

31 DECEMBER

2015

INTERIM REPORT



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UPCOMING EVENTS TO 30 JUNE 2016

Dividend Payment	24 March 2016 (ex-date 10 March, record date 11 March)
Quarter End	31 March 2016
March Quarter Update Newsletter	May 2016
Financial Year End	30 June 2016

The interim report is provided for information purposes only and does not constitute an offer, invitation, basis for a contract, financial advice, other advice or recommendation to conclude any transaction for the purchase or sale of any security, loan or other instrument. In particular, the information contained in this interim report is not financial advice for the purposes of the Financial Advisers Act 2008 and should not be relied upon when making an investment decision. Professional financial advice from an authorised financial adviser should be taken before making an investment.

DIRECTORS' OVERVIEW

The Marlin portfolio has had a slow start to the 2016 financial year with the portfolio's first half return negligible at 0.1% (adjusting for 3.87 cents per share paid in dividends). Equity markets continue to be volatile as concerns remain over whether there will be a recovery in the global economy.

The Board is pleased that the Marlin portfolio outperformed the market over the period and proved resilient in challenging times (benchmark index[^] down 3.1%).

While negative market influences and investor sentiment can significantly impact share prices, it also presents an opportunity for the portfolio management team to focus on identifying companies with sustainable competitive advantages and strong growth prospects which are trading below their value. The Board is confident that the continued focus on high quality companies and the consistent application of the Manager's investment processes will produce good medium-term results for shareholders.

First Half Result (six months ended 31 December 2015)

For the six months ended 31 December 2015, Marlin's net profit was \$0.3m, down on the corresponding prior period's first half net profit of \$2.5m. Hedging gains of \$1.0m helped offset \$1.3m of foreign exchange losses over the period. The Manager has currency hedging in place to reduce portfolio volatility and help protect the value of the portfolio in New Zealand dollar terms.

Total shareholder return (TSR)*, which includes the change in share price plus dividends paid per share, was 1.2% for the six months.

12 Month Performance (12 months ended 31 December 2015)

Marlin's net profit of \$12.4m for the 12 months ended 31 December 2015 was a significant improvement on the \$1.4m profit achieved in the corresponding 12 month period last year.

For the 12 months ended 31 December 2015, adjusted net asset value (NAV)* increased 12.5% and TSR* increased 10.8% but lagged the benchmark index[^] which was up 18.3% during the same period.



*Alistair Ryan,
Chairman.*

DIRECTORS' OVERVIEW CONTINUED

Revenue and Expenses

The key components of the first half result were gains on financial assets of \$1.7m (including currency losses of \$1.3m offset by hedging gains of \$1.0m), dividend and interest income of \$0.4m, less operating expenses of \$1.2m and tax of \$0.7m.

Operating expenses were in line with the corresponding prior period.

Tax expense is slightly higher than the corresponding prior period, even though profit before tax is lower, as a result of similar combined levels of currency hedging gains and foreign exchange gains on cash, which are taxable. In addition, as more of the portfolio was invested in shares in the current period, the amount of taxable income calculated from holding offshore share investments was slightly higher. Under the PIE tax regime, offshore share investments are taxed as if they earned 5% p.a. irrespective of their actual return.

Five-Year Summary

Figure 1 (on page 6) summarises the five-year performance for the six month periods ended 31 December 2011-2015. The summary shows TSR has been positive in four out of the five years and that shareholders have received a consistent dividend.

Since Inception

Since inception in November 2007, Marlin's adjusted NAV* is up 51.7%, compared to the benchmark index[^] which is up 62.3%.

Share Price and Dividends

Marlin's share price closed at \$0.84 on 31 December 2015, down on the 30 June 2015 share price of \$0.87. During the six month period the share price fluctuated between \$0.82 and \$0.91.

In accordance with Marlin's current distribution policy (2.0% of average NAV per quarter), the company paid 3.87 cents per share in dividends over the six month period (September and December dividends). The next dividend will be 1.88 cents per share to be paid on 24 March 2016 with a record date of 11 March 2016.

Under the distribution plan, a total of 43.46 cents per share has been paid out to shareholders in dividends since inception, which has resulted in a positive TSR* of 45.7% since listing.

Figure 2 (on page 7) tracks the Marlin share price, dividends paid and TSR* since inception.

Warrants

New warrants were issued to shareholders in July 2015. The warrants give holders the right, but not the obligation, to purchase additional shares in Marlin at an exercise price

of \$0.88, less dividends declared between 13 July 2015 and 5 August 2016. The exercise date for Marlin warrants is 5 August 2016. The final exercise price will be announced and an exercise form will be sent to warrant holders in July 2016. All warrants must be exercised by 5 August 2016 or they will lapse. Warrants are quoted on the NZX Main Board as MLNWB and may be bought or sold independently of Marlin shares. Warrants continue to be an important part of the company's overall capital management programme.

Conclusion

The six months to 31 December 2015 saw continued economic uncertainty reflected in volatile global equity markets. The Board supports the Manager's focus on identifying potential new investments and remains confident that the Marlin portfolio of quality growth companies with sustainable competitive advantages will prove resilient in the medium term. Further details of the Marlin portfolio are discussed in the Manager's Report.

On behalf of the Board,



Alistair Ryan

Chairman

Marlin Global Limited

11 March 2016

[^]Benchmark index: World Small Cap Gross Index until 30 September 2015 & S&P Large Mid Cap/S&P Small Cap Index (50% hedged to NZD) from 1 October 2015.

