



Clime Capital Limited

13 October 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 30th September 2023.

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Clime Capital Limited

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About *Clime Capital Limited*

Dividend yield growth

The last 12 month rolling dividend per share is growing. The last 4 dividends are Dec-22: 1.30 cents; March-23: 1.32 cents; June-23: 1.34 cents and Sep-23: 1.35 cents which represents a 5.5% rise over the year.

CAM yield vs Market yield (ASX200)

CAM is achieving a dividend yield on NTA in excess of the market yield. Currently, the market yield is 3.8% (70% franked) whereas CAM is trading at a dividend yield of approximately 6.5% (100% franked).

Fully franked dividends

CAM is paying fully franked dividends on a quarterly basis.

Capital growth

CAM has grown its pre tax net tangible assets (NTA) from 77 cents as at 30 June 2022 to the 30 September 2023 pre tax NTA of 82 cents.

Net Tangible Assets (NTA)

2023	September ²	August ²	July ¹
NTA before tax (CUM Dividend)	\$0.820	\$0.855	\$0.870
NTA after tax (CUM Dividend)	\$0.825	\$0.835	\$0.845

¹ On 24 May 2023, 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, and was paid on 28 July 2023. NTA before and after tax disclosed above for July 2023 was after the effect of this dividend payment.

² On 25 August 2023, the Board declared a fully franked dividend of 1.35 cents per share in respect of the Company's ordinary shares for the period 1 July 2023 to 31 September 2023, payable on 26 October 2023. NTA before and after tax disclosed above for August and September 2023 was before the effect of this dividend payment

Performance*

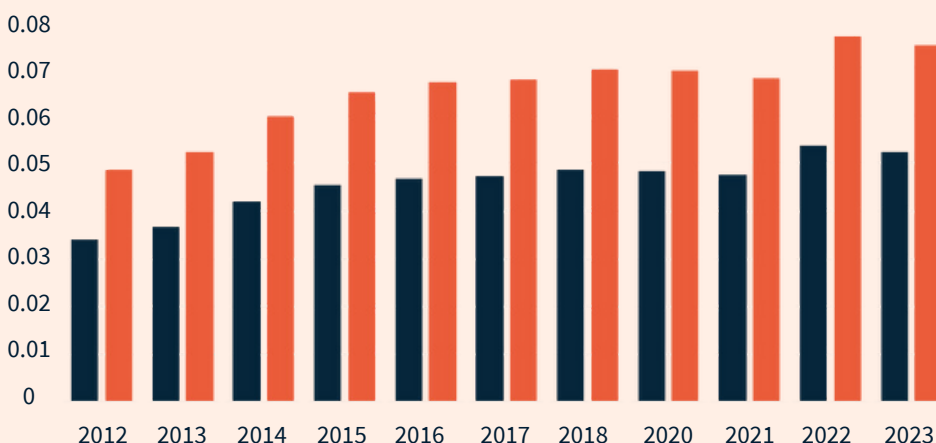
	1 month	3 months	6 months	1 year	2 years p.a.	5 years p.a.	10 years p.a.	ITD p.a.
Gross Return	-1.9%	0.1%	-0.3%	12.0%	1.2%	4.8%	5.7%	10.4%
Benchmark Return	-2.8%	-0.7%	0.3%	13.1%	1.7%	6.8%	7.6%	10.0%
Active Return (Gross)	0.9%	0.7%	-0.7%	-1.0%	-0.5%	-2.0%	-1.9%	0.4%

*All performance figures are based off NTA.

History of fully franked dividends

■ Fully franked dividend

■ Dividend



Source: Clime Asset Management

Snapshot numbers

NTA before tax

\$0.820

as at
31 Sept 2023

Cash Dividend**

5.24 cents
fully franked

Total Portfolio Including Cash

\$150.89m

NTA after tax

\$0.825

as at
31 Sept 2023

Running Yield

6.6%
fully franked

Grossed up Running Yield - Pre Tax

9.4%

*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)

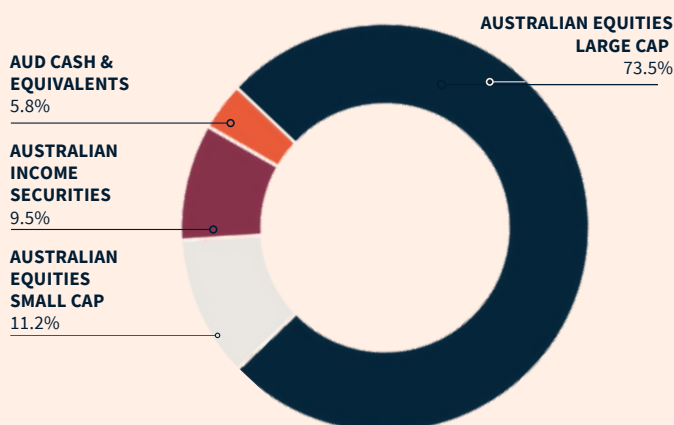
Company	ASX Code
Amcors	AMC
Australia & New Zealand Banking Group	ANZ
APA Group	APA
BHP Billiton	BHP
Commonwealth Bank of Australia	CBA
Coles Group	COL
CSL	CSL
Incitec Pivot	IPL
National Australia Bank	NAB
Telstra Group	TLS



Portfolio Asset Allocation

Gross Asset Allocation

Assets	\$M
Australian Equities	127.5
Australian Income Securities	14.3
AUD Cash & Equivalents	9.0
Gross Portfolio Valuation	150.9
Convertible Notes (CAMG)*	-35.6
Net Tangible Assets Before Tax	115.3



Portfolio Commentary

The portfolio proved resilient to increased market volatility seen in September outperforming a weak Australian share market which fell -2.82% in the month as global bond yields surged back to recent highs. The Clime Capital portfolio fell less than the market, returning -1.94%.

The portfolio's objective is to maintain a strong growing income stream for investors, allowing expenditure to be maintained without the need to sell capital when share prices are depressed. Allowing the long-term benefits of compounding to deliver a greater wealth to unit holders.

The surge in rates has been a challenging period for investors, especially for those invested in traditionally defensive and high dividend yielding sectors of Staples, REITS and Telecommunications. We focus on the sustainability and growth of cashflow as an indicator of income generation and as such the portfolio has invested in a broader array of high yield equities which in aggregate proved resilient to market volatility.

Currently the underlying assets of the portfolio are generating a forecast yield of 5.64% and incorporating the benefits of franking the forecast franked yield is expected to be over 8% based on current NTA. As a reference, the ASX200 is currently yielding just under 4% at a lower level of franking.

We are confident in the ability for portfolio to continue strong returns as collectively the holdings in the portfolio currently exhibit higher growth and returns on capital than the broader ASX, at a lower price to earnings (PE) and cashflow multiples.

Your Portfolio Managers



Will Riggall
Chief Investment Officer



Ronni Chalmers
Portfolio Manager
All Cap Australian Equities