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**Clime Investment Management Limited  
Coffee Microcaps Presentation**

24 September 2020

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Chief Executive Officer

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Past performance is not a guarantee of future returns.

# Agenda

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# Clime Overview

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# Clime Investment Management (ASX: CIW)

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- **Diversified financial services business**
  - Investment Management
  - Wealth Management
  - Investor Education
- **Our Values are Integrity, Transparency and Conviction**

# Clime Investment Management (ASX: CIW)

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Listed on ASX  
in 2001

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Over \$4.6Bn

Group funds under  
management and advice

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42

Team members based in  
Sydney, Melbourne &  
Brisbane

- Established in 1996 as Loftus Pooled Development Limited and listed on the ASX in 2001
- Acquired Clime Asset Management in 2004 and changed name to Clime Investment Management Limited (ASX: CIW)
- Solutions include investor education; direct to consumer stock research; retail financial advice; private wealth (wholesale financial advice); and investment solutions
- Investment process focused on investing in quality stocks with a strong valuation discipline
- Investment products include specialist smaller companies and Australian income managed funds; listed investment company Clime Capital Ltd (ASX: CAM); individually managed accounts (IMAs); and separately managed accounts (SMAs)
- Acquired CBG Asset Management July 2017
- Launched Clime Private Wealth November 2018
- Acquired Madison Financial Group (MFG) June 2020

# FY20 Highlights

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# FY 20 Highlights

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- **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

# FY20 Financials

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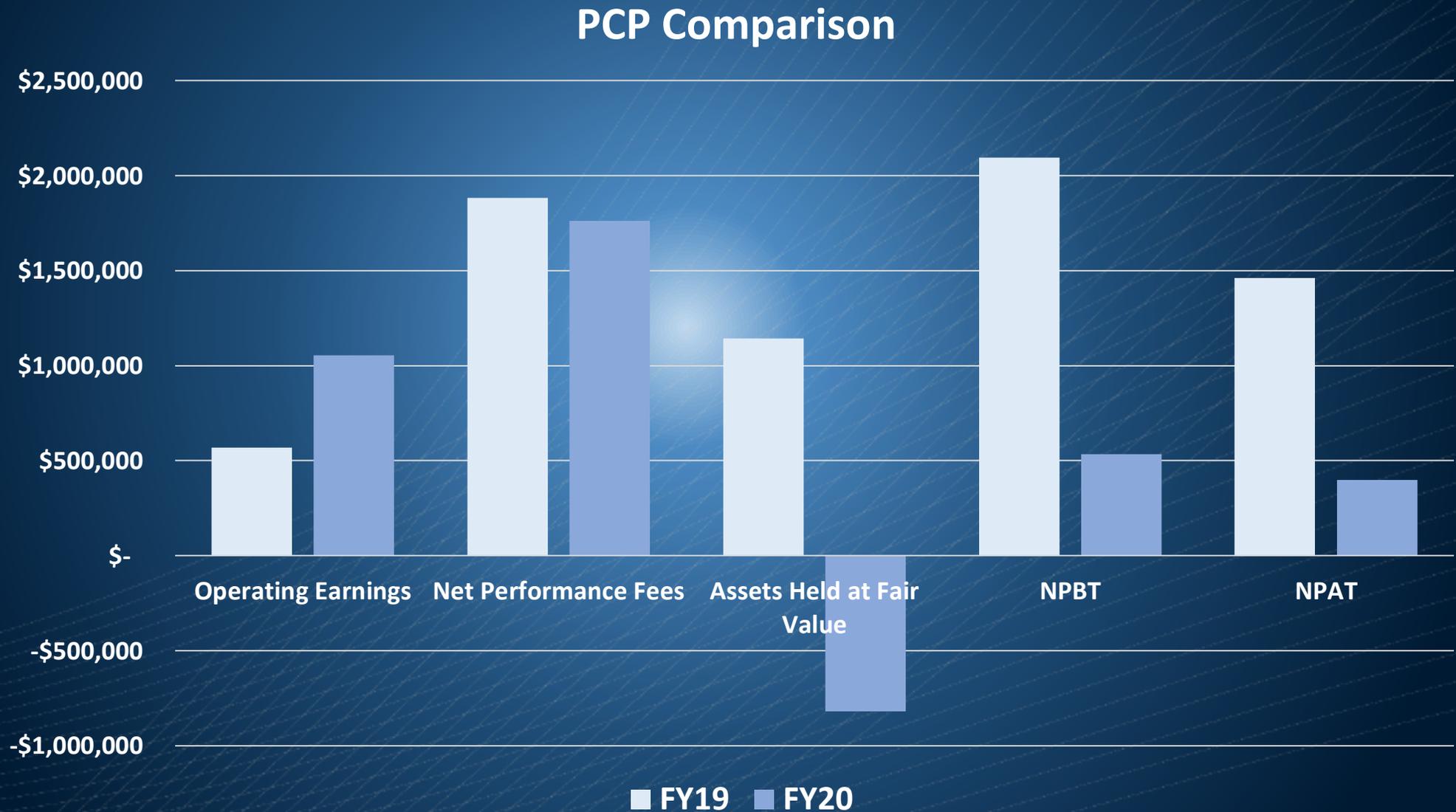


