

Appendix 4D

Half-year report

Period ended 31 December 2018

OZGROWTH LIMITED

ABN 52 126 450 271

Results for announcement to the market

Extracts from this report for announcement to the market

\$AUD

	31 Dec 18	31 Dec 17	Change \$	Change %
Revenue from ordinary activities	\$985,086	\$759,414	\$225,672	30%
Profit/(loss) from ordinary activities after tax attributable to members	-\$8,667,450	\$9,280,857	-\$17,948,307	-193%
Net Profit/(loss) for the period attributable to members	-\$8,667,450	\$9,280,857	-\$17,948,307	-193%
Net Tangible Assets per share	\$0.192	\$0.214		-10%
Dividends and Distributions	Amount per security	Franked amount per security		
Interim Dividend	0.25 cents	0.25 cents		
Record date for determining entitlements to the interim dividend				4 Feb 19
Interim dividend payable date				22 Feb 19
DRP election date				5 Feb 19
The Company's dividend reinvestment plan is applicable to the interim dividend.				

Reporting period

The financial information contained in this report is for the period ended 31 December 2018. This document should be read in conjunction with the Financial Report and any public announcements made in the period by Ozgrowth Limited in accordance with the continuous disclosure requirements of the Corporations Act 2001 and ASX Listing Rules.

OZGROWTH LIMITED

A.B.N. 52 126 450 271

**HALF YEAR FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018**

Ozgrowth Limited
ABN 52 126 450 271
For the Half-Year Ended 31 December 2018

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**Ozgrowth Limited
Corporate Directory
For the Half-Year Ended 31 December 2018**

REGISTERED OFFICE

Level 18, Alluvion
58 Mounts Bay Road
PERTH WA 6000

Telephone: (08) 9321 7877
Facsimile: (08) 9321 8288
Website: www.ozgrowth.com.au

AUDITORS

Ernst & Young
11 Mounts Bay Road
PERTH WA 6000

BANKERS

Westpac Banking Corporation
109 St George's Terrace
PERTH WA 6000

SHARE REGISTRY

Computershare Investor Services Pty Ltd
Level 2, 45 St Georges Terrace
PERTH WA 6000

Telephone: (08) 9323 2000
Facsimile: (08) 9323 2033

BOARD OF DIRECTORS

Jay Hughes
Non-Executive Chairman
Michael Jefferies
Independent Non-Executive Director
Simon Joyner
Independent Non-Executive Director
Anthony Hewett
Company Secretary

Ozgrowth Limited
Directors' Report
For the Half-Year Ended 31 December 2018

Your Directors submit their report for the half-year ended 31 December 2018.

1. DIRECTORS

The names of the Directors of the Company in office at the date of this report or during the half-year are as follows:

Jay Hughes
Michael Jefferies
Simon Joyner

2. REVIEW AND RESULTS OF OPERATIONS

Highlights of the Company's operations during the period ended 31 December 2018 are as follows:

- A net loss after tax of \$8,667,450 was recorded for the period. This included gains and losses on investments, interest income, dividend income and changes in the fair value of financial assets designated at fair value through profit and loss held as at 31 December 2018;
- An interim dividend of \$890,326 (0.25 cents per share) has been provided for as at 31 December 2018; and
- Net assets per share was 19.2 cents per share at 31 December 2018. This figure is calculated by dividing the net assets as set out in the Statement of Financial Position by the number of ordinary shares on issue as at the reporting date and is after allowance for dividends and all costs.

After considering the above results following the completion of the half-year to 31 December 2018, the Directors remain confident that the Company's objectives will be met over its investment horizon.

3. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

No material matters have occurred since 31 December 2018.

4. AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration under section 307C of the Corporations Act 2001 is included on page 4 and forms part of Ozgrowth Limited's Directors' Report for the period from 1 July 2018 to 31 December 2018.

Signed for and on behalf of the Directors in accordance with a resolution of the Board.



