

FORM: Half yearly/preliminary final report

Name of issuer

KAIZEN GLOBAL INVESTMENTS LIMITED

ACN or ARBN

602 033 670

Half yearly
(tick)

✓

Preliminary
final (tick)

Half year/financial year ended
(‘Current period’)

31 December 2015

For announcement to the market

Extracts from this statement for announcement to the market (see note 1).

| | | |
|--|----------------|-------------------------------|
| | | \$A,000 |
| Revenue (item 1.1) | | 97,227 |
| Profit (loss) for the period (item 1.9) before tax | | 53,782 |
| Profit (loss) for the period attributable to members of the parent (item 1.11) | | 53,782 |
| Dividends | Current period | Previous corresponding period |
| Franking rate applicable: | N/a | N/a |
| Final dividend (preliminary final report only)(item 10.13-10.14) | N/a | N/a |
| Amount per security | | |
| Franked amount per security | | |
| Interim dividend (Half yearly report only) (item 10.11 – 10.12) | N/a | N/a |
| Amount per security | | |
| Franked amount per security | | |
| Short details of any bonus or cash issue or other item(s) of importance not previously released to the market: | | |
| N/a | | |

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange (see note 13).

Identify other standards used

2. This statement, and the financial statements under the *Corporations Act* (if separate) use the same accounting policies.
3. This statement does give a true and fair view of the matters disclosed (see note 2).
4. This statement is based on financial statements to which one of the following applies:
- | | |
|---|--|
| <input type="checkbox"/> The financial statements have been audited. | <input checked="" type="checkbox"/> The financial statements have been subject to review by a registered auditor (or overseas equivalent). |
| <input type="checkbox"/> The financial statements are in the process of being audited or subject to review. | <input type="checkbox"/> The financial statements have <i>not</i> yet been audited or reviewed. |
5. If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/will follow immediately they are available* (*delete one*). (*Half yearly statement only - the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.*)
6. The *issuer* has a formally constituted audit committee.

Sign here:  Date: 18 February 2016
Company secretary

Print name: LISA GRINDLAY

KAIZEN GLOBAL INVESTMENTS LIMITED
A.C.N 602 033 670

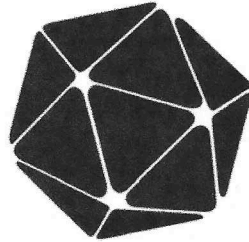
**APPENDIX 3: HALF-YEAR REPORT for
the half-year ended 31 December 2015**

RESULTS FOR ANNOUNCEMENT TO THE MARKET

The results for this half-year report are for the period 30 June 2015 to 31 December 2015. Comparative results for the 2014-year are not relevant as Kaizen Global Investments did not exist.

| | 2014 | 2015 | Change |
|--|------|-------------------------|--------------------------------------|
| Revenue from ordinary activities | n/a | 97,227 | n/a |
| Profit (loss) from ordinary activities before tax | n/a | 53,782 | n/a |
| Profit (loss) from ordinary activities after tax | n/a | 39,044 | n/a |
| Dividends | | Current period | Previous corresponding period |
| | | n/a | n/a |
| Franking rate applicable: n/a | | | |
| Interim dividend | | | |
| Amount per security | | n/a | n/a |
| Franked amount per security | | n/a | n/a |
| | | 31 December 2015 | Previous corresponding period |
| Net tangible asset backing per share post tax | | 0.9904c | n/a |

This report is based on the Half-year Financial Report which has been subject to independent review by the Auditors, Stantons International Audit and Consulting Pty Ltd. Information required by the NSX Listing Rule is included. Information in this report should be read in conjunction with KGI's 30 June 2015 Annual Financial Report.



