



7 December 2021

Company Announcements
Australian Securities Exchange

CLIME INVESTMENT MANAGEMENT LIMITED (ASX:CIW)

HEADS OF AGREEMENT WITH RALTON AM PTY LTD (RALTON)

The Board of Clime Investment Management Limited (Clime or the Company) is pleased to announce that, following its recent announcement and updates at its AGM that Clime and Ralton have entered into a Heads of Agreement to bring the SMA/MDA operations of both businesses together.

The total SMA business will be led by Will Riggall, current CIO of Ralton. The combined assets under management will approximate \$330 million and therefore create an industry leader in the provision of Managed Accounts.

Prior to this deal Clime manages approximately \$270 million in SMA/MDAs for various related and non related parties. Ralton manages approximately \$60 million of mandates.

Pursuant to the Heads of Agreement:

1. Clime will hold an equity position in Ralton of between 50% and 75% subject to agreed valuations of the businesses and/or contracts that are vended by Clime into Ralton;
2. The expanded Ralton business will therefore include operated SMA/MDA funds and management contracts that are assigned or contracted to Ralton by Clime or other managers; and
3. The finalisation of the transaction is subject to due diligence, agreed legal documentation, agreed valuations and respective Board approvals

The transaction is anticipated to be completed prior to 31 December 2021 and Clime will advise the market of the actual terms when the transaction is finalised.

This proposed new venture will provide a platform for significant growth, underpinned by the long history of Managed Account investing in both companies.

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

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