

Appendix 4E

Full Year Report
30 June 2016

Katana Capital Limited

ACN 116 054 301

Results for announcement to the market

		June 2016	June 2015
Financial Results	Movement	\$	\$
Revenue from ordinary activities ⁽ⁱ⁾	467%	1,995,127	(543,098)
Profit/(loss) from ordinary activities after tax attributable to members	152%	598,401	(1,157,799)
Net profit/(loss) for the period attributable to members	152%	598,401	(1,157,799)

Dividends	Amount per Ordinary Security	Franked amount per security
2016 final dividend ⁽ⁱⁱ⁾	\$0.015	50%
2015 final dividend	\$0.015	100%

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

Net Tangible Asset Backing	June 2016	June 2015
Net tangible asset backing per ordinary security	\$0.86	\$0.90

Earnings Per Share	June 2016	June 2015
Earnings/(loss) per share attributable to the ordinary equity - Cents	1.34	(2.7)

(i) Includes investment income

(ii) Dividend declared to ASX on 9 August 2016



KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Consolidated	
	For the year ended	
	30 June	30 June
	2016	2015
	\$	\$
Revenue		
Dividends	991,780	850,535
Interest	111,391	189,207
Distributions income	67,012	111,250
Investment income	<u>824,944</u>	<u>(1,694,090)</u>
Total net investment (loss)/ income	<u>1,995,127</u>	<u>(543,098)</u>
Expenses		
Fund manager's fees	(391,089)	(457,651)
Legal and professional	(121,706)	(100,726)
Directors' fees and expenses	(153,091)	(171,250)
Administration	(527,380)	(670,820)
Performance fees	<u>(267,501)</u>	<u>-</u>
Total expenses	<u>(1,460,767)</u>	<u>(1,400,447)</u>
Profit/(loss) before income tax	534,360	(1,943,545)
Income tax benefit/(expense)	<u>64,041</u>	<u>785,746</u>
Profit/(loss) after income tax	<u>598,401</u>	<u>(1,157,799)</u>
Net profit/(loss) for the year attributable to members of Katana Capital Limited	<u>598,401</u>	<u>(1,157,799)</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>598,401</u>	<u>(1,157,799)</u>



KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
CONDENSED BALANCE SHEET
AS AT 30 JUNE 2016

	Consolidated	
	At	
	30 June	30 June
	2016	2015
	\$	\$
ASSETS		
Current assets		
Cash and cash equivalents	12,197,366	3,204,027
Trade and other receivables	791,760	136,205
Investments - held for trading	25,681,307	37,776,106
Other assets	7,738	22,364
Income tax receivable	33,892	-
Total current assets	38,712,063	41,138,702
Non-current assets		
Deferred tax assets	1,424,732	782,220
Total assets	40,136,795	41,920,922
LIABILITIES		
Current Liabilities		
Trade and other payables	1,852,834	1,065,173
Dividends payable	3,317	3,317
Income tax payable	-	70,515
Total current liabilities	1,856,151	1,139,005
Non-current liabilities		
Total liabilities	1,856,151	1,139,005
Net assets	38,280,644	40,781,917
EQUITY		
Issued capital	44,504,730	44,917,756
Option premium reserve	101,100	101,100
Profit reserve	920,226	821,538
Retained earnings/(accumulated losses)	(7,245,412)	(5,058,477)
Total equity	38,280,644	40,781,917

KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
CONDENSED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30 JUNE 2016

	Consolidated	
	30 June	30 June
	2016	2015
	\$	\$
Cash flows from operating activities		
Proceeds on sale of financial assets	82,405,225	117,112,209
Payments for purchases of financial assets	(69,452,092)	(126,473,130)
Payments to suppliers and employees	(1,259,048)	(2,101,582)
Interest received	111,373	189,214
Dividends received	1,034,368	1,041,463
Other revenue	6,144	7,340
Tax received/(paid)	(682,877)	40,226
Net inflow/(outflow) from operating activities	12,163,093	(10,184,260)
Cash flows from financing activities		
Dividends paid	(2,686,648)	(2,568,880)
Payments for shares bought back	(483,106)	(421,448)
Proceeds from contributions by shareholders	-	10,965,092
Transaction costs for issued share capital	-	(233,600)
Net cash inflow/(outflow) from financing activities	(3,169,754)	7,741,164
Net increase/(decrease) in cash and cash equivalents	8,993,339	(2,443,096)
Cash and cash equivalents at the beginning of the financial year	3,204,027	5,647,123
Cash and cash equivalents at end of year	12,197,366	3,204,027

KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

Consolidated	Issued capital \$	Option premium reserve \$	Profit reserve \$	(Accumulated losses)/Profit reserve \$	Total \$
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	(421,445)	-	-	-	(421,445)
Proceeds from contributions by shareholders	10,965,093	-	-	-	10,965,093
Transaction costs for issued share capital	(233,600)	-	-	-	(233,600)
Dividends provided for or paid	-	-	(689,167)	(1,879,713)	(2,568,880)
Balance at 30 June 2016	44,917,756	101,100	821,538	(5,058,477)	40,781,917
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



KATANA CAPITAL LIMITED
PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2016

	30 June 2016 Number	30 June 2015 Number
EARNINGS PER SHARE		
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	<u>44,555,004</u>	<u>44,815,895</u>

ISSUED CAPITAL

	Consolidated entity At		Consolidated entity At	
	30 June 2016 Shares	30 June 2015 Shares	30 June 2016 \$	30 June 2015 \$
Ordinary shares fully paid	<u>44,683,578</u>	<u>45,342,549</u>	<u>44,504,730</u>	<u>44,917,756</u>

(a) Movements in ordinary share capital:

Date	Details	Number of shares	\$
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)	(719,827)
	Dividend reinvestment plan	330,489	298,382
	Decrease due to transaction costs for issued share capital	-	(233,600)
30 June 2015	Balance	45,342,549	44,917,756
1 July 2015	Opening balance	45,342,549	44,917,756
	Proceeds from contributions by shareholders	-	70,080
	Buy-back of shares	(1,396,148)	(1,546,260)
	Dividend reinvestment plan	737,177	1,063,154
	Decrease due to transaction costs for issued share capital	-	-
30 June 2016	Balance	<u>44,683,578</u>	<u>44,504,730</u>

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

During the period from 1 July 2015 to 30 June 2016, 753,968 shares were bought back on market and were subsequently cancelled. The shares were acquired at an average price of \$0.80 with the price ranging from \$0.76 to \$0.835 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 2016.

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 9 August 2016 the Company declared a 50% franked 1.5 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

21 September 2016

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: 29 August 2016

Gabriel Chiappini
Company Secretary