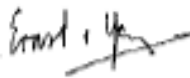
Jay Hughes
Non-Executive Chairman

21 February 2019

Auditor's independence declaration to the Directors of Ozgrowth Limited

As lead auditor for the review of Ozgrowth Limited for the half-year ended 31 December 2018, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.



Ernst & Young



Robert A Kirkby
Partner
21 February 2019

Ozgrowth Limited
Statement of Comprehensive Income
For the Half-Year Ended 31 December 2018

	Note	31/12/2018 \$	31/12/2017 \$
Revenue			
Interest revenue		65,275	36,358
Dividend revenue		888,268	723,056
Sub-underwriting fee		31,543	-
Total revenue		985,086	759,414
Changes in the fair value of investments designated as at fair value through profit or loss upon initial recognition	4	(13,189,637)	13,677,594
EXPENSES			
Manager's fees		411,091	1,320,714
Share registry fees		20,081	30,687
Directors' fees		55,000	55,000
ASX fees		50,381	45,552
Other expenses		28,140	36,570
Total expenses		564,693	1,488,523
(LOSS) / PROFIT BEFORE INCOME TAX		(12,769,244)	12,948,487
Income tax benefit / (expense)		4,101,794	(3,667,630)
NET (LOSS) / PROFIT FOR THE PERIOD		(8,667,450)	9,280,857
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(8,667,450)	9,280,857
Earnings per share (cents)			
- Basic and Diluted		(2.43)	2.60

Ozgrowth Limited
Statement of Financial Position
As at 31 December 2018

	Note	31/12/2018	30/06/2018
		\$	\$
CURRENT ASSETS			
Cash and Cash Equivalents		8,325,979	13,299,208
Other		25,878	3,055,432
TOTAL CURRENT ASSETS		<u>8,351,857</u>	<u>16,354,640</u>
NON -CURRENT ASSETS			
Investments in financial assets designated as at fair value through profit or loss:			
- Listed Equities	4	59,513,475	65,871,976
- Unlisted Equities	4	110,291	110,291
Deferred Tax Assets	7	2,687,213	-
TOTAL NON-CURRENT ASSETS		<u>62,310,979</u>	<u>65,982,267</u>
TOTAL ASSETS		<u>70,662,836</u>	<u>82,336,907</u>
CURRENT LIABILITIES			
Trade and Other Payables		91,678	725,894
Income Tax Payable		1,172,970	-
Dividend Payable	10	890,326	891,298
TOTAL CURRENT LIABILITIES		<u>2,154,974</u>	<u>1,617,192</u>
NON-CURRENT LIABILITIES			
Deferred Tax Liabilities	7	-	2,587,551
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>2,587,551</u>
TOTAL LIABILITIES		<u>2,154,974</u>	<u>4,204,743</u>
NET ASSETS		<u>68,507,862</u>	<u>78,132,164</u>
EQUITY			
Contributed Equity	5	72,761,678	72,828,487
Profit Reserve	6	22,180,154	23,070,197
Accumulated Losses		(26,433,970)	(17,766,520)
TOTAL EQUITY		<u>68,507,862</u>	<u>78,132,164</u>

Ozgrowth Limited
Cash Flow Statement
For the Half-Year Ended 31 December 2018

	Note	31/12/2018	31/12/2017
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		65,275	36,358
Dividends received		888,268	723,056
Payments to suppliers and employees (inclusive of GST)		(448,093)	(565,486)
Receipts from customers (inclusive of GST)		31,543	-
		<hr/>	<hr/>
NET CASH FLOWS FROM OPERATING ACTIVITIES		536,993	193,928
		<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments designated at fair value through profit and loss		20,960,559	27,351,136
Payments for purchases of investments designated at fair value through profit and loss		(25,512,959)	(23,157,742)
		<hr/>	<hr/>
NET CASH FLOWS (USED IN) / FROM INVESTING ACTIVITIES		(4,552,399)	4,193,394
		<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds / (Costs) from issue of ordinary shares		2,191	(28,212)
Share buyback		(69,000)	(92,442)
Dividends paid		(891,014)	(892,338)
		<hr/>	<hr/>
NET CASH FLOWS USED IN FINANCING ACTIVITIES		(957,823)	(1,012,992)
		<hr/>	<hr/>
NET (DECREASE) / INCREASE IN CASH HELD		(4,973,229)	3,374,330
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the period		13,299,208	7,527,158
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	9	8,325,979	10,901,488
		<hr/> <hr/>	<hr/> <hr/>

