DMX
CAPITAL PARTNERS
ACN 603 568 494

2024 ANNUAL REPORT

DMX Capital Partners is an unlisted public investment company that invests in compelling nano and micro-cap opportunities on the ASX. The company is managed by DMX Asset Management.

dmxam.com.au

Dear fellow shareholders,

DMX Capital Partners Limited (**DMXCP**) returned 23.1%, after all fees and expenses, for the 12 months to 30 June 2024 (**FY24**). DMXCP recorded an audited profit before tax for FY24 of $4.8m and assets of $25.4m.

After two years of disappointing performance and difficult market conditions for micro and nano-cap companies, it is pleasing to report a strong positive return for the year. Our strategy of investing in small under-the-radar companies has had its challenges in recent times, however our conviction has remained strong that, over time, owning a portfolio of smaller listed businesses with strong growth prospects and attractive valuations, positions us well to generate strong long-term returns. As a long-term orientated investment company, we continue to be comfortable with our strategy and both the outlook and prospects of our portfolio of interesting, under-valued, under-the-radar and difficult to access small company opportunities.

As in previous years, a large number of existing investors have taken the opportunity to add to their investments during the year, with DMXCP's audited net assets increasing from $21.2m at 30 June 2023 to $24.7m at 30 June 2024. To all our investors, we thank you again for your support and the confidence that you show in us. During the year, Directors and Management of DMXCP also added to their holdings. We currently own 15% of DMXCP, so are very much aligned with shareholders in driving positive outcomes.

We are committed, supportive, long-term substantial and/or top 20 shareholders in many small ASX listed companies. A number of these are under-the-radar Australian success stories that are largely ignored by the investment community. These companies are providing significant benefits to stakeholders and society more broadly, through their innovation and product and services they provide and continue to develop. We have strong relationships with our portfolio companies, providing capital and support as they pursue their growth journeys. Together, they form part of our unique, hard to replicate portfolio that we are proud of.

We continue to remain enthused and absolutely focused on adding value over time through our unique portfolio of these compelling smaller company opportunities. With total assets now in excess of $25m, our loyal investor base, and the networks, relationships, and processes developed over the last ten years, we believe DMXCP has a strong platform from which to continue to grow over time.

FY24: Year-end Summary

For the financial year to 30 June 2024 DMXCP returned 23.1%. Our published monthly reports provide a detailed account of the portfolio movements through the year (Monthly Reports - DMXAM).

FY24 again saw a high level of takeover activity with a number of portfolio positions bid for: Diverger (ASX:**DVR**), Cirrus Networks (ASX:**CNW**), Energy One (ASX:**EOL** – bid subsequently rejected), Ansarada (ASX:**AND**) and Schrole Corporation (ASX:**SCL**). Whilst we often have mixed feelings seeing a position with upside potential leave the portfolio, we were particularly disappointed with the DVR offer. We were vocal and active in pushing back on the pricing of the offer made by Count (ASX:**CUP**) for DVR. Despite an increase in the nominal takeover consideration from $1.14 to $1.47, we still consider this to be a very poor outcome for DVR shareholders and believe the DVR board were too hasty to deal here. More recently, the takeover of SCL at a premium of 203% to its last closing price, in our view, again highlights the significant disconnect between the ASX pricing of small, illiquid companies; and the price at which trade buyers and private equity see value, and thus presenting opportunities for investors like us to capitalise on.

From a contribution perspective, Findi (ASX:**FND**) was the best performing stock in the portfolio in FY24. Having supported the recapitalisation of FND when it had a market cap of less than $10m, we were pleased to see FND re-rate strongly through the year to its current ~$200m market cap. We think this is a good example of the opportunities available to us in investing in unloved, unknown smaller companies when their valuation is often at the most attractive, and to enable us to benefit from the upside re-rate potential as they grow and become more widely known.

While FND and the aforementioned takeovers were positive for the portfolio in FY24, the majority of our positions experienced weaker share price performance during the year reflecting, in most cases, another year of challenging market conditions for small illiquid companies with broad dis-interest from investors. Several of our holdings have struggled operationally, deserving their market de-rating, in particular Kip McGrath (ASX:**KME**) and Soco (ASX:**SOC**). SOC, as a government focussed IT contractor, has been impacted by a pullback in government spending, which we expect has now bottomed. In the case of KME we have been disappointed for some time by Management missteps and a lack of focus on profit. More recently, we have worked hard behind the scenes to have a new chair appointed to KME, representing the first board change at KME in seven years.

