

ACORN CAPITAL INVESTMENT FUND

INVESTMENT UPDATE
JANUARY 2024



Acorn Capital Investment Fund Limited ACN 167 595 897

Net Tangible Asset Per Ordinary Share

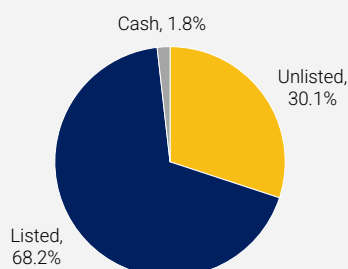
as at 31 January 2024 (all figures unaudited)

NTA before all taxes	0.9546
NTA after taxes and before taxes on unrealised gains	0.9939
NTA after taxes including taxes on unrealised gains	1.0217

ASX Code	ACQ
Date of Listing	1 May 2014
Shares on Issue	88,270,273
Share Price	\$0.95
Market Cap \$m	\$83.9m
Number of Stocks	73
Dividends	8.5c [^] (fully franked)
Dividend Yield	8.9%*

[^] Ordinary over the past 12 months
* Implied on share price

Investment Split



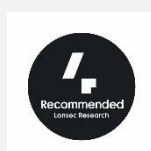
Top 10 Stocks as at 31 January 2024

Company	Weight %
Ramelius Resources Limited	4.3%
Splend Holdings Ltd (UL)	4.0%
Marketplacer (UL)	3.9%
Elenium Automation (UL)	3.1%
Red 5 Limited	3.0%
Meteoric Resources NI	2.9%
Metals Acquisition LTD	2.8%
Clarity Pharmaceuticals Ltd	2.6%
Impedimed Limited	2.5%
MX51 Group (UL)	2.5%
Total	31.6%

UL = Unlisted investment

Ratings*

Lonsec "Recommended"



Performance as at 31 January 2024 (all figures unaudited)

	1 mth %	3 mths %	1 year %	3 years % p.a.	5 years % p.a.	Since incept. % p.a.
ACQ ¹	-6.6%	-2.2%	-9.5%	-6.6%	6.2%	7.1%
S&P/ASX Small Ords Acc Index	0.9%	15.8%	2.1%	1.3%	5.4%	6.4%

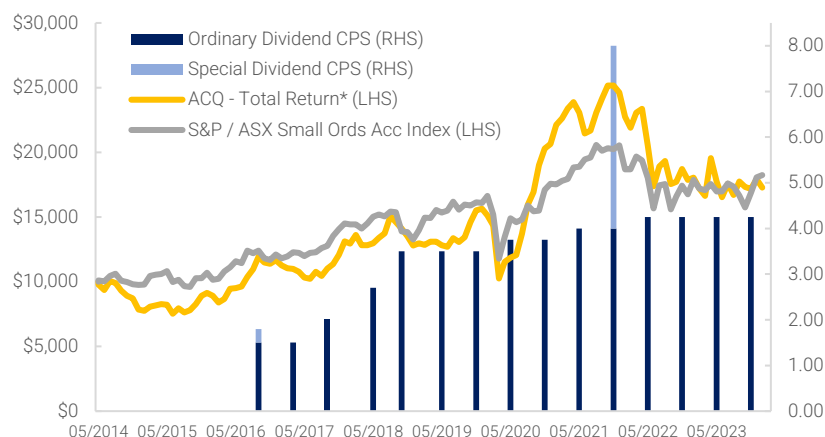
¹ Calculated as the movement in NTA before tax, post management fees, performance fees and operating costs. Includes dividends paid and payable but has not been grossed-up for franking credits received by shareholders. All figures are unaudited, and unlisted valuations are performed by Acorn Capital in accordance with ACQ Board approved policies.

Acorn Capital - Investment Update

"After a strong rally into the close of 2023, the S&P ASX Small Ordinaries Accumulation Index started the calendar year more cautiously, returning 0.87% as investors re-assessed the broader economic outlook and expectations of a rate cut from the RBA were pushed further out. Stocks at the smaller end of the market cap spectrum lagged the broader market, with the S&P/ASX Emerging Companies Index losing 5.2% in January, led by a 17% fall in the resources sector and a 9% fall in the healthcare sector. Similarly, the Acorn Capital / SIRCA Microcap Index¹ also fell 4.0%."

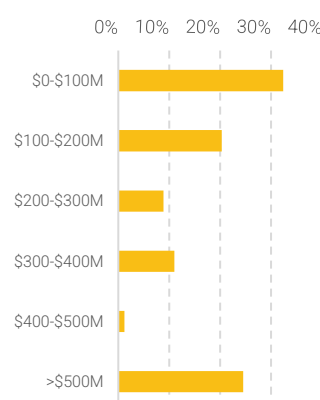
ACQ manager – Acorn Capital Limited

Growth \$10K

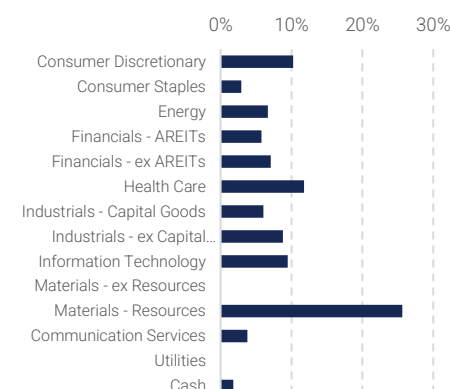


*Total shareholder return assuming dividends reinvested, includes special dividends

Market Cap Bands



Sector Exposures



ACQ Objective

The Objective is to create a diversified portfolio of listed microcap companies and then to invest opportunistically in unlisted entities that offer better relative value. The performance objective for ACQ is to outperform the S&P/ASX Small Ordinaries Accumulation Index over the medium to long term.

Dividend Intention

Acorn Capital Investment Fund Limited intends to pay annual dividends targeting at least 5% of closing post-tax NTA for each financial year, franked to the highest extent possible and without the Company incurring a liability.

Where the Company accumulates franking credits that the Board determines are in excess to its requirements it is the intent to distribute those excess credits by way of special dividends. This is subject to the Company having sufficient profit and cash flow to make such payments

Investment Philosophy

The investment philosophy is based on a belief that there are pricing inefficiencies amongst emerging or microcap companies due to a lack of readily available external research conducted on such entities.

Acorn Capital believes that through a research driven investment process the pricing inefficiencies that exist in both listed microcaps and unlisted microcaps can be exploited to earn returns superior to those available in the broader market.

Unlisted microcap opportunities must be of better relative value on a risk-adjusted basis to displace existing listed portfolio investments in the corresponding sector.

Investment Strategy

- Research-driven stock selection
- Economic sector diversified
- Style agnostic
- Long term investor
- Create diversified portfolios to reduce volatility

Investment Manager profile

Acorn Capital was established in 1998 as a specialist investment manager in emerging Australian companies.

Acorn Capital distinguishes itself through its relatively large research and investment team with expertise across all industries as well as its provision of expansion capital to developing companies.

Through its strategies Acorn Capital can provide Investors with efficient off-index exposure to both public and private emerging companies.

¹Acorn Capital / SIRCA Microcap Accumulation Index data is verified 3 months in arrears by SIRCA ("Securities Industry Research Centre of Asia-Pacific")

*The rating issued 09/2022 is published by **Lonsec Research Pty Ltd** ABN 11 151 658 561 AFSL 421 445 (Lonsec). Ratings are general advice only, and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonsec assumes no obligation to update. Lonsec uses objective criteria and receives a fee from the Fund Manager. Visit lonsec.com.au for ratings information and to access the full report. © 2022 Lonsec. All rights reserved.

