



INTEGRITY | TRANSPARENCY | CONVICTION | PROGRESS

Clime Investment Management Limited Investor Presentation FY21

31 August 2021

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Disclaimer



Disclaimer

The information contained in this presentation is published by the Clime Investment Management Limited (Clime), to be shared with Clime shareholders only. It is based on information contained within the Clime FY2021 Annual Report.

The information contained herein is not intended to be advice and does not take into account your personal circumstances, financial situation and objectives. The information provided herein may not be appropriate to your particular financial circumstances and we encourage you to obtain your own independent advice from your Financial Adviser before making any investment decision. Please be aware that investing involves the risk of capital loss and past results are not a reliable indicator of future performance and returns.



1. Welcome and Overview – Clime Investment Management Limited

Annick Donat – Chief Executive Officer



2. FY21 Results

Key business performance indicators



3. Activity and initiatives

People, culture and education



4. FY22 outlook

Progress into FY22

1. Clime Investment Management Limited



Clime Group

Integrated wealth
management business



CLIME PRIVATE WEALTH

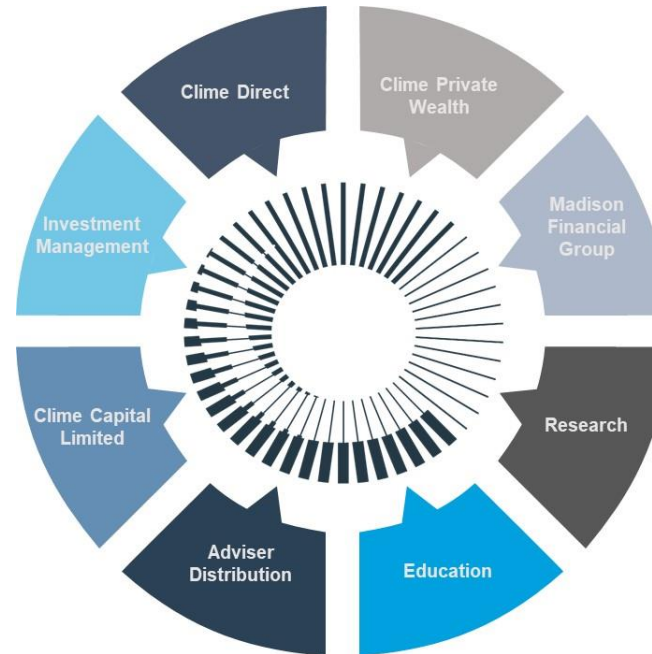


Sydney - 40
Melbourne - 2
Brisbane - 4

Clime Group

Employees

Clime Group	Employees
Total	46*
CEO, Chairman & EA	3
Operations	7
Finance	4
Risk & Compliance	2
Madison & CPW	17
Investment Management (Avg Tenure 7.7yrs)	13



Our Values



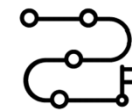
Integrity



Transparency



Conviction



Progress



2. FY21 Results Summary



CIW FY21 Results

Financial Indicator	FY21	FY20	% Change
Funds under management and advice (FUM&A)	\$5.1 billion	\$4.6 billion	↑ up 11%
Revenue	\$15.75 million	\$11.95 million	↑ up 32%
Profit before amortisation and tax	\$3.8 million	\$1 million	↑ up 280%
Statutory profit before tax	\$3.1 million	\$0.5 million	↑ up 482%
NPAT	\$2.28 million	\$0.4 million	↑ up 473%
Cash and liquid investments, no debt	10.45M	10.49M	Flat
FY21 dividend	2.5c fully franked	2.0c fully franked	↑ up 25%



Key revenue drivers

- Madison entities contributing \$3.59 million to Group revenue
- Management fees of \$8.5 million up from \$8.2 million in FY20
- Performance fees stable at \$2.3 million in both FY21 and FY20

The results have also benefitted from solid growth in Funds Under Management and Advice (FUM&A), now \$5.1 billion, improved operating earnings, higher performance fees and solid balance sheet returns.

