



CLIMB

GLOBAL SOLUTIONS

Connecting People with Technology

Climb Global Solutions, Inc.
Investor Presentation
March 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.



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 4th accretive acquisition in 2023, following three prior transactions (one in 2022 & two in 2020)¹.



Red Mountain vs. Blue Mountain Strategy

Climb Alliance Strategy

ARROW

INCRAM^{micro}

EXCLUSIVE
NETWORKS

TD SYNEX

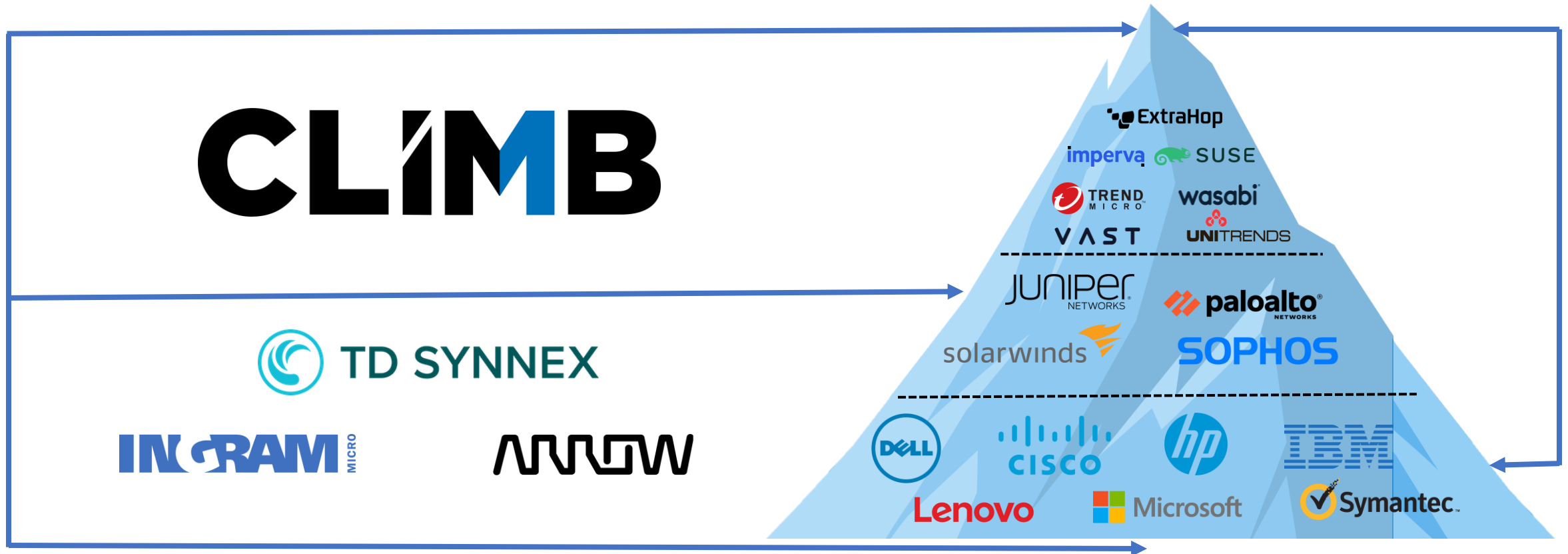
INFINIGATE
... Adding Value to Distribution

