

21 July 2021

Company Announcements
Australian Securities Exchange

June Quarter Update (Financial Year 2021)

“CIW to report a material increase in Profit before amortisation and tax ”

The Board of CIW is pleased to advise shareholders that the company has traded strongly through June quarter and will report a **materially** higher Profit before Amortisation and tax for FY21 over FY20 (last year: \$1.34 million).

The result benefitted from solid growth in Funds Under Management and Advice (FUM&A), now \$5.1 billion, improved operating earnings, higher performance fees and solid balance sheet returns. The projected result is after the expensing of one-off costs.

The directors advise that the improved result is likely to allow for the declaration of an increased final fully franked dividend (last year 1 cent) following audit clearance.

As at 30 June 2021 CIW held over \$10.1 million of liquid capital, including its investment in the listed company Clime Capital Limited (ASX:CAM).

Funds Under Management and Advice as at 30 June exceeds \$5.1 billion

This is comprised of:

- Direct funds under management via IMAs, SMAs and other managed funds (\$1.18 billion);
- Funds under advice within the Madison network (\$3.9 billion); and
- Funds under administration on the WealthPortal platform.

The table below provides specific detail of FUM&A across the Clime Group and percentage change since March 2021.

FUNDS AND INSURANCE PREMIUMS UNDER MANAGEMENT AND ADVICE (Unaudited)	30 June 2021	31 Mar 2021	Change	% change
FUNDS UNDER MANAGEMENT				
Individually Managed Accounts (IMAs)	\$556 million	\$522 million	\$34 million	6.5%
Clime Capital Limited (Listed Investment Company)	\$163 million	\$150 million	\$13 million	8.7%
Managed Funds and mandates	\$362 million	\$330 million	\$32 million	9.7%
Separately Managed Accounts (SMAs)	\$98 million	\$93 million	\$5 million	5.4%
SUB- TOTAL FUNDS UNDER MANAGEMENT	\$1,179 million	\$1,095 million	\$84 million	7.7%
FUNDS AND INSURANCE PREMIUMS UNDER ADVICE				
Funds under administration – WealthPortal ¹	\$833 million	\$834 million	(\$1 million)	(0.1%)
Funds under advice	\$3,057 million	\$3,109 million	(\$52 million)	(1.7%)
Insurance Premiums Under Advice	\$45 million	\$46 million	(\$1 million)	(2.2%)
SUB-TOTAL FUNDS AND INSURANCE PREMIUMS UNDER ADVICE	\$3,935 million	\$3,989 million	(\$54 million)	(1.4%)
TOTAL FUM&A	\$5,114 million	\$5,084 million	\$30 million	0.6%

Investment Performance

The management of Clime's investment portfolios reflects our style of investing in quality stocks using strong valuation discipline. Our primary objective is to achieve strong returns for clients in excess of the relevant benchmark, for lower levels of risk. This allows growth in capital for clients during accumulation, and the generation of meaningful income during their retirement.

Clime investment portfolios outperformed their relevant benchmarks for the three year period ending 30 June 2021 are shown below:

Strategy	Investment type	3-year performance vs benchmark Since inception vs benchmark ²
Australian Equities		
Clime Smaller Companies Fund	Managed Fund Wholesale and Retail investors	Outperforming
Clime Growth	Individually Managed Account (IMA) Wholesale investors only	Outperforming

¹ WealthPortal Pty Ltd (WealthPortal) is a wholly owned subsidiary of CIW. WealthPortal is a 'white-label' of IRESS' investment platform providing asset management and reporting solutions for clients of Financial Advisers licensed by various AFSL holders including but not limited to Madison Financial Group Pty Ltd (Madison).

² Inception for these portfolios is less than three years.

Clime “High Conviction”	Individually Managed Account (IMA) Wholesale investors only	Outperforming ²
Australian Income		
Clime Australian Income Fund	Managed Fund Wholesale and Retail investors	Outperforming
Clime Australian Income	Individually Managed Account (IMA) Wholesale investors only	Outperforming
Clime Fixed Interest Fund	Managed Fund Wholesale investors only	Outperforming ²
Clime Balanced Ethical Income	Individually Managed Account (IMA) Wholesale investors only	Outperforming

The Board of CIW is also pleased to advise shareholders of several product milestones.

These include:

- Total return since April 2017 inception for the Clime Smaller Companies Fund (CSCF) exceeding 100%;
- CSCF has grown strongly and now exceeds \$90 million;
- CSCF is now available for investment on several leading investment platforms, enabling access to Australia’s advice community;
- The listed investment company, Clime Capital Limited (ASX:CAM) has a gross asset value above \$160 million and continues to provide its shareholders with quarterly dividends; and
- The excellent results of the Clime Income Fund (\$46 million), which generated a return of 13.3% in FY21.

While CIW benefitted from solid market conditions in the second half of FY21, the June quarter investment returns were well above benchmarks. These results are testament to the disciplined process and focus on quality companies of our highly experienced investment team led by Adrian Ezquerro.

We thank shareholders, investors, and advisers for their ongoing support of Clime.

Annick Donat
Chief Executive Officer

This document is approved by the Board of Directors of Clime Investment Management Limited for release to the ASX. For enquiries, please contact John Abernethy on 1300 788 568 or via email at info@clime.com.au.