Acorn Capital Investment Fund Limited

ACN 167 595 897

Appendix 4E

ASX Preliminary final statements for the reporting year ended 30 June 2025

Results for announcement to the market

The results in this preliminary final report are for the period from 1 July 2024 to 30 June 2025. Comparative results are for the period from 1 July 2023 to 30 June 2024.

	30 June 2025 $'000	30 June 2024 $'000	Change %
Revenue/(loss) from ordinary activities	15,580	3,711	320
Profit/(loss) from ordinary activities before tax attributable to owners	13,481	2,375	468
Profit/(loss) from ordinary activities after tax attributable to owners	9,672	1,766	448

Refer to the Directors' Report and Investment Manager's Review for further analysis on the year on year movement noted above.

Dividend Information	Cents per share	Franked amount per share	Tax rate for franking
2025 interim dividend	2.75	20 %	30 %
2025 final dividend	2.75	50 %	30 %

Final Dividend Dates	
Ex-dividend Date	12 November 2025
Record Date	13 November 2025
Payment Date	2 December 2025

Dividend Reinvestment Plan

ACQ has adopted a Dividend Reinvestment Plan (DRP) that will apply to this dividend.

The DRP has been lodged with the ASX.

The DRP will be available for the FY25 Final Dividend and all subsequent dividends unless notice is given of its suspension or termination.

	30 June 2025 $/Share	30 June 2024 $/Share
Net Tangible Asset Backing Per Share (post Tax)	1.1100	1.0587

Reconciliation of Net Assets Per Share for Net Tangible Asset Reporting and Financial Reporting Purposes

	30 June 2025 $/Share	30 June 2024 $/Share
Net Tangible Asset Backing Per Share (Post Tax)	1.1100	1.0587
Permanent differences		
Provision for transaction costs on disposal of the Portfolio	0.0010	0.0010
Adjustment to deferred tax liabilities	0.0003	0.0003
Net Tangible Assets Per Share in the Financial Report	**1.1113**	**1.0600**

Significant Features of Operating Performance

During the reporting period, Acorn Capital Investment Fund Limited (the Company or ACQ) continued to invest in equity and debt securities, and also derivatives, in accordance with its governing documents.

The most appropriate measure of the Company's financial performance is profit after tax. Total comprehensive income/(loss) for the reporting period ended 30 June 2025 was $9,671,703 (2024: $1,766,410).

The profit/(loss) before income tax for the reporting period was $13,480,718 (2024: $2,375,406).

The profit/(loss) after income tax for the reporting period was $9,671,703 (2024: $1,766,410).

Basic earnings /(loss) per share after income tax was 10.84 cents (2024: 2.01) for the reporting period.

Significant Impacts on Future Performance

The results of the Company's operations may be affected by a number of factors, including the performance of investment markets in which the Company invests. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity & Notes to the Accounts

Refer to the following 2025 Annual Report.

Audit

This report has been based on accounts which have been audited by the Company's auditors.

Acorn Capital Investment Fund Limited

ACN 167 595 897

Annual Financial Report for the Year Ended 30 June 2025

The registered office of the Company is Level 4, 2 Russell Street, Melbourne Victoria 3000

Contents to Financial Report

Chairman's review

Dear Shareholder

ACORN CAPITAL INVESTMENT FUND LIMITED (the "Company")
ACORN CAPITAL LIMITED (the "Manager")

In the year to 30 June 2025, the Company has continued to invest in accordance with its objective and has a portfolio of listed and unlisted emerging, or microcap, companies (being those companies smaller than the ASX-250th largest company by market capitalisation) which it is hoped will provide shareholders with the opportunity for long term capital appreciation. Since inception (May-2014), the Company has performed strongly generating a 8.4%pa. return, versus the benchmark of 6.8%pa.

