

Appendix 4E

Full Year Report

30 June 2018

Katana Capital Limited

ABN 56 116 054 301

Results for announcement to the market

		June 2018	June 2017
Financial Results	Movement	\$	\$
Revenue from ordinary activities ⁽ⁱ⁾	336%	10,345,491	2,375,494
Profit from ordinary activities after tax attributable to members	504%	5,644,770	935,276
Net profit for the period attributable to members	504%	5,644,770	935,276

Dividends	Amount per Ordinary Security	Franked amount per security
2018 final dividend ⁽ⁱⁱ⁾	\$0.01	100%
2017 final dividend	\$0.005	75%

Record date for determining entitlements to Final dividend	24 July 2018
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Net Tangible Asset Backing	June 2018	June 2017
Net tangible asset backing per ordinary security	\$0.96	\$0.85

Earnings Per Share	June 2018	June 2017
Earnings per share attributable to the ordinary equity - Cents	13.10	2.11

(i) Includes investment income

(ii) Dividend declared to ASX on 17 July 2018



KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated	
	For the year ended	
	30 June	30 June
	2018	2017
	\$	\$
Revenue		
Dividends	889,897	799,657
Interest	97,937	114,720
Distributions income	77,750	59,583
Investment income	<u>9,279,907</u>	<u>1,401,534</u>
Total net investment income	<u>10,345,491</u>	<u>2,375,494</u>
Expenses		
Fund manager's fees	(421,680)	(389,024)
Legal and professional	(105,349)	(118,926)
Directors' fees and expenses	(171,250)	(203,634)
Administration	(839,819)	(523,708)
Performance fees	<u>(996,230)</u>	<u>-</u>
Total expenses	<u>(2,534,328)</u>	<u>(1,235,292)</u>
Profit before income tax	7,811,163	1,140,202
Income tax (expense)	<u>(2,166,393)</u>	<u>(204,926)</u>
Profit after income tax	<u>5,644,770</u>	<u>935,276</u>
Net profit for the year attributable to members of Katana Capital Limited	<u>5,644,770</u>	<u>935,276</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>5,644,770</u>	<u>935,276</u>



KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
CONDENSED BALANCE SHEET
AS AT 30 JUNE 2018

	Consolidated	
	At	
	30 June	30 June
	2018	2017
	\$	\$
ASSETS		
Current assets		
Cash and cash equivalents	11,625,349	8,246,072
Trade and other receivables	259,629	2,563,796
Investments - held for trading	31,355,593	26,753,593
Other assets	16,162	6,304
Total current assets	43,256,733	37,569,765
Non-current assets		
Deferred tax assets	-	1,312,163
Total assets	43,256,733	38,881,928
LIABILITIES		
Current Liabilities		
Trade and other payables	1,328,793	1,270,022
Dividends payable	-	3,317
Income tax payable	184,178	1,596
Total current liabilities	1,512,971	1,274,935
Deferred tax liability	459,770	-
Total liabilities	1,972,741	1,274,935
Net assets	41,283,992	37,606,993
EQUITY		
Issued capital	43,254,639	44,234,488
Option premium reserve	-	101,100
Profit reserve	3,801,519	1,968,715
(Accumulated losses)	(5,772,166)	(8,697,310)
Total equity	41,283,992	37,606,993

KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
CONDENSED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated	
	30 June	30 June
	2018	2017
	\$	\$
Cash flows from operating activities		
Proceeds on sale of financial assets	101,722,340	77,445,080
Payments for purchases of financial assets	(95,609,662)	(79,230,762)
Payments to suppliers and employees	(1,518,395)	(1,493,757)
Interest received	97,913	114,734
Dividends received	854,928	878,819
Other revenue	11,804	388
Tax (paid)	(211,878)	(56,869)
Net inflow/(outflow) from operating activities	5,347,050	(2,324,367)
Cash flows from financing activities		
Dividends paid	(987,922)	(1,338,685)
Payments for shares bought back	(979,851)	(270,242)
Net cash outflow from financing activities	(1,967,773)	(1,608,927)
Net increase/(decrease) in cash and cash equivalents	3,379,277	(3,951,294)
Cash and cash equivalents at the beginning of the financial year	8,246,072	12,197,366
Cash and cash equivalents at end of year	11,625,349	8,246,072

**KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018**

Consolidated	Issued capital \$	Option premium reserve \$	Profit reserve \$	(Accumulated losses) \$	Total \$
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	(270,242)	-	-	-	(270,242)
Dividend reinvestment plan	-	-	-	-	-
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
Balance at 1 July 2017	44,234,488	101,100	1,968,715	(8,697,310)	37,606,993
Profit for the year	-	-	-	5,644,770	5,644,770
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	5,644,770	5,644,770
Transfer from retained earnings to profit reserve	-	-	2,820,726	(2,820,726)	-
Buy-back of shares	(1,365,430)	-	-	-	(1,365,430)
Dividend reinvestment plan	385,581	-	-	-	385,581
Write back of option reserve from prior year	-	(101,000)	-	101,100	-
Dividends provided for or paid	-	-	(987,922)	-	(987,922)
Balance at 30 June 2018	43,254,639	-	3,801,519	(5,772,166)	41,283,992



KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

	30 June 2018 Number	30 June 2017 Number
EARNINGS PER SHARE		
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	<u>44,017,992</u>	<u>44,612,835</u>

ISSUED CAPITAL

	Consolidated entity At		Consolidated entity At	
	30 June 2018 Shares	30 June 2017 Shares	30 June 2018 \$	30 June 2017 \$
Ordinary shares fully paid	<u>43,080,100</u>	<u>44,312,362</u>	<u>43,254,637</u>	<u>44,234,488</u>

(a) Movements in ordinary share capital:

Date	Details	Number of shares	\$
1 July 2016	Opening balance	44,683,578	44,504,730
	Buy-back of shares	(371,216)	(270,242)
	Dividend reinvestment plan	-	-
30 June 2017	Balance	44,312,362	44,234,488
1 July 2017	Opening balance	44,312,362	44,234,488
	Buy-back of shares	(1,232,262)	(979,849)
	Dividend reinvestment plan	-	-
30 June 2018	Balance	<u>43,080,100</u>	<u>43,254,639</u>

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

During the period from 1 July 2017 to 30 June 2018, 1,232,262 shares were bought back on market and were subsequently cancelled. The shares were acquired at an average price of \$0.76 with the price ranging from \$0.70 to \$0.81 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 2018.

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 17 July 2018 the Company declared a fully franked 1 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

28 September 2018

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

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- 2 This report, and the accounts upon which the report is based, 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: 31 August 2018

Gabriel Chiappini
Company Secretary