



clime

Clime Investment Management Limited Investor Presentation FY 20

2 September 2020

Donald McLay
Chairman

Rod Bristow
Chief Executive Officer

Biju Vikraman
Chief Financial Officer

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Past performance is not a guarantee of future returns.

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Welcome and FY20 Overview

Donald McLay – Chairman



FY20 Highlights

Rod Bristow – Chief Executive Officer

Clime Investment Management (ASX: CIW)

- **Diversified financial services business**
 - Investment Management
 - Wealth Management
 - Investor Education
- **National footprint**
 - 42 staff in Sydney (head office), Melbourne and Brisbane
- **Our Values are Integrity, Transparency and Conviction**

FY 20 Highlights

- **Disciplined strategy execution**
 - Clarity on where we compete and how we win
 - Efficiency and lower operating costs
- **COVID-19 impact**
- **Madison Financial Group acquisition**
 - Building out Wealth Management with retail financial advice expertise
- **Momentum and growth in underlying business**
 - Robust growth in operating earnings
 - Good performance to non-financial metrics
 - Significant scale with >\$4.5Bn in Funds Under Management and Advice

The background of the slide is a dark blue overlay on a blurred image of financial market data. It features several line charts with white lines showing trends. Text elements include 'DOW JONES' in large bold letters, 'EURO IN DOLLAR' in bold, and various numerical values like '10511.74', '1340', '1330', '1320', '1310', '1300', '1290', '1280', '1270', '1260', '1250', '1240', '1230', '1220', '1210', '1200', '1190', '1180', '1170', '1160', '1150', '1140', '1130', '1120', '1110', '1100', '1090', '1080', '1070', '1060', '1050', '1040', '1030', '1020', '1010', '1000', '990', '980', '970', '960', '950', '940', '930', '920', '910', '900', '890', '880', '870', '860', '850', '840', '830', '820', '810', '800', '790', '780', '770', '760', '750', '740', '730', '720', '710', '700', '690', '680', '670', '660', '650', '640', '630', '620', '610', '600', '590', '580', '570', '560', '550', '540', '530', '520', '510', '500', '490', '480', '470', '460', '450', '440', '430', '420', '410', '400', '390', '380', '370', '360', '350', '340', '330', '320', '310', '300', '290', '280', '270', '260', '250', '240', '230', '220', '210', '200', '190', '180', '170', '160', '150', '140', '130', '120', '110', '100', '90', '80', '70', '60', '50', '40', '30', '20', '10', '0'.