As DMXAM has grown its funds under management, we have been able to participate more meaningfully in capital raisings supporting the growth of small companies. With very few other institutional investors participating in raises of some of the very small companies that we are looking at, we have been able to secure sizeable positions at attractive prices through some of these opportunities. During June, we were the lead sub-underwriter of the capital raise of Prime Financial Group (ASX:**PFG**). In April we became a substantial shareholder in RPM Automotive (ASX:**RPM**) through corner stoning its capital raise.

In summary, FY24 has been busy and constructive, and that we think, positions us well for FY25.

OPERATIONS

DMX Asset Management Limited continued as manager of DMXCP during FY24. During the year, DMXCP incurred a liability to DMXAM for management fees of $233k (1% of gross assets). No performance fees were charged during the period.

In accordance with the management agreement, a further $79k (~0.25% of gross assets) has been incurred as a contribution towards DMXCP's administration expenses paid directly by DMXAM on behalf of DMXCP. The actual expenses paid by DMXAM include accounting, audit, legal, regulatory and share-registry costs as well as DMXCP's Independent Director's fees.

FINANCIAL STATEMENTS

The audited financial statements for DMXCP are presented on the following pages. As per the Auditor's Report, an unqualified independent audit opinion was issued by HLB Mann Judd.

Each month DMXAM calculates a share price (NAV) for DMXCP. The share price, since inception in 2015, has been calculated each month and each year using a consistent methodology as Share portfolio value + cash – fees payable – tax payable + franking credits. The calculation excludes any deferred tax assets/liabilities. The DMXCP share price as at 30 June 2024 was **$2.58** (30 June 2023: $2.18).

FY24 Return Calculation

NAV at 30 June 2024 ($)	***2.58***	*As per calculation below*
NAV at 30 June 2023 ($)	***2.18***	*As per calculation below*
Increase in NAV ($)	*0.40*	
Dividend/ Franking credits paid in FY23 ($)	*0.107*	*7.5c dividend & 3.2c franking credits paid in December 2023*
Total return per share ($)	***0.507***	*Equates to a return of 23% on the opening NAV of $2.18*

A reconciliation of the share price at 30 June 2024 (and 2023) to the audited accounts is set out below.

ITEM	***30 JUNE 2024 - $***	***30 JUNE 2023 - $***	***DESCRIPTION***
Cash	*455,306*	*364,918*	*As per audited accounts – cash balance*
Investments	*24,834,500*	*20,662,881*	*As per audited accounts – market value*
Dividends accrued and other receivables	*71,579*	*100,392*	*As per audited accounts*
Gross Assets (before tax)	***25,361,385***	***21,128,189***	*As per audited accounts*
Fees payable	*-40,950*	*-85,711*	*As per audited accounts – accrued fees*
Other payables			*As per audited accounts*
Less: cash subscriptions received in June in advance of 1 July 2024 share issue	*-* *40,000*		*As per audited accounts*
Net Assets (before tax)	***25,280,435***	***21,042,478***	
Adjustments for tax			
Less: Income tax payable	*-363,273*	*-502,353*	*As per audited accounts*
Add: Franking credits	*945,936*	*772,818*	*Off balance sheet item – see note below*
Net Assets (after tax adjustments)	***25,863,098***	***21,312,943***	
Shares on issue – 30 June 2024/2023	*10,038,218*	*9,763,371*	*As per audited accounts – see note 11.*
Share price (after fees & tax adjustments)	***$2.58***	***$2.18***	

DMXCP is an investment company that intends to distribute its profits to shareholders in a tax effective manner through fully franked dividends. While franking credits are an off-balance sheet item in the financial statements, they are included in the calculation of the month-end share price. New shares are issued monthly at the month-end share price. If franking credits were in fact excluded from the month-end share price, then existing shareholders would have their proportionate 'value' of DMXCP's accumulated franking credits diluted whenever new shares are issued. The DMXCP franking credit balance also includes franking credits that will arise from the payment of income tax at the reporting date based on a tax rate of 30%, and franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date. The franking credit is calculated by DMXAM and is unaudited.

