



CLIMB

GLOBAL SOLUTIONS

Connecting People with Technology

Climb Global Solutions, Inc.
Investor Presentation
December 2024



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In addition to U.S. GAAP financial measures, this presentation includes certain non-GAAP financial measures. These non-GAAP financial measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP. A presentation of and reconciliation to the most directly comparable GAAP financial measure, where such can be done without unreasonable effort, can be found in the appendix to this presentation or on our Web site at www.climbglobalsolutions.com/investor.

This presentation contains statistical data that we obtained from industry publications and reports generated by third parties. Although industry publications and surveys generally state that the information contained therein has been obtained from sources believed to be reliable, we have not independently verified this statistical data.



CLIMB[®]
CHANNEL SOLUTIONS



 **greymatter**



CLIMB
GLOBAL SERVICES

Our Company

A specialty software distributor dedicated to connecting technology vendors with a global network of value-added resellers. Climb's sales, marketing and operations are purpose built for speed and flexibility to uniquely serve the needs of our vendors and customers.

Our Mission

“To become the premier distributor for emerging security, data-center, and cloud-based technologies. We provide value by connecting our technology vendors with our global network of resellers.”



Who We Are

Climb Global Solutions is a specialty IT distributor focused on emerging & cloud-based technologies, with resources throughout North America and Western Europe.

We specialize in cloud based and data center technology software, distributing products to 7,000+ customers and vendors globally & have curated 100+ partnerships in the market.

Seasoned management team with decades of industry experience that refocused Climb from 'order taker' to a 'sales & marketing' culture, leading to renewed growth.

Growth through acquisition strategy - Climb completed its 5th accretive acquisition in 2024, following four prior transactions (one in 2023, one in 2022 & two in 2020)¹.



Red Mountain vs. Blue Mountain Strategy

Climb Alliance Strategy

ARROW

INCRAM^{micro}

EXCLUSIVE
NETWORKS

TD SYNEX

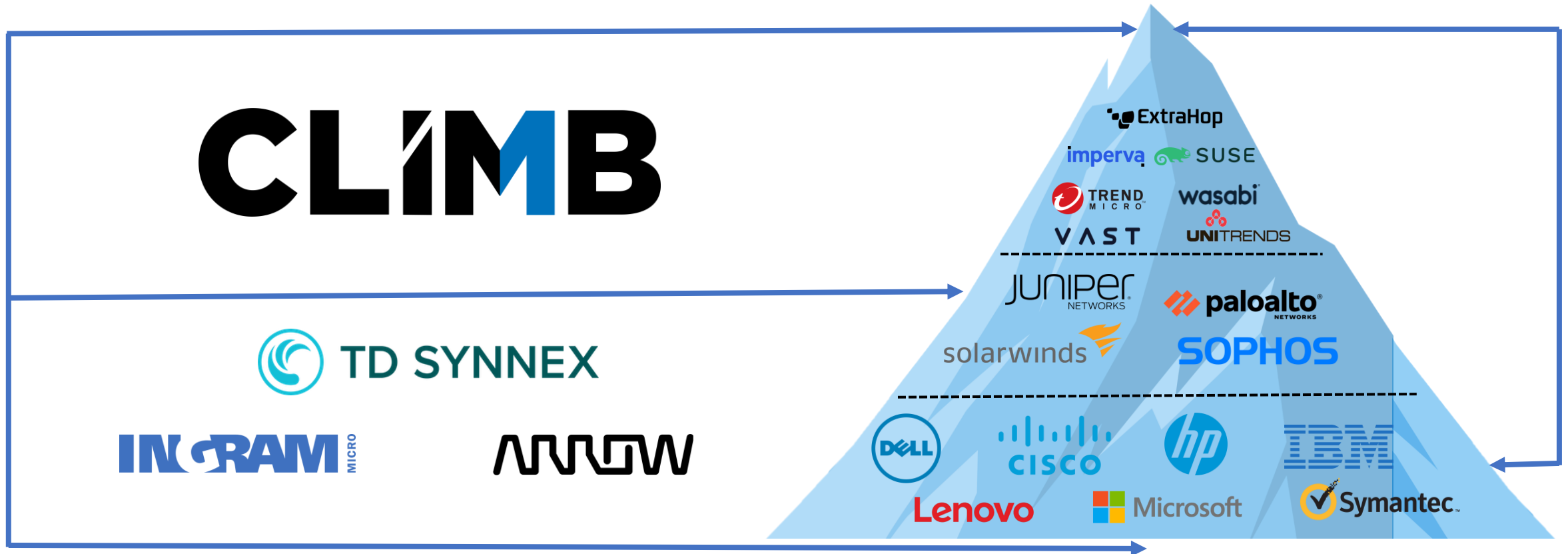
INFINIGATE
... Adding Value to Distribution

esprinet[®]