Ozgrowth Limited
Statement of Changes in Equity
For the Half-Year Ended 31 December 2018

	Issued Capital	Profit Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$
At 1 July 2018	72,828,487	23,070,197	(17,766,520)	78,132,164
Profit for the period	-	-	(8,667,450)	(8,667,450)
Total Comprehensive income for the period	-	-	(8,667,450)	(8,667,450)
Transfer from Retained earnings to Profit Reserve		-	-	-
Transactions with owners in their capacity as owners:				
Issued capital	2,191	-		2,191
Share buyback costs	(69,000)	-	-	(69,000)
Dividend for the period	-	(890,043)	-	(890,043)
At 31 December 2018	72,761,678	22,180,154	(26,433,970)	68,507,862

	Issued Capital	Profit Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$
At 1 July 2017	72,945,566	12,757,967	(17,766,520)	67,937,013
Profit for the period	-	-	9,280,857	9,280,857
Total Comprehensive income for the period	-	-	9,280,857	9,280,857
Transfer from Retained earnings to Profit Reserve		9,280,857	(9,280,857)	-
Transactions with owners in their capacity as owners:				
Movement in Share Capital	(88,408)	-	-	(88,408)
Share Issue Costs	(32,246)	-	-	(32,246)
Dividend for the period	-	(890,960)	-	(890,960)
At 31 December 2017	72,824,912	21,147,864	(17,766,520)	76,206,256

Ozgrowth Limited
Notes to the Financial Statements
For the Half-Year Ended 31 December 2018

1. CORPORATE INFORMATION

The financial report of Ozgrowth Limited for the half-year ended 31 December 2018 was authorised for issue in accordance with a resolution of the Directors on 21 February 2019.

Ozgrowth Limited is a company limited by shares that is incorporated and domiciled in Australia whose shares are listed on the Australian Securities Exchange.

Ozgrowth Limited does not control any entities at 31 December 2018.

The company had no employees as at 31 December 2018.

The nature of the operations and principal activities of the Company are as an investment company.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

This general purpose condensed financial report for the half-year ended 31 December 2018 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial report.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 June 2018 and considered together with any public announcements made by Ozgrowth Limited during the half-year ended 31 December 2018 in accordance with the continuous disclosure obligations of the ASX listing rules.

Changes in accounting policy

The accounting policies and methods of computation are consistent with those of the most recent annual financial report.

All accounting standards and interpretations that are applicable from 1 July 2018 have been adopted including:

Reference	Title	Summary	Application date of standard	Application date for Company
AASB 9, and relevant amending standards	<i>Financial Instruments</i>	<p>AASB 9 replaces AASB 139 <i>Financial Instruments: Recognition and Measurement</i>.</p> <p>Except for certain trade receivables, an entity initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs.</p> <p>Debt instruments are subsequently measured at FVTPL, amortised cost, or fair value through other comprehensive income (FVOCI), on the basis of their contractual cash flows and the business model under which the debt instruments are held.</p> <p>There is a fair value option (FVO) that allows financial assets on initial recognition to be designated as FVTPL if that eliminates or significantly reduces an accounting mismatch.</p> <p>Equity instruments are generally measured at FVTPL. However, entities have an irrevocable option on an instrument-by-instrument basis to present changes in the fair value of non-trading instruments in other comprehensive income (OCI) without subsequent reclassification to profit or loss.</p> <p>For financial liabilities designated as FVTPL using the FVO, the amount of change in the fair value of such financial liabilities that is attributable to changes in credit risk must be presented in OCI. The remainder of the change in fair value is presented in profit or loss, unless</p>	1 January 2018	1 July 2018