Consistent with prior years, a reconciliation of the net assets used to calculate the share price (as calculated above) to the audited net asset position per the audited accounts as at 30 June 2024 is set out below:

Net Assets (audited accounts)	***24,699,271***	*Audited net assets per Statement of Financial Position*
Add: Deferred Tax Liability (DTL)	*217,891*	*Balance as per audited accounts –Under current Accounting Standards, the Company is required to provide for tax that may arise should the entire portfolio be (hypothetically) disposed of on the reporting date. The DTL is added back as 1) DMXCP is a long-term investor and, as a going concern, there is no intention to dispose of the portfolio. Accordingly, no tax is currently payable (and there is no certainty as to if/when it will ever become payable); & 2) to the extent that this DTL does in fact become payable in the future, then the franking credit balance will increase by an amount equivalent to the tax payable. This will enable DMXCP to distribute its profits to shareholders in a tax efficient manner through increased fully franked dividends.*
Add: Franking credits	*945,936*	*Off balance sheet item – see note above*
Net Assets (after tax adjustments)	***25,863,098***	*Net assets used to calculate the share price at 30 June 2024*

These two tax-related adjustments to the audited accounts (excluding the deferred tax asset and including franking credits - as described above) have been consistently applied since inception. We consider them to be appropriate in order to best reflect the 'asset value' of a DMXCP share at any point in time.

DIVIDEND

DMXCP's dividend policy is to distribute to shareholders its profits in a tax effective manner through an annual dividend that is 100% franked, paying out franking credits accumulated through the financial year, derived from both income tax paid and from franking credits passed through from dividends received.

The Directors of DMXCP's have declared a dividend of 22 cents per share, fully franked. A Dividend Reinvestment Plan (DRP) is in place and investors representing approximately 85% of shares outstanding are presently participating in this programme. If you aren't presently electing to reinvest dividends and would like to do so, or if you have been reinvesting and instead wish to receive a cash component, please contact us to discuss and potentially alter your DRP election preference.

OUTLOOK

We have taken the opportunity over the last couple of years to double down on many of our small company exposures to capitalise on the lack of interest in nano and micro-cap companies. As noted above, we have participated in the underwriting / cornerstoning of capital raises to support the growth of these companies and establish/build meaningful positions at what we consider to be attractive prices. Combined with on-market buying through this prolonged period of pricing weakness experienced by micro/nano-cap companies since 2021, we believe we have constructed a diverse and prospective portfolio of attractively priced, growing, under-the-radar companies. With a lack of investor interest in this smaller end of the market, despite growth and broad improvements in their fundamentals, many of these companies have yet to participate in any small cap market recovery. Throughout the portfolio we believe there is some significant upside and re-rate opportunities to generate positive outcomes in FY25.

We are enthused about our portfolio of the unique, under-the-radar companies that we own, and our strategy of benefiting from the long-term potential upside from these positions as they grow and become more widely known. With very few funds looking over the companies that we are focussed on, and drawing on DMXAM's almost 10 years of specialist investing in the micro/nano-cap space, we believe we are well placed to benefit from what we consider to be an attractive point in the cycle of small cap stocks. We are confident that our core philosophy of identifying mispriced, "under-the-radar" small companies with compelling risk/reward characteristics will see us continue to deliver good returns over time.

We thank all shareholders for their support, as we look forward to continuing our investment journey into FY25 with confidence.

Sincerely

Dean Morel (Chair) Roger Collison Steven McCarthy

Directors, DMX Capital Partners Limited
25 September 2024

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2024.

Directors
The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Roger Collison
Steven McCarthy
Dean Morel

Principal activities
The principal activity during the financial year was undertaking investments in small sized ASX listed companies.

Dividends
Dividends paid during the financial year were as follows:

	2024 $	2023 $
Final Dividend	728,873	1,348,964

Review of operations
The profit for the company after providing for income tax amounted to $3,532,266 (30 June 2023: loss of $301,260).

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the company during the financial year.

Matters subsequent to the end of the financial year
No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and expected results of operations
Information on likely developments in the operations of the company and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the company.

Environmental regulation
The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Roger Collison
Title:	Executive Director
Qualifications:	BEc(Hons), MBA (AGSM), CFA, GradDipAppFin, GradDipACG, SFFin, FAICD
Experience and expertise:	Roger is an experienced Investment Analyst and Fund Manager, having previously been a Director at Credit Suisse in both Sydney and London; and Head of Research at Tyndall Asset Management. Roger also has extensive governance experience both in the private and not-for-profit sectors. Roger is a Fellow of the Australian Institute of Company Directors (FAICD) and a Chartered Financial Analyst (CFA) As Chair of our Investment Committee, Roger has brought institutional-grade structure, insight, and experience to bear in the oversight of our portfolio management function. In addition to lending his experience and perspective Roger is active with a number of other external governance roles, as well as actively managing a private family investment fund with a focus on value-opportunities on the ASX.

