

september 2008 - update



Dear Share and Warrant Holders

We were delighted to see nearly 200 attendees at Marlin's inaugural Annual Shareholders Meeting ("ASM") in Auckland on Wednesday 22nd October. This was the first opportunity for many to hear first hand from our Manager, Fisher Funds, on the activity within the portfolio companies and their thoughts on how they should weather these turbulent times.

The Manager's slow and steady approach in acquiring investments over the year has been rewarded with an exciting portfolio of favoured stocks. The companies are well researched by the Manager, and their operations visited often.

A buyback programme was announced earlier this week which will enable the Manager to purchase up to 5.1 million shares and up to 20 million warrants from 3 November 2008 to 31 October 2009. Implementing the buyback programmes at this stage provides the Manager with flexibility to act when it considers the market conditions are appropriate for acquiring Marlin shares.

Resolutions put to shareholders at the ASM were passed; Annabel Cotton was re-elected as a Director and authority given for the Board to set the remuneration of our auditors PricewaterhouseCoopers. The ASM presentation is included on our website under "Shareholder Reports" and minutes of the meeting will be available on the website from late November.

In such an unprecedented investment climate, we need to emphasise that Marlin remains a long term investor. We own a unique portfolio of high quality companies. While market fear has meant these are undervalued, it is worth remembering that small cap companies typically are the ones that bounce back quicker coming out of a recession into a period of economic expansion.

Yours sincerely

Rob Challinor - Chairman, Marlin Global Limited
24 October 2008

"The market will move higher, perhaps substantially so, well before the economy turns up. So if you wait for the robins, spring will be over" *Warren Buffet, USA*

At a Glance

Performance for the period 1 November 2007 to 30 September 2008 (since listing):

	1 Nov '07	30 Sep '08	Movement since listing
Net Asset Value	\$0.97	\$0.86	-11%
Diluted Net Asset Value	\$0.98	\$0.91	-7%
Share Price	\$0.90	\$0.66	-27%
Warrant Price	\$0.21	\$0.08	-62%

* Based on adjusted Net Asset Value per share at listing of \$0.9734, representing the issue price of \$1 less issue costs of \$0.0266 per share.

**The Diluted Net Asset Value per share is higher than the Net Asset Value per share because it assumes all outstanding warrants (30 Sep 2008: 51,499,999) will be exercised at a price of \$1.00 per warrant. Realistically it is not expected that warrants will be exercised if the share price is below \$1.00

Performance for the three months 30/6/2008 to 30/9/2008

	30 Jun 08	30 Sep 08	Movement
Net Asset Value	\$0.92	\$0.86	-7%
Diluted Net Asset Value	\$0.94	\$0.91	-3%
Share Price	\$0.66	\$0.66	0%
Warrant Price	\$0.09	\$0.08	-11%

Notable September Quarter share price gains/falls, including dividends (local currency terms)

Sciele Pharma	+59%
Jamba Juice	-51%
Midas	-52%
Hongguo	-53%
Midland Holdings Ltd	-55%

Portfolio Holdings Summary as at 30/9/2008

Listed by Location	% Holding
United States	
Advent Software	2.5%
Conceptus Inc	4.8%
Celera	2.9%
Ebix Inc	5.3%
Equinix Inc	3.4%
F5 Networks	2.6%
Hansen Natural Corporation	2.8%
Micro Systems	1.3%
OSI Pharmaceuticals	1.7%
The Ultimate Software Group Inc	1.2%
Britain	
Wellstream	1.9%
Ireland	
Icon PLC	2.6%
Finland	
Nokian Renkaat	1.7%
France	
Gameloft	1.7%
Italy	
Brembo	3.6%
Germany	
Qiagen	1.7%
Roth & Rau	1.7%
Stratec Biomedical	3.5%
Wirecard AG	2.9%
Greece	
Jumbo	2.5%
Hong Kong	
City Telecom	1.9%
China	
CSR Times Electric	2.2%
China Automation Group	0.9%
Home Inns & Hotels Management Ltd	3.4%
Hongguo International Holdings Ltd	2.0%
Midas Holdings	3.2%
O2Micro International Ltd	3.6%
Ports Design	3.0%
Singapore	
Hyflux Limited	3.9%
Raffles Education Corp Ltd	4.6%
Equity Total	81.0%
New Zealand Dollar Cash	2.9%
Hong Kong Dollar Cash	3.1%
Japanese Yen Cash	1.8%
Sterling Cash	4.6%
Swiss Franc Cash	2.0%
US Dollar Cash	4.6%
Cash Total	19.0%
TOTAL	100.0%

Marlin Global Quarterly Review – Fisher Funds

Market review and outlook

The world financial markets have been struck by an economic earthquake of a magnitude much more severe than we expected. What started with the unwinding of the US housing bubble and sub-prime credit crisis has deepened to crack the foundation of the entire global financial system. Leading nations' policy response thus far has been surprisingly uncoordinated and risk aversion remains high. Liquidity rules the day and fundamentals and stock prices have decoupled.

When we get a global coordinated solution to the credit freeze and see improved confidence in the financial system, the stock market can begin to focus on underlying fundamentals and value assets rationally. The world will not look the same once this mess has been cleaned up and our job is to ensure that we invest in high quality companies that will not only survive but also prosper for years to come.

We are pleased to have the flexibility to invest in attractive growth businesses anywhere around the world. We are also pleased that our mandate for the Marlin portfolio is to invest only in those businesses that meet our criteria – a history of profit growth, a dominant market position or other competitive differentiation, and a proven management team. We have thus been able to avoid high profile stocks that other investors may have bought simply because they were large or part of a market index. We have used this flexibility over the past six months in positioning the Marlin portfolio to maximise the impact of the rebound that will occur when investor confidence returns. Marlin now has a large exposure to Asia with a lesser weighting in the US and Europe.

To re-iterate our stance; China does not have the same structural issues as the US and has not used financial gymnastics to grow. The government has a surplus, companies have net cash on their balance sheets and consumers have been net savers. The industrial revolution that has fueled an average annual growth rate of 9% for the past 20 years will continue for decades. One of the most significant trends we are investing in is the urbanisation of the Chinese consumer. Once China passes this current global financial stress test we believe investors will "buy China", especially given the cheap valuations and significantly lowered expectations.

Portfolio

During the third quarter we added four new companies and the portfolio is essentially set with a total of 30 companies. We spend a lot of time researching the businesses we invest in, scouring the financials and developing deep relationships with the chief executives. While we speak to our management teams on a regular basis it is hard to replace a face to face meeting. The investment team travelled the world to meet with 12 of our 30 company holdings during the quarter.

We sold our holdings in three companies in the fund. Jamba, following the resignation of the CEO, Midland Holdings where the fundamental rationale for the investment changed, and Sciele Pharmaceuticals, which received a takeover offer at a 60% premium. The first two companies, Jamba and Midland, were both smaller positions in the fund. Sciele Pharmaceuticals was a core holding so added nicely to performance. This highlights the two important aspects of successful management – knowing which companies to buy and having enough of the good ones! We have redeployed the capital from these sales into other portfolio holdings which, like Sciele Pharmaceuticals, are good quality companies trading at a significant discount to their true value.

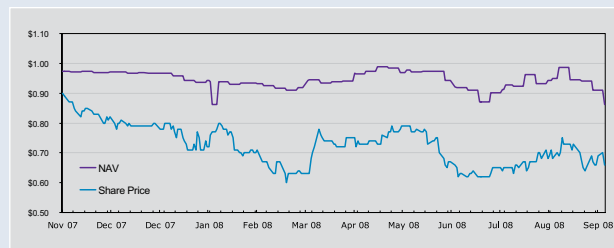
As for the NZ dollar, it finally began a downward spiral after the RBNZ cut interest rates and lost approximately 9 cents, or 14%, against the US dollar. We believe the NZ dollar will continue to weaken and we remain unhedged.

Carmel Fisher
Managing Director
Fisher Funds Management Ltd
24 October 2008

Ken Applegate
Senior Portfolio Manager
Fisher Funds Management Ltd
24 October 2008

Relative Performance 30/09/08	1 Month	3 Months	Since Inception
Marlin NAV	-9.0%	-6.2%	-11.3%
90 Day Bank Bill Index (NZD) + 5% p.a.	1.1%	3.4%	13.3%
Difference	-10.1%	-9.7%	-24.6%
MSCI Global Small Cap (NZD)	-9.5%	-3.6%	-20.1%

Marlin Net Asset Value and Share Price Performance



Points of Interest

Teleconference/Webcast

Your Board and Manager understand that in times like this, with unprecedented market volatility, communicating with you is vital. Accordingly, we have decided to hold a shareholders teleconference meeting or webcast early in the New Year. Investors will be able to phone in to a toll free number to hear an update on the Company, the portfolio and the markets. There will be an opportunity to ask questions. Please register your interest by emailing us on enquiry@marlin.co.nz or by contacting the Marlin office and indicating your preference for either a teleconference or webcast. We will inform you of the details when they are finalised.

Warrant Exercise

Shareholders who subscribed for shares in the Initial Public Offering received 1 warrant for every 2 shares purchased. Warrants can be converted to shares on certain dates and on payment of \$1 per warrant. The first exercise date is 15 December 2008. The final exercise date is 31 October 2010. If you wish to exercise your warrants on 15 December please contact Computershare on 09 488 8700 to request a warrant exercise form.

Shareholder queries

Enquiries regarding change of address, transactions and dividend payments should be directed to our share registrar, Computershare, on 09 488 8700. For other enquiries, please contact the Marlin office.

What's Coming Up?

- First warrant exercise date – 15 December 2008
- 31 December 2008 Half Year preliminary result – February 2009
- 31 December 2008 Interim Report publication – March 2009

The Marlin Update newsletter is produced for the March and September quarters only. The Annual and Interim Reports will cover the June and December periods. Should you prefer to receive future Update newsletters electronically please email us at enquire@marlin.co.nz. If you would also like to be emailed the monthly NAV please also email us to be added to the mailing list.

Marlin Global Limited Phone +64 9 484 0365
Fax +64 9 489 7139 PO Box 33 549 Takapuna Auckland 0740
New Zealand email: enquire@marlin.co.nz

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