

21 March 2025

Company Announcements  
Australian Securities Exchange

## **Clime Investment Management Limited (ASX: CIW)**

To Listings Compliance,

Thank you for your correspondence on the 17<sup>th</sup> of March 2025 requesting further information on Clime's disclosure obligations and business process.

As a dynamic and evolving business with a series of changes and new opportunities, the Board consistently focuses on our disclosure obligations. We strive to maintain the right balance by encouraging participation from both related and non-related party shareholders, while avoiding non-material announcements and adhering to our continuous disclosure requirements.

Please find following responses to your letter, we would be pleased to publish this, or any other correspondence at the discretion of the Listings Compliance team.

1. How does Clime ensure that directors and Clime are able to meet the disclosure obligations under Listing Rule 3.19a

*The CIW Board consists of experienced Directors that are aware of their obligations to notify the company of any change in Directors interests within 5 business days. At the time of joining the Board, new Directors are informed of their obligation to notify the company of their initial interests and ongoing disclosures regarding changes in interests within the required timeframe. Our Corporate Governance Statement which is reviewed and approved by the Board each year reiterates Director obligations.*

2. Mr John Abernethy placed an order for shares on the 28<sup>th</sup> of February at 10:02am (after the half-year results were released at 9.02am) which settled on the 4<sup>th</sup> of March. When did the board become aware of Mr Abernethy's on-market transaction?

*The company secretary received a copy of the transaction summary on Monday the 3<sup>rd</sup> of March 2025 at 7:49am. The purchase of shares by staff and directors, the materiality of information in the half year report compared to the information released to market in the quarterly update on 24 January 2024 was discussed numerous times prior to 28 February.*

3. Did Mr Abernethy comply with Part D(1.1)(c) of the Trading Policy and notify the Audit Committee Chair in writing of their intention to carry out the Transaction before entering into it? If not, why not?

*Yes, Mr Abernethy is a regular purchaser of small parcels. Mr Abernethy's intention to purchase shares, and the ability for other directors or employees being able to purchase shares was discussed and considered on the basis that, as per the CIW Trading Policy, the Board maintains the right to lift all and/or part of a black out period, at its discretion. In this case, Board members determined that the CIW December 2024 quarterly update released on 24 January 2025 included all material statements.*

*Specifically, the board members discussed*

- a) the proposed dividend which was noted in January but could not be confirmed in the half year report owing to the need for further tax advice,*
- b) the financial report which was not a material deviation from statements provided in January,*
- c) potential transactions mentioned in the half year report which were underway but not yet completed and (unfortunately) too small to be considered material when considering the total revenue of the business at the time of the statement.*

*As the company cleansed the market with the quarterly announcement, the Board considered that the automatic blackout period was no longer applicable.*

4. Did the Audit Committee Chair grant approval (written or otherwise) to Mr Abernethy to carry out the Transaction that took place/appear to have taken place during a closed period? If so, on what basis did it do so? If not, why not?

*The Board did not consider this to be a closed period. The Audit Committee Chair and all Directors were made aware of the request to acquire a small parcel of shares. The business is taking rapid steps to improve its profitability and operations capability. To ensure our ongoing disclosure obligations are met while avoiding immaterial announcements, the Managing Director, Company Secretary and Chair discuss these obligations and the current status of the business regularly before the purchase of shares by a Board member. We note that Mr Abernethy is a frequent purchaser of shares, and we generally encourage staff and management to invest in the company.*

5. Why did the Announcement state in Part 3 that no interests in CIW's securities were traded during a closed period?

*Because the company did not consider this to be a closed period. We gave consideration to past disclosure and regular business disclosure.*

6. What disciplinary or remedial action is the board of CIW proposing to take in relation to the apparent breaches of CIW's Trading Policy?

