

ASX RELEASE

CLIME INVESTMENT MANAGEMENT (ASX Code: CIW)

MEDIA UPDATE – “IN SPECIE” RETURN OF CAPITAL of \$7.8m

The Board of Clime Investment Management Limited (CIW) yesterday released its Notice of Annual General Meeting to shareholders.

Included in the resolutions is a proposal to return capital via an “in specie” distribution of shares in Clime Private.

Clime Private is the holder of \$7.8m of shares in Jasco Holdings Limited (Jasco) representing approximately 20% of that company’s issued capital.

Jasco has been held as an investment by CIW for in excess of 20 years. During this period it has never failed to pay a dividend. As at the 30 June 2016, the balance sheet of Jasco showed the company had tangible equity in excess of \$40 million and net cash of \$7 million.

Jasco is a fully integrated importer, wholesaler and retailer of arts and craft products across Australia. A full description of the company is in the notice of meeting.

Therefore, subject to Clime shareholder approval, the following is a summary of what will result from the reconstruction and the in specie distribution:

- a. CIW will distribute all of the shares of Clime Private by effecting an equal reduction of CIW’s share capital on the basis of 1 Clime Private share for every 1 CIW share held. This equates to approximately 15.6 cents return per each CIW share; and
- b. CIW shareholders will therefore retain direct ownership of Clime (CIW) and receive direct ownership of Clime Private (as noted above Clime Private owns a direct investment in Jasco Holdings).

The proposal goes forward to the AGM with the full support of Clime’s directors. We encourage shareholders to read the AGM notice of meeting and annexure’s for a full description of the transaction.



Company Secretary

Dated September 27, 2016

For any enquiries, please contact richard@clime.com.au.