KAIZEN GLOBAL
Investments

**Financial Report for the Half-Year
Ended 31 December 2015**

COMPANY DETAILS

KAIZEN GLOBAL INVESTMENTS LIMITED
ACN 602 033 670

DIRECTORS:

Jason Conor Grindlay / Connor Grindlay
Simon Charles Winfield (Chairman)
Andre Lloyd Edmunds

SECRETARY:

Lisa Grindlay

FUND MANAGER:

Kaizen Capital Pty Limited
ACN: 137 114 160

REGISTERED OFFICE:

Suite 409
350 George Street
SYDNEY NSW 2000

CONTACT DETAILS:

Suite 409
350 George Street
SYDNEY NSW 2000
Telephone: (02) 7903 0007
Email: info@kaizenglobalinvestments.com
Website: kaizenglobalinvestments.com

SHARE REGISTRY:

Boardroom Pty Limited
Level 7, 207 Kent Street
SYDNEY NSW 2000
Telephone: 1300 737 760
Facsimile: 1300 653 459

AUDITOR:

Stantons International Audit and Consulting Pty Limited
Level 2, 1 Walker Avenue
WEST PERTH WA 6005

NOMINATED ADVISOR:

Whittens & McKeough
5/137-139 Bathurst Street
SYDNEY NSW 2000

FUND ADMINISTRATOR:

Apex Fund Services (Australia) Pty Limited
Western House, Level 2
83 William Street
MEBLOURNE VIC 3000

DIRECTORS' REPORT TO SHAREHOLDERS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

The Directors present their report on Kaizen Global Investments Limited (**the Company**, or **KGI**) for the financial period ended 31 December 2015. The Company is a public company listed on the National Stock Exchange of Australia (**NSX**). The following report complies with the requirements of the *Corporations Act* 2001.

PRINCIPAL ACTIVITIES

The Company's principal activity during the year was investing in global securities, and there were no significant changes in the nature of those activities during the period.

OPERATIONS

For the half year ended 31 December 2015, the NTA per share of Kaizen Global Investments increased by 1.68%. Investments are valued continuously to market value. For the half year ended 31 December 2015, net investments were valued at \$2,188,108.

FINANCIAL POSITION

The net asset value of the Company for the half-year ended 31 December 2015 was \$2,215,506.

DIRECTORS

The names of the Directors at any time during or since the end of the half-year:

Connor Grindlay – Managing Director
Simon Charles Winfield – Executive Chairman
Andre Lloyd Edmunds – Non-Executive Director

During the half-year period, Simon Winfield retired as a director in accordance with the Company's Constitution, and was re-elected as a Director of the Company at KGI's Annual General Meeting held on 25 November 2015.


DIVIDENDS

No dividends or distributions were recommended or declared during the half-year.

AUDITORS' INDEPENDENCE DECLARATION

A copy of the Auditors' Independence Declaration in accordance with section 307C of the *Corporations Act* 2001 is set out on page 5.

Signed in accordance with a resolution of the Board of Directors.


C. GRINDLAY
Director
Dated: 16 February 2016

16 February 2016

Board of Directors
Kaizen Global Investments Limited
Suite 409
350 George Street
Sydney NSW Australia 2000

Dear Sirs

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 review of the financial statements of Kaizen Global Investments Limited for the period ended 31 December 2015, 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 review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(Authorised Audit Company)



Martin Michalik
Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

| | Note | December 2015 |
|--|------|---------------|
| Income from deposits | | 177 |
| Income from Dividends | | 9,082 |
| Net changes to net fair value of investments | | 87,968 |
| Total income from ordinary activities | | 97,227 |
| Administration expenses | | (43,445) |
| Operating profit/(loss) before income tax | | 53,782 |
| Income tax expense relating to ordinary activities | | (14,736) |
| Profit/ (loss) attributable to members of the company | | 39,044 |
| Other comprehensive income for the financial year | | - |
| Total comprehensive income for the financial year | | 39,044 |
| Overall operations | | |
| Basic profit per share (cents per share) | | 1.75 |
| Diluted profit per share (cents per share) | | 1.75 |

