



# Investor Presentation

February 2015

**OZGROWTH**  
LIMITED

Ozgrowth Limited ACN 126 450 271 (OZG) and Westoz Funds Management Pty Ltd (WFM) AFSL 85607, their related entities and each of their respective directors, officers and agents (together the *Disclosers*) have prepared the information contained in these materials in good faith. However, no warranty (express or implied) is made as to the accuracy, completeness or reliability of any statements, estimates or opinions or other information contained in these materials (any of which may change without notice) and to the maximum extent permitted by law, the Disclosers disclaim all liability and responsibility (including, without limitation, any liability arising from fault or negligence on the part of any or all of the Disclosers) for any direct or indirect loss or damage which may be suffered by any recipient through relying on anything contained in or omitted from these materials. This information has been prepared and provided by OZG and WFM. To the extent that it includes any financial product advice, the advice is of a general nature only and does not take into account any individual's objectives, financial situation or particular needs. Before making an investment decision an individual should assess whether it meets their own needs and consult a financial advisor. Past performance is not an indication of future performance.

# Listed Investment Companies

## What are Listed Investment Companies?

- Pooled investment vehicles
- Assets managed along similar lines to traditional managed funds
- Investment focus varies by company, but most focused on domestic equities
- Closed end, so managers not subject to constraints of large cash flows
- Investors buy and sell their interest on market; price can vary from underlying value

## Differences to a traditional managed fund:

- ☑ Shares freely tradeable on ASX
- ☑ Tax paid in the vehicle, franking credits available on dividends
- ☑ Company can manage dividend levels
- ☑ Manager can focus on generating return, rather than managing redemptions
- ☑ Potential to acquire underlying asset exposure at a discount to true value
- ☑ Increased transparency due to ASX reporting

- OZG is a specialist listed investment company
- Its portfolio is managed by Westoz Funds Management Pty Ltd
- The investment focus is to generate a consistent positive return over the medium term on its portfolio of assets
- The portfolio is focused on small to mid cap listed companies, generally with a connection to Western Australia
- It will invest in smaller situations (sub \$100 mil market cap) and also consider unlisted opportunities
- It holds a concentrated portfolio of securities which may from time to time consist of large levels of cash
- It aims to benefit shareholders from share price appreciation based on growth in underlying asset values and consistent dividend payouts

## Company Details, 31 January 2015

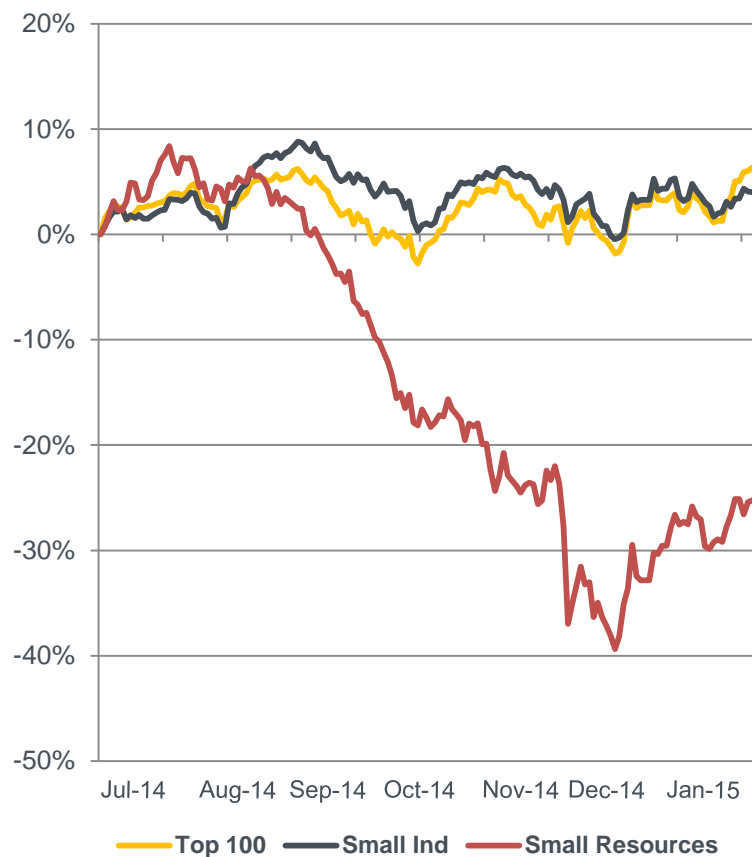
Share Price	18.0 cents
Net Assets Per Share	18.2 cents
Shares on issue	361.0m
Options (22.5 cent strike, Aug 2015 exp)	34.5m
Market Cap	\$65m
Net Asset Value	\$66m
<b><i>Discount to Net Asset Value</i></b>	<b><i>1%</i></b>