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.**



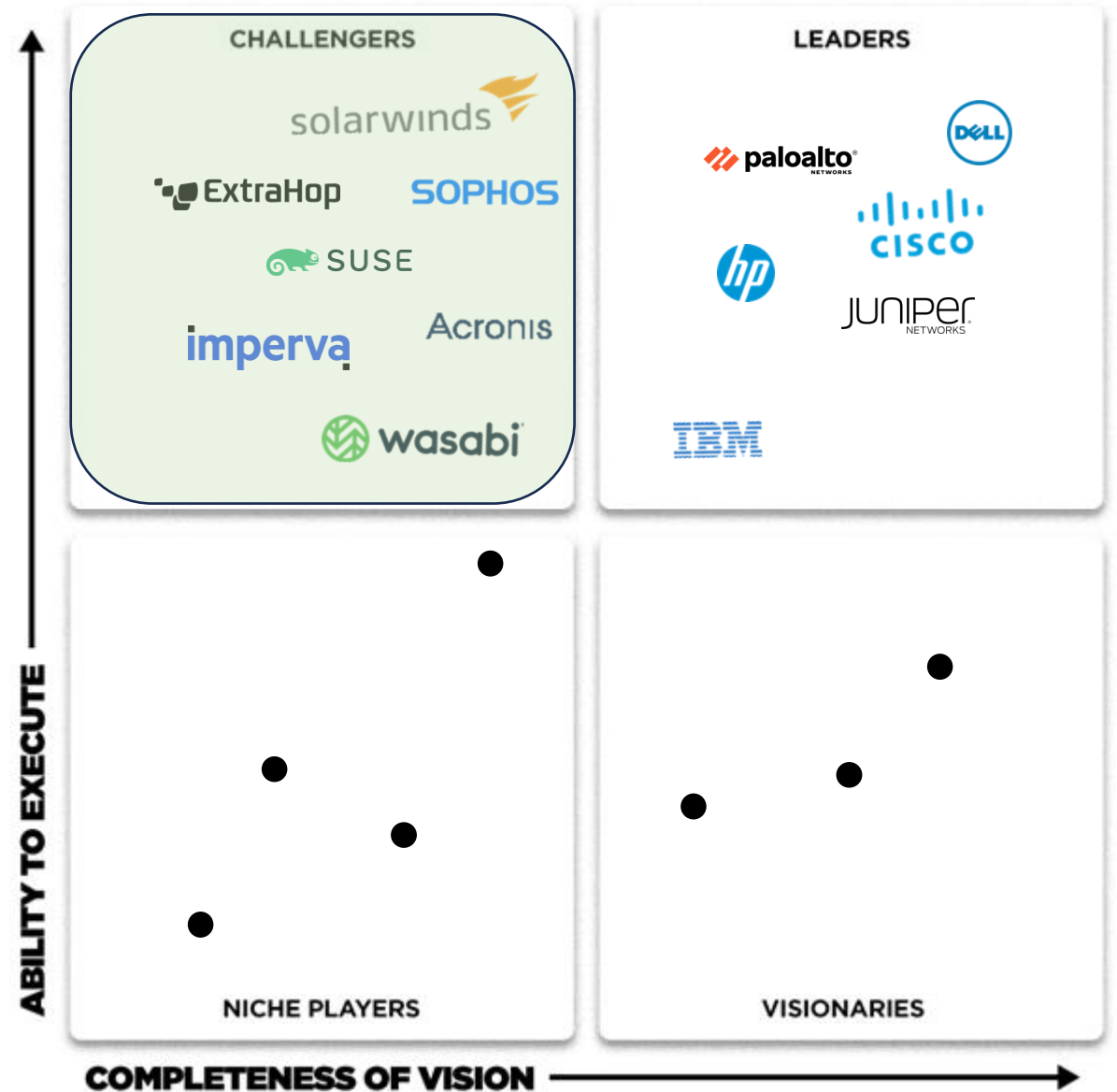
Where We Fit

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



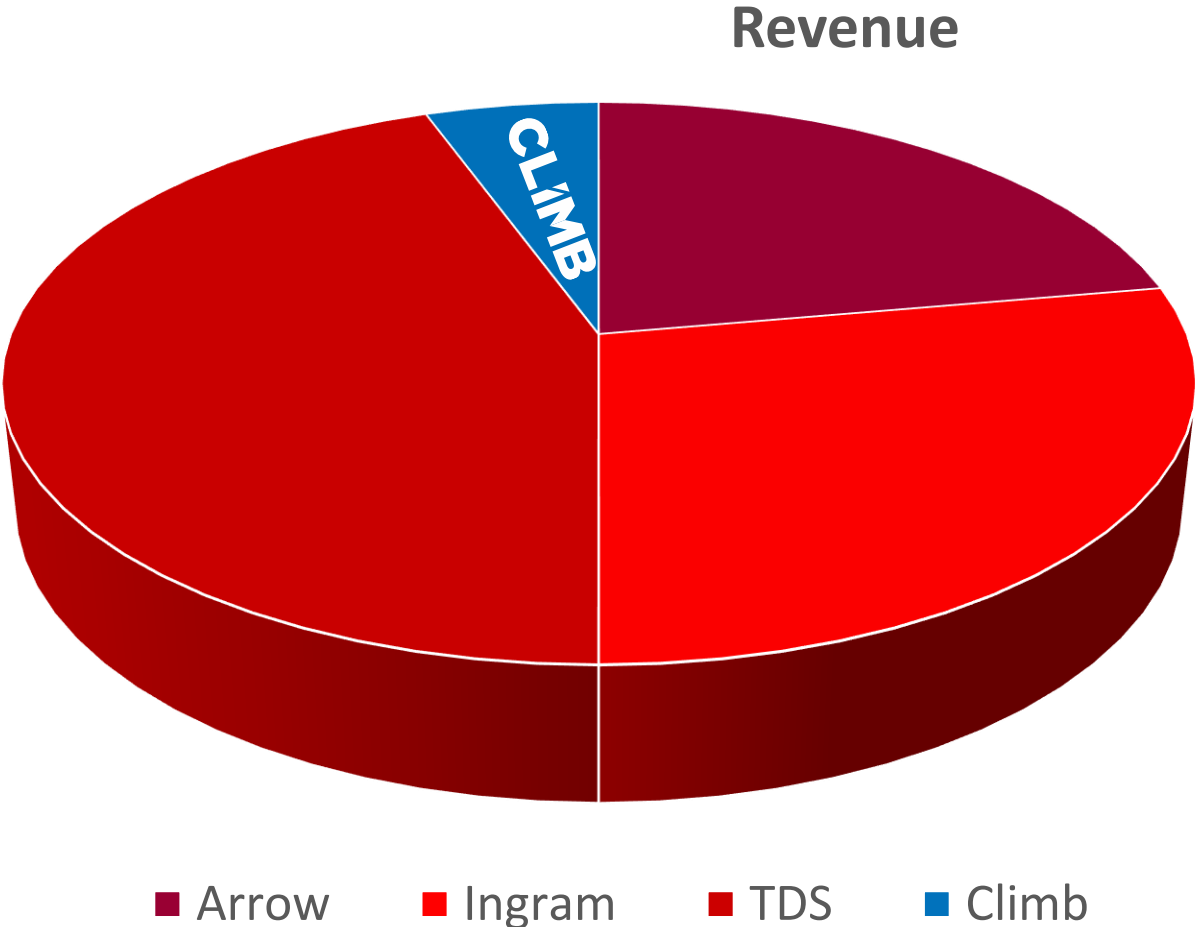
GREAT ECONOMICS

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.
- FY 2023 net working capital = ~\$18M
- Strong return on working capital @ 1.4X



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.



Partner Ecosystem



SECURITY

Acronis arcserve®
 BEYOND IDENTITY Bitdefender
 ExtraHop FLEXera
 GARLAND TECHNOLOGY GFI Software® HUMAN
 illumio imperva
 LogRhythm MICRO FOCUS
 SALT SECURITY SecurityScorecard
 thycotic Tintri



STORAGE & HCI

CLLOUDIAN®
 LIQID LYVE™
 SCALE SEAGATE
 Tintri wasabi®
 hot cloud storage



DATA MANAGEMENT

Acronis arcserve®
 CARBONITE® + WEBROOT®
 — opentext® Security Solutions —