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

| ASSETS | Note | December 2015 \$ | June 2015 \$ |
|---|------|---------------------|------------------|
| Cash and cash equivalents | | 144,412 | 205,735 |
| Trade and other receivables | | 6,943 | 60,790 |
| Financial assets held at fair value through profit or loss | 4 | 2,409,987 | 2,018,397 |
| Deferred tax assets | | 45,154 | 22,995 |
| TOTAL ASSETS | | 2,606,496 | 2,307,917 |
| LIABILITIES | | | |
| Trade and other payables | | 132,215 | 14,395 |
| Financial liabilities held at fair value through the profit or loss | 4 | 221,879 | 117,060 |
| Deferred tax liabilities | | 36,896 | - |
| TOTAL LIABILITIES | | 390,990 | 131,455 |
| NET ASSETS | | 2,215,506 | 2,176,462 |
| EQUITY | | | |
| Issued capital | 3 | 2,204,374 | 2,204,374 |
| Retained earnings/(accumulated losses) | | 11,132 | (27,912) |
| TOTAL EQUITY | | 2,215,506 | 2,176,462 |

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

| | Issued capital | Retained Earnings/(Accumulated Losses) | Total |
|------------------------------|------------------|--|------------------|
| | \$ | | \$ |
| Balance at 01.07.2015 | 2,204,374 | (27,912) | 2,176,462 |
| Profit for the half Year | - | 39,044 | 39,044 |
| Balance at 31.12.2015 | 2,204,374 | 11,133 | 2,215,506 |
| <hr/> | | | |
| Issued (Net of Costs) | 2,204,374 | - | 2,204,374 |
| Less: Loss for the period | - | (27,912) | (27,912) |
| Balance at 30.06.2015 | 2,204,374 | (27,912) | 2,176,462 |

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

| | Note | December 2015 \$ |
|---|------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Interest received | | 177 |
| Dividends Received | | 15,464 |
| Finance Costs | | (9,054) |
| Payments to suppliers | | (20,324) |
| Net cash (used in) operating activities | | <u>(13,737)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchases to acquire financial assets | | (1,092,797) |
| Sales of Financial Assets | | 1,056,257 |
| Net cash (used in) investing activities | | <u>(36,540)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from issue of Shares | | - |
| Loan Repayment - Related Parties | | (499) |
| Net cash (used in) financing activities | | <u>(499)</u> |
| Net (decrease) in cash held | | <u>(50,776)</u> |
| Cash at beginning of period | | 205,735 |
| Effect of Exchange Rate Changes | | (10,547) |
| Cash at end of period | | <u>144,412</u> |

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The half-year financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standard AASB 134 *Interim Financial Reporting*, Australian Accounting Interpretation and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report was authorised for issue on 16/02/16 by the Board of Directors.

The half-year report does not include full disclosures of the type normally included in an annual financial report. It is recommended that the half-year financial report be read in conjunction with the Annual Financial Report for the year ended 30 June 2015 and any public announcements made by Kaizen Global Investments Limited during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs with the exception of "held for trading" financial assets and certain other financial assets and liabilities which have been measured at fair value.

(b) Accounting Policies

There are no new and revised accounting requirements significantly affecting the half-year financial statements. The accounting policies have been consistently applied by the Company throughout the period and are consistent with those applied in the 30 June 2015 Annual Financial Report.

The Statement of Financial Position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current.

(c) Details of Reporting Period

The current reporting period is the half-year ended 31 December 2015. For the Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows, there is no previous corresponding period in December 2014, as the Company did not exist.

(d) Segment Reporting

The Company has only one segment. The Company operates predominantly in Australia and in one industry being the securities industry, deriving revenue from dividend income, interest income and from the sale of its financial assets at fair value through profit or loss, however the Company has foreign exposures as it invests in companies which operate internationally.

2. DIVIDENDS

(a) Dividends paid during the year

No dividend was declared during the year.

(b) Dividends not recognised during the period

Since the end of the half-year the Directors have not declared any dividends.

