marlin
growing globally

MARLIN Global ANNUAL REPORT

MARLIN GLOBAL OFFERS INVESTORS ACCESS TO A DIVERSIFIED PORTFOLIO OF INTERNATIONAL GROWTH STOCKS AND SEEKS TO ACHIEVE A HIGH RATE OF RETURN, COMPRISING BOTH INCOME AND CAPITAL GROWTH.

30 JUNE 2011

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2011 / 2012 CALENDAR

Dividend Payment Date	30 September 2011
September Quarter *Update* newsletter	October 2011
Annual Shareholders Meeting	4 November 2011, 10:30am at the Ellerslie Event Centre, Auckland
Dividend Payment Date	December 2011
Interim Period End	31 December 2011
Interim Report to 31 December 2011	March 2012
March Quarter *Update* Newsletter	April 2012
Year End	30 June 2012

ABOUT THE COMPANY

Marlin Global Limited ("Marlin Global") is a listed investment company that invests in companies based outside of New Zealand and Australia. The investment portfolio of Marlin Global is managed by **Fisher Funds Management Limited** ("Fisher Funds" or "The Manager"), a specialist fund manager with a track record of successful investing. Marlin Global aims to offer investors competitive returns and access to a diversified portfolio of investments through a single investment vehicle. Marlin Global may invest in listed international growth companies on any approved stock exchange (excluding New Zealand or Australia) or unlisted international companies not incorporated in New Zealand or Australia. The company listed on the New Zealand Exchange on 1 November 2007.

INVESTMENT OBJECTIVES

The key investment objectives of Marlin Global are to:

- Achieve a high rate of return, comprising both income and capital growth, within risk parameters acceptable to the Directors; and
- Provide access to a diversified portfolio of International growth stocks through a single tax-efficient investment vehicle.

INVESTMENT APPROACH

The investment philosophy of Marlin Global is summarised by the following broad principles:

- Buy and hold shares in companies for the medium to long-term.
- Invest in companies that have a proven track record of growing profitability.
- Construct a diversified portfolio of investments, investing on a case-by-case basis refraining from taking majority positions in any company, unless the opportunity is compelling.
- Invest as a medium to long-term investor selling only on the basis of a fundamental change in the original investment case.
- Focus on achieving absolute returns, rather than outperforming a market index.

DIRECTORS' OVERVIEW

Marlin Global is an NZX-listed investment company that offers investors access to a diversified portfolio of international growth stocks and seeks to achieve a high rate of return, through a single tax-efficient investment vehicle.

Marlin Global had a successful year to 30 June 2011 despite a nervous economy fuelled by sovereign debt concerns, political unrest and declining global growth. Amid a volatile share market the share price increased 14.5% (from 83 cents to 95 cents) and shareholders received 8.63 cents per share in dividends. This amounted to a Total Shareholder Return (TSR) of 25.5%* (see Figure 1).

Adjusted Net Asset Value (NAV)* per share – which more accurately reflects the underlying performance of the Marlin Global investment portfolio - rose by 6.7% during the year.

The result for the year to 30 June 2011 lagged the 14.3% rise of the MSCI Global Small Cap Index[1] (MSCI). Marlin Global's underperformance was primarily due to its regional allocations. Compared to the index, Marlin Global was overweight in Asia by 22.0% and underweight in North America by 38.8%. Asia was a low-performing region for the year due to recent natural disasters while North America was a top performer and comprises more than 50% of the index. While our returns were below the index at 30 June 2011, since inception we are well ahead having increased adjusted NAV by 20.3%*, equating to a compound annual growth rate of 5.2%*. This compares to the MSCI which has decreased by 5.5% (compound annual growth rate of -1.5%).

Despite post year-end global market turbulence and the resulting fall in Marlin Global's unaudited NAV and share price (to $0.88 and $0.78 at 23 August 2011 respectively), the fundamentals for achieving the Company's goal of medium to long-term growth are in place. The Manager's STEEPP methodology for analysing existing and new portfolio companies has proven itself historically and brings a level of confidence necessary during uncertain times. The Directors believe with the New Zealand dollar at record levels this creates an opportunity for investors to increase their exposure to international stocks.

Financial Performance

Marlin Global made a net surplus of $7.7m for the year ended 30 June 2011. In the year to 30 June 2010 it was $10.6m. The surplus includes gains on investments of $10.8m and dividend income of $1.2m.

During the year to 30 June 2011, Marlin Global exceeded its performance benchmark (NZX 90-day bank bill index + 5%) and as a result, the Manager earned a small performance fee of $164,386 (2010: $838,792). Operating expenses decreased from $3.6m to $2.9m largely due to the decrease in performance fee.

Marlin Global was also adversely affected by currency movements, as explained in the Manager's report.

Capital Management

The Board is fully committed to continually seeking innovative ways to narrow the discount to NAV. Over the year, the discount decreased from 22.9% to 10.6%. This achievement is partially attributed to the capital management initiatives employed by the Company. These include the renewal of the share buyback programme, the continuation of the distribution policy and the appointment of an Investor Relations Manager.

Dividends

In accordance with Marlin Global's distribution policy, four payments were made during the year amounting to a total of 8.63 cents per share. Dividends were sourced from a combination of the current year comprehensive income and retained earnings brought forward at the start of the year.

The Board's policy is to pay 2% of average NAV each quarter in dividends. Investors have the option of taking a cash dividend or electing to receive shares in lieu of their cash dividend under the Company's dividend reinvestment plan. Long-term studies[2] indicate global equities on average increase by 11.6% per annum. These results bestow confidence in the sustainability of the distribution policy over the longer term. The Board may pay dividends out of capital.

On 29 August 2011, Directors announced a first quarter 2012 dividend of 2.13 cents per share. This dividend is to be paid on 30 September with a record date of 16 September.

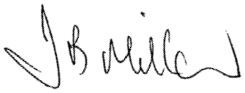
Board

As announced in the Interim report to 31 December 2010, James Miller has become the Chairman of the Board and more recently, the Board announced the appointment of Mark Todd. Mark's extensive experience includes over 15 years as a specialist legal adviser to the funds management industry.

Ian Hendry has retired as an Independent Director of Marlin Global. The Board thanks Ian for his significant contribution to the Board and his service as an inaugural director and wish him the best of luck in his future endeavours.

A further update will be provided to shareholders at our Annual Shareholders Meeting to be held at the Ellerslie Event Centre on Thursday, 4 November 2011. We look forward to the opportunity of meeting with those who can attend.

On behalf of the Board



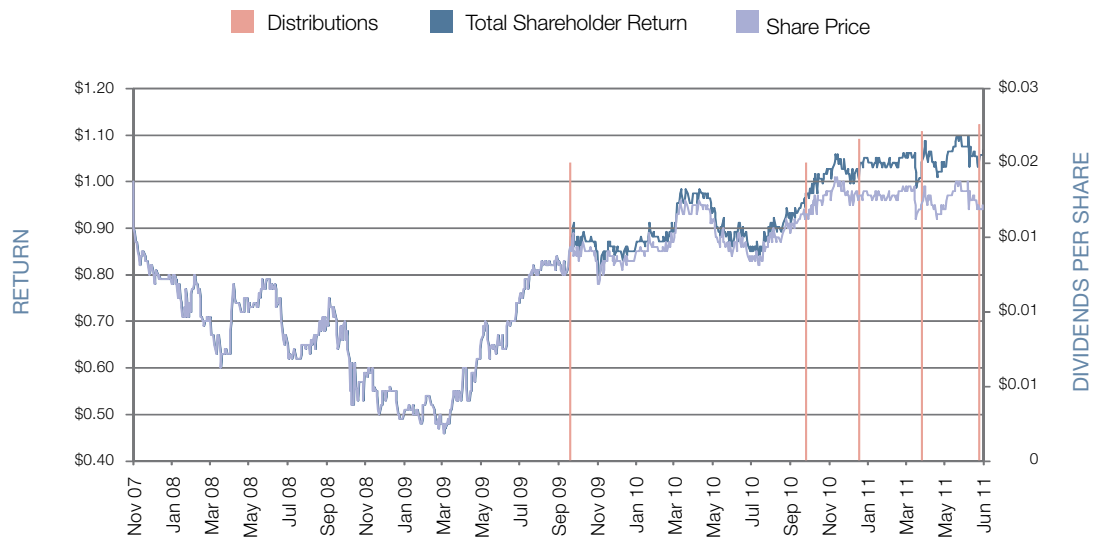
James Miller
Chairman
Marlin Global Limited
29 August 2011

**This calculation assumes dividends are re-invested in Marlin Global shares according to the terms of the Company's dividend re-investment plan.*

[1] MSCI – Global index for the developed and emerging markets

[2] Source: Dimson, Marsh and Staunton

FIGURE 1 - TOTAL SHAREHOLDER RETURN



** The TSR calculation assumes dividends are re-invested in Marlin Global shares according to the terms of the Company's dividend re-investment plan.*

SNAPSHOT

	30 June 2011	30 June 2010
Net Asset Value (audited)	1.06	1.08
Share price	0.95	0.83
Dividends paid in year	8.63cps	2cps

HIGH AND LOWS SINCE INCEPTION (Dividends are excluded)

In financial year	2008	2009	2010	2011
NAV high	$0.99	$1.02	$1.17	$1.18
NAV low	$0.86	$0.69	$0.97	$1.03
NAV at 30 June	$0.92	$0.99	$1.08	$1.06
Share price high	$1.00	$0.75	$0.96	$1.01
Share price low	$0.60	$0.46	$0.75	$0.82
Share price at 30 June	$0.66	$0.74	$0.83	$0.95

PERFORMANCE

	Year to 30 June 2011	Since inception**
NAV (includes dividends*)	6.7%	20.3%
Relative performance		
MSCI Global Small Cap Index	14.3%	-5.5%
Total Shareholder Return (share price plus dividends*)	25.5%	6.8%

** Assumes all dividends are reinvested. Excludes imputation credits.*

*** Accumulated performance since inception.*

MANAGER'S REPORT

The only constant is change, and there has been no shortage of events impacting on global markets over the last year.

Market Review

Concerns that haunted us during the global financial crisis continue to linger. The US and many other developed countries continue to have record debt levels and the outlook for their growth is anaemic. On the flip side, developing economies are not overshadowed by the same structural issues and growth has been strong.

As discussed in last year's annual report, it is important not to view the world as monolithic, but acknowledge that the opportunity to make money will always exist and be open to the element of surprise. Who would have thought the best performing region in the world in the last 12 months would be Europe? This is clearly a case of the haves and have-nots as stronger economies like Germany have been performing exceptionally well while weaker economies like Greece continue to carry a burden. Marlin Global has benefited handsomely from our investments in Germany during the past few years and we have used recent price strength to rotate some of these profits into new investment opportunities.

China is a great example of where we have encapsulated such an opportunity. Whilst an underperformer in the last 12-18 months, growth in China post the global financial crisis was strong; so strong that the Chinese government put the brakes on economic growth. As a result we significantly decreased our allocation to Asia and China, which proved to be a prudent move as China has been unable to improve performance since. In late 2010 we began to invest money back into China as company valuations were attractive and we believed the mid cycle slowdown (a slowdown from extraordinary high growth rates of 12%+ to a more normalised growth rate of 8-9%), was nearing its end. In hindsight we were too early and inflation concerns have been weighing on China recently. However we remain bullish on the outlook for China and have continued to increase our exposure to Asia.

Tying in with this outlook is what we believe to be one of the most important investment themes in the world - the urbanisation in China driven by the emerging middle class. Domestic demand has been driving and will continue to drive growth. During the last three to five years this growth has been dominated by fixed asset investment and while this will continue, other incremental growth and investment opportunities will come from consumer spending. Employment is strong, people are earning more money, moving them up the economic food chain and they have more disposable income. In addition, for the first time ever, the Chinese government has explicit targets for consumer spending as a percentage of GDP and has implemented a number of measures in order to achieve this.

