

CML Group Limited (ASX:CGR)

31 May 2016

Rights Issue Prospectus Dispatched

CML Group ("CML" or the "Company") advises that the Prospectus for the fully underwritten non-renounceable rights issue announced on 9 May 2015 ("Rights Issue") was dispatched to all eligible shareholders yesterday, together with personalised entitlement and acceptance forms.

The Rights Issue opened yesterday and closes 8 June 2016. For more information, please refer to the Prospectus as announced on 19 May 2016.

Faithfully,

Steve Shin CML Group Limited Company Secretary

ABOUT CML GROUP

CML provides cash flow and integrated business solutions, to help its clients focus on their core business.

CML's primary business 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 customer (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 are delivered via CML's Payroll & Employment divisions, which provide '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.