

Appendix 4E

Full Year Report
30 June 2017

Katana Capital Limited

ABN 56 116 054 301

Results for announcement to the market

		June 2017	June 2016
Financial Results	Movement	\$	\$
Revenue from ordinary activities ⁽ⁱ⁾	19%	2,375,494	1,995,127
Profit/(loss) from ordinary activities after tax attributable to members	56%	935,276	598,401
Net profit/(loss) for the period attributable to members	56%	935,276	598,401

Dividends	Amount per Ordinary Security	Franked amount per security
2017 final dividend ⁽ⁱⁱ⁾	\$0.005	75%
2016 final dividend	\$0.015	50%

Record date for determining entitlements to Final dividend	-
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Net Tangible Asset Backing	June 2017	June 2016
Net tangible asset backing per ordinary security	\$0.85	\$0.86

Earnings Per Share	June 2017	June 2016
Earnings/(loss) per share attributable to the ordinary equity - Cents	2.11	1.34

(i) Includes investment income

(ii) Dividend declared to ASX on 10 August 2017



KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	Consolidated	
	For the year ended	
	30 June	30 June
	2017	2016
	\$	\$
Revenue		
Dividends	799,657	991,780
Interest	114,720	111,391
Distributions income	59,583	67,012
Investment income	<u>1,401,534</u>	<u>824,944</u>
Total net investment income	<u>2,375,494</u>	<u>1,995,127</u>
Expenses		
Fund manager's fees	(389,024)	(391,089)
Legal and professional	(118,926)	(121,706)
Directors' fees and expenses	(203,634)	(153,091)
Administration	(542,838)	(527,380)
Performance fees	<u>19,130</u>	<u>(267,501)</u>
Total expenses	<u>(1,235,292)</u>	<u>(1,460,767)</u>
Profit before income tax	1,140,202	534,360
Income tax (expense) benefit	<u>(204,926)</u>	<u>64,041</u>
Profit after income tax	<u>935,276</u>	<u>598,401</u>
Net profit for the year attributable to members of Katana Capital Limited	<u>935,276</u>	<u>598,401</u>
Other comprehensive income, net of tax	<u>-</u>	<u>-</u>
Total comprehensive income for the year attributable to the members of Katana Capital Limited	<u>935,276</u>	<u>598,401</u>



KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
CONDENSED BALANCE SHEET
AS AT 30 JUNE 2017

	Consolidated	
	At	
	30 June	30 June
	2017	2016
	\$	\$
ASSETS		
Current assets		
Cash and cash equivalents	8,246,072	12,197,366
Trade and other receivables	2,563,796	791,760
Investments - held for trading	26,753,593	25,681,307
Other assets	6,304	7,738
Income tax receivable	-	33,892
Total current assets	37,569,765	38,712,063
Non-current assets		
Deferred tax assets	1,312,163	1,424,732
Total assets	38,881,928	40,136,795
LIABILITIES		
Current Liabilities		
Trade and other payables	1,270,022	1,852,834
Dividends payable	3,317	3,317
Income tax payable	1,596	-
Total current liabilities	1,274,935	1,856,151
Non-current liabilities		
Total liabilities	1,274,935	1,856,151
Net assets	37,606,993	38,280,644
EQUITY		
Issued capital	44,234,488	44,504,730
Option premium reserve	101,100	101,100
Profit reserve	1,968,715	920,226
(Accumulated losses)	(8,697,310)	(7,245,412)
Total equity	37,606,993	38,280,644



KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
CONDENSED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30 JUNE 2017

	Consolidated	
	30 June	30 June
	2017	2016
	\$	\$
Cash flows from operating activities		
Proceeds on sale of financial assets	77,445,080	82,405,225
Payments for purchases of financial assets	(79,230,762)	(69,452,092)
Payments to suppliers and employees	(1,493,757)	(1,259,048)
Interest received	114,734	111,373
Dividends received	878,819	1,034,368
Other revenue	388	6,144
Tax paid	(56,869)	(682,877)
Net inflow/(outflow) from operating activities	(2,342,367)	12,163,093
Cash flows from financing activities		
Dividends paid	(1,338,685)	(2,686,648)
Payments for shares bought back	(270,242)	(483,106)
Net cash (outflow) from financing activities	(1,608,927)	(3,169,754)
Net increase/(decrease) in cash and cash equivalents	(3,951,294)	8,993,339
Cash and cash equivalents at the beginning of the financial year	12,197,366	3,204,027
Cash and cash equivalents at end of year	8,246,072	12,197,366

**KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017**

Consolidated	Issued capital \$	Option premium reserve \$	Profit reserve \$	(Accumulated losses)/Profit reserve \$	Total \$
Balance at 1 July 2015	44,917,756	101,100	821,538	(5,058,477)	40,781,917
Profit for the year	-	-	-	598,401	598,401
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	598,401	598,401
Transfer from retained earnings to profit reserve	-	-	2,785,336	(2,785,336)	-
Buy-back of shares	(1,546,260)	-	-	-	(1,546,260)
Proceeds from contributions by shareholders	1,063,154	-	-	-	1,063,154
Transaction costs for issued share capital	70,080	-	-	-	70,080
Dividends provided for or paid	-	-	(2,686,648)	-	(2,686,648)
Balance at 30 June 2016	44,504,730	101,100	920,226	(7,245,412)	38,280,644
Balance at 1 July 2016	44,504,730	101,100	920,226	(7,245,412)	38,280,644
Profit for the year	-	-	-	935,276	935,276
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	935,276	935,276
Transfer from retained earnings to profit reserve	-	-	2,387,174	(2,387,174)	-
Buy-back of shares	(780,018)	-	-	-	(780,018)
Proceeds from contributions by shareholders	509,776	-	-	-	509,776
Transaction costs for issued share capital	-	-	-	-	-
Dividends provided for or paid	-	-	(1,338,685)	-	(1,338,685)
Balance at 30 June 2017	44,234,488	101,100	1,968,715	(8,697,310)	37,606,993



KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2017

	30 June 2017 Number	30 June 2016 Number
EARNINGS PER SHARE		
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	<u>44,612,835</u>	<u>44,555,004</u>

ISSUED CAPITAL

	Consolidated entity At		Consolidated entity At	
	30 June 2017 Shares	30 June 2016 Shares	30 June 2017 \$	30 June 2016 \$
Ordinary shares fully paid	<u>44,312,362</u>	<u>44,683,578</u>	<u>44,234,488</u>	<u>44,504,730</u>

Movements in ordinary share capital:

Date	Details	Number of shares	\$
1 July 2015	Opening balance	45,342,549	44,917,756
	Adjustment on transaction cost from prior year	-	70,080
	Buy-back of shares	(753,968)	(603,893)
	Dividend reinvestment plan	<u>94,997</u>	<u>120,787</u>
30 June 2016	Balance	44,683,578	44,504,730
1 July 2016	Opening balance	44,683,578	44,504,730
	Buy-back of shares	(371,216)	(780,018)
	Dividend reinvestment plan	<u>-</u>	<u>509,776</u>
30 June 2017	Balance	<u>44,312,362</u>	<u>44,234,488</u>

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

During the period from 1 July 2016 to 30 June 2017, 371,216 shares were bought back on market and were subsequently cancelled. The shares were acquired at an average price of \$0.72 with the price ranging from \$0.70 to \$0.76 per share.

SEGMENT INFORMATION

The company operates in one industry, namely the investment funds management, in one geographical segment, namely Australia.

CONTINGENT ASSETS & LIABILITIES

There are no contingent liabilities or contingent assets as at 30 June 2017.

EVENTS AFTER BALANCE SHEET DATE

Other than the events below, the directors are not aware of any matter or circumstance that has significantly or may significantly affect the operations of the company or the results of those operations, or the state of affairs of the company in subsequent financial years.

On 10 August 2017 the Company declared a 75% franked 0.5 cent per share dividend.

Annual meeting

The annual meeting will be held as follows:

Place

To be advised

Date

To be advised

Time

To be advised

Approximate date the +annual report will be available

29 September 2017

Compliance Statement

- 1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX (see note 12).

Identify other standards used

- 2 This report, and the +accounts upon which the report is based (if separate), use the same accounting policies.
- 3 This report does give a true and fair view of the matters disclosed
- 4 This report is based on +accounts to which one of the following applies.
(Tick one)



The +accounts have been audited.



The +accounts have been subject to review.



The +accounts are in the process of being audited or subject to review.



The +accounts have *not* yet been audited or reviewed.

- 5 The entity has a formally constituted audit committee.

Date: 30 August 2017

Gabriel Chiappini
Company Secretary