2. FY21 Highlights and Performance



Highlights: FY21

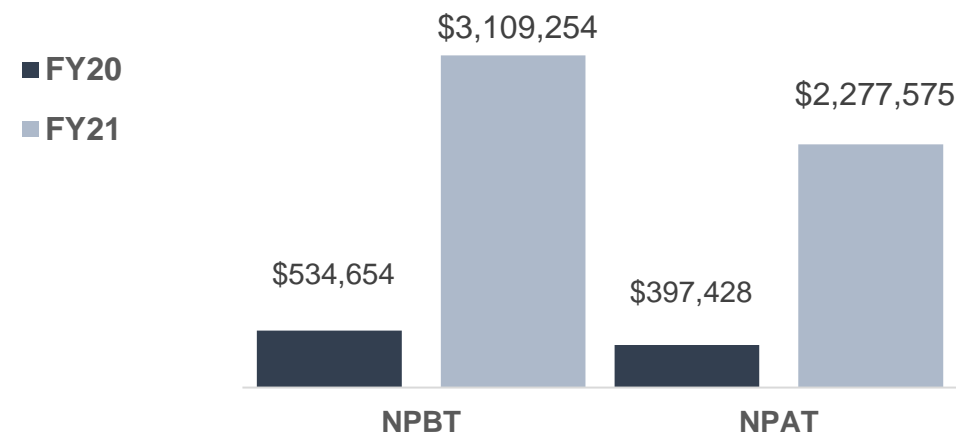
- Statutory profit before taxes were \$3.1 million compared to \$0.5 million during the prior corresponding period (PCP).
- Strong contributions from the operating businesses, generation of performance fees and positive contribution from Group's direct investments lead to a solid performance during the current year.
- Successful merger of Madison, which has enabled synergy benefits in terms of people, platform and investments.
- Strong outperformance of a range of indices.
- New personnel and leadership team.
- Growth opportunities – new foundations investing with the Clime Group.
- Record attendance – Educating our Adviser community.
- Key programs commenced in FY21 and due for completion mid FY22 include:
 - simplifying our technology architecture to improve the client experience
 - better utilise the data and insights we curate



