

Market Metrics

Code	OZG.ASX
Share Price	17.5c
NTA Pre-Unrealised Tax	22.6c
Share Price Discount to NTA	22.6%
Current Financial Year Target Dividend	0.5c
Yield on Target Dividend	2.9%

Quarterly Summary

The Australian equity market eked out a 1.9% gain over a quarter that was dominated by all things US. US equity markets soared ahead 7%+ as strong economic data continued to flow. The US currency also continued to strengthen following a very strong June quarter and the yield on US 10 year treasuries moved through the 3% barrier. Worries such as trade concerns, volatile commodity prices, declining housing prices and slowing credit growth weighed on the local market. Reporting season in Australia was relatively benign whilst economic growth surprised to the upside.

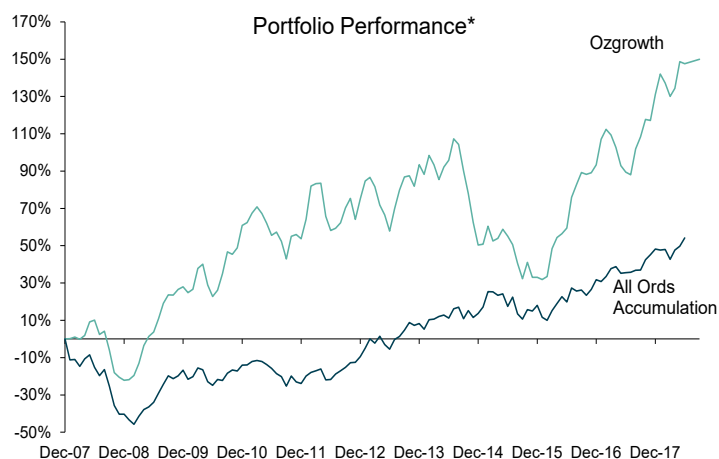
Net Tangible Assets	Sep-18	Jun-18
NTA Before Tax	22.8	22.6
NTA Before Tax on Unrealised Gains	22.6	22.6
NTA After Tax	22.1	21.9
Share Price	17.5	18.0

Our portfolio produced a return of 1.0% (before fees and taxes) for the quarter with positive contributions coming from Macmahon Holdings, Cooper Energy and Mount Gibson Iron. Metal prices declined over the period on the back of trade tariff concerns and sustained US currency strength and we took the opportunity to enter or increase positions in established base metal and gold miners. The cash balance declined over the quarter from 19% to 7%.

Figures released during the period showed the WA Economy grew over the June quarter with State Final Demand now growing at its highest per annum level since the downturn commenced in 2013. Job vacancies in the State have increased markedly with skills shortages starting to spread in and outside of the mining industry but with State unemployment at 6.2% have not yet become widespread.

Portfolio Summary

Australis Oil & Gas Limited	12%
Cedar Woods Properties Limited	10%
Fleetwood Corporation Limited	6%
Macmahon Holdings Limited	6%
Cooper Energy Limited	6%
Global Construction Services Limited	5%
Ausdrill Limited	5%
Emerald Resources NL	4%
Finbar Group Limited	3%
Evolution Mining Limited	3%
Southern Cross Electrical Engineering Ltd	3%
Equatorial Resources Limited	3%
Western Areas Limited	3%
Mount Gibson Iron Limited	3%
Other	21%
Cash	7%
Total	100%



* Portfolio performance represents the return on the company's gross investment portfolio before all fees, expenses and taxes.

Stock In Focus

Macmahon Holdings Limited (MAH.ASX)

A position in Macmahon Holdings Limited currently represents 6% of portfolio assets having been built up over the last two years. We initially entered the register in mid-2016 for a combination of reasons including: balance sheet strength; attractive valuation; takeover potential; and, capacity for growth as turn in mining cycle gathered pace.

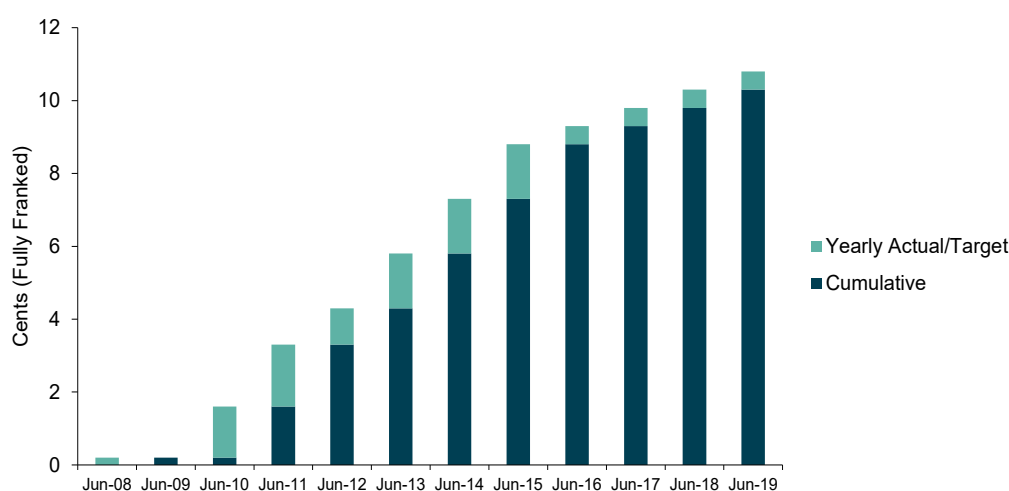
We have added to this position over time as MAH has put runs on the board with the market in terms of contract diversification, earnings growth and growing management credibility. We believe that delivery of 2018 results has been an important event in terms of re-establishing MAH as an investment proposition for the wider market.

We are currently excited about the potential growth in the MAH order book via organic expansion within the company's existing customer base. Backing this up is a strong net cash balance sheet, improving industry environment and a reasonable valuation.

MAH at a Glance			
Share Price \$0.26	FY18	FY19	FY20
Revenue (\$m)	\$710m	\$1015m	\$1135m
EBITDA (\$m)	\$112m	\$171m	\$191m
NPAT (\$m)	\$33m	\$57m	\$66m
Dividend Yield (%)	-	-	1.4%
EV:EBITDA (x)	5.0x	3.0x	2.7x
Price Earnings Ratio (x)	16.1x	9.7x	8.6x

Source: Factset Estimates

Dividend History



About Ozgrowth Limited

Ozgrowth Limited is a listed public company (ASX Code: OZG) that has been established to provide investors with an exposure to a portfolio of assets that are intended to show consistent positive returns.

The portfolio of assets is managed by Westoz Funds Management Pty Ltd, a 100% owned subsidiary of Euroz Limited (ASX Code: EZL).

Whilst the majority of investments will be sourced from the Australian equity market, the portfolio is intended to produce the desired returns regardless of the general direction of that market. Ozgrowth Limited will also consider unlisted investment opportunities as appropriate.

For more information on Ozgrowth Limited, please refer to our web site www.ozgrowth.com.au