KAIZEN GLOBAL
Investments

ANNUAL REPORT 2024

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CHAIRMAN'S LETTER

To my fellow Shareholders

Kaizen Global Investments has made several changes in the last two years, all aligned with achieving our long term strategic aims for the company:

1. Initiated the paying of dividends to shareholders
2. Increased investment in private companies
3. Proposed to withdraw the listing on the National Stock Exchange*

Our long term strategic aims are consistent with our intentions from when KGI was formed, and they have not changed, namely:

1. Achieve a high real rate of return for Shareholders comprising both income and capital growth
2. Preserve capital of the Company
3. Deliver Shareholders a growing stream of fully franked dividends.

I would also like to remind you that members of the board are also significant shareholders (owning over 25% of the shares) in KGI, and the boards' interests are aligned with yours.

*The 'Managers Letter' below, as well as the 'Notice of General Meeting' dated 30th August 2024 (https://www.nsx.com.au/ftp/news/021743775.PDF) offer background and reasoning for the directors proposal to withdraw the listing of your company from the National Stock Exchange.

Performance and NTA

In the 2024 financial year the company paid a dividend of 5 cents per share which will have come off the reported NTA. The post-tax net tangible asset (NTA) value of KGI increased 1.4%. If you add the 5 cent dividend, with the fully franked grossed up amount (LIC's pay 30%) tax – then the increase in NTA was 7.76%.

Post tax NTA at end June 2024 was at $1.1467 vs $1.1304 at the end of June 2023.

AGM

We will be contacting you shortly about our annual general meeting – which will provide you with the chance to meet with KGI's key management personnel and ask any questions you may have. I look forward to seeing you there.

Yours sincerely,

Simon Winfield

13 September 2024

INVESTMENT MANAGER'S LETTER

Dear fellow Shareholders,

At the time of IPO, the Company's mandate was to invest in global listed securities and private assets for the long-term. The latter represented a potential source of cashflows for reallocation into other listed or private investments, and the opportunity to pay dividends, effect share buybacks or other Company strategies.

To date the Company has made two (2) acquisitions of private businesses but maintained a focus on reducing ongoing operating costs (particularly per share).

The challenge the Company faces is that the costs associated with operating a listed company far exceed those of a private company. For example, Directors and Officers insurance premiums and audit costs. With the post Covid-19 rise in inflation has come increasing costs from service providers, well above CPI. On a fixed number of shares, this equates to an increased cost, per share, of operating the Company. The cost of operating the Company has run at circa an average 1.5% of the net tangible asset value (**NTA**) per year. Additionally, the increased level of disclosure and reporting takes management time away from focusing on investing and finding opportunities. Our accounts have been audited every year (twice) and we've always had a clean bill of health. These are a regulatory requirement, but it does beg the question, does this cost (time and money) add or detract from the Company?

In KGI's 2023 Annual Report (Letter to Shareholders) we analysed that the long-term return to Shareholders, per annum, and the average return over multiple asset classes (share markets, property, bonds/fixed income and cash) was circa 7.2%. For long-term investments in shares alone, the pre-tax return per annum, on average, looking at both Australian and global shares (hedged for Australian dollar moves and unhedged) provided a range of 5.4-8.8% per annum. Therefore, the operating costs of KGI on average, approximately of 1.5% per annum of the NTA, represent a headwind of 20.8% per annum of a 7.2% (average annual) return per year. In other words, if the vehicle earned a return of 7.2% per annum, an average 20.8% of the return would go to costs associated with accountants, auditors, listing fees, insurance etc.

These costs are compounded by the potential need to audit the acquired businesses as well. Not only does this represent a significant financial cost for the Company but also diverts its management's attention away from making and managing investments.

Since the Company intends to purchase more private businesses, the Directors anticipate a situation where incremental administrative costs are continuously being added with each business acquisition. Instead of the audit cost remaining relatively constant in dollar terms, and therefore shrinking as a cost per Share, it will add costs per share. The unintended consequence of these regulations is that there will be so much accounting/audit work created that the time and money invested undermines the strategy and makes the vehicle less nimble and flexible.

Reasons for Delisting

Below is a list of the primary reasons the Board has considered in connection with delisting KGI from the NSX.

Listing and related costs

Relative to the size, complexity and activities of the Company the Directors consider that the financial, administrative and compliance obligations and associated costs with remaining listed are difficult to justify or in the long-term best interests of the shareholders. The operating costs for the Company, per annum, per share, are shown in the table below. Whilst the cost, per share is decreasing, the board anticipates that these will begin to rise again as we acquire more businesses.

Year end	Jun-16	Jun-17	Jun-18	Jun-19	Jun-20	Jun-21	Jun-22	Jun-23	Jun-24
Cost per share per year in %	1.76%	1.59%	1.40%	2.16%	1.80%	1.37%	1.16%	1.13%	1.10%
Average	**1.49%**								

Source: KGI accounts

Minimal trading of Shares on the NSX

Since the Company's IPO and initial listing in 2015 its Shares have traded on market 97 times. There have been several off-market trades, at or around the last traded price, that have made up more of the traded volume. The Shares have only traded 6 times since the start of 2024. This constitutes a relatively minimal level of trading on the NSX. Investors have been able to buy and sell shares over time, but the volumes remain quite low. This may be due to the size of KGI overall, the ease of access to the NSX as a platform and broader investor awareness.

Lack of liquidity

One of the main reasons to list was to provide liquidity to the Company's Shareholders through a listed company on the NSX. Whilst the Company's Shares have traded, given the low level of trading on the NSX the Directors consider that a similar result would likely be achieved via a mechanism that would operate in a low volume private market, where buyers and sellers put forward a price and volume, they would be willing to buy/sell shares.

Management time and effort

A disproportionate amount of the Company's management's time is devoted to audit and other listing-related matters, instead of being dedicated to Company operations or other activities/matters for the benefit of the Company. The audit of one entity is something the Company accepted, however as additional private businesses are acquired, the scope for audit increases, together with the workload for management. This additional workload is a headwind and distraction for the Company's management. At IPO the audit of the listed company was seen as a fixed time/cost requirement, but as we have acquired another business and intend to keep doing so, there is an additional audit required for each incremental business.

Timing

The Company is currently in the process of completing our full year audit. Delisting with a recent, clean, completed audit is something that closes off the listing completely. We could have saved some money, and time, by delisting before the audit was completed but prefer to close off with the annual disclosure. The Directors consider that it is now an appropriate time to consider de-listing from NSX.

Advantages of Delisting

Delisting the Company is likely to be beneficial in the following ways:

(a) The Company will be free of overly onerous governance and compliance requirements which apply to a listed company. This will allow the Company and its Board to focus on the business operations and attract directors not comfortable with a public directorship and its additional responsibilities and risks.

(b) It will lead to a savings of relatively high listing and other compliance-related fees.

(c) It will enable the Company to carry on its business without the pressure of the public markets, especially given the relatively little trading in its shares. Delisting will enable the Company to continue to make decisions which will have long-term benefits, but which may not suit some investors with shorter term investment horizons.

(d) Being nimble. One of the benefits of having a smaller investment vehicle is that it can be nimble and make quick decisions. In looking at acquisitions and funding them, KGI has been somewhat constrained. In not being able to talk publicly about a potential acquisition but requiring that disclosure to raise the funds to complete the bid, the Company has been hamstrung. It might be easier with a larger entity, as a broker would support the capital raise, but at the current scale there isn't enough dollar commission to attract a reputable broker.

(e) With KGI beginning to pay dividends, cash returns have come back to shareholders as fully franked dividend income. Whilst there is no guarantee that the dividends continue, cash has been returning to shareholders and the 11.5 cents post tax return (16.42 cents including the franking credits) in the past 14 months (check) on an IPO price of $1. By keeping the operating costs per share as low as possible, the Company will, potentially, be able to pay more in dividends over time.

Disadvantages of Delisting

Absence of public mechanism to sell Shares

If the Shares cease to be listed, they will no longer be traded on the NSX. Instead, it will be necessary for Shareholders to buy and sell the Shares privately off market. Given the lack of liquidity and relatively low levels of trading of KGI Shares on the NSX to date, the Directors do not consider that trading of the Shares off market would be too dissimilar. The Company will continue to release a monthly NTA (net tangible asset) calculation. Historically this has been a guide for share transactions, although it is up to investors to decide what price they wish to buy and sell at.

Availability of, and access to, restricted information

Shareholders may perceive that if the Company is no longer subject to continuous disclosure requirements and Listing Rules, restricted information may not be available to them. The Company will continue to prepare an annual report and make ad hoc announcements to shareholders. In the case that the Company is looking at a potential acquisition and potentially seeking additional shareholder funds, ironically it might be easier to communicate with current shareholders alone, without worrying about not fully informing the market, as a whole, ahead of the actions. This could speed up decision making and capital raises.