 DATACORE Datadobi
 HAMMERSPACE Macrium Software
 It's our business to protect your data
 N-ABLE™ TRILIO
 UNITRENDS
 a Kaseya COMPANY
 wasabi
 hot cloud storage
 SOPHOS
 UNITRENDS
 a Kaseya COMPANY



CONNECTIVITY

CATO GFI Software®
 MICRO FOCUS PAESSLER
 THE MONITORING EXPERTS
 solarwinds
 TeamViewer



SW & APP LIFECYCLE

ABBYY®
 BLUEBEAM FLEXera
 freshworks Grafana
 intel software MICRO FOCUS
 puppet SMARTBEAR
 TeamViewer TechSmith®



VIRTUALIZATION & CLOUD

CANONICAL DATACORE
 FLEXera HAMMERSPACE
 MIRANTIS opentext™
 SEAGATE SUSE
 Tintri TRILIO
 VULTR LOGICGATE
 nitro sonatype
 zendesk

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.

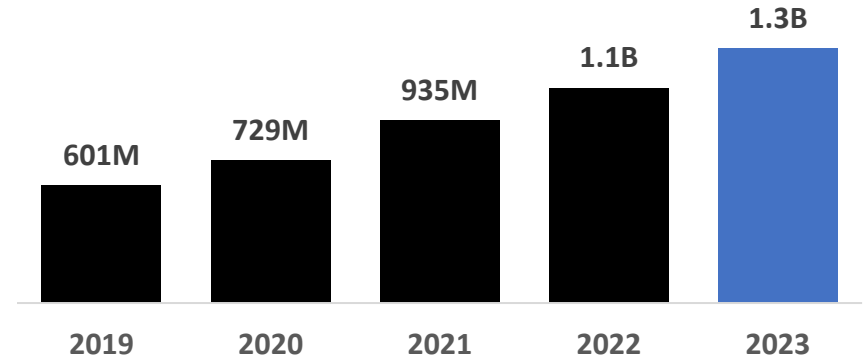
Enacted a sales culture to scale partners in the IT channel through purpose driven strategies and expertise.