Japan was again the caboose, negatively impacting performance in Marlin Global. After identifying a selection of great investments in Japan we had become more positive on the short to medium-term investment environment with our weighting having increased to nearly 13% of the portfolio prior to the earthquake and tsunami. Unfortunately the impact of these major natural disasters has been significant; structural issues remain and the long-term outlook has deteriorated. With many stocks having rebounded since the disaster we have decreased our weight in Japanese companies to less than 10% of the fund.

The New Zealand dollar also chipped away at returns as the Kiwi rose 6% against the greenback. Although the impact of currency relative to the US dollar is the most common yardstick, our foreign exchange hedging policy considers all currencies relevant to the portfolio. We complete fundamental analysis looking at where each company is listed, their location and where they generate the majority of revenue and earnings.

We believe in mean reversion and in recent updates have highlighted that from a statistical perspective the probabilities suggest the New Zealand dollar, versus >>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MANAGER'S REPORT CONTINUED

the US dollar, is likely to be lower in a year's time. The New Zealand dollar is 30% above its long-term average of 60 cents and since floating in the mid 1980s has spent more than 85% of its time below 70 cents. This has historically been a good time to move money offshore, and a lower New Zealand dollar will be positive for Marlin Global shareholders. We remain disciplined to our foreign exchange process and currently remain un-hedged. This policy is hurting our returns in the short term, and perhaps the medium term, however we believe performance will be recouped when currencies revert toward long-term averages.

Portfolio Review

Marlin Global celebrated its third full year of listing which coincided with its third full year of positive NAV returns. We are proud of the performance achieved over this short period of time especially in light of the rollercoaster ride provided by the global financial crisis. Marlin Global's NAV increased by 6.7%* in the year to 30 June 2011, although this did lag behind the MSCI Global Small Cap Index (MSCI) which increased by 14.3%.

While our returns over the last year were below the index, since inception we are well ahead having increased NAV by 20.3%* compared to the MSCI which has decreased by 5.5%.

Corporate activity was again a boost to the fund with **Wellstream** being acquired by General Electric at a 30% premium to the market price. In June, **Telvent** announced it will be acquired by Schneider Electric at a 16% premium to the market price and 138% premium to the price of Telvent shares a year ago. It is encouraging to see that corporations recognise the potential that we can see in our companies. Additionally, **Actelion** was subject to takeover rumours which boosted the share price. However following the release of some disappointing clinical trial results, and given a full valuation, we decided to exit our holding.

We sold our holding in **Bawang** after they experienced issues with one of their products. We believe this will not only impact current earnings but also the probability of success of new product rollouts and future earnings growth. The sale of our shares in Jumbo was due to the risks surrounding the macro environment in Greece which continues to deteriorate. While Jumbo is a high quality, undervalued business with an A+ management team you can only swim against the tide for so long. As there is no shortage of opportunities in the world, we have decided to move on.

We also sold our shares in **F5 Networks, Advent Software, Zhuzhou CSR Times Electric** and **City Telecom**. They have all been superb investments but we remain disciplined to our investment process. In all cases catalysts have played out and the valuations are high. Everything has a price and we are replanting those seeds into what we believe are tomorrow's winners.

As discussed in the interim update, the portfolio has been in a transitionary phase which has meant we sold a higher number of companies than normal from the portfolio. We have been busy traveling the world completing intense due diligence on a number of potential new investment opportunities. This has culminated in the addition of nine new companies to the portfolio. In the interest of not being repetitive all of these companies are included in the company profile section of this report. Suffice to say while they are diversified by geography and sector, the one thing they all have in common is they are undervalued high quality companies with strong long-term growth prospects. We would also like to comment on the best performing and more challenged stocks in the Fund as well as significant company announcements and milestones.

Wirecard shares increased in value by 70% and were the biggest contributor to performance. They continue to execute on their strategic plan and consistently grow earnings in addition to benefiting from the strength of the German economy. Valuation support was provided by takeover transactions in two comparable companies, Cybersource in the US and Datacash in the UK. If similar multiples to these companies were applied to Wirecard, significant share price upside exists. **Hansen's Natural** whose shares increased by 73% reaped the rewards of the global distribution agreement signed with Coke. In both cases we have trimmed our position size on the back of high valuations.

Biotest had numerous announcements over the year. In March they agreed to sell the worldwide activities of its microbiological monitoring business to Merck KGaA. While the cash infusion to the balance sheet is nice, we are more driven by the sale of this non-core business as it enables Biotest to focus on the core plasma protein and biotherapeutics businesses which are the crown jewels of the company. In June one of the significant catalysts that we had

**after adding back dividends paid*

identified came to fruition with the announcement of a partnership with Abbott for BT-061, Biotest's most advanced biotherapeutic for rheumatoid arthritis and psoriasis. Biotest will receive an upfront payment of US$85 million and pending the achievement of certain milestones will be eligible to receive up to an additional US$395 million. We continue to believe there is significant potential for the company and Biotest remains the largest holding in the portfolio.

Sarin Technologies announced a handful of contracts for their revolutionary new Galaxy 1000 system for inclusion mapping. This included deliveries to customers such as Laurelton Diamonds, a wholly owned subsidiary of Tiffany and repeat orders from Venus Jewel and Shree Ramkrishna Exports of India. In addition, they announced the acquisition of Light Performance Technology, developers of a system that measures a diamond's appearance based on characteristics such as brilliance, fire, scintillation and symmetry. This acquisition will not only bolster Sarin's brand recognition in the diamond industry, specifically the retail and consumer end of the pipeline, but will also provide Sarin with a future source of recurring income.

Hyflux announced three water projects in Chongqing, China. Ken visited Chongqing in 2010 and was amazed at how quickly this city (the largest in Western China, population c 33 million people) has been urbanising. These types of announcements reinforce the importance of China's urbanisation as an investment theme. Separately, Hyflux announced they won the contract to design, build, own and operate Singapore's second water desalination plant (they built the first desalination facility). The total contract is worth S$890 million (NZ$925 million) and will provide a significant boost to earnings visibility.

Despite continuing improvements in the underlying business, the shares of **Raffles Education** decreased by 45%. The company is in growth mode and given the abundance of opportunity in Asia they are deploying capital to opening new schools. It can take up to two years for new schools to turn a profit thus explaining the interim performance. Overall Raffles have created a top class franchise and continue to generate significant profits encouraging us to buy more shares during the year. **Icon** is another company within our portfolio with similar upside potential for future growth. They announced a strategic partnership with Pfizer Inc., which will see Icon serve as one of two preferred providers of clinical trial implementation services. The partnership is expected to be fully implemented over an 18-24 month period and is further evidence of Icon's leadership as a provider of outsourced development services to the pharmaceutical industry. Shares decreased 32% over the last year in part because these types of partnerships require upfront capital to set up the required infrastructure. Note, Icon's shares increased 33% the year prior. The stock market sometimes has a myopic focus on the short term, which we use as an opportunity, and we are looking forward to seeing the fruits of these investments in the future.

Outlook

We applaud our companies for investing in their future and here at Fisher Funds we are doing the same. Over the past year we have doubled the Marlin Global investment team. We have hired Scott Huan, Analyst to work with Scott Brown in our San Francisco office and Matt Logan, Analyst to work with Ken Applegate in Auckland. The world is full of great opportunities and the investment team now has the capacity to meet with more than 500 companies around the world each year, adding more depth to our investment process.

If you have ever been to San Francisco in the summer you will know that the city can be blanketed in fog. As we look at the interesting environment around the world today there is plenty of fog and uncertainty. However, there are always concerns that impact markets and we would rather focus on our time tested investment principles. Ample exciting investment opportunities present themselves around the world and it's our job to find them.

The best way to summarise our outlook, is to look at how the portfolio is positioned. Using analytical consensus earnings forecasts, the Marlin Global portfolio has a strong prospective earnings growth of 17%. While these high quality growth companies are trading at a relatively cheap P/E ratio of 14x, our research process is continuing to identify catalysts that can boost earnings higher and/or re-rate shares. We have had sufficient successes over the last year with companies like Biotest and Hansens Natural, to give us confidence in our research process and we look forward to many more in the years to come. We expect that while the fog that has descended on investment markets will likely remain, the Marlin Global portfolio is well positioned for the conditions.

MANAGER'S REPORT CONTINUED

Portfolio Holdings Summary, as at 30 June 2011

Location	Company	% Holding
China	China Automation Group	3.8%
	Fook Woo	3.2%
	Hsu Fu Chi Foods	0.8%
	Midas	4.0%
	02 Micro	3.3%
	Ports Design	5.3%
	Travelsky	3.1%
	Wasion Group Holdings	2.5%
Finland	Nokian Tyre	1.0%
France	Gameloft	1.2%
	Zodiac	2.8%
Germany	Biotest	6.8%
	Qiagen	0.8%
	Stratec Biomedical	3.2%
	Wirecard	5.5%
Ireland	Icon PLC	1.9%
Israel	Sarin	5.9%
Italy	Brembo	2.5%
Japan	Asahi	0.8%
	Horiba	3.7%
	Okano Valve	1.1%
	Prestige International	1.3%
	Shinko Plantech	1.0%
	Torishima Pump	1.5%
Singapore	Hyflux	2.3%
	Raffles Education	2.9%
Spain	Telvent	1.3%
United States	Autodesk	1.3%
	Conceptus	1.3%
	Equinix	3.7%
	Hanger Orthopedic Group	0.9%
	Hansen Natural	2.3%
	Orthofix	3.6%
	UFP Technologies	1.8%
	Equity Total	**88.4%**
	New Zealand dollar Cash	1.3%
	Total Foreign Cash	10.3%
	Cash Total	**11.6%**
	Total	**100%**

Carmel Fisher
Managing Director
Fisher Funds Management Ltd
29 August 2011

Ken Applegate
Senior Portfolio Manager
Fisher Funds Management Ltd
29 August 2011

Fisher Funds employs a process that it calls STEEPP to analyse existing and new portfolio companies. This analysis gives each company a score against a number of criteria that Fisher Funds believes need to be present in a successful portfolio company. All companies are then ranked according to their STEEPP score, to determine how significant their starting weighting within the portfolio will be (or indeed whether they make the grade to be a portfolio company in the first place). The STEEPP criteria are as follows:

S

STRENGTH OF THE BUSINESS

What is the company's competitive advantage? Is it sustainable? Is the company a market leader? Does it have a dominant position? A strong business is one that can maintain its profit margins by employing a unique strategy.

T

TRACK RECORD

How has the company performed in the past? Has the company performed under the same management team? Has it grown organically or by acquisition? How did the company react during a downturn? Fisher Funds prefers to buy established companies that have executed well in the past.

E

EARNINGS HISTORY

How fast has the company been able to grow its earnings in the past? How consistent has earnings growth been? We prefer to buy companies that exhibit secular growth characteristics where they have proven the ability to provide a high or improving return on invested capital.

E

FUTURE EARNINGS GROWTH FORECAST

What is the company's earnings growth forecast over the next one to three years? What is the probability of achieving the forecast? What do we expect the company's earnings potential to be? We notice that too many analysts focus on short-term earnings. As long-term growth investors we think about where the company's earnings could be in three to five years.

P

PEOPLE/MANAGEMENT

Who is the management team and how long have they been in their roles? Who are the directors, what is their history with the company, and what do they bring to the board? What is the depth of management in the organisation and is there a succession plan for the key executive roles? Does the management team own shares in the business and how are they rewarded? Has the board and management exhibited good corporate behaviour in the areas of environmental, social and governance considerations. For us, the quality of the company management and its corporate governance is of paramount importance.

P

PRICE/VALUATION

How much of the future earnings growth is already reflected in the share price? Where does the current share price sit in relation to our worst to best case valuation range? A company will generate a higher score where the market price currently reflects little of that company's upside potential.

Using this STEEPP analysis, we constructed and maintained a portfolio which comprised 34 securities at the end of June 2011.

THE MARLIN GLOBAL

The following is a brief introduction to each of your portfolio companies, with a description of why we believe they deserve a position in the Marlin Global Portfolio. Total Shareholder Return is for the year to 30 June 2011. For companies that are new to the portfolio in the year, Total Shareholder Return is from the first purchase date to 30 June 2011.

