DMX Capital Partners Limited
June 2025 – Investor Update

An investment company managed by:
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Opening NAV (31 May 2025) [1,2]	**$2.5672**
Closing NAV (30 June 2025) [1,2]	**$2.6185**
Fund size (gross assets)	$28m
% Cash held - month end	2%
Number of positions	47
Gearing	Nil

1-month return	2.0%
3-month return	7.7%
12-month return	13.5%
3-year return (CAGR p.a.)	11.4%
5-year return (CAGR p.a.)	16.3%
Since inception (*10 years, 3 months*) (CAGR p.a.)	15.2%
Since inception (*10 years, 3 months*) (cumulative)	328.1%

Returns include dividends reinvested and franking credits paid.
Inception date of 1 April 2015 (Inception NAV: $1.00). Since inception, $1.31 of dividends & franking credits have been paid.

Dear Shareholder,

DMXCP's NAV increased 2.0% (after all accrued fees and expenses) for June 2025. The NAV as at 30 June 2025 was **$2.6185**, compared to $**2.5672** as at 31 May 2025. Markets finished the year mostly positive, with the All Ordinaries finishing June up 1.4%, the Small Ordinaries increased 0.5%, though the Emerging Companies Index was down 0.5%.

For the 12 months to 30 June 2025, DMXCP returned 13.5%.

June developments

June saw a strong uplift (40%) in the share price of Kip McGrath (ASX:**KME**), while EDU, following its 93% increase in May, had a further 22% gain during June. Count (ASX:**CUP)** also performed strongly, up 17%. As expected during June, we saw some tax-loss selling (although not as pronounced as in the previous several years) which impacted some of our small, more illiquid positions, while our largish position in Findi (ASX:**FND**) fell 8%.

During the month we continued to see a number of solid updates across our key positions, highlighting pleasing operational progress:

- Kip McGrath (ASX:**KME**) announced it was expecting an ~20% in EBITDA for the year. We wrote this time last year that we had been disappointed for some time by Management missteps and a lack of focus on profit and had pushed to have a new chair, Damian Banks, appointed to KME - the first board change at KME in seven years. It was pleasing to see the restructured board decide to shut KME's loss making US operations and appoint an experienced operational CEO to lead a refocused Australian and US business into FY26.

- Findi (ASX:**FND**) advised during the month that it had appointed lead managers for the IPO of its Indian ATM/banking subsidiary with a current indicated IPO valuation range of $727m – $926m pre-money. Having supported the recapitalisation of FND in 2022 when it had a market cap of less than $10m, FND has re-rated to ~$250m+ market cap – but still trades at a substantial discount to the value implied by an Indian listing.

- EDU Australia (ASX:**EDU)** during June reported an 118% increase in total student enrolments for its Ikon Trimester 2, intake (+500 students added versus T1), highlighting sustained demand for Ikon's programs. These net additional ~500 enrolments (at ~$17,000 per year, for a three-year bachelor's degree) will add incrementally to EDU's Q1 strong reported run-rate where it made a $2.9m NPAT. EDU is on track to generate during 2025 free cash (post tax) of ~$12m – more than its entire market cap this time last year.

Despite the increase in share prices in the above names, we feel that given the improvement in their fundamentals, the value thesis in each of these positions is attractive and the upside remains material.

Reflections on FY25

Reflecting on FY25, we are pleased with the progress that our portfolio of under-the-radar companies has made during the year, against a somewhat challenging economic and geo-political backdrop.

For several years very small companies have remained out of favour by the market, with reported good news often ignored or used as a liquidity opportunity for sellers. This year, however, we started to see liquidity and interest return to some of the previously more illiquid names that had been growing and executing well. It was pleasing to see the market react positively to news with some meaningful share price re-rates from some beaten down prices - amongst some of our key holdings for the year we saw:

- EDU - up 247% as it significantly increased its profitability on the back of stronger enrolments;
- Energy One (ASX:**EOL**) - up 194% with the market recognising the attractive growth and margin opportunity;
- Pharmx (ASX**:PHX**) - up 142% as its refocused business returned to double digit revenue growth;
- Kinatico (ASX:**KYP**) - up 105%, following exceptionally strong SAAS growth;
- Pure Profile (ASX**:PPL**) - up 91% having delivered a strong overseas growth and a pleasing NPAT result; and
- KME - up 87% as the new board drove improved operational and financial outcomes.