Name:	Steven McCarthy
Title:	Executive Director
Qualifications:	B. Com (Finance); BA (Economics); CPA
Experience and expertise:	Steven is a qualified accountant and has over 17 years of experience in corporate finance, business valuation and advisory services, with extensive analytical, valuation, due diligence and corporate advisory skills. He has had experience across a variety of industries with particular expertise in assessing the performance, future prospects and valuations of small to medium sized, listed and unlisted companies

Name:	Dean Morel
Title:	Non-executive Chairman
Qualifications:	BAppSci, MAppFin, GAICD
Experience and expertise:	Dean has 30 years' investment experience in Australian and international equity and derivative markets. As Chief Investment Officer of an investment trust for the last 15 years he has developed considerable security analysis, asset allocation and portfolio management skills. Dean has extensive understanding of business process, integration and solutions across a broad range of industries. While working for SAP Australia and UK he designed and implemented medium to large scale business enterprise systems and provided strategic consulting and systems auditing services to diverse companies, ranging from Fortune 500 to medium size enterprises

Company secretary

Steven McCarthy (B.Com (Finance); BA (Economics); CPA) has held the role of Company Secretary since 15 January 2016.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Roger Collison	4	4
Steven McCarthy	4	4
Dean Morel	4	4

Shares under option
There were no unissued ordinary shares of the company under option outstanding at the date of this report.

Shares issued on the exercise of options
There were no ordinary shares of the company issued on the exercise of options during the year ended 30 June 2024 and up to the date of this report.

Indemnity and insurance of officers
The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Dean l Morel

Dean Morel
Non-Executive Chairman

25 September 2024

Auditor's Independence Declaration

To the directors of DMX Capital Partners Limited:

As lead auditor for the audit of the financial report of DMX Capital Partners Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(b) any applicable code of professional conduct in relation to the audit.

S. Gr

Sydney, NSW	**S Grivas**
25 September 2024	**Director**

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General information

The financial statements cover DMX Capital Partners Limited as an individual entity. The financial statements are presented in Australian dollars, which is DMX Capital Partners Limited's functional and presentation currency.

DMX Capital Partners Limited is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 2
Level 14
9-13 Castlereagh Street
Sydney NSW 2000

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 25 September 2024. The directors have the power to amend and reissue the financial statements.

DMX Capital Partners Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2024

	Note	2024 $	2023 $
Revenue			
Interest income		21,369	10,642
Dividend income		577,390	444,785
Other income		37,905	6,415
Net gains/(losses) on financial assets held at fair value through profit or loss		4,517,789	(726,183)
Total profit/(loss)		5,154,453	(264,341)
Expenses			
Management fee expenses		(331,784)	(319,864)
Profit/(loss) before income tax (expense)/benefit		4,822,669	(584,205)
Income tax (expense)/benefit	3	(1,290,403)	282,945
Profit/(loss) after income tax (expense)/benefit for the year		3,532,266	(301,260)
Other Comprehensive income for the year, net of tax		-	-
Total Comprehensive income/(loss) for the year		3,532,266	(301,260)
		Cents	Cents
Basic earnings/(loss) per share	21	36.05	(3.21)
Diluted earnings/(loss) per share	21	36.05	(3.21)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

DMX Capital Partners Limited
Statement of financial position
As at 30 June 2024

	Note	2024 $	2023 $
Assets			
Current assets			
Cash and cash equivalents	4	455,306	364,918
Trade and other receivables	5	71,579	100,392
Financial assets at fair value through profit or loss	6	24,834,500	20,662,881
Total current assets		25,361,385	21,128,191
Non-current assets			
Deferred tax asset	7	-	698,920
Total non-current assets		-	698,920
Total assets		25,361,385	21,827,111
Liabilities			
Current liabilities			
Trade and other payables	8	80,950	85,711
Current tax liability	9	363,273	502,353
Total current liabilities		444,223	588,064
Non-current liabilities			
Deferred tax liability	10	217,891	-
Total non-current liabilities		217,891	-
Total liabilities		662,114	588,064
Net assets		24,699,271	21,239,047
Equity			
Issued capital	11	21,689,364	21,032,533
Retained profits		3,009,907	206,514
Total equity		24,699,271	21,239,047

The above statement of financial position should be read in conjunction with the accompanying notes

