



30 January 2024

Company Announcements  
Australian Securities Exchange

## Clime (ASX: CIW) December Quarter Update

- **Group FUM&A \$5.5 billion**
- **Strategic partnership announced**
- **Transition to full service Private Wealth**

Dear Shareholders,

We are pleased to present our quarterly update for December 2023 quarter, highlighting significant developments that position Clime for continued growth and success in the evolving financial landscape.

### 1. Strategic Partnership Announcement:

We recently announced a strategic partnership with TIP Group (ASX:TIP). This partnership will unlock access to a broader range of investment solutions, create operational synergies, and open new revenue opportunities. A presentation is included with this announcement which outlines additional information. The collaborative efforts with our strategic partner will enhance our ability to deliver innovative and comprehensive financial services to our clients.

### 2. Transition to a full-service Private Wealth business (Clime Private Wealth):

In line with our commitment to providing holistic financial solutions, we are expanding our services to become a full-service private wealth business. Services including private concierge support, guidance on funding education expenses for children and grandchildren, philanthropic advising and impact investing. We will continue to curate tailored financial education and specialist networking events during 2024.

This continued development of our service offer includes the introduction of a philanthropic consulting service, reinforcing our dedication to responsible and impactful investing.

### 3. Madison Financial Group:

We continue to work with the Madison Adviser Council in shaping the future strategic direction of the Madison community. The strategic move is aimed at growing our adviser community and we are actively exploring the establishment of an adviser-owned structure for our advice business, reinforcing our commitment to collaborative decision-making and shared success within the group.

### 3. Focus on asset management growth and new client acquisition:

Our commitment to asset management growth via managed accounts and our core funds remains a focus for the group. Our Separately Managed Accounts (SMAs) and Listed Investment Company (LIC) have demonstrated robust performance and noted growth in Assets Under Management (AUM) throughout the December quarter.

We continue to seek partnerships with asset managers in asset classes outside of Australian equities to provide high quality investment opportunities for our Private Wealth clients.

#### 4. AI Pilot for personalised marketing:

In the September quarter we announced a move towards AI to support our personalised and brand marketing strategy. Early results indicate positive outcomes, particularly in new client acquisition. Leveraging artificial intelligence allows us to tailor our marketing efforts, providing a more personalised and targeted experience for new and existing clients.

#### 5. Expense rationalisation:

Acknowledging the importance of financial sustainability, we have implemented significant expense rationalisation measures. These measures will fortify our financial position and contribute to sustained success in the coming quarters.

### Funds Under Management and Advice (FUM&A) as at 31 December 2023 is in excess of \$5.5 billion

FUM/FUA is comprised of:

- \$1.3 billion Direct funds under management via Independently Managed accounts (IMA), Separately Managed accounts (SMA), and managed funds; including Clime Capital
- \$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 September 2023 quarter. Shareholders should note that CPW manages significant pension accounts that have consistent pensions payments.

FUNDS AND INSURANCE PREMIUMS UNDER MANAGEMENT & ADVICE (Unaudited)	31-Dec-23 \$mill	30-Sep-23 \$mill	Change \$mill	Change %
<b>FUNDS UNDER MANAGEMENT (FUM)</b>				
Individually Managed Accounts (IMAs)	\$463	\$471	(\$8)	(1.7%)
Clime Capital Limited (Listed Investment Co.)	\$158	\$152	\$6	4.1%
Managed Funds and mandates	\$237	\$235	\$2	0.7%
Separately Managed Accounts (SMAs)	\$442	\$394	\$28	7.3%
<b>TOTAL FUM</b>	<b>\$1,280</b>	<b>\$1,252</b>	<b>\$28</b>	<b>2.3%</b>
<b>FUNDS &amp; INSURANCE PREMIUMS UNDER ADVICE (FUA)</b>				
Funds under administration – WealthPortal <sup>1</sup>	\$470	\$512	(\$42)	(8.2%)
Funds under Advice	\$3,784	\$3,738	\$46	1.2%
Insurance Premiums Under Advice	\$56	\$54	\$2	3.3%
<b>TOTAL FUA</b>	<b>\$4,310</b>	<b>\$4,304</b>	<b>\$6</b>	<b>0.1%</b>
<b>TOTAL FUM&amp;A</b>	<b>\$5,590</b>	<b>\$5,556</b>	<b>\$34</b>	<b>0.6%</b>

### December Quarter Investment update

<sup>1</sup> 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).