CLIMB
GLOBAL SOLUTIONS

The Market

- Broadline distribution companies focus on legacy vendors.
 - New, differentiated, and emerging brands are moving up the technology stack yet are an underserved segment of the market.
- **Climb is emerging technology focused.**



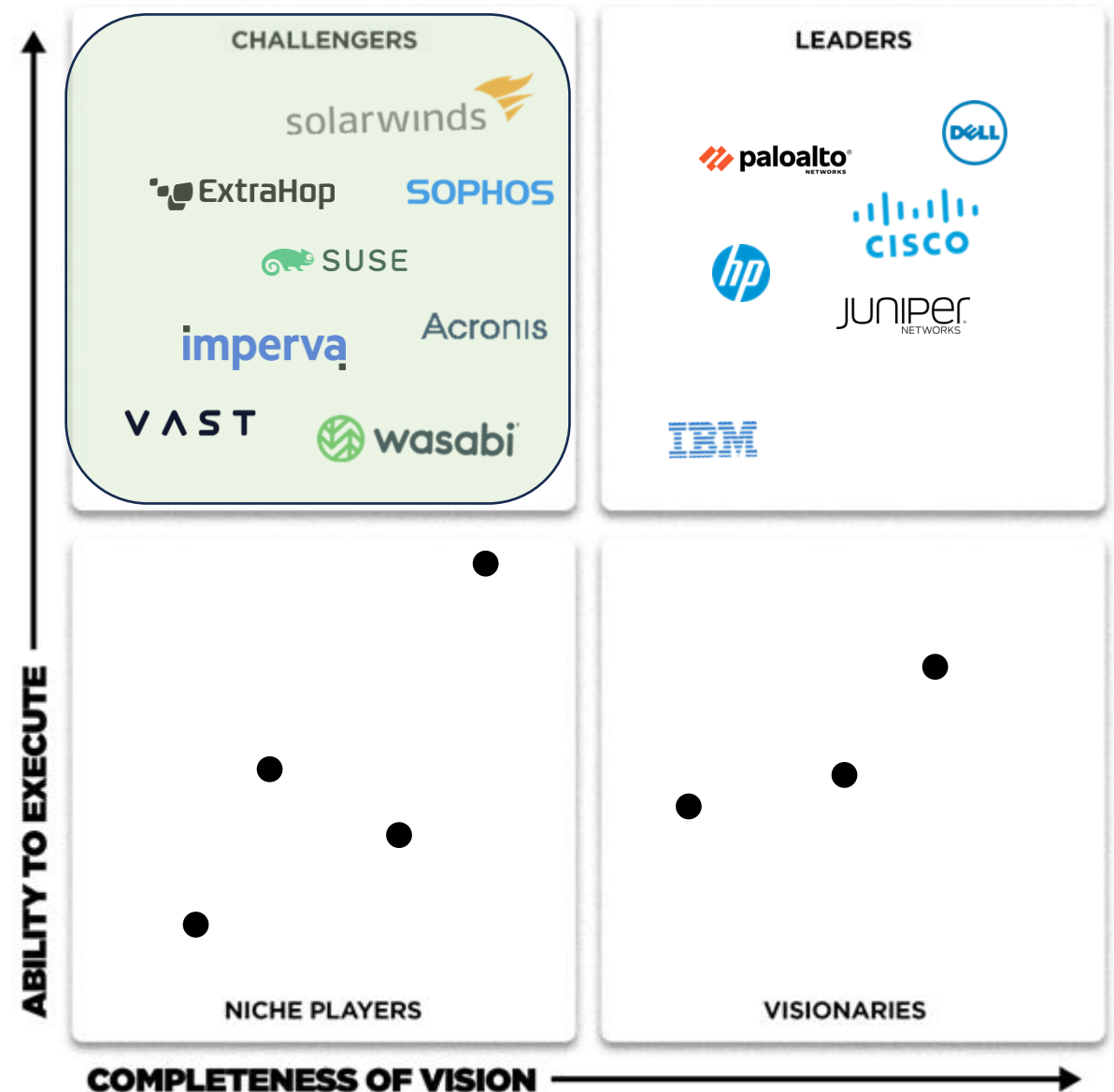
Where We Fit

Purpose Built for Vendor Success:

Climb offers focused teams to onboard vendors and enable resellers in the Challenger space with a velocity focus.