For the year to 30 June 2025, the ACQ portfolio has returned 15.1%, where portfolio performance is calculated as the movement in Net Tangible Assets (NTA) before tax effects, which is post all management fees, performance fees and operating costs and using the closing bid price. Performance includes dividends paid and payable but has not been grossed up for franking credits received by shareholders. Over the same period, the S&P/Small Ordinaries Accumulation Index has returned 12.3% meaning ACQ outperformed during the financial year. The outperformance during the year was mainly driven by the stock selection within the Industrials -ex Capital Goods, Materials - Resources and the Communication Services sectors, marginally offset by negative contributions from the Financials ex-AREITs, Industrials - Capital Goods and Health Care sectors. During the period ACQ exited its position in the unlisted security Splend Holdings Limited, incurring one-off costs of $281,000 which are reflected as part of the brokerage expenses detailed within the Statement of Comprehensive Income within the accounts.

The pre-tax NTA of the Company as of 30 June 2025 was $1.1152 per share, while its post-tax NTA was $1.1113 per share (refer to Note 20). The Company paid partially franked dividends to the value of $0.055 per share over the past 12 months. Importantly, as of 30 June 2025 the Company has $30.1 million in reserves available for the payment of dividends in the future.

The Board believes that the ability of the Company's portfolio to outperform relative to the broader Australian listed equities market reflects the disciplined implementation of the investment strategy to achieve diversification by industry and stock number. A distinguishing feature of the Company's investment strategy continues to be its holdings in unlisted investments.

The investment strategy deployed by the Company aims to deliver investors returns through both capital growth and income through a proven approach to stock selection and portfolio construction developed and deployed by the Manager over more than 20 years. ACQ has historically demonstrated its ability to offer investors a steady and attractive fully franked stream of dividends (the cash dividend yield is 7.2% as of 30 June 2025).

On behalf of the Board, I would like to thank you for your support of the Company. Your Directors and the Manager are committed to continuing the success of the Company.

John Steven
Chairman
29 August 2025

Investment Manager's review

SUMMARY OF RESULTS

As illustrated in Table 1, the Company has returned a net[1] portfolio return of 8.4% p.a. since its inception on 1 May 2014. Over the same period the S&P/ASX Small Ordinaries Accumulation Index has returned 6.8% pa..

Table 1. Performance of ACQ and relevant Indices

To 30 June 2025	FY2025 %	Since Inception[2] % p.a.
Company Performance[1]	15.1	8.4
S&P/ASX Small Ordinaries Acc. Index[4]	12.3	6.8
Alternate market index		
Acorn Capital/SIRCA Microcap Acc. Index[3]	12.7	7.0

[1] Return represents the pre fee, tax and operating cost performance of the underlying portfolio based on last prices, excluding fees and other accounting adjustments reflected in the calculation of Net Tangible Assets (NTA). This return is calculated by Acorn Capital and is unaudited
[2] Inception is 1 May 2014
[3] Acorn Capital/SIRCA Microcap Accumulation Index data is verified 3 months in arrears by SIRCA
[4] Source: Factset

SMALL ORDS PERFORMANCE

Table 2 dissects the performance of each of the Small Ords industry sub-sectors. The best performing individual sectors for the 2025 financial year were Materials – Resources (+31.6%), Financials ex-AREITs (+23.1%) and Industrials – Capital Goods (+22.7%). The worst performing sectors were Energy (-9.5%), Health Care (-6.8%) and Discretionary (-4.6%).

Table 2. Small Ords Index Sector Returns in the Financial Year to 30 June 2025

FY2025	Small Ords Index Sector Return %	Average Index Weight %
Communication Services	19.5	6.2
Consumer Discretionary	-4.6	14.2
Consumer Staples	4.3	2.7
Energy	-9.5	5.4
Financials - AREITs	7.5	12.8
Financials - ex AREITs	23.1	13.4
Health Care	-6.8	6.1
Industrials - Capital Goods	22.7	6.8
Industrials - ex Capital Goods	-3.4	2.8
Information Technology	8.1	6.4
Materials - ex Resources	16.3	2.9
Materials - Resources	31.6	20.4
Utilities	—	0.0
Total	**9.3**	**100.0**

Source: S&P/Acorn Capital

Investment Manager's review (continued)

COMPANY PORTFOLIO – COMPOSITION

As illustrated in Figures 2 and 3 below, the portfolio of the Company is diversified across all microcap sectors. The portfolio held 77 stocks as at 30 June 2025 with unlisted investments representing approximately 21.1% of gross portfolio assets.

