DMX Australian Shares Fund
August 2026 – Investor Update

A wholesale unit trust managed by:
DMX Asset Management Limited
AFSL 459 120
13/111 Elizabeth Street, Sydney, NSW 2000
Trustee & Administrator:
Fundhost Limited AFSL 233 045

Unit price (mid) based on NAV (31 July 2026)	**$1.1291**
Unit price (mid) based on NAV (31 August 2026)	**$1.1722**
Number of Stocks	48
% cash held - month end	0%
Fund size (gross assets)	$16m

1-month return	3.8%
3-month return#	5.1%
1-year return#	4.4%
3-year return, p.a.#	11.9%
5-year return, p.a.#	6.5%
Since inception (1 March 2021, p.a.)#	8.4%
Since inception (cumulative)#	55.6%

 # Returns assume reinvestment of distributions.

Dear Investor,

DMXASF's NAV increased 3.8% in August, assisted by a strong month for smaller companies. The ASX 200 Accumulation Index rose 1.5%, while the ASX Small Ordinaries rose 4.6%. Most impressively, the ASX Emerging Companies Index jumped 13.1% on the back of improved sentiment toward its significant commodities constituents.

Commentary

Key contributors this month include **Count** which rose 29% in anticipation then on the back of a strong financial year-end result. Following management's consistent execution and the successful integration of Diverger and the completion of its Oracle acquisition, the company is attracting a broader range of investors to its register and is enjoying a meaningful re-rate as a result. For DMXASF, we've been reducing our position into this recent strength as we seek cash for other opportunities. **BLS Pharmaceuticals** rose 31% on the back of its exceptional results and guidance of more to come. As we re-balance the portfolio, some of our Count proceeds have been used to add to our holding in BLS in August, making the latter more meaningful in the portfolio. A relatively new and fairly small position in diesel to EV truck converter **Janus Electric** contributed positively as its shares soared 68%. The story with Janus is very interesting, and now we need to see execution to realise its fullest potential.

Austin Engineering also contributed positively, up 24% on the back of full-year results in-line with prior guidance. Its 2027 guidance range is below broker analyst expectations, but still a healthy improvement on what was a challenging financial year 2026. Importantly, working capital management has been impressive, with inventories well controlled and the company's balance sheet strengthening significantly. **Verbrec**, too, performed well, up 14% on the back of its strong full-year result and reconfirmed guidance for the year ahead. The portfolio also benefited from gains of 13-14% to each of **Austco Healthcare** and **Raiz Invest**. In the case of Austco, we were pleased with the solid set of numbers it reported, given the operating challenges it faced in the second half of the financial year. Raiz reported its maiden positive NPAT result with strong growth reported across the business. Having racked up nearly $50m in cumulative losses over its lifetime, we're pleased to see Raiz now inflecting into positive profitability. The company has a strong net cash balance sheet, which together with its double-digit revenue growth, and current profitability, provide it with considerable firepower to invest strategically and potentially accelerate its growth. We look forward to seeing what the company can achieve in the years ahead.

Detractors again unfortunately include **EML Payments** which declined 25% following a messy result and downgraded expectations for the period ahead. Its significant revenue base continues to have value and we believe is potentially interesting from a corporate activity perspective. **Readytech** fell 12% as prior corporate interest failed to materialise in a deal acceptable to key shareholders. We're comfortable with the company remaining independent, and are looking for better cost control to help drive profitability improvements in the period ahead. **Pureprofile** and **Tyro Payments** both fell 11-13% despite each reporting good results and guiding positively for 2027.

Kip McGrath Update

While the month was busy with reporting newsflow, it was relatively quiet from a trading perspective. Of note though, we added to our holding in **Kip McGrath**, which as highlighted last month, is subject to an unsolicited takeover offer from Crimson Education. Having previously downgraded, Kip McGrath delivered a respectable full year result and is positioned well now following a strategic re-set, and exit of its US operations. The company's board rejected the Crimson takeover offer, and merger arbitrage specialist Harvest Lane acquired a ~19% stake in the company at prices up to that offered by Crimson. We believe Kip McGrath's shares are attractively priced here as an independent company, considering the progress the company has made over the past couple of years, its growth potential, and its significant current free cashflow. For *any* potential acquirer, upside exists from removing public-company-related corporate overhead; and for an industry operator, further upside is available from operational synergy. For an industry operator also in an adjacent vertical (such as Crimson with its services targeting kids looking to get into top global universities), the strategic fit offers yet further upside potential. Considering the revenue and earnings multiple Kip McGrath trades for relative to what private equity-backed firms are often valued at, the value arbitrage upside to an acquirer could be significant. For these reasons, we believe there's a good chance Kip McGrath attracts a significantly higher bid; and failing that, the default position of business as usual and as we have been is a perfectly attractive and fine outcome from our perspective. While at this stage there is only one public bidder for the company, as with a property auction, you only *need* one bidder to get the right outcome. We look forward to seeing how this story unfolds in the months ahead.

