



ACORN CAPITAL

ACORN CAPITAL INVESTMENT FUND LIMITED

MARCH 2018 QUARTER UPDATE

ASX : ACQ



INNOVATION



EFFICIENCY



GROWTH



DIVERSITY



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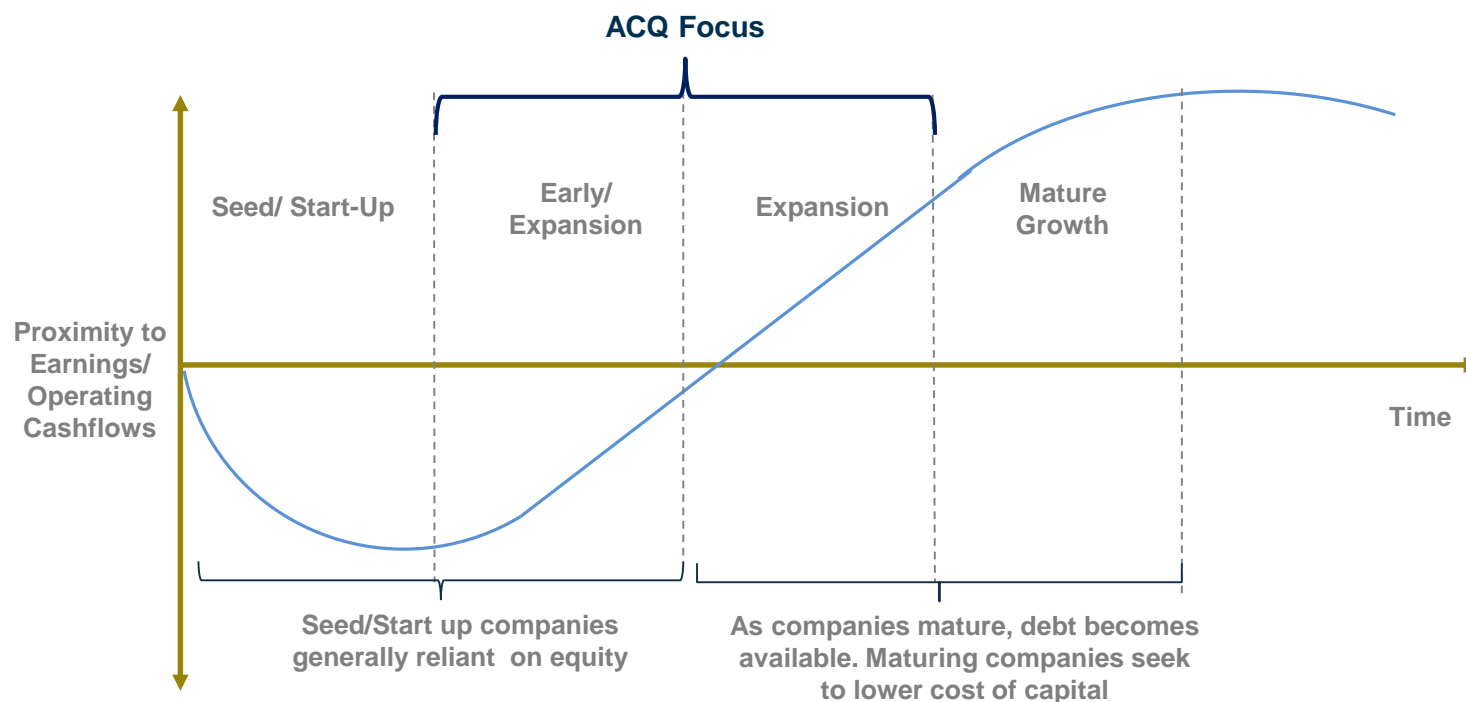
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ACQ gives investors access to listed and unlisted companies distinguished by their smaller size and stage of development through a single diversified portfolio



ACQ provides investors with access to innovation and entrepreneurialism through developing companies