Implemented a new vendor recruitment plan.

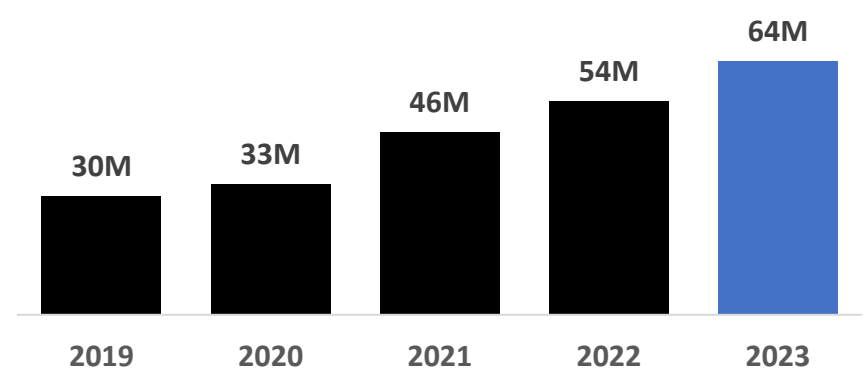
Freed-up cash on balance sheet to improve capital allocation opportunities.

In 2023, Climb completed its 4th accretive acquisition, following three prior transactions (one in 2022 & two in 2020).²

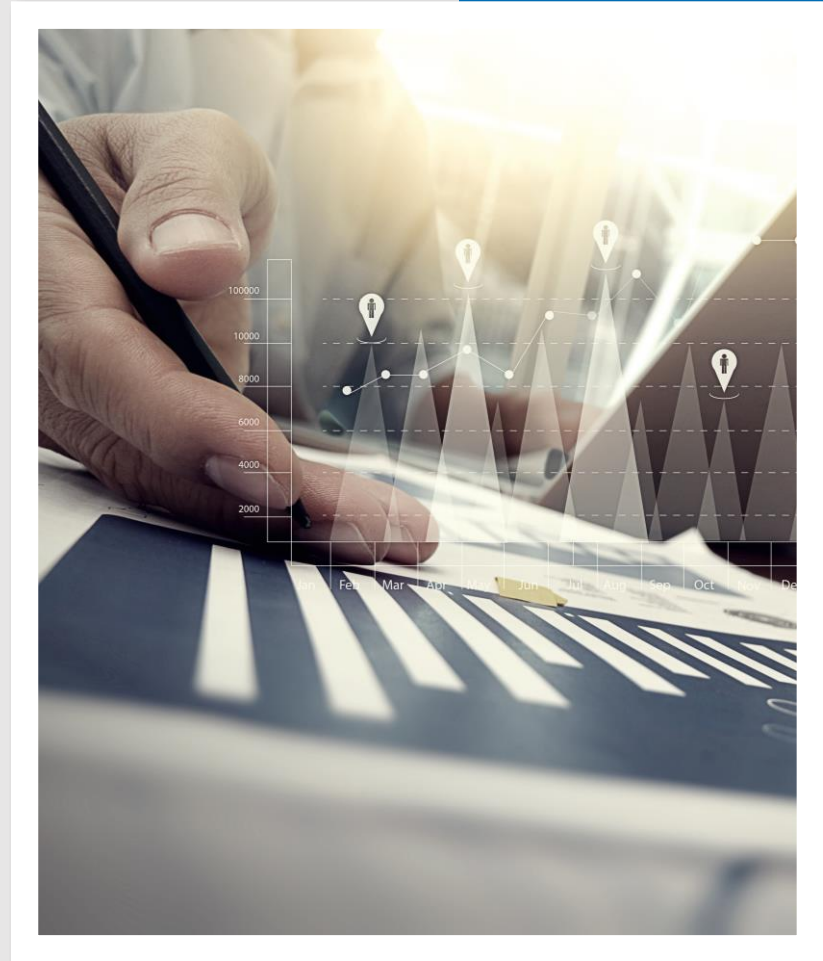
Adjusted Gross Billings¹



Gross Profit



Financial Review



M Highlights: Q4 2023

TRADING DATA @ (2/29/24)