FY20 Financial Results

Biju Vikraman – Chief Financial Officer

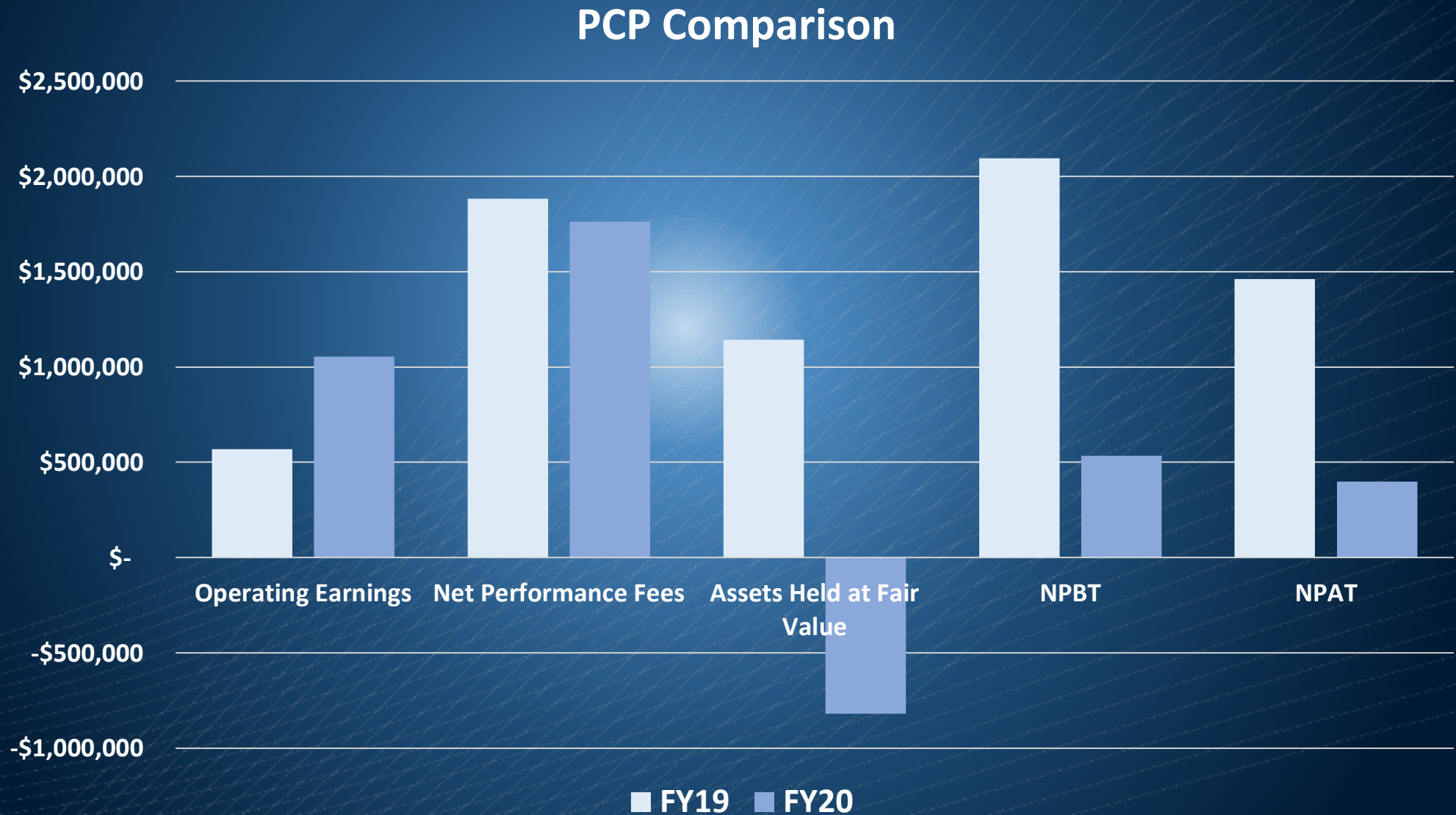
FY 20 Summary

- Operating earnings **up 86%** on PCP to \$1.05M
- Net Performance Fees **down 6%** on PCP to \$1.76M
- Assets held at fair value on balance sheet **down 172%** on PCP to (\$0.82M)
- Net Profit Before Tax **down 74%** on PCP to \$0.5M
- Net Profit After Tax **down 73%** to \$0.4M

FY 20 – Review of Financial Results

	30-Jun-20 (\$'000)	30-Jun-19 (\$'000)	Change (\$'000)	% Change
Operating Earnings	1,054	568	486	86%
Net Performance Fees	1,761	1,883	(122)	(6%)
Income / (Loss) generated by Assets Held at Fair Value	(820)	1,143	(1,963)	(172%)
Other Expenses	(657)	(1,008)		
Depreciation, amortisation and finance costs	(804)	(490)		
Net profit before income tax (NPBT)	534	2,096	(1,562)	(74%)
Income tax expense	(137)	(635)		
Net profit after income tax (NPAT)	397	1,461	(1,064)	(73%)

FY 20 PCP Comparison





Business Update and Outlook

Rod Bristow – Chief Executive Officer

Strategic Positioning

- Clarity on the operating segments where we compete
 - Investment Management (*where we invest in quality companies with a strong valuation discipline*)
 - Wealth Management (*where our deep knowledge and insight and straight talking, authentic approach empowers clients to take control of their financial future*)
 - Investor Education (*where we seek to inspire investors to take positive action to improve their wealth*)

Investment Solutions

Investment type	Solution	Suitable for...
Individually Managed Accounts (IMAs)	<ul style="list-style-type: none"> • All Cap Australian Equity IMA • High Conviction Australian Equity IMA • Income IMA • Balanced Ethical Income IMA 	Wholesale investors only
Separately Managed Accounts (SMAs)	<ul style="list-style-type: none"> • Clime Multi-Asset Portfolios • Proactive Portfolios Multi-Asset SMAs • Sterling Clime Multi-Asset Portfolios 	Wholesale and Retail investors
Managed Funds	<ul style="list-style-type: none"> • Clime Smaller Companies Fund • Clime Australian Income Fund • Clime All Cap Australian Equity Fund • Clime International Fund • Clime Fixed Interest Fund* 	Wholesale and Retail investors <i>(Clime Fixed Interest Fund wholesale only)</i>
Listed Investment Company	<ul style="list-style-type: none"> • Clime Capital Limited (ASX: CAM) 	Wholesale and Retail investors