DMX Capital Partners Limited
Statement of changes in equity
For the year ended 30 June 2024

	Issued capital $	Retained profits $	Total equity $
Balance at 1 July 2022	17,613,493	1,856,738	19,470,231
Loss after income tax benefit for the year	-	(301,260)	(301,260)
Other Comprehensive income for the year, net of tax	-	-	-
Total Comprehensive loss for the year	-	(301,260)	(301,260)
Shares issued	3,419,040	-	3,419,040
Transactions with owners in their capacity as owners:			
Dividends paid (note 12)	-	(1,348,964)	(1,348,964)
Balance at 30 June 2023	21,032,533	206,514	21,239,047

	Issued capital $	Retained profits $	Total equity $
Balance at 1 July 2023	21,032,533	206,514	21,239,047
Profit after income tax expense for the year	-	3,532,266	3,532,266
Other Comprehensive income for the year, net of tax	-	-	-
Total Comprehensive income for the year	-	3,532,266	3,532,266
Shares issued	656,831	-	656,831
Transactions with owners in their capacity as owners:			
Dividends paid (note 12)	-	(728,873)	(728,873)
Balance at 30 June 2024	21,689,364	3,009,907	24,699,271

The above statement of changes in equity should be read in conjunction with the accompanying notes

DMX Capital Partners Limited
Statement of cash flows
For the year ended 30 June 2024

	Note	2024 $	2023 $
Cash flows from operating activities			
Purchase of financial instruments held at fair value through profit or loss		(9,419,675)	(7,412,278)
Sale of financial instruments held at fair value through profit or loss		9,857,512	5,898,652
Interest received		54,734	6,840
Dividend received		577,390	444,785
Income tax paid		(502,353)	(480,398)
Payments to suppliers		(443,083)	(928,029)
Other income		37,905	6,415
Net cash from/(used in) operating activities	20	162,430	(2,464,013)
Cash flows from investing activities			
Net cash from investing activities		-	-
Cash flows from financing activities			
Proceeds from issue of shares	11	656,831	3,419,040
Dividends paid		(728,873)	(1,348,964)
Other		-	(63,048)
Net cash (used in)/from financing activities		(72,042)	2,007,028
Net increase/(decrease) in cash and cash equivalents		90,388	(456,985)
Cash and cash equivalents at the beginning of the financial year		364,918	821,903
Cash and cash equivalents at the end of the financial year	4	455,306	364,918

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policy information

The principal accounting policies adopted in the preparation of the financial statements for DMX Capital Partners Limited ("the company") are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

Any new or amended accounting standards or interpretations that are not yet mandatory have not been early adopted. They are not expected to have a material impact on the financial statements when adopted.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition
The company recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Net gains on financial assets at fair value through profit or loss
Financial assets are recognised and measured at fair value through profit or loss. Net gains on financial assets comprise the realised gains and losses on the disposal of financial assets during the financial year and the gains and losses resulting from the change in fair value of the financial assets held at the reporting date between contracted cost amounts and their fair value at the reporting date.

All income is recognised net of the amount of goods and services tax (GST).

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Note 1. Material accounting policy information (continued)

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 1. Material accounting policy information (continued)

Investments and other financial assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Impairment of financial assets
The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Trade and other payables
These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

Note 1. Material accounting policy information (continued)

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends
Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

Earnings per share
Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of DMX Capital Partners Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Fair value of Financial Assets held at fair value through profit or loss
Valuation techniques using a range of internally and externally developed unobservable inputs are used to estimate fair value. Valuation techniques make maximum use of market inputs, including reference to current fair values of financial assets that are substantially the same. Fair value estimates for these assets are made at a specific point in time, based on market conditions and information about the financial asset. These estimates are subjective in nature and involve uncertainties and matters of significant judgement.

Determination of management and performance fees
A performance fee is payable by DMX Capital Partners Limited to DMX Asset Management Limited equal to 15% of any increase in the gross asset value (GAV) per Share of DMX Capital Partners Limited in excess of the cumulative 30 day Bank Bill Swap Rate (BBSW) return for the period. The GAV is the value of each Share before any fee deductions or accruals and tax and other provisions, except that it shall be calculated after providing for the 1% management fee. It includes any franking credits received or generated. The performance fee is calculated annually on 30 June of each year and accrues on a monthly basis. As Shares are issued at various times throughout the period, the performance fee is calculated with reference to the weighted average number of Shares on issue for the period, as calculated at 30 June. The performance fee is also payable (pro-rata) on any Shares redeemed at the end of the relevant month.

