



# DMX Capital Partners Limited

## February 2026 – Investor Update

An investment company managed by:  
**DMX Asset Management Limited**  
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Steven McCarthy

Opening NAV (31 January 2026) <sup>(1,2)</sup>	\$2.9896
Closing NAV (28 February 2026) <sup>(1,2)</sup>	\$2.9666
Fund size (gross assets)	\$34m
% Cash held - month end	2%
Number of positions	49
Gearing	Nil

1-month return	-0.8%
3-month return	4.4%
12-month return	24.6%
3-year return (CAGR p.a.)	15.3%
5-year return (CAGR p.a.)	10.1%
Since inception (10 years, 11 months) (CAGR p.a.)	16.1%
Since inception (10 years, 11 months) (cumulative)	410.5%

Returns are after all fees and expenses and include dividends reinvested and franking credits paid.

Inception date of 1 April 2015 (Inception NAV: \$1.00). Since inception, \$1.45 of dividends & franking credits have been paid.

Dear Shareholder,

DMXCP's NAV declined 0.8% (after all accrued fees and expenses) for February 2026. The NAV as at 28 February 2026 was **\$2.9666**, compared to **\$2.9896** as at 31 January 2026. During February, the All-Ordinaries Accumulation Index increased 4.1%, the Small Ordinaries fell 2.6%, while the Emerging Companies Index was up 1.7%. Again, the Technology Index continued to lag the broader market, falling another 10% on concerns around the impact of AI on the sector.

### February Performance

February was an eventful month for smaller companies and particularly small cap technology names, with some significant macro and results driven volatility.

Key contributions for the month came from Verbrec (ASX:**VBC**) (+24%) which, having settled its very accretive acquisition of Alliance Automation in December, provided encouraging guidance for the merged group for the second half of FY26. On the back of a strong half yearly result, and a material guidance upgrade, Bioxyne (ASX:**BXN**) was also a significant contributor with a 54% share price increase, while RMA Global (ASX:**RMY**) rose 44% after agreeing with RE/MAX in North America to materially expand its agent customer base by 75,000 through integrating into the RE/MAX network.

The largest detractor was our overweight position in Pure Profile (ASX:**PPL**) which fell 15%, even though its results had already been pre-reported (and were upgraded last month) and were very much in line with expectations. The other material detractor was RPM Automotive (ASX:**RPM**) which fell 40%, on the back of a disappointing first half. A number of other smaller positions fell as sentiment towards small cap names remained muted. In particular, our software names Energy One (ASX:**EOL**), Kinatico (ASX:**KYP**), Reckon (ASX:**RKN**) and Asset Vision (ASX:**ASV**) all softened during the month on what were good reported results which we would have otherwise expected more positive reactions in a stronger market.

### Results review

February half year reporting was positive – all of our medium to large weighted holdings (>2% positions) delivered revenue growth, good operating momentum and improved NPAT growth. We've previously noted the improving fundamentals across our portfolio as our businesses become more profitable, demonstrate operating leverage and increase their intrinsic value. While across the portfolio there were a couple of disappointments, we think overall, these results are supportive of our strategy of owning long term positions in not widely owned, under-the-radar businesses that have strong growth profiles and attractive valuations.

After each reporting season, we assess each of our holding's reported results relative to our pre-result expectations – set out below are the half year results that we thought were the most impressive, the most pleasing and the most disappointing.

### **The Impressive...**

Bioxyne (ASX:BXN) delivered what we considered to be the standout ASX micro-cap result this reporting season. Australia's leading manufacturer of medicinal cannabis delivered 1) a NPAT of \$7.3m (up 121%) and 2) upgraded its FY26 EBITDA guidance by ~50% to \$16.5m - \$19m. At the midpoint of its new guidance, BXN should generate an FY26 NPAT of ~\$16m, putting BXN on a PE of ~8x.

With strong revenue growth, BXN's margins are improving through cost efficiencies and better use of its facilities. It is now delivering >240,000 of finished medicine products per month. BXN is the leading GMP manufacturer in Australia for large multinational suppliers that are looking to sell into Australia and has also constructed the world's largest GMP-certified cannabis pastilles manufacturing facility. Edibles/pastilles are expected to increase from 1% to >20% of Australian cannabis prescriptions by 2027, offering BXN a significant opportunity to capture this growth.

Our position sizing here remains modest (~2%) as we build confidence around the sustainability of this growth and margins, and given the dynamic nature of the industry. But BXN's successful entry into Europe, and in particular Germany, provides it with the potential to replicate its Australian success in other geographies. With its market share in Germany currently 1%, Germany is likely to represent a big part of the BXN growth story over the next 6 – 12 months.