**Adjusted Net Asset Value (NAV) and Total Shareholder Return (TSR) are non-GAAP financial information and are calculated in accordance with the methodology described below. Adjusted NAV and TSR are used by the Marlin Board to assist shareholders in determining the performance of the company.*

Adjusted NAV

Adjusted NAV is calculated using NAVs (audited at the end of each financial year) and is net of fees and tax, adds back dividends paid to shareholders (but excludes imputation credits) and includes the dilution effect of warrants exercised.

Adjusted NAV is unaudited but has been reviewed by an independent actuary.

The Board believes adjusted NAV to be useful as it reflects the underlying performance of the investment portfolio adjusted for dividends.

TSR

TSR is calculated using the share price performance plus dividends paid to shareholders (but excludes imputation credits) and excludes the impact of warrants.

TSR is unaudited but has been reviewed by an independent actuary.

The Board believes TSR to be useful as it mirrors the return of an investor who reinvests their dividends. No metric has been included for investors who take their dividend in cash as the return on those cash dividends will differ per shareholder.

DIRECTORS' OVERVIEW CONTINUED

FIGURE 1: FIVE-YEAR PERFORMANCE SUMMARY

As at 31 December	2015	2014	2013	2012	2011
NAV	\$0.93	\$0.90	\$0.96	\$0.83	\$0.84
Adjusted (for dividends) NAV*	\$1.48	\$1.31	\$1.30	\$1.04	\$0.97
Share Price	\$0.84	\$0.83	\$0.81	\$0.67	\$0.72
Share Price Discount to NAV*	10.0%	7.6%	15.7%	19.2%	14.6%
Six month period ended 31 December	2015	2014	2013	2012	2011
Total Shareholder Return*	1.2%	4.6%	19.7%	0.9%	(20.0%)
Adjusted NAV Return*	0.1%	2.4%	13.1%	0.0%	(17.0%)
Benchmark Index*^ (in NZ dollar terms)	(3.1%)	7.7%	13.0%	6.9%	(8.2%)
Dividends paid in six months	3.87cps	3.65cps	3.58cps	3.47cps	3.89cps
Earnings per Share	0.23cps	2.32cps	11.47cps	0.16cps	(17.65cps)

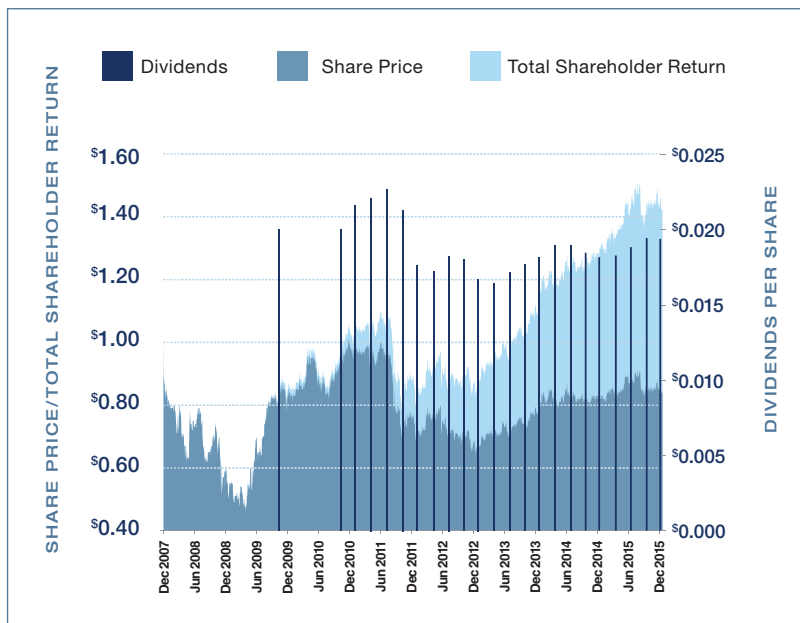
NB: All figures are unaudited. NAV is net of fees and tax and includes the dilution effect of warrants exercised. Refer to page 5 for definitions of Adjusted NAV and TSR.

*Reviewed by an independent actuary.

^Benchmark index: World Small Cap Gross Index until 30 September 2015 & S&P Large Mid Cap/S&P Small Cap Index (50% hedged to NZD) from 1 October 2015.

FIGURE 2: TOTAL SHAREHOLDER RETURN

The below Total Shareholder Return graph assumes all dividends are reinvested, but excludes imputation credits:



MANAGER'S REPORT

Equity markets have not been in a happy place recently. Concerns remain over the health of the global economy, the tightening in global financial conditions as the US dollar appreciates, the lack of pricing power and subsequent negative implications for corporate earnings, and the ongoing weakness in commodity prices.

While we expect market volatility to persist we do not believe the economic or business fundamentals have deteriorated sufficiently to justify the significant declines experienced in the second half of last year (and into 2016). However, we do accept that in the near term sentiment and fund flows are an important determinant of stock market pricing and that stocks and markets can trade away from fundamentals. Such an environment provides opportunities, and while we are wary of a fragile global economy that is operating well below full potential we believe the chances of the global economy falling into recession remain low. Consequently, our current focus is on identifying opportunities that often present themselves in times of market turmoil.

The benchmark index[^] fell by 3.5% in the second half of 2015 in USD terms and by 3.1% in NZD terms. In contrast to the previous six months, currency movements had a relatively limited impact. Marlin delivered flat returns of 0.1% aided by our focus on high quality growth companies.

