

19 May 2022

ASX Market Announcements ASX Limited Level 6, Exchange Centre 20 Bridge Street SYDNEY NSW 2000

## "CLIME INVESTMENT MANAGEMENT LIMITED ACQUIRES MTIS WEALTH MANAGEMENT"

- Clime Investment Management will complete the acquisition on 1 July 2022, with the \$7 million acquisition price paid in three stages
- MTIS principals, Pauline Hammer and Anna Garuccio, to stay on with the business postacquisition
- MTIS has ~\$380 million FUM and total gross annual revenue of ~\$3 million
- This acquisition follows Clime's recent acquisition of Ralton Asset Management Pty Ltd and the strategic alliance with Torica Funds Management

The Board of Clime Investment Management Limited (CIW) is pleased to advise that it has reached an agreement with the principals of MTIS Wealth Management Pty Limited and Investment Strategists Accounting Services Pty Limited (ISAS) ("MTIS") to purchase the operating assets of MTIS for \$7 million.

MTIS is a diversified wealth management, advisory and accounting/tax services business founded by Pauline Hammer and Anna Garuccio. MTIS has approximately \$380 million in funds under management and administration, with total gross annual revenue of approximately \$3 million.

Pauline and Anna are committed to staying with CIW/MTIS for the foreseeable future, and their experience and networks will be highly complementary to CIW.

MTIS, headquartered in Melbourne, has a well-established 25-year history of servicing more than 300 valued clients around Australia. MTIS and Clime Private Wealth offer similar and complementary services, and CIW will maximise synergies by merging the Melbourne offices. Madison Financial Group will provide administration support and AFS Licensing support.

CIW intends to complete the acquisition of the assets of MTIS on 1 July 2022. The agreed acquisition price is \$7 million, with a first payment on 1 July 2022 and two further payments (subject to agreed adjustments) over the next 2 years. CIW will be protected against a reduction in revenue (of more than an agreed amount) post-acquisition by agreed adjustments to the second and third payments. The acquisition will be funded from existing cash reserves.

Commenting on the transaction CIW CEO Annick Donat said "The acquisition of MTIS fits into Clime's strategy to create wealth for our clients, supported by high quality advice. Pauline, Anna and the team have an outstanding track record of assisting their clients to achieve their financial aspirations, which aligns with our company values. This transaction expands our Private Wealth presence in

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Melbourne's CBD and creates new market opportunities for the Group. We are delighted to have the MTIS team become part of the Clime family and look forward to a successful future together."

The MTIS transaction follows CIW's recent announcements of the acquisition of Ralton Asset Management Pty Ltd and the strategic alliance with Torica Funds Management. The platform for this growth and expansion was set by the merger of CIW with Madison Financial Group in June 2020.

Annick Donat CEO Clime Group

This document is approved by the Board of Directors of CIW for release to the ASX. For enquiries, please contact Annick Donat on 1300 788 568 or via email at <u>info@clime.com.au</u>.

## Disclaimer

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This announcement may contain forward-looking statements about the Company. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words. To the extent that this announcement contains forward-looking information, the forward-looking information is subject to a number of risk factors, including those generally associated with the industry in which the Company operates.

Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements or industry results to differ materially from any future results, performance or achievements, or industry results, expressed or implied by these forward-looking statements.

Forward-looking statements are based on management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company cannot give any assurance that the assumptions upon which management based its forward-looking statements will prove to be correct, or that the Company's business and operations will not be affected in any substantial manner by other factors not currently foreseeable by management or beyond its control.

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