## Shareholders

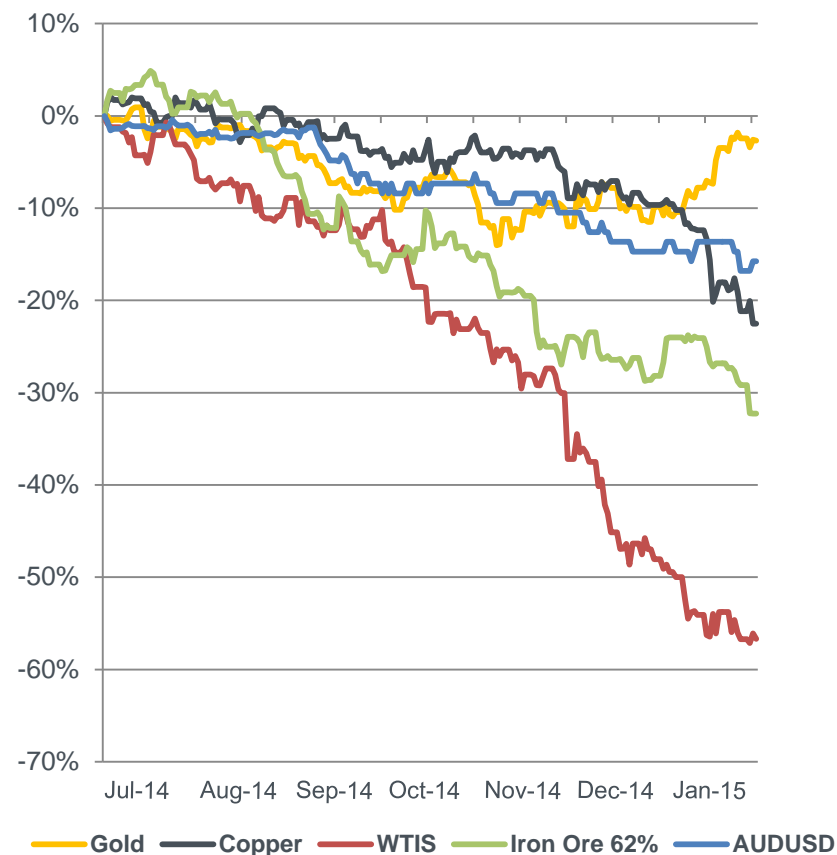
Euroz Limited	38%
Port Bouvard Equities Pty Ltd	11%
Total number of shareholders	922

