

CML Group

ASX ANNOUNCEMENT

CML Group Limited (ASX: CGR)

Upgrade to FY'17 Profit Guidance

CML Group is pleased to provide an upgrade to its earnings guidance for FY'17.

The Company expects FY'17 EBITDA to be in excess of \$12m, compared to previous guidance of \$10.6m and FY'16 EBITDA of \$5.3m. The FY'17 NPAT is expected to exceed \$3m which compares to FY'16 NPAT of \$1m.

The NPAT is before amortisation of intangible assets arising from completion of the purchase price allocation process on acquisitions completed in FY'16. This process will affect reported NPAT but not underlying earnings or cashflow.

Commenting about the revised guidance, CML Group CEO Daniel Riley said "The earnings upgrade for FY'17 is reflective of the successful integration of the businesses acquired in the second half of FY'16 and the resumption of organic growth in the loan book as management focus shifted from integration to top line growth initiatives."

Sincerely,



Daniel Riley
CEO

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ABOUT CML GROUP

CML provides finance to SME businesses.

Operating as Cashflow Finance, CML's primary service 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 include trade finance to assist clients finance purchases, as well as labour sourcing, project management and direct recruitment.

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