*Not applicable as there was no breach of the trading policy. However, we have determined a remedial action to improve our record keeping process. While the matters were discussed with board members, the Audit Committee Chair has determined that a circular motion should be moved and accepted to formalise a record. The Audit Committee Chair has recommended that the policy be amended to provide a more formal record where the board determines a blackout period does not apply.*

7. Please confirm that CIW is complying with the Listing Rules and, in particular, Listing Rule 3.1.

*We confirm that CIW is complying with the Listing Rules. We note that our Audit Committee Chair, having recently been appointed, has determined that he will conduct a review of our policies and procedures and will present this review to the Board at the next scheduled meeting in April.*

8. Please confirm that CIW's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of CIW with delegated authority from the board to respond to ASX on disclosure matters.

*The responses have been reviewed by the CIW Board prior to submission to the ASX and thank the ASX for their enquiry.*

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

A handwritten signature in black ink, appearing to read "M Baragwanath", written in a cursive style.

**Michael Baragwanath**  
**Managing Director**



17 March 2025

Reference: 107031

Mr Tushar Kale  
Chief Financial Officer  
Clime Investment Management Limited  
Level 12  
20 Hunter Street  
Sydney NSW 2000

By email only.

Dear Mr Kale

**Clime Investment Management Limited ('CIW'): Trading during closed period (Appendix 3Y) – Query**

ASX refers to the following:

- A. The announcement by CIW entitled '*Change of Director's Interest Notice – JA*' lodged on the ASX Market Announcements Platform on 3 March 2025 (the 'Announcement'). The Announcement disclosed:
- (i) The on-market purchase of 68,103 shares in CIW by Mr John Bruce Abernathy, a director of CIW, on 28 February 2025 (the 'Transaction');
  - (ii) The shares were not traded during a closed period.
- B. CIW's securities trading policy lodged on the ASX Market Announcements Platform on 13 March 2023 (the 'Trading Policy') which is also available on CIW's website and which states, among other things, the following:

*Part A – Application*

...

*The persons to whom this policy applies are set out below:*

*i) Trading in Group Securities includes:*

- *All Directors, officers and employees of the Company and its subsidiaries (collectively "the Group");*
- *Spouse or de facto partners of Directors, officers or employees of the Group;*
- *Children under 18 years of Directors, officers or employees of the Group; and*
- *Trustees of a trust of which Directors, officers or employees of the Group are beneficiaries.*

...

*Part D – Trading Restrictions*

**1.1 Trading of Group Securities**

*For the purpose of this policy, "Group Securities" means any security in Clime Investment Management Limited, its subsidiaries and equity-accounted investments.*

*Employees may only trade in Group Securities if all the following requirements are met:*

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- a) *The black out period does not apply;*
  - b) *The Employee is not aware or in possession of price sensitive information;*
  - c) *The Employee has followed the notice procedure set out below; and*
  - d) *The relevant approving officer has given consent to trade.*

#### *Exceptions*

*The following exceptions apply even if the Employee is in possession of price sensitive information:*

- *An acquisition of shares under the Employee Incentive Scheme.*
- *An acquisition of shares under a dividend reinvestment plan, provided the election to participate in the dividend reinvestment plan was made before the Employee came into possession of the price sensitive information.*
- *A transaction by a fund (including a superannuation fund) or a scheme where the assets of the fund or scheme are invested at the discretion of an unrelated third party; and*
- *The exercise of performance awards that have vested. Once vested, these must only be traded in accordance with this policy.*

#### *(a) Black Out Period*

*There may be 2 types of black out periods imposed:*

##### *I. Automatic black out period*

- *For the relevant half year, from 31 December until the commencement of the next trading day after the release of the half year financial results; and*

*...*

*The Board maintains the right to lift all and/or part of a black out period, at its discretion. Notice of a decision to lift a black out period will be given to Employees via email within 1 business day.*

*Where there are special circumstances and an Employee wishes to trade during a black out period, that Employee must obtain the consent of the designated approving officer prior to trading. Consent to purchase will rarely be given, and an example of when consent to sell may be given is where the Employee is experiencing considerable financial hardship or has a financial commitment that cannot otherwise be satisfied.*