Stock Price

\$67.97

Shares Outstanding

4.4M

Market Cap

\$299.1M

FINANCIAL HIGHLIGHTS (FY 2023)

Adj Gross Billings¹

\$1.3B

Adj EBITDA¹

\$24.6M

\$64.2M
GROSS PROFIT

\$12.3M
NET INCOME

0.8x
EV/SALES (FY 2023)

10.7x
EV/AEBITDA (FY 2023)

Cash & Equivalents

\$36.3M

Total Debt

\$1.3M

4th Quarter Highlights

Adjusted gross billings¹ increased 24% to \$397.0M

Gross profit increased 31% to \$21.1M

Net income increased 10% to \$5.2M or \$1.15 per diluted share

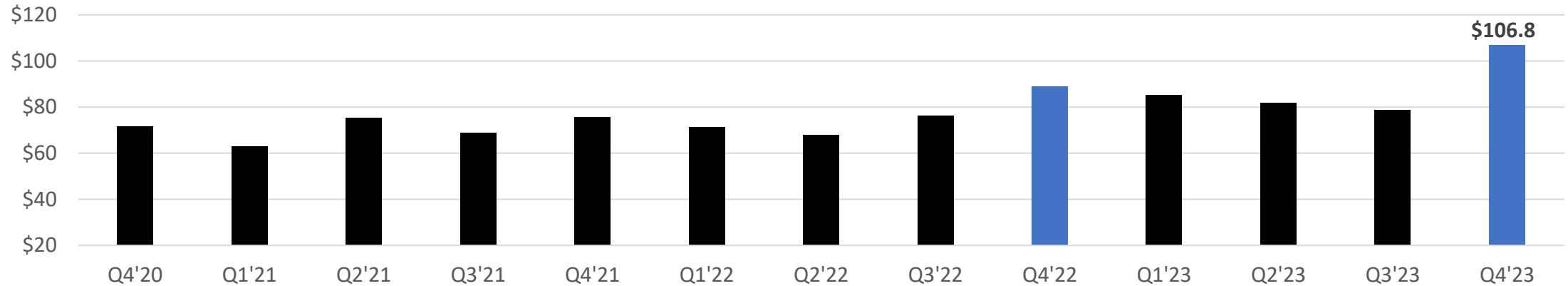
Adjusted EBITDA¹ increased 24% to \$9.2M



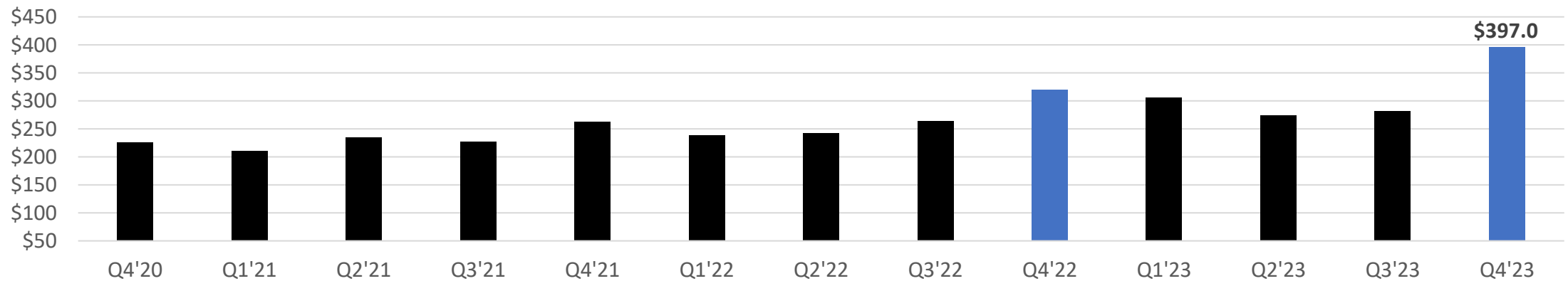
Consistent Quarterly Sales Growth

(in Millions)