Our highest conviction stock, Google, performed ahead of expectations and delivered strong returns for the portfolio. We remain very comfortable with the company. Many of our other companies performed in line with expectations. That's not to say the portfolio was bullet proof – it wasn't. Two stocks that have delivered strong results in the past had major corrections. Wasion's share price decline was not helped by a volatile Chinese equity market, but there was increasing concern that declines in the growth in corporate capex could negatively impact Wasion's earnings, while Biotest issued a profit warning that was not well received by the market. Share market investors have been particularly harsh on companies that either disappoint with their earnings delivery or guide to lower growth going forward.

Portfolio Update

Many US companies generate revenues and earnings from offshore sources. The strength in the US dollar has proved to be a significant earnings headwind at both a reported (due to foreign exchange translation) and operational level (due to improved competitiveness of their international peers). This latter development often means a more competitive landscape and pressure on market share for the US company. In many situations, they are faced with a decision to either maintain operating margins

[^]Benchmark index: World Small Cap Gross Index until 30 September 2015 & S&P Large Mid Cap/S&P Small Cap Index (50% hedged to NZD) from 1 October 2015.

(keep prices stable but potentially lose market share) or maintain market share (and adjust prices down in order to maintain their competitive position but in the process hurt their margins and profitability). Either way it is proving to be a difficult earnings environment for US companies with foreign earnings sources and this is a factor we are monitoring closely when we assess the risks in the portfolio.

During the period, Google became **Alphabet**. Operationally little changed, but they did change the way they report – for the better. They now disclose revenue, profits and capex for both Google and Other Bets (the division that incorporates their aspiring businesses including self driving cars, robotics, and high speed internet) which helps quantify the amount of capital being allocated to these loss making businesses. While Other Bets is currently loss making to the tune of US\$3.6 billion there is the potential that at some point some of these projects will be of some value to Alphabet. In the core business, Google, revenue accelerated driven by strong growth in mobile advertising and YouTube. Given Google's size, this revenue reacceleration is really quite an amazing achievement, demonstrating their market dominance and the long term growth tailwinds in digital advertising. Alphabet was the strongest performer over the half and remains a high conviction position in the portfolio. **eBay** and **PayPal** both reported sound results post their split. Both companies showed the obvious benefits of being separate entities with more disclosure and clarity on the reinvestment initiatives that will help drive growth going forward. eBay's growth continued to be hampered by a strong US dollar. Similarly, some of their investment initiatives, such as in structured data, are more cost heavy initially but ultimately we believe they will lead to better growth as the quality of their site and search capability improves. PayPal continued to perform slightly ahead of

“ **While we expect market volatility to persist we do not believe the economic or business fundamentals have deteriorated sufficiently to justify the significant declines experienced in the second half of last year.** ”

*Roger Garrett,
Senior Portfolio Manager.*



MANAGER'S REPORT CONTINUED

expectations with the company outgrowing ecommerce and gaining market share. This is despite the ongoing threat from ApplePay and MasterPass. We continue to monitor the progress of their competitor's efforts to sign up merchants but believe the medium term growth outlook remains strong for PayPal. **Nike's** strong business momentum continued during the half with lower commodity prices, continued production innovation, new products and some pricing power (a very rare feature these days) in their premium products underpinning 14% growth on a currency neutral basis.

Plantronics was one of two disappointments amongst our US companies. The company actually beat consensus expectations but guidance was weak and the business was not seeing the traction in unified communications that many had expected. Partly this is due to the delay in Microsoft's launch of Skype for business but we believe it will take time for Plantronics to benefit in a meaningful way as customers test and implement these new solutions as a precursor for demand for Plantronics' equipment. Plantronics also was a victim of the stronger dollar which eroded its competitive position in international markets. This led to pricing pressure and subsequent weaker gross margins. In a similar vein, **Harley Davidson's** growth came under pressure from the improved competitiveness of its Japanese and European counterparts. This resulted in market share loss as the company has been reluctant to adjust pricing down in the belief it would devalue the brand. Rather, Harley Davidson continue to focus on improving sales and marketing to increase product and brand awareness and increase the speed of new product releases.

In Europe, **Wirecard** continues to grow and take market share in the online payments area. Their track record of growth is enviable with a five year compound annual growth rate of 22% and a good acceleration trend in the last three years. They continue to expand their global footprint and introduce new innovative products which we believe will underpin strong earnings growth over the medium term.

Adidas had a very strong second half capped by the positive publicity they received from sponsoring the All Blacks, winners of the 2015 rugby world cup. Like Nike, they are benefitting from the growth in 'athleisure'. However, their success has also been based on leveraging the core Adidas brand with better marketing campaigns, improved point of sale and more visible sports sponsorship. They still have work to do to turnaround their Reebok and golf businesses but initial progress here is encouraging, especially with Reebok where their brand is gaining traction in cross-fit and UFC. **Brembo's** performance continued to surprise on the upside with particularly strong demand in the US operations where their strong product offering allowed them to gain market share.

There were two key disappointing stocks in Europe that had a disproportionate influence on the portfolio performance. Firstly, **Volkswagen** admitted they deliberately misled regulators in the US (and almost everywhere else as it turned out) by equipping some of its main 'clean diesel' cars with software (called defeat devices) designed to recognise when a car is being emissions tested and immediately cutting emissions to permissible levels. Apart from the unquantifiable damage to their brand and the considerable monetary costs through regulatory fines, recalls and class action suits, our decision to immediately sell was because we lost confidence in management and their internal control systems. A company that wilfully deceives regulators and their customers over such a long period can simply not be trusted and as such doesn't meet the stringent quality standards we set for companies we are prepared to own. **Biotest** announced a large impairment related to its US plasma therapy operations and in particular the write-off of a significant amount of old plasma inventory. It also announced a reduced outlook for one of its pipeline of plasma therapies related to a Hepatitis C re-infection. While not welcome news, we believe the underlying thesis of strong long term growth in their plasma business remains. They will double production capacity by 2020 and increase yields which will dramatically improve the profitability of the plasma business.