Our sales, marketing and operations have been built to meet the needs of emerging technology vendors.

Gartner Magic Quadrant



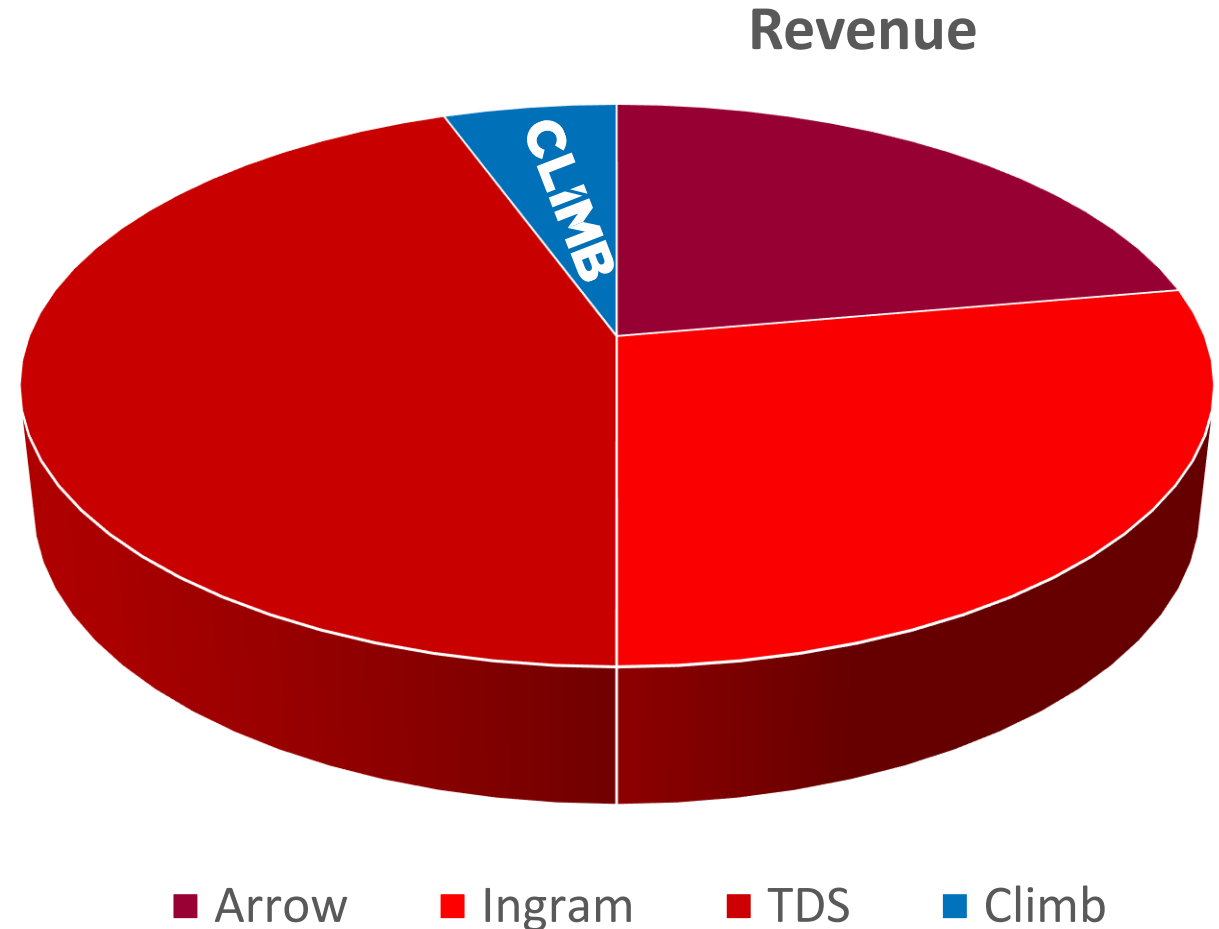
GREAT ECONOMICS

High Demand and Growth in our Focus Sectors — Security, Datacenter, Cloud

- \$650B+ Global IT Market
- Growth rate 6-10% per year
- Emerging vendors 10-16%
- \$22B+ Software Distribution TAM

Simple Financial Model

- Fast and efficient quote to cash with virtual delivery of software licenses
- YTD net working capital = ~\$6M
- Strong return on working capital @ 3.6X



Why We Win

These Products Sell Themselves



Sold By Volume Distributors



These Products Do Not



Sold By Product Specialists



We find disruptive technology vendors and partner with them early, enabling strong organic growth for years ahead.