<sup>2</sup> \*Performance is gross of fees

Calendar 2023 saw a reverse of trends that were exhibited in 2022, with high price to earnings multiples stocks returning to the leaderboard and bond yields reversing. However, with inflation to remain a core tenant of today's investment markets, we believe stocks that exhibit both quality and value coupled with a diversified portfolio strategy will deliver superior returns in the year ahead.

Reviewing 2023 we can report that Clime Australian equity portfolios delivered divergent returns across strategies with notable above benchmark returns delivered in the Clime Small Company and Clime International Funds.

The performance of our small cap strategy over the last 12 months is heartening with the fund soundly beating its benchmark by 5.80% over the calendar year and 10.22%\* over the last 5 months.

As can be seen in the FUM table above, we continue to grow strongly on platforms with our Proactive Portfolios multi asset SMAs set to increase their availability in 2024. Pleasingly we are seeing strong double digit returns across strategies, underpinning our expectation of continued strong growth in funds under management.

Looking ahead, we continue to believe that asset markets are positioned to deliver positive returns in 2024, with earnings growth rebounding, valuations still offering upside and interest rate expectations now firmly moving lower. The late surge in risk assets in 2023 have likely brought forward some of 2024 returns, however we see any near-term consolidation in markets as an opportunity to re-allocate to attractive opportunities.

## **Conclusion**

In conclusion, as we reflect on the December 2023 quarter, we have taken significant measures to reset the business in the current macroeconomic environment. The strategic partnership with TIP Group signifies a transformative step, enhancing our capabilities to offer innovative financial services. Our transition to a full-service Private Wealth business, coupled with the introduction of a philanthropic consulting service, further strengthens our dedication to responsible and impactful investing.

We will continue to focus on asset management growth and new client acquisition alongside enhancing the services we provide to our existing clients and advisers. The ongoing AI pilot for personalised marketing has yielded encouraging early results, demonstrating our commitment to leveraging technology for enhanced client experiences and sustained growth.

During the quarter we implemented a series of expense reduction measures, and we will continue to review these as the year progresses.

We extend our gratitude to our investors, partners, and team members for their continued support as we navigate these transformative initiatives and work towards a future of sustained success and value creation.

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

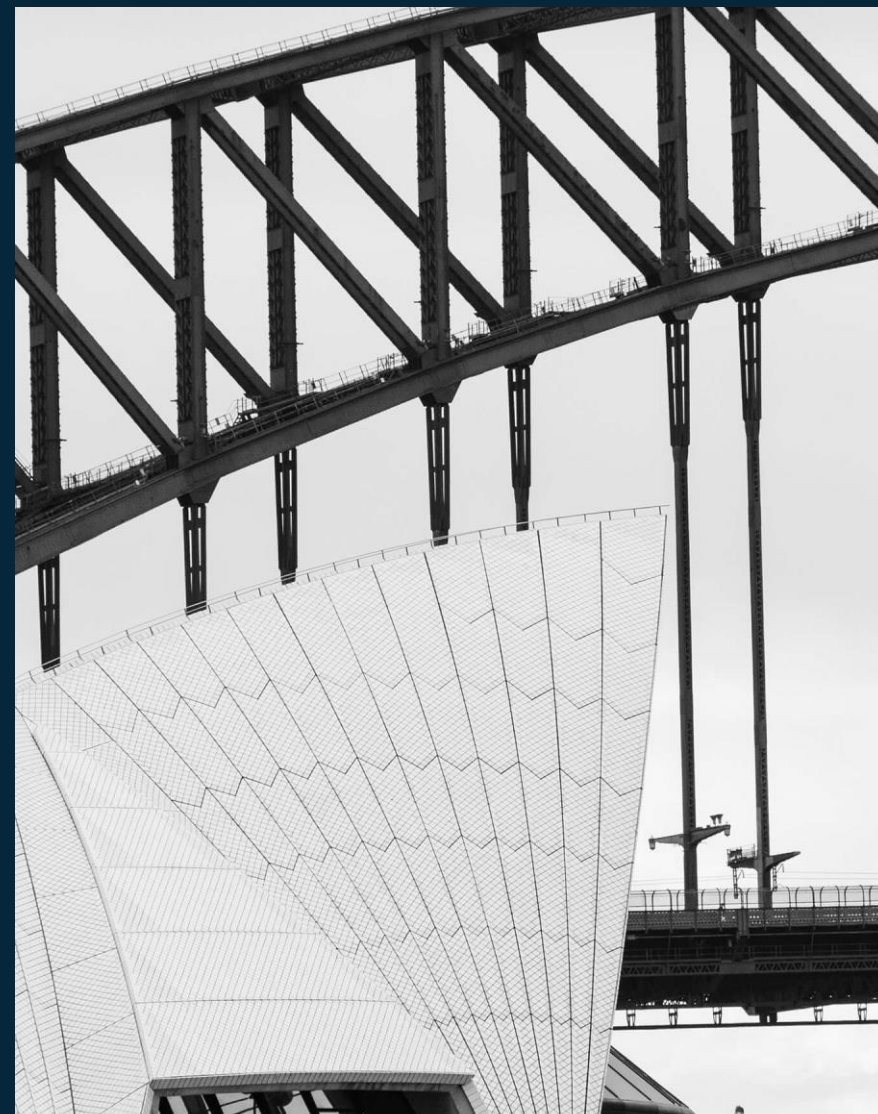
For enquiries, please contact Annick Donat (CEO) on 1300 788 568 or via email at [info@clime.com.au](mailto:info@clime.com.au).

