

18 February 2022

Company Announcements
Australian Securities Exchange

CLIME CAPITAL LIMITED (ASX:CAM)

- **HALF YEAR PROFIT ANNOUNCEMENT**
- **MARCH QUARTER DIVIDEND 1.28 cents fully franked**
- **TOP TWENTY HOLDINGS**

The Board of CAM today announced a half year profit of \$16,702 after tax for CAM.

The March Quarter dividend was declared on 10 February at 1.28 cents fully franked.

CAM has previously advised of a significant tax payment (\$1.16 million) made in January created by substantial realised gains.

The tax payment and strong flow of franked dividend income gives the CAM Board confidence in maintaining the quarterly current dividend payments and providing shareholders with a dividend yield that is superior to the broader equity market.

As at the close of business on 17 February 2022, the CAM gross portfolio exceeded \$160 million in value.

Portfolio Update

Following the receipt of convertible note proceeds (net \$15 million) in early December and following a portfolio review noting the rising levels of inflation and likely significant lift in bond yields around the world, the Investment Manager actively adjusted the CAM portfolio over the last few months.

The key changes have been:

1. A reduction in weightings to mid cap emerging companies;
2. A increased weighting to large capitalisation companies with solid dividend yields; and
3. A weighting towards diversified resource companies including exposure to the gold sector.

The portfolio adjustments acknowledges the growing headwinds for small emerging companies that previously obtained higher PER ratings sustained by low interest rate settings. It also acknowledges the outlook for inflation and the flow on affects to commodity markets. In the Manager's view the portfolio is positioned to benefit from continuing world growth in this different market environment.

The portfolio maintains strong weightings to quality larger industrials with dividend paying history and clear growth potential.

Top twenty portfolio holdings

- BHP Billiton Limited (BHP)
- National Australia Bank (NAB)
- Westpac Banking Corporation (WBC)
- Australian New Zealand Banking Group (ANZ)
- Seven Group Limited (SVW)
- Coles Group Limited (COL)
- Macquarie Bank Limited (MQG)
- Resmed Inc CDIs (RMD)
- Regis Resources (RRL)
- Sonic Healthcare Limited (SHL)
- Woodside Petroleum Limited (WPL)
- James Hardie Limited (JHX)
- OZ Minerals Limited (OZL)
- Mineral Resources Limited (MIN)
- Worley Limited (WOR)
- RPM Global Holdings (RUL)
- Jumbo Interactive (JIN)
- Hansen Technologies Limited (HSN)
- Insurance Australia Group (IAG)
- Mach7 Limited (M7T)

Portfolio Structure

As at 17 February the portfolio weightings were:

- | | |
|---|-----|
| • Listed Australian Equities (35 positions) | 83% |
| • Unlisted property and trusts | 12% |
| • Cash holdings | 5% |

The CAM Board thanks shareholders for the continuing support and advises that a Portfolio presentation will be made by the Manager via Zoom in May.

This announcement has been authorised by the Board of Clime Capital Limited.

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