In Japan, **Park 24** delivered strong performance for the portfolio. The company has good operational momentum in their parking business with increased parking spaces and improving occupancy. However, the real progress was in their mobility business

“**Capitulation in market sentiment is an opportunity to look for high quality companies, with strong moats and good growth prospects that have been dragged down with the market.**”

*Carmel Fisher,
Managing Director.*



MANAGER'S REPORT CONTINUED

where their rental car business profits rose 50% due to increasing utilisation, while their short term car hire business moved into profit as weekday utilisation increased and declining fuel costs helped demand but certainly improved margins. The overall business has good momentum and this is fully reflected in the high valuation, particularly when measured by historical standards.

In China, **Alibaba** performed in line with our expectations with slowing transaction growth (albeit they are still growing at 25%) but increasing revenue growth as the monetisation rate they made improved, particularly purchases made by mobile phone. We remain positive on the outlook for Alibaba despite the challenges China faces. The continued shift of the economy away from a focus on investment towards increasing reliance on consumption together with their improving penetration in smaller cities, cross border e-commerce opportunities, expanded product categories and improving mobile monetisation underpins a solid medium term growth outlook. **Wasion** shares were buffeted by the volatile Chinese share market and exposure to a slowdown in Chinese capital expenditure. Near term challenges remain as corporate capital expenditure remains under pressure. We have fully exited our position since period end due to governance concerns.

Portfolio Activity

We remain focused on delivering a portfolio of high quality companies with sustainable competitive advantages that generate strong cash flows and are not at excessive valuations. During the second half of 2015 we looked to further deliver on this strategy with three new additions and we sold out of two stocks.

We initiated a position in **Mead Johnson**, a US listed market leader in the growing global market for infant formula and nutritional drinks for children. Mead Johnson's growth potential is both long and strong, especially in emerging markets which constitute about 70% of their revenue. Consumption levels in these markets are low by global standards, there is a growing middle class with rising incomes and a growing female participation rate in the workforce. Furthermore there is a strong preference for premium international brands. We also like the high barriers to entry in the infant formula market and significant brand equity that the top international companies enjoy. Mead is a company we have been following for a while and exaggerated concerns over excess inventory and competition in the Chinese market provided a good opportunity to initiate a position.

We also initiated a position in **Cerner**, the leading global provider of healthcare IT services. They provide a broad range of services to healthcare organisations of all sizes, including electronic medical records, billing systems, hospital IT administration, practice management and applications in population health management (this includes data and analysis that allows hospitals to monitor and predict care requirements for a patient population). Cerner has a strong track record of growth and their scale has allowed them to continuously gain market share in a fairly fragmented market. Barriers to entry are high and the industry is consolidating as smaller players struggle to adjust to increasing regulation and the constant need for significant Research & Development (R&D) spend that supports a competitive product offering. Cerner spends more on R&D a year than the next five players combined and this gives them a strong competitive advantage in an attractive growth industry where switching tendencies are low.

Finally we initiated a position in **Cognizant**, a leading IT services company that provides IT, consulting and business services to a range of generally larger global companies. Cognizant is a high quality company and is deeply ingrained with its customers' operations and strategy. Cognizant has a long growth runway as it is well positioned to benefit from a significant shift in IT spend towards digital. Cognizant has a strong track record of growth, clocking up 25% earnings growth per annum over the last five years. They are a highly innovative company and have adapted well to the changing pace and complexity in IT over the years. Their focus of continued investment in innovation should continue to support this trend.

We exited **Sirona** and **Gameloft** during the second half of 2015. Sirona announced a merger with Dentsply, which upon analysis left us with a merged company that fell short of our stringent investment needs. Dentsply, which accounts for 60% of the new merged company, is a fundamentally different business than Sirona. It operates in the dental consumables market (whiteners, dental implants) as opposed to the digital dental equipment market that is Sirona's focus. The consumables market is significantly more competitive and has lower barriers to entry than the high end dental equipment market. Furthermore, Dentsply's track record and growth prospects are lacklustre in our view so we decided to exit Sirona. Our decision to exit Gameloft came after discussions we had with the company and our increasing concern that mobile game monetisation could change from a pay per game model to an advertising one. Monetisation has been a key challenge for Gameloft, but yet another change in the industry monetisation model would potentially prove highly disruptive for the company. We felt it prudent to exit the stock and monitor from the sidelines.

MANAGER'S REPORT CONTINUED

Portfolio Outlook

Investment sentiment can be fickle, and for much of 2016 the market psychology has been locked onto what can go wrong in the global economy. While this can have a significant impact on prices in the near term, we firmly believe that fundamentals drive prices over the medium term. We do recognise that sustained negative sentiment can have a detrimental impact on business and consumer behaviour. Even so, in our opinion the global fundamentals are not as bad as the market is signalling. The risk of global recession remains low and the market weakness we have seen this year is part of a recalibration process to reflect higher perceived risks to the global economy and corporate earnings.

Consequently, capitulation in market sentiment is an opportunity to look for high quality companies, with strong moats and good growth prospects that have been dragged down with the market. It also gives us an opportunity to add to conviction positions in the portfolio where appropriate. Similarly, we are also intensifying our focus on the sustainability of moats and how competitive pressures can impact corporate pricing both for stocks in the portfolio and also portfolio candidates. Pricing power is a key differentiator in a near deflationary world.