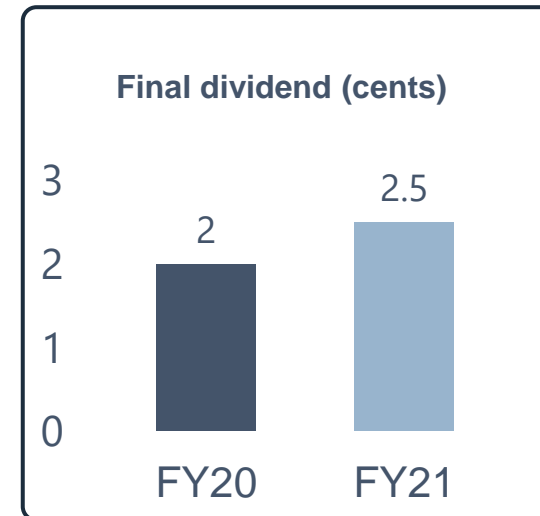
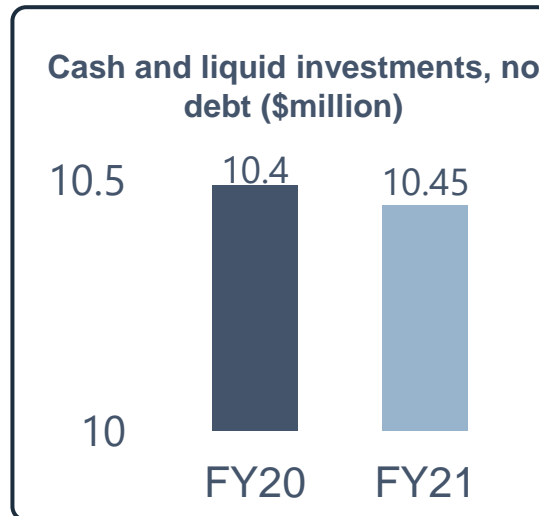
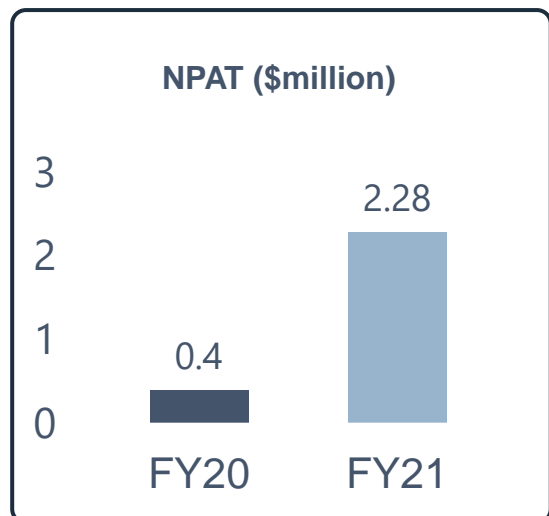
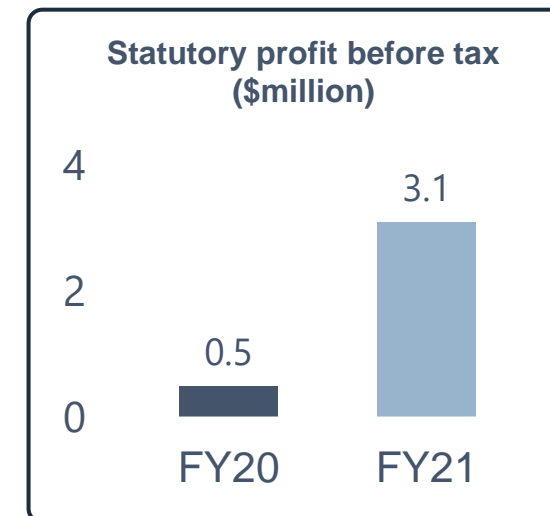
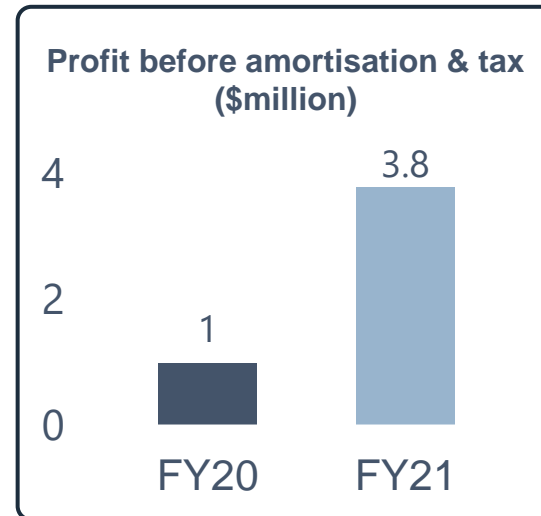
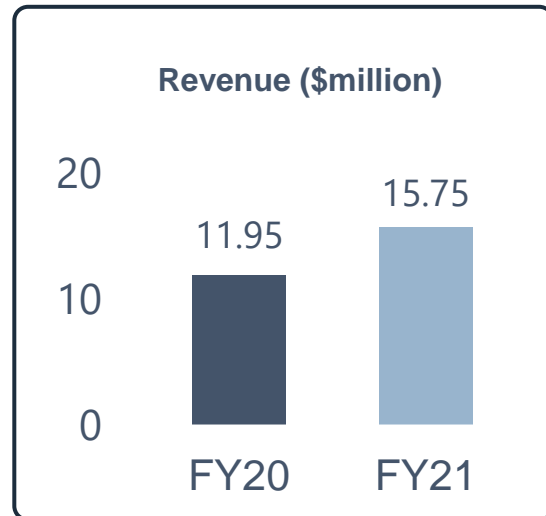
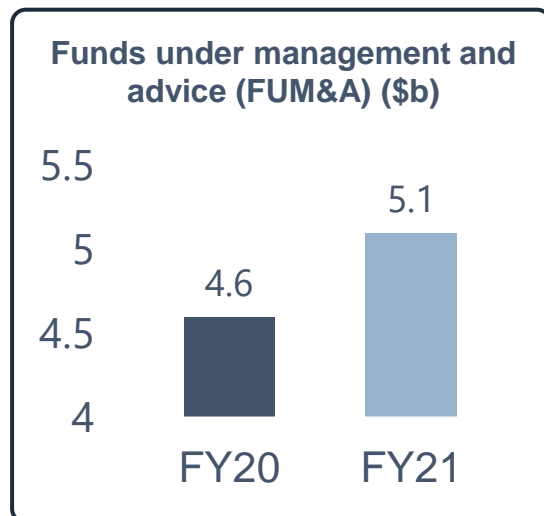
Key Statistics: FY21