**Annick Donat**  
**Chief Executive Officer**



# CIW & TIP Strategic Partnership

Shareholder Update  
30<sup>th</sup> January 2024



# About CIW and TIP

## Clime Investment Management Limited (ASX:CIW)

An ASX-listed wealth management company providing wholesale and retail investment solutions, private wealth advice and financial education.

Directors / Executive	Role
Mr. John Abernethy	Chairman
Ms. Annick Donat	Chief Executive Officer
Mr. Tushar Kale	Chief Financial Officer
Mr. Ronni Chalmers	Non-executive director
Ms. Claire Bibby	Non-executive director
Dr. Michael Kollo	Non-executive director
Ms. Susan Wynne	Non-executive director
Mr. Andrew Coleman	Non-executive director

## Teaminvest Private Group Ltd (ASX:TIP)

An ASX-listed investment house with operations in financial education, private equity, funds management and corporate advice

Directors / Executive	Role
Mr. Malcolm Jones	Chairman, Non-executive director
Mr. Andrew Coleman	Chief Executive Officer, Executive director
Mr. Dean Robinson	Chief Financial Officer
Mr. Howard Coleman	Non-executive director
Mr. Regan Passlow	Non-executive director
Dr. Ian Kadish	Non-executive director



Presented with the endorsement of Teaminvest Private Group Ltd.