We are highly focused on our core vendors and can actively sell their products, in comparison to volume distributors that focus on products that sell themselves.

Solution Portfolio



Security

Acronis arcserve*
AUTOMOX
Bitdefender*

CARBONITE + WEBROOT
— opentext Security Solutions —

CyberRes* Delinea DNS/Filter

EXTRAHOP FIREMON FLASHPOINT

flexera GARLAND TECHNOLOGY
See every bit, byte, and packet*

illumio imperva
a Thales company

invicti IRONSCALES
SAFER TOGETHER

jamf Kaseya Kiteworks LOGICGATE

LogRhythm opentext proofpoint.

N-ABLE* OffSec

SecurityCompass SecurityScorecard SOLARWINDS

sonatype SOPHOS* ThreatDown
Powered by Malwarebytes



Virtualization & Cloud

Canonical

CARBONITE + WEBROOT
— opentext Security Solutions —

CLOUD IBR
INSTANT BACKUP RECOVERY
flexera DATACORE
HAMMERSPACE

opentext Cybersecurity opentext

SCALE COMPUTING
SEAGATE*

SUSE*

wasabi* hot cloud storage
CLOUD IBR DATACORE Datadobi

DNS/Filter imperva
a Thales company Kaseya*

Macrium Software*
It's our business to protect your data

PANZURA SCALE COMPUTING

StorageCraft VAST

wasabi* hot cloud storage



Data Management

Acronis arcserve*

CARBONITE + WEBROOT
— opentext Security Solutions —

CLOUD IBR DATACORE Datadobi

DNS/Filter imperva
a Thales company Kaseya*

Macrium Software*
It's our business to protect your data

PANZURA SCALE COMPUTING

StorageCraft VAST

wasabi* hot cloud storage



Storage & HCI

CLOUDIAN*

DATACORE GIGATO

opentext SCALE COMPUTING

SEAGATE* LYVE Mobile

SUPERMICR* Tintri

wasabi* hot cloud storage



SW & App Lifecycle

ABBYY* BLUEBEAM*

COREL*
Acquired by Alludo*

Extensis flexera freshworks

Grafana idera

intel software* MindManager™

MIRANTIS nitro opentext Parallels
Enabled by Alludo*

Progress* Chef* puppet SMARTBEAR

Telerik* by Progress ThreatDown
Powered by Malwarebytes zendesk



Connectivity

CATO NETWORKS GARLAND TECHNOLOGY
See every bit, byte, and packet*

GFI Software* opentext

PAESSLER* THE MONITORING EXPERTS Parallels
Enabled by Alludo*

SOLARWINDS

TeamViewer*

UVnetworks

MindManager™

opentext Parallels
Enabled by Alludo*

sonatype

Seasoned Executive Team



Dale Foster

**Chief Executive
Officer & Director**

- 20+ years of technology distribution industry experience.
- Former president of Promark Technology, led emerging vendor division after Ingram Micro acquisition in 2012.



Drew Clark

**Chief Financial
Officer**

- 35+ years of finance and operations experience for both public and private companies.
- Former COO of Medisolv, Inc. and Board Director at SafeNet and Howard Bancorp.



Tim Popovich

**Chief Operating
Officer, President**

- 20 years of experience in product management, sales, and operations.
- Former Sales Manager, Director of Sales, Vice President of Sales at Climb. Promoted to President of Climb Channel Solutions in 2022 and Chief Operating Officer in 2023.



Charles Bass

**Chief Marketing
Officer**

- 26+ years of sales, marketing and business development experience.
- Former Vice President of Channel Sales at Blue Medora and Vice President of Vendor Alliances and Marketing at Promark Technology.



Vito Legrottaglie

**Chief Information
Officer**

- 20+ years of experience in information systems and technology.
- Former Vice President at Information Systems and Chief Technology Officer at Swell Commerce Inc.