Ultimately, while patience is often required, execution and profit growth will eventually attract broader market attention and lead to improved liquidity and market re-rates. We are committed to trying to find and own companies with low market caps that have the potential to grow into larger companies and attract meaningful re-rates – we think some of the results above that we have seen this year do validate our approach.

While we saw encouraging progress across the bulk of the portfolio, we didn't get through the year unscathed though, with two companies in particular materially impacting our returns. After being a significant contributor to performance in FY24 and growing to an overweight position, Medadvisor (ASX:**MDR)** fell ~80% during the year. Challenging operating conditions in the US saw a series of downgrades and led the board to undertake a strategic review to look to restore value. Instead, this contributed to further value destruction as the board decided to sell its Australian business, the jewel in its crown, for what seemed to us to be a ridiculously low price – an incredibly disappointing outcome for a business that had much potential. Another disappointment was Field Solutions Group (ASX:**FSG**) which ended up in administration after it was unable to fund cost over-runs to its tower infrastructure roll-out. In hindsight, there were enough signals here for us to have acted sooner in relation to divesting these positions. We need to do better here in acting quicker in the case of under-performing companies with weak balance sheets. For both MDR and FSG their net-debt positions made them extra sensitive to poor operational performance.

Notwithstanding some setbacks, for the most part FY25 has been pleasing and constructive, and we think that the strong operational progress of the portfolio positions us well for FY26.

How we are thinking about FY26

With interest beginning to return to small nano and micro-cap companies after a somewhat painful period, we are hopeful for continued success into FY26. We are confident that there is plenty of upside across our diverse portfolio of attractively priced, growing, under-the-radar companies, that is capable of being realised irrespective of the prevailing macro-economic or market conditions.

We highlight below some of our positions (with portfolio weightings >~ 2%) that we are particularly enthused about as we head into FY26 - in aggregate, these names represent well over half our portfolio.

- EDU (m/c: $50m), KME (m/c: $32m) and Verbrec (ASX:**VBC** –m/c: $18m) – all should continue to generate strong and growing levels of cash relative to their EVs during FY26, with capital management initiatives expected in FY26;

- Prime Financial (ASX:**PFG** – m/c: $58m), Commsgroup (ASX:**CCG -**m/c: $27m), Austco Healthcare (ASX:**AHC** – m/c: $109m) and AFL Legal (ASX:**AFL** – m/c: $10m) will benefit in FY26 from the full year contribution from accretive acquisitions undertaken during FY25, positioning them for strong earnings growth;

- Count (ASX:**CUP** – m/c: $169m) and Sequoia (ASX:**SEQ** – m/c: $45m) are both well placed to participate in some form of corporate activity in FY26, while continuing to trade on attractive multiples;

- Findi (ASX:**FND** m/c: $250m), as mentioned above, continues to trade at a significant discount to the value of its expected interest in its Indian subsidiary which should IPO in 2026;

- RPM Automotive (ASX:**RPM** – m/c: $18m) will benefit from its tyre recycling initiatives in FY26;

- Pure Profile (ASX:**PPL** – m/c: $50m) having now successfully proven out its profitability and ability to increase margins will likely look to accelerate its overseas growth through organic or inorganic initiatives;

- Raiz (ASX:**RZI** – m/c: $66m) we expect to report its maiden profit during FY26, positioning it as a unique, fast growing profitable fintech;

- Kinatico (ASX:**KYP** – m/c: $77m): FY26 will for the first time have the majority of its revenue generated from its high margin SAAS products, as it looks to scale its new compliance offering; and

- Asset Vision (ASX:**ASV** – m/c: $28m) will continue its rapid growth in FY26 and should attract more market attention as a profitable fast growing SAAS business achieving the rule of 40.

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 from their current low market caps and become more widely known.

We thank you for your continued support and look forward to updating you next month.