Removal of Exchange requirements

The cessation of various listing requirements would include restrictions on the issue of new securities, a governance framework for related party transactions and requirements to seek shareholder approval for significant changes in the nature or scale of the Company's activities. In order to alleviate these concerns, we would anticipate the continued release of monthly unaudited NTAs, the release of half yearly and full year accounts, with commentary and hold an AGM to engage with shareholders.

Trading of shares could continue using a "matching" mechanism whereby buyers or sellers contact the Company Secretary and register their interest to Buy/Sell shares and a price. The Company Secretary would then ask each party, buyer and seller, if they would give permission for an exchange of contact details. The buyer and seller could then speak and negotiate a price and volume of shares in which to transact. The process would go through the Company Secretary to ensure that a buyer received shares and ownership transferred, and the seller confirmed receipt of cleared funds. Either the Company Secretary or a third-party registry company could be used to keep a record of the register. The Board proposes the retention of Boardroom or select another registry company to provide registry services for a year from de-listing and then review the arrangement.

Limited opportunities to raise capital

As an unlisted company, KGI will no longer be able to issue securities using limited disclosure documents. Therefore, if the Company wishes to raise capital following Delisting, it would generally have to do so either by way of an offer of securities under a prospectus or by way of a placement to sophisticated and professional investors.

In summary

We believe that the investment strategy and goal of the vehicle is the right one. The cost, in terms of time and dollars, for a smaller vehicle creates a headwind for long-term performance. As we buy other businesses our audit cost, and time, is increasing (as we need to audit the target companies) and this is a shame, but a real distraction.

We have put forward the case to all shareholders and there is a meeting set for 30 September 2024. Life, and decisions, are not black and white. One needs to consider the pros and cons and weight up the options, but then come to a considered decision. The Board of KGI unanimously supports the delisting and is committed to working through the challenges we will face. However, we believe in the model, the opportunity ahead and it might be that we can operate more nimbly as a delisted entity.

I thank you for your support on the journey. I firmly believe we have built the right vehicle and the decision to delist was not taken lightly. Excessive regulation and cost are headwinds for small companies getting ahead. I always think of the analogy of a rocket taking off and trying to break the earth's gravitational force. It needs to reach escape velocity where it's speed offsets/is greater than the pull back to earth. KGI has tried to reach escape velocity – which is measures as an operational cost per share – but it hasn't fallen as quickly as we've wanted.

Future opportunities

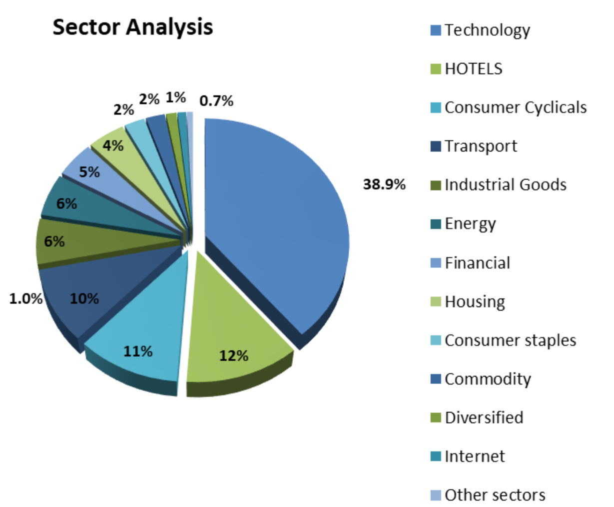
We remain excited and optimistic about the future for KGI. We 'see' opportunities and our platform company, which is a permanent capital reallocating machine, has the potential to capitalise on a long term investment horizon. Much like The Outsider CEOs in Will Thorndike's fantastic book, we see ourselves as capital allocators at our core – redeploying and controlling cash flows into a growing investment funnel.

Portfolio positioning

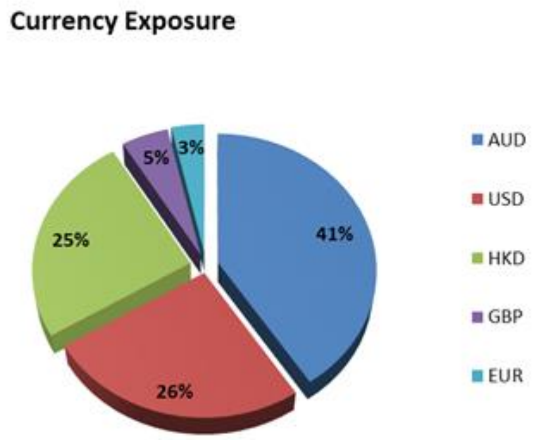
We have invested across multiple countries and sectors as can be seen in the two charts below. We are invested in a combination of long positions, shorts and our private investments. We believe that the biggest risk to markets remains prolonged inflation and low growth. Interest rates could keep increasing due to inflation, slowing GDP etc., without any impact on inflation.

We retain our view from last year that we see two ‘fat tails’ in terms of probabilities of outcome. We believe there is a 35% chance that inflation rates remain stubbornly high, but also the opposite. There is some evidence of deflation in China today.

Investing is a long game akin to the story of the tortoise and the hare – we’d rather be the tortoise and win through in the long-run. We believe that our best days lie ahead.



Sector analysis excluding private investment co



FX analysis excluding private investment co

Conclusion

We’d reiterate what we wrote last year. If KGI were able to deliver dividends in a range of 7.2-8.3 cents per share (fully franked) then it would match the 20-year average diversified return of the ASX study. There are many studies like this – we have simply pointed out a third-party report.

If, and again this is only an ‘if’, KGI were able to deliver a 10-11 cent per share dividend (fully franked) – then it would match the top performing asset class in that study.

Yours sincerely,

Connor Grindlay

13 September 2024

DIRECTORS' REPORT

Your directors present their annual financial report on Kaizen Global Investments Limited (the **Company** or **KGI**) for the financial year ending 30 June 2024 as required by the Corporations Act 2001 (Cth)(**the Act**) and the NSX Listing Rules. In addition to the financial statements for the year and the notes accompanying those statements, your Directors provide a declaration about those statements and notes.

General information about operations and activities

The Company is listed on the NSX. During the year the Company's Investment Manager continued to implement KGI's investments strategy by investing the Company's capital in global listed securities affected by thematic trends, while paying close attention to valuation and margin of safety.

We remain focussed on growing our shareholders' post-tax NTA per share in absolute terms. As at 30 June 2024 the NTA post tax valuation was $1.1467 per share. As of July 31, 2024 the post-tax NTA per share (Unaudited) was $1.1442.

Principal activities

KGI's principal activities during the year were investing in global listed securities, predominantly equities. Additionally, KGI has made a significant investment in private equity of a haircare company. There were no significant changes in the nature of those activities during the year.

Financial Position

For the year ended 30 June 2024, the Company recorded a post-tax profit of $472,022 and its net tangible assets (**NTA**) were $4,614,962 after tax, versus $4,333,020 of the previous year. The Company's financial position is set out in its Financial Statements at pages 21 to 37.

Summary of Performance

A summary of the performance since the beginning of the company is shown below.

Years ending 30th of June ($)	2024	2023	2022	2021	2020
Income from deposits	(35,066)	(27,549)	(60,579)	(42,034)	(17,276)
Income from dividends	14,045	(696)	(122)	30,590	20,612
Net changes to fair value of investments	(341,373)	(1,107,886)	(476,073)	1,585,854	262,454
Net profit/ (loss) after tax	472,022	(466,660)	98,821	$924,443	115,832
Earnings per Share (cents per share)	12.1624	(12.2626)	3.1217	29.8634	3.687
Total Assets	4,979,166	4,834,657	5,727,996	5,572,453	3,935,448
Total Liabilities	364,204	501,638	1,276,304	1,698,542	985,980
Shareholders' Funds	4,614,962	4,333,020	4,451,692	3,873,911	2,949,468
Return on Shareholders' Funds	10.55%	(10.62%)	2.37%	31.34%	3.97%
Net Asset backing per share (cents)	1.1467	1.1304	1.2708	1.2514	95.28
Shares on issue	4,024,720	3,833,067	3,503,067	3,095,568	3,095,568

After Balance Date Events

There were no significant after balance sheet events.

Environmental issues

The Company's operations are not subject to any particular and significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Omissions

The Company has not omitted from this report any prejudicial material that would otherwise be required to be included by law.

Significant Changes

The Directors are not aware of any other events that would have significant impact on the operations of the Company.

Future developments, prospects and business strategies

The Company will continue to pursue its investment objectives for the long-term benefit of its shareholders. This will involve the continued review of its investment strategy, and may, from time-to-time, require some changes to that strategy. To achieve our investment objectives, we intend to invest the Company's capital (at cost) in global listed shares and to diversify risk by investing in other investments, including unlisted private companies.

We do not believe it is possible or appropriate to make a prediction on the future course of markets or the performance of our investments. Accordingly, we do not provide a forecast of the likely results of our activities.

Additional general information

The Company has reported and released to the NSX an unaudited NTA valuation per share each month of the financial year ending 30 June 2024. Each of those monthly valuations is available at the following website: http://www.nsxa.com.au/summary/KGI.

In accordance with Listing Rule 6.9, the Directors further report that, as set out above, the principal activities of the Company are investing in global securities. The Company has no subsidiary entities and does not form part of a group of companies.

The annual accounts for the period do not differ materially from any published forecast made by the Company, of which there was none. None of the Directors are parties to service contracts between them and the Company.

Insofar as contracts of significance are concerned, those described in the Company's Prospectus dated 21 January 2015 remain in place, namely the Investment Management Agreement and the Deeds of Access, Indemnity and Insurance. These are contracts of significance in which the Company's Directors are or were materially interested either directly or indirectly and which subsisted during or at the end of the financial year.

The director fees for the year ending June 30, 2024 was $6,000. There are no arrangements under which a shareholder has waived or agreed to waive any dividends. Below is a list of KGI's top 10 shareholders and the number of KGI fully paid ordinary shares that they hold.

Shareholder	Shareholding	
	Number of shares	% Holding
CLG Investments Pty Ltd	502,175	12.47%
T2 Growth Partners Limited	417,672	10.90%
Tom Hale Pty Ltd	380,000	9.91%
Kaizen Capital Pty Ltd	365,997	9.10%
Mr Andre Edmunds & Mrs Jenny Edmunds	289,313	7.19%
Mr Simon Charles Winfield	223,128	5.54%
HSBC Custody Nominees (Australia) Limited	200,000	5.22%
Mel Blackford	174,000	4.54%
MDH Capital Pty Ltd	150,000	3.91%
Mr Devdutt Lama	100,000	2.61%

Shareholder distribution is as follows:

Shareholder Distribution			
Holding	**Number of shareholders**	**Number of shares**	**% Holding**
1-1,000	3	1,900	0.05%
1,001-5,000	28	135,997	3.38%
5,001-10,000	10	94,000	2.34%
10,001-100,000	24	1,034,525	25.70%
100,001-9,999,999,999	11	2,758,298	68.53%
Total	76	4,024,720	100.00%

Dividends

KGI declared and paid a fully franked dividend at the rate of 5.0 cents per share in March 2024.

Share award scheme approved at 2022 AGM

KGI's shareholders approved a performance based share award scheme to its investment manager during 2022 AGM. There are two ways for Kaizen Capital Pty Ltd (KC), as the manager, to be awarded new shares. Either the 'First award' is triggered OR the 'Second Award' is triggered.

The term that this incentive package would be active is 10 years to the 30 November 2032. The award would be capped at $12 per share or $0.60 EBITDA per share. The Board, in its opinion, believes that being awarded up to a maximum 12% of the shares of KGI after delivering a 12X return (from $1 IPO price) to its shareholders would align all parties. Or, at a potential $0.60 gross dividend per share (on a $1 investment at IPO), equating to a 60% return per year if the share price remained at $1, would also align all stakeholders.

First Award: For every $1 per share the price increases an award is triggered corresponding to a percentage of the company. First, for every $1 per share price that is added – starting at $2/share – Kaizen Capital Pty Ltd (KC) would be issued/topped up to that percentage of the Company. The shares would need to have registered a transaction, on the exchange, for 30 days to apply. If there was a placement of over 5% of the company this would also apply as a trigger for the award.

Second Award: Shares are awarded based on an EBITDA per share target. The financial accounts released on the NSX would be the basis of the award. An increase of every 5 cents EBITDA per share, after the initial $0.20 per share trigger, would trigger a further award.

In the year to June 2023, KC achieved the $0.25 per share threshold and therefore triggered the award to issue 5% new shares to Kaizen Capital Pty Ltd. Subsequently, 191,653 new shares were issued to KC during March, 2024.

In the year to June 2024, KC achieved the $0.25 per share EBITDA threshold. KC is now entitled to hold 5% of KGI's total shares outstanding as of June 30, 2024 (201,236 shares: 4,024,720 total shares outstanding x 5%). Adjusting this for the previously issued shares of 191,653 under the second award, the incremental number of shares to be issued by KGI to KC is 9,583 shares valued at $1.15 each as of June 30, 2024. KGI had not issued the new shares to KC as of June 30, 2024 and the relevant value was recognized under equity in a separate reserve account

Increased transparency and disclosure to enable investors to value KGI

Most LICs have an NTA (net tangible asset) value that is calculated based on the holding value of shares. Since many are listed securities the value is quite easy to determine. The profit and loss is, in our opinion, a little messy in terms of showing earnings as gains/losses can be realised in any one year and are unlikely to exactly repeat.

As KGI acquires private businesses it faces/faced a dilemma. On the one hand, the price paid for the acquisition should be as low as possible (this is logical) – and negotiating attractive entry prices is the core skill. However, this value then remains on the balance sheet and could be undervalued. The board could 'write up' the value of the investment, however, this is subjective and would trigger performance fees (on the increase). This is not something the board would want to do. The unintended consequence of this is to potentially have holdings that are very cheap on the balance sheet and NTA.

To remedy this, the board considered that showing the EBITDA (proxy for cash flow) per share of the investment companies could be a way to help investors to value the company and add transparency. The manager would be rewarded for growing the cash flows/share of the investment companies without having to subjectively change the holding value on the balance sheet. The cash flows are clear.

The investor could then put their own multiple of EBITDA onto the cashflows to determine a valuation, then add on the listed company value/share to arrive at a total value.

As we move forward and look to acquire other businesses we want to be focused on buying at the lowest possible multiple (negotiating) and generating the most cash flow/EBITDA per share from the investment company/ies over time. The valuation on the balance sheet (as expressed though NTA) may understate the real value of the business. The award at the AGM was created to address this and keep the incentive for the manager to grow these cashflows per share.

Consider too, if we raised capital in the future for another acquisition (for example) then the NTA might understate the value of the historic holding and we'd dilute great historic asset purchases as investors couldn't see the true underlying value. This isn't a silver bullet but by breaking out the cashflows, investors are able to make their own minds up on what they think the value could be.

Indemnities

During the year the Company provided an indemnity to directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of KGI, other than conduct involving a wilful breach of duty in relation to the Company. The content of the insurance policy prohibits disclosure of the nature of the loss or liability indemnified, the indemnity limit or the amount of premium paid. The Company did not provide an indemnity to the auditors.

Directors, Company Secretary and Auditor

The following persons have been a director of the Company at all times during, or since, the end of the year:

- Connor Grindlay – appointed 26 September 2014
- Simon Winfield – appointed 26 September 2014 and re-elected at AGM on 30 November 2023.
- Andre Edmunds – appointed 4 November 2014 and re-elected at AGM on 30 November 2022.

KGI's company secretary at any time during the year was Lisa Grindlay.

For the relevant period, Martin Michalik was a director of Stantons International Audit and Consulting Pty Ltd (Stantons), that is the auditor of KGI, and was such a director at a time when Stantons undertook an audit of KGI.

Directors

Connor Grindlay, Managing Director and Chief Investment Officer

Qualifications	Masters of Civil Engineering with European Studies, Credit Suisse training program, CFA UK Certificate in Investment Management, and Investment Management and Research (IIMR) Associate examinations.
Experience	Connor Grindlay has been the Managing Director and Chief Investment Officer of KGI since 26 September 2014. He is also the Managing Director and founder of Kaizen Capital Pty Ltd (the Manager or Investment Manager for KGI). Prior to listing KGI, Connor worked with two Australian-based fund managers – 8 Investment Partners and Caledonia Investment (2010 – 2014); Millennium Capital Partners, a New York billion-dollar fund (2008); Castlegrove Capital, a London-based global multi-strategy fund (2006 - 2008); and Trafelet, a multi-billion dollar US-based hedge

fund (2004 - 2006). Connor also worked as an analyst at WestLB Panmure in London (2002) and cofounded hedgefundcity.com, an online media portal for the global hedge fund industry (2000).

Special responsibilities	As Managing Director of KGI his special responsibilities include making a declaration relating to statutory accounts under s 295A of the Corporations Act 2001. He is a member of the KGI Audit Committee and holds no other directorship in any other listed entities. Connor Grindlay holds 1,010,173 shares (Directly and through beneficial interests)

Simon Winfield, Chairman

Qualifications	MBA, Graduate Certificate in Carbon Management, Graduate Certificate in Regenerative Agriculture.
Experience	Simon Winfield is KGI's Chairman and has been a director since 26 September 2014. He has also been a director of the Manager since October 2009. Prior to joining Kaizen Simon was a director of a NSW-based agricultural technology company; Managing Director / Head of European Equity Sales at Bank of America (2001 – 2003); and in equities research sales at Credit Suisse (1990 – 2001). Simon also worked in UK equities for Grieveson Grant W Greenwell and UBS until 1990. He started his career in finance in 1979 at the London Stock Exchange.
Special responsibilities	As Chairman of KGI, Simon's special responsibilities include reporting to members and conducting shareholder meetings, acting as Trading Officer and as a member of the Audit Committee. He holds no other directorships in other listed entities. Simon Winfield holds 321,628 shares (Directly and through beneficial interests).

Andre Edmunds, Non-Executive Director

Qualifications	Bachelor of Aeronautical Engineering (Honours), Member of the British Computer Society, and Chartered IT Professional in Program and Project Management.
Experience	Andre Edmunds is KGI's sole Non-Executive Director, and has been a director since 4 November 2014. He has been a director of a consultancy and executive advisory service company since March 2007; was a Member of the Australian Institute of Project Management (2006-2011); and performed the role of BCS Assessor for Membership Status (2009 and 2010). Andre has experience in software development and pre-sales, project management, transformation, turnaround/rescue and mobilization programs. He has consulted to executive boards of small, medium and large companies, and government organisations. He has worked with AMP General Insurance, CSC Australia, Deloitte UK, Barclays, Toyota, Volkswagen, Cazenove Capital Management, Orange Sweden, Hutchison 3G,

	VirginMedia, Optus, Telstra, Downer, Foxtel, News Ltd, and Transport for NSW.
Special responsibilities	As a KGI director, Andre's special responsibilities include membership of the Board of Directors and Audit Committee. He holds no other directorships in any other listed entities. Andre Edmunds holds 299,313 shares (Directly and through beneficial interests).

Meetings of the Board of Directors

During the financial year, the following board meetings were held:

	Eligible to attend	Attended
Connor Grindlay	4	4
Simon Winfield	4	4
Andre Edmunds	4	4

Board members have been in regular contact during the period and discussed investment strategy, the operating business and have considered other acquisitions. These have not been recorded as formal board meetings but it is important to understand that there is considerably more board level activity than meetings.

Meetings of the Audit and Risk Committee

The committee met once during the period with all three directors eligible to attend, and all three attended.

Company Secretary

Lisa Grindlay BA, LLB (Hons) is the Company Secretary and was at all times during the period. Lisa has over 17 years of legal experience, gained as both a solicitor and barrister. She has been company secretary for KGI since September 2014, and for Kaizen Capital since October 2009.

CORPORATE GOVERNANCE STATEMENT

The Board of Directors is committed to maintaining high standards of safety, performance and corporate governance for the Company and any entities it may control. To foster good corporate governance, the Company has developed a set of core values and behaviours that underpins its activities and ensures transparency, fair dealing and protection of the interests of all stakeholders – including shareholders, personnel, suppliers and communities – with which it operates.

Below is a summary of the Company's full Corporate Governance Statement, which is available on the Company website.

Board of Directors

In general, the Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. The Board takes advice from the Audit Committee on matters within its Charter, however the Board retains final decision-making authority on those matters.

The Board will consider nominations for appointment or election of Directors that may arise from time to time, having regard to the skills and experience required by the and procedures outlined in the Company's Constitution and the Corporations Act.

The Company's constitution requires one third of the Directors to retire at each Annual General Meeting. The Director(s) who retire under this rule are those who have held office the longest since last being elected or appointed. This rule does not apply to the Managing Director.

The Chairman leads the Board and has responsibility for ensuring that the Board receives accurate, timely and clear information to enable Directors to perform their duties as a Board.

Executive and Non-Executive Directors

The Company currently has two Executive Directors - the Managing Director and Chairman. The Board believes that the benefits to shareholders of a separate, independent Non-Executive Chairman, CEO and CFO does not outweigh the disadvantage of the real or perceived divergence of command and the additional remuneration and administrative expenses involved. However, the Board will periodically review whether it would be more appropriate to appoint an independent Non-Executive Chairman, CEO and CFO.

The Company recognises the importance of Non-Executive Directors and the external perspective and advice that Non-Executive Directors can offer. The Board currently has one Non-Executive Director. The Board as a whole is satisfied that the Non-Executive Director brings an independent discretion to his deliberations, unaffected by the executive status of the Chairman.

Meetings of the Board

The Board holds regular meetings, and holds additional meetings whenever necessary to deal with specific matters requiring attention. Directors' circulatory resolutions are also utilised where appropriate either in place of or in addition to formal Board meetings. Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director of the Company.

Conflicts of Interest

To ensure that Directors are at all times acting in the interests of the Company, Directors must disclose to the Board actual or potential conflicts between the interests of the Director and those of the Company; and if requested by the Board, take such necessary and reasonable steps to remove any conflict of interest.

If a Director cannot or is unwilling to remove a conflict of interest, then the Director must absent himself from the room when Board discussion and/or voting occurs on matters to which the conflict relates (unless the law allows otherwise).

Related-Party Transactions

Related-party transactions include any financial transaction between a Director and the Company as defined in

the Corporations Act or the NSX Listing Rules. Unless there is an exemption from the requirement to obtain shareholders' approval for the related-party transaction, the Board may not approve the transaction. The Company will also disclose related-party transactions in its Annual Report as required under the Corporations Act and relevant Accounting Standards.

Share Dealings and Disclosures

The Company has adopted a Share Trading Policy, which applies to Directors and employees of the Company and contractors who have agreed to be bound by the policy. The policy is designed to explain the type of conduct in relation to dealings in the Company's securities that is prohibited under the relevant law and by the Company, including insider trading; and establish a procedure for buying, selling or otherwise dealing in the Company's securities.

Independent Professional Advice

Subject to prior approval by the Chairman, each Director has the right to seek independent legal and other professional advice at the Company's expense concerning any aspect of the Company's operations or undertakings in order to fulfil their duties and responsibilities as a Director.

Audit Committee

The Audit Committee has a formal charter to prescribe its objectives, duties and responsibilities, access and authority, composition, membership requirements of the Committee and other administrative matters. It has an audit oversight function, with key responsibilities being to review and approve the audited annual and auditor reviewed half-yearly financial reports, to review reports from management and matters related to the external auditor and a risk management function. The Audit Committee currently comprises all members of the Board.

CEO and CFO Declarations

The Company has a Managing Director and the Board has determined that (pursuant to section 295A(3) Corporations Act) the Managing Director is the appropriate person to make the CEO/CFO equivalent declaration in relation to the Company's financials.

External Auditor

The Company's external auditor is selected for its professional competence, reputation and the provision of value for professional fees. The external Auditor attends the Company's AGMs (in person or by teleconference) and is available to answer shareholder questions about the conduct of the audit and the preparation and content of the Auditor's Report.

Continuous Disclosure to NSX

In accordance with the law, the Company continuously notifies the NSX of information which a reasonable person would expect to have a material effect on the price or value of the Company's securities. A reasonable person is taken to expect information to have a material effect on the price or value of the Company's securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

Market and Shareholder Communications

Shareholders own the Company. Increasing shareholder value is the Company's key mission. Shareholders require an understanding of the Company's operations and performance to enable them to be aware of how that mission is being fulfilled. The Directors are the shareholders' representatives. In order to properly perform their role, the Directors must be able to ascertain the shareholders' views on matters affecting the Company.

The Board therefore considers it paramount to ensure that shareholders are informed of all major developments affecting the Company and have the opportunity to communicate their views on the Company to the Board. Information is communicated to shareholders and the market through various means including the Company's website and social media presence, emails and notifications, and the NSX website.

Risk Committee

As a consequence of the size and composition of the Company's Board, the Board does not have a stand-alone Risk Committee. However, the Company's Audit Committee has an important risk management and compliance function, with key responsibilities being to ensure that an appropriate risk management framework is in place and is operating properly and reviewing and monitoring legal and policy compliance systems and issues.

Internal Audit

The Company does not have an independent internal audit function. Due to the nature and size of the Company's operations, the expense of an independent internal auditor is not considered to be appropriate.

Remuneration Committee

Due to the nature and size of the Company, the Board does not currently have a Remuneration Committee with a remuneration and nomination function.

Equity-Based Remuneration Scheme

KGI approved a performance based share issue scheme as a reward to its investment manager. Based on the achievement of EBITDA targets during the year ("Second Award"), the investment manager has been eligible to a share based payment to hold up to 5% of the shares outstanding as of June 30, 2024. The new shares have not been issued during the current financial year and relevant adjustments have been made in KGI's financial statements.

REMUNERATION REPORT (AUDITED)

The board's policy for determining, or in relation to, the nature and amount of remuneration of the key management personnel for the Company was set out in the Company's Prospectus dated 21 January 2015 (Section 6.10), and remained unchanged during the year. Such policy states that the KGI directors will be entitled to receive a maximum total remuneration (including superannuation) of up to $75,000 per annum to be divided amongst them in such proportion as they agree. The company has accrued $6,000 as director and secretary fees for the year ending June 30, 2024.

The board's remuneration policy is designed to keep the Company's operating costs down, and there is no relationship between the policy, and each member of the key management personnel for the Company and the Company's performance.

None of KGI's key management personnel receive remuneration, which consists of KGI securities in satisfaction of performance of their duties. Nor is their remuneration related to performance.

The Company's last annual general meeting (AGM) was held on 30 November 2023 and there was no discussion or any questions asked about the remuneration report considered at that AGM. The resolution in relation to the remuneration report for the financial year ending 2023 was passed on a show of hands with the requisite number of votes.

Details of remuneration for year ended 30 June 2024

The Company has three directors and one company secretary. Details of the remuneration for each officer of the Company was as follows:

2024	**Salary & fees $**	**Superannuation contributions$**	**Other $**	**Total $**
Connor Grindlay	Nil	Nil	Nil	Nil
Simon Winfield	2,000	Nil	Nil	2,000
Andre Edmunds	2,000	Nil	Nil	2,000
Lisa Grindlay	2,000	Nil	Nil	2,000
Total	6,000	$ Nil	$ Nil	6,000

2023	**Salary & fees $**	**Superannuation contributions$**	**Other $**	**Total $**
Connor Grindlay	Nil	Nil	Nil	Nil
Simon Winfield	2,000	Nil	Nil	2,000
Andre Edmunds	2,000	Nil	Nil	2,000
Lisa Grindlay	2,000	Nil	Nil	2,000
Total	6,000	$ Nil	$ Nil	6,000

Securities holdings – ordinary shares

Number of shares personally held by directors and company secretary:

	Balance 30/06/23	Received as remuneration	Options exercised	Other changes	Balance 30/06/24
Connor Grindlay	96,088	Nil	Nil	3,913	100,001
Simon Winfield	203,128	Nil	Nil	20,000	223,128
Andre Edmunds	5,000	Nil	Nil	Nil	5,000
Lisa Grindlay	25,000	Nil	Nil	Nil	25,000
Total	329,216				353,129

Number of shares in which directors have a joint or beneficial interest;

	Balance 30/06/23	Received as remuneration	Options exercised	Other changes	Balance 30/06/24
Connor Grindlay	647,519	Nil	Nil	237,653	885,172
Simon Winfield	98,500	Nil	Nil	Nil	98,500
Andre Edmunds	294,313	Nil	Nil	Nil	294,313
Total	1,040,332				1,277,985

Securities holdings - options

The combined number of options held personally, jointly and/or beneficially by the directors and company secretary. There were no options held by the directors and company secretary in the financial year to 30 June 2024. No options were granted to the Directors as part of their remuneration. No shares or interests have been issued during or since the end of the year as a result of the exercise of an option over unissued shares or interests. No shares or interests in shares were issued as a result of exercise of options.

Auditor

The auditor's independence declaration for the year ended 30 June 2024 has been received and may be found on page 37 of this report.

Non-audit services and auditor independence

No amounts were paid or payable to the auditor for non-audit services provided, during the year, by the auditor (or by another person or firm on the auditor's behalf).

DIRECTORS' DECLARATION

The above Directors' Report dated 13 September 2024 has been made in accordance with a resolution of the board of directors made on 13 September 2024 and is signed by:

CONNOR GRINDLAY

Managing Director

13 September 2024

SIMON WINFIELD

Chairman

13 September 2024

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR YEAR ENDED 30 JUNE 2024

	Note	2024	2023
Income/(loss) from deposits	4	(35,066)	(27,549)
Income from dividends	4	14,045	(696)
Net changes to net fair value of investments	5	(341,373)	(1,107,886)
Total income/(loss) from ordinary activities		**(362,395)**	**(1,136,131)**
Other Income		54,017	2,078
Total income/(loss) for the period		**(308,378)**	**(1,134,053)**
Administration expenses	6	(164,650)	(367,491)
Other Expenses		-	-
Operating profit/(loss) before income tax		**(473,028)**	**(1,501,543)**
Share of profit of associate		751,434	651,811
Profit/(loss) before income tax		**278,406**	**(849,732)**
Income tax charge relating to ordinary activities	7	193,616	383,073
Profit/(loss) attributable to members of the company		**472,022**	**(466,660)**
Other comprehensive income for the financial year			
- Items that may be reclassified to profit and loss		-	-
- Items that will not be reclassified to profit and loss		-	-
- **Total comprehensive income/(loss) for the financial year**		**472,022**	**(466,660)**
Overall operations			
Basic earnings per share (cents per share)	14	12.16	(12.26)
Diluted earnings per share (cents per share)	14	12.16	(12.26)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

ASSETS	**Note**	**2024 $**	**2023 $**
Cash and cash equivalents	8	17,469	(70,584)
Trade and other receivables	9	12,953	19,088
Financial assets	11	1,124,709	1,558,366
Total Current Assets		**1,155,131**	**1,506,870**
Investment in Associates	10	3,456,011	3,004,577
Property, Plant & Equipment		1,198	-
Deferred tax assets	12	366,826	323,210
Total Non-Current Assets		3,824,034	3,327,787
TOTAL ASSETS		**4,979,166**	**4,834,657**
LIABILITIES			
Trade and other payables	13	45,606	25,716
Financial liabilities	11	318,598	325,921
Total Current Liabilities		**364,204**	**351,638**
Deferred tax liabilities	12	-	150,000
Total Non-Current Liabilities		**-**	**150,000**
TOTAL LIABILITIES		364,204	**501,638**
NET ASSETS		**4,614,962**	**4,333,020**
EQUITY			
Issued capital	15	4,099,115	3,888,297
Accumulated profits		504,690	233,904
Share based payments reserve	16	11,157	210,818
TOTAL EQUITY		**4,614,962**	**4,333,020**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR YEAR ENDED 30 JUNE 2024

	Issued capital	Accumulated profits	Share based payment reserve	Total
2024	**$**	**$**		**$**
Balance at 1.07.2023	3,888,297	233,904	210,818	4,333,020
Total comprehensive profit/(loss) for the year		472,022		472,022
New share issues (net of costs)	-			-
Performance based share issue	-	-	11,157	11,157
Transfer to share capital	210,818		(210,818)	
Dividends Paid		(201,236)		(201,236)
Balance at 30.06.2024	**4,099,115**	**504,690**	**11,157**	**4,614,962**
2023	**$**	**$**		**$**
Balance at 1.07.2022	3,508,797	942,895	-	4,451,692
Total comprehensive profit/(loss) for the year		(466,660)		(466,660)
New share issues (net of costs)	379,500			379,500
Performance based share issue			210,818	210,818
Dividends Paid		(242,331)		(242,331)
Balance at 30.06.2023	**3,888,297**	**233,904**	**210,818**	**4,333,020**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR YEAR ENDED 30 JUNE 2024

	Note	2024 $	2023 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest (paid)/received		(35,650)	(28,013)
Dividends Received		314,324	304,778
Payments to suppliers		(74,416)	(358,320)
Generated Net cash (used in) operating activities	20	**204,259**	**(81,555)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases to acquire financial assets		(40,808)	(1,211,721)
Sales of Financial Assets		124,869	454,257
Investment in new Haircare business		-	(357,600)
Purchase of Fixed Assets		(1,198)	
Net cash provided by/(used in) investing activities		**82,862**	**(1,115,064)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Share buyback	14	-	-
New equity issue		-	379,706
Dividends Paid		(201,236)	(242,331)
Net cash provided/(used in) by financing activities		**(201,236)**	**137,375**
Net increase /(decrease) in cash held		**85,885**	**(1,059,244)**
Cash at beginning of year		(70,584)	1,005,342
Effect of Exchange Rate Changes		2,168	(16,683)
Cash at end of year	8	**17,469**	**(70,584)**

The accompanying notes form part of these financial statements.

1. INCORPORATION AND ACTIVITIES

Kaizen Global Investments Limited (**the Company**) is an NSX Listed Investment Company (**LIC**) incorporated under the *Corporations Act 2001*(**the Corporations Law**) on 26 September 2014. The principal activity of the Company is to generate long-term capital appreciation while preserving capital. The Company invests substantially in global listed equities. Kaizen Capital Pty Limited is the investment manager of the Company (**the Investment Manager**). The financial statements presented are for the year ended 30 June 2024. The comparatives stated are for the year to 30 June 2023.

2. BASIS OF PREPARATION

The Financial Statements are general purpose financial statements which have been prepared in accordance with the Corporations Law and Accounting Standards and Interpretations, and other laws that apply to Accounting Standards including Australian equivalents to International Financial Reporting Standards (A-IFRS). Compliance with A-IFRS ensures that the financial statements and notes of the Company comply with International Financial Reporting Standards (IFRS). All Amounts are presented in Australian dollars unless otherwise noted.

The Financial Statements of the Company for the year ended 30 June 2024 were approved by the Directors on 13 September 2024.

3. SUMMARY OF MATERIAL SIGNIFICANT ACCOUNTING POLICIES

The company has reviewed the new accounting standards and has assessed them to have no impact.

(a) Financial instruments

Financial instruments are classified as financial assets and financial liabilities at FVTPL in accordance with IAS 39" Financial Instruments: Recognition and Measurement". The category of financial assets and financial liabilities at fair value through profit or loss is sub-divided into:

- Financial instruments held-for-trading: Financial assets held-for-trading include equity securities and derivatives. These assets are acquired principally for the purpose of generating a profit from active trading and short-term fluctuation in price. All derivative instruments are classified as held-for-trading. Derivative financial instruments entered into by the Company do not meet the hedge accounting criteria. Consequently, hedge accounting is not applied by the Company.

- Financial instruments designated as at FVTPL upon initial recognition: These include equity securities and debt instruments that are not held-for-trading. These financial assets are designated on the basis that they are part of a group of financial assets which are managed and have their performance evaluated on a fair value basis, in accordance with risk management and investment strategies of the Company. The financial information about these financial instruments is provided internally on that basis to the Investment Manager and to the Board of Directors.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed and determinable payments that are not quoted in an active market. Loans and receivables in the financial statements comprise of balances with banks.

Recognition and Measurement

Financial assets and financial liabilities are initially recognised at cost, being the fair value of the consideration given. All transaction costs for such instruments are recognised in the statement of profit and loss and other comprehensive income. After initial recognition, these investments are remeasured at fair value with both realised and unrealised gains and losses recorded in the statement of profit and loss and other comprehensive income in "income from financial assets and financial liabilities at FVTPL".

Loans and receivables that are not quoted in an active market are stated at original invoice amount less an allowance for any impaired amounts. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR), less impairment. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the carrying amount of the financial asset or liability.

Trade Date

All "regular way" purchases and sales of financial assets are recognised on the trade date, i.e. the date the Company commits to purchase or sell the asset.

Realised gains and losses on investments are calculated by reference to the net proceeds received on disposal and the average cost attributable to those investments. Unrealised gains and losses are calculated by reference to the fair value and average cost attributable to those investments.

Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

i. the rights to receive cash flows from the asset have expired;

ii. the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay the cash flows received in full without material delay to a third party under a 'pass through' arrangement;

iii. the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities at FVTPL is determined by reference to quoted market bid prices for financial assets and ask prices for financial liabilities at the close of business on the statement of financial position date.

Impairment

The Company assesses at each reporting date whether a financial asset or group of financial assets classified as loans and receivables is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is an objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtor, or a group of debtors, is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and, where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred) discounted using the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the toss is recognised in profit or loss as a credit loss expense.

(a) Cash and cash equivalents

For the purposes of statement of cash flows, cash and cash equivalents comprise of balances with banks, which have original maturities of less than ninety days. Cash and cash equivalents are short-term highly liquid assets that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(b) Accrued expenses

Liabilities are recognised for amounts to be paid in the future for services received, whether billed or not. Accrued expenses are initially recognised at fair value and subsequently stated at amortised cost using the effective interest method.

(c) Functional and presentation currency

Transactions in foreign currencies are recorded at the rate of exchange prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into $AUD at the rate of exchange prevailing at the statement of financial position date. Any gains or losses on translation of monetary assets and liabilities are taken to Recognition and Measurement.

Translation gains or losses on investments at FVTPL are included in the statement of comprehensive income under net charges on financial assets and financial liabilities at FVTPL.

(d) Interest income and expense

Interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability.

(e) Dividend income

Dividend is recognised when the right to receive the dividend is established.

(f) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. Income and expenses are offset in the statement of profit and loss and other comprehensive income when it reflects the substance of the transaction or other event.

(g) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Unless included in the effective interest calculation, fees and commission expenses are recognised on an accrual basis. Legal and audit fees are included within 'general and administrative expenses'.

(h) Net assets attributable to holders of Participating Shares

AASB 9 *"Financial Instruments: Presentation" requires entities that issue financial instruments to classify such instruments as liabilities or equity in accord*ance with the substance of the contractual arrangement and the definitions contained within AASB 32 of a financial liability and equity instrument.

The issued by the Company provide the participating shareholders with the right to redeem their shares for cash equal to their proportionate share of the net asset value of the Company. Also, the private placement memorandum ("PPM") allows the Company to issue multiple classes of shares with varying terms on fees and redemption. As such, within the context of AASB 9, the Participating Shares issued by the Company are classified as financial liabilities.

(i) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price or binding dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. Securities defined in these accounts as 'listed' are traded in an active market.

Where the Company has financial assets and financial liabilities with offsetting positions in market risks or counterparty credit risk, it has elected to use the measurement exception provided in AASB 13 to measure the fair value of its net risk exposure by applying the bid or ask price to the net open position as appropriate.

For all other financial instruments not traded in an active market, the fair value is determined by using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm's length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(j) Significant accounting judgments and estimates

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts recognised in the financial statements and disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements:

Going concern

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Functional currency

The primary objective of the Company is to generate returns in Australian Dollars ("AUD"), The operation of the Company is managed on a day-to-day basis in AUD. The Company's performance is evaluated in AUD. Therefore, the management considers the AUD as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

Estimates and assumptions

The key assumption concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is discussed below. The Company based its estimates and assumptions on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Fair value of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

The Company's investment in contract for difference requires inputs to the models in order to estimate the fair value of these financial instruments. The valuations of these instruments are provided by the broker considering liquidity and other inputs such as credit risk, correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the statement of financial position. The Directors and management believe that the estimates utilised in arriving at the fair value of these financial instruments are reasonable and prudent; however, actual results could differ from these estimates.

	2024	2023
	$	**$**
NOTE 4: OPERATING PROFIT BEFORE INCOME TAX EXPENSE		
Income from deposits		
Interest expenses*	(35,066)	(27,549)
Total income from deposits	**(35,066)**	**(27,549)**
Income from Dividends		
Dividends income	14,045	(696)
Total Income from Dividends	**14,045**	**(696)**
Total revenue	**(21,021**	**(28,245)**
*Interest expenses includes the borrowing cost on short sales		
NOTE 5: NET CHANGES TO NET FAIR VALUE OF INVESTMENTS		
Realised gain/(loss)	(4,680)	(38,321)
Unrealised gain/(loss)	(336,693)	(1,069,564)
	(341,373)	**(1,107,886)**
NOTE 6: ADMINISTRATION EXPENSES		
Director fees	6,000	6,000
Accountancy fees	-	-
Annual Meeting Expense	750	750
Auditor's remuneration	16,415	14,076
License fee	2,500	2,500
Management fee	68,787	74,463
Performance Fee	10,795	-
Listing fees	13,270	12,400
Tax Preparation Fee Expense	2,400	2,400
Insurance	10,092	10,092
Compliance	2,500	2,500
Register Fee	10,681	5,860
Fixed assets depreciation	150	-
Trading costs and other expenses	9,153	25,631

Share based payments	11,157	210,818
Total administration expenses	**164,650**	**367,491**

NOTE 7: INCOME TAX EXPENSE		
	2024	**2023**
The components of tax expense comprise	**$**	**$**
Increase in current tax liabilities – other		
Decrease in deferred tax liabilities	(150,000)	(120,681)
(Decrease)/Increase in deferred tax assets - other	(43,616)	(262,392)
	(193,616)	**(383,073)**

NOTE 8: CASH AND CASH EQUIVALENTS	**2024 $**	**2023 $**
Cash at bank	17,469	(70,584)
	17,469	**(70,584)**

All cash investments are invested with Authorised Deposit Taking Institutions. Only part of the deposits is guaranteed by the Commonwealth of Australia. The credit risk exposure of the company in relation to cash and cash equivalents is the carrying amount and any unpaid accrued interest.

NOTE 9: TRADE AND OTHER RECEIVABLES	**2024 $**	**2023 $**
Dividends receivable	170	113
Prepaid expenses	3,005	12,993
Interest receivable - bonds	-	-
Treasury Shares	-	-
Due from Brokers	-	-
Other receivables	-	-
Goods and services tax refund	9,778	5,983
	12,953	**19,088**

Receivables are non-interest bearing and unsecured. The credit risk exposure of the company in relation to receivables is the carrying amount. At the reporting date none of the trade and other receivables are past due.

NOTE 10: INVESTMENT IN ASSOCIATE

An investment was made by Kaizen Global Investments Limited (KGI) on the 20th June 2022 where it invested $2.3 million to acquire a 33% stake in General Pacific Partners (GPP), a newly formed company created to facilitate the asset purchase of a private hair care business. An additional investment of $357.6k was made during FY23, increasing KGI’s stake to 40% in GPP. KGI has used the equity method of accounting for this investment in associate. KGI’s share of post-tax profit for the period was $751,434 and the associate paid a total dividend of $300,000 to KGI during the financial year. The movement in the investment in associate during the year is as follows;

Investment in associate as of June 30, 2023	$3,004,577
Additional investment during the financial year	-
Profit share recognized	$751,434
Dividends paid	$(300,000)
Investment in associate as of June 30, 2024	$3,456,011

The summarized statement of financial position of the associate as of June 30, 2024 is as follows;

Total Assets	$9,433,80753
Total Liabilities	$822,810
Total Net Assets	**$8,975,643**

Total Equity			
Share Capital	$6,644,000		
Retained Earnings	$2,331,643		
	$8,975,643		

NOTE 11: FINANCIAL ASSETS AND FINANCIAL LIABILITIES	**2024**	**2023**
Financial assets held at fair value through the statement of profit or loss	1,124,709	1,558,366

Financial Assets are Exchange-traded securities (equities and options) and investments in non-listed securities (equities and bonds). The credit risk exposure of the company in relation to Financial Assets is the carrying amount.

Financial liabilities held at fair value through the statement of profit or loss		
Measured at fair value through profit or loss	318,598	325,921

NOTE 12: DEFERRED TAX ASSET AND LIABILITIES	**2024**	**2023**
The deferred tax asset is made up of the following estimated tax benefits		
- Tax losses	357,030	320,428
- Temporary differences	9,796	2,782
	366,826	**323,210**
Deferred tax liabilities attributable to:		
- Temporary differences	-	150,000
	-	**150,000**

	4	**2023**
NOTE 13: TRADE AND OTHER PAYABLES		
Interest	2,209	2,792
Accrued Dividends – Short	994	657
Management fee payable	12,153	6,048
Director & Administration fees payable	12,000	6,000
Tax Preparation fees payable	-	-
Audit fee payable	4,167	5,390
Performance fees payable	10,795	-
Other payables	3,289	4,829
	45,606	**25,716**

NOTE 14: EARNINGS PER SHARE		
	2024	**2023**
Weighted average number of ordinary shares used in the calculation of basic earnings per share	3,880,980	3,805,567
Weighted average number of options outstanding	-	-
Weighted average number of ordinary shares used in calculation of dilutive earnings per share	3,880,980	3,805,507
	$	**$**
Profit/(Loss)attributable to members of the company	472,022	(466,660)
	Cents	**Cents**
a. Basic earnings per share	12.1624	(12.2623)
b. Diluted earnings per share	12.1624	(12.2626)

NOTE 15: ISSUED CAPITAL

Shares				
Movements in issued capital of the company during the financial year were as follows:				
Date	**Details**	**Ordinary Shares**	**Price**	**Issued Capital**
2024		**No.**	**$**	**$**
01.07.23	Balance	3,833,067		3,888,297
	New issues	191,653	-	210,818
30.06.24	**Balance**	**4,024,720**		**4,099,115**
3		**No.**	**$**	**$**
01.07.22	Balance	3,503,067	-	3,508,797
	New issues	330,000	1.15	379,500
30.06.23	**Balance**	**3,833,067**		**3,888,297**

*The share buyback is ongoing.

All ordinary shares rank equally for all purposes of participation in profits or capital of the company. No Options have been exercised in the financial year. Changes to the then Corporations Law abolished the authorised capital and par value concept in relation to share capital from 1 July 1998. Therefore, the company does not have a limited amount of authorised capital and does not calculate a par value for issued shares.

NOTE 16: Share based payments

KGI's shareholders approved a performance based share award scheme to its investment manager during 2022 AGM. There are two ways for Kaizen Capital Pty Ltd (KC), as the manager, to be awarded new shares. Either the 'First award' is triggered OR the 'Second Award' is triggered.

First Award: For every $1 per share the price increases an award is triggered corresponding to a percentage of the company. First, for every $1 per share price that is added – starting at $2/share – Kaizen Capital Pty Ltd (KC) would be issued/topped up to that percentage of the Company. The shares would need to have registered a transaction, on the exchange, for 30 days to apply. If there was a placement of over 5% of the company this would also apply as a trigger for the award.

Second Award: Shares are awarded based on an EBITDA per share target. The financial accounts released on the NSX would be the basis of the award. An increase of every 5 cents EBITDA per share, after the initial $0.20 per share trigger, would trigger a further award.

KGI has achieved EBITDA targets ("Second award") set as per the performance based share award scheme during the year. As per the assessment by board of directors, KC is now entitled to hold 5% of KGI's total shares outstanding as of June 30, 2024 (201,236 shares: 4,024,720 total shares outstanding x 5%). Adjusting this for the previously issued shares of 191,653 under the second award, the incremental number of shares to be issued by KGI to KC is 9,583 shares valued at $1.15 each, total value $11,157. KGI had not issued the new shares to KC as of June 30, 2024 and the relevant value was recognized under equity in a separate reserve account.

NOTE 17: AUDITOR'S REMUNERATION	2024	2023
Remuneration of the auditor of the company for:	**$**	**$**
- auditing and reviewing the financial reports	16,415	14,076
NOTE 18: SEGMENT REPORTING		
(a) Description of segments		
The Board makes the strategic resource allocations for the Company. The Company has therefore determined the operating segments based on the reports reviewed by the Board, which are used to make strategic decisions.		

The Board is responsible for the Company's entire portfolio of investments and considers the business to have a single operating segment. The Board's asset allocation decisions are based on a single, integrated investment strategy, and the Company's performance is evaluated on an overall basis.		
(b) Segment information provided to the Board		
The internal reporting provided to the Board for the Company's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of Australian Accounting Standards.		
The Board considers the Company's net asset backing per share after tax to be a key measure of the Company's performance.		
	Cents	**Cents**
Net asset backing per share	114.67	113.04

NOTE: 19 CASH FLOW INFORMATION	2024	2023
a. Reconciliation of cash flow from operations with profit after income tax	**$**	**$**
Profit/(Loss) after income tax	472,022	(466,660)
Share based payments & Other Non-cash items	14,570	248,601
Changes to net fair value of investments	336,693	1,069,564
(Increase)/decrease in trade and other receivables	6,135	8,676
Increase/(decrease) in trade payables and accruals	19,889	(210,180)
(Increase)/decrease in taxes	(193,616)	(383,073)
Profit share of associates	(751,434)	(651,811)
Dividends from associate	300,000	303,328
Cash flow from operations	**204,259**	**(81,555)**

NOTE 20: RELATED PARTY TRANSACTIONS

Transactions with related parties.

Related Party	Ordinary Shares
Kaizen Capital Pty Ltd atf Kaizen Capital Recapitalization Fund I	61,676
Director: Connor Grindlay	100,001
CLG Investments Pty Ltd	519,175
Kaizen Capital Pty Ltd	365,997
Lisa Grindlay	25,000
Director: Simon Winfield	223,128
Jennifer Winfield	93,500
Georgia Winfield	5,000
Director: Andre Edmunds	5,000
Edmunds SMSF	299,313
Jenny Nissen	5,000

Kaizen Global Investments paid $67,715 in management fees for year to June 30 2024 to Kaizen Capital Pty Ltd. During the year ending June 30, 2023, Kaizen Capital Pty Ltd was entitled to receive KGI shares amounting to 5% of number of shares outstanding as per KGI’s performance based share offer scheme. KGI had 3,833,067 shares outstanding (pre-issue) and issued 191,653 new shares (5%) to Kaizen Capital Pty Ltd in March 2024.

Additionally, Kaizen Capital Pty Ltd was entitled to receive KGI shares amounting to up to 5% of the total shares outstanding as of June 30, 2024, under the 'Second Award' of KGI's performance-based share offer scheme. KGI had 4,024,720 shares outstanding (pre-issue) as of June 30, 2024, entitling Kaizen Capital to 201,236 shares (4,024,720 shares x 5%).

After adjusting for the 191,653 shares previously issued under the Second Award, the incremental number of shares to be issued by KGI to Kaizen Capital is 9,583 shares, valued at $1.15 each. As of June 30, 2024, KGI had not issued the new shares, and the corresponding value was recognized under equity in a separate reserve account. Kaizen Capital Pty Ltd is a related party of Connor Grindlay.

NOTE 21: CAPITAL AND RISK MANAGMENT

Risk is inherent in the Company's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Company's continuing profitability. The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors is responsible for overall management of these risks. The Investment Manager's objective is to assess, continuously measure and manage the risks of the portfolio, according to the investment objective; the investment policy and the overall risk profile of the Company. The nature and extent of the financial instruments outstanding at the statement of financial position date and the risk management policies employed by the Company are discussed below.

(a) Market risk

Market risk arises from fluctuations in equity prices, interest rates and foreign exchange rate.

(i) Price risk

All investments present a risk of loss of capital. The Investment Manager moderates this risk through a careful selection of securities and other financial instruments within specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Company's overall market positions are monitored on a regular basis by the Company's Investment Manager.

The Company’s financial assets and financial liabilities at FVTPL are susceptible to market price risk arising from uncertainties about future prices of the instruments.

Price risk sensitivity

The Manager’s best estimate of the impact on operating profit and shareholders’ equity due to a reasonably possible change in equity indices, with all other variables held constant is indicated in the following table. In practice, the actual trading results may differ from the sensitivity analysis below and the difference could be material. An equivalent decrease in each of the indices shown below would have resulted in an equivalent, but opposite, impact.

Financial assets at FVTPL	% Change in market price	Impact on operating profits/Shareholders equity AUD	Impact in % on operating profits/Shareholders equity
Market indices			
S&P/ASX 200	5	11,113.01	1.32%
FTSE 100 Index	5	3,514.96	0.42%
Hang Seng Index	5	13,333.03	1.58%

S&P 500	5	12,075.76	1.44%
Euro	5	(5,932.11)	-0.71%
Total change if all indices moved	5%	**34,104.65**	**4.05%**

(ii) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of the financial instruments. The Company is exposed to interest rate risk only on its balances with banks.

The sensitivity of the Company's profit or loss for the year and the net assets attributable to holders of Participating Shares to a reasonably possible increase in interest rates by 25 basis points, with all other variables held constant would have resulted in a decrease of interest income by AUD 43.7.

A decrease by 25 basis points would result in an equal but opposite effect on interest income to the figure shown above, on the basis that all other variables remain constant.

(ii) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument denominated in foreign currencies may be affected favourably or unfavourably by fluctuations in currency rates.

The table below indicates the currencies to which the Company had significant exposure at 30 June 2024 The analysis discloses the Investment Manager's best estimate of the effect of a reasonably possible movement of 5% weakening of the Australian dollar against the listed currencies held, with all other variables held constant on the operating profits/Shareholders equity.

Net currency holding	% change in Australian dollar	Impact on operating profits/AUD
EUR	5%	(5,435)
GBP	5%	2,999
HKD	5%	12,636
USD	5%	5,652

A strengthening of the Australian dollar by 5% would be expected to have an equal but opposite effect to the table.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company invests its assets in investments that are traded in an active market and can be readily disposed of. The Company's quoted securities are considered readily realisable. The Investment Manager monitors the Company's liquidity position on a daily basis. Credit and liquidity risks are measured prior to making an investment and during the holding period, and is reviewed whenever risk parameters might change or be impacted by internal or external events.

(i) Maturities of non-derivative financial liabilities

	Less than 1 MONTH	**1-6 MONTHS**	**6-12 MONTHS**	**Over 12 MONTHS**	**TOTAL**
30-Jun-24	**$**	**$**	**$**	**$**	**$**
Payables	-	-	45,606	-	45,606
Contractual cash flows	-	-	45,606	-	45,606

(excluding derivatives)

(ii) Fair value Tier 1-3 asset profile

$	Tier 1	Tier 2	Tier 3	Total
Assets	1,072,694	52,015	3,456,011	4,580,720

(c) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge a financial obligation and cause the other party to incur a financial loss. The main concentration of credit risk, to which the Company is exposed, arises from cash and cash equivalents and amounts due from brokers balances. None of these assets are impaired or past their due date. The maximum exposure to credit risk at the reporting date is the carrying amount disclosed in the Statement of Financial position.

The Company has a policy to maintain balances with reputed banks and brokers to minimise the counterparty risk. Credit risk is measured by the Investment Manager prior to making an investment and during the holding period, and is reviewed whenever risk parameters might change or be impacted by internal or external events.

Substantially all of the assets of the Company are held by the custodian. Bankruptcy or insolvency of the custodian may cause the Company's rights with respect to securities held by the custodian to be delayed or limited. The Company monitors its risk by monitoring the credit quality and financial positions of the custodian the Company uses.

The Standard and Poor's credit rating on the company's counterparties as 30 June 2024 are:

- Interactive Brokers LLC: A- Outlook Stable: Standard and Poor's
- St. George bank Ltd (Westpac Group): A+ Outlook Stable: Fitch Ratings

(d) Capital Management

The Company's objective in managing capital and investment is to maximize compound after-tax returns for shareholders by investing in a predominantly global equity portfolio. The Company recognises that its capital position and market price will fluctuate with market conditions, and in order to adjust the capital structure it may vary the amount of dividends paid, issue new shares or options from time to time or buy back its own shares.

A breakdown of the Company's equity and changes in equity during the current year is provided in note 14: Issued capital.

NOTE 22: DIRECTORS AND EXECUTIVES' DISCLOSURE

In accordance with the *Corporations Amendments Regulation 2005* (No. 4) the Company has transferred the disclosure required by AASB 1046 from the notes to the Financial Statements to the Directors' Report under the heading 'Remuneration Report. The company accrued a total of $6,000 as Directors Fees for the year ended 30 June 2024. (30 June 2023 – $6,000)

NOTE 23: SUBSEQUENT EVENTS

There were no material subsequent events during the period.

NOTE 24: CONSOLIDATED ENTITY DISCLOURE STATEMENT OFCONTROLLED ENTITIES

Entity	Acquired	Disposed	Country of Incorporation	Ownership interest 31 December 2023	Ownership interest 30 June 2024	Australian resident or foreign resident (for tax purpose)
Incrementum Health Pty Ltd	14 June 2017	-	Australia	100%	100%	Australian
ASC Mandurah Pty Ltd	23 June 2017	-	Australia	100%	100%	Australian

BASIS OF PREPARATION

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB10 *Consolidated Financial Statements*.

DETERMINATION OF TAX RESIDENCY

Section 295 (A)(vi) of the *Corporation Act 2001* defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the Company has applied the following interpretations:

Australian tax residency

The Company has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

Where necessary, the Company has used independent tax advisors in foreign jurisdiction to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295 (3A)(vii) of the *Corporations Act 2001*).

DIRECTORS' DECLARATION

In accordance with the resolution of directors of Kaizen Global Investments Limited, the directors of the Company declare that:

1. the financial statements and notes, as set out on pages 26-44, are in accordance with the *Corporations Act 2001* and:
   a. comply with Accounting Standards, which, as stated in accounting policy Note 2 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
   b. give a true and fair view of the financial position as at 30 June 2024 and of the performance for the period ended on that date of the Company;
2. a. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
   b. the consolidated entity disclosure statement on page 36 is true and correct.

3. the directors have been given the declarations required by s295A of the *Corporations Act 2001* that:

   a. the financial records of the company for the financial year have been properly maintained in accordance with s 286 of the *Corporations Act 2001*;

   b. the financial statements and notes for the financial year comply with Accounting Standards; and

   c. the financial statements and notes for the financial year give a true and fair view; and

This declaration is made in accordance with a resolution of the Board of Directors.

Signed on behalf of the directors by

CONNOR GRINDLAY
Director

13 September 2024

AUDITOR'S INDEPENDENCE DECLARATION

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13 September 2024

Board of Directors
Kaizen Global Investments Limited
Suite 115
377 Kent Street
Sydney NSW 2000

Dear Directors

RE: KAIZEN GLOBAL INVESTMENTS LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Kaizen Global Investments Limited.

As Audit Director for the audit of the financial statements of Kaizen Global Investments Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD

Cantin Michael

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
KAIZEN GLOBAL INVESTMENTS LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Kaizen Global Investments Limited ("the Company"), and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policy information ,the consolidated entity disclosure statement, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be Key Audit Matter to be communicated in our report.

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Stantons

Key Audit Matters	How the matter was addressed in the audit
Valuation of Financial Assets and Financial Liabilities Financial assets and financial liabilities represent 23% of total assets and 88% of total liabilities respectively. Given the afore mentioned relativity of balances with respect to the total assets and liabilities, the valuation of these financial assets and financial liabilities is considered to be a key audit matter. The valuation of financial investments held at fair value is based on a range of inputs. All of the inputs required can be obtained from readily available liquid market prices and rates.	Inter alia, our audit procedures included the following: i. We audited the entity's valuation of individual investment holdings. We corroborated the pricing inputs used in the valuation of both financial assets and financial liabilities to independent data sources; and ii. We have audited the change in values of both financial assets and financial liabilities to ensure that these changes are reflected correctly on the statement of financial performance.
Existence of Financial Assets and Financial Liabilities Financial assets and financial liabilities represent 23% of total assets (excluding cash and cash equivalents) and 88% of total liabilities respectively. Given the afore mentioned relativity of balances with respect to the total assets and liabilities, the existence of these financial assets and financial liabilities at balance date is considered to be a key audit matter.	Inter alia, our audit procedures included the following: i. Verification of listed holding balances of financial assets and financial liabilities held at balance date to third party broker statements and; ii. Discussion with management the nature of financial assets and financial liabilities held at balance date to ensure no omissions.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance opinion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Stantons

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 (other than the consolidated entity disclosure statement) and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2021, and

for such internal control as the directors determine is necessary to enable the preparation of

i. the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

ii. the consolidated entity disclosure statement that is true and correct and is free from misstatement whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 16 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Kaizen Global Investments Limited for the year ended 30 June 2024 complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

Martin Michalik
Director

West Perth, Western Australia
13 September 2024