- Gross income up 33% on PCP to \$15.87M
- Operating profit up 42% on PCP to \$3.18M
- Assets held at fair value on balance sheet up 273% on PCP to (\$1.42M)
- Net Profit Before Tax up 482% on PCP to \$3.1M
- Net Profit After Tax up 473% to \$2.3M

Net Profit, before and after tax
FY20 vs FY21 Comparison



2. Results – Year on Year Comparison



2. Clime Gross FUM (\$M)

recovering strongly



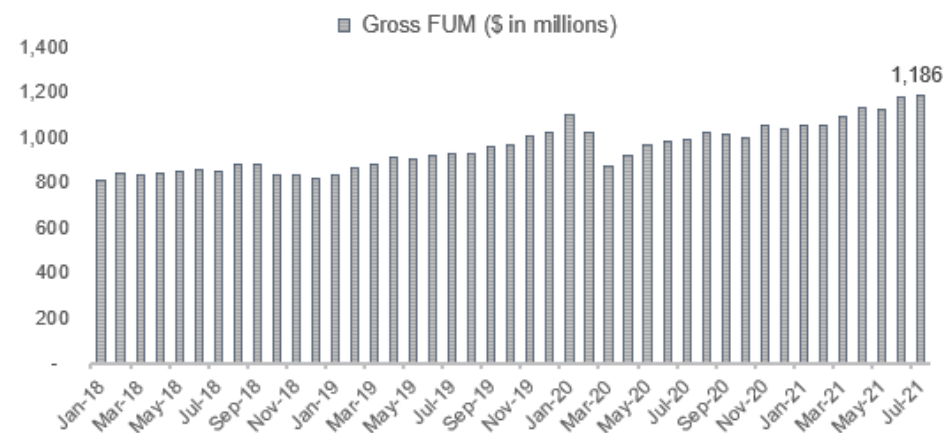
Funds under management (FUM) and Advice

Solid growth in Funds Under Management and Advice (FUM&A), now over \$5.1 billion

Funds Under Advice	To 30 June 2021	To 30 June 2020	Funds Under Management	FUM & A
WealthPortal #	\$833 million	\$749 million		
Other Investment Platforms	\$3,057 million	\$2,795 million		
Insurance Premiums	\$45 million	\$74 million		
Total	\$3,935 million	\$3,618 million	\$1,186 million	\$5,121 million

WealthPortal 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.

GROSS FUM (\$ IN MILLIONS)



2. Strong fund performance



Clime Fund Performance

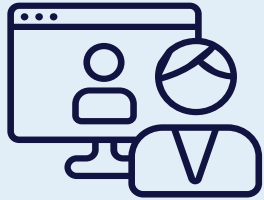
Portfolio Results as at 30/06/2021 (All returns shown after fees)

EQUITIES	1 - month	3 - month	6 - month	FYTD	1 Year	2 Year (p.a)	3 Year (p.a)	5 Year (p.a)	Inception (p.a)
CSCF - Smaller Companies Fund	5.88%	14.56%	17.92%	41.26%	41.26%	23.30%	21.58%	N/A	21.43%
CIF - Clime International Fund (Wholesale)	4.19%	8.32%	13.32%	18.28%	18.28%	9.97%	10.27%	10.05%	9.41%
CAM (After fees before taxes)	4.58%	11.82%	16.81%	32.54%	32.54%	8.89%	9.49%	10.06%	10.22%
Clime All Cap Fund - (Wholesale)	4.06%	10.01%	14.33%	28.49%	28.49%	9.81%	9.57%	9.90%	9.44%
IMA - Growth	4.72%	10.51%	14.47%	28.81%	28.81%	10.50%	11.79%	10.65%	N/A
IMA - High Conviction	3.60%	8.39%	8.93%	20.55%	20.55%	7.96%	N/A	N/A	11.15%
INCOME	1 - month	3 - month	6 - month	FYTD	1 Year	2 Year (p.a)	3 Year (p.a)	5 Year (p.a)	Inception (p.a)
CAIF - Aust Income Fund	1.75%	4.25%	6.33%	13.30%	13.30%	5.25%	5.96%	6.23%	6.49%
IMA - Income	2.81%	6.48%	9.40%	18.54%	18.54%	4.91%	6.15%	5.63%	N/A
IMA - Balanced Ethical Income	2.77%	7.91%	10.93%	19.47%	19.47%	11.56%	9.82%	N/A	9.61%
CFIF - Clime Fixed Interest Fund	0.30%	0.77%	1.04%	4.17%	4.17%	2.47%	N/A	N/A	2.65%

Fund Performance: FY21

- It has been a productive year for all Clime funds, with all products adding positively to client portfolio returns.
- All Clime Income funds (IMA Income, CAIF, CFIF, IMA Balanced Ethical Income) have outperformed their respective benchmarks over all time frames.
- The IMA Growth portfolio has now outperformed its benchmark over all time frames out to 3 years, after all fees.
- The CAIF is ranked in the top 10 in its category in Morningstar, over all time frames (from ~100 funds).
- The CSCF outperformed by nearly 5 percentage points in June, and has now delivered +21.4% p.a. since inception, after all fees. It is also ranked 8/85 in its Morningstar category over 3 years and now exceeds \$90 million in funds under management.
- CSCF is now available for investment on several leading investment platforms, enabling access to Australia's advice community.

3. Activity and initiatives



Our People

- People synergies – using the diversity of skills and experience across our people to accelerate projects
- Newly created role of Associate Analyst (x 2) to increase depth of research and provide career paths
- Attracting high quality people in specialist areas to support future growth and aligning to our values of integrity, transparency, conviction and progress.



Our education program delivers again

Record activity during FY21



Professional Development days

Melbourne, Sydney, Brisbane, Adelaide

Attendees – 102

Rating 4/5



Good Governance Summit 2020

Attendees - 101

Rating - 4.1/5



Investment Specialist Forum 2021

Sydney

Attendees – 42

Rating – 4/5



Specialist training webinars

Advice Technology

Advice & Governance seminar

Investment Market updates

End of Financial Year review

Attendees - 136

4. FY22 Outlook

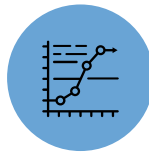


Progress – the outlook for FY22



New Markets and growth opportunities

- Growth in net flows early FY22 – highest net inflow in 18 months, with flows of \$14.9 million
- New markets opening NFP, Foundations and Family Offices – with recent new mandate wins



Pipeline

Adviser recruitment pipeline is strong, with opportunities for joint ventures and acquisitions



SMA Growth

SMA book growing, with a move to bespoke SMAs underpinned by Clime Investment team expertise and strong investment framework.