Recent highlights



- ACQ outperformed the S&P/Small Ordinaries Accumulation Index by 2.71%⁽¹⁾ for March 2018 Quarter
- For the financial year to 31 March 2018 the ACQ portfolio has returned +24.63%⁽¹⁾ to the S&P/Small Ordinaries Accumulation Index of +15.39%
- On 15 February 2018 announced an interim dividend of 2.7c per share fully franked, ex-date of 2 May 2018 to be paid on 21 May 2018
- Dividend is consistent with ACQ's dividend policy in relation to future dividend payments as a percentage of 30 June post tax NTA of 5%⁽²⁾
- ACQ Pre-Tax and Post Tax NTA as at 31 March 2018 was \$1.3279 and \$1.2465 respectively⁽³⁾

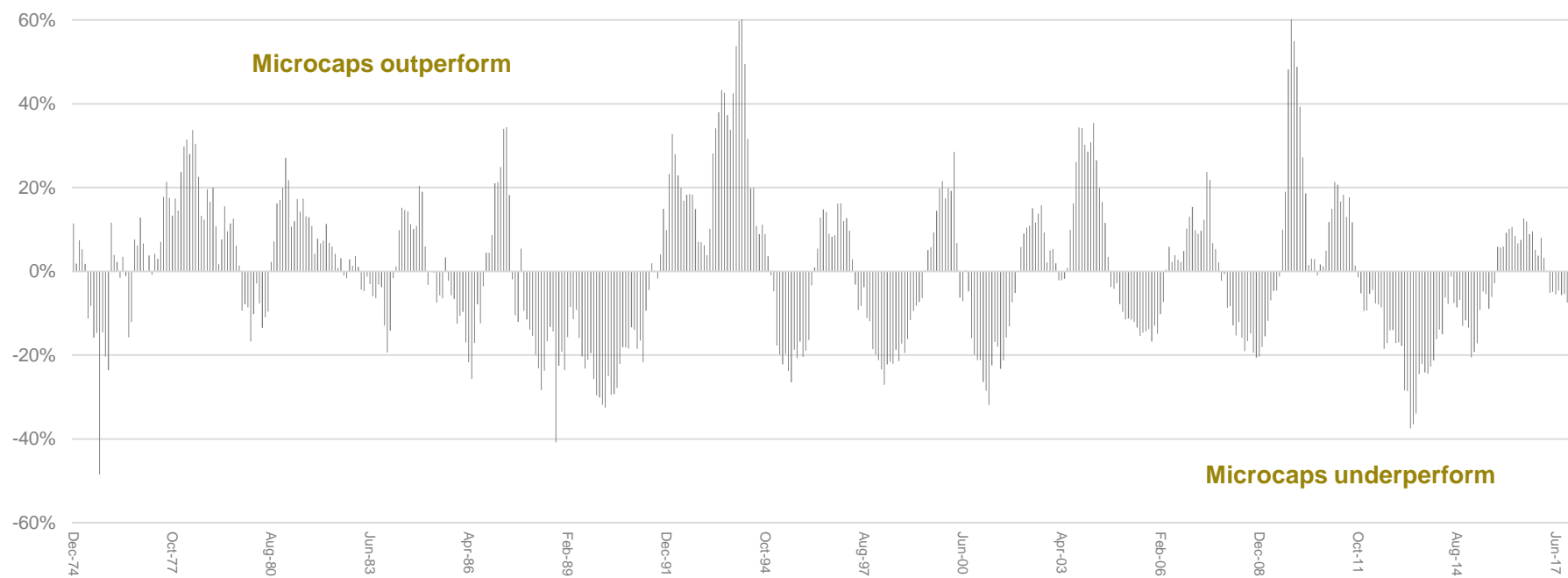
1. Portfolio performance is unaudited and calculated as the movement in NTA before tax effects, which is post all management fees, performance fees and operating costs. Performance includes dividends paid and payable but has not been grossed up for franking credits received by shareholders. All figures are unaudited, and unlisted valuations are performed by Acom Capital in accordance with ACQ Board approved policies.

