



Clime Capital Limited

14 June 2023

Company Announcements
Australian Securities Exchange

Net Tangible Asset Backing

Please find attached Net Tangible Assets report of Clime Capital Limited (ASX: CAM) as at the close of business on 31st May 2023.

For further information contact:

John Abernethy

Chairman
Clime Capital Limited

Phone : 1300 788 568

Email : info@clime.com.au

Clime Capital Limited

Level 12, 20 Hunter Street Sydney, NSW 2000, Australia | PO Box H90, Royal Exchange, NSW 1225
ABN 99 106 282 777 P 1300 788 568 W www.clime.com.au T @climeinvest

About *Clime Capital Limited*

Dividend yield growth

The last 12 month rolling dividend yield is growing. The last 4 dividends are Sep-22: 1.28 cents; Dec-22: 1.30 cents; March-23: 1.32 cents; June-23: 1.34 cents.

Fully franked dividends

CAM is paying fully franked dividends on a quarterly basis.

CAM yield vs Market yield (ASX200)

CAM is achieving dividend yields on NTA in excess of the market yield. Currently, the market yield is 4.45% (70% franked) whereas CAM is achieving dividend yields of approximately 6.4%.

Capital growth

CAM has grown its net tangible assets (NTA) from 77 cents to 84.0 cents over the fiscal year to date.

Net Tangible Assets (NTA)

2023	May ¹	April ²	March ²
NTA before tax	\$0.840	\$0.875	\$0.875
NTA after tax	\$0.835	\$0.865	\$0.865

¹ On 24 May 2022, the Board declared a fully franked dividend of 1.34 cents per share in respect of the Company's ordinary shares for the period 1 April 2023 to 30 June 2023, payable on 28 July 2023. NTA before and after tax disclosed above for May 2023 is before the effect of this dividend payment.

² On 23 February 2023, the Board declared a fully franked dividend of 1.32 cents per share in respect of the Company's ordinary shares for the period 1 January 2023 to 31 March 2023, and was paid on 28 April 2023. NTA before and after tax disclosed above for March 2023 is before the effect of this dividend payment and for April 2023 was after the effect of this dividend payment.

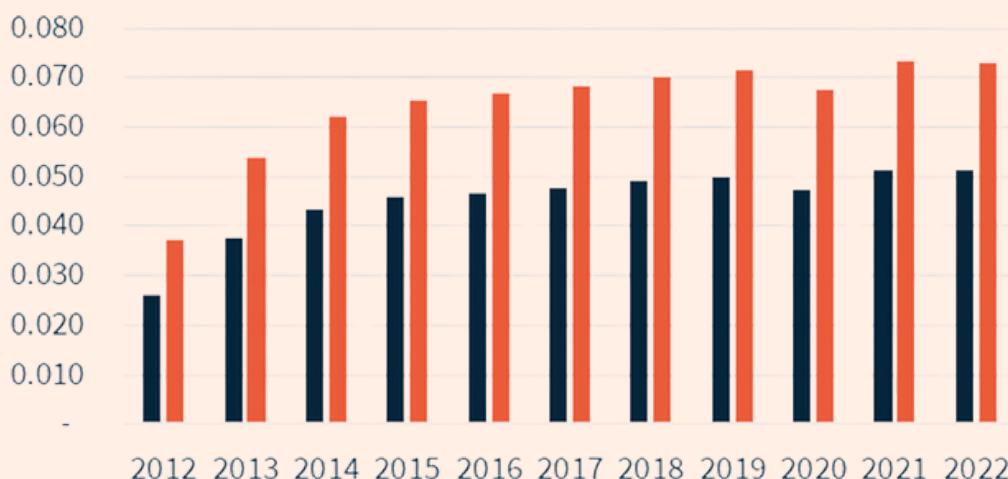
Performance

	1 month	3 months	6 months	1 year	2 years p.a.	5 years p.a.	10 years p.a.	ITD p.a.
Gross Return	-3.6%	-3.4%	-3.8%	3.5%	2.7%	6.3%	6.1%	10.5%
Benchmark Return	-2.6%	-1.1%	-0.7%	2.0%	3.4%	7.6%	8.3%	10.2%
Active Return (Gross)	-1.0%	-2.3%	-3.1%	1.5%	-0.7%	-1.2%	-2.2%	0.4%