CHINA AUTOMATION GROUP
(China)

What does it do?
The leading provider of industrial safety control systems in China. Their products ensure that equipment in factories function correctly and highlight when issues arise.

Why do we own it?
Their end markets of energy, petrochemical and railway have an increased focus on safety regulations by the Chinese government. In addition, upgrading the rail network in China is a big initiative.

TOTAL SHAREHOLDER RETURN
9%

FOOK WOO
(China)

What does it do?
The largest recovered waste paper collector and recycled tissue paper manufacturer in China. They are the leader in an emerging and fast growing market.

Why do we own it?
With high barriers to entry, thanks to an established collection network and a low cost product offering due to vertical integration, Fook Woo is well positioned to grow.

TOTAL SHAREHOLDER RETURN
-26%

HSU FU CHI FOODS
(China)

What does it do?
Hsu Fu Chi is a leading branded confectionary company in China with three key product lines; chocolate and candy, cakes and cookies and Sachima (a sweet Chinese pastry).

Why do we own it?
They have consistently grown earnings in the past and are well positioned to continue to benefit from the trend towards urbanisation in China.

TOTAL SHAREHOLDER RETURN
75%

PORTFOLIO STOCKS

MIDAS HOLDINGS
(China)

What does it do?
The primary supplier of aluminium train bodies to train manufacturers in China.

Why do we own it?
Midas benefits from the trend away from the use of steel to manufacture train bodies towards aluminium bodies. Midas also owns a 33% stake in Nanjing Puzhen Rail Transport, one of only four licensed companies approved by the Chinese government to produce and sell metro train cars in China.

TOTAL SHAREHOLDER RETURN
-32%

O2 MICRO
(China)

What does it do?
Sells semiconductor chips with their core competencies being power management, advanced lighting (CCFL, LED) and security applications.

Why do we own it?
With a top tier customer list featuring Sony, Apple and HP, the company's strategy is to increase dollar content per device and per customer by cross-selling new innovative products.

TOTAL SHAREHOLDER RETURN
-9%

PORTS DESIGN
(China)

What does it do?
A Chinese high end ladies and men's fashion designer. In addition to their flagship Ports brand they have the rights to sell BMW and Giorgio Armani S.P.A. and are developing their own new brand called P61 aimed at a slightly younger client.

Why do we own it?
With a premium brand and a long history of successful execution this is a company that is poised to continue growing in China and has the potential to develop into a global brand.

TOTAL SHAREHOLDER RETURN
-21%

THE MARLIN GLOBAL

TRAVELSKY
(China)

What does it do?
Based in Beijing and listed in Hong Kong, Travelsky is the leading information technology provider for China's air travel and tourism industry.

Why do we own it?
They essentially make money every time an electronic airline ticket is issued and also provide other software and services like departure processing, reservation and inventory control and ticket settlements. In addition, they have been expanding into other travel related areas like hotel, rail and cargo.

TOTAL SHAREHOLDER RETURN
-9%

WASION GROUP HOLDINGS
(China)

What does it do?
A leading energy measurement systems provider in China. Their core competency is automated meter readers and data collection terminals for the gas, electricity and water industries.

Why do we own it?
The Chinese government has committed to upgrading the electricity grid over the next five years with automated meter reading being a key initiative.

TOTAL SHAREHOLDER RETURN
36%

NOKIAN TYRE
(Finland)

What does it do?
Manufactures and markets high end performance and winter tyres in Scandinavia and Russia where harsh winter conditions require most cars to have alternate sets of summer and winter tyres.

Why do we own it?
In addition to increased penetration in its core market in northern Europe, the company is benefiting from increased wealth in Russia and Ukraine where there is a rapid growth in car registrations, especially in the premium segment where Nokian is the market leader. Nokian maintains a large advantage over global competitors by producing locally in Russia to avoid import tariffs.

TOTAL SHAREHOLDER RETURN
73%

PORTFOLIO STOCKS

GAMELOFT
(France)

What does it do?
Has developed and published more than 200 video games for mobile phones and other electronic devices.

Why do we own it?
With a combination of its own proprietary and licensed content they should continue to gain penetration with mobile customers around the world. The company is currently developing games for the new generation of mobile phones as well as the ipod and iphone which will continue to drive its growth.

TOTAL SHAREHOLDER RETURN
34%

ZODIAC
(France)

What does it do?
A leading supplier of aeronautical equipment for airplanes in three main segments; cabin interiors, aircraft systems, and aero safety and technology.

Why do we own it?
As the global market leader in more than two-thirds of the products and systems they sell they are well poised to benefit from increased content per plane on new programmes such as Boeing 787 and Airbus A380 and A350.

TOTAL SHAREHOLDER RETURN
60%

BIOTEST
(Germany)

What does it do?
Biotest is a pharmaceutical and diagnostic company based in Germany that specialises in processing blood and extracting plasma for use in treatment of diseases.

Why do we own it?
They are a market leader in Europe that have recently expanded into the US.

TOTAL SHAREHOLDER RETURN
45%

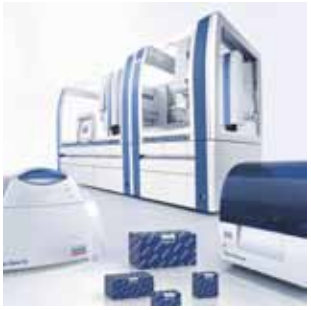
THE MARLIN GLOBAL

QIAGEN
(Germany)

What does it do?
Qiagen is the leading provider of sample and assay tests for the healthcare market. The company realises almost 90% of its sales from consumable products which are recurring and high margin.

Why do we own it?
In addition to a stable core business they have been increasingly focusing on the women's health segment and have the leading test for HPV. This test for early detection of cervical cancer is becoming more widely accepted and used around the world.

TOTAL SHAREHOLDER RETURN
-19%



STRATEC BIOMEDICAL SYSTEMS
(Germany)

What does it do?
Designs, develops and produces fully automated systems for partners in clinical diagnostics and biotechnology.

Why do we own it?
The company's competitive advantage lies in its technology which enables manual laboratory techniques to be transformed into automated processes. The company accelerates time to market for its clients and allows them to devote resources to their core business of developing tests.

TOTAL SHAREHOLDER RETURN
13%

WIRECARD AG
(Germany)

What does it do?
Wirecard is one of the main payment processors for internet transactions in Europe.

Why do we own it?
The company charges a transaction fee every time someone buys or sells something on the internet from a Wirecard customer. They recently launched their own virtual credit card (a prepaid MasterCard) which is a big opportunity as credit card penetration in Europe is still relatively low.

TOTAL SHAREHOLDER RETURN
70%

PORTFOLIO STOCKS

ICON PLC
(Ireland)

What does it do?
Known as a contract research organisation (CRO), Icon provides specialised services in clinical trial management for pharmaceutical and biotechnology companies.

Why do we own it?
The increasing complexity and regulatory requirements of clinical trial management are forcing pharmaceutical and biotechnology companies all over the world to seek the help of specialist CRO's such as Icon. Icon's global footprint and broad strengths in clinical management make them one of only a few companies qualified to provide these services. Growth is being driven by this increased shift to outsourcing, the increase in drugs being tested and larger trials required by regulatory bodies such as the FDA.

TOTAL SHAREHOLDER RETURN
-32%

SARIN TECHNOLOGIES
(Israel)

What does it do?
The worldwide market leader in providing equipment and tools for the diamond industry. Sarin's products are used to grade, cut and optimise the value of diamonds.

Why do we own it?
They recently commercialised a revolutionary product for inclusion mapping (precisely identifies blemishes to maximise the value of a diamond). This is transforming the growth profile of the company.

TOTAL SHAREHOLDER RETURN
48%

BREMBO
(Italy)

What does it do?
Based in Italy, Brembo is a global leader in high performance braking systems. The majority of sales come from high end cars (customers include Ferrari, Audi, Porsche, Mercedes-Benz) and motorcycles (customers include Ducati and Harley Davidson).

Why do we own it?
As the global leader in their industry they have the ability to increase penetration with existing customers and sign up new customers around the world.

TOTAL SHAREHOLDER RETURN
99%

THE MARLIN GLOBAL

ASAHI
(Japan)

What does it do?
Japan's leading bicycle retailer.

Why do we own it?
Besides having a unique offering at their retail outlets they also have their own private brands which now comprise more than 50% of sales (and possess higher margins). They currently have 215 stores throughout Japan which is enough scale to embark upon their first nationwide marketing campaign. Our research indicates this campaign will be a success and Asahi will continue to grow the number of stores towards 500 in years to come.

TOTAL SHAREHOLDER RETURN
12%

HORIBA
(Japan)

What does it do?
Manufactures and markets analytical instruments and systems focused on the automotive, analytical, medical and semiconductor markets.

Why do we own it?
In each segment they operate in niche markets where they have high market share. The company has excellent long-term growth prospects in its business in particular in the automotive emissions testing and medical areas.

TOTAL SHAREHOLDER RETURN
7%

OKANO VALVE
(Japan)

What does it do?
The leading Japanese manufacturer of high pressure valves for alternative energy. They have a particular niche within nuclear power plants with over 70% market share in the Japanese market.

Why do we own it?
International sales are a key growth driver for the company and they recently received approval of n-stamp certification, a global standard.

TOTAL SHAREHOLDER RETURN
-57%

PORTFOLIO STOCKS

PRESTIGE INTERNATIONAL
(Japan)

What does it do?
Is a leading business process outsourcing company in Japan that specialises in roadside assistance and insurance assistance.

Why do we own it?
They operate in a niche segment of the market where they are the dominant provider. The company has consistently grown revenues and profits in the past and plans to double the business over the next three to five years yet is trading at a bargain basement valuation.

TOTAL SHAREHOLDER RETURN
-6%

SHINKO PLANTECH
(Japan)

What does it do?
Provides maintenance services for plants in Japan, with a concentration on the oil refining and petrochemical sectors.

Why do we own it?
They have the leading market share in both core sectors where growth has been driven by the aging of the infrastructure which requires increased maintenance and repair. Additional growth is coming from expansion into other industries such as food, paper and pharmaceuticals.

TOTAL SHAREHOLDER RETURN
3%

TORISHIMA PUMP
(Japan)

What does it do?
Torishima Pump is a leading supplier of specialised pumps for water desalination, water sewerage and power plants.

Why do we own it?
They have successfully transitioned the company over the last decade from a purely domestic focused company into one of the leading global suppliers in the water industry. This has expanded their market opportunity and provides a growth platform for years to come.

TOTAL SHAREHOLDER RETURN
-12%

THE MARLIN GLOBAL

HYFLUX
(Singapore)

What does it do?
Hyflux is one of Asia's largest water treatment and environmental solution companies.

Why do we own it?
A prime beneficiary of the increasing need to "clean up" Asia's pollution problem. Hyflux has a successful track record of winning and executing projects throughout Asia.

TOTAL SHAREHOLDER RETURN
-11%

RAFFLES EDUCATION
(Singapore)

What does it do?
Asia's premier for-profit education provider, offering core programmes in design and business management.

Why do we own it?
The emerging middle class combined with the high priority of education in many Asian cultures creates a strong demand dynamic. Students have the advantage of studying at any of the Raffles facilities located around the Asia Pacific region, including New Zealand.

TOTAL SHAREHOLDER RETURN
-45%

TELVENT
(Spain)

What does it do?
Telvent is a software and technology solutions provider based in Spain. Their applications monitor and measure real time flow of information for key infrastructure markets including energy, transportation, environment and agriculture.

Why do we own it?
They are a market leading specialised software company with key end markets experiencing strong growth trends globally.

TOTAL SHAREHOLDER RETURN
99%

PORTFOLIO STOCKS

Autodesk®

AUTODESK INC
(US)

What does it do?
A leading design software and services company. The company develops computer-aided design (CAD) and simulation solutions for customers in the manufacturing, building and infrastructure markets and digital video tools for the media market.

Why do we own it?
With a well-established distribution network and a large installed base they have the opportunity to further penetrate customers with new products and continue to broaden their product suite. In addition, non US sales will become a bigger growth driver in the future.

