



DMX Capital Partners Limited

July 2025 – Investor Update

An investment company managed by:
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Opening NAV (30 June 2025) ^(1,2)	\$2.6185
Closing NAV (31 July 2025) ^(1,2)	\$2.7542
Fund size (gross assets)	\$30m
% Cash held - month end	2%
Number of positions	47
Gearing	Nil

1-month return	5.2%
3-month return	12.7%
12-month return	16.1%
3-year return (CAGR p.a.)	10.3%
5-year return (CAGR p.a.)	15.2%
Since inception (10 years, 4 months) (CAGR p.a.)	15.6%
Since inception (10 years, 4 months) (cumulative)	347.8%

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 5.2% (after all accrued fees and expenses) for July 2025. The NAV as at 31 July 2025 was **\$2.7542**, compared to **\$2.6185** as at 30 June 2025. Markets during July were positive, with the All Ordinaries finishing July up 2.4%, the Small Ordinaries increased 2.8%, though the Emerging Companies Index recovered 3.9%.

July has historically been a strong month for DMXCP. We typically benefit from a recovery from the tax loss selling experienced in June, as well as from the year-end news flow heading into August reporting – DMXCP has recorded a positive return every July over the preceding 10 years, with an average monthly return for July over those 10 years of 4.8%.

This July was no exception as we saw a number of company updates and strong uplifts in several key positions including EDU Australia (ASX:**EDU**) which increased 27%, Austco Healthcare (ASX:**AHC**) up 25% and Verbrec (ASX:**VBC**) rising 37%. Amongst our smaller positions that were likely to have been impacted by year-end tax loss selling, Beonic (ASX:**BEO**) was up 42%, Structural Monitoring (ASX:**SMN**) increased 30% and RMA Global (ASX:**RMY**) rose 25%. Detractors included Findi (ASX:**FND**) which fell 13% and Energy One (ASX:**EOL**) which was down 12%, while Sequoia (ASX:**SEQ**), which we comment on below, fell 20%.

July developments

With fourth quarter reporting, and end of the financial year updates, there was a large amount of news flow during the month. Of note were several company updates that we viewed as very much improving the fundamentals and investment case of those holdings:

- We have discussed EDU Australia (ASX:**EDU**) extensively in our recent monthly reports following its strong share price re-rating (+350%) since the start of the year. It was therefore pleasing to see EDU pre-release a very strong set of first half numbers and update that, in our view, more than supports this recent share price increase. Strong enrolment growth in Ikon, EDU's higher education business, has driven a >100% increase in EDU's first half revenue to ~\$36m, while EDU's first half NPAT is expected to increase from 0 to >\$6m.

In the 12 months to 30 June 2025, EDU's net cash position has increased from \$6m to more than \$21m – highlighting the current strong cash generation of the business. EDU has generated more cash in the last 12 months than what its entire market cap was at 30 June 2024.

Pleasingly, EDU also noted that it expects another strong intake in Ikon's Trimester 3, 2025, commencing in September, following the impressive T2 result (+500 students added versus T1). These additional enrolments (at ~\$17,000 per year, for a three-year bachelor's degree) will add incrementally to EDU's current revenue run-rate and support revenue growth into the second half of the calendar year.

- Income Asset Management (ASX:**IAM**), which provides investors with a range of income related investment services, including bonds, loans, and treasury management services, reported record revenue of \$5.4m for Q4 (+35%). At the same time as the revenue improvement, there has also been a significant cost restructure, resulting in IAM generating a net positive operating cash flow for Q4 of \$634k – its second successive quarter of positive cash flows. After many years of being sub-scale and generating substantial operating losses, IAM is now on track to deliver its maiden full year profit in FY26 with revenues expected to exceed \$20m.

Also, during the quarter, IAM's key competitor, FIIG, was acquired for more than \$60m – we understand that FIIG has slightly higher revenue than IAM, but is otherwise a less attractive business than IAM. With increasing investor interest in fixed income investments (particularly in an environment of falling interest rates) together with IAM's significantly restructured cost base, we believe IAM is an attractive under-the-radar business with appealing tailwinds that will attract more investor attention through FY26.

- Austco Healthcare (ASX:**AHC**), which provides healthcare communication and clinical workflow management solutions globally, reported a strong finish to the year and positive full year results. FY25 was described by the company as *"a transformative year.... We delivered strong double-digit growth, successfully integrated acquisitions, and executed our strategy with discipline"*. During FY25, AHC achieved revenue growth of ~40% to \$80m+, which resulted in ~60% growth in EBITDA to \$13m, in part assisted by the full year contribution of Amenco, which was acquired in April 2024 and performed ahead of expectations.

AHC now enters FY26 on track to deliver revenue in excess of \$100m and NPAT of more than \$10m. Pleasingly, AHC's order book on 30 June 2025 of \$55m is a record high, notwithstanding delivery of \$13m of revenue in June. With this increasing momentum and scale, AHC is well placed to continue its earnings and multiple re-rate into FY26.

