



Clime Capital Limited

14 November 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 October 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.

Fully franked dividends

CAM is paying fully franked dividends on a quarterly basis.

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 4.05% (70% franked) whereas CAM is trading at a dividend yield of approximately 6.88% (100% franked).

Net Tangible Assets (NTA)

2023	October ¹	September ¹	August ¹
NTA before tax	\$0.770	\$0.820	\$0.855
NTA after tax	\$0.775	\$0.825	\$0.835

¹ 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, and was paid on 26 October 2023. NTA before and after tax disclosed above for August and September 2023 was before the effect of this dividend payment and for October was after the effect of this dividend payment.

Performance*

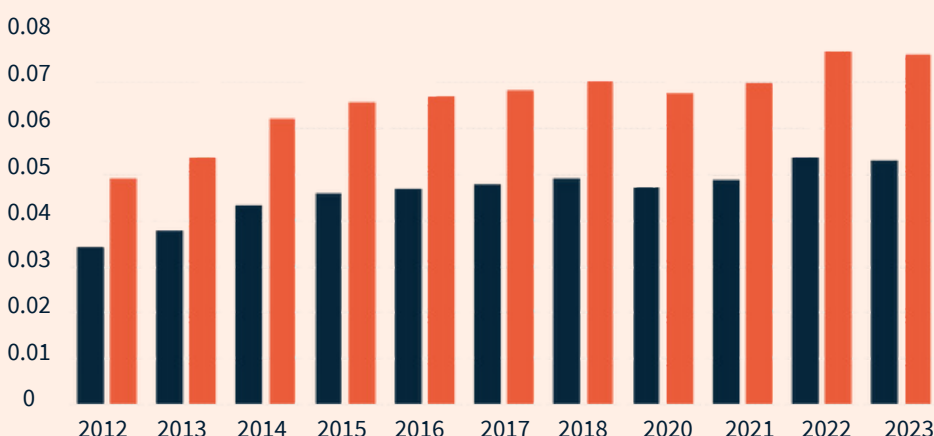
	1 month	3 months	6 months	1 year	2 years p.a.	5 years p.a.	10 years p.a.	ITD p.a.
Gross Return	-4.6%	-7.9%	-6.5%	-0.9%	-0.7%	6.0%	5.0%	10.0%
Benchmark Return	-3.9%	-7.3%	-5.2%	2.9%	-0.4%	7.4%	6.8%	9.7%
Active Return (Gross)	-0.7%	-0.6%	-1.3%	-3.8%	-0.3%	-1.4%	-1.8%	0.3%

*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	NTA after tax
\$0.770 as at 31 Oct 2023	\$0.775 as at 31 Oct 2023
Cash Dividend** 5.31 cents fully franked	Running Yield 6.8% fully franked
Total Portfolio Including Cash \$147.98m	Grossed up Running Yield - Pre Tax 9.7%

*CAMG are unsecured, convertible notes in CAM which, if redeemed, would need to be paid out at face value of \$1.

** Cash dividend includes: Dec-22: 1.30 cents; March-23: 1.32 cents; June-23: 1.34 cents; Sept-23: 1.35 cents.

Top 10 Holdings

(in alphabetical order)

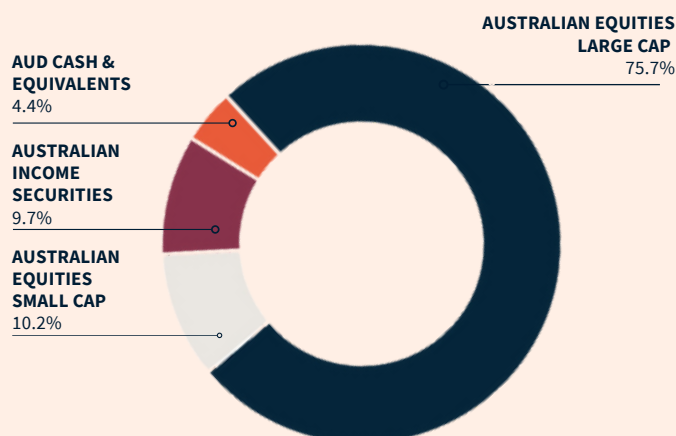
Company	ASX Code
Amcor	AMC
Australia & New Zealand Banking Group	ANZ
BHP Billiton	BHP
Commonwealth Bank of Australia	CBA
Coles Group	COL
CSL	CSL
National Australia Bank	NAB
Northern Star Resources	NST
Telstra Group	TLS
Woodside Energy Group	WDS



Portfolio Asset Allocation

Gross Asset Allocation

Assets	\$M
Australian Equities	126.9
Australian Income Securities	14.3
AUD Cash & Equivalents	6.8
Gross Portfolio Valuation	148.0
Convertible Notes (CAMG)*	-35.7
Net Tangible Assets Before Tax	112.2



Portfolio Commentary

Clime Capital gave back last months relative outperformance against the market, with the portfolio declining -4.56%, below the ASX All Ordinaries return of -3.85%.

Against a weak market the portfolios defensive exposure including APA Group (APA), AGL Limited (AGL) within the Utilities sector, as well as Coles and Telstra held up well. The key driver of weak markets was again higher bond yields and stubborn inflation data points. CAM seeks to deliver strong income independent of market fluctuations and its investment in the high yielding, resource companies of BHP and Northern Star (NST) performed strongly.

Detractors for the month included the funds holding in Incitec Pivot Limited (IPL) and Mineral Resources (MIN). IPL will report its result in early November and we expect an update on the potential for return of capital once the sale of its US Ammonia asset is completed. We remain convinced that Incitec is likely to deliver over \$1 billion in cash to shareholders in early 2024, a strong investment thesis with its key commodity Ammonia and DAP surging off recent lows.

Currently the underlying assets of the portfolio are generating a forecast yield of 5.86% 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 4.05% 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



Invest in people, who invest in you.

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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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