Note 3. Income tax expense/(benefit)

	2024 $	2023 $
Income tax expense/(benefit)		
Current tax	373,591	513,897
Deferred tax - origination and reversal of temporary differences	916,812	(796,842)
Aggregate income tax expense/(benefit)	1,290,403	(282,945)
Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate		
Profit/(loss) before income tax (expense)/benefit	4,822,669	(584,205)
Tax at the statutory tax rate of 30%	1,446,801	(175,262)
Franking tax credits	223,419	46,151
Other items	(379,817)	(153,834)
Income tax expense/(benefit)	1,290,403	(282,945)

Note 4. Current assets - cash and cash equivalents

	2024 $	2023 $
Cash on hand	2	2
Cash at bank	455,304	364,916
	455,306	364,918

Note 5. Current assets - trade and other receivables

	2024 $	2023 $
Other receivables	71,579	100,392

Note 6. Current assets - financial assets at fair value through profit or loss

	2024 $	2023 $
Financial assets held at fair value through profit or loss	24,834,500	20,662,881

Refer to note 14 for further information on fair value measurement.

Note 7. Non-current assets - deferred tax asset

	2024 $	2023 $
Deferred tax asset	-	698,920
Movements:		
Opening balance	698,920	-
Impact on profit or loss	(698,920)	698,920
Closing balance	-	698,920

Note 8. Current liabilities - trade and other payables

	2024 $	2023 $
Management fee payable	31,827	20,547
Other payables	2,093	8,521
Unsettled trades	7,030	56,643
Payments in advance for shares in DMX CP	40,000	-
	80,950	85,711

Note 9. Current liabilities - current tax liability

	2024 $	2023 $
Current tax liability	363,273	502,353

Note 10. Non-current liabilities - deferred tax liability

	2024 $	2023 $
Deferred tax liability	217,891	-

	2024 $	2023 $
Movements:		
Opening balance	-	97,920
Impact on profit or loss	217,891	(97,920)
Closing balance	217,891	-

Note 11. Equity - issued capital

	2024 Shares	2023 Shares	2024 $	2023 $
Ordinary shares - fully paid	10,038,218	9,763,371	21,689,364	21,032,533

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management
The company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the company may adjust the quantum of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital risk management policy remains unchanged from the 30 June 2023 Annual Report.

Note 12. Equity - dividends

Dividends
Dividends paid during the financial year were as follows:

	2024 $	2023 $
Final fully franked dividend for the year ended 30 June 2024 of 7.5 cents (2023: 15 cents) per ordinary share	728,873	1,348,964

Franking credits

	2024 $	2023 $
Franking credits available for subsequent financial years based on a tax rate of 30%	945,936	772,818

Note 12. Equity - dividends (continued)

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:
- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date

Note 13. Financial instruments

Financial risk management
The company's activities expose it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the company and appropriate procedures, controls and risk limits.

Market risk

Price risk
The company is exposed to equity securities price risk. This risk arises from investments held by the company for which prices in the future are uncertain. The company mitigates price risk through diversification and a careful selection of securities and other financial instruments within specified limits set by the board. Most of the company's equity investments are publicly traded and are included in the ASX.

At 30 June 2024, the fair value of equities exposed to price risk were as follows:

	2024 $	**2023 $**
Equity securities	24,834,500	20,662,881

Interest rate risk
The company has direct exposure to interest rate changes on the valuation and cash flows of its interest bearing assets. However, it may also be indirectly affected by the impact of interest rate changes on the earnings of certain companies in which the company invests and impact on the valuation of certain assets that use interest rates as an input in their valuation model. Therefore, the sensitivity analysis below may not fully indicate the total effect on the company's net assets of future movements in interest rates.

The table below summarises the company's exposure to interest rate risk:

	Floating interest rate	Non-interest bearing
Cash and cash equivalents	455,306	-
Trade and other receivables	-	71,579
Financial assets held at fair value through profit or loss	-	24,834,500
Liabilities payable	-	(444,223)
Net exposure	455,306	24,461,856

The table below summarises the impact of an increase/decrease of interest rates on the company's operating profit and net assets through changes in fair value or changes in future cash flows. The analysis is based on the assumption that prices changed by +/- 10% and interest rates changed by +/- 100 basis points from the year end rates with all other variables held constant.