Fig 2. Composition of Gross Portfolio Assets

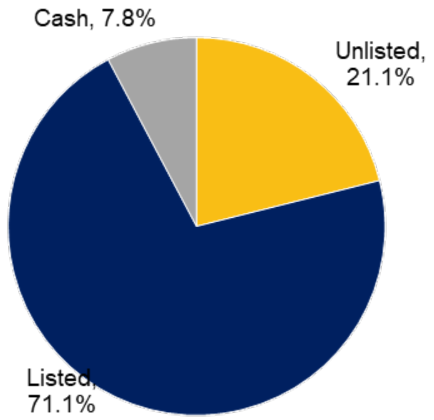
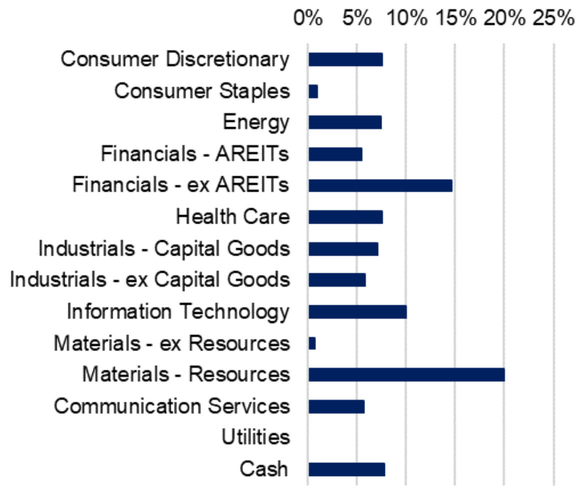


Fig 3. Sector Weights



Source: Acorn Capital as at 30 June 2025

COMPANY PORTFOLIO – TOP 10 HOLDINGS

Stock	Portfolio Weight %	Stock	Portfolio Weight %
Aroa Biosurgery	3.3	Padua Financial (UL)	2.9
Superloop	3.2	Boss Energy	2.8
Meeka Metals	3.1	ERoad	2.8
Elenium Automation (UL)	2.9	Pantoro	2.7
Dredge Robotics (UL)	2.9	Dexus Convenience Retail REIT	2.3

Source: Acorn Capital as at 30 June 2025 (UL – Unlisted)

At 30 June 2025, the 10 largest stock holdings account for approximately 28.8% of the Company's portfolio.

I would like to take this opportunity to thank you for your support.

Robert Routley
Chief Executive Officer
Acorn Capital Limited

Corporate governance statement

Acorn Capital Investment Fund Limited (the **Company**) is a listed investment company whose shares are traded on the Australian Securities Exchange (**ASX**). The Company has no employees and its day-to-day functions and investment activities are managed by Acorn Capital Limited (the Manager) in accordance with the Management Agreement dated 11 March 2014 as amended (**Management Agreement**).

The Board is committed to operating effectively and in the best interests of shareholders. This Corporate Governance Statement reports against the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition) (**ASX Recommendations**). To the extent they are relevant to the Company, the ASX Recommendations have been adopted by the Company. Where, after due consideration, the Company's corporate governance practices depart from an ASX Recommendation, this Corporate Governance Statement sets out the reasons for the departure.

The ASX Recommendations provide that a number of its recommendations may require modification or may not apply to externally managed listed entities.

The Company is externally managed by the Manager and therefore Recommendations 1.1, 1.2, 1.3, 1.4, 1.5, 1.6, 1.7, 2.1, 2.2, 2.4, 2.5, 2.6, 8.1, 8.2, 8.3, 9.1, 9.2 and 9.3 are not applicable to the Company.

This Corporate Governance Statement was approved by the Board of the Company on 29 August 2025 and the information contained in it is current as at that date, unless stated otherwise.

More information on the Company's governance practices, including Board profiles, Board and Committee charters and key governance policies, can be found in the corporate governance section of our website.