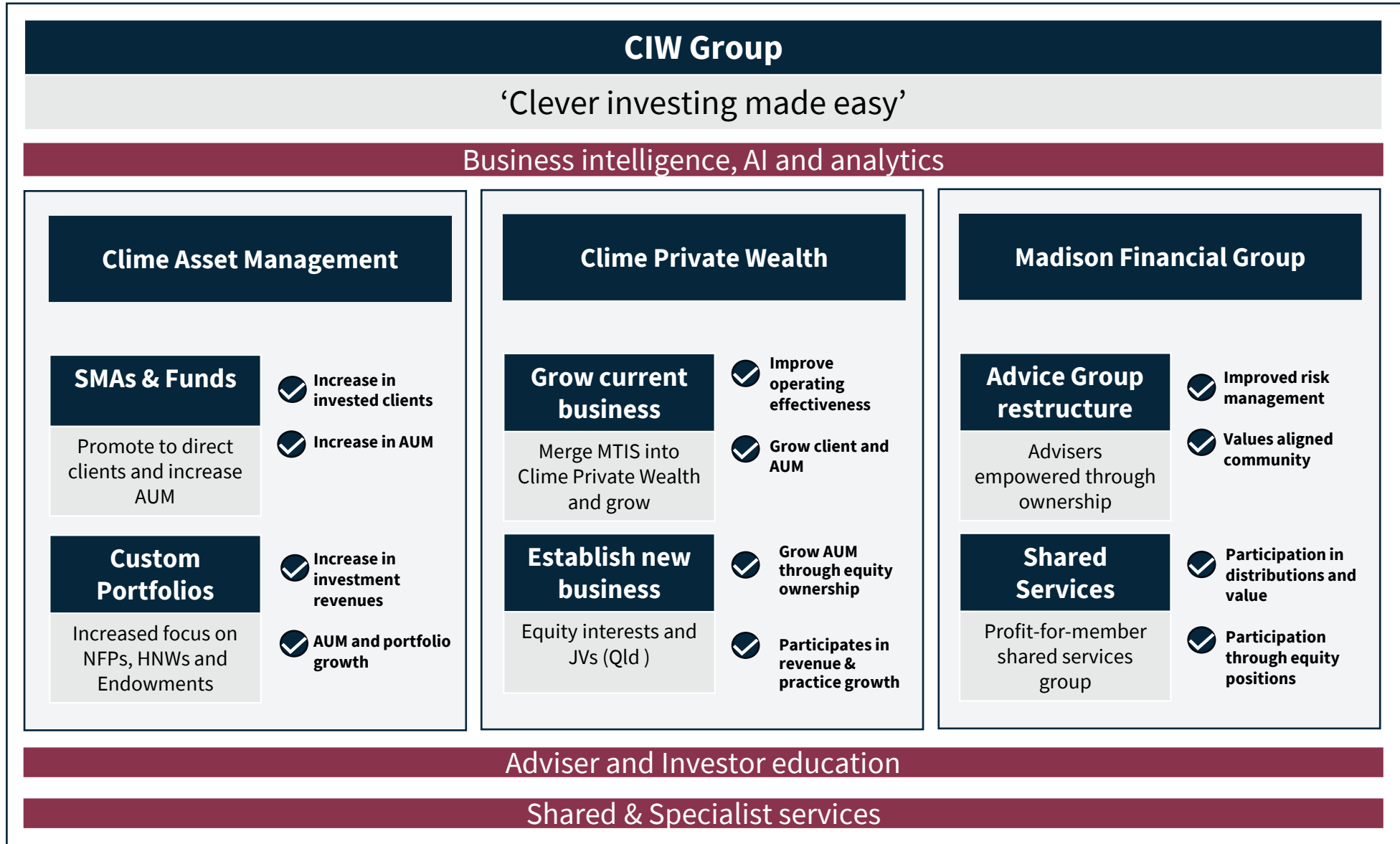
# CIW FY24 strategy map

## In FY23 we:

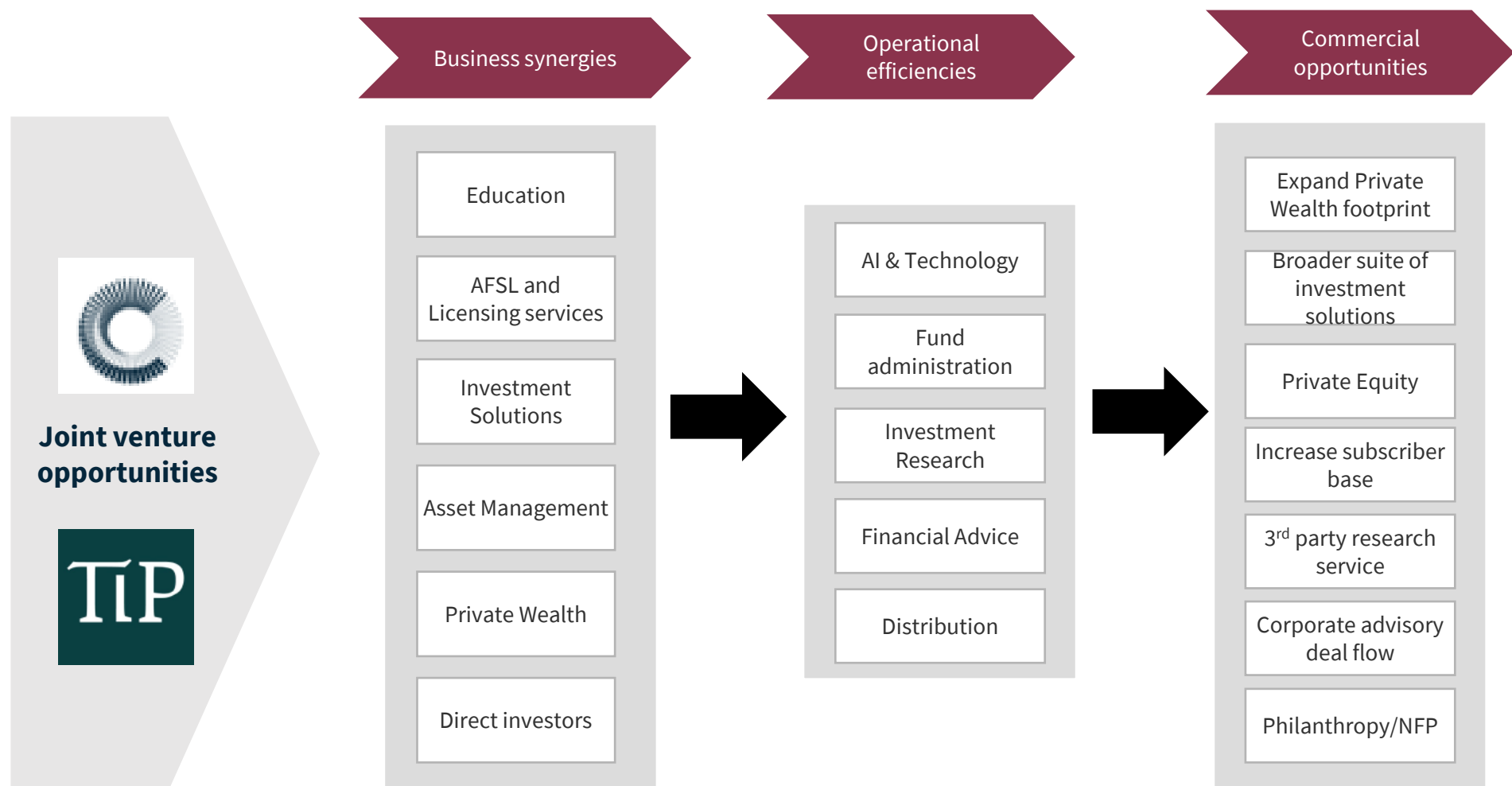
- Acquired MTIS (advice), Ralton (SMA)
- JVs - TiP, Torica & Marcus Today
