



Clime Capital Limited

13 February 2024

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 January 2024.

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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 March-23: 1.32 cents; June-23: 1.34 cents; Sep-23: 1.35 cents and Dec-23: 1.35 cents which represents a 2% 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 ASX market yield. Currently, the market yield is approximately 4.25% (approximately 70% franked) whereas CAM is trading at a dividend yield of approximately 6.54% (100% franked).

Net Tangible Assets (NTA)

2023/2024	January ¹	December ¹	November ¹
NTA before tax	\$0.825	\$0.835	\$0.795
NTA after tax	\$0.820	\$0.835	\$0.805

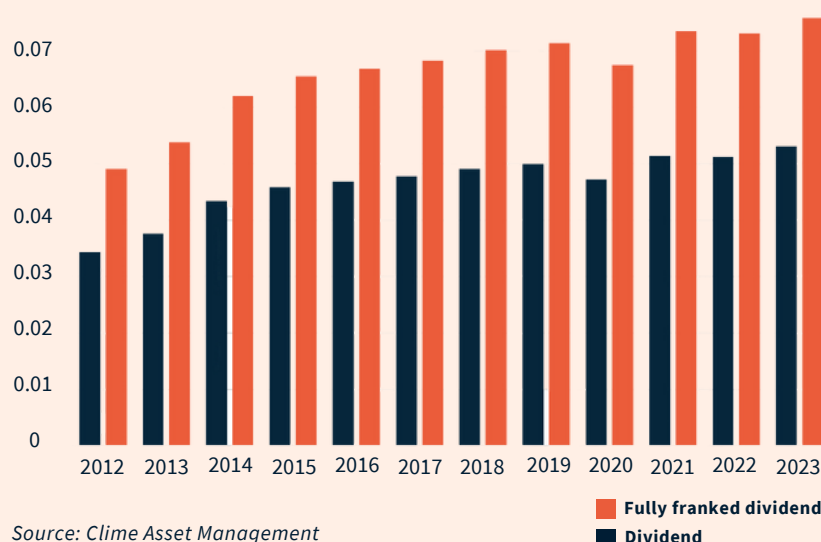
¹ On 24 November 2023, the Board declared a fully franked dividend of 1.35 cents per share in respect of the Company's ordinary shares for the period 1 October 2023 to 31 December 2023, and was paid on 25 January 2024. NTA before and after tax disclosed above for November 2023 and December 2023 is before the effect of this dividend payment and for January 2024 is 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	0.4%	9.8%	1.2%	-0.3%	7.3%	8.4%	6.3%	10.5%
Benchmark Return	1.1%	14.2%	5.9%	7.3%	8.9%	10.0%	8.6%	10.5%
Active Return (Gross)	-0.6%	-4.4%	-4.8%	-7.6%	-1.6%	-1.6%	-2.2%	0.0%

*All performance figures are based off NTA.

History of fully franked dividends



Source: Clime Asset Management

Snapshot numbers

NTA before tax	NTA after tax
\$0.825	\$0.820
as at	as at
31 Jan 2024	31 Jan 2024
Cash Dividend**	Running Yield
5.36 cents	6.5%
fully franked	fully franked
Total Portfolio Including Cash	Grossed up Running Yield - Pre Tax
\$155.70m	9.3%

*CAMG are unsecured, convertible notes in CAM which, if redeemed, would need to be paid out at face value of \$1.
** Cash dividend includes: March-23: 1.32 cents; June-23: 1.34 cents; Sept-23: 1.35 cents and Dec-23: 1.35 cents.

Top 10 Holdings

(in alphabetical order)

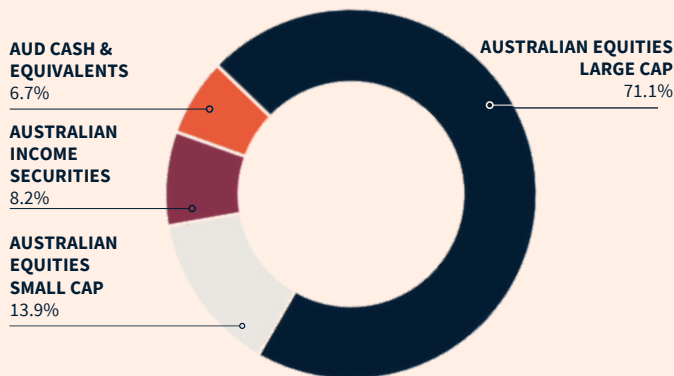
Company	ASX Code
Amcor	AMC
Australia & New Zealand Banking Group	ANZ
BHP Billiton	BHP
Coles Group	COL
Commonwealth Bank of Australia	CBA
National Australia Bank	NAB
QBE Insurance Group	QBE
Stanmore Resources	SMR
Telstra Group	TLS
Woodside Energy Group	WDS



Portfolio Asset Allocation

Assets	\$M
Australian Equities	132.0
Australian Income Securities	12.8
AUD Cash & Equivalents	10.9
Gross Portfolio Valuation	155.7
Convertible Notes (CAMG)*	-35.2
Net Tangible Assets Before Tax	120.5

Gross Asset Allocation



Portfolio Commentary

Over January, the ASX All Ordinaries Accumulation Index rose by 1.07%, somewhat less than most other developed markets. In the US, major indexes were higher across the board, with the S&P 500 up by 1.59%, the Dow Jones by 1.22%, and the Nasdaq by 2.7%.

The Clime Capital portfolio increased 0.42% in January, with the portfolio assisted by its recent portfolio additions in Jumbo Interactive (JIN) and Medibank (MPL) while weaker performance from mining holdings detracted from performance.

We continue to be optimistic about prospects for asset markets in 2024. The Australian economy is supported by strong immigration, rebounding tourism and substantial construction spending. Likely, this combination of factors points to another below-trend growth year for the Australian economy. While looking to global markets we see continued moderation in inflation indicators and solid global growth as supportive of risk assets such as equities.

Reviewing the portfolio, Oil prices moved +5% in January on the escalating tension in the Red Sea. As a result, the energy sector was the strongest performer, up +5.2% with the portfolio benefiting from its overweight position in Woodside (ASX: WDS). Financials returned +4.9%, led by Insurance names +5.9%. The gains were broad-based, with portfolio holdings QBE and MPL both returning over +7% for the month. We believe the strength for Insurers was a mean-reversion, since the sector performed poorly in late 2023, when lower bond yields drove a rotation out of the sector. We have taken the opportunity to add to QBE given strong offshore peer results, with the company expected to deliver a 6%+ yield. The Metals & Mining sector was the worst performer in January, down -5.7%. Weak China sentiment was a key driver with the MSCI China index falling close to -12%. The stronger US Dollar (DXY +2.2%) was also a headwind for commodities, particularly sentiment towards gold stocks, which fell -8.8%, impacting holding Newmont.

We believe that Iron Ore price will continue to incentivize expansion expenditure and as such we have initiated a position in Monadelphous (MNS), a leading construction contractor and added to our Worley (WOR) position after a period of weakness.

With the important February reporting season upon us we continue to actively seek opportunities to investing in companies that we expect to deliver medium term growth in income & capital. 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 Manager



Will Riggall
Chief Investment Officer



Invest in people, who invest in you.

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