Alternative Principle 1: Lay solid foundations for management and oversight

The primary role of the Board is to act in the best interests of the Company as a whole and the Board is accountable to shareholders for the overall direction, management and corporate governance of the Company. This involves monitoring the decisions and actions of the Manager which is responsible for the day-to-day management and investment activities of the Company in accordance with the Management Agreement. The Board has also established an Audit Committee to assist the Board in carrying out its responsibilities. The Audit Committee is discussed in further detail in Principle 4 below.

The Board has formalised its roles and responsibilities and guidelines for determining Director independence in the Board Charter. A copy of the Board Charter is available on the Company's website.

The Board believes that the Company is fully compliant with the alternate requirements under Alternative Principle 1 and its recommendations.

Principle 2: Structure the Board to be effective and add value

During the relevant period, the Board comprised of six Directors, five of whom are considered by the Board to be independent: John Steven (Chairman), as well as Judith Smith and David Trude, both of whom resigned on 1 August 2024 and in addition Clark Morgan and Maureen Baker, both of whom were appointed on 1 August 2024. Details of the background, experience and professional skills of each Director, as well as the period that each Director has held office, are set out in the Directors' Report. The website also sets out the skills of each individual director. The Board regularly reviews the skills of the directors to ensure that the Company continues to maintain the skills needed to address existing and emerging business and governance issues relevant to it.

The Board believes that the Company was fully compliant with its requirements under Recommendation 2.3 and its recommendations for the reporting period.

Principle 3: Instil a culture of acting lawfully, ethically and responsibly

The Company is externally managed by the Manager and has no employees. The Company has been established to provide security holders with access to a diversified portfolio of Australian emerging companies which, over a rolling 7 – 10 year basis outperforms its benchmark, the S&P/ASX Small Ordinaries Accumulation Index.

Corporate governance statement (continued)

The Board has adopted a Code of Conduct for Directors a copy of which can be found on the website. The Company requires all of its Directors to comply with the standards of behaviour and business ethics in accordance with the law and the Code of Conduct. These include acting honestly and with integrity and fairness in all dealings with others and each other, managing conflicts of interest, complying with the laws that govern the Company's business and its operations and acting ethically in their approach to business decisions.

The Manager has also adopted a code of conduct which applies to its employees and directors.

As the Company has no employees and management of the Company has been outsourced to the Manager, the Board has adopted the Manager's whistleblower and anti-bribery policies.

The Board believes that the Company is fully compliant with its requirements under Principle 3 and its recommendations.

Principle 4: Safeguard the integrity of corporate reports

The Board has established an Audit Committee to assist the Board to implement controls designed to safeguard the Company's interests and the integrity of its reporting. During the period from 1 July through to 1 August 2024 , the Audit Committee comprised the then three independent non-executive Directors, Judith Smith (Chairperson), John Steven and David Trude. The Audit Committee did not meet during this period. Following the retirement of Judith Smith and David Trude, the Audit Committee, for the period 2 August – 1 September 2024 consisted of independent non-executive Directors, Maureen Baker (Chairperson) and John Steven as well as Robert Brown. The Audit Committee met once during this period. For the period 1 September 2024 – 30 June 2025, the Audit Committee consisted of the then three independent non-executive Directors, Maureen Baker (Chairperson), John Steven and Clark Morgan. The Audit Committee met once during this period. For more information regarding the qualifications and experience of the members of the Audit Committee please refer to the Directors' Report.

For more information on the Audit Committee's meetings and attendances please refer to the Directors' Report.

The Audit Committee Charter, being the charter under which the Audit Committee operates can be found on the website.

The objectives of the Audit Committee are to:

- help the Board achieve its objective in relation to financial reporting, the application of accounting policies, legal and regulatory compliance and internal control and risk management systems;
- maintain and improve the quality, credibility and objectivity of the financial accountability process;
- promote a culture of compliance;
- ensure effective communications between the Board and compliance representatives of the Manager;
- provide a forum for communication between the Board and senior financial and compliance representatives of the Manager;
- ensure effective internal and external audit functions and communications between the Board and auditors; and
- ensure compliance strategies and compliance functions are effective.

