

Appendix 4E

Full Year Report
30 June 2015

Katana Capital Limited

ACN 116 054 301

Results for announcement to the market

| | | June 2015 | June 2014 |
|--|-----------------|-------------|-----------|
| Financial Results | Movement | \$ | \$ |
| Revenue from ordinary activities ⁽ⁱ⁾ | (107%) | (543,098) | 8,306,753 |
| Profit/(loss) from ordinary activities after tax attributable to members | (120%) | (1,157,799) | 5,904,101 |
| Net profit/(loss) for the period attributable to members | (120%) | (1,157,799) | 5,904,101 |

| Dividends | Amount per Ordinary Security | Franked amount per security |
|-------------------------------------|------------------------------|-----------------------------|
| 2015 final dividend ⁽ⁱⁱ⁾ | \$0.015 | 100% |
| 2014 final dividend | \$0.015 | 50% |

| | |
|--|---|
| Record date for determining entitlements to Final dividend | - |
|--|---|

| Net Tangible Asset Backing | June 2015 | June 2014 |
|--|------------------|------------------|
| Net tangible asset backing per ordinary security | \$0.90 | \$1.02 |

| Earnings Per Share | June 2015 | June 2014 |
|---|------------------|------------------|
| Earnings/(loss) per share attributable to the ordinary equity | (\$0.026) | \$0.17 |

(i) Includes investment income

(ii) Dividend declared to ASX on 3 August 2015



KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015

| | Consolidated | |
|--|---------------------------|---------------------------|
| | For the year ended | |
| | 30 June | 30 June |
| | 2015 | 2014 |
| | \$ | \$ |
| Revenue | | |
| Dividends | 850,535 | 804,281 |
| Interest | 189,207 | 188,704 |
| Distributions income | 111,250 | 77,414 |
| Investment income | <u>(1,694,090)</u> | <u>7,236,354</u> |
| Total net investment (loss)/ income | <u>(543,098)</u> | <u>8,306,753</u> |
| Expenses | | |
| Fund manager's fees | (457,651) | (445,958) |
| Legal and professional | (100,726) | (89,852) |
| Directors' fees and expenses | (171,250) | (163,877) |
| Administration | (670,820) | (542,577) |
| Performance fees | <u>-</u> | <u>(807,655)</u> |
| Total expenses | <u>(1,400,447)</u> | <u>(2,049,919)</u> |
| Profit/(loss) before income tax | (1,943,545) | 6,256,834 |
| Income tax benefit/(expense) | <u>785,746</u> | <u>(352,733)</u> |
| Profit/(loss) after income tax | <u>(1,157,799)</u> | <u>5,904,101</u> |
| Net profit/(loss) for the year attributable to members of Katana Capital Limited | <u>(1,157,799)</u> | <u>5,904,101</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>(1,157,799)</u> | <u>5,904,101</u> |



KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
CONDENSED BALANCE SHEET
AS AT 30 JUNE 2015

| | Consolidated | |
|---|---------------------|-------------------|
| | At | |
| | 30 June | 30 June |
| | 2015 | 2014 |
| | \$ | \$ |
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | 3,204,027 | 5,647,123 |
| Trade and other receivables | 136,205 | 1,671,190 |
| Investments - held for trading | 37,776,106 | 29,043,356 |
| Other assets | 274,113 | 34,675 |
| Total current assets | 41,390,451 | 36,396,344 |
| Non-current assets | | |
| Deferred tax assets | 782,220 | - |
| Total assets | 42,172,671 | 36,396,344 |
| LIABILITIES | | |
| Current Liabilities | | |
| Financial liabilities held at fair value through profit or loss | - | 35,123 |
| Trade and other payables | 1,316,922 | 1,806,623 |
| Dividends payable | 3,317 | 3,317 |
| Income tax payable | 70,515 | 66,505 |
| Total current liabilities | 1,390,754 | 1,911,568 |
| Non-current liabilities | | |
| Deferred tax liabilities | - | 286,228 |
| Total liabilities | 1,390,754 | 2,197,796 |
| Net assets | 40,781,917 | 34,198,548 |
| EQUITY | | |
| Issued capital | 44,917,756 | 34,607,708 |
| Option premium reserve | 101,100 | 101,100 |
| Retained earnings/(accumulated losses) | (4,236,939) | (510,260) |
| Total equity | 40,781,917 | 34,198,548 |

KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
CONDENSED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30 JUNE 2015

| | Consolidated | |
|--|---------------------|--------------------|
| | 30 June | 30 June |
| | 2015 | 2014 |
| | \$ | \$ |
| Cash flows from operating activities | | |
| Proceeds on sale of financial assets | 117,112,209 | 97,846,071 |
| Payments for purchases of financial assets | (126,473,130) | (93,790,651) |
| Payments to suppliers and employees | (2,101,582) | (1,238,145) |
| Interest received | 189,214 | 208,295 |
| Dividends received | 1,041,463 | 787,023 |
| Other revenue | 7,340 | 9,303 |
| Tax received/(paid) | 40,226 | 2,927 |
| Net inflow/(outflow) from operating activities | (10,184,260) | 3,824,823 |
| Cash flows from financing activities | | |
| Dividends paid | (2,568,880) | (1,728,529) |
| Payments for shares bought back | (421,448) | (1,001,491) |
| Proceeds from contributions by shareholders | 10,965,092 | - |
| Transaction costs for issued share capital | (233,600) | - |
| Net cash inflow/(outflow) from financing activities | 7,741,164 | (2,730,020) |
| Net increase/(decrease) in cash and cash equivalents | (2,443,096) | 1,094,803 |
| Cash and cash equivalents at the beginning of the financial year | 5,647,123 | 4,552,320 |
| Cash and cash equivalents at end of year | 3,204,027 | 5,647,123 |

**KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015**

| Consolidated | Notes | Issued capital \$ | Option premium reserve \$ | Profit reserve \$ | (Accumulated losses)/Profit reserve \$ | Total \$ |
|---|--------------|----------------------------------|--|----------------------------------|---|---------------------|
| Balance at 1 July 2013 | | 35,609,199 | 101,100 | - | (4,685,832) | 31,024,467 |
| Profit for the year | | - | - | - | 5,904,101 | 5,904,101 |
| Other comprehensive income | | - | - | - | - | - |
| Total comprehensive loss for the year | | - | - | - | 5,904,101 | 5,904,101 |
| Buy-back of shares | 11 | (1,001,491) | - | - | - | (1,001,491) |
| Dividends provided for or paid | 21 | - | - | - | (1,728,529) | (1,728,529) |
| Balance at 30 June 2014 | | 34,607,708 | 101,100 | - | (510,260) | 34,198,548 |
| Balance at 1 July 2014 | | 34,607,708 | 101,100 | - | (510,260) | 34,198,548 |
| Profit for the year | | - | - | - | (1,157,799) | (1,157,799) |
| Other comprehensive income | | - | - | - | - | - |
| Total comprehensive loss for the year | | - | - | - | (1,157,799) | (1,157,799) |
| Transfer from retained earnings to profit reserve | | - | - | 1,510,705 | (1,510,705) | - |
| Buy-back of shares | 11 | (421,445) | - | - | - | (421,445) |
| Proceeds from contributions by shareholders | 11 | 10,965,093 | - | - | - | 10,965,093 |
| Transaction costs for issued share capital | 11 | (233,600) | - | - | - | (233,600) |
| Dividends provided for or paid | 21 | - | - | (689,167) | (1,879,713) | (2,568,880) |
| Balance at 30 June 2015 | | 44,917,756 | 101,100 | 821,538 | (5,058,477) | 40,781,917 |



KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2014

| | 30 June 2015 Number | 30 June 2014 Number |
|--|------------------------------------|------------------------------------|
| EARNINGS PER SHARE | | |
| Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share | <u>44,815,895</u> | <u>34,592,393</u> |

ISSUED CAPITAL

| | Consolidated entity At | | Consolidated entity At | |
|----------------------------|-----------------------------------|--------------------------------|-----------------------------------|----------------------------|
| | 30 June 2015 Shares | 30 June 2014 Shares | 30 June 2015 \$ | 30 June 2014 \$ |
| Ordinary shares fully paid | <u>45,342,549</u> | <u>34,002,419</u> | <u>44,917,756</u> | <u>34,607,708</u> |

(a) Movements in ordinary share capital:

| Date | Details | Number of shares | \$ |
|-------------------------|--|-----------------------------|--------------------------|
| 1 July 2013 | Opening balance | 35,194,896 | 35,609,199 |
| | Buy-back of shares | <u>(1,192,477)</u> | <u>(1,001,491)</u> |
| 30 June 2014 | Balance | 34,002,419 | 34,607,708 |
| 1 July 2014 | Opening balance | 34,002,419 | 34,607,708 |
| | Proceeds from contributions by shareholders | 11,790,421 | 10,965,093 |
| | Buy-back of shares | (780,780) | (421,445) |
| | Dividend reinvestment plan | 330,489 | - |
| | Decrease due to transaction costs for issued share capital | <u>-</u> | <u>(233,600)</u> |
| 30 June 2015 | Balance | <u>45,342,549</u> | <u>44,917,756</u> |

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

During the period from 1 July 2014 to 30 June 2015, 780,780 shares were bought back on market and were subsequently cancelled. The shares were acquired at an average price of \$0.88 with the price ranging from \$0.84 to \$0.94 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 2015.

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 3 August 2015 the Company declared a fully franked 1.5 cent per share dividend.

At the time of writing this report, the Directors note that there has been a substantial correction in the markets in which the Company invests between the balance sheet date and the date of this report. Changes in the value of the Company's investments are reflected in the Company's Net Tangible Asset Backing per share which is reported to the Australian Securities Exchange (ASX) monthly and is available via the ASX website.

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

21 September 2015

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 formally constituted audit committee.

Date: 31 August 2015

Gabriel Chiappini
Company Secretary