Unaudited NTA per share
August 2024

Kaizen Global Investments Limited ("**KGI**") advises that the unaudited pre-tax Net Tangible Asset (**NTA**) backing per share of the company as at 31 August 2024 is **$1.0181** and on a post-tax basis is **$1.1155**.

We reduced our risk into the month of August as a sharp sell-off caused markets to fall. Whilst the market bounced back and we did not participate there have been some warning signs from governments (e.g. Japan) about financial market instability. We can always get back in but the increased volatility has caught our attention. We have been underweight the U.S. market as everyone is invested there, and more weighted towards emerging markets, which have significantly underperformed. However, data remains quite weak and Chinese demand is still insipid across many areas.

We hold two growth companies in the private space – this is different to the private assets where we have control of cash flows. Both companies have had large burn rates and worked towards reducing them – however – loss making still means a capital requirement and these companies have continues to issue shares to keep solvent. We have not participated in any further rounds as we are very disappointed with management. It seems that the 'burn' cash culture can't pivot to dramatic cash conservation – only a reduction on losses. Two of our holdings have suffered very sharp devaluations (primarily since we have not participated in highly dilutive rounds) and we've taken mark-downs. One, in particular, is likely to be bought by a large multinational at some point, but the lesson is that the timing of the investment, in this case, will have been, by far, the most important thing. Disappointing. So much so, we're likely cured from investing in growth private companies which need capital in the future. When the music stops there is simply no way to even cut/reduce one's losses.

All holding enquiries should be directed to our share registry, Boardroom on 1300 737 760.

Connor Grindlay
Chief Investment Officer