Ozgrowth Limited
Notes to the Financial Statements
For the Half-Year Ended 31 December 2018

		<p>presentation in OCI of the fair value change in respect of the liability's credit risk would create or enlarge an accounting mismatch in profit or loss.</p> <p>All other AASB 139 classification and measurement requirements for financial liabilities have been carried forward into AASB 9, including the embedded derivative separation rules and the criteria for using the FVO.</p> <p>The incurred credit loss model in AASB 139 has been replaced with an expected credit loss model in AASB 9.</p> <p>The requirements for hedge accounting have been amended to more closely align hedge accounting with risk management, establish a more principle-based approach to hedge accounting and address inconsistencies in the hedge accounting model in AASB 139.</p>		
AASB 15, and relevant amending standards	<i>Revenue from Contracts with Customers</i>	<p>AASB 15 replaces all existing revenue requirements in Australian Accounting Standards (AASB 111 <i>Construction Contracts</i>, AASB 118 <i>Revenue</i>, AASB Interpretation 13 <i>Customer Loyalty Programmes</i>, AASB Interpretation 15 <i>Agreements for the Construction of Real Estate</i>, AASB Interpretation 18 <i>Transfers of Assets from Customers</i> and AASB Interpretation 131 <i>Revenue – Barter Transactions Involving Advertising Services</i>) and applies to all revenue arising from contracts with customers, unless the contracts are in the scope of other standards, such as AASB 117 <i>Leases</i> (or AASB 16 <i>Leases</i>, once applied).</p> <p>The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with the core principle by applying the following steps:</p> <ul style="list-style-type: none"> ▶ Step 1: Identify the contract(s) with a customer ▶ Step 2: Identify the performance obligations in the contract ▶ Step 3: Determine the transaction price ▶ Step 4: Allocate the transaction price to the performance obligations in the contract ▶ Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation. 	1 January 2018	1 July 2018

These amendments are effective for annual periods beginning on or after 1 July 2018. The adoption of these amendments had no material impact on the financial position or performance of the Company.

The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3. SEGMENT INFORMATION

For management purposes, the Company is organised into one segment, which invests primarily in equity securities. All of the Company's activities are interrelated, and each activity is dependent on the others. Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial statements of the Company as a whole.

Ozgrowth Limited
Notes to the Financial Statements
For the Half-Year Ended 31 December 2018

4. CHANGES IN FAIR VALUE OF INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31/12/2018	31/12/2017
	\$	\$
Net realised gain in the current period on disposal of investments		
- listed equities	4,413,301	7,052,467
Net unrealised gain/(loss) on investments		
- listed equities	(17,602,938)	6,625,127
	(13,189,637)	13,677,594

The primary reason for the change in fair values was movement in market prices for listed investments held in the investment portfolio. The fair values of the Company's financial assets have been affected by changes in the broad economic and fiscal environment as well as specific matters that impact the value of individual investments. Specific factors that have impacted the portfolio are changes in outlook for interest rates, commodity prices and economic growth. Individual stock positions have been impacted by changes in earnings expectations, balance sheet structures and ability to generate cash flow. Managing the investment portfolio in the face of these and other changes is inherent in the Company's activities and they are managed in accordance with the financial risk management objectives and policies as disclosed in the most recent annual financial report of the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The following table shows financial instruments recorded at fair value, analysed between those whose fair value is based on quoted market prices, those involving valuation techniques where model inputs are observable in the market and those where the valuation technique involves the use of non-market observable inputs. The fair value of all other financial instruments approximates their carrying value.