Kind regards

Steven, Michael, Chris & Roger
DMX Asset Management

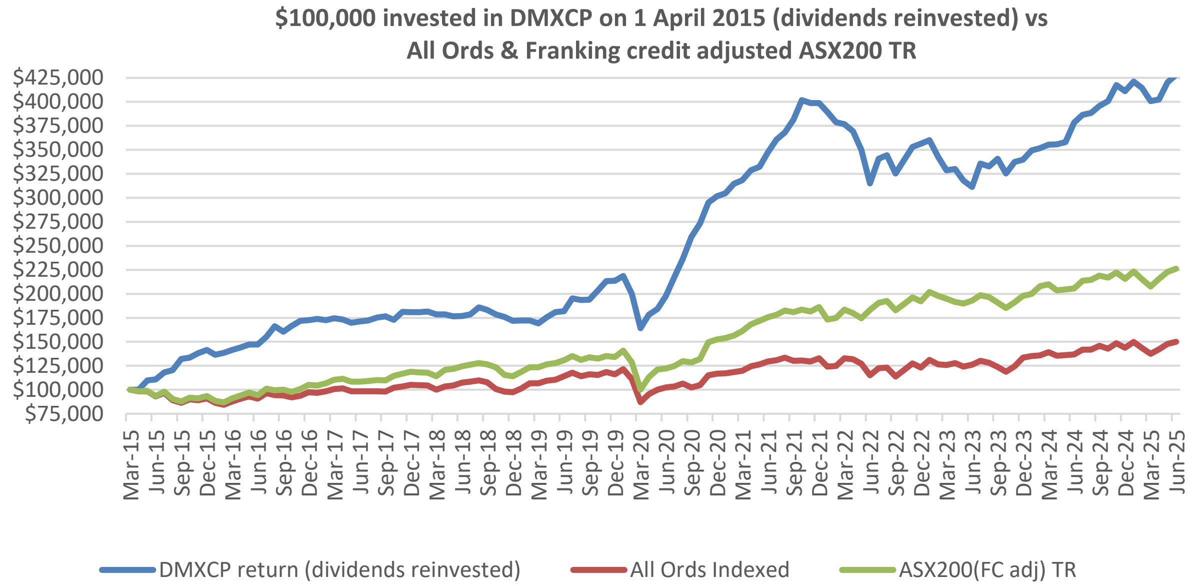
Note 1: Net asset value (NAV) is after income tax payable but includes an estimate of franking credits available. Refer note 4, unaudited
Note 2: Unaudited result
Note 3: All DMXCP disclosed returns include the payment of dividends and franking credits

<u>Appendix 1: Performance</u>

Monthly DMXCP Net asset value (share-price) returns (after fees) since inception (April 2015) [(3)] (%)

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	All Ords
2015	n/a	n/a	n/a	+0.201	+9.448	+1.104	+6.524	+1.971	+9.711	+0.958	+3.568	+2.470	**+41.62**	**-8.83**
2016	-3.590	+1.323	+2.049	+2.045	+2.143	+0.020	+5.389	+7.056	+2.156	+1.058	+1.520	+0.321	**+23.10**	**+7.01**
2017	+0.885	-0.816	+1.790	-0.741	-1.990	+0.210	+1.071	+1.208	+0.822	+3.494	-0.267	-0.055	**+5.54**	**+7.83**
2018	+0.445	-1.625	+0.008	-1.173	+0.310	-0.211	+1.017	+4.112	+1.604	-3.438	-2.827	-2.257	**-3.66**	**-7.24**
2019	+0.122	-0.010	-1.624	+3.754	+3.014	+0.418	+7.482	-0.889	+3.279	+4.567	+2.997	+0.140	**+25.10**	**+19.02**
2020	+2.33	-8.42	-17.91	+8.521	+4.525	+6.213	+10.09	+8.669	+6.518	+11.10	+7.86	+2.24	**+42.47**	**+0.72**
2021	+1.02	+3.31	+1.17	+3.20	+1.10	+0.70	+3.96	+2.12	+3.80	+5.51	-0.84	+0.04	**+28.06**	**+13.55**
2022	-2.48	-2.93	-0.51	-2.04	-5.50	-10.64	+8.72	+1.20	-5.90	+4.52	+4.50	+0.96	**-11.4**	**-7.2**
2023	+1.12	-5.17	-4.52	+0.47	-3.94	-2.30	+8.55	-0.91	+2.56	-4.86	+4.06	+0.74	**-5.07**	**+8.4**
2024	+3.27	+0.77	+1.00	+0.06	+0.78	+6.18	+2.35	+0.52	+2.05	+1.59	+4.49	**-1.71**	**+22.7**	**+7.6**
2025	+2.72	-1.73	-3.70	+0.46	+5.06	**+2.00**							**+4.62**	**+4.44**

The following chart illustrates the return from investing $100,000 in the fund (including dividends and attached franking credits) since inception (1 April 2015). DMXCP is an absolute return fund, focused on generating positive absolute returns over the medium to long term.



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