Roger Garrett
Senior Portfolio Manager
Fisher Funds Management Limited
11 March 2016



Carmel Fisher
Managing Director
Fisher Funds Management Limited
11 March 2016

Portfolio Holding Summary as at 31 December 2015

Location	Company	% Holding
China	Wasion Group	2.9%
Denmark	Coloplast	3.4%
France	Zodiac	2.3%
Germany	Adidas	2.7%
	Biotest	2.8%
	Stratec Biomedical	3.4%
	United Internet	2.4%
	Wirecard	5.6%
Ireland	Icon	3.0%
Israel	Sarine Technologies	2.5%
Italy	Brembo	3.8%
Japan	Horiba	2.5%
	Park 24	2.7%
Mexico	Cognizant	2.4%
	Genomma Lab	2.0%
United Kingdom	IMI	1.6%
United States	Alibaba	4.0%
	Alphabet (formerly Google)	5.9%
	Blackhawk	2.8%
	Cerner	2.4%
	eBay	3.3%
	Expedia	2.8%
	Harley Davidson	2.2%
	LKQ	3.2%
	Mastercard	4.0%
	Mead Johnson	2.3%
	Nike	3.0%
	PayPal	4.7%
	Plantronics	2.6%
	United Parcel Service	3.1%
	Varian Medical Systems	3.0%
	Equity Total	95.3%
	Total foreign cash	1.1%
	New Zealand dollar cash	0.5%
	Cash Total	1.6%
	Forward foreign exchange contracts	3.1%
	TOTAL	100.0%



Independent Review Report

to the shareholders of Marlin Global Limited

Report on the Interim Financial Statements

We have reviewed the accompanying financial statements of Marlin Global Limited ("the Company") on pages 17 to 33, which comprise the statement of financial position as at 31 December 2015, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the period ended on that date, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

The Directors are responsible on behalf of the Company for the preparation and presentation of these financial statements in accordance with New Zealand Equivalent to International Accounting Standard 34 *Interim Financial Reporting* (NZ IAS 34) and for such internal controls as the Directors determine are necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with the New Zealand Standard on Review Engagements 2410 *Review of Financial Statements Performed by the Independent Auditor of the Entity* (NZ SRE 2410). NZ SRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects, in accordance with NZ IAS 34. As the auditor of the Company, NZ SRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial statements.

A review of financial statements in accordance with NZ SRE 2410 is a limited assurance engagement. The auditor performs procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly we do not express an audit opinion on these financial statements.

We are independent of the Company. Our firm carries out other services for Marlin Global Limited in the areas of other assurance and non-assurance related services. The provision of these other services has not impaired our independence.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these interim financial statements of Marlin Global Limited are not prepared, in all material respects, in accordance with NZ IAS 34.

Restriction on Use of Our Report

This report is made solely to the Company's shareholders, as a body. Our review 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 our review 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 shareholders for our review procedures, for this report, or for the conclusion we have formed.

Chartered Accountants
22 February 2016

Auckland

STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 31 DECEMBER 2015

	Notes	6 months ended 31/12/15 unaudited	6 months ended 31/12/14 unaudited
		\$000	\$000
Interest income		18	26
Dividend income		407	377
Other (losses)/income	1(i)	(7)	315
Net changes in fair value of financial assets	1(ii)	1,711	3,504
Total net income		2,129	4,222
Operating expenses	1(iii)	(1,187)	(1,152)
Operating profit before tax		942	3,070
Total tax expense		(686)	(572)
Net operating profit after tax attributable to shareholders		256	2,498
Other comprehensive income		0	0
Total comprehensive income after tax attributable to shareholders		256	2,498
Earnings per share			
Basic earnings per share			
Profit attributable to owners of the company (\$'000)		256	2,498
Weighted average number of ordinary shares on issue net of treasury stock ('000)		110,172	107,600
Basic earnings per share		0.23c	2.32c
Diluted earnings per share			
Profit attributable to owners of the company (\$'000)		256	2,498
Weighted average number of ordinary shares on issue net of treasury stock ('000)		110,172	107,600
Weighted average number of warrants on issue ('000)		25,590	0
		135,762	107,600
Diluted earnings per share		0.19c	2.32c

The Notes to the Interim Financial Statements set out on pages 21 to 33 should be read in conjunction with this Statement of Comprehensive Income.

MARLIN GLOBAL LIMITED

STATEMENT OF
CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 31 DECEMBER 2015

	Attributable to shareholders of the company			
	Notes	Share Capital	Accumulated Deficits	Total Equity
		\$000	\$000	\$000
Balance at 1 July 2014 (audited)		103,385	(5,433)	97,952
Comprehensive income				
Profit for the period		0	2,498	2,498
Other comprehensive income		0	0	0
Total comprehensive income for the period ended 31 December 2014		0	2,498	2,498
Transactions with owners				
Share buybacks		(573)	0	(573)
Dividends paid		0	(3,919)	(3,919)
Dividends reinvested		1,637	0	1,637
Total transactions with owners for the period ended 31 December 2014		1,064	(3,919)	(2,855)
Balance at 31 December 2014 (unaudited)		104,449	(6,854)	97,595
Balance at 1 July 2015 (audited)		105,625	1,295	106,920
Comprehensive income				
Profit for the period		0	256	256
Other comprehensive income		0	0	0
Total comprehensive income for the period ended 31 December 2015		0	256	256
Transactions with owners				
Share buybacks	2	(930)	0	(930)
Warrant issue costs	2	(14)	0	(14)
Dividends paid		0	(4,255)	(4,255)
Dividends reinvested	2	1,783	0	1,783
Total transactions with owners for the period ended 31 December 2015		839	(4,255)	(3,416)
Balance at 31 December 2015 (unaudited)		106,464	(2,704)	103,760

The Notes to the Interim Financial Statements set out on pages 21 to 33 should be read in conjunction with this Statement of Changes in Equity.