TOTAL SHAREHOLDER RETURN
32%

Conceptus® Incorporated

CONCEPTUS
(US)

What does it do?
Sells and manufactures an innovative device used for permanent birth control which does not require surgery.

Why do we own it?
Essure is a substitute for a surgical procedure called tubal ligation which has a recovery time of up to a week. The Essure procedure can be performed in 30-40 minutes in an outpatient setting, does not require incisions or general anaesthesia, and allows the patient to return to normal activity within a day. It also costs less and doctors can earn more money per procedure. The market opportunity for Conceptus is huge with over 700,000 tubal ligation procedures performed each year in the US alone.

TOTAL SHAREHOLDER RETURN
38%

equinix

EQUINIX
(US)

What does it do?
A global internet infrastructure company that manages network neutral data centres and co-location services.

Why do we own it?
Equinix is the largest and most successful data centre provider in the U.S and with operations in 18 key markets around the world Equinix is positioning to become the global leader in this structural growth industry.

TOTAL SHAREHOLDER RETURN
4%

THE MARLIN GLOBAL

HANGER ORTHOPEDIC GROUP
(US)

What does it do?
Hanger is the largest owner and operator of orthotic and prosthetic patient-care centres and they are the largest distributor of O&P devices and components in the United States.

Why do we own it?
In addition to continued growth in their core market, Hanger has a new product called WalkAide which could potentially transform the growth profile of the company.

TOTAL SHAREHOLDER RETURN
14%

HANSEN NATURAL CORPORATION
(US)

What does it do?
Sells a variety of natural juice drinks and the Monster energy drink range.

Why do we own it?
Monster continues to gain market share and is as popular in the US as Red Bull. During the year they announced a global distribution agreement with Coca-Cola which combined with their current agreement in the US with Anhueser Busch will see significant growth in the future.

TOTAL SHAREHOLDER RETURN
73%

ORTHOFIX INTERNATIONAL
(US)

What does it do?
A US based medical device company which offers a broad line of surgical and non-surgical products for the spine, orthopaedic, and sports medicine market

Why do we own it?
They have a strong leadership position in several specialised markets given superior product and distribution capabilities. They are expanding their leadership position with new product introductions which should propel earnings growth for years to come.

TOTAL SHAREHOLDER RETURN
34%

PORTFOLIO STOCKS

UFP TECHNOLOGIES
(US)

What does it do?
A US based custom converter of foams and plastics. They design and manufacture engineered packaging utilising molded and fabricated foam plastic products and vacuum formed plastics serving end markets such as medical, electronics and consumer.

Why do we own it?
This is a classic example of an industry leading business that is undiscovered by most investors. We have identified numerous catalysts that could lead to discovery and a re-rating of shares higher.

TOTAL SHAREHOLDER RETURN
48%

BOARD OF DIRECTORS

JAMES MILLER BCom, FCA

Chairman

James is a qualified chartered accountant and is a Fellow of the Institute of Chartered Accountants of New Zealand, a Certified Securities Analyst Professional, a member of the FMA and an accredited Director of the Institute of Directors in NZ Inc. He holds a Bachelor of Commerce from Otago University and is a graduate of The Advanced Management Program, Harvard Business School (USA). James is also a director of NZX, Vector, Auckland International Airport, Kingfish and Barramundi. He was previously on the ABN AMRO Securities Board, INFINZ Board, and Financial Reporting Standards Board. James' relevant prior roles were Head of Equities at ABN AMRO; Head of Research at ABN AMRO and as a Research Analyst focussing on energy and infrastructure sectors with Barclays de Zoete Wedde (BZW). He brings 14 years experience in capital markets. James' principal place of residence is Auckland.

ANNABEL COTTON BMS, ACA, CSAP

Independent Director

A qualified investment analyst and accountant, Annabel worked as an equity analyst before specialising in working alongside a number of New Zealand listed companies on their investor relations and equity management programmes. Annabel is a director of Kingfish, Barramundi and a number of private companies. She is a member of the External Reporting Board and has been a Member of the Securities Commission and a director of Genesis Power. Annabel's principal place of residence is Hamilton.

MARK TODD LLB (Hons)

Independent Director

Mark is a solicitor with a Bachelor of Laws from Canterbury University. He practises as a partner with law firm Bell Gully. Mark has specialised in advising on investment products for over 15 years and, during that time, has been actively involved in industry affairs. He has a keen interest in investment matters and is a regular attendee at annual general meetings of Warren Buffett's Berkshire Hathaway Inc. in Omaha, Nebraska. Mark is also a Director of Kingfish and Barramundi. His principal place of residence is Auckland.

CARMEL FISHER BCA

Executive Director

Carmel established Fisher Funds Management Limited in 1998 and is also a director of Kingfish and Barramundi. Carmel's interest and involvement in the New Zealand sharemarket spans more than 20 years. Carmel is widely recognised as New Zealand's preeminent small cap expert. Carmel's career started when she left Victoria University with an accounting degree to spend four years in the sharebroking industry. She then managed funds for Prudential Portfolio Managers NZ Limited and Sovereign Asset Management Limited. Carmel's principal place of residence is Auckland and she can be contacted at Marlin Global's registered office.

CORPORATE GOVERNANCE STATEMENT

The Board of Directors ("Board") of Marlin Global Limited is committed to strong corporate governance practices and has adopted a comprehensive corporate governance code. The Board believes that the corporate governance structures and practices must encourage the creation of value for Marlin Global shareholders whilst ensuring the highest standards of ethical conduct and providing accountability and control systems commensurate with the risks involved.

This code meets the required corporate governance principles under the NZX Corporate Governance Best Practice Code and the Corporate Governance Principles and Guidelines issued by the Securities Commission (now the Financial Markets Authority).

Compliance

Marlin Global seeks to follow the best practice recommendations for listed companies to the extent that it is appropriate to the size and nature of its operations. The Company considers its governance practices complied with the NZX Corporate Governance ('NZXCG') Best Practice Code and the Securities Commission Corporate Governance Principles and Guidelines in its entirety during the year ended 30 June 2011. The following reports against these principles and guidelines:

The Company's constitution, the Board and committee charters, codes and policies referred to in this section are available to view at www.marlin.co.nz

Principle 1 – Ethical Standards

Directors observe and foster high ethical standards.

Marlin Global has adopted policies of business conduct that provide all Directors and representatives with clear guidance on those standards.

The **Code of Ethics** details the ethical and professional behavioural standards required of the Directors and Officers. The code also provides the means for proactively addressing and resolving potential ethical issues.

The **Conflicts of Interests Policy** details the process to be adopted for identifying conflicts of interests and the actions that should be taken.

The **Insider Trading Policy** details the procedure whereby persons nominated by Marlin Global (its Directors and persons associated with the Manager) may trade in Marlin Global shares and take up shares purchased under the Marlin Global Dividend Reinvestment Plan. Nominated Persons may not trade in Marlin Global shares when they have price sensitive information that is not publicly available. In addition, except where the Nominated Person has the permission of the Board, the Nominated Person may trade in the Company shares only during the trading window commencing immediately after Marlin Global's weekly disclosure of its net asset value ('NAV') to the New Zealand Exchange, and ending at the close of trade two days following the NAV disclosure.

No breaches of ethics principles were identified during the year.

A copy of the full terms of Code of Ethics, Conflicts of Interests Policy and the Insider Trading Policy is available at www.marlin.co.nz

Principle 2 – Board Composition and Performance

There is a balance of independence, skills, knowledge, experience and perspective among directors that allows the Board to work effectively.

CORPORATE GOVERNANCE STATEMENT CONTINUED

Board Size and Composition
The NZSX Listing Rules require a minimum of three Directors with at least two of the Directors being ordinarily resident in New Zealand. The composition of the Board must include a minimum number of two Independent Directors. The Board currently comprises three independent non-executive Directors including the Chairman and one Director who is not deemed to be independent due to also being a Director of Fisher Funds.

The Board elects a Chairman whose primary responsibility is the efficient functioning of the Board.

Profiles of the individual Directors can be found on pg 26.

Director Independence
Marlin Global retains a separate Board of Directors from the Manager. The Board ensures that shareholders' interests are held paramount.

The Board considers that all Directors, other than Carmel Fisher, are independent in terms of the New Zealand Exchange definition.

On appointment, each Director is required to provide information to the Board to assess and confirm their independence as part of their consent to act as a Director. Directors have undertaken to inform the Board as soon as practicable if they think their status as an Independent Director has or may have changed. The Board does not believe that any Director has served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company. The Board considers that Directors retain independence of character and judgement regardless of length of service and regardless of them also being Directors of other Fisher Funds managed listed investment companies Kingfish Limited and Barramundi Limited.

Board Role and Responsibility
The Board is responsible for the direction and control of Marlin Global and is accountable to shareholders and others for Marlin Global's performance and its compliance with the appropriate laws and standards.

Marlin Global offers shareholders a highly experienced Board with financial markets experience and strengths in funds management and corporate governance.

The Board's responsibilities include:

- Manager's performance – regularly review both the performance of, and contractual arrangements with, the Manager;
- capital management – implementing initiatives including share buybacks if it is in the opinion of the Board that the value of the shares do not appropriately reflect the underlying asset value;
- determining dividend policy;
- Board performance and composition – evaluating the performance of Independent Directors, determining the size and composition of the Board as well as making recommendations for the appointment and removal of Directors;
- succession planning – planning Board succession;
- financial performance – approving the annual budget and monitoring financial performance;
- financial reporting – considering and approving the annual and half-year financial reports;
- audit – selecting and recommending to shareholders the appointment of the external auditor. Maintaining a direct and ongoing dialogue with the external auditor;
- risk management – identifying the principal risks faced by the Company and ensuring that appropriate control and monitoring systems are in place to manage the impact of these risks;
- overseeing communication and reporting to shareholders;
- relationship with regulators, NZX and continuous disclosure – maintaining ongoing dialogue with the NZX;
- custodian – appointing a custodian to safeguard the Company's assets. Trustees Executors Limited is the custodian of Marlin Global's assets; and
- other service providers – appointing other service providers and evaluating their performance.

The Board met 10 times during the year and received papers, including regular reports from the Chief Financial Officer and Investment Manager to read and consider before each meeting. The Board is provided at all times with accurate timely information

CORPORATE GOVERNANCE STATEMENT CONTINUED

on all aspects of Marlin Global operations. The Board is kept informed of key risks to Marlin Global on a continuing basis. In addition the Board meets whenever necessary to deal with specific matters needing attention between the scheduled meetings and the Independent Directors meet as required.

Board Members	Meetings Attended
Annabel Cotton	10
Carmel Fisher	10
Ian Hendry (retired 20 May 2011)	8
Rob Challinor (retired 31 December 2010)	6
James Miller (appointed 14 September 2010)	8
Mark Todd (appointed 21 March 2011)	3
Meetings held	**10**

The Manager's responsibilities as stated in the Management Agreement include:

- the provision of management services to the Company such as the investment and portfolio management services and administrative services;
- dealing with the Custodian; and
- attendance at Marlin Global Board meetings.

The Manager is to at all times invest the portfolio on a prudent and commercial basis consistent with the Company's investment criteria and performance objectives.

While the Board's key role is to monitor the performance of the Manager, it is not involved in the selection or management of investments within the Marlin Global portfolio.

Retirement and Re-election of Directors
In accordance with the Company's constitution one third, or the number nearest to one third, of the Directors (excluding any Director appointed since the previous Annual Shareholders Meeting "ASM") retire by rotation at the ASM.

Appropriate notice of Director nominations has been provided in accordance with the requirements of the New Zealand Exchange, the Marlin Global constitution and the Companies Act 1993.

Board Performance Review
The Board conducts a formal review of its performance annually.

The Chairman, occasionally with the assistance of an appropriate external adviser, assesses the performance of individual Directors whilst Directors also assess the collective performance of the Board and the performance of the Chairman.

Principle 3 – Board Committees

The Board uses committees where this enhances effectiveness in key areas while retaining Board responsibility.

Audit Committee
The Marlin Global Audit Committee focuses on audit and risk management and specifically addresses responsibilities relative to financial reporting and regulatory conformance. The Committee operates within the terms of reference established by the Marlin Global Board, which the Committee reviews annually.