Clime Direct

Focus on Clime Direct, increase content generation, increase of digital engagement to increase subscriber base



Clime Funds

Increase retail footprint for Clime managed funds and SMAs – available on more platforms

Conclusion

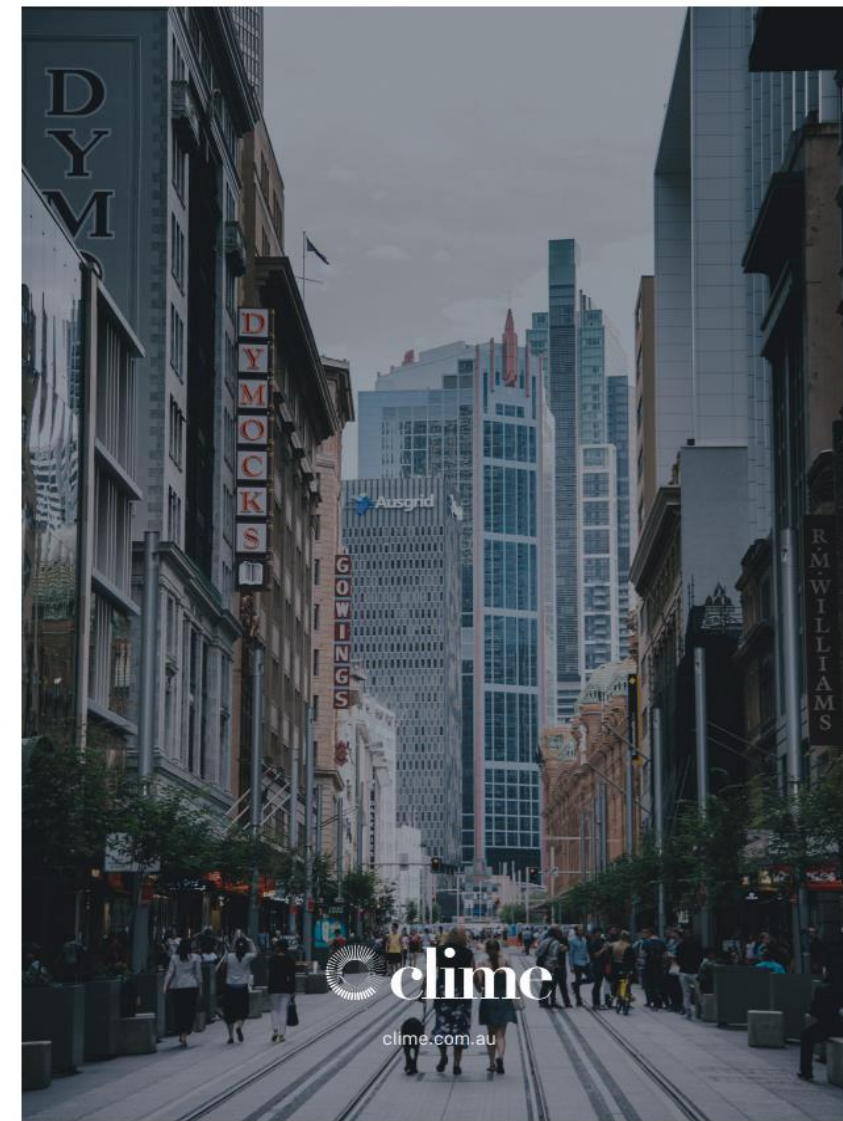


Conclusion

We head in FY22 optimistic about the future and passionate about providing a fresh, progressive and principled financial services offering to elevate the financial wellbeing of our clients, shareholders and employees.

We are starting to see steady growth in the number of new referrals, attracting Advisers who are seeking a collaborative community which provides access to professional investment expertise, ongoing education, underpinned by a culture of 'client first'.

The disciplined and unwavering commitment to quality and value which underpins our investment philosophy has delivered exceptional results for our clients and shareholders. These results coupled with improved operating earnings and a positive contribution from Clime's Balance Sheet Investments delivered a combined FY21 Group profit of \$3.8 million before depreciation and amortisation.