# FY 20 Summary

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- 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 PCP Comparison



# Outlook

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# Investment Solutions

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

# Investment Solutions – Fund Ratings



Clime Smaller Companies Fund  
SUPERIOR



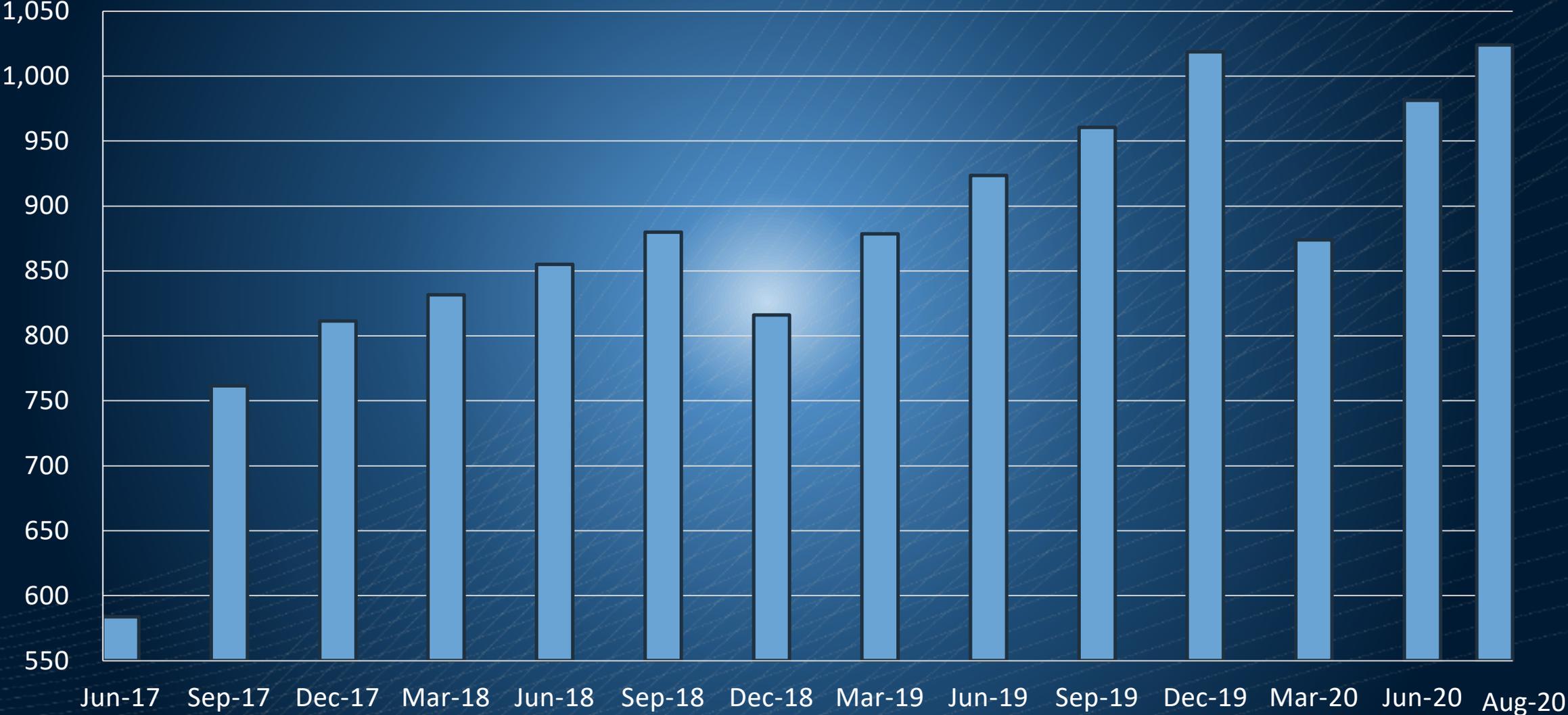
Clime Australian Income Fund  
SUPERIOR



Clime International Fund  
SUPERIOR



# Clime Gross FUM (\$M) recovering strongly



# Wealth Management

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- **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 <sup>#</sup>	\$749 million
Other Investment Platforms	\$2,796 million
Insurance Premiums	\$74 million
<b>TOTAL</b>	<b>\$3,618 million</b>

*# 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

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- **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

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- **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](http://www.climedirect.com.au)

# Outlook

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- **Continued uncertainty from COVID-19**
  - Ongoing Central Bank support key for market stability
- **Headwinds**
  - Successfully scaling with right people, systems and processes
  - Sustaining competitive advantage in rapidly changing environment
- **Tailwinds**
  - Wealth management regulatory certainty
  - Market dislocation – opportunity
  - Empowerment of end consumer supporting direct to client model



**Thank you**

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