

22 April 2022

Company Announcements
Australian Securities Exchange

March Quarter Update (Financial Year 2022) – Group FUM&A \$5.4 billion

CIW strategic initiatives driving business growth for FY23

The Board of Clime Investment Management Limited (CIW or the Company) is pleased to advise shareholders that the Company has successfully moved forward on several key initiatives to support solid earnings growth during FY23.

As previously advised CIW has merged its Separately Managed Account (SMA) business with Ralton Asset Management Pty Limited. The combined group has \$311 million in SMA mandates and has been invited to tender for new mandate opportunities. The SMA solution combined with Managed Account services increases the Company's investment solutions provided to financial advisers and high net worth clients. As part of our growth strategy within the Managed Account sector, a suite of multi-asset portfolios was established on a leading platform due to adviser demand. Negotiations are underway to further expand our reach in retail and wholesale markets.

In March CIW entered into a strategic agreement with Torica Capital to provide licensing, administration and operating infrastructure services. The Torica team is highly regarded in the fixed income and credit management sectors and currently manages a portfolio of circa \$150 million. Torica is uniquely positioned to benefit from a rising interest rate environment and CIW is looking forward to supporting its growth.

Madison Financial Group (MFG) has completed a successful quarter in attracting new advisers, with a strong pipeline of new practices anticipated to join in the June quarter. This positions MFG for solid growth in FY23.

CIW is assessing several other opportunities which have the potential to enhance both our operating leverage and profitability. Shareholders can expect to see further growth initiatives brought to market in the coming months.

CIW group balance sheet

CIW retains over \$13 million of liquid capital after payment of the half year dividend.

The initiatives noted above have not drawn upon the CIW balance sheet and the company is well positioned to implement further strategic initiatives.

Funds Under Management and Advice (FUM&A) as at 31 March exceeds \$5.4 billion

This comprises of:

- Direct funds under management via IMAs, SMAs and managed funds of \$1.4 billion.
- Funds under advice within the Madison network of \$4.0 billion; and
- Funds under administration on the WealthPortal platform.

The following table provides specific detail of FUM&A across the CIW Group and changes since the December 2021 quarter.

FUNDS AND INSURANCE PREMIUMS UNDER MANAGEMENT AND ADVICE (Unaudited)	31 Mar 2022	31 Dec 2021	Change	% Change
FUNDS UNDER MANAGEMENT				
Individually Managed Accounts (IMAs)	\$567 million	\$588 million	(\$21 million)	(3.6%)
Clime Capital Limited (Listed Investment Company)	\$165 million	\$170 million	(\$5 million)	(2.9%)
Managed Funds and mandates	\$336 million	\$365 million	(\$29 million)	(7.9%)
Separately Managed Accounts (SMAs) ^{*1}	\$311 million	\$291 million	\$20 million	6.9%
TOTAL FUNDS UNDER MANAGEMENT	\$1,379 million	\$1,414 million	(\$35 million)	(2.4%)

FUNDS AND INSURANCE PREMIUMS UNDER ADVICE				
Funds under administration – WealthPortal ²	\$592 million	\$597 million	(\$5 million)	(0.8%)
Funds under Advice	\$3,386 million	\$3,358 million	\$28 million	0.8%
Insurance Premiums Under Advice	\$48 million	\$48 million	-	-
TOTAL FUNDS AND INSURANCE PREMIUMS UNDER ADVICE	\$4,026 million	\$4,003 million	\$23 million	0.6%
TOTAL FUM&A	\$5,405 million	\$5,417 million	(\$12 million)	(0.2%)

* During the quarter \$169 million (December: \$190 million) reclassified from Funds under Administration – WealthPortal to Separately Managed Accounts (SMAs).

Investment Management

In January 2022 Mr Will Riggall was appointed the Chief Investment Officer (CIO) of Clime Group. His appointment as CIO was a key benefit from the merging of Clime's SMA/MDA offer with the Ralton business. Will brings over 20 years of funds management experience to Clime Group.

During the quarter the Investment team, under Will's direction, has taken advantage of the market volatility to address the composition of all portfolios. This has resulted in changes to the asset selection and sector allocation. The benefits of these investment decisions have already resulted in strong performance of our equity portfolios in March through April.

During the quarter, CIW bought back 460,037 shares at an average price of \$0.58 per share. As at 31 March 2022, CIW had approximately \$13 million of liquid capital and retains a substantial investment in Clime Capital Limited (ASX:CAM). As at 21 April 2022 and based on the price of \$0.60 per share, CIW is capitalised at \$43 million.

In summary, these strategies and initiatives place the company in good stead to maximise the ongoing opportunities we have underway and have positioned the Group for solid growth in FY23.

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

This announcement is for approved by the Board of Directors of Clime Investment Management Limited for release to the ASX. For enquiries, please contact Annick Donat (CEO) on 1300 788 568 or via email at info@clime.com.au.

Annick Donat
Chief Executive Officer

¹ Includes Ralton Asset Management Pty Limited

² 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).