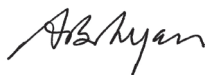
MARLIN GLOBAL LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	Notes	31/12/15 unaudited	30/06/15 audited
		\$000	\$000
ASSETS			
Current Assets			
Cash and cash equivalents		1,544	7,681
Trade and other receivables		139	33
Financial assets at fair value through profit or loss	3	102,517	102,624
Current tax receivable		0	606
Deferred tax asset		0	4
Total Current Assets		104,200	110,948
TOTAL ASSETS		104,200	110,948
LIABILITIES			
Current Liabilities			
Financial liabilities at fair value through profit or loss	3	216	2,369
Trade and other payables		189	1,659
Current tax payable		35	0
Total Current Liabilities		440	4,028
TOTAL LIABILITIES		440	4,028
EQUITY			
Share capital	2	106,464	105,625
(Accumulated deficits)/Retained earnings		(2,704)	1,295
TOTAL EQUITY		103,760	106,920
TOTAL EQUITY AND LIABILITIES		104,200	110,948

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



A B Ryan - Chairman
22 February 2016



C A Campbell - Chair of the Audit and Risk Committee
22 February 2016

The Notes to the Interim Financial Statements set out on pages 21 to 33 should be read in conjunction with this Statement of Financial Position.

MARLIN GLOBAL LIMITED

**STATEMENT OF
CASH FLOWS**

FOR THE SIX MONTHS ENDED 31 DECEMBER 2015

	Notes	6 months ended 31/12/15 unaudited	6 months ended 31/12/14 unaudited
		\$000	\$000
Operating Activities			
<i>Cash was provided from:</i>			
- Sale of investments		15,096	11,677
- Interest received		18	26
- Dividends received		326	318
- Other income		681	155
<i>Cash was applied to:</i>			
- Purchase of investments		(15,433)	(11,007)
- Operating expenses		(2,572)	(1,985)
- Taxes paid		(41)	(309)
Net cash outflows from operating activities	4	(1,925)	(1,125)
Financing Activities			
<i>Cash was applied to:</i>			
- Warrant issue costs		(14)	0
- Share buybacks		(1,042)	(596)
- Dividends paid (net of dividends reinvested)		(2,472)	(2,282)
Net cash outflows from financing activities		(3,528)	(2,878)
Net decrease in cash and cash equivalents held		(5,453)	(4,003)
Cash and cash equivalents at beginning of the period		7,681	9,819
Effects of foreign currency translation on cash balance		(684)	166
Cash and cash equivalents at end of the period		1,544	5,982

All cash balances comprise short-term cash deposits.

The Notes to the Interim Financial Statements set out on pages 21 to 33 should be read in conjunction with this Statement of Cash Flows.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2015

General Information

Entity Reporting

The interim financial statements are for Marlin Global Limited ("Marlin" or "the company").

Legal Form and Domicile

Marlin is incorporated and domiciled in New Zealand.

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

The company is listed on the NZX Main Board and became an FMC Reporting Entity under the Financial Markets Conduct Act 2013 on 1 December 2014. The financial statements have been prepared in accordance with the requirements of the NZX listing rules.

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 1, 67-73 Hurstmere Road, Takapuna, Auckland.

Authorisation of Interim Financial Statements

The Marlin Board of Directors authorised these interim financial statements for issue on 22 February 2016.

No party may change these interim financial statements after their issue.

Accounting Policies

Period Covered by Interim Financial Statements

These financial statements cover the unaudited results from operations for the six months ended 31 December 2015.

Statement of Compliance

The interim financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with New Zealand equivalent to International Accounting Standard 34 ("NZ IAS 34") *Interim Financial Reporting*.

The interim financial statements do not include all of the information required for full year financial statements and should be read in conjunction with the company's annual financial report for the year ended 30 June 2015.

MARLIN GLOBAL LIMITED**NOTES TO THE INTERIM FINANCIAL STATEMENTS CONTINUED
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

The company has applied consistent accounting policies in the preparation of these interim financial statements as for the 2015 full year financial statements.

There are no standards, amendments or interpretations that have been issued but are not yet effective that are expected to impact the company's financial statements.

Critical Judgements, Estimates and Assumptions

The preparation of these interim financial statements did not require the directors to make material judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

NOTE 1 - STATEMENT OF COMPREHENSIVE INCOME

	6 months ended 31/12/15 unaudited	6 months ended 31/12/14 unaudited
	\$000	\$000
(i) Other (Losses)/Income		
Foreign exchange (losses)/gains on cash and cash equivalents	(7)	315
Total other (losses)/income	(7)	315
(ii) Net Changes in Fair Value of Financial Assets and Liabilities		
<i>Investments designated at fair value through profit or loss</i>		
International equity investments	2,016	(649)
Foreign exchange (losses)/gains on equity investments	(1,313)	3,624
Total gains on designated financial assets	703	2,975
<i>Financial assets at fair value through profit or loss - held for trading</i>		
Gains on forward foreign exchange contracts	1,008	529
Total gains on financial assets and liabilities held for trading	1,008	529
Net changes in fair value of financial assets and liabilities	1,711	3,504