Net Sales



Adjusted Gross Billings¹

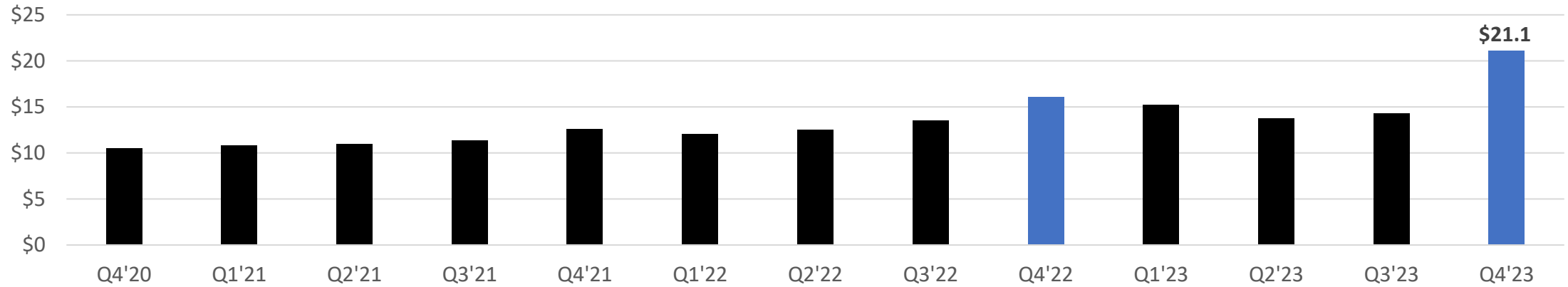


1) See appendix for reconciliation of this non-GAAP measure

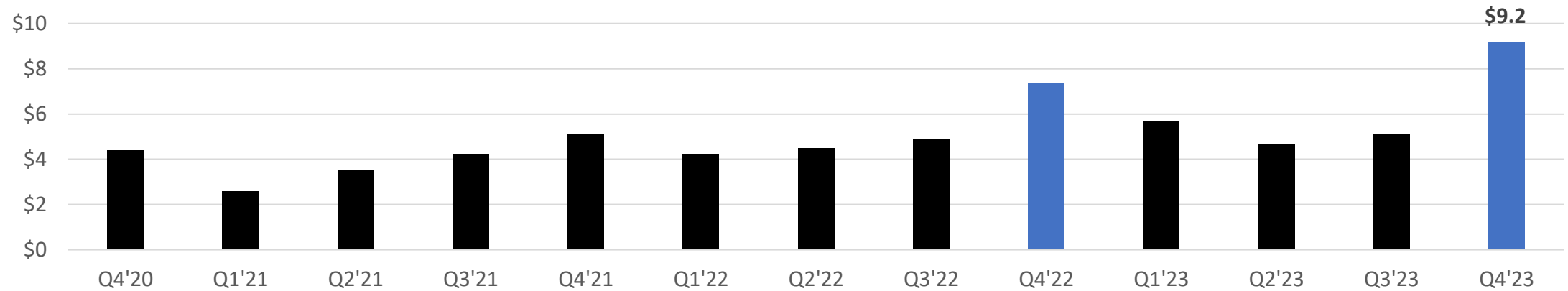
M Growing Profitability

(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

- 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 Q4 2023
- 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



16%
AEBITDA¹
Growth
(FY 2023)



\$36.3M
Cash and
Cash Equivalents
(12/31/23)

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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 2017	YE 2018	YE 2019	YE 2020	YE 2021	YE 2022	YE 2023
Net Income	\$ 5,062	\$ 3,538	\$ 6,787	\$ 4,474	\$ 9,198	\$ 12,497	\$12,323
Taxes	3,491	1,579	2,261	1,746	3,166	4,035	4,458
Depreciation and Amortization	477	482	487	704	1,529	2,054	2,798
Interest Expense	67	37	58	116	68	71	264
EBITDA	\$ 9,097	\$ 5,636	\$ 9,593	\$ 7,040	\$ 13,961	\$ 18,657	\$19,843
Stock Comp	1,512	1,108	759	1,278	1,546	1,897	4,148
Legal and financial advisory expenses – unsolicited bid and related matters	-	-	120	1,586	-	-	-
Acquisition-related costs	-	-	-	1,518	-	582	629
Separation expenses	-	2,446	-	-	-	-	-
Adjusted EBITDA	\$ 10,609	\$ 9,190	\$ 10,472	\$ 11,422	\$ 15,507	\$ 21,136	\$24,620

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												
	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
(\$ thousands):													
Net sales	71,445	62,813	75,350	68,911	75,508	71,319	67,863	76,261	88,905	85,040	81,732	78,457	106,783
Costs of sales related to sales where the Company is an agent	154,937	148,048	159,770	158,025	186,554	167,378	173,950	188,043	230,939	221,672	192,980	203,458	290,260
Adjusted gross billings (Non-GAAP)	226,382	210,861	235,120	226,936	262,062	238,697	241,813	264,304	319,844	306,712	274,712	281,915	397,043



The mountain of success is worth climbing

