



CHAIRMAN'S ADDRESS 2016 KGI AGM

Ladies and Gentlemen,

2015-16 has been a year of great uncertainty in global markets, but the world doesn't stop turning. There will always be opportunities.

Three macro issues, in particular, have been dominating global markets:

1. There's no global growth and China's ability to create demand is questionable.
2. Interest rates remain very low and markets remain hypersensitive to any increase.
3. Rise in populism: Brexit, Trump and geopolitical tensions (Russia, N Korea, Syria etc.) are reminiscent of the late 30s.

As Robert Shiller says: 'News is always unpredictable'.

In reality, uncertainty causes share prices to fall, companies to be undervalued and should be seen as a great opportunity for the long-term investor. History shows over and over again that weakness in share markets causes investors to try and 'time' the market.

Everyone sells in panic, which is often the time to buy. We think Kaizen Global can get a competitive advantage if we can buy when there's panic and take a long-term view.

Kaizen Global Investments has strategies in place to try and reduce downside market risk through investing a small portion of the fund in index derivatives, gold, and other inflation protection instruments.

Deep fundamental analysis and research are key to discovering potential investments, limiting uncertainty, and protecting capital. Discussion with executive management is vital to understanding thematic and business opportunities, and a critical ingredient of building a portfolio that can deliver long-term performance.

I would like to acknowledge my fellow directors, colleagues, and advisors for their efforts over the last twelve months, thank you.

Thank you also to John Corr from Stantons for attending today.

I would also like to acknowledge you, our shareholders, for supporting Kaizen Global Investments over the last twelve months

SIMON WINFIELD