



2021 Investor Presentation

Forward Looking Statements

This document may contain or refer to certain forward-looking statements relating, but not limited to, Clarke's expectations, intentions, plans and beliefs with respect to Clarke. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "does not expect", "is expected", "budget", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or equivalents or variations, including negative variations, of such words and phrases, or state that certain actions, events or results, "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. These forward-looking statements include, but are not limited to, statements regarding the trading price of the Company's securities not fully reflecting the value of the Company's business.

Forward-looking statements rely on certain underlying assumptions that, if not realized, can result in such forward-looking statements not being achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of Clarke to be materially different from the historical results or from any future results expressed or implied by such forward-looking statements. Risks and uncertainties include, among others, the Company's investment strategy, legal and regulatory risks, general market risk, potential lack of diversification in the Company's investments, and interest rates and foreign currency fluctuations. Although Clarke has attempted to identify important factors that could cause actual actions, events or results or cause actions, events or results not to be estimated or intended, there can be no assurance that forward-looking statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Other than as required by applicable Canadian securities laws, Clarke does not update or revise any such forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. Accordingly, readers should not place undue reliance on forward-looking statements.

All information contained in this presentation is as of June 30, 2021, unless otherwise specified.

Overview

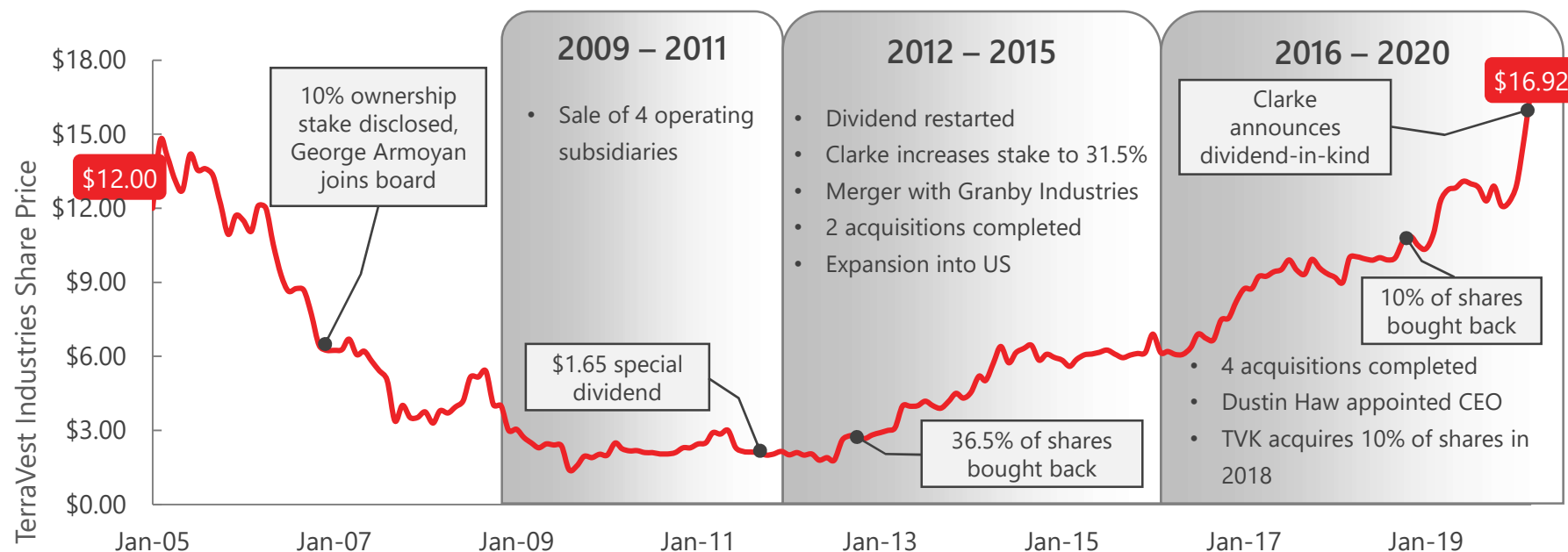
- Publicly-traded investment company
 - \$123mn market cap
 - \$232mn enterprise value
- Objective is to compound NAV per share over long-term
 - Book value per share CAGR of 9.3% since Chairman took control in 2002
 - Currently trading at 0.62x Price to Book Value
- Aligned management and board
 - Armoyan Family ownership of 71%
 - Management incentives depend on creating shareholder value