- Structural Monitoring Systems (ASX:**SMN**) also delivered, in their words, a *"Breakout H2FY25 performance, with an NPAT of \$3.1m, compared to \$0.1 million in H2FY24, reflecting strong operating leverage post Q2 restructure"*. Of SMN's total FY25 EBITDA of \$5.0m, \$4.9m was generated in the second half, implying a full year EBITDA run-rate of ~\$10m and an NPAT run-rate of \$6m.

In addition to its profitable operating business that underpins its market cap, SMN is getting closer to receiving FAA approval for its Comparative Vacuum Monitoring (CVMTM) technology - the first technology to become commercially available to significantly reduce costs associated with airframe structural health monitoring inspections. SMN continues to work with Delta Airlines and Boeing to progress certification here, with FAA accreditation triggering a material contractual payment from Delta, and opening up market opportunities for SMN with commercial and military airlines globally.

As well as those mentioned above, pleasing quarterly updates were also reported by Kinatico (ASX:**KYP**) with FY25 SaaS revenue growth of 54% (to \$15m – all organic); Advanced Braking (ASX:**ABV**) which delivered organic revenue growth of 27% and an NPAT of \$1.8m; and Raiz (ASX:**RZI**) with revenue growth of 15% and an updated pricing structure that presents profit upside into FY26.

In relation to detractors, we note SEQ fell 20% during July, on the back of media commentary around the involvement of its subsidiary Interprac with the Shield Master Fund. This was a fund where advisers licensed by Interprac had placed client superannuation, and that through mismanagement and potential fraud within the fund, has collapsed leaving investors out of pocket. During the month we had various discussions with the SEQ chair, Management and other industry participants to get a broad perspective as to potential implications here for SEQ. SEQ's licensee business clearly has a number of challenges in front of it as investigations continue as to who (fund trustees, fund rating agencies, fund platform providers, fund auditors and/or advisers) is responsible and liable for any losses here. SEQ's \$30m market cap remains well supported by its ~\$15m holding in ASX:CAF, and the value of its higher quality legal documents business.

As we head into August full year reporting, many of our larger positions have already pre-reported, reducing the risk of negative full year surprises. As mentioned in previous updates, we are confident that there is plenty of upside across our diverse portfolio of attractively priced, growing, under-the-radar companies, and we are hopeful that the full year reports will show case the progress and the potential across the portfolio. We thank you for your continued support and look forward to updating you next month on how the portfolio has fared during 'reporting season'.

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

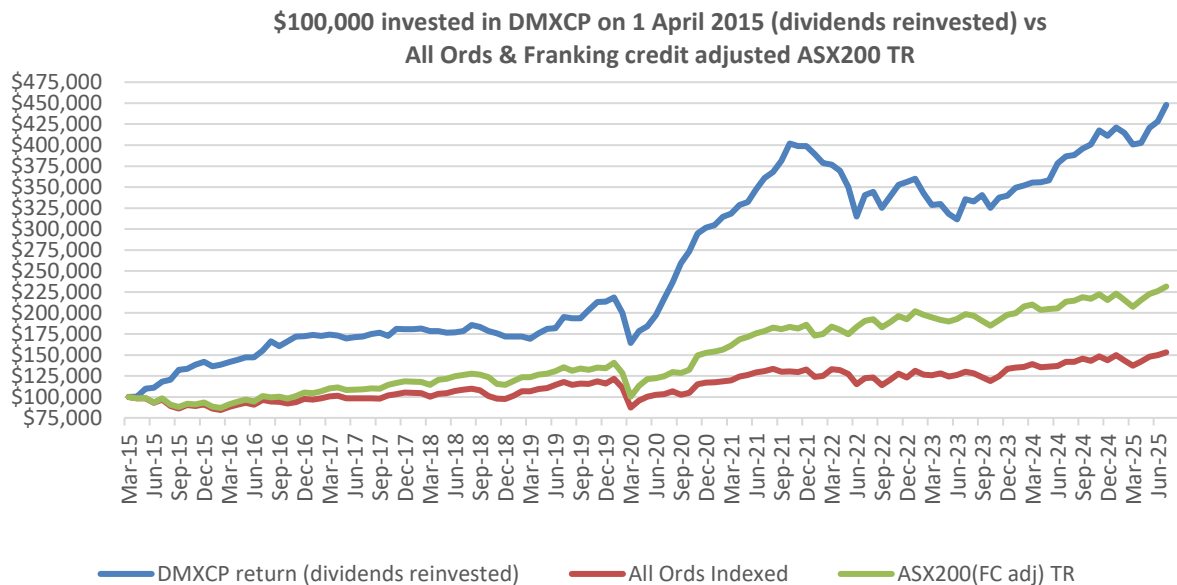
Note 3: All DMXCP disclosed returns include the payment of dividends and franking credits

Appendix 1: Performance

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	+5.19						+10.0	+6.6

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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