The Audit Committee is accountable for ensuring the performance and independence of the external auditor – PricewaterhouseCoopers ("PwC"). A statement regarding PwC's independence is included in their Auditor's and Accountants' Reports.

The Audit Committee also recommends to the Board which services other than the statutory audit, may be provided by PwC as auditor.

During the year, the Committee held private sessions with the auditor. The auditor has a clear line of direct communication at any time with either the Chairman of the Audit Committee or the Chairman of the Board, both of whom are Independent Directors.

The Audit Committee relies on information provided by management and the external auditor. Management determines and makes representations to the Board that the Company's financial statements and disclosures are complete and accurate. The external auditor has the duty to plan and conduct audits.

The Audit Committee comprises Annabel Cotton (Chairman), James Miller and Mark Todd who have appropriate financial experience and an understanding of the industry in which Marlin Global operates. Meetings are held not less than twice a year having regard to Marlin Global's reporting and audit cycle.

CORPORATE GOVERNANCE STATEMENT CONTINUED

Audit Committee Members	Meetings attended
Annabel Cotton	2
Ian Hendry (retired 20 May 2011)	1
Rob Challinor (retired 31 December 2010)	1
James Miller (appointed 14 September 2010)	1
Mark Todd (appointed 21 March 2011)	0
Meetings held	**2**

The Audit Committee may have in attendance such members of management including the Marlin Global Chief Financial Officer, a representative from the Manager, and such other persons including the external auditor, as it considers necessary to provide appropriate information and explanations.

A copy of the full terms of reference of the Audit Committee is available at www.marlin.co.nz

Other Committees
Due to the importance of nomination and remuneration matters, these are addressed by the Board as a whole and consequently there is no separate Nomination or Remuneration Committee.

Principle 4 – Reporting and Disclosure

The Board demands integrity both in financial reporting and in the timeliness and balance of disclosures on entity affairs.

Timely and Balanced Disclosure
The Company is committed to promoting investor confidence by providing complete and equal access to information in accordance with the NZSX Listing Rules. The Company has a Continuous Disclosure Policy designed to ensure this occurs. That policy can be found on the Company website.

The Chief Financial Officer is the Company's market disclosure officer, and is responsible for ensuring compliance with its disclosure obligations. The Board is accountable for making the final decision as to whether or not information requires disclosure.

The Chief Financial Officer is responsible for releasing any relevant information to the market once that has been approved. Financial information release is approved by the Board on the recommendation of the Audit Committee, while information release on other matters is approved by the Board.

Directors formally consider at each Board meeting whether there is relevant material information which should be disclosed to the market.

Financial Reporting
The Audit Committee oversees the quality and integrity of external financial reporting including the accuracy, completeness and timeliness of financial statements.

It reviews half-yearly and annual financial statements and makes recommendations to the Board concerning accounting policies, areas of judgement, compliance with accounting standards, stock exchange and legal requirements and the results of the external audit.

The Marlin Global Chief Financial Officer is responsible for ensuring compliance with the NZX continuous disclosure requirements and overseeing and co-ordinating disclosure to the exchange.

Principle 5 – Remuneration

The remuneration of Directors and executives is transparent, fair and reasonable.

Non-executive Directors' Remuneration
The fees payable to non-executive Directors are determined by the Board within the aggregate amount approved by shareholders. The current Directors' fee pool limit of $120,000 was approved by shareholders' written resolution in September 2007.

Details of remuneration paid to Directors are disclosed in note 1 to the Financial Statements and are further disclosed in the Shareholder Information section of this report.

Principle 6 – Risk Management and Internal Control

The Board regularly verifies that the entity has appropriate processes that identify and manage potential and relevant risks.

The Board has overall responsibility for Marlin Global's system of risk management and internal control. Marlin Global has in place policies and procedures to identify areas of significant business risk and implement procedures to manage effectively those risks. Key risk management tools used by Marlin Global include the Audit Committee function, outsourcing of certain functions to service providers, internal controls, financial and compliance reporting procedures and processes, business continuity planning and insurance.

CORPORATE GOVERNANCE STATEMENT CONTINUED

A copy of the complete Risk Management Policy is available at www.marlin.co.nz

In addition to the Company's policies and procedures in place to manage business risks, the Manager has its own comprehensive risk management policy. The Marlin Global Board is informed of any changes to the Manager's policy.

Principle 7 – Auditors

The Board ensures the quality and independence of the external audit process.

Approach to Audit Governance

The independence of the external auditor is of particular importance to shareholders and the Board. The Audit Committee is responsible for overseeing the external audit of the Company. Accordingly, it monitors developments in the areas of audit, and threats to audit independence, to ensure its policies and practices are consistent with emerging best practice in these areas.

As part of its responsibilities, the Audit Committee reviews the independence of external auditors and the appropriateness of any non-audit services they undertake for the Company.

Engagement of the External Auditor

Marlin Global's external auditor is PwC. PwC was appointed by shareholders at the 2008 annual meeting in accordance with the provisions of the Companies Act 1993 ('Act'). PwC is automatically reappointed as auditor under Section 200 of the Act.

Attendance at the Annual Meeting

PwC, as external auditor of the 2011 financial statements, is invited to attend this year's annual meeting and will be available to answer questions about the conduct of the audit, preparation and content of the auditor's report, accounting policies adopted by Marlin Global and the independence of the auditor in relation to the conduct of the audit.

Principle 8 – Shareholder Relations

The Board fosters constructive relationships with shareholders that encourage them to engage with the Company.

The Board recognises the importance of providing to shareholders comprehensive, timely and equal access to information about its activities. The Board aims to ensure that shareholders have available to them all information necessary to assess the Company's performance. It has a system in place for canvassing shareholder views and for communicating the Board's views to shareholders.

Alongside periodic and continuous disclosure to NZX, Marlin Global maintains a website www.marlin.co.nz including making available the most recent Net Asset Value that is released to the NZX on a weekly basis and at the end of each month, corporate governance policies, shareholder reports, market announcements, copies of ASM minutes, presentations, press releases and news articles as well as performance data.

Information is also communicated to shareholders in the Annual and Interim Reports and the Quarterly Shareholders Update Newsletter which is published between these two reports.

The release of the Annual Report is followed by the ASM which the Board recognises as an important forum at which the shareholders can meet and question the Board and Manager. The notice of meeting is circulated at least 10 days prior to the meeting and is also posted on the Company's website. Shareholders are provided with notes on any resolutions proposed through the notice of meeting each year. The Board holds the ASM at a time and venue that is considered convenient to the greatest number of its shareholders. This year's meeting will be held on 4 November 2011 at 10.30am at the Ellerslie Event Centre in Auckland. Full participation of shareholders is encouraged at the ASM to ensure a high level of accountability and identification with the Company's strategies and goals. Shareholders are encouraged to submit questions in writing prior to the meeting.

Principle 9 – Stakeholder Interests

The Board respects the interests of stakeholders within the context of the Company's ownership type and its fundamental purpose.

The Board recognises that other stakeholders may have an interest in the Company's activities. While there are no specific stakeholders' interests that are currently identifiable, the Company will continue to review policies in consideration of future interests.

DIRECTORS' STATEMENT OF RESPONSIBILITY

For the year ended 30 June 2011

We have pleasure in presenting the financial statements for Marlin Global Limited for the year ended 30 June 2011.

We have ensured that the financial statements for Marlin Global Limited give a true and fair view of the financial position of the Company as at 30 June 2011 and its financial performance and cash flows for the year ended on that date.

We have ensured that the accounting policies used by the Company comply with generally accepted accounting practice in New Zealand and believe that proper accounting records have been kept. We have ensured compliance of the financial statements with the Financial Reporting Act 1993.

We also consider that adequate controls are in place to safeguard the Company's assets and to prevent and detect fraud and other irregularities.

The Marlin Global Board authorised these financial statements for issue on 29 August 2011.

James Miller

Annabel Cotton

Mark Todd

Carmel Fisher

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MARLIN GLOBAL LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR TO 30 JUNE 2011

	NOTES	2011 $000	2010 $000
Interest income		36	40
Dividend income		1,229	1,103
Foreign exchange losses on cash and cash equivalents	1(i)	(1,101)	(1,482)
Net changes in fair value of financial assets	1(ii)	10,794	14,635
Total net income		**10,958**	**14,296**
Operating expenses	1(iii)	(2,867)	(3,623)
Operating profit before tax		**8,091**	**10,673**
Total tax expense	3(i)	(402)	(26)
Net operating profit after tax attributable to shareholders		**7,689**	**10,647**
Other comprehensive income		**0**	**0**
Total comprehensive income after tax attributable to shareholders		**7,689**	**10,647**
Earnings per share			
Basic and diluted earnings per share			
Profit attributable to owners of the Company ($000)		*7,689*	*10,647*
Weighted average number of ordinary shares on issue net of treasury stock ('000)		*100,414*	*100,105*
		$0.08	***$0.11***

The Statement of Accounting Policies set out on pages 39 to 42 and the Notes to the Financial Statements set out on pages 43 to 51 should be read in conjunction with this Statement of Comprehensive Income.

MARLIN GLOBAL LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR TO 30 JUNE 2011

	NOTES	2011 $000	2010 $000
Total profit for the year attributable to shareholders		**7,689**	**10,647**
Other comprehensive income		0	0
Total profit and comprehensive income for the year attributable to shareholders		**7,689**	**10,647**
Contributions from owners			
- Ordinary shares issued for warrants exercised	2	787	18
- Dividends reinvested	2	3,126	589
- Share placements	2	394	0
Distributions to owners			
- Dividends paid	4	(8,678)	(2,040)
- Share buybacks	2	(1,175)	(3,261)
Movements in equity for the year		**2,143**	**5,953**
Equity at beginning of the year		106,384	100,431
Equity at end of the year		**108,527**	**106,384**

The Statement of Accounting Policies set out on pages 39 to 42 and the Notes to the Financial Statements set out on pages 43 to 51 should be read in conjunction with this Statement of Changes in Equity.

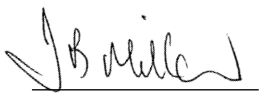
MARLIN GLOBAL LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2011

	NOTES	2011 $000	2010 $000
ASSETS			
Current Assets			
- Cash and cash equivalents		14,411	14,329
- Trade and other receivables	5	114	455
- Current tax receivable	3(ii)	338	108
- Investments at fair value through profit or loss	7	96,532	96,213
Total Current Assets		**111,395**	**111,105**
TOTAL ASSETS		**111,395**	**111,105**
LIABILITIES			
Current Liabilities			
- Trade and other payables	6	2,868	4,721
Total Current Liabilities		**2,868**	**4,721**
TOTAL LIABILITIES		**2,868**	**4,721**
EQUITY			
Share capital	2	99,928	96,796
Retained earnings	4	8,599	9,588
Total Equity		**108,527**	**106,384**
Total Equity and Liabilities		**111,395**	**111,105**

These financial statements have been authorised for issue for and on behalf of the Board by:



J B Miller - *Chairman*
29 August 2011

A M Cotton - *Chair of the Audit Committee*
29 August 2011

The Statement of Accounting Policies set out on pages 39 to 42 and the Notes to the Financial Statements set out on pages 43 to 51 should be read in conjunction with this Statement of Financial Position.

MARLIN GLOBAL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR TO 30 JUNE 2011

	2011 $000	2010 $000
Operating Activities		
Cash was provided from:		
- Sale of investments	59,929	76,432
- Interest received	35	40
- Dividends received	1,238	1,058
- Taxes received	0	420
Cash was applied to:		
- Purchase of investments	(50,254)	(65,603)
- Realised foreign exchange losses on cash and cash equivalents	(385)	(2,327)
- Operating expenses	(3,563)	(2,752)
- Taxes paid	(632)	0
Net cash inflows from operating activities	**6,368**	**7,268**
Financing Activities		
Cash was provided from:		
- Proceeds from placements and warrants exercised	1,180	18
Cash was applied to:		
- Share buybacks	(1,175)	(3,261)
- Dividends paid (net of dividends reinvested)	(5,552)	(1,451)
Net cash outflows from financing activities	**(5,547)**	**(4,694)**
Net increase in cash and cash equivalents held	**821**	**2,574**
Cash and cash equivalents at beginning of the year	14,329	10,892
Effects of foreign currency translation on cash balance	(739)	863
Cash and cash equivalents at end of the year	**14,411**	**14,329**

All cash balances comprise short-term cash deposits.