Our Approach to Investing

- Freedom to invest across industries and asset classes
- Long-term investors
 - Indefinite holding period – no pre-determined policies on selling
 - Allows us to compound value tax-efficiently
 - Willing to hold investments through cyclical downturns
- Focus on intrinsic value of assets
 - Seek undervalued, out of favour and distressed opportunities
 - Try to identify if asset's condition is temporary and/or fixable
- Desire to improve assets we invest in
 - Work with managements and boards to reach best outcome for all investors
- We do not invest passively

Case Study – TerraVest Industries

TerraVest is a consolidator of manufacturing businesses in the oilfield equipment and fuel containment industries



Investment Activity

- Implemented a disciplined acquisition strategy, completing 8 transactions since 2012 at low-single-digit multiples
- Reduced exposure to oil & gas industry
- Released excess working capital
- Undertook opportunistic share buyback programs, acquiring 9.8mn shares (vs. current share count of 17.3mn) at substantial discounts to the current share price

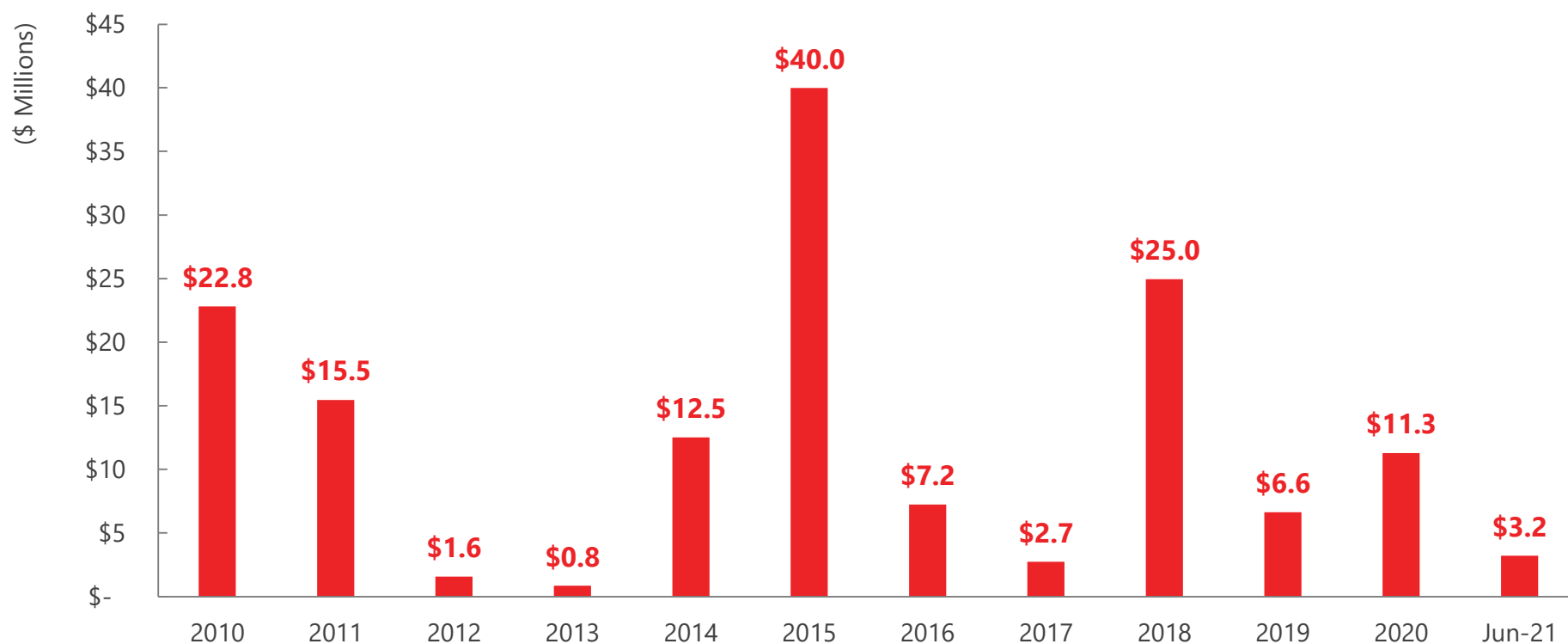
Investment Outcome

- Exited through a \$58mn dividend-in-kind on March 25, 2020
- IRR: **19.7%**
- Total Return: **201%**

Our Approach to Capital Allocation

- We can allocate capital to:
 - Debt repayment
 - Dividends
 - Share Repurchases
 - New or Existing Investments
- We benchmark each investment against alternative opportunities/uses
 - Will repurchase shares when implied return is superior to external investing
- We believe in share repurchases
 - Superior to dividends if returning capital to shareholders
 - Can often repurchase shares at discount to book value or intrinsic value
 - Improves intrinsic value per share over long-term

Share Repurchases



Average Purchase Price Per Share:

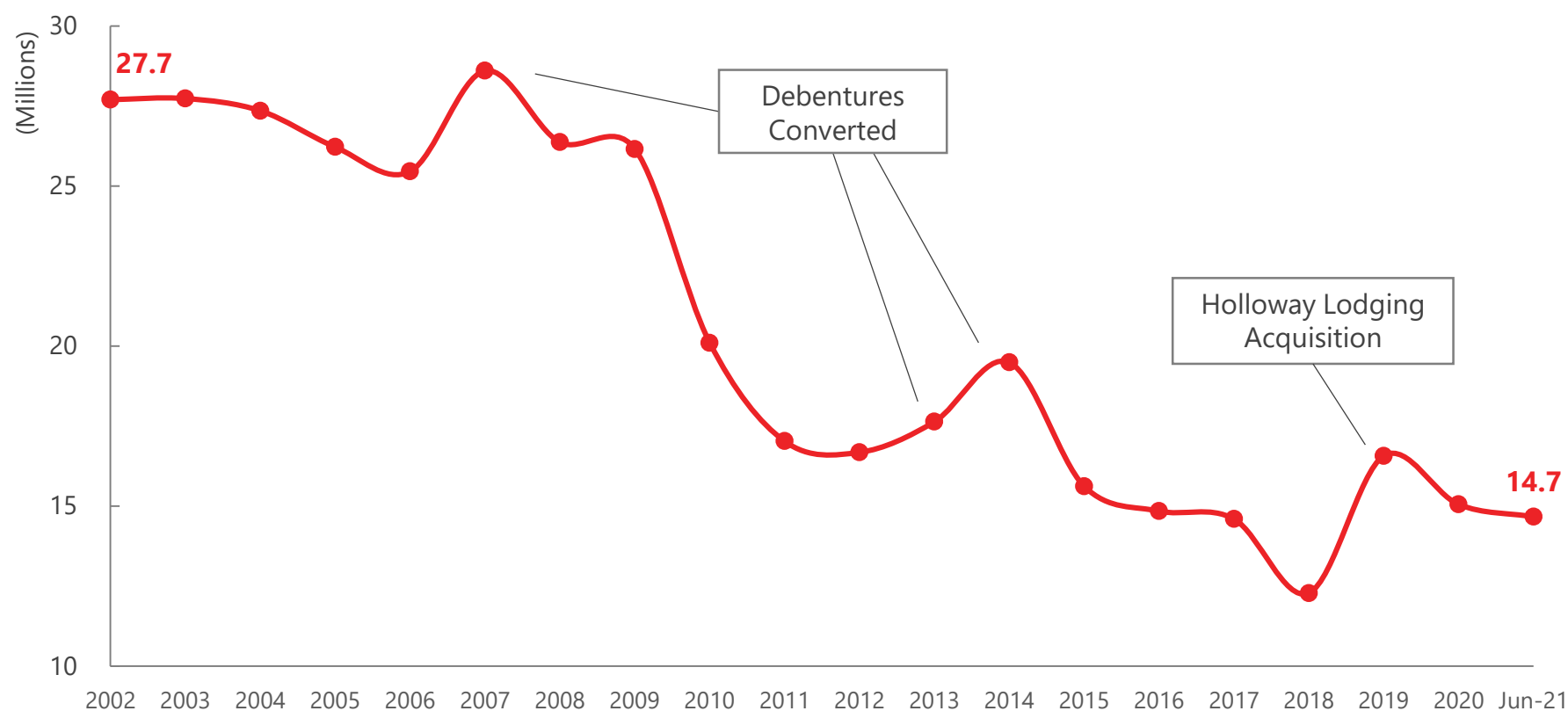
\$3.77	\$5.03	\$4.21	\$5.21	\$10.05	\$10.34	\$9.25	\$11.23	\$10.78	\$12.89	\$7.45	\$8.32
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% of Book Value Per Share:

70%	95%	82%	63%	80%	85%	80%	105%	88%	86%	67%	62%
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Shares Outstanding Since 2002

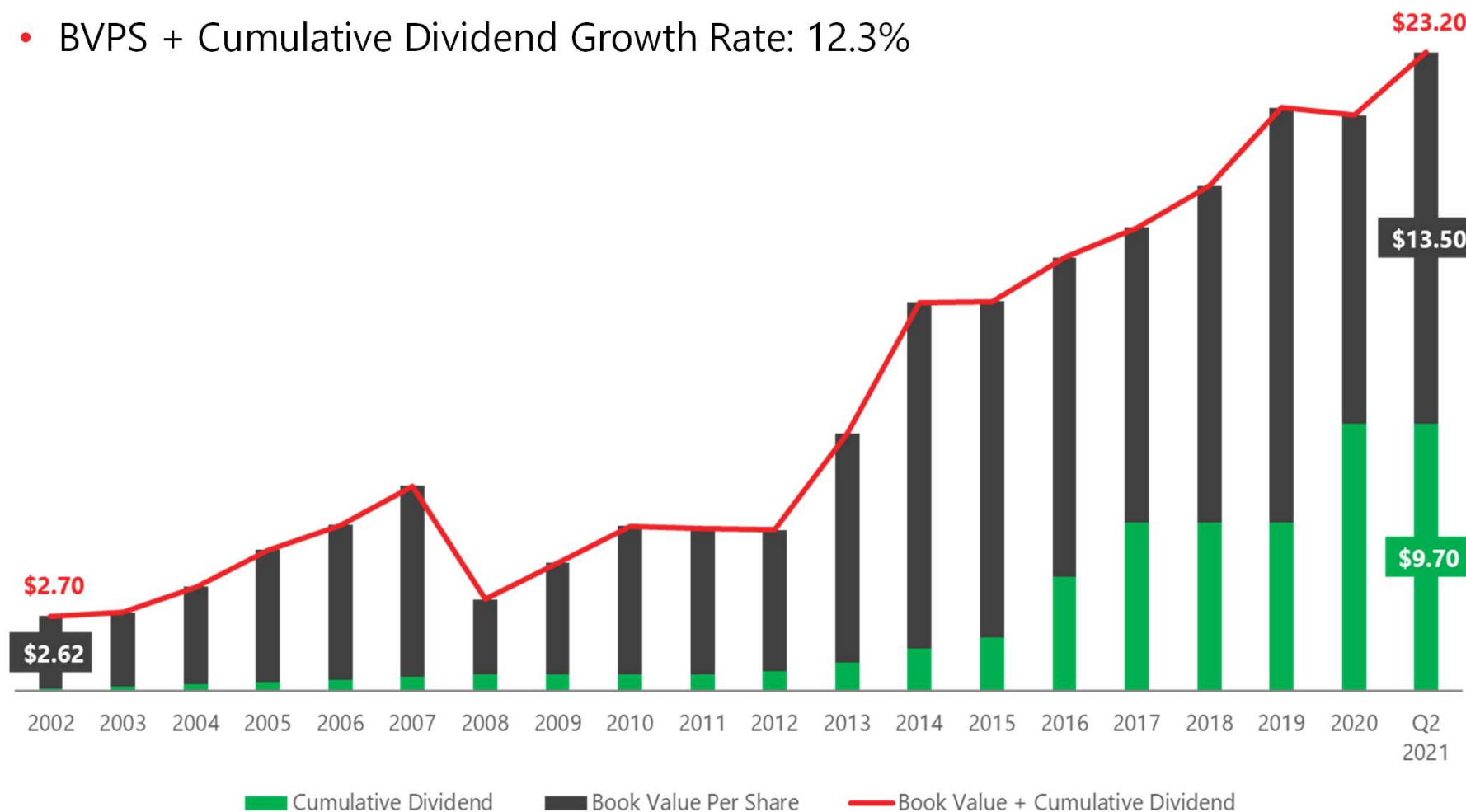
- Clarke has reduced its shares outstanding by 45% since 2002
- Clarke has repurchased the equivalent of 98% of its 2002 share count at a cumulative cost of \$195mn