MARLIN GLOBAL LIMITED

NOTES TO THE INTERIM FINANCIAL STATEMENTS CONTINUED
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015NOTE 1 - STATEMENT OF COMPREHENSIVE INCOME
CONTINUED

	6 months ended 31/12/15 unaudited	6 months ended 31/12/14 unaudited
	\$000	\$000
(iii) Operating Expenses		
Management fees (note 5)	772	710
Custody, brokerage and transaction fees	112	121
Administration services (note 5)	80	27
Corporate management services (note 5)	0	69
Directors' fees (note 5)	72	70
Investor relations and communications (note 5)	77	72
NZX fees	23	31
Auditor's fees:		
Statutory audit and review of financial statements	12	17
Other assurance services*	1	1
Non assurance services*	5	5
Professional fees	15	14
Other operating expenses	18	15
Total operating expenses	1,187	1,152

*Other assurance services relate to a share register audit and non assurance services relate to annual shareholders meeting procedures. No other fees were paid to the auditor during the period (31 December 2014: nil).

NOTE 2 - SHARE CAPITAL

	6 months ended 31/12/15 unaudited	Year ended 30/06/15 audited
	\$000	\$000
Opening balance	105,625	103,385
Shares issued from treasury stock under the dividend reinvestment plan	894	982
New shares issued under the dividend reinvestment plan	889	2,347
	1,783	3,329
Warrant issue costs	(14)	0
Share buybacks held as treasury stock	(930)	(1,089)
Closing balance	106,464	105,625

Ordinary Shares

As at 31 December 2015 there were 111,203,696 (30 June 2015: 110,086,299) fully paid Marlin shares on issue, including treasury stock of 110,000 shares (30 June 2015: 126,593 shares). 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.

Warrants

On 14 July 2015, 27,546,716 new Marlin warrants were allotted and listed on the NZX Main Board. One new warrant was issued to all eligible shareholders for every four shares held on record date (13 July 2015). The warrants are exercisable at \$0.88, adjusted down for dividends declared during the period up to the exercise date of 5 August 2016. Warrant holders can elect to exercise some or all of their warrants on the exercise date subject to a minimum exercise of 500 warrants.

MARLIN GLOBAL LIMITED**NOTES TO THE INTERIM FINANCIAL STATEMENTS CONTINUED
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015****NOTE 2 - SHARE CAPITAL CONTINUED****Treasury stock**

On 31 October 2015, Marlin 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 cost of treasury stock (including transaction costs) is deducted from share capital.

At 31 December 2015, 110,000 ordinary shares were held as treasury stock (30 June 2015: 126,593). The value of treasury stock at 31 December 2015 is a credit of \$217,677 (30 June 2015: \$181,442) as a result of treasury stock being acquired at a lower price when the company has bought the shares back compared to the price when the company has re-issued shares.

Dividends

Total dividends per share for the period ended 31 December 2015 were \$0.0387 (31 December 2014: \$0.0365). Dividends for the period ended 31 December 2015, and prior to any reinvestment totalled \$4,254,709 (31 December 2014: \$3,920,886).

NOTE 3 - FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	31/12/15 unaudited	30/06/15 audited
	\$000	\$000
<i>Financial assets designated at fair value through profit or loss</i>		
International listed equity investments	99,043	102,624
<i>Financial assets at fair value through profit or loss - held for trading</i>		
Fair value of forward foreign exchange contracts	3,474	0
Total financial assets at fair value through profit or loss	102,517	102,624
<i>Financial liabilities at fair value through profit or loss - held for trading</i>		
Fair value of forward foreign exchange contracts	216	2,369
Total financial liabilities at fair value through profit or loss	216	2,369

Although international listed equity investments 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.

International listed equity investments at fair value through profit or loss are valued using last sale prices from an active market, with the exception of nine stocks where the last sale prices were outside the bid-ask spread on 31 December 2015 (30 June 2015: seven) and therefore bid price was used. All investments are classified as Level 1 in the fair value hierarchy.

Forward foreign exchange contracts are valued using observable market prices (as they are not quoted) and they are classified as Level 2 in the fair value hierarchy. The notional value of forward foreign exchange contracts held at 31 December 2015 was \$31,483,642 (30 June 2015: \$26,264,775).

MARLIN GLOBAL LIMITED

NOTES TO THE INTERIM FINANCIAL STATEMENTS CONTINUED
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015NOTE 4 - RECONCILIATION OF OPERATING PROFIT
AFTER TAX TO NET CASH FLOWS FROM OPERATING
ACTIVITIES

	6 months ended 31/12/15 unaudited	6 months ended 31/12/14 unaudited
	\$000	\$000
Net profit after tax	256	2,498
Items not involving cash flows		
Unrealised loss/(gain) on cash and cash equivalents	684	(166)
Unrealised loss/(gain) on investments	546	(4,683)
	1,230	(4,849)
Impact of changes in working capital items		
Decrease in fees and other payables	(1,470)	(843)
Increase in interest, dividends and other receivables	(106)	(66)
Change in current tax	645	263
	(931)	(646)
Items relating to investments		
Net amount (paid)/received from investments	(337)	670
Realised (gains)/losses on investments	(2,256)	1,179
Decrease in share buybacks payable	113	23
	(2,480)	1,872
Net cash outflows from operating activities	(1,925)	(1,125)

NOTE 5 - 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 is Fisher Funds Management Limited ("Fisher Funds" or "the Manager"). Fisher Funds is a related party by virtue of the Manager's 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% (plus GST) 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 year is less than the change in the NZ 90 Day Bank Bill Index over the same period but subject to a minimum management fee of 0.75% (plus GST) per annum of the average gross asset value for that period. The annual management fee is finalised at 30 June and any adjustment (where the management fee is less than 1.25%) is offset against future management fee payments due to Fisher Funds.