Appendix



Appendix



Clime Australian Income Fund

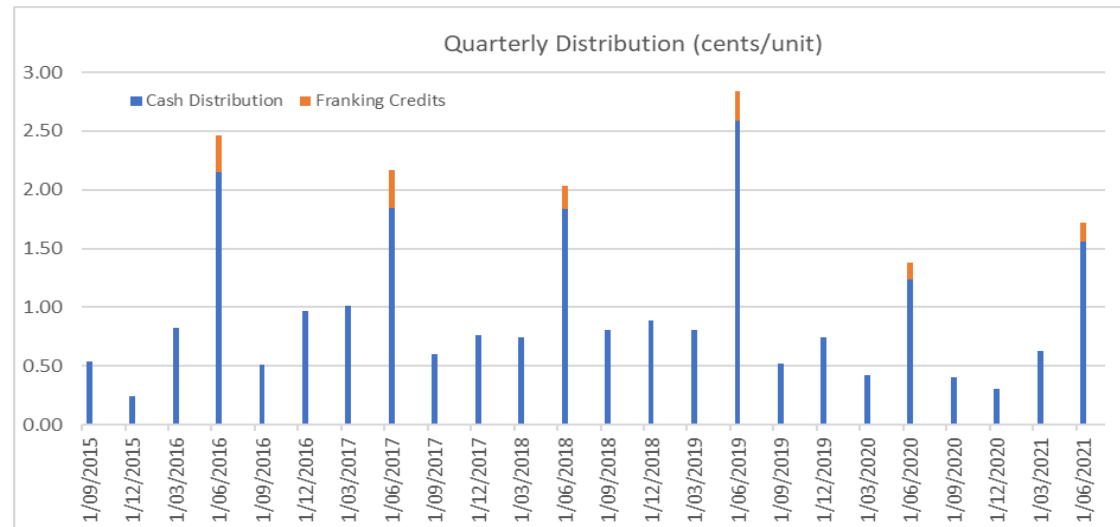
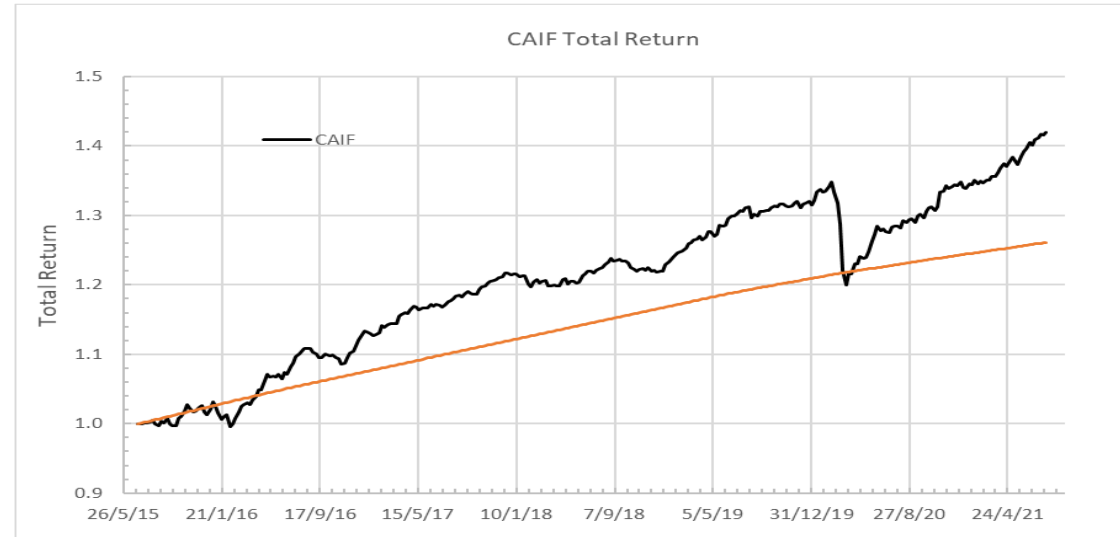


Since Inception Net Return
6.6% p.a.

Since Inception Volatility
4.5%

Quarterly Distributions
Historic running yield ~4.0%

Data as at 31 July 2021. CSCF returns are net of all fees, charges and taxes.



Clime Smaller Companies Fund



Since Inception Net Return p.a.