Count (ASX:CUP) is one of our largest positions and we were impressed here by the business momentum. EBITA was up 19% for the half (having been up 13% at the end of Q1). Underlying NPATA was up a very strong 33% to \$9.2m, putting CUP on track to deliver a \$20m NPATA result for the year. On this result, CUP continues to trade on < 10x PE.

In particular, CUP benefitted from increased wealth earnings with impressive FUM growth of 49% to \$5.3b due to the transition of ~\$900m in portfolios in October 2025 and with 21 new firms utilising CUP's CARE investment platform.

CUP has a strong and diversified core business across wealth, accounting and services, and a management team well positioned to continue to grow the top line at double digit rates organically and through acquisitions, with operating leverage now clearly evident in the business.

### **The Pleasing...**

Having been a Raiz (ASX:RZI) shareholder for many years, it was most pleasing to see RZI finally deliver a profit. RZI's revenue increased 24% to \$14.4m, driven by a 6% increase in active customers to 336,048 and a 16% increase in ARPU to \$86/year. Underlying EBITDA increased by an impressive 270% to \$2.6m, with a maiden PBT reported of \$800k. Raiz's CEO, Brendan Malone, nicely summarised the progress: *"Raiz has a highly scalable platform and the business has now transitioned into structural profitability, a major operating milestone. We now have multiple levers for growth, including new customer acquisition and as well as increasing ARPU through new product development, strong engagement, higher retention and deeper relationships across our existing customer base."*

After a somewhat painful journey to get here, we are looking forward to RZI building on this strong platform, and scaling from here.

In a similar vein, we have been an AF Legal (ASX:AFL) shareholder for over 6 years, and it has also been a challenging journey. But we are now feeling very optimistic here after seeing strong revenue growth (+40%), EBITDA growth (+60%) and NPBT growth (+125%). With revenue now annualising at \$35m, we are pleased to see AFL making good progress towards its short to medium term target of \$50m revenue & \$5m NPBT.

Having identified its previous lack of scale as restricting margin growth, AFL's revenue has more than doubled in the last three years. It was therefore pleasing to see AFL's NPBT margin rise 61% to 7.1%, trending positively towards its short to medium-term margin of 10%. Supporting this improvement in fundamentals is an improved high-performance culture, happier staff and higher retention.

Like RZI, with operating leverage now clearly evident, the platform is in place with AFL to scale the business and profits from here.

## The Disappointing....

RPM Automotive (ASX:RPM) was one of the few companies in the portfolio to see its revenue decline. Having reported an EBITDA of \$2.5m at Q1, it failed to improve on that for the half, implying a very challenging second quarter. While Management believes the changes made in the half will result in an improved result in the second half, it is clear they have been unable to consistently deliver adequate results since its IPO in 2018. With the RPM group comprising four separate business units, it may be that the sum of the parts provides more value than what Management can deliver at a group level, and some form of corporate activity is required to recover value here.

In late 2024 we supported the recapitalisation of Income Asset Management (ASX:IAM) with the expectation that during FY25 IAM would restructure its cost base, and with a strengthened balance sheet, deliver strong profits in FY26. Unfortunately, a fraud event has impacted momentum here, and operating conditions have been more challenging with trading volume turnover decreasing 12% to \$2.2b in the half. While revenue was up 13%, IAM recorded a normalised loss of \$1.65m, well behind what we had hoped. With a lower cost base heading into H2, we expect the results to improve from here, however this turnaround is 12-18 months behind where we had initially anticipated, and will require further patience until it reaches profitability.

## Concluding thoughts

Whilst there were a couple of hiccups during the month, it was pleasing to see the growth through the portfolio and the encouraging momentum. Many of our holdings are growing at double digit rates and the bulk of the portfolio is delivering operating leverage and impressive profit growth. We continue to assess and monitor and speak to our holdings about AI, digital disruption and other threats that may impact this momentum, but at the moment we remain comfortable.

Mid-sized positions such as RZI, AFL and Laserbond (ASX:LBL) that have caused us problems in recent periods, are now well and truly back on track and offer attractive upside. A couple of problem positions remain (notably RPM and SEQ), but overall, the momentum across the portfolio is good and the recent half year results reflect this.

