Shareholder Update

H1 FY2018 - 2019

Rod Bristow
Chief Executive Officer

Biju Vikraman
Chief Financial Officer

Clime Investment Management Limited
Overview

- A diversified financial services business
- Private wealth advice and investment solutions for high net worth and sophisticated investor clients
  - Multi-asset class investment products (IMAs, SMAs, Managed Funds, LICs)
  - Private Wealth advice
  - DIY investor platform
  - SMSF administration

HY19 Summary
Highlights

- Successful Senior Management transition
  - CEO Rod Bristow appointment September 2018
  - Founder John Abernethy remains Director of CIW, Chairman of Clime Capital Limited and advising in a 'Chief Economist' role
- Strategy execution during H1
  - Improve executive team capability
  - Private Wealth advice launch (Nov. 18)
  - Standardise investment process and methodology
  - Third party distribution for wider reach
  - Upgrade DIY investor platform

HY19 Financial Result Summary

	31-Dec-18	31-Dec-17	Change	% Change
Revenue ($'000)	5,205	5,166	39	1%
Expenses ($'000)	-4,655*	-4,027	-628	16%
Operating Profit ($'000)	**550**	**1,139**	**-589**	**-52%**
Amortisation of Intangibles ($'000)	-223	-285	62	22%
Statutory NPAT ($'000)	**214**	**590**	**-376**	**-64%**
EPS (cents per share)	0.4	1.1	-0.7	-64%
DPS (cents per share)	0.75	1.5	-0.75	-50%
Assets Under Management ($M)	816	811	5	0.6%
Cash and cash equivalents ($'000)	4,313	4,242	71	2%
Financial assets held at fair value ($'000)	5,355	6,297	-942	-15%

**Note:* Expenses in H1 FY 19 included the following associated with introducing Private Wealth Advisory services ($'000)

Salaries and Wages	722
One-off restructuring costs	96
Consultants	32
Premises	44
Sales and Marketing	55
TOTAL	**949**

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HY19 Financial Result Summary
Detail

- Higher expenses this period from Private Wealth strategy
- New operating division
  - Private Wealth and Distribution, housing all client-facing functions
    - Private Wealth advice
    - Third party distribution
    - DIY investor platform
    - SMSF Administration
- Challenging December quarter for investment markets
  - AUM growth 0.6% above PCP

Outlook

- Enhance return on equity through growing and investing in
  - Private Wealth advice
    - Expand client advisory and relationship management capability
  - Third party distribution
    - Clime products used by financial advisers external to the group
  - DIY Investor Platform
    - Rebranding (scheduled for H2) to increase subscriptions
  - New investment products to meet client demand
  - Business simplification and technology efficiency
  - Mergers and acquisitions that deliver scale and optimize operational leverage

Executive Management Team

Chief Executive Officer
Rod Bristow

Chief Financial Officer
Biju Vikraman

Head of Investments
Adrian Ezquerro

General Manager Private Wealth & Distribution
Adam Youkhana

Head of Operations and Compliance
Elias Serhan

Thank you!

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