- Technology & systems rationalisation

## In FY24 we will:

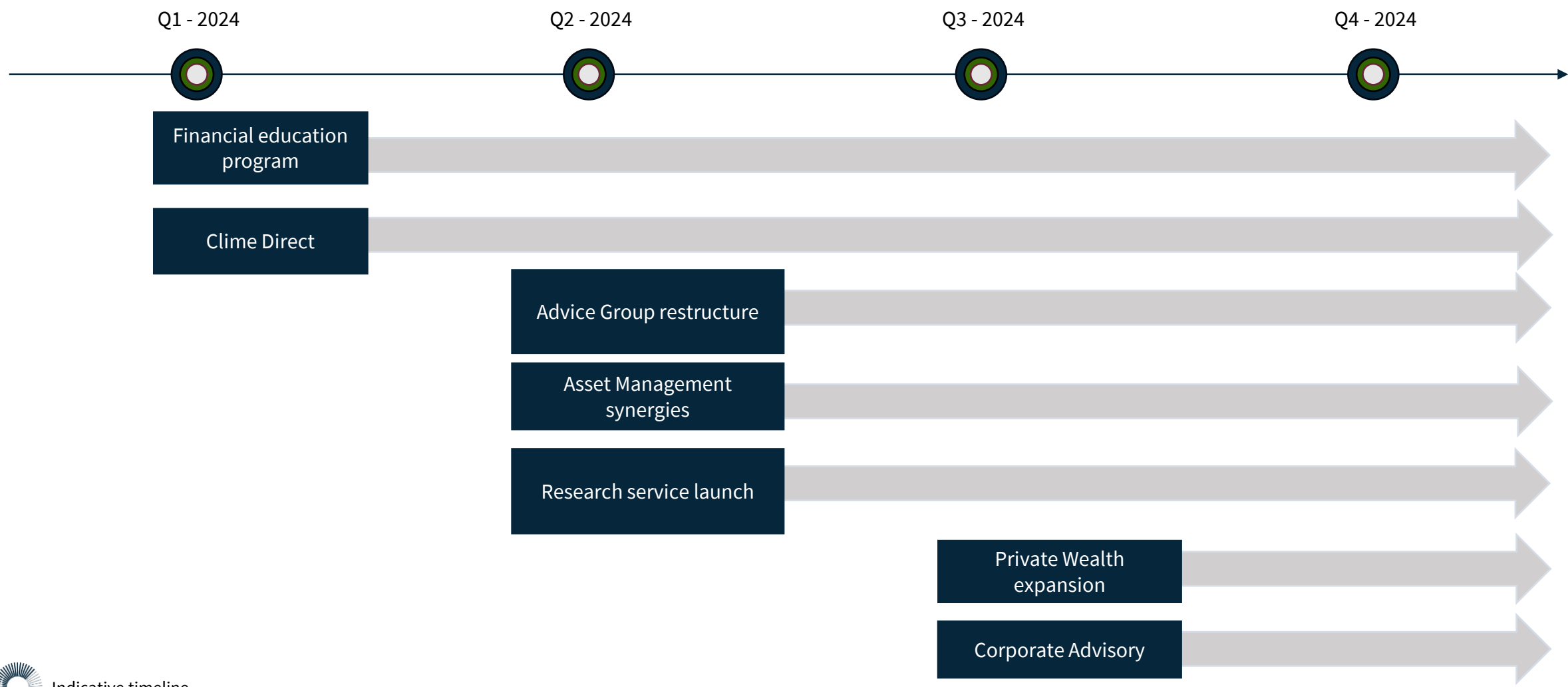
- Grow Private Wealth
- Reduce expenses
- Advice group re-organisation
- Equity positions in wealth businesses
- Grow AUM/Revenue



