



## Classic Funding Group and Cashflow Finance, owned by CML will continue to operate independently supporting the SME community with funding solutions

The proposed acquisition by Scottish Pacific will not be proceeding

CML Group is a market-leading provider of debtor, equipment and trade finance to Australian SME's trading through the Cashflow Finance and Classic Funding Group brands. Over recent months CML Group (ASX:CGR) has been the subject of a takeover offer from Affinity-owned Scottish Pacific Group Limited (ScotPac) via a Scheme of Arrangement. Today we announced to the ASX that the proposed acquisition by ScotPac would not be proceeding.

The Scheme Implementation Deed, which set out the key terms of the arrangement has been terminated by mutual agreement, and the parties are released of their obligations.

Whilst CML Board and management are disappointed the transaction is not proceeding, Chairman Greg Riley said: "The agreement reached to terminate the transaction was made in the best interests of the company and shareholders and we are confident that CML has a strong future as an independent company."

Daniel Riley CML Group's CEO said, "Throughout this period of corporate activity we have maintained our strong focus on the ongoing performance of CML Group and its businesses, especially given the impact of COVID-19 on the economy.

CML provides robust forms of secured lending that assist businesses in all stages of their life cycle. CML continues to be in a position to support Australia's SME community and financial intermediaries with a competitive choice of funding options, at a time when many are struggling to secure appropriate capital funding due to the Covid-19 pandemic.

CML, through our trading divisions Cashflow Finance and Classic Funding Group, provide financial support to over 5,000 Australian small businesses and we are delighted to be able to continue to do so without disruption. Over the past few months, we have successfully partnered with our clients providing them with enhanced funding solutions to support them in navigating through the current challenging market conditions."

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