	31 December 2018			
	Valued at Quoted market price (Level 1)	Valuation Technique market observable inputs (Level 2)	Valuation technique non – market observable inputs (Level 3)	Total
Financial assets at fair value through profit or loss				
<i>(i) Listed equities</i>	59,513,475	-	-	59,513,475
<i>(ii) Unlisted Equities</i>	-	-	110,291	110,291
	59,513,475	-	110,291	59,623,766

Ozgrowth Limited
Notes to the Financial Statements
For the Half-Year Ended 31 December 2018

4. CHANGES IN FAIR VALUE OF INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)

	30 June 2018			
	Valued at Quoted market price (Level 1)	Valuation Technique market observable inputs (Level 2)	Valuation technique non – market observable inputs (Level 3)	Total
Financial assets at fair value through profit or loss				
<i>(i) Listed equities</i>	65,871,976	-	-	65,871,976
<i>(ii) Unlisted Equities</i>	-	-	110,291	110,291
	65,871,976	-	110,291	65,982,267

The level in which instruments are classified in the hierarchy is based on the lowest level input that is significant to the fair value measurement in its entirety. Assessment of the significance of an input requires judgement after considering factors specific to the instrument.

For instruments for which there is currently no active market the Company uses valuation methods generally accepted in the industry. Some of the inputs to those methods may not be market observable and are therefore estimated based on assumptions. In the case of unlisted equities, recent transactional evidence has been obtained that supported the current valuation. If, in the future, similar transactions occur at significantly different values, the fair value of unlisted equities will be revised appropriately.

The fair value of listed equity is based on quoted market prices at the reporting date (bid price for long positions), without any deduction for transaction costs.

5. CONTRIBUTED EQUITY

	31/12/2018		30/06/2018	
<i>(a) Contributed equity</i>				
356,130,586 (June 2018:356,519,055) ordinary fully paid shares		72,761,678		72,828,487
<i>(b) Movements in ordinary shares on Issue</i>				
	Number of Shares	\$	Number of Shares	\$
Beginning of the financial period	356,519,055	72,828,487	357,057,040	72,945,566
Exercise of options	11,531	2,191	233,594	44,174
Share buyback	(400,000)	(69,000)	(771,579)	(129,008)
Share issue costs	-	-	-	(32,246)
	<u>356,130,586</u>	<u>72,761,678</u>	<u>356,519,055</u>	<u>72,828,487</u>

(c) Terms and conditions of contributed equity

The company does not have authorised capital nor par value in respect of its issued capital. Ordinary fully paid shares have the right to receive dividends as declared and in the event of the winding up of the Company, to participate in proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary fully paid shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Ozgrowth Limited
Notes to the Financial Statements
For the Half-Year Ended 31 December 2018

6. RESERVES

	31/12/2018	30/06/2018
	\$	\$
Profit Reserve	22,180,154	23,070,197
	<u>22,180,154</u>	<u>23,070,197</u>

The profit reserve is made up of amounts allocated from retained earnings that are preserved for future dividend payments.

Movement in Profits Reserve		
Balance at beginning of the year	23,070,197	12,757,967
Transfer from Retained Earnings (a)	-	12,095,003
Provision for / payment of dividend	(890,043)	(1,782,773)
	<u>22,180,154</u>	<u>23,070,197</u>

(a) The amount transferred to profit reserve in the prior period is the profit for the period 1 July 2017 to 31 December 2017 and 1 January 2018 to 30 June 2018 in accordance with resolutions of the Board of Directors dated 13 December 2017 and 21 June 2018.

7. DEFERRED INCOME TAX

Deferred Income tax

Deferred income tax at 31 December 2018 relates to the following:

	Statement of financial position		Statement of comprehensive income	
	Dec 2018	Jun 2018	Dec 2018	Dec 2017
	\$	\$	\$	\$
<i>Deferred Tax Assets</i>				
Tax loss utilised	-	6,118	(6,118)	(1,680,091)
Unrealised loss on investments in financial assets	2,687,213	-	2,687,213	-
<i>Total DTA</i>	<u>2,687,213</u>	<u>6,118</u>	<u>2,681,095</u>	<u>(1,680,091)</u>
<i>Deferred Tax Liabilities</i>				
Unrealised gain on investments in financial assets	-	(2,593,669)	2,593,669	(1,987,539)
<i>Total DTL</i>	<u>-</u>	<u>(2,593,669)</u>	<u>2,593,669</u>	<u>(1,987,539)</u>
Net DTA/(DTL)	2,687,213	(2,587,551)	5,274,764	(3,667,630)

Deferred tax assets relate to recognised tax losses. Based on long term movements in the Australian market equity returns, it is probable that the company will make future taxable profits and such losses will be utilised.

The company believes that such future taxable profits will be generated based on the following:

- The manager has in the past demonstrated an ability to generate taxable profits requiring cash tax payments to be made;
- The manager has a medium to long term investment strategy so future profitability should be judged over an extended period; and
- Return expectations for the market and the portfolio remain consistent with historical results over a reasonable time horizon.

Ozgrowth Limited
Notes to the Financial Statements
For the Half-Year Ended 31 December 2018

8. EVENTS SUBSEQUENT TO BALANCE DATE

No matters or events have arisen since the end of the financial period which have significantly affected or may significantly affect the operations of the Company, the results of its operations or the state of affairs of the Company in subsequent financial periods.

9. NOTES TO THE CASH FLOW STATEMENT

For the purpose of the half-year cash flow statement, cash and cash equivalents are comprised of the following:

	31/12/2018	31/12/2017
	\$	\$
Cash at Bank and in hand	8,325,979	10,901,488

10. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES

Ordinary Shares

Final dividend of 0.25 cents per share paid on 27 August 2018 (2017: 0.25 cents per share).	891,014	892,338
Interim dividend of 0.25 cents per share declared and provided for at 31 December 2018 (2017: 0.25 cents per share per fully paid ordinary share). Fully franked based on tax paid or payable at 30%)	890,326	891,297
	<u>1,781,340</u>	<u>1,783,635</u>

11. RELATED PARTY DISCLOSURES

The Directors of Ozgrowth Limited during the period were Mr Jay Hughes, Mr Simon Joyner and Mr Michael Jefferies. During the half year ended 31 December 2018, directors fees of \$55,000 (2017: \$55,000) were paid.

Westoz Funds Management Pty Ltd, a company of which Mr Hughes is a Director, provides Key Management Personnel (“KMP”) services to Ozgrowth Limited as it has the authority for the management of the investment portfolio of Ozgrowth Limited. Westoz Funds Management Pty Ltd received management fees from the Company for the management of its assets. A fee of \$411,091 (2017: \$377,714) was charged in the period for these services. No accrual was made for the payment of a performance fee in the current period (2017: \$943,000).

These fees were charged in accordance with a management agreement, the terms of which have been disclosed.

Euroz Securities Limited, a company of which Mr Hughes is a Director, received brokerage fees for transactions undertaken by the Company in respect of its investments. An amount of \$146,739 (2017: \$167,940) was paid in the period as brokerage to Euroz Securities Limited.

The above transactions were entered into on normal commercial terms.

Ozgrowth Limited
Directors' Declaration
For the Half-Year Ended 31 December 2018

In accordance with a resolution of the Directors of Ozgrowth Limited, the Directors declare that:

In the opinion of the Directors:

- (a) the financial statements and notes of the Company are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position as at 31 December 2018 and of the performance for the half year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'Jay Hughes', with a long horizontal flourish extending to the right.

Jay Hughes
Non-Executive Chairman

21 February 2019

Independent auditor's review report to the Members of Ozgrowth Limited

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Ozgrowth Limited, (the Company), which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and cash flow statement for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of the Company is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Company's financial position as at 31 December 2018 and of its financial performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

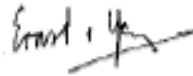
Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2018 and its financial performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.



Ernst & Young



Robert A Kirkby
Partner

Perth

21 February 2019