The responsibilities of the Audit Committee include:

- external financial reporting;
- risk management and internal compliance and control systems;
- assessing and monitoring key financial risk;
- assessing and monitoring legal and regulatory risk;

Corporate governance statement (continued)

– disclosure and reporting;

– overseeing the internal audit function and the engagement of the external auditor.

The Board receives a written declaration from the relevant executives of the Manager who perform the function of Chief Executive Officer and Chief Financial Officer respectively that, in their opinion, the financial records of the Company have been properly maintained, that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

The Company's independent external auditor is Ernst & Young. The external auditor attends the Company's Annual General Meeting and is available to answer questions from shareholders in relation to the conduct of the audit, the auditors' report and the preparation of the financial statements. The external auditor also attends other meetings where relevant items are on the Committee's agenda.

The Company has adopted a Continuous Disclosure Policy (as discussed below). As part of the continuous disclosure process a verification process is undertaken in relation to all material released to ASX including non-audited periodic reports.

The Board believes that the Company is fully compliant with its requirements under Principle 4 and its recommendations.

Principle 5: Make timely and balanced disclosure

The Company is committed to complying with its continuous disclosure obligations under the Corporations Act 2001 and the ASX Listing Rules.

The Board has adopted a Continuous Disclosure Policy, the objectives of which are to:

– ensure the Company discloses all price-sensitive information to ASX in accordance with the ASX Listing Rules and the Corporations Act promptly and without delay;

– ensure the Company's officers are aware of the Company's continuous disclosure obligations; and

– establish procedures for the collection and assessment of potentially price-sensitive information and (if necessary) release information determined to be price-sensitive to ASX, as well as responding to any queries from ASX.

Under the Management Agreement the Manager has also agreed to assist the Company to comply with its continuous disclosure obligations by providing information and drafting ASX announcements for approval by the Board or its delegate. The Company has established a Disclosure Committee comprising members of the Board and representatives of the Manager.

The Company's Continuous Disclosure Policy, which can be found on the Company's website, also sets out the procedures which must be followed in relation to releasing announcements to the market and discussions with analysts, the media or shareholders.

Copies of material market announcements are promptly provided to directors following their release.

All presentations that are made to security holders or advisory groups are made only to wholesale investors and are first released to ASX.

The Board believes that the Company is fully compliant with its requirements under Principle 5 and its recommendations.

Principle 6: Respect the rights of security holders

The Board seeks to promote effective communication with shareholders and encourage effective participations at general meetings of the Company.

Corporate governance statement (continued)

The Company's primary communication portals for shareholders are the website, Annual Report, Annual General Meeting, Half-Yearly Report, Monthly Net Tangible Asset reports and other periodic correspondence regarding matters impacting shareholders. In conjunction with these, the Company has regular investor relations meetings, which are all included in the Investor Relations Program.

The Company Secretary oversees and coordinates the distribution of all information by the Company to shareholders and regulators under the direction of the Board.

All shareholders have the opportunity to attend the Annual General Meeting and ask questions of the Board.

All resolutions proposed at virtual or hybrid meetings of shareholders of the Company and all resolutions which the Company considers to be substantive are conducted by poll.

During the Company's engagements with shareholders, such shareholders are provided the opportunity to meet with representatives of the Board or management, to learn more about the Company's activities and provide an opportunity to ask questions regarding the Company's activities. Such processes are intended to continue in the context of virtual rather than just physical meetings.

Shareholders are entitled to make and receive communications to and from the Company electronically.

The Board believes that the Company is fully compliant with its requirements under Principle 6 and its recommendations.

Principle 7: Recognise and manage risk

The Audit Committee oversees the risk management framework for the Company. For details regarding the Audit Committee please refer above to the coverage under Principle 4.

The Board, through the Audit Committee, is responsible for ensuring:

– the oversight and management of material business risks to the Company;

– that there are effective systems in place to identify, assess, monitor and manage the risks of the Company and to identify material changes to the Company's risk profile; and

– there are arrangements in place to adequately monitor compliance with laws and regulations applicable to the Company.