The Statement of Accounting Policies set out on pages 39 to 42 and the Notes to the Financial Statements set out on pages 43 to 51 should be read in conjunction with this Statement of Cash Flows.

MARLIN GLOBAL LIMITED

STATEMENT OF CASH FLOWS CONTINUED

FOR THE YEAR TO 30 JUNE 2011

	2011 $000	2010 $000
Reconciliation of operating profit after tax to net cash flows from operating activities		
Net profit after tax	**7,689**	**10,647**
Items not involving cash flows:		
- Unrealised loss/(gain) on cash and cash equivalents	739	(863)
- Unrealised (gain)/loss on investments	(1,043)	1,904
	(304)	**1,041**
Impact of changes in working capital items		
(Decrease)/increase in fees and other payables	(1,853)	3,695
Decrease in interest, dividends and other receivables	341	806
(Increase)/decrease in current tax receivable	(230)	446
	(1,742)	**4,947**
Items relating to investments		
Net amount received from investments	9,675	10,829
Realised gains on investments	(9,770)	(16,521)
Decrease/(increase) in unsettled purchases of investments	1,159	(2,815)
Decrease in unsettled sales of investments	(339)	(860)
	725	**(9,367)**
Net cash inflows from operating activities	**6,368**	**7,268**

The Statement of Accounting Policies set out on pages 39 to 42 and the Notes to the Financial Statements set out on pages 43 to 51 should be read in conjunction with this Statement of Cash Flows.

MARLIN GLOBAL LIMITED

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR TO 30 JUNE 2011

General Information

Entity Reporting

The financial statements for Marlin Global Limited ("Marlin Global" or the "Company") have been prepared in accordance with the requirements of the Financial Reporting Act 1993 and the Companies Act 1993.

Legal Form & Domicile

Marlin Global is incorporated and domiciled in New Zealand.

The Company is a limited liability company, incorporated under the Companies Act 1993 on 6 September 2007.

Marlin Global is listed on the NZSX and is an issuer under the terms of the Financial Reporting Act 1993.

The Company is a profit-oriented entity and began operating as a listed investment company on 1 November 2007.

The Company's registered office is Level 2, 95 Hurstmere Road, Takapuna, Auckland.

Authorisation of Financial Statements

The Marlin Global Board of Directors authorised these financial statements for issue on 29 August 2011.

No party may change these financial statements after their issue.

Accounting Policies

Period Covered by Financial Statements

These financial statements cover the audited results from operations for the year ended 30 June 2011.

Statement of Compliance

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"), the Companies Act 1993 and the Financial Reporting Act 1993. They comply with the New Zealand Equivalents to Financial Reporting Standards ("NZ IFRS") and other applicable Financial Reporting Standards, as appropriate. These financial statements comply with International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board.

No changes to NZ IFRS were of material relevance to the Company's financial statements for the 2011 financial year.

The following standard has been issued but is not yet effective:

NZ IFRS 9: Financial instruments – This standard will eventually replace *NZ IAS 39: Financial instruments – recognition and measurement* ("NZ IAS 39") and is expected to be adopted by the Company in the year ending 30 June 2014 when it becomes effective. The standard is not expected to materially affect the Company's financial statements.

Any other new or proposed accounting standards and amendments not disclosed are not expected to have a material impact on the financial statements when they are initially applied.

Summary of Significant Accounting Policies

The accounting policies that materially affect the recognition, measurement and disclosure of items in the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows are set out below. These policies have been consistently applied to all the years presented.

Measurement Base

The financial statements have been prepared on the historical cost basis, as modified by the fair valuation of certain assets as identified in specific accounting policies below.

Critical Judgements, Estimates and Assumptions

The preparation of financial statements requires the Directors to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Specifically these relate to the measurement of deferred tax assets and liabilities that reflect the tax consequences that would follow from the manner in which the entity expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand and short-term money market deposits. Cash and cash equivalents are classified as loans and receivables under NZ IAS 39.

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR TO 30 JUNE 2011

Statement of Cash Flows
The following are definitions of the terms used in the Statement of Cash Flows:

(a) Operating activities include all principal revenue producing activities and other events that are not financing activities.

(b) Financing activities are those activities that result in changes in the size and composition of the capital structure.

Functional and Presentation Currency
The financial statements are presented in New Zealand Dollars, which is the Company's functional and presentation currency.

Foreign Currency Transactions and Translations
Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the Statement of Comprehensive Income as foreign exchange gains or losses on cash.

Assets and liabilities denominated in foreign currencies at balance date are translated to the functional currency at the foreign currency exchange rates at that date. Foreign exchange gains and losses resulting from the translation of these balances at year end are recognised in the Statement of Comprehensive Income.

Translation differences on monetary financial assets and liabilities such as cash are recognised in the Statement of Comprehensive Income as Foreign Exchange Gains/(Losses) on Cash and Cash Equivalents.

Translation differences on non-monetary financial assets and liabilities such as equities at fair value through profit or loss are recognised in the Statement of Comprehensive Income within the fair value net gain or loss.

Interest Income & Dividend Income
Interest is accounted for as earned using the effective interest method.

Dividend income is recognised when the Company's right to receive payments is established (ex-dividend date).

Manager's Performance Fee
The performance fee is recognised in the Statement of Comprehensive Income on an accrual basis based on the performance of the Company up to the balance date. Refer to Note 11 of the Notes to the Financial Statements.

Income Tax
Current tax is calculated by reference to the amount of income taxes payable or recoverable for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by the Company in respect of the taxable profits or losses to date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the entity expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Marlin Global elected into the Portfolio Investment Entity ("PIE") regime from the Company's commencement date.

Goods and Services Tax (GST)
The Company de-registered for GST on 9 April 2010 as it is no longer able to reclaim GST. The financial statements include GST where it is charged by other parties as it cannot be reclaimed.

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR TO 30 JUNE 2011

Investments at Fair Value Through Profit or Loss

Classification

Investments in listed entities are classified at fair value through profit or loss in the financial statements under NZ IAS 39. This designation on inception is to provide more relevant information given that the investment portfolio is managed, and performance evaluated, on a fair value basis, in accordance with a documented investment strategy.

Recognition & Measurement

All investments at fair value through profit or loss are initially recognised at fair value and are subsequently re-valued to reflect changes in fair value.

Net changes in the fair value of investments classified as fair value through profit or loss are recognised in the Statement of Comprehensive Income as they arise.

The fair values of investments at fair value through profit or loss traded in active markets are based on current market bid prices at balance date.

Transaction costs for all financial assets carried at fair value through profit or loss are expensed as incurred.

All purchases and sales of investments are recognised at trade date, which is the date on which the Company commits to purchase or sell the asset.

Dividend income from investments at fair value through profit or loss is separately recognised in the Statement of Comprehensive Income when the Company's right to receive payments is established (ex-dividend date).

Held for trading financial assets at fair value through profit or loss

Held for trading financial assets at fair value through profit or loss comprise forward exchange contracts. The use of these contracts by the Company is limited to the risk management of their investments.

Forward exchange contracts can be used as economic hedges for equity investments against currency risk. Therefore, they are accounted for on the same basis as those investments and are recognised at their fair value. Forward exchange contracts are measured at fair value both upon initial recognition and subsequently. Gains and losses arising from changes in the fair value are recognised in the Statement of Comprehensive Income when they arise.

No forward exchange contracts have been used in the year ended 30 June 2011 (2010: nil).

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company makes short-term cash deposits or accrues trade receivables with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets.

Trade Receivables

Trade receivables are initially recognised at fair value and subsequently carried at amortised cost less impairment where collection is doubtful. Receivables are assessed on a case-by-case basis for impairment. The fair value of trade receivables is equivalent to their carrying amount.

Trade Payables

Trade payables are initially recognised at fair value and subsequently measured at amortised cost. The fair value of trade payables is equivalent to their carrying amount.

Financial Instruments

Financial instruments carried on the Statement of Financial Position include cash and cash equivalents, equity investments, trade receivables, trade payables and borrowings (when used). The various accounting policies associated with these financial instruments have been disclosed above.

Dividends Payable

Dividend distributions to the Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends are declared by the Marlin Global Board.

Segmental Reporting

Operating segments are identified on the basis of internal reports that are regularly reviewed by the Chief Operating Decision Maker, which for the Company is deemed to be the Board of Directors and

STATEMENT OF ACCOUNTING POLICIES CONTINUED

the Manager, to govern the Company's operations and assess its performance.

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors and Manager.

Earnings Per Share
Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares on issue during the year. Refer to the Statement of Comprehensive Income for the earnings per share calculations.

Share Capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Share capital bought back by the Company reduces share capital and may be held as treasury stock at the value of the consideration paid. Treasury stock may later be re-issued which increases share capital by the fair value of the shares on issue date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR TO 30 JUNE 2011

	2011 $000	2010 $000

NOTE 1
STATEMENT OF COMPREHENSIVE INCOME

(i) Foreign exchange losses on cash and cash equivalents		
Foreign exchange losses on cash and cash equivalents	(1,101)	(1,482)
Total foreign exchange losses on cash and cash equivalents	**(1,101)**	**(1,482)**
(ii) Net changes in fair value of financial assets		
Investments designated at fair value through profit or loss		
International equity investments	20,376	21,411
Foreign exchange losses on equity investments	(9,633)	(6,820)
Total investments gains	**10,743**	**14,591**
Financial assets at fair value through profit or loss - held for trading		
Gains on foreign exchange contracts	51	44
Total gains on assets held for trading	**51**	**44**
Net changes in fair value of financial assets	**10,794**	**14,635**
(iii) Operating Expenses		
Audit fees	32	34
Manager's fee (note 8)	1,582	1,527
Manager's performance fee (note 11)	164	839
Directors' fees	152	131
Brokerage and transaction fees	372	437
Custody and NZX fees	210	225
Personnel	102	97
Administration & other	131	138
Investor relations and communications	96	47
Taxation and legal services	24	147
Bank fees	2	1
Total operating expenses	**2,867**	**3,623**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR TO 30 JUNE 2011

	2011 $000	2010 $000

NOTE 2
SHARE CAPITAL

Ordinary Shares

As at 30 June 2011 there were 103,804,846 (30 June 2010: 103,018,220) fully paid Marlin Global shares on issue, including treasury stock of 1,650,329 shares (30 June 2010: 4,230,181). All ordinary shares are classified as equity, rank equally and have no par value. All shares (with the exception of treasury stock) carry an entitlement to dividends and one vote attached to each fully paid ordinary share.

Opening balance	96,796	99,450
Shares issued for new warrants exercised	787	18
Share placements from treasury stock	394	0
Shares issued from treasury stock under the dividend reinvestment plan	3,126	589
Share buybacks held as treasury stock	(1,175)	(3,261)
Closing balance	**99,928**	**96,796**

Treasury Stock

On 1 November 2010, Marlin Global announced the continuation of its share buyback programme of its ordinary shares in accordance with Section 65 of the Companies Act 1993. All the shares acquired under the buyback scheme are initially held as treasury stock but are available to be re-issued. The net cost of treasury stock is deducted from share capital.

			Number of shares	
	2011 $000	**2010 $000**	**2011 '000**	**2010 '000**
Opening balance	3,394	722	4,230	1,171
Share buybacks	1,175	3,261	1,234	3,813
Share placements	(394)	0	(450)	0
Shares reissued under dividend reinvestment plan	(3,126)	(589)	(3,364)	(754)
Closing balance	**1,049**	**3,394**	**1,650**	**4,230**

Warrants

Relating to the period, the following transactions affected warrants on issue by the Company:

(i) On 15 September 2010, 37,780 warrants were converted to ordinary shares at $1 per share.