# Joint venture growth & synergy opportunities



# Proposed 2024 timeline





# Expected outcomes - 2024



Joint venture  
opportunities



Collaboratively, we aim to provide Australians with a distinguished, comprehensive wealth service tailored for high net worth individuals (HNW), Not-for-Profit organisations (NFP), and discerning investors.

## Education

Providing an expanded education and content suite aligned with **value investing philosophies** to a wider audience.

## Research

Enhance market coverage by optimising existing analysts' capabilities

## Asset Management

Increased AUM in key funds through focused rationalisation and targeted investments.

## Advice

Expanded coverage across segments, geographies, and specialist advice areas with a larger team of professional advisers.

## Philanthropy

Secure a larger market share (AUM) in the NFP segment by linking the tailored AM offering to NFP clients

## Direct

Enhancing the conversion of self-directed customers focused on investing, through improved UI and UX.

Through collaboration, our target is to enhance capital, identify and engage in additional opportunities, and achieve accelerated growth.



Presented with the endorsement of Teaminvest Private Group Ltd.

# Appendix | Joint venture growth & synergy opportunities



## Business synergies

### Education

- Clime Investor briefings
- TiP seminar series

### Advice

- Clime Private Wealth
- MTIS
- Madison FG
- Enva (TiP) to CPW
- TIP Insurance

### Asset Management (wholesale & retail)

- Managed Accounts (IMA & SMA)
- Managed Funds
- Private Equity

### Research

- Australian equities
- International equities

### Philanthropy

- Public Ancillary Funds (PAFs)
- Consulting

### Direct

- Clime Direct
- Conscious Investor

## Revenue growth & commercial opportunities

### Education

- Joint seminars and education series
- Cross sell

### Advice

- Increase Private Wealth footprint (SA)
- Advice Group structuring (Corporate advisory & funding)

### Asset Management (wholesale & retail)

- Increased suite of investment solutions
- New product development
- Corporate deal flow

### Research

- Australian equities JV – 3<sup>rd</sup> party service

### Philanthropy

- Bespoke & existing PAFs
- NFP Consulting & investment committee guidance

### Direct

- Increase Clime Direct subscriber base
- Client referrals

## Operational & cost efficiencies

### Client education synergies

- Leverage respective group events

### AI & Technology alignment

- Use of BizGPT & TiP technology team

### Asset Management (wholesale & retail)

- Fund administration & RE services cost reduction
- Research cost savings
- Access to TiP proprietary quant research platform

### Direct platform synergies

- Re-platform of Clime Direct
- HNW/UHNW offer via Conscious Investor

### Corporate advisory

- Advice Co-operative transaction
- Corporate deal flow





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