Weak Resources Sector weighs on market

Small Resources Weighing on the Market



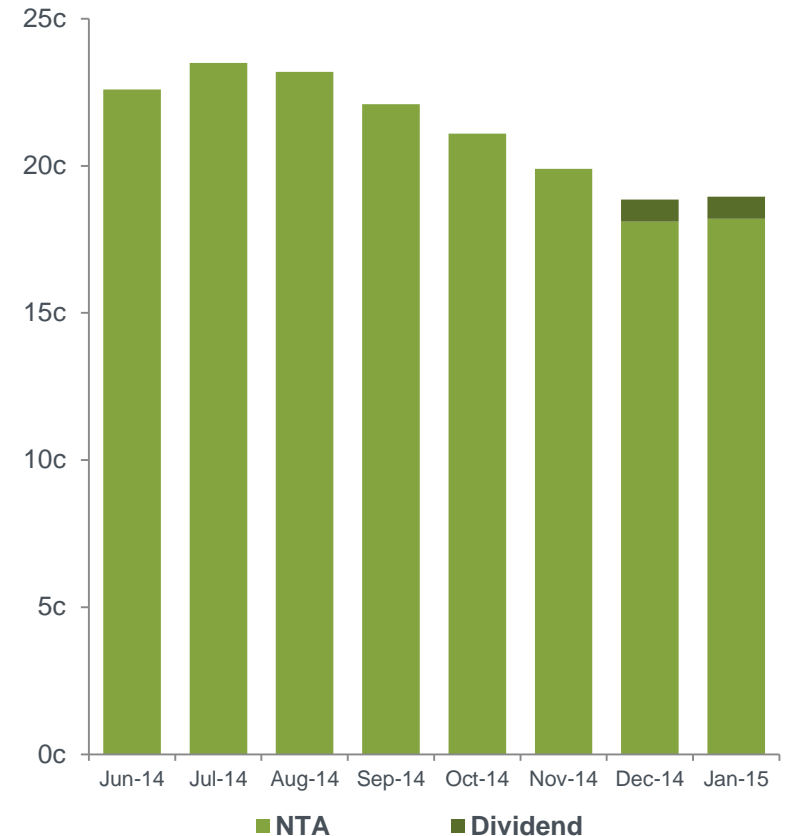
Key Commodity Prices Decline



# First Half 2015 Financial Year

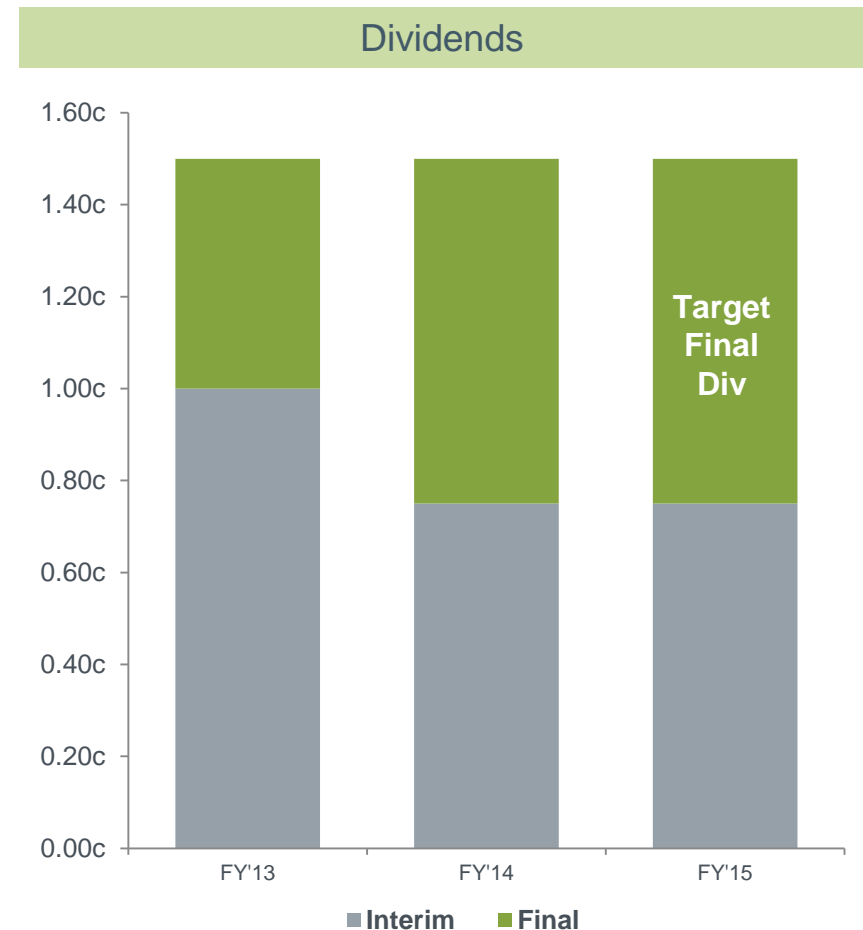
- Underlying return on investment portfolio (before fees and taxes) of -23.2%
- Loss after tax for the half year was \$13.3 million
- Dividend of 0.75 cents provided at 31 December 2014, payable 24 February 2015
- Before allowance for the interim dividend, NTA after tax fell from 22.6 cents to 18.9 cents
- Energy and Iron ore exposures were a significant drag
- Property exposures also adversely impacted returns
- Exited Aquila and Indophil through cash takeovers