Note 13. Financial instruments (continued)

	Price risk		Interest rate risk	
	-10%	+10%	-100 bps	+100 bps
2024				
Impact	(2,483,450)	(2,483,450)	(4,553)	4,553

	Price risk -10%	Price risk +10%	Interest rate risk -100 bps	Interest rate risk +100 bps
2023				
Impact	(2,066,288)	2,066,288	(3,649)	3,649

Credit risk
The company is exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when they fall due, causing a financial loss to the company.

The main concentration of credit risk, to which the company is exposed, arises from the company's cash and cash equivalents.

In accordance with the company's policy, the senior finance executives monitor the company's credit position frequently and the board of directors reviews it at each meeting.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered low, as delivery of securities sold is only made once the broker has received payment. Payment is made once purchase on the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

Cash and cash equivalents

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a rating of AA (as determined by Standard and Poor's) or higher.

Liquidity risk
Vigilant liquidity risk management requires the company to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The company manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Note 14. Fair value measurement

Fair value hierarchy
The following tables detail the company's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

2024	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Equity securities	21,761,135	664,248	2,409,117	24,834,500
Total assets	21,761,135	664,248	2,409,117	24,834,500

2023	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Equity securities	19,155,080	83,914	1,423,887	20,662,881
Total assets	19,155,080	83,914	1,423,887	20,662,881

Level 3 assets
Movements in level 3 assets during the current financial year are set out below:

	Equity securities $
Opening balance at 1 July 2023	1,423,887
Gains recognised in profit or loss	337,939
Additions	647,291
Closing balance at 30 June 2024	2,409,117

There were no transfers between levels during the year.

Note 15. Key management personnel disclosures

Directors
The following persons were directors of DMX Capital Partners Limited during the financial year:

Roger Collison - Executive Director	Appointed 6 January 2015
Steven McCarthy - Executive Director	Appointed 6 January 2015
Dean Morel - Chairman	Appointed 25 August 2017

Compensation

Key management personnel services are provided by DMX Asset Management Limited and costs are included in the performance and management fees disclosed below. There is no separate charge for these services. There was no compensation paid directly by the company to any of the key management personnel.

Note 15. Key management personnel disclosures (continued)

The following transactions occurred with key management personnel during the reporting period:

	2024 $	2023 $
Purchase of share capital - Steven McCarthy	2,821	5,045
Purchase of share capital - Zaolla Investments Pty limited as trustee of McCarthy Chew Family Trust. Associated with Steven McCarthy	-	54,322
Purchase of share capital - DMX Asset Management Limited	3,426	3,062
(Sale)/purchase of share capital - DMX Corporation Limited	(56,418)	3,435
Purchase of share capital - Collison Superannuation Fund - Roger Collison acting as trustee for the fund	4,616	8,254
Purchase of share capital - Fitzroy Value Fund – Roger Collison as trustee	4,990	27,178
Purchase of share capital - Dog Bowl Super Fund – associated with Dean Morel	6,036	70,858
Purchase of share capital - Dog Bowl Investment Trust - Dean Morel acting as trustee for the Trust	33,067	118,625

Note 16. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by, the auditor of the company:

	2024 $	2023 $
Audit services - HLB Mann Judd Assurance (NSW) Pty Ltd		
Audit of the financial statements	20,750	20,000

Note 17. Contingent assets, liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2024 (2023: $nil).

Note 18. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 15.

DMX Asset Management Limited is also entitled to receive a management fee which is charged at 1% per annum on the value of gross assets. The management fee is payable monthly – 0.00125% per month of the value of the gross assets under management on the last business day of each month. During the year DMX Asset Management Limited has charged a performance fee of $nil (2023: $nil) and a management fee of $330,311 (2023: $319,800) to DMX Capital Partners Limited. As at 30 June 2024 the performance fee payable is $nil (2023: $nil) and a management fee payable is $31,827 (2023: $20,547).