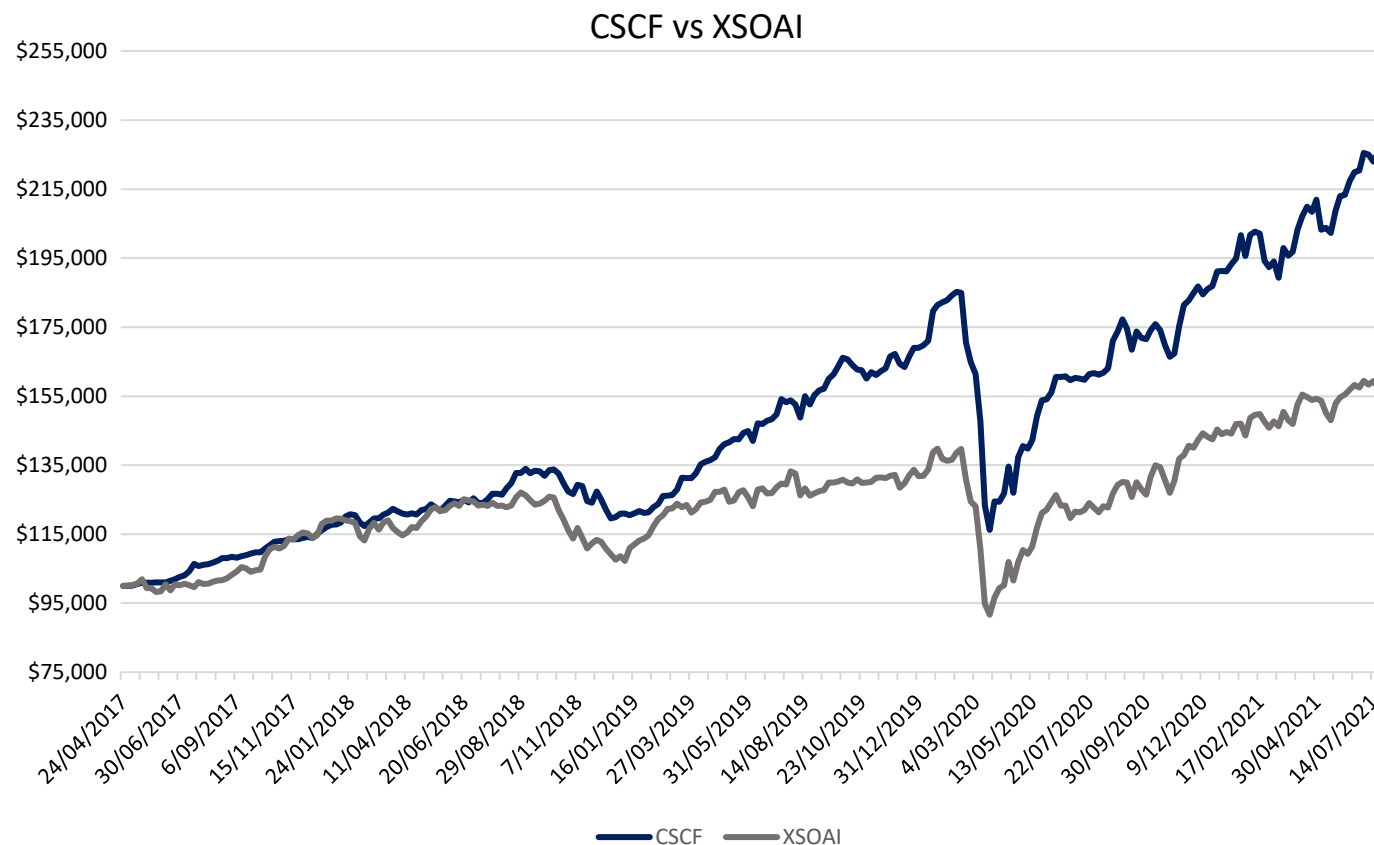
21.5%

Outperformance p.a.

+7.4%

3 Year S/Mid Category Rank

Top Decile



Data as at 31 July 2021. CSCF returns are net of all fees, charges and taxes.