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

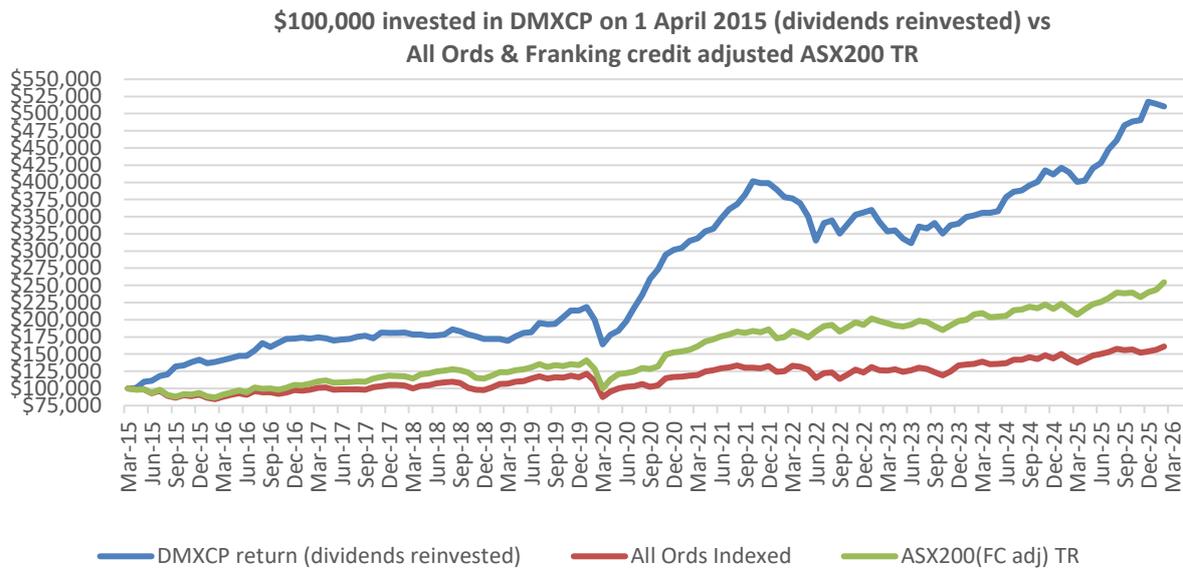
Note 3: All DMXCP disclosed returns include the payment of dividends and franking credits

## Appendix 1: Performance

Monthly DMXCP Net asset value (share-price) returns (after fees) since inception (April 2015) <sup>(3)</sup> (%)

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	<b>+41.62</b>	<b>-8.83</b>
2016	<b>-3.590</b>	+1.323	+2.049	+2.045	+2.143	+0.020	+5.389	+7.056	+2.156	+1.058	+1.520	+0.321	<b>+23.10</b>	<b>+7.01</b>
2017	+0.885	<b>-0.816</b>	+1.790	<b>-0.741</b>	<b>-1.990</b>	+0.210	+1.071	+1.208	+0.822	+3.494	<b>-0.267</b>	<b>-0.055</b>	<b>+5.54</b>	<b>+7.83</b>
2018	+0.445	<b>-1.625</b>	+0.008	<b>-1.173</b>	+0.310	<b>-0.211</b>	+1.017	+4.112	+1.604	<b>-3.438</b>	<b>-2.827</b>	<b>-2.257</b>	<b>-3.66</b>	<b>-7.24</b>
2019	+0.122	<b>-0.010</b>	<b>-1.624</b>	+3.754	+3.014	+0.418	+7.482	<b>-0.889</b>	+3.279	+4.567	+2.997	+0.140	<b>+25.10</b>	<b>+19.02</b>
2020	+2.33	<b>-8.42</b>	<b>-17.91</b>	+8.521	+4.525	+6.213	+10.09	+8.669	+6.518	+11.10	+7.86	+2.24	<b>+42.47</b>	<b>+0.72</b>
2021	+1.02	+3.31	+1.17	+3.20	+1.10	+0.70	+3.96	+2.12	+3.80	+5.51	<b>-0.84</b>	+0.04	<b>+28.06</b>	<b>+13.55</b>
2022	<b>-2.48</b>	<b>-2.93</b>	<b>-0.51</b>	<b>-2.04</b>	<b>-5.50</b>	<b>-10.64</b>	+8.72	+1.20	<b>-5.90</b>	+4.52	+4.50	+0.96	<b>-11.4</b>	<b>-7.2</b>
2023	+1.12	<b>-5.17</b>	<b>-4.52</b>	+0.47	<b>-3.94</b>	<b>-2.30</b>	+8.55	<b>-0.91</b>	+2.56	<b>-4.86</b>	+4.06	+0.74	<b>-5.07</b>	<b>+8.4</b>
2024	+3.27	+0.77	+1.00	+0.06	+0.78	+6.18	+2.35	+0.52	+2.05	+1.59	+4.49	<b>-1.71</b>	<b>+22.7</b>	<b>+7.6</b>
2025	+2.72	<b>-1.73</b>	<b>-3.70</b>	+0.46	+5.06	+2.00	+5.19	+3.30	+5.26	+1.26	+0.40	+6.17	<b>+27.8</b>	<b>+10.6</b>
2026	<b>-0.94</b>	<b>-0.77</b>											<b>-1.71</b>	<b>+4.6</b>

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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