Shift in Company Vision

Executive management team with decades of IT distribution experience focused on becoming the leading emerging technology distributor.

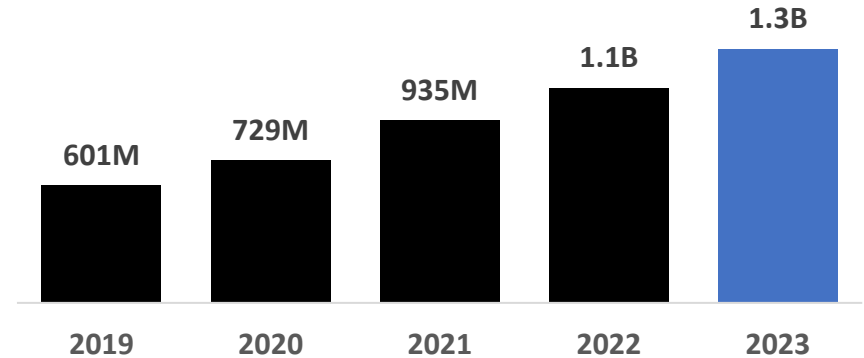
Enacted a sales culture to scale partners in the IT channel through purpose driven strategies and expertise.

Implemented a new vendor recruitment plan.

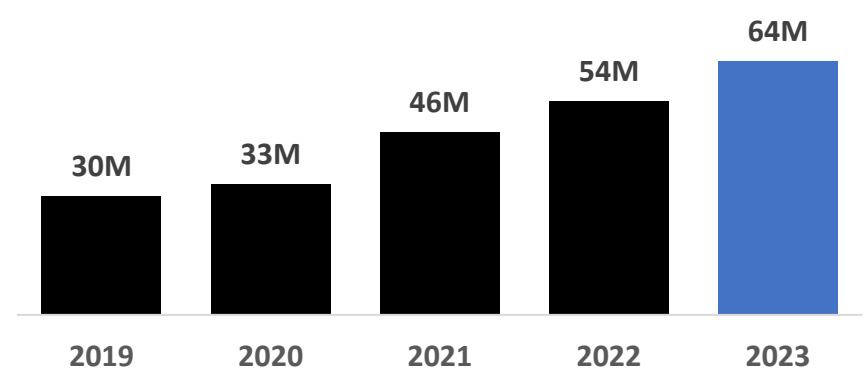
Freed-up cash on balance sheet to improve capital allocation opportunities.

Climb completed its 5th accretive acquisition in 2024, following four prior transactions (one in 2023, one in 2022 & two in 2020).²