2. Refer to ACQ ASX release on 14 December 2017 for further information

3. Unaudited



Microcap Sector has outperformed the All Ordinaries Accumulation Index over the past 12 months to 31 March 2018, returning +12.25% vs +3.65%





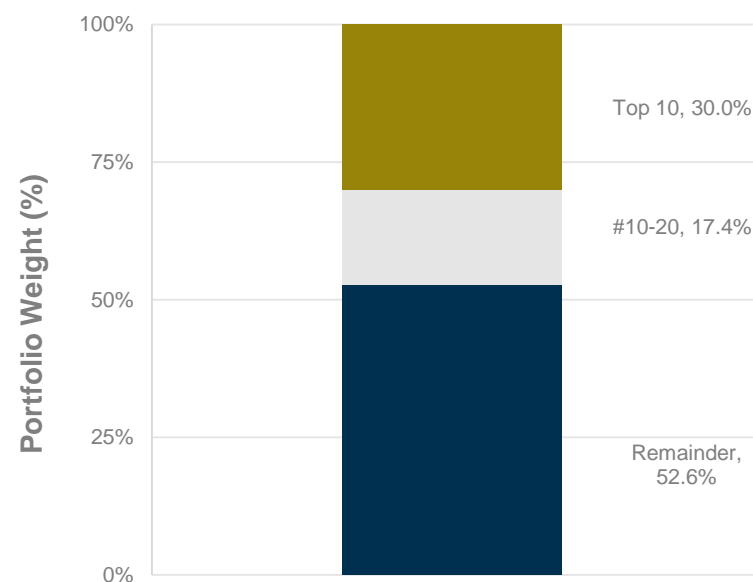
ACQ investment portfolio had 30% of FUM in top 10 investments

Top 10 Holdings

% Gross Portfolio

1.	Genea Limited (UL)	4.1%
2.	Telix Pharmaceuticals Ltd	3.9%
3.	Calix Limited (UL)	3.5%
4.	Redhill Education Limited	3.2%
5.	Clover Corporation Limited	3.0%
6.	Redbubble Limited	2.9%
7.	Moula Money Pty Ltd Ordinary Shares (UL)	2.6%
8.	Carbon Revolution Pty Ltd (UL)	2.6%
9.	Fiducian Group Limited	2.2%
10.	Innovative Asset Solutions Group Ltd (UL)	2.1%
Top 10 Positions		30.0%

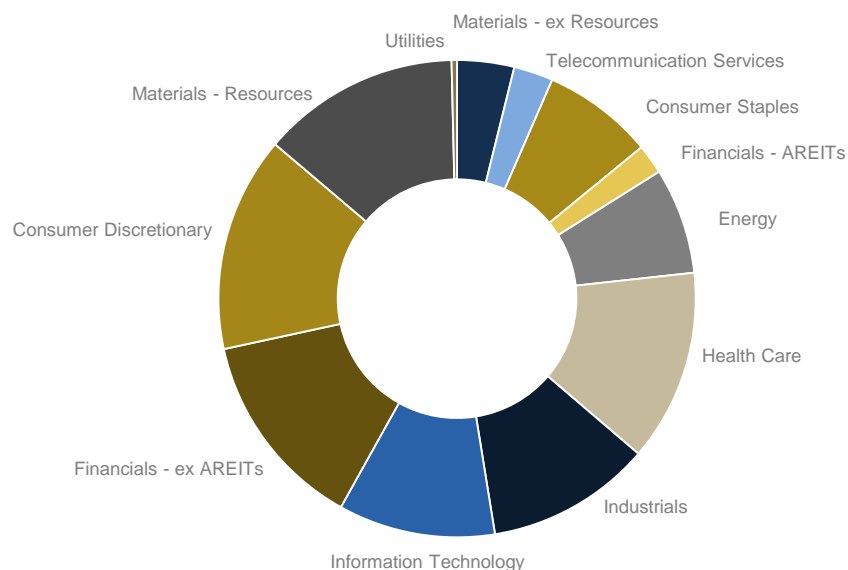
Distribution of holdings by weight



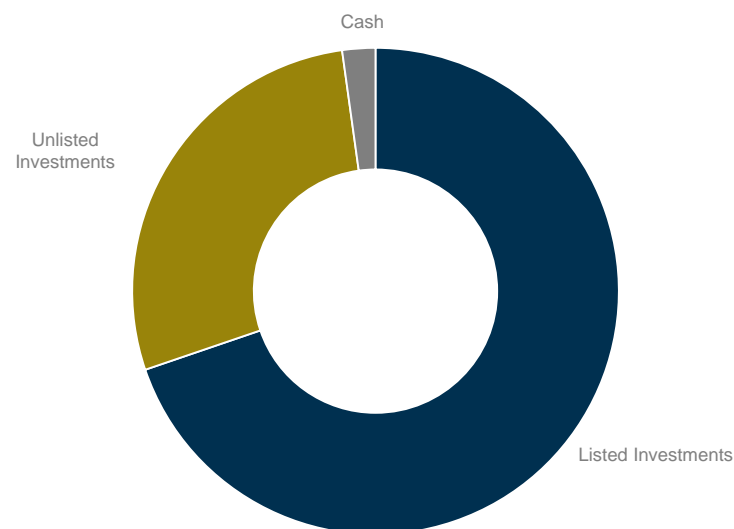


ACQ provides investors with a diversified exposure to Australian Emerging Growth Companies

ACQ Sector Diversification



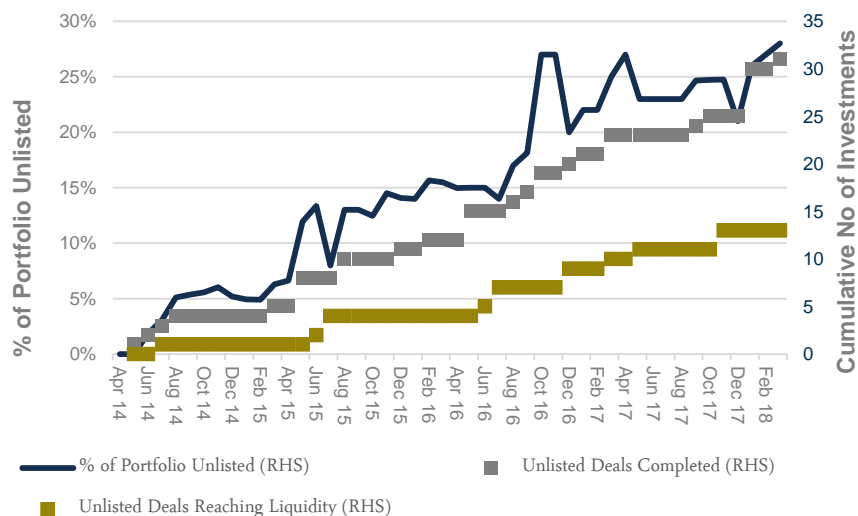
ACQ Portfolio Composition



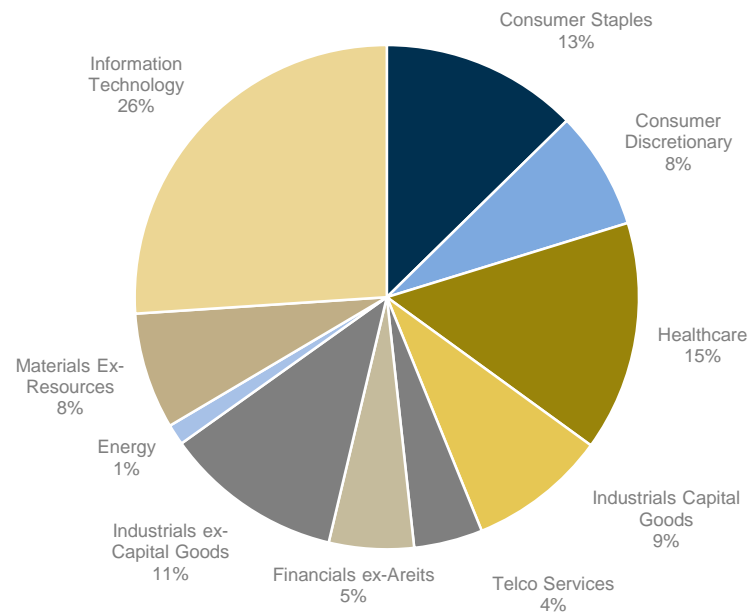


ACQ has invested \$33.6m in 31 unlisted opportunities⁽¹⁾,
13 of which have reached liquidity events

Unlisted Investment Rate



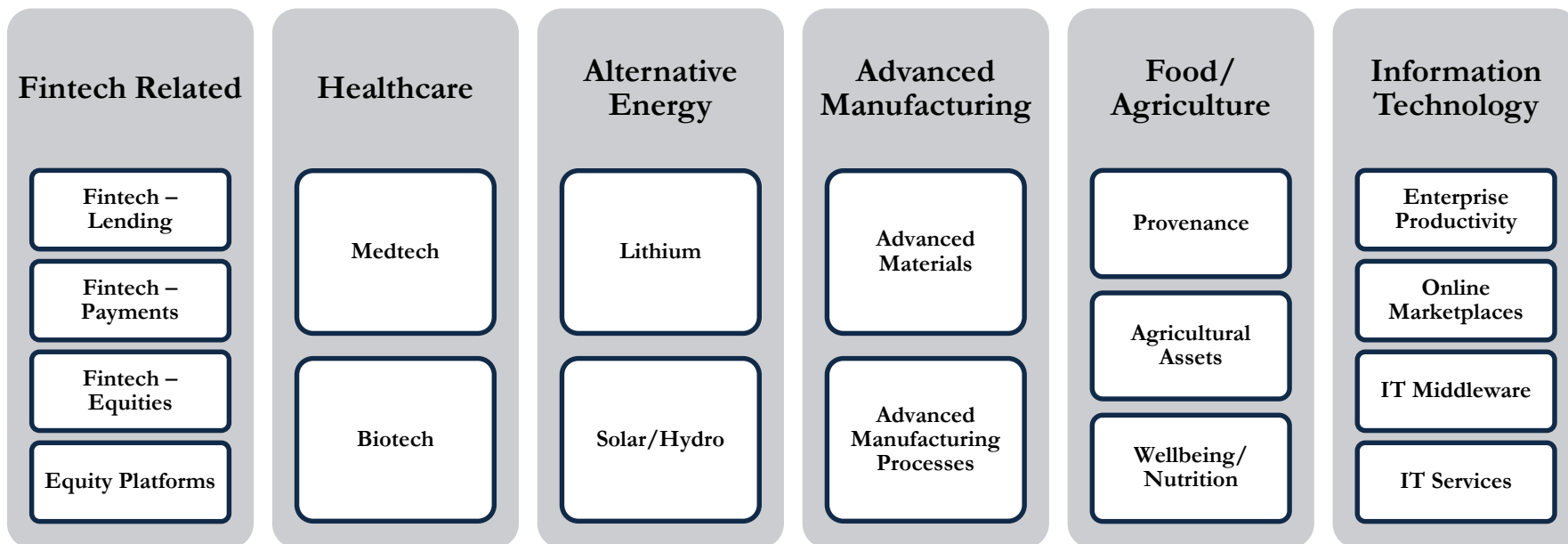
Sector Composition of Unlisted Investments⁽¹⁾





ACQ gives investors exposure to thematic and innovation not as prevalent in more mature companies

Example Thematic





Carbon Revolution is an example of product and process innovation



Area	Automotive & Aerospace – Carbon Fibre Wheels
Innovation	Composite design, manufacturing processes
Involvement	Early stage investor and participated in all capital raising rounds Commercialisation processes
Status	Portfolio Investment



Genea is an example of platform and technology innovation



Area	IVF & IVF Technology
Innovation	Organisation designed to leverage inherent intellectual property in: <ul style="list-style-type: none">▪ Automated vitrification▪ Advancements in embryo incubation and monitoring▪ Embryo culture medium
Involvement	Invested at expansion stage to assist in the marketing & distribution of IVF technologies.
Status	Portfolio investment



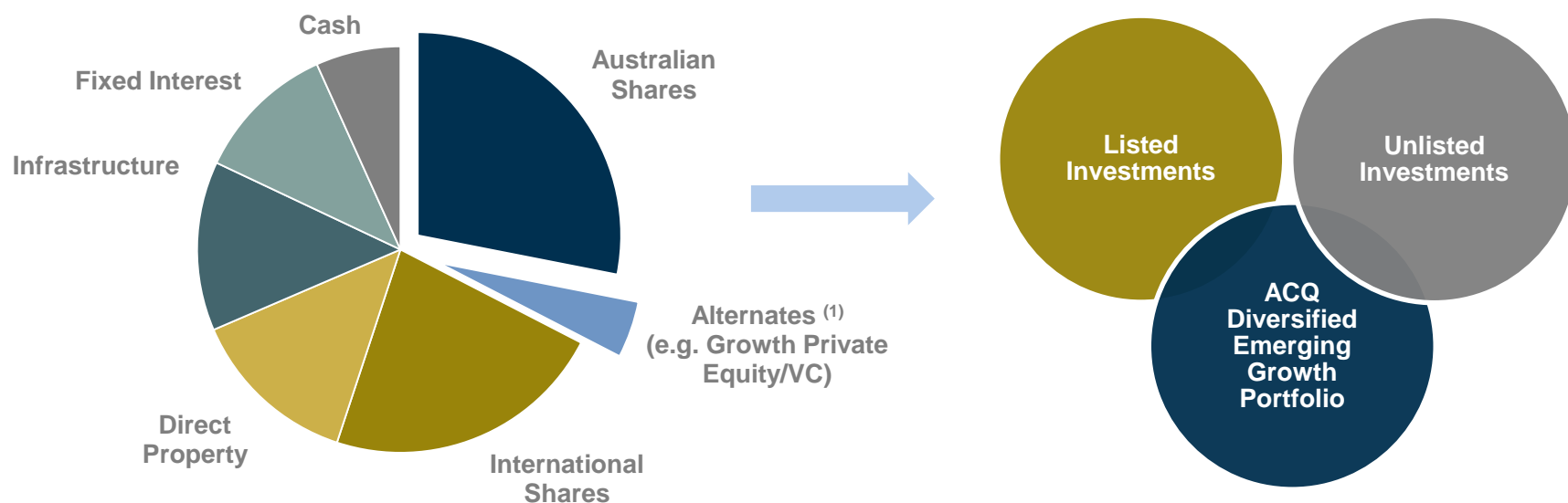
ACQ generated a return of 21.5%⁽¹⁾ for the 12 months to 31 March 2018

Periods to 31 March 2018	3 months	6 months	1 year	2 years p.a.	3 years p.a.	Since inception p.a. ²
ACQ ¹	-0.08%	+19.31%	+21.48%	+20.03%	+15.68%	+10.38%
S&P/ASX Small Ords Acc. Index	-2.79%	+10.52%	+14.99%	+14.33%	+9.96%	+9.06%
Acorn Capital / SIRCA Microcap Acc. Index ⁴	-3.05%	+9.15%	+12.25%	+15.87%	+11.25%	+8.35 %
S&P/All Ords Accumulation Index	-3.55%	+4.20%	+3.65%	+11.29%	+4.42%	+6.36%

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2. Inception is 1 May 2014
3. Acorn Capital estimates that the unaudited pre- management & performance fee portfolio return post operating costs is 12.58% p.a. from Inception using last trade price for the valuation of listed securities.
4. Acorn Capital / SIRCA Microcap Accumulation Index data is verified 3 months in arrears by SIRCA ("Securities Industry Research Centre of Asia-Pacific")



ACQ provides long term investors a differentiated and efficient platform to allocate capital to small companies





Further Information

www.ACQfund.com.au