The DMXCP report includes detailed annual result summaries for each of BLS Pharmaceuticals, Count, and Verbrec. These are included as an Appendix to this report and we encourage you to review this additional content.

Summary

We're broadly pleased with reporting season, with most of our companies reporting and guiding positively relative to our expectations. The portfolio is populated with 40+ differentiated companies, many of which are on single digit earnings multiples and growing. The upside potential across our holdings, in our view, is significant. While we have a few challenged businesses, including EML Payments as noted above, on balance, we believe these challenges are well-priced into the shares, and the upside potential from some of these positions is far greater than remaining downside risk. As always, portfolio weightings reflect the upside/downside dynamic, with larger holdings typically being in higher conviction and lower downside potential names; while riskier individual names being maintained at smaller weights. Brought together, we believe the portfolio is well-positioned to generate value to investors in the years ahead.

Thank you for your interest, trust and support.

Steven, Michael, Chris & Roger
DMX Asset Management

Appendix: DMX Capital Partners report commentary on BLS, Count & Verbrec

BLS Pharmaceuticals (ASX:**BLS**) delivered a strong result at the top end of its guidance: revenue of $74.2m (+161%) and adjusted EBITDA of $19m at a 25.6% margin, with NPAT of $15.4m. FY27 guidance of $105m to $115m revenue with an EBITDA margin of 23% to 26% suggests another strong year for BLS (42% growth in EBITDA to $27m at the midpoint) with the potential for upgrades as BLS build out its UK and German opportunities. Sam Watson, BLS Managing Director and founder, has a confident outlook: "*We enter FY27 with more manufacturing capacity, better market access, bigger contracts and more opportunities than ever before. We have built a multi-jurisdictional licence stack and established solid foundations. Our focus in FY27 is on execution and delivering sustained, long-term value for our shareholders*."

Count (ASX:**CUP**) saw impressive business momentum and execution with EBITA up 20% for the year, as all three of its divisions (wealth, accounting (equity partnerships) and services) delivered strong growth. While CUP's integrated model is getting good traction, significant cross-sell opportunity continues to exist as only 29% of clients within the CUP network use CUP's service offerings (outsourced solutions, IT managed services and Education products) versus the 50% take up being targeted over the next 3 years. Structural tailwinds continue to remain positive for CUP, through the Federal Budget's changes to CGT, discretionary trusts and negative gearing and ongoing regulatory changes creating complexity and problems requiring advice and solutions. CUP is well positioned to capitalise on this increase in demand for advice – tax, accounting and financial planning. And CUP's wealth management platform continues to offer a scalable and efficient solution for managing large amounts of funds as it targets $10b of FUM (currently $6.6b). Notwithstanding a strong monthly share price performance, CUP continues to trade on half the multiple that the other well owned advice/platform/research house (wealth exposure proxy) Generation Development (ASX:**GDG**) trades on. With its strong execution, and organic and inorganic growth opportunities, leverage to some compelling tailwinds, we would expect CUP to now attract increasing institutional interest.

Verbrec (ASX:**VBC**) capped off an eventful year with an $8.7m EBITDA result (+42%) and NPATA of $4.2m (+107%). VBC's recent acquisition of Alliance Automation deepens VBC's presence in automation, cyber security and digital solutions, which are all supported by strong tailwinds. With strong momentum and recent wins in energy security and storage, VBC also has a significant pipeline of opportunities in water, desalination and wastewater. VBC is set up for another strong year of growth in FY27, through a full year contribution from Alliance Automation, improved cross-selling of services to common clients, and margin improvement from synergies and integration activities. Over time VBC is targeting a group EBITDA margin of 8% - 10% as integration benefits and efficiencies are realised – this margin uplift provides VBC another step-up in its earnings over the medium term.