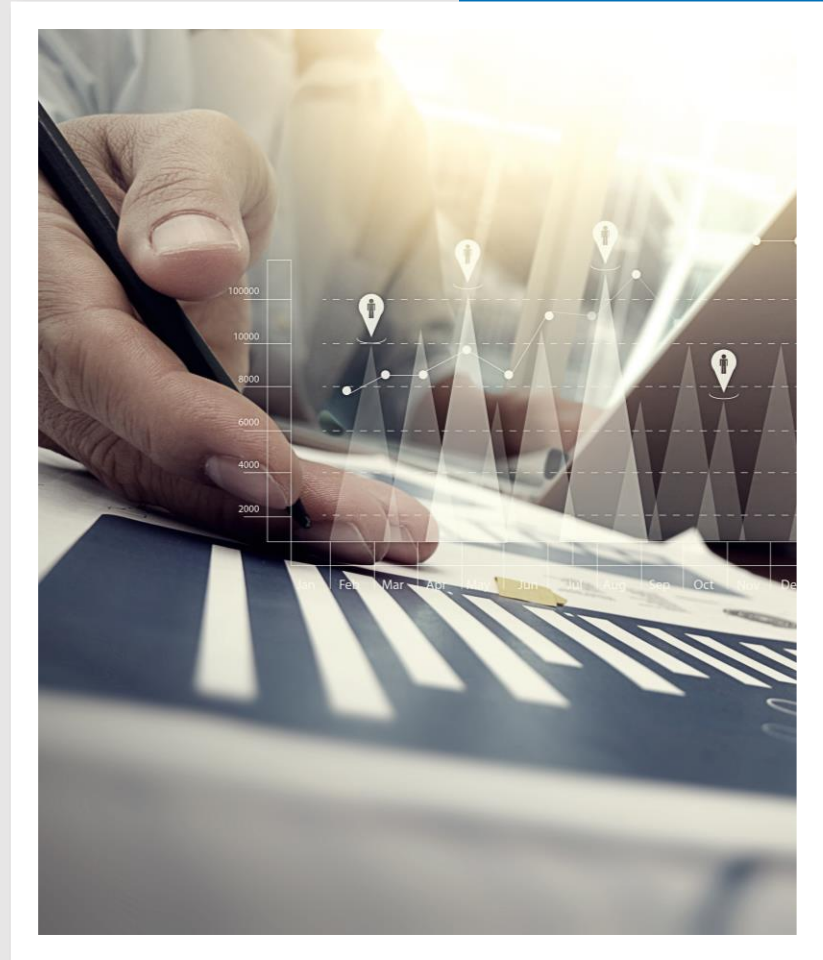
Adjusted Gross Billings¹



Gross Profit



Financial Review



M Highlights: Q3 2024

TRADING DATA @ (11/4/24)

Stock Price

\$107.98

Shares Outstanding

4.5M

Market Cap

\$485.9M

FINANCIAL HIGHLIGHTS (TTM Q3'24)

Adj Gross Billings¹

\$1.6B

Adj EBITDA¹

\$31.6M

\$80.9M
GROSS PROFIT

1.1x
EV/SALES (TTM)

\$16.9M
NET INCOME

14.6x
EV/AEBITDA (TTM)