The Manager has implemented the risk management framework for the Company. This risk management framework identifies the key risks confronted by the Manager and the Company and the procedures required to offset them. Key risks identified include:

– operational and investment risk; and

– liquidity risk

The risk management framework is subject to annual review by the Audit Committee to ensure that the risks identified and the controls implemented remain appropriate and that the Company's risk management framework continues to be sound. A review of the Company's risk management framework was conducted during the reporting period.

The Company does not have an internal audit function. The internal audit function is undertaken by an external audit provider on the Company's behalf. The Audit Committee is responsible for overseeing the scope of the internal audit, monitoring the progress of the internal audit work programme and considering the implications of and responsiveness to the internal audit findings for the control environment and reviewing the internal audit team's reports.

Poor market conditions (and more specifically the potential for underperformance by the Company) have been identified as an economic sustainability risk that has the potential to materially impact the Company's ability to create or preserve value for security holders over the short, medium or long term. This risk is addressed and managed within the Company's investment strategy and through the Company's ability to diversify across sectors and in both listed and unlisted securities.

Corporate governance statement (continued)

The Company does not consider that it has material exposure to environmental of social risks.

The Board believes that the Company is fully compliant with its requirements under Principle 7 and its recommendations.

Alternative Principle 8: Remunerate fairly and responsibly

The Company has no employees. The management of the Company is performed by the Manager who is entitled under the Management Agreement to be paid management and performance fees. The Company pays the Manager a management fee of 0.95% p.a. (plus GST) of the net asset value of the investment portfolio. The management fee is calculated and accrued each month and paid semi-annually in arrears.

In addition, the Manager will be entitled to receive a performance fee from the Company equal to 20% (plus GST) of the investment portfolio's outperformance of the S&P/ASX Small Ordinaries Accumulation Index, which is calculated and accrued monthly on a pre-tax basis and, where tests are satisfied, any positive performance fee amounts that are in excess of the minimum performance fee account balance (as defined in the Management Agreement) are paid annually.

Further details of the fees paid to the Manager for the reporting period are set out in the Financial Statements of the Company in note 12.

The Board believes that the Company is fully compliant with the alternate requirements under Principle 8 and its recommendations.

Recommendations 8.1 – 8.3 are not applicable to the Company.

Principle 9: Additional recommendations

Recommendations 9.1 – 9.3 are not applicable to the Company.

Directors' report

The Directors of Acorn Capital Investment Fund Limited (the Company), present their report together with the annual general purpose financial report of the Company for the year ended 30 June 2025.

The Company is a public company limited by shares, is incorporated and domiciled in Australia and listed on the Australian Securities Exchange.

Directors

The following persons held office as Directors of the Company during the year and up to the date of this report, unless otherwise stated:

John Steven	Chairman and Non-Executive Director	
Robert Brown	Director	
Clark Morgan	Non-Executive Director	(appointed 1 August 2024)
Maureen Baker	Non-Executive Director	(appointed 1 August 2024)
Judith Smith	Non-Executive Director	(resigned 1 August 2024)
David Trude	Non-Executive Director	(resigned 1 August 2024)

Principal activities and significant changes in the state of affairs

The Investment Manager of the Company is Acorn Capital Limited (the 'Investment Manager' or 'Manager').

The principal activity of the Company during the year was to invest in accordance with the provisions of the Company's governing documents. The investment strategy of the Company is:

Company name	Investment strategy
Acorn Capital Investment Fund Limited	The Company invests in a portfolio of listed and unlisted microcap companies.

During the year, the Company's custodian function transferred from Citgroup Pty Limited to State Street Global Advisors.

There were no other significant changes in the nature of the Company's activities or to the state of affairs of the Company during the year.

Operating and financial review

The results of the Company were as follows:

Basic earnings/(loss) per share after income tax were 10.84 cents for the reporting period (2024: 2.01 cents).