3. ISSUED CAPITAL AND OPTIONS

Shares

Movements in issued capital of the company during the period were as follows:

| Date | Details | Ordinary Shares No. | Price \$ | Issued Capital \$ |
|-----------------|----------------|---------------------------|-------------|-------------------------|
| 01.07.15 | Balance | 2,237,001 | - | 2,204,374 |
| 31.12.15 | Balance | 2,237,001 | | 2,204,374 |

| Date | Details | Ordinary Shares No. | Price \$ | Issued Capital \$ |
|-----------------|-------------------|---------------------------|-------------|-------------------------|
| 26.09.14 | At incorporation | - | - | - |
| 27.02.15 | Issue | 2,237,001 | 1 | 2,237,001 |
| 19.03.15 | Issue Costs (Net) | | | (32,627) |
| 30.06.15 | Balance | 2,237,001 | | 2,204,374 |

No Options have been exercised during the period.

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

Options

Movements in issued options during the period were as follows:

| Date | Details | Options | Price \$ | Issued Capital \$ |
|-----------------|----------------|------------------|-------------|-------------------------|
| 01.07.15 | Balance | 2,237,001 | - | - |
| 31.12.15 | Balance | 2,237,001 | | - |

| Date | Details | Options | Price \$ | Issued Capital \$ |
|-----------------|------------------|------------------|-------------|-------------------------|
| 26.09.14 | At incorporation | - | - | - |
| 27.2.15 | Issue | 2,237,001 | - | - |
| | | - | - | - |
| 30.06.15 | Balance | 2,237,001 | | - |

The Options entitle the holder to the issue of one ordinary share upon payment to the company of \$1.00 at any time up to 27th February 2016 at the reporting date none of the options had been exercised.

4. FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

AASB 13: Fair Value Measurement requires the disclosure of fair value information using a fair value hierarchy reflecting the significance of the inputs in making the measurements. The fair value hierarchy consists of the following levels:

- Level 1:** Quoted prices in active markets for identical assets or liabilities.
- Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices).
- Level 3:** Inputs for the asset or liability are not based on observable market data (unobservable inputs).

Included within Level 1 of the hierarchy are listed investments. The fair values of these financial assets and liabilities have been based on the closing quoted last prices at the end of the reporting period, excluding transaction costs.

The following table presents the Company's financial assets and liabilities measured and recognised at fair value at 31 December 2015:

| 31 December 2015 | Level 1 | Level 2 | Level 3 | Total |
|-----------------------|------------------|----------|----------|------------------|
| | \$ | \$ | \$ | \$ |
| Financial assets | 2,409,987 | - | - | 2,409,987 |
| Financial liabilities | (221,879) | - | - | (221,879) |
| Total | 2,188,108 | - | - | 2,188,108 |

5. EVENTS SUBSEQUENT TO REPORTING DATE

Between the 31 December 2015 and the date of this report, there has not arisen any item, transaction or event of material and unusual nature likely, in the opinion of the Company, to significantly affect the operations of the Company, the results of its operations, or the state of affairs of the Company, in future financial years.

6. CAPITAL COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES


There were no capital commitments or contingent liabilities as at 31 December 2015.

DIRECTORS' DECLARATION

The Directors of Kaizen Global Investments Limited declare that:

1. The financial statements and notes, as set out on pages 6 to 12, are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and,
 - (b) giving a true and fair view of the financial position of the Company as at 31 December 2015 and of its performance for the half-year ended on that date.
2. 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.

Signed in accordance with a resolution of the Board of Directors.


C. GRINDLAY
Director

Dated 16 February 2016, Sydney

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
KAIZEN GLOBAL INVESTMENT LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Kaizen Global Investment Limited, which comprises the statement of financial position as at 31 December 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Kaizen Global Investment Limited (the Company).

Directors' Responsibility for the Half-Year Financial Report

The directors of Kaizen Global Investment Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Kaizen Global Investment Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Kaizen Global Investment Limited on 16 February 2016.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Kaizen Global Investment Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standards AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd.


Martin Michalik
Director

West Perth, Western Australia
16 February 2016