Cash & Equivalents

\$22.1M

Total Debt

\$0.9M

3rd Quarter Highlights

Adjusted gross billings¹ increased 65% to \$465.2M

Gross profit increased 70% to \$24.3M

Net income increased more than 2x to \$5.5M or \$1.19 per diluted share

Adjusted EBITDA¹ increased 96% to \$9.9M

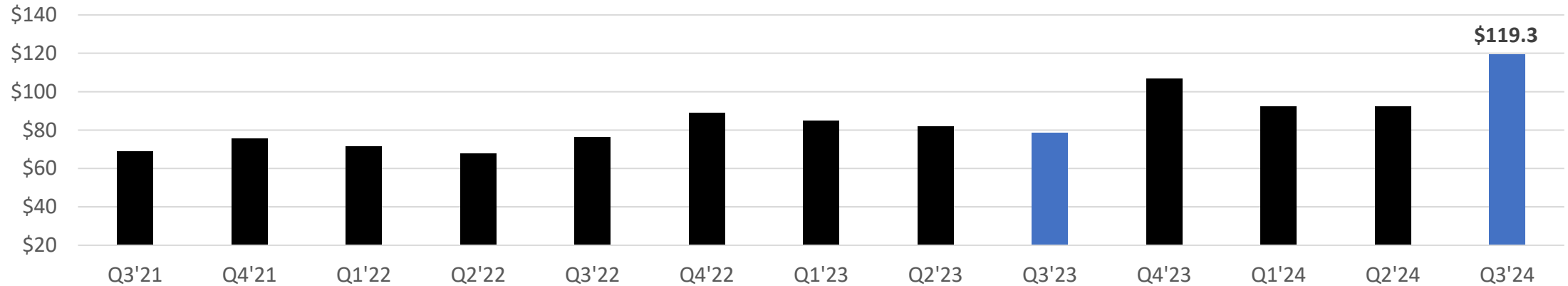




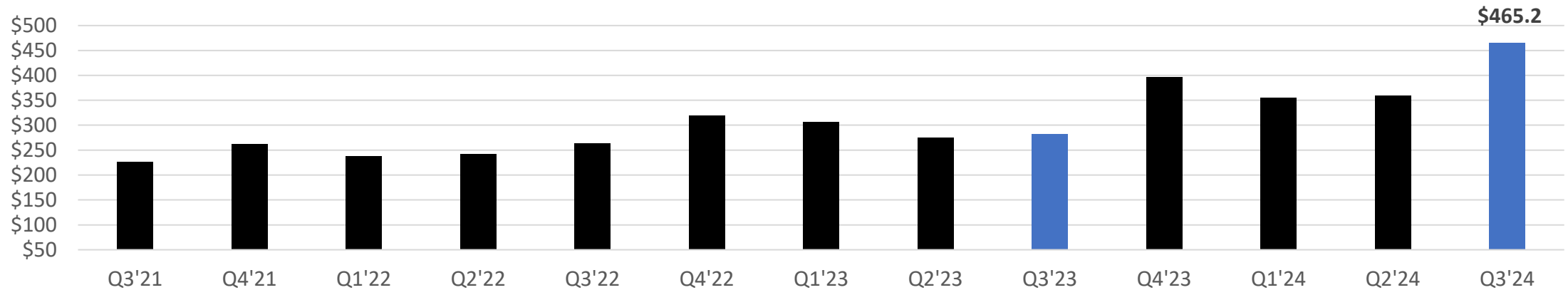
Consistent Quarterly Sales Growth

(in Millions)

Net Sales



Adjusted Gross Billings¹

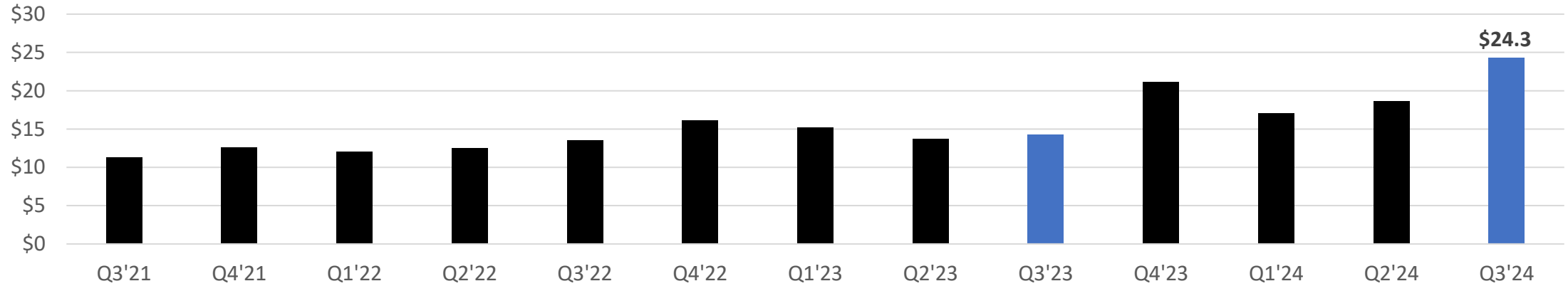


1) See appendix for reconciliation of this non-GAAP measure

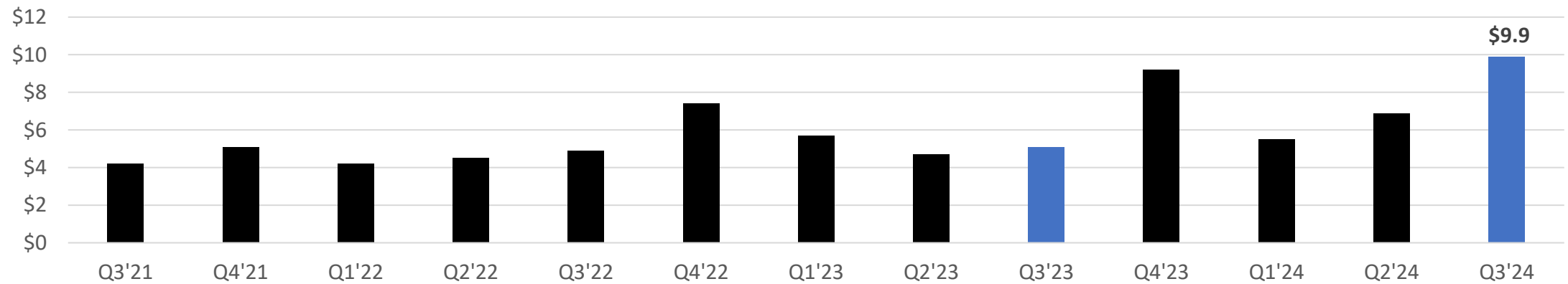
M Growing Profitability

(in Millions)

Gross Profit



Adjusted EBITDA¹



1) See appendix for reconciliation of this non-GAAP measure

Focus on Capital Allocation

Multiple Routes to Market for IT Products



Investments in
Core Business



Investments in
New Markets



Strategic M&A



Shareholder Returns

M&A

- Douglas Stewart Software & Services, LLC acquisition - August 2024
- Data Solutions Holdings Ltd acquisition - October 2023
- Spinnakar, Ltd acquisition - August 2022
- CDF & Interwork acquisitions - 2020
- Continue to seek accretive transactions to expand portfolio of offerings that meet Climb's ROIC requirements

CapEx

- Disciplined CapEx spend
- Reinvestment in core verticals

Dividends

- \$0.17 cash dividend for Q3 2024
- 18+ consecutive year history

Investment Highlights

Information technology distributor filling a critical void in the value chain for emerging IT vendors.