(ii) On 31 October 2010, 748,846 warrants were converted to ordinary shares at $1 per share.

(iii) On 31 October 2010, the remaining 50,695,153 Marlin Global warrants (MLNWA) expired.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR TO 30 JUNE 2011

	2011 $000	2010 $000

NOTE 3
TAXATION

(i) Taxation Expense

Taxable profit before tax	**8,091**	**10,673**
Non-taxable realised gain on investments	(9,718)	(16,477)
Non-taxable unrealised (gain)/loss on investments	(1,025)	1,883
Exempt dividends subject to Fair Dividend Rate	(1,250)	(1,103)
Fair Dividend Rate income	4,871	4,487
Other	372	623
Taxable income	**1,341**	**86**
Taxation expense at 30% (2010: 30%)	**402**	**26**
Taxation expense comprises:		
Current tax	402	26
	402	**26**

(ii) Current Tax Balance

Opening balance	108	554
Prior period adjustment	0	52
Current tax movements	(402)	(26)
Tax paid/(refunded)	632	(472)
Current tax receivable	**338**	**108**

(iii) Imputation Credits

Opening balance	1,159	2,523
Net imputation credits attached to dividends paid	(1,584)	(869)
Tax paid/(refunded)	535	(495)
Closing balance	**110**	**1,159**

On 20 May 2010, the New Zealand Government announced a change in the corporate tax rate from 30% to 28% for the 2011/12 tax year. This does not impact these financial statements.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR TO 30 JUNE 2011

	2011 $000	2010 $000

NOTE 4
RETAINED EARNINGS

Balance at beginning of year	9,588	981
Net operating profit after tax attributable to shareholders	7,689	10,647
Dividends paid	(8,678)	(2,040)
Balance at the end of the year	**8,599**	**9,588**

The following dividends were paid in the years ended 30 June:

	2011 cps	**2010 cps**
September	2.00	2.00
December	2.16	0
March	2.21	0
June	2.26	0
Total dividends for the year	**8.63**	**2.00**

NOTE 5
TRADE AND OTHER RECEIVABLES

Interest receivable	1	0
Dividends receivable	95	103
Unsettled investment sales	0	339
Other receivables and prepayments	18	13
Total trade and other receivables	**114**	**455**

Trade receivables are classified as loans and receivables under NZ IAS 39. Total loans and receivables are $14,525,000 (30 June 2010: $14,784,000) being cash plus trade and other receivables.

NOTE 6
TRADE AND OTHER PAYABLES

Related party payable (note 8)	290	964
Unsettled investment purchases	2,516	3,675
Other payables and accruals	62	82
Total trade and other payables	**2,868**	**4,721**

Trade payables are classified as other financial liabilities under NZ IAS 39. All payables are contractually required to be paid within three months.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR TO 30 JUNE 2011

	2011 $000	2010 $000

NOTE 7
INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

Investments at fair value through profit or loss - designated		
International listed equity investments	96,532	96,213
Total investments at fair value through profit or loss	**96,532**	**96,213**

Although investments at fair value through profit or loss are treated as current assets from an accounting point of view, the investment strategy of the Company is to hold for the medium to long term.

All investments at fair value through profit or loss are valued using quoted bid prices from an active market and are classified as Level 1 in the fair value hierarchy.

NOTE 8
RELATED PARTY INFORMATION

Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial or operational decisions.

The Manager of Marlin Global is Fisher Funds. Fisher Funds is a related party by virtue of the common directorship and a management agreement.

The management agreement with Fisher Funds provides for the provisional payment of a management fee equal to 1.25% per annum of the Gross Asset Value, calculated weekly and payable monthly in arrears. This management fee is reduced by 0.10% for each 1.0% per annum by which the Gross Return achieved on the portfolio during each financial period is less than the change in the NZX 90-Day Bank Bill Index over the same period but subject to a minimum management fee of 0.75% of the average Gross Asset Value for that period. No such adjustment to the management fee was necessary at balance date (30 June 2010: no adjustment).

Management fees paid or payable (inclusive of GST) to Fisher Funds for the year ending 30 June 2011 totalled $1,582,246 (30 June 2010: $1,526,964), with $126,032 being payable at 30 June 2011 (30 June 2010: $125,210). During the year to 30 June 2011, the management fee was calculated and invoiced at 1.25% of Gross Asset Value (30 June 2010: 1.25%).

In addition, the management agreement provides for the payment of a performance fee to the Manager under certain circumstances. The performance fee earned in the year to 30 June 2011 is $164,386, see Note 11 (30 June 2010: $838,792).

Marlin Global's corporate management team are employed by Fisher Funds to provide management services to Marlin Global. The corporate team's remuneration is recharged by Fisher Funds and the cost for the year ended 30 June 2011 was $101,584 (30 June 2010: $96,546). These costs do not include any key management personnel compensation.

Administration and marketing costs incurred by Fisher Funds on behalf of Marlin Global amounted to $40,461 for year ended 30 June 2011 and were recharged in full to Marlin Global (30 June 2010: $23,753).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR TO 30 JUNE 2011

NOTE 8
RELATED PARTY INFORMATION CONTINUED

The Directors of Marlin Global are the only key management personnel and they earn a fee for their services which is disclosed in note 1(iii) under Directors' fees (only Independent Directors earn Directors' fees). The Directors also held shares in the Company at 30 June 2011 which are disclosed in the Statutory Information section of the Annual Report and total 0.54% of total shares on issue (30 June 2010: 0.26%). The Directors did not receive any other benefits which may have necessitated disclosure under NZ IAS 24 Related Party Disclosures (paragraph 16).

Off-market transactions between Marlin Global and other Funds managed by Fisher Funds take place for the purposes of rebalancing portfolios without incurring brokerage costs. These transactions are conducted after the market has closed at last sale price (arm's length). During the year, off-market transactions between Marlin Global and other funds managed by Fisher Funds totalled $0 for purchases and $0 for sales (year ended 30 June 2010: purchases $258,000 and sales $0).

NOTE 9
FINANCIAL RISK MANAGEMENT POLICIES

The Company is subject to a number of financial risks which arise as a result of its investment activities, including; market risk (price, interest rate, and currency), credit risk and liquidity risk.

The management agreement between Marlin Global and Fisher Funds details permitted investments. Financial instruments currently recognised in the financial statements also comprise cash and short-term deposits, currency hedges, trade and other receivables and trade and other payables.

Capital Risk Management
The Company's objective when managing capital (share capital, reserves and borrowings, if any) is to prudently manage shareholder capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, undertake share buybacks, issue new shares and make borrowings in the short term.

The Company was not subject to any externally imposed capital requirements during the year.

In August 2010, the Company announced a long-term distribution policy of paying out 2% of average Net Asset Value each quarter.

Market Risk
All equity investments present a risk of loss of capital often due to factors beyond the Company's control such as competition, regulatory changes, commodity price changes and changes in general economic climates domestically and internationally. The Manager moderates this risk through careful stock selection and diversification, daily monitoring of the market positions and monthly reporting to the Board of Directors. In addition, the Manager has to meet the criteria of authorised investments within the prudential limits defined in the management agreement.

The countries in which Marlin Global's exposure is greater than 10% of the portfolio are China 26%, Germany 16% and United States 15% (2010: China 21%, United States 18% and Germany 16%).

The maximum market risk resulting from financial instruments is determined as their fair value.

Price Risk
The Company is exposed to the risk of fluctuations in the underlying value of its listed portfolio companies. No companies individually comprise more than 10% of Marlin Global's portfolio at 30 June 2011 (2010: none).

Interest Rate Risk
Surplus cash is held in foreign currency accounts overseas as well as in New Zealand bank accounts. Amounts held are subject to varying rates of interest and therefore the Company is exposed to the risk of movements in these interest rates.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR TO 30 JUNE 2011

NOTE 9
FINANCIAL RISK MANAGEMENT POLICIES CONTINUED

The Company may use short-term fixed rate borrowings to fund investment opportunities. There is no hedge against the risk of downward movements in interest rates.

Currency Risk
The Company holds assets denominated in international currencies. It is therefore exposed to currency risk as the value of international denominated equities and cash held in international currencies will fluctuate with changes in the relative value of the New Zealand dollar compared to the international currencies.

A full sensitivity analysis for foreign currency has not been provided in Note 10 to the financial statements as Marlin Global is exposed to the fluctuations of several foreign currencies. At 30 June 2011, the following foreign currency assets (converted to New Zealand dollars) were held:

	30 June 2011 NZ$000	30 June 2010 NZ$000
Euros	27,356	27,876
Hong Kong Dollars	22,340	13,506
Japanese Yen	10,710	7,987
Pounds Sterling	2	2,969
Singapore Dollars	17,205	17,434
Swiss Francs	2	4,400
US Dollars	29,499	35,492

Credit Risk
In the normal course of its business, the Company is exposed to credit risk from transactions with its counterparties. There are no significant concentrations of credit risk. The Company does not expect non-performance by counterparties, therefore no collateral or security is required.

All transactions in listed securities are paid for on delivery according to standard settlement instructions.The Company invests cash with banks registered in New Zealand and Australia which carry a minimum short-term credit rating of A-1.

Listed securities are held in trust by an independent trustee company.

The maximum credit risk of financial assets is deemed to be their carrying amount as reported in the Statement of Financial Position.

Liquidity Risk
The Company endeavours to invest the proceeds from the issue of shares in appropriate investments while maintaining sufficient liquidity, through daily cash monitoring, to meet working capital and investment requirements. Such liquidity can be augmented by short-term borrowings from a registered bank to a maximum value of 20% of the Gross Asset Value of the Company. No such borrowings have arisen to date.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR TO 30 JUNE 2011

NOTE 10
SENSITIVITY ANALYSIS

The sensitivity of the year end result and shareholders' equity to reasonably possible changes in market conditions (based on historic trends) at 30 June 2011 and 30 June 2010 is as follows:

2011: ($000)					
EQUITY PRICES (i)					
	Carrying Amount	-10%		+10%	
		Profit	Equity	Profit	Equity
Cash and cash equivalents	14,411	0	0	0	0
Investments at fair value through profit or loss - designated	96,532	(9,653)	(9,653)	9,653	9,653
INTEREST RATE (i)					
	Carrying Amount	-1%		+1%	
		Profit	Equity	Profit	Equity
Cash and cash equivalents	14,411	(144)	(144)	144	144
Investments at fair value through profit or loss - designated	96,532	0	0	0	0
FOREIGN EXCHANGE RATE (ii and iii)					
	Carrying Amount	-10%		+10%	
		Profit	Equity	Profit	Equity
US dollar and Hong Kong dollar foreign currrency assets at fair value through profit or loss - designated	51,839	5,760	5,760	(4,713)	(4,713)

The percentage movement for the interest rate sensitivity relates to an absolute change in the interest rate rather than a percentage change in interest rate. The above sensitivities do not take into account impact on tax balances.

2010: ($000)					
EQUITY PRICES (i)					
	Carrying Amount	-10%		+10%	
		Profit	Equity	Profit	Equity
Cash and cash equivalents	14,329	0	0	0	0
Investments at fair value through profit or loss - designated	96,213	(9,621)	(9,621)	9,621	9,621
INTEREST RATE (i)					
	Carrying Amount	-1%		+1%	
		Profit	Equity	Profit	Equity
Cash and cash equivalents	14,329	(143)	(143)	143	143
Investments at fair value through profit or loss - designated	96,213	0	0	0	0
FOREIGN EXCHANGE RATE (ii and iii)					
	Carrying Amount	-10%		+10%	
		Profit	Equity	Profit	Equity
US dollar and Hong Kong dollar foreign currrency assets at fair value through profit or loss - designated	48,998	5,445	5,445	(4,456)	(4,456)

(i) Based on historic trends, the Directors consider it reasonable that equity prices may move -/+10% and interest rates may move -/+1%.

(ii) Based on the NZD/USD exchange rate volatility over the past 10 years, the Directors consider it reasonable that the NZD/USD exchange rate may move by -/+10%.