For the period ended 31 December 2015, there was no management fee adjustment required (31 December 2014: no adjustment).

Management fees for the six months ended 31 December 2015 totalled \$771,770 (31 December 2014: \$709,727).

In addition, a performance fee may be earned by the Manager if the portfolio returns exceed the performance fee hurdle of the change in NZ 90 Day Bank Bill Index plus 5% per annum, to the extent the high water mark is also exceeded. Performance fees are calculated weekly and payable annually at the end of each financial year. Therefore the actual amount payable at 30 June may be greater or less than a performance fee accrued at 31 December. No performance fee has been earned by the Manager for the six months to 31 December 2015 (31 December 2014: nil). The consideration for any performance fee payable is calculated in accordance with the Management agreement with Fisher Funds and comprises cash and Marlin share capital. Full details of the performance fee calculation methodology are included in the Marlin annual report for the year ended 30 June 2015.

MARLIN GLOBAL LIMITED**NOTES TO THE INTERIM FINANCIAL STATEMENTS CONTINUED
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015****NOTE 5 - RELATED PARTY INFORMATION CONTINUED**

Effective from 1 November 2014, Marlin entered into an Administration Services Agreement with Fisher Funds for the provision of administration services. The nature of the administration services provided by Fisher Funds has not changed from those provided previously and the costs are similar. However, from 1 November 2014 a regular monthly fee is charged where previously there were separate charges for the costs associated with the corporate management team, including salaries and other personnel costs. All future administration services costs will be disclosed as administration services in note 1(iii) rather than as corporate management services.

The amount payable to Fisher Funds at 31 December 2015 in respect of management fees and administration services was \$140,836 (31 December 2014: \$133,618 and 30 June 2015: \$139,383).

The directors of Marlin are the only key management personnel as defined by *NZ IAS 24 Related Party Disclosures* and they earn a fee for their services which is disclosed in note 1(iii) under directors' fees (only independent directors earn a director's fee). The directors did not receive any other benefits which may have necessitated disclosure under *NZ IAS 24* (paragraph 16).

Off-market transactions between Marlin 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 (on an arm's length basis). During the period ended 31 December 2015, off-market transactions between Marlin and other funds managed by Fisher Funds totalled \$1,675,292 for purchases and nil for sales (31 December 2014: nil for purchases, nil for sales).

NOTE 6 - 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 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 period.

In August 2010, the company announced a long-term distribution policy paying out 2% of average net asset value each quarter which continues to apply.

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's market risk exposure is greater than 10% of the portfolio at 31 December 2015 are: United States 49% and Germany 17% (31 December 2014: United States 40% and Germany 21%, 30 June 2015: United States 47% and Germany 17%).

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

MARLIN GLOBAL LIMITED

NOTES TO THE INTERIM FINANCIAL STATEMENTS CONTINUED
FOR THE SIX MONTHS ENDED 31 DECEMBER 2015NOTE 6 - FINANCIAL RISK MANAGEMENT POLICIES
CONTINUEDPrice Risk

The company is exposed to the risk of fluctuations in the underlying value of its listed portfolio companies. At 31 December 2015 there were no companies that individually comprise more than 10% of Marlin's total assets (31 December 2014 and 30 June 2015: nil).

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. There is no hedge against the risk of movements in interest rates. The company may use short-term fixed rate borrowings to fund investment opportunities. There were no borrowings at 31 December 2015 (31 December 2014 and 30 June 2015: nil).

Currency Risk

The company holds monetary and non-monetary 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. The company mitigates against this risk by entering into forward foreign exchange contracts as and when the Manager deems it appropriate. At any time during the period the portfolio may be hedged by an amount deemed appropriate by the Manager.

Credit Risk

In the normal course of its business, the company is exposed to credit risk from transactions with its counterparties.

Other than cash in the bank, 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 and enters into forward foreign exchange contracts with banks registered in New Zealand and internationally which carry a minimum short-term credit rating of S&P A-1 (or equivalent).

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 as necessary 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.

NOTE 7 - NET ASSET VALUE

The unaudited net asset value of Marlin as at 31 December 2015 was \$0.93 per share (31 December 2014: \$0.90 per share unaudited, 30 June 2015: \$0.97 per share audited).

NOTE 8 - SUBSEQUENT EVENTS

At 16 February 2016, the unaudited net asset value of the company was \$0.85 per share and the share price was \$0.78.

On 22 February 2016 the Board declared a dividend of 1.88 cents per share. The record date for this dividend is 11 March 2016 with a payment date of 24 March 2016.

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

DIRECTORY

Nature of Business

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

Manager

Fisher Funds Management Limited

Level 1
67 – 73 Hurstmere Road
Takapuna
Auckland 0622

Directors

Independent Directors

Alistair Ryan (Chairman)
Carol Campbell
Andy Coupe

Director

Carmel Fisher

Corporate Manager

Glenn Ashwell

Registrar

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

Computershare Investor Services Limited

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Auckland 0622
Phone: +64 9 488 8777
Email: enquiry@computershare.co.nz

Auditor

PricewaterhouseCoopers New Zealand

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Auckland 1010

Solicitor

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Auckland 1010

Banker

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