History of fully franked dividends

Fully franked dividend

Dividend



Source: Clime Asset Management

Snapshot numbers

NTA before tax

\$0.840

as at 31 May 2023

NTA after tax

\$0.835

as at 31 May 2023

Cash Dividend**

5.24 cents

fully franked

Running Yield

6.4%

fully franked

Total Portfolio Including Cash

\$153.7m

Grossed up Running Yield - Pre Tax

9.1%

*CAMG are unsecured, convertible notes in CAM which, if redeemed, would need to be paid out at face value of \$1.
** Cash dividend includes: Sep-22: 1.28 cents; Dec-22: 1.30 cents; March-23: 1.32 cents; June-23: 1.34 cents

Top 10 Holdings

(in alphabetical order)

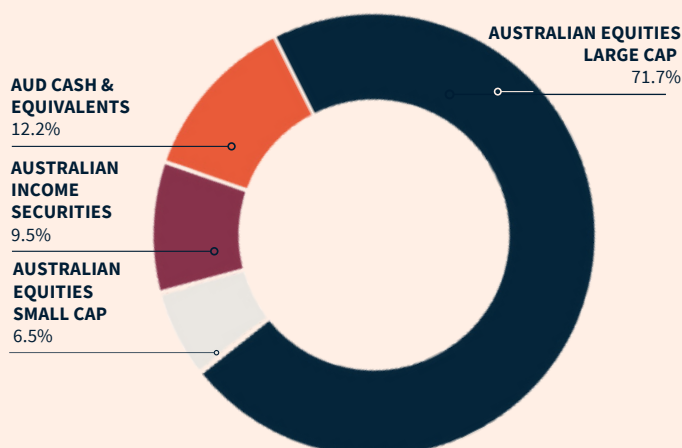
Company	ASX Code
Amcor	AMC
Australia & New Zealand Banking Group	ANZ
APA Group	APA
Aurizon Holdings	AZJ
BHP Billiton	BHP
Brickworks	BKW
Coles Group	COL
CSL	CSL
GPT Group Property Trust	GPT
Incitec Pivot	IPL



Portfolio Asset Allocation

Gross Asset Allocation

Assets	\$M
Australian Equities	120.1
Australian Income Securities	14.6
AUD Cash & Equivalents	19.0
Gross Portfolio Valuation	153.7
Convertible Notes (CAMG)*	-35.7
Net Tangible Assets Before Tax	118.0



Portfolio Commentary

Clime Capital continues to deliver on its core purpose of growing the value of the portfolio while also delivering a strong and growing income stream. The portfolio had a very strong calendar year during a period of heightened volatility as bond yields rose as inflation returned after decades of hibernation. This was achieved through a focus on investing in companies with sustainable business models, with an ability to generate cashflow's amid rising costs and a changing market backdrop.

Clime's long held investment process seeks to find companies with "quality" business models at a discount to our intrinsic view of value, a philosophy that has delivered on our core objectives outlined above through market cycles.

We see the return to growth at any price as representative of "FOMO" or fear of missing out and is often seen as certain themes run ahead of fundamentals, note technology's recent resurgence on the back of AI exuberance.

The current positioning of the portfolio is set to deliver a yield in excess of the index, with income and earnings set to grow at twice the pace of the broader market, pleasingly the blended valuation of invested companies remains at a discount to the index. We remain disciplined in reducing or exiting positions where our target return is reached, or we have seen a fundamental shift in the outlook for a company.

As such, the portfolios move to reduce our Worley (WOR) position and add Macquarie Limited (MQG) was triggered by strong performance for the former and value emerging in Macquarie Bank. Taking profits from our winners and reinvesting in great companies when value emerges is the corner stone of active investing, in doing so were able to add a high quality company at a lower value while retaining our exposure the green investment thematic which has driven a 40% return in Worley (WOR).

Your Portfolio Managers



Will Riggall
Chief Investment Officer



Ronni Chalmers
Portfolio Manager
All Cap Australian Equities



Invest in people, who invest in you.

Client Services 1300 788 568 | info@clime.com.au | climecapital.com.au

The information contained in this document is published by CAM's Investment Manager, Clime Asset Management Pty Limited ABN 72 098 420 770 AFSL 221146 (Clime).

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