Seasoned Management Team in place with proven track record of execution and growth.

Renewed sustainable growth on both top & bottom line (GP & AEBITDA).

Foundation in place to become a global leader in emerging IT distribution through organic and acquisition growth.



7,000+
Transacting
Customers &
Vendors



100+
Vendor
Relationships



96%
AEBITDA¹
Growth
(Q3 2024)



\$22.1M
Cash and
Cash Equivalents
(9/30/24)

Contacts

Company:

Drew Clark
Chief Financial Officer
732-389-0932
Drew@climbgs.com

Investor Relations:

Sean Mansouri, CFA or
Aaron D'Souza
Elevate IR
720-330-2829
CLMB@elevate-ir.com



Appendix



Adjusted EBITDA Reconciliation

We define adjusted EBITDA, as net income, plus provision for income taxes, depreciation, amortization, share-based compensation, interest, legal and financial advisory expenses – unsolicited bid and related matters and acquisition related costs. We define effective margin as adjusted EBITDA as a percentage of gross profit. We provided a reconciliation of adjusted EBITDA to net income, which is the most directly comparable US GAAP measure. We use adjusted EBITDA as a supplemental measure of our performance to gain insight into our businesses profitability when compared to the prior year and our competitors. Adjusted EBITDA is also a component to our financial covenants in our credit facility. Our use of adjusted EBITDA has limitations, and you should not consider it in isolation or as a substitute for analysis of our financial results as reported under US GAAP. In addition, other companies, including companies in our industry, might calculate adjusted EBITDA, or similarly titled measures differently, which may reduce their usefulness as comparative measures.

	YE 2019	YE 2020	YE 2021	YE 2022	YE 2023	TTM Q3'24
Net Income	\$ 6,787	\$ 4,474	\$ 9,198	\$ 12,497	\$ 12,323	\$16,866
Taxes	2,261	1,746	3,166	4,035	4,458	5,401
Depreciation and Amortization	487	704	1,529	2,054	2,798	3,797
Interest Expense	58	116	68	71	264	436
EBITDA	\$ 9,593	\$ 7,040	\$ 13,961	\$ 18,657	\$ 19,843	\$26,500
Stock Comp	759	1,278	1,546	1,897	4,148	3,536
Legal and financial advisory expenses – unsolicited bid and related matters	120	1,586	-	-	-	-
Acquisition-related costs	-	1,518	-	582	629	1,553
Separation expenses	-	-	-	-	-	-
Adjusted EBITDA	\$ 10,472	\$ 11,422	\$ 15,507	\$ 21,136	\$ 24,620	\$31,589

Adjusted Gross Billings Reconciliation

We define adjusted gross billings as net sales in accordance with US GAAP, adjusted for the cost of sales related to sales where the Company is an agent. We provided a reconciliation of adjusted gross billings to net sales, which is the most directly comparable US GAAP measure. We use adjusted gross billings of product and services as a supplemental measure of our performance to gain insight into the volume of business generated by our business, and to analyze the changes to our accounts receivable and accounts payable. Our use of adjusted gross billings of product and services as analytical tools has limitations, and you should not consider them in isolation or as substitutes for analysis of our financial results as reported under US GAAP. In addition, other companies, including companies in our industry, might calculate adjusted gross billings of product and services or similarly titled measures differently, which may reduce their usefulness as comparative measures.

	Three months ended												
	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
(\$ thousands):													
Net sales	68,911	75,508	71,319	67,863	76,261	88,905	85,040	81,732	78,457	106,783	92,422	92,076	119,349
Costs of sales related to sales where the Company is an agent	158,025	186,554	167,378	173,950	188,043	230,939	221,672	192,980	203,458	290,260	262,847	267,765	345,835
Adjusted gross billings (Non-GAAP)	226,936	262,062	238,697	241,813	264,304	319,844	306,712	274,712	281,915	397,043	355,269	359,841	465,184



The mountain of success is worth climbing

