

25 October 2022

Company Announcements
Australian Securities Exchange

Clime (ASX: CIW) September Quarter Update

- **Group FUM&A \$5.5 billion**
- **Strong equity portfolio returns outperforming benchmarks**
- **Ralton Asset Management appointed portfolio manager to the Marcus Today managed accounts**
- **Head of distribution appointed to drive the managed accounts growth opportunity**

The Board of Clime Investment Management Limited (CIW or the Company or the Group) is pleased to advise shareholders that following the Company's annual results announcement on 29th August 2022, Clime has completed the integration of MTIS Wealth Management Pty Limited and Investment Strategists Accounting Services Pty Limited (ISAS) ("MTIS").

The integration of MTIS into Clime Private Wealth (CPW) is progressing well, adding \$360 million into funds under advice during the quarter.

Strategic Alliance

The Board is also pleased to advise shareholders that effective 1 August 2022, Ralton Asset Management is now the portfolio manager for the Marcus Today SMA services managing both income and growth portfolios, which are available through the Marcus Today platform to self-directed investors.

We continue to develop new opportunities for our clients leveraging the fixed interest capabilities of the Torica team.

Funds Under Management and Advice (FUM&A) as at 30 September is in excess of \$5.5 billion

Over the September quarter, funds under management (FUM) and advice (FUA) increased by approximately 8.2% benefiting from acquisitions, new mandates and solid portfolio returns.

FUM/FUA comprises of:

- \$1.2 billion Direct funds under management via Independently Managed accounts (IMA), Separately Managed accounts (SMA), Managed accounts (MA) and managed funds;
- \$3.8 billion Funds under advice within the Madison network; and
- \$0.5 billion Funds under administration on the WealthPortal platform.

The following table provides specific detail of FUM&A across the CIW Group and changes since the June 2022 quarter:

FUNDS AND INSURANCE PREMIUMS UNDER MANAGEMENT AND ADVICE (Unaudited)	30 September 2022	30 June 2022	Change	% Change
FUNDS UNDER MANAGEMENT				
Individually Managed Accounts (IMAs)	\$507 million	\$508 million	(\$1 million)	(0.2%)
Clime Capital Limited (Listed Investment Company)	\$149 million	\$145 million	\$4 million	2.8%
Managed Funds and mandates	\$280 million	\$285 million	(\$5 million)	(1.7%)
Separately Managed Accounts (SMAs)	\$308 million	\$269 million	\$39 million	14.5%
TOTAL FUNDS UNDER MANAGEMENT	\$1,244 million	\$1,207 million	\$37 million	3.1%

FUNDS AND INSURANCE PREMIUMS UNDER ADVICE				
Funds under administration – WealthPortal ¹	\$522 million	\$527 million	(\$5 million)	(1.0%)
Funds under Advice	\$3,728 million	\$3,335 million	\$393 million	11.8%
Insurance Premiums Under Advice	\$50 million	\$53 million	(\$3 million)	(5.7%)
TOTAL FUNDS AND INSURANCE PREMIUMS UNDER ADVICE	\$4,300 million	\$3,915 million	\$385 million	9.8%
TOTAL FUM&A	\$5,544 million	\$5,122 million	\$422 million	8.2%

Investment Management

Clime's investment portfolios had a strong quarter of performance with all long only equity strategies outperforming their respective benchmarks.

In the June quarter, Clime commented on the work done by the team to reposition the portfolios, increasing the resilience of the businesses Clime invests in with a strong focus on valuation. Clime Capital led performance, delivering +4.63%* ahead of the ASX200 accumulated index of the quarter, delivering on our promise to invest in companies with strong and growing dividend streams. After a period of volatile returns, equity strategies accessible through managed funds and the groups IMA portfolios delivered solid returns ahead of market.

Within the managed accounts environment, the Ralton Australian equity portfolios continued their strong performance with the Ralton Concentrated Portfolio tracking +7.35%* ahead of the ASX300 Accumulated Index over the 2022 calendar year. Leveraging the 15 years of SMA and IMA experience within the Ralton business, the group continues to build out its suite of products with the ProActive set of multi asset portfolios launching on Netwealth. We will continue to meet client demand and expand the accessibility of our equity and multi asset strategies across additional platforms. Clime will continue to invest in the group's managed account capability with the objective to capitalise on the strong growth in SMA and IMA, evidenced by the group's recent addition of the management of the Marcus Today equity SMA's currently available on Praemium.

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 *Performance is gross of fees and taxes



Outlook and positioning for FY23

A growing industry demand for managed accounts, the private wealth acquisition of MTIS, the acquisition of 75% of Ralton, and the strategic alliances with Torica and Marcus Today positions the Group to provide high quality, diversified investment solutions across market segments.

During the September quarter, **Madison Financial Group (MFG)** has seen an uplift in adviser revenue growth, Funds under Advice and Insurance Inforce across the group. Clime is working through a strong pipeline of adviser practices interested in joining the group who value the services provided across the wider Clime Group.

With an expanding suite of products across platforms within both SMA and IMA structures, Clime has appointed **James Trude**, a highly experienced distribution professional, as the new Head of Distribution, to further bolster the Clime group investment sales and distribution team.

Continued outperformance of the equity benchmarks could see Clime earn performance fees in FY23.

Clime also welcomes a new highly experienced Financial Adviser **Nicholas Garth Curry** to our Clime Private Wealth team in Sydney. This new addition to our team will support our self-directed and wholesale investors with their private wealth requirements.

We thank shareholders, investors, and advisers for their ongoing support of Clime and look forward to seeing you at the Annual General Meeting on **17 November 2022**.

This announcement is approved by the Board of Directors of Clime Investment Management Limited for release to the ASX.

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