Monthly After Tax NTA and Dividends

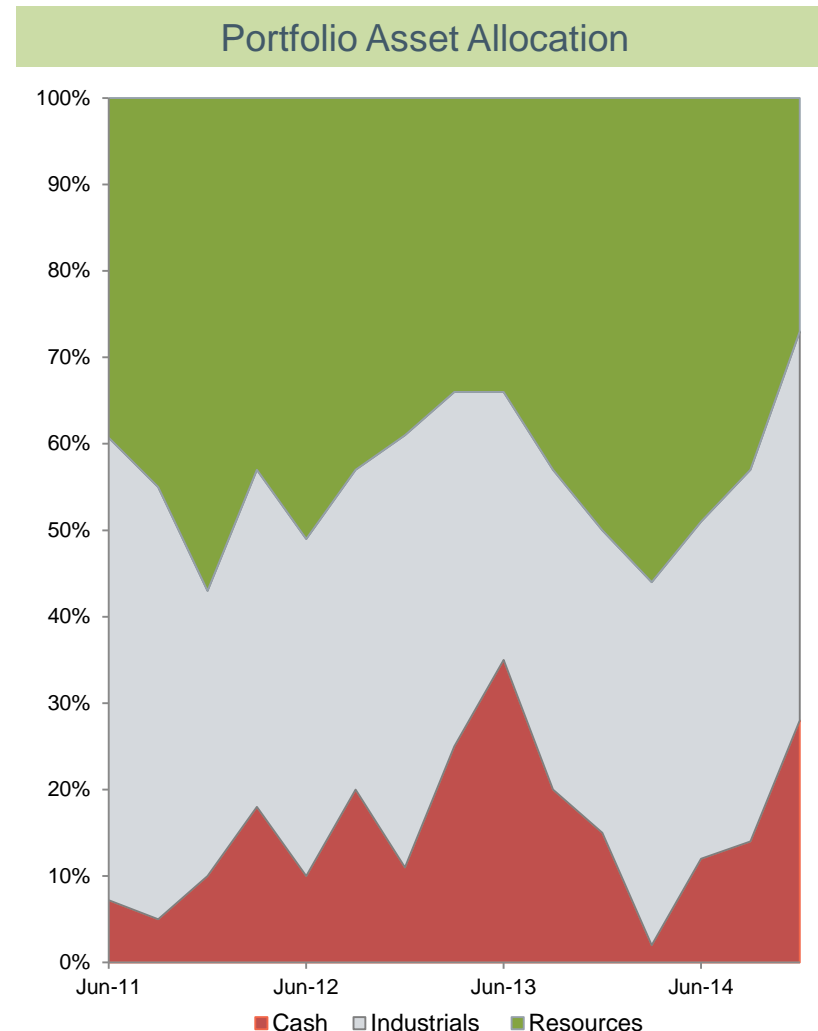


# Dividends

- Interim dividend of 0.75 cents per share confirmed; payment date 24 February 2015
- Dividend Reinvestment Plan introduced
- Target final dividend for 2015 financial year remains at 0.75 cents per share, expected payment August 2015
- Intention remains to pay a consistent stream of dividends
- Dividend payments are contingent on availability of realised net profits after tax, retained earnings and availability of franking credits
- After interim dividend payment, franking account covers fully franked dividend of approximately 1.0 cent per share
- Dividend payments also remain contingent on compliance with relevant legal requirements



Investment Portfolio	31 Jan'15
Cedar Woods Properties Limited	21.6%
Automotive Holdings Group Limited	9.0%
Tap Oil Limited	5.0%
Finbar Group Limited	4.8%
Medusa Mining Limited	4.0%
Mount Gibson Iron Limited	3.3%
Teranga Gold Corporation	2.8%
Sundance Energy Australia Limited	2.8%
Fleetwood Corporation Limited	2.2%
Energia Minerals Limited	2.0%
Saracen Mineral Holdings Limited	1.6%
Drillsearch Energy Limited	1.6%
Other	12.4%
Cash	26.9%
<b>TOTAL</b>	<b>100.0%</b>





- Yield compression, not earnings growth, driving wider market
- Commodity price downgrade cycle well advanced
- An end to multi year trends in sight?
- Pockets of opportunity in resources space
- Focus on increasing non resource related industrials
- Large positions in cash and dividend paying industrials



Philip Rees, Executive Director  
(08) 9321 7015  
[prees@westozfunds.com.au](mailto:prees@westozfunds.com.au)

Dermot Woods, Executive Director  
(08) 9321 7203  
[prees@westozfunds.com.au](mailto:prees@westozfunds.com.au)

**OZGROWTH LIMITED**

Level 18, Alluvion 58 Mounts Bay Road Perth, Western Australia 6000  
Telephone: +61 8 9321 7877

**OZGROWTH**  
LIMITED