Riley said: "This further senior secured note presents CML with an opportunity to substantially increase the size and performance of its finance division by providing funds for both organic growth and to complete the acquisition of Cashflow Advantage."

FIIG Securities CEO Mark Paton said the company was pleased to assist CML once again to further 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 (Cwlth) as, 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.

<b>Issuer</b>	CML Group Limited
<b>Guarantors</b>	CML Payroll Pty Ltd Zenith Management Services Group Pty Ltd Lester Australia Pty 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 Cashflow Finance Australia Pty Ltd Cashflow Advantage Pty Ltd - post acquisition.

<b>Eligible Investors</b>	The offering will only be available to investors who qualify as professional and sophisticated investors as prescribed in and in accordance with Part 6D.2 of the <i>Corporations Act 2001</i> .
<b>Type</b>	Fixed Rate Medium Term Notes (the <b>Notes</b> )
<b>Status and Ranking</b>	The Notes will be direct, senior, secured obligations of the Issuer
<b>Denominations</b>	The Note will be issued in denominations of A\$1,000, subject to a minimum initial subscription of A\$50,000
<b>Indicative Coupon</b>	The coupon is subject to a book build which will be conducted by the Sole Lead Arranger, FIIG, prior to 18 March 2016
<b>Indicative Term</b>	6 years
<b>Rating</b>	The Notes will not be rated by any rating agency
<b>Negative Pledge and other covenants</b>	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.

**For more information please contact:**

FIIG Securities Limited  
Lead Arranger  
Telephone: 1800 010 182  
Website: [www.fiig.com.au](http://www.fiig.com.au)

**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.