Investment Solutions – Fund Ratings



Clime Smaller Companies Fund

SUPERIOR



Clime Australian Income Fund

SUPERIOR

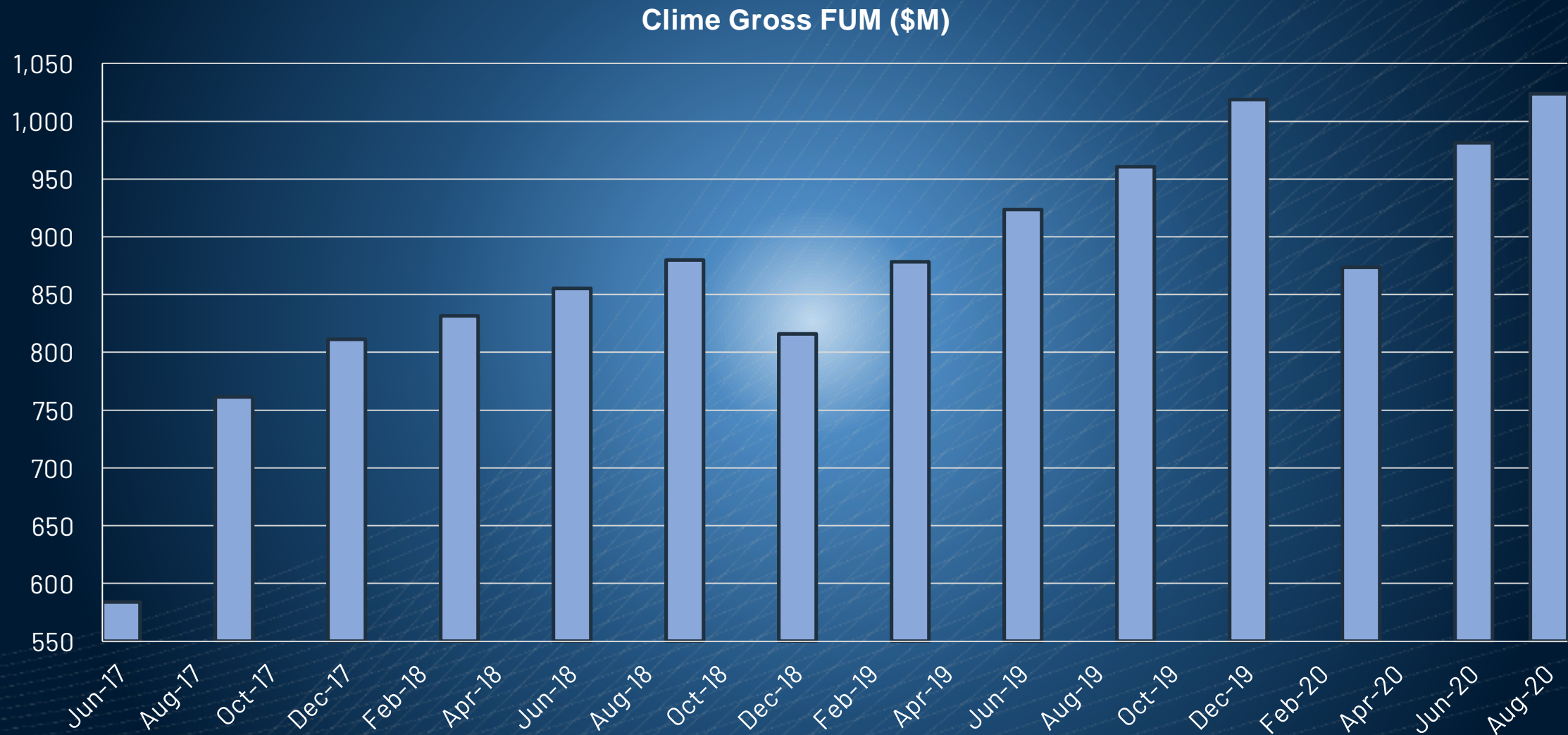


Clime International Fund

SUPERIOR



Clime Gross FUM (\$M) recovering strongly



Wealth Management

- **Clime's Wealth Management services are available for retail and wholesale clients**
 - **Madison Financial Group (MFG) is the group's retail wealth management solution**
 - Acquired in June 2020, MFG supports the provision of quality financial advice through a national network of over 100 highly qualified, experienced financial advisers
 - **Clime Private Wealth is the group's wholesale wealth management solution**
 - Launched in 2019, Clime Private Wealth provides holistic advice and investment solutions for high net worth and sophisticated investors

Wealth Management – Retail

Funds Under Advice	30 June 2020
Wealth Portal [#]	\$749 million
Other Investment Platforms	\$2,796 million
Insurance Premiums	\$74 million
TOTAL	\$3,618 million

Wealth Portal is a 'white-label' of OneVue's investment platform providing integrated asset management and reporting solutions for clients of financial advisers licensed by various AFSL holders including Madison Financial Group

Investor Education

“Inspiring investors to take positive action to improve their wealth”

- **FY20 national program (including via Zoom from March 2020)**
 - 30 Investor Education events
 - Total of 1,100 participants nationally
- **Newsletters and publications**
 - >5,000 active subscriptions to ‘The View’, weekly investment newsletter
 - 108 Reports on market outlook and Managed Fund performance
 - 50 investor video updates
 - 111 print and 15 televised media appearances

Investor Education

- **Clime Direct**

- DIY Investor Platform
 - Clime Analyst research
 - Proprietary Clime Quality Filter for stock selection and portfolio construction
 - Direct SMA Portfolios for DIY investors (launched March 2020)
- 1500 Clime Direct demonstrations (FY20)
- 900 active subscriptions at June 30

www.climedirect.com.au

Outlook

- **Continued uncertainty from COVID-19**
 - Ongoing Central Bank support key for market stability
- **FY21 Management Team focus**
 - Organic growth in operating earnings and margins across all divisions
 - Business simplification and efficiency
 - Further mergers and acquisitions for scale and operational leverage



Thank you