*...*

#### *(c) Notice Procedure*

*All Employees must give written notification via the online Compliance system in accordance with the table set out below, in each of the following cases:*

- i) *Prior notification of the intention to trade. The notification must be via the online Personal Share Trading Form.*
- ii) *Log into the online Compliance System a copy of approved notification and copy of trade confirmation at the close of every month clearly indicating the security name and ticker code.*
- iii) *Employees have 1 to 10 business days to trade. If a trade does not occur within this timeframe, the Employee is required to close off the trade request and state the reason for not trading.*

*Notification must include the date of trading and volume of shares.*

*Directors must give written notification to the company secretary via email to be reported to AS within 5 business days of the trade taking place.*

*(d) Consent*

*The designated approving officer, in accordance with the table set out below, is required to notify the Employee of the consent to trade within 1 to 5 business days of receiving notification of the intention to trade. Where consent has not been given, the approving officer is under no obligation to reveal to the Employee his/her reasons for making that decision.*

<i>Employee</i>	<i>Designated Approving Officer</i>
<i>Chairman</i>	<i>Audit Committee Chair</i>
<i>Chief Executive Officer</i>	<i>Chairman/Fellow Director</i>
<i>All other Directors</i>	<i>Chairman/Fellow Director</i>
<i>Head of Investments</i>	<i>Chief Executive Officer/Chairman</i>
<i>All other employees</i>	<i>Head of Investments</i>

- C. Guidance Note 22: Director Disclosure of Interests and Transactions in Securities – Obligations of Listed Entities which was published to assist listed entities with their obligations under Listing Rules 3.19A and 3.19B and to give an overview of ASX policy in relation to disclosure of directors' interests and transactions in securities, and Guidance Note 27: Trading Policies which was published to assist listed entities to comply

ASX notes the following:

1. CIW's half year report and accounts to 31 December 2024 were released on the ASX Market Announcements Platform on 28 February 2025 at 9.02am.
2. CIW's black out period ended on 3 March 2025.
3. The Transaction would appear to have taken place during a closed period in breach of Part D(1.1)(a) of the Trading Policy. This is despite the Announcement stating in Part 3 that no interests in CIW's securities were traded during a Closed Period.

**Request for information**

Having regard to the above, and pursuant to Listing Rule 18.7, ASX asks CIW to respond separately to each of the following questions.

1. Please explain what arrangements CIW has in place with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A.
2. When did CIW first become aware of Mr Abernathy's on-market Transaction?
3. Did Mr Abernathy comply with Part D(1.1)(c) of the Trading Policy and notify the Audit Committee Chair in writing of their intention to carry out the Transaction before entering into it? If not, why not?
4. Did the Audit Committee Chair grant approval (written or otherwise) to Mr Abernathy to carry out the Transaction that took place/appear to have taken place during a closed period? If so, on what basis did it do so? If not, why not?

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5. Why did the Announcement state in Part 3 that no interests in CIW's securities were traded during a closed period?
  6. What disciplinary or remedial action is the board of CIW proposing to take in relation to the apparent breaches of CIW's Trading Policy?
  7. Please confirm that CIW is complying with the Listing Rules and, in particular, Listing Rule 3.1.
  8. Please confirm that CIW's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of CIW with delegated authority from the board to respond to ASX on disclosure matters.

#### **When and where to send your response**

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **9.00 AM AEDT Friday, 21 March 2025**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, CIW's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require CIW to request a trading halt immediately.

Your response should be sent by e-mail to [ListingsComplianceSydney@asx.com.au](mailto:ListingsComplianceSydney@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

#### **Suspension**

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in CIW's securities under Listing Rule 17.3.

#### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to CIW's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that CIW's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

#### **Release of correspondence between ASX and entity**

ASX reserves the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Yours sincerely

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ASX Compliance