(ii) The Company is exposed to movements in foreign currencies as detailed under currency risk in note 9. A sensitivity analysis has been provided to show the impact of -/+10% movement in the largest exposure, US dollars. Hong Kong denominated assets have also been included as the Hong Kong dollar is pegged to the US dollar. At 30 June 2011, the US$/NZ$ rate was 0.8259 and the HK$/NZ$ rate was 6.4265; an increase in these rates by 10% to 0.9085 and 7.0692 respectively would lead to an unrealised loss of NZ$4,712,931. Similarly, a 10% decrease to 0.7433 and 5.784 would lead to an unrealised gain of NZ$5,759,686.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR TO 30 JUNE 2011

NOTE 11
PERFORMANCE FEE

The management agreement with Fisher Funds provides for an annual performance fee for outperforming the Benchmark rate and providing excess returns.

The performance fee payable to the Manager under the agreement is 15% of the lesser of:

(a) The excess return for the applicable period multiplied by the number of shares on issue at the end of the period; or

(b) The dollar amount by which the net asset value per share exceeds the highest net asset value per share at the end of the previous calculation period multiplied by the number of shares on issue.

Excess return is defined as the excess above a benchmark return which is the change in the NZX 90-Day Bank Bill Index in the period plus 5% per annum.

Subject to all regulatory requirements, the Manager will use 25% of the performance fee to acquire shares in Marlin Global on-market within 90 days of receipt of the performance fee. This obligation shall cease if and to the extent that the Manager holds 4.99% of the shares then on issue in the Company. Any shares acquired by the Manager must be held for at least 180 days from the date of payment of the performance fee.

At 30 June 2011 the net asset value per share was above the high water net asset value per share (after adjustment for capital changes and distributions) and the benchmark return. Accordingly the Company has accrued a performance fee in its Statement of Comprehensive Income for the year to 30 June 2011 of $164,386 (30 June 2010: $838,792).

The high water net asset value per share after 30 June 2011 becomes $1.06, which is the net asset value at 30 June 2011 and will be subject to adjustments for capital changes and distributions.

NOTE 12
NET ASSET VALUE

The audited Net Asset Value per share of Marlin Global as at 30 June 2011 was $1.06 per share (30 June 2010: $1.08).

NOTE 13
CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACTUAL COMMITMENTS

There were no contingent liabilities or unrecognised contractual commitments as at 30 June 2011 (30 June 2010: None).

NOTE 14
SEGMENTAL REPORTING

The Company operates in a single operating segment being international financial investment.

NOTE 15
SUBSEQUENT EVENTS

On 29 August 2011 the Board declared a dividend of 2.13 cents per share. The record date for this dividend is 16 September 2011 with a payment date of 30 September 2011.

At 23 August 2011, the unaudited Net Asset Value of the Company was $0.88 and the share price was $0.78.

There were no other events which require adjustment to or disclosure in these financial statements.

Independent Auditor's Report
to the shareholders of Marlin Global Limited

Report on the Financial Statements

We have audited the financial statements of Marlin Global Limited on pages 34 to 51 which comprise the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements that include a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation of these financial statements in accordance with generally accepted accounting practice in New Zealand and that give a true and fair view of the matters to which they relate and for such internal controls as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand) and International Standards on Auditing. These standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal controls relevant to the Company's preparation of financial statements that give a true and fair view of the matters to which they relate, 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 Company's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

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

Other than in our capacity as auditors we have no relationship with, or interests in, Marlin Global Limited.

Opinion

In our opinion, the financial statements on pages 34 to 51:

(i.) comply with generally accepted accounting practice in New Zealand;

(ii.) comply with International Financial Reporting Standards; and

(iii.) give a true and fair view of the financial position of the Company as at 30 June 2011, and its financial performance and cash flows for the year then ended.

PricewaterhouseCoopers, 188 Quay Street, Private Bag 92162, Auckland 1142, New Zealand
T: +64 (9) 355 8000, F: +64 (9) 355 8001, www.pwc.com/nz

Report on Other Legal and Regulatory Requirements

We also report in accordance with Sections 16(1)(d) and 16(1)(e) of the Financial Reporting Act 1993. In relation to our audit of the financial statements for the year ended 30 June 2011:

(i.) we have obtained all the information and explanations that we have required; and

(i.) in our opinion, proper accounting records have been kept by the Company as far as appears from an examination of those records.

Restriction on Distribution or Use

This report is made solely to the Company's shareholders, as a body, in accordance with Section 205(1) of the Companies Act 1993. Our audit work has been undertaken so that we might state to the Company's shareholders those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report or for the opinions we have formed.

Chartered Accountants
Auckland

29 August 2011

PricewaterhouseCoopers, 188 Quay Street, Private Bag 92162, Auckland 1142, New Zealand
T: +64 (9) 355 8000, F: +64 (9) 355 8001, www.pwc.com/nz

SHAREHOLDER INFORMATION

Size of Shareholding as at 10 August 2011

Holding Range	# of Shareholders	# of Shares	% of Total
1 to 999	47	18,981	0.02
1,000 to 4,999	227	602,320	0.58
5,000 to 9,999	1,457	8,599,947	8.28
10,000 to 49,999	2,055	36,916,940	35.56
50,000 to 99,999	209	12,528,080	12.07
100,000 to 499,999	123	20,126,516	19.39
500,000 +	21	25,012,062	24.10
Total	**4,139**	**103,804,846**	**100.00**

20 Largest Shareholders as at 10 August 2011

Name	Shares Held	% of Total
1. Custodial Services Limited	3,531,636	3.40
2. FNZ Custodians Limited	2,990,887	2.88
3. Marlin Global Limited	1,709,329	1.65
4. Investment Custodial Services Limited	1,632,454	1.57
5. Forsyth Barr Custodians Limited	1,345,869	1.30
6. Forsyth Barr Custodians Limited	1,242,473	1.20
7. Custodial Services Limited	1,220,800	1.18
8. Frank Simon Pearson	1,155,356	1.11
9. Custodial Services Limited	1,101,406	1.06
10. Custodial Services Limited	954,851	0.92
11. FNZ Custodians Limited	954,845	0.92
12. Anthony John Simmonds + Maureen Simmonds + Timothy Patrick Ward	804,374	0.77
13. Hubbard Churcher Trust Management Limited	800,000	0.77
14. Society Of Mary Trust Board	800,000	0.77
15. Custodial Services Limited	791,471	0.76
16. Mantles Limited	750,000	0.72
17. Hettinger Nominees Limited	747,479	0.72
18. John Licco Sarfati	700,000	0.67
19. Forsyth Barr Custodians Limited	689,989	0.66
20. David Alexander Coory + Marie Linda Coory	562,209	0.54
Totals	**24,485,428**	**23.57**

STATUTORY INFORMATION

Directors' relevant interests in Equity Securities at 30 June 2011

Interests' Register

The Company is required to maintain an interests' register in which the particulars of certain transactions and matters involving the Directors must be recorded. The interests' register for Marlin Global is available for inspection at its registered office. Particulars of entries in the interests' register as at 30 June 2011 are as follows:

	Ordinary Shares	
	Directly Held	**Associated Persons**
J B Miller	-	5,000
A M Cotton	-	104,816
M T Todd	-	131,777
C M Fisher	-	354,534

Directors Holding Office

The Company's Directors as at 30 June 2011 were:

- James Miller (Chairman)
- Annabel Cotton
- Mark Todd
- Carmel Fisher

During the year, Rob Challinor and Ian Hendry ceased to hold office. In accordance with the Marlin Global Constitution, Carmel Fisher and Rob Challinor retired by rotation and being eligible were re-elected at the 2010 Annual Shareholders Meeting. James Miller being eligible, was elected onto the Board at the 2010 Annual Shareholders Meeting. Annabel Cotton retires by rotation at the 2011 Annual Shareholders Meeting and being eligible, offers herself for re-election. Mark Todd, being eligible, offers himself for election in accordance with the Company's Constitution.

Directors' Remuneration

The following table sets out the total remuneration received by each Director from Marlin Global for the year ended 30 June 2011. The Directors' fees disclosed in the financial statements include a portion of non-recoverable GST expensed by Marlin Global.

Directors' remuneration* for the 12 months ended 30 June 2011	
James Miller (appointed 14 September 2010)	$39,130
Annabel Cotton	$37,500
Ian Hendry	$29,177
Rob Challinor (retired 31 December 2010)	$26,780
Mark Todd (appointed 21 March 2011)	$9,103

* excludes GST

STATUTORY INFORMATION CONTINUED

Directors' Remuneration continued

Total amount paid to Directors is higher than the pool limit of $120,000; this is allowable under NZSX Listing Rule 3.5.1 as additional Directors have come on to the Board during the year.

Carmel Fisher does not earn Directors' fees.

Employee Remuneration

Marlin Global does not have any employees. Corporate Management services are provided to the Company by Fisher Funds.

Disclosure of Interests

General Interest pursuant to Section 140 of the Companies Act 1993 as at 30 June 2011

James Miller	Vector Limited	Director
	NZX Limited	Director
	Auckland International Airport Limited	Director
	Kingfish Limited	Director
	Barramundi Limited	Director
	Financial Markets Authority	Member
Annabel Cotton	Merlin Consulting Limited	Director
	Kingfish Limited	Director
	Barramundi Limited	Director
	Anamallai Tea Estates & Ropeway Company Limited	Director
	Riverbend Dairy Farms Limited	Director
	External Reporting Board	Member
Mark Todd	Kingfish Limited	Director
	Barramundi Limited	Director
	Bell Gully	Partner
Carmel Fisher	Fisher Funds Management Limited	Director
	Kingfish Limited	Director
	Barramundi Limited	Director

Directors' Indemnity and Insurance

Marlin Global Limited has insured all of its Directors against liabilities and costs referred to in Section 162 (3), 162 (4) and 162 (5) of the Companies Act 1993. The insurance does not cover liabilities arising from criminal actions.

During the year, the Company granted an indemnity in favour of all current and future Directors of the Company in accordance with the Company's constitution.

STATUTORY INFORMATION CONTINUED

Auditor's Remuneration

During the 30 June 2011 period the following amounts were paid/payable to the auditors – PricewaterhouseCoopers.

	$000
Audit Fees	32

Donations

The Company did not make any donations during the period ended 30 June 2011.

DIRECTORY

Nature of Business

The principal activity of Marlin Global Limited is investment in companies based outside New Zealand and Australia.

Manager

Fisher Funds Management Limited
Level 2
95 Hurstmere Road
Takapuna
Auckland 0622

Chief Financial Officer
Ben Doshi

Directors

Independent Directors
James Miller
Annabel Cotton
Mark Todd

Director
Carmel Fisher

Registrar

Shareholders with enquiries about transactions and changes of address should contact Marlin Global's share registrar:

Computershare Investor Services Limited
Level 2
159 Hurstmere Road
Takapuna
Auckland 0622
Phone: 09 488 8777
Email: enquiry@computershare.co.nz

Managing your shareholding online:
To change your address, update your payment instructions, and to view your investment portfolio including transactions, please visit:
www.computershare.co.nz/investorcentre

Auditors

PricewaterhouseCoopers
188 Quay Street
Auckland 1010

Solicitors

Chapman Tripp
Level 35
23 - 29 Albert Street
Auckland 1010

Hesketh Henry
Level 11
41 Shortland Street
Auckland 1010

Bankers

Australia New Zealand Banking Group Limited
Level 9
ANZ Tower
215 – 229 Lambton Quay
Wellington 6011

Investor Enquiries

Marlin Global Limited
Level 2
95 Hurstmere Road
Takapuna
Auckland 0622
Email: enquire@marlin.co.nz

Investor Relations Manager
Brigette Arnold
Telephone: +64 9 484 0365
Facsimile: +64 9 489 7139
Email: brigette@fisherfunds.co.nz

maclin

growing globally

Printed onto Advance laser, which is produced from Elemental Chlorine Free (ECF) pulp from virgin wood. This wood is sourced from managed farmed trees in an ISO14001 and ISO9001 (International Quality Management Standard) accredited mill, that generates a portion of their power from tree waste, saving 200 million litres of diesel oil annually.