Shares outstanding as of the end of each period. Adjusted for stock splits.

Clarke Has Created Value For Nearly Two Decades

- Book Value per Share Compound Annual Growth Rate of 9.3%
- BVPS + Cumulative Dividend Growth Rate: 12.3%



Clarke Has Consistently Delivered Attractive Returns

\$100 invested on Jan. 1, 2002 would have grown to:

Clarke: **\$1,256**

TSX: \$444

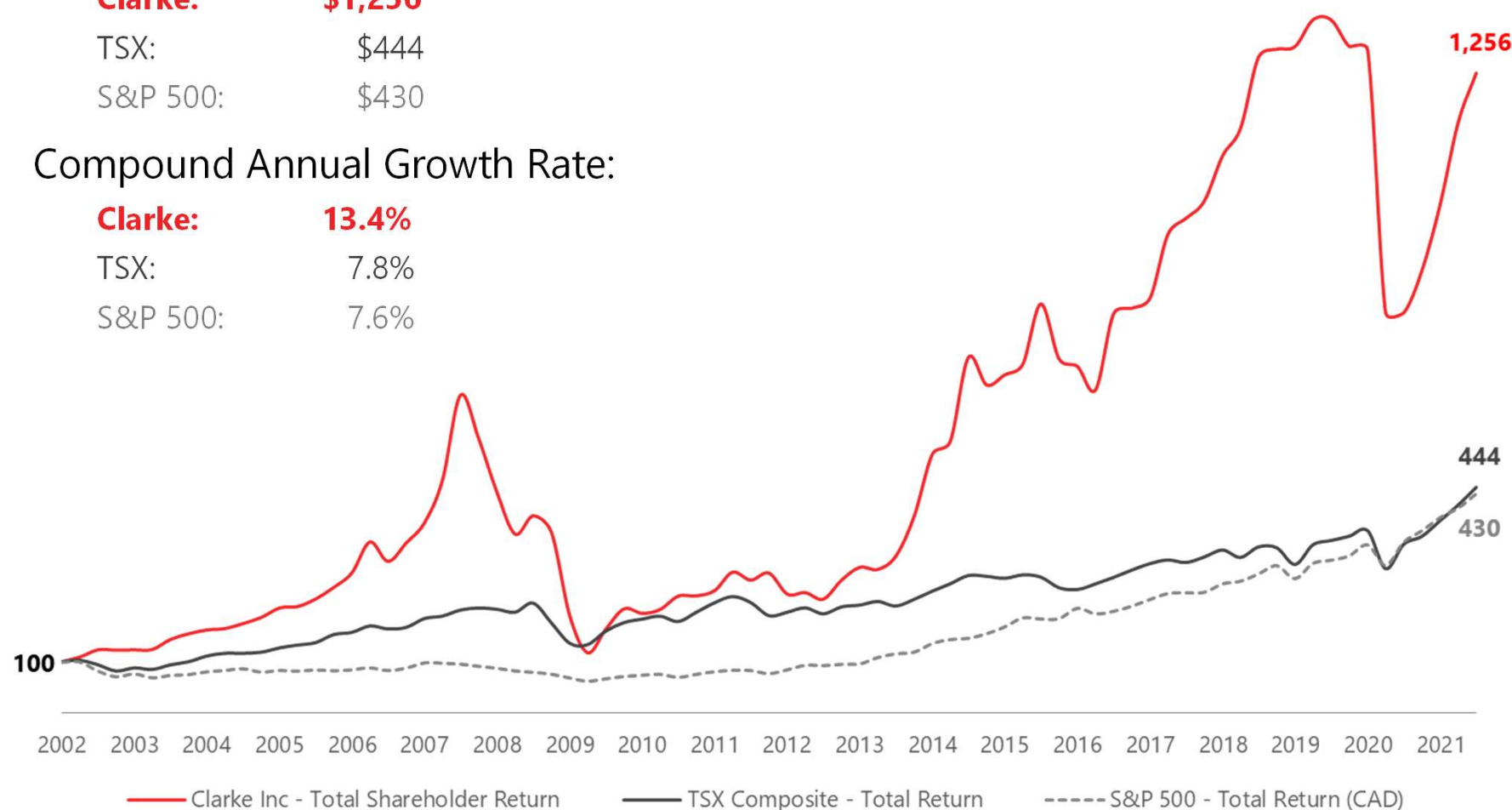
S&P 500: \$430

Compound Annual Growth Rate:

Clarke: **13.4%**

TSX: 7.8%

S&P 500: 7.6%



Value at the end of each period. Returns assume reinvested dividends.

Our Investments

Ownership

Publicly Traded

Marketable Securities

Diversified Portfolio

<10%

Privately Owned



Holloway Hotels

Hospitality

2,000+ Rooms

100%

Ferry Operations

Passenger Ferry

596 Trips in 2020

100%

Real Estate



1111 Atwater

Luxury condos & rentals

38-storeys

33%

Investment Properties

Residential/Office

700k Sq. Ft.

100%

Future Developments

Residential

400k Sq. Ft.




100%

Parent Company



Clarke Inc. \$29mn Cash & Investments \$52mn Debt \$54mn Pension Surplus

Adding Up the Pieces

	Investment	Method	Total Value	Per Clarke Share
Publicly Traded				
	Marketable Securities	Market Value	\$29mn	\$1.96
Privately Owned				
	Holloway Hotels	Book Value	\$131mn	\$8.96
	Ferry Operations	Book Value	nil	nil
Real Estate				
	1111 Atwater	Book Value	\$21mn	\$1.43
	Investment Properties	Book Value	\$32mn	\$2.21
Parent Company				
	Clarke Inc.			
	- Cash and Pension Surplus - Debt and Deferred Taxes	Book Value	\$55mn (\$71mn)	\$3.75 (\$4.81)
Total			\$198mn	\$13.50
<i>Compared to:</i>				
Share Price as at June 30, 2021				\$8.40

Clarke Going Forward

Maximize the Value of our Current Investments



- Work with portfolio companies on capital allocation and value-add initiatives
- Redevelop select Holloway properties
- Lease up and stabilize Houston office portfolio

Identify New Investment Opportunities



- Tuck-in opportunities for existing investments
- New opportunities that offer capital appreciation through the investment of human and financial capital

Focus on Capital Allocation



- Repurchase shares and debentures at a discount to book value and par value