Note 19. Events after the reporting period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 20. Reconciliation of profit/(loss) after income tax to net cash from/(used in) operating activities

	2024 $	2023 $
Profit/(loss) after income tax (expense)/benefit for the year	3,532,266	(301,260)
Adjustments for:		
Net (decrement/increment) on financial instruments held at fair value through profit or loss	(4,171,619)	2,659,938
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	28,813	(66,786)
Residual increase in financial assets after fair value adjustment above	-	(3,384,333)
Decrease in trade and other payables	(4,761)	(596,687)
Increase/(decrease) in tax liabilities	777,731	(774,885)
Net cash from/(used in) operating activities	162,430	(2,464,013)

Note 21. Earnings per share

	2024 $	2023 $
Profit/(loss) after income tax	3,532,266	(301,260)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	9,797,925	9,384,432
Weighted average number of ordinary shares used in calculating diluted earnings per share	9,797,925	9,384,432
	Cents	Cents
Basic earnings/(loss) per share	36.05	(3.21)
Diluted earnings/(loss) per share	36.05	(3.21)

DMX Capital Partners Limited
Consolidated entity disclosure statement
As at 30 June 2024

DMX Capital Partners Limited does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, section 295(3A)(a) of the Corporations Act 2001 does not apply to the entity.

DMX Capital Partners Limited
Directors' declaration
30 June 2024

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Dean C Morel

Dean Morel
Non-Executive Chairman

25 September 2024

Independent Auditor's Report to the Members of DMX Capital Partners Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of DMX Capital Partners Limited ("the Company") which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

(a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001;* and

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(b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001,* and

for such internal control as the directors determine is necessary to enable the preparation of:

(a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

(b) the consolidated entity disclosure statement that is true and correct and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

HLB Mann Judd

S. Gi

HLB Mann Judd Assurance (NSW) Pty Ltd
Chartered Accountants

S Grivas
Director

Sydney, NSW
25 September 2024

The shareholder information set out below was applicable as at 30 August 2024.

1. Top 20 Shareholders

	Name of Shareholder	# of shares	%
1	BASAPA PTY LTD <KEHOE FAMILY ACCOUNT>	746,606	7.48%
2	ZAOLLA INVESTMENTS PTY LTD <MCCARTHY CHEW FAMILY AC>	570,674	5.72%
3	CAMDEN EQUITY PTY LTD <BYRNE HYBRID INVESTMENT AC>	401,537	4.02%
4	DEAN GEOFFREY MOREL <DOG BOWL INVESTMENT A/C>	396,506	3.97%
5	EASTERN PORPHRY PTY LTD <THE STUBBS FAMILY ACCOUNT>	323,566	3.24%
6	MR EVAN MANSFIELD	317,210	3.18%
7	ANDREW BROTHERS MANUFACTURING P/L <ASIS SUPER FUND>	263,091	2.64%
8	LVN INVESTMENTS P/L <LVN SUPER FUND>	244,286	2.45%
9	DOLDORY PTY LTD <LEWIS FAMILY SUPER FUND>	237,785	2.38%
10	MR THOMAS JAMES HUDSON & MRS CAROL ANN HUDSON	219,626	2.20%
11	NIVEZA PTY LTD <PETER THOMSON SUPER FUND>	212,875	2.13%
12	MKK CAPITAL PTY LIMITED <MKK FAMILY A/C>	208,558	2.09%
13	RIVER CITY PTY LIMITED <PRENTICE SUPER FUND A/C>	204,039	2.04%
14	PUPPY BOWL PTY LTD <DOG BOWL SUPER FUND A/C>	189,348	1.90%
15	WHITE TIGER NOMINEES PTY LIMITED <WHITE TIGER A/C>	182,935	1.83%
16	SCOTT ALEXANDER MILSON & JACQUELINE MILSON <MILSON SUPERFUND A/C>	171,247	1.72%
17	M & S BOWDEN SUPER PTY LTD <M & S BOWDEN SUPER FUND>	170,659	1.71%
18	MAXLEK PTY LIMITED <JIM & JOELS SUPER FUND A/C>	165,492	1.66%
19	MRS ANN MATTHEWS	160,124	1.60%
20	BAROGA PTY LTD <BAROGA SUPER FUND>	159,138	1.59%
		5,545,302	**55.56%**
	Other shareholders	4,436,103	44.44%
	Total	**9,981,405**	**100.00%**

2.Distribution of Shareholders

Spread of holdings	# of shares	# of holders	%
1 - 1000	1,934	2	0.02%
1001 - 5000	18,925	6	0.19%
5001 - 10000	109,460	15	1.10%
10001 - 100000	3,403,766	90	34.10%
100001 - 999999999999	6,447,320	27	64.59%
TOTAL	**9,981,405**	**140**	**100.00%**

3.Substantial Shareholders

Name of Shareholder	# of shares	%
BASAPA PTY LTD <KEHOE FAMILY ACCOUNT>	746,606	7.48%
ZAOLLA INVESTMENTS PTY LTD <MCCARTHY CHEW FAMILY AC>	570,674	5.72%