For the year ended 30 June	2025 $'000	2024 $'000
Profit/(loss) after the income tax for the reporting year attributable to the owners of the Company	9,672	1,766
Interim dividend for the financial year	2,456	2,427
Dividends declared and not paid as at year end	2,464	2,448

Business strategies, prospects and likely developments

The Chairman's Review and Investment Manager's Review set out information on the Company's operations, financial position and business strategies. The results of the Company's operations and prospects for financial years may be affected by a number of factors, including the performance of investment markets is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Directors' report (continued)

Business strategies, prospects and likely developments (continued)

Information in the Chairman's Review and Investment Manager's Review and the Directors' Report is provided to enable shareholders to make an informed assessment for future financial years of the Company. Information that could give rise to likely material detriment to the Company, for example, information that is commercially sensitive or could provide the Company with a commercial advantage has not been included. Other than the information set out in the Chairman's and Investment Manager's Review and the Directors' Report, information that pertains to likely developments in the Company's operations and the expected results of these operations in future financial years has not been included.

Net Tangible Asset (NTA) per share is disclosed in Note 20 to the financial statements. The NTA per ordinary share for monthly reporting, as required by ASX Listing Rule 4.12, is calculated in accordance with the definition of "net tangible asset backing" contained in Chapter 19 of the ASX Listing Rules.

As at 30 June 2025	**For monthly NTA Reporting**	**For Financial Reporting**
	$/share	**$/share**
NTA per share before income tax ($/share)	1.1139	1.1152
NTA after income tax excluding tax on unrealised gains ($/share)	1.1229	1.1243
NTA per share after income tax ($/share)	1.1100	1.1113

As at 30 June 2024	**For monthly NTA Reporting**	**For Financial Reporting**
	$/share	**$/share**
NTA per share before income tax ($/share)	1.0198	1.0211
NTA after income tax excluding tax on unrealised gains ($/share)	1.0476	1.0490
NTA per share after income tax ($/share)	1.0587	1.0600

Significant events after the balance date

At the date of this financial report, no matter or circumstance has arisen that has affected, or may significantly affect the Company's operations, the results of those operations or the Company's state of affairs in future financial years, which has not already been reflected in this report.

Likely developments and expected results

At the time the Directors approved this report, they were not aware of any developments likely to have a significant effect upon the operations or the result of the Company in subsequent financial years, which have not been adequately dealt with in this report or in the financial report.

Further information on likely developments in the operations of the Company and the expected results of those operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Company.

Environmental regulation and performance

The operations of the Company are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

Directors' report (continued)

Information on Directors

The following persons were Directors of the Company during the financial year and up to the date of this report:

John Steven (Chairman and Non-Executive Director)

John Steven is a senior partner of the National Mergers and Acquisitions team of Minter Ellison and until recently was a member of the firm's Executive Leadership Team and Board. He practices in the corporate and capital markets area, particularly public and private mergers and acquisitions, equity capital markets and government projects. He also has an extensive corporate governance practice. John is or has been on the Boards of various not-for-profit organisations. He was previously a Board Member of the Monash University Law Foundation. He holds a Bachelor of Laws (with Honours), a Bachelor of Economics and a Diploma of Commercial Law from Monash University.

Other current Directorships

Nil

Former Directorships in the last 3 years

Nil

Special responsibilities

John is the Chairman of the Board. John is also a member of the Audit Committee.

Interests in shares of the Company

Details of John's interests in the Company are included on page 21 of this report.

Robert Brown (Director)

Robert Brown is an emeritus professor of Finance in the Department of Finance, University of Melbourne, where his research focused on security market behaviour. He holds a Bachelor of Economics (with Honours) and Master of Economics from the University of Sydney and a Graduate Diploma in Accounting from Victoria College. He is a fellow of CPA Australia and a senior fellow of the Financial Services Institute of Australasia.

Other current Directorships

Nil

Former Directorships in the last 3 years

Nil

Special responsibilities

Robert was a member of the Audit Committee (between 1 and 31 August 2024).

Interests in shares of the Company

Details of Robert's interests in the Company are included on page 21 of this report.

Clark Morgan (Non-Executive Director) (appointed 1 August 2024)

Clark is an experienced investment banking and wealth management professional having spent over 40 yrs in senior executive and board positions. He spent 17 years at McIntosh Securities / Merrill Lynch and was a member of the Executive Boards and CEO of the wealth management business unit. Clark was also Managing Director, CEO and Vice Chairman over a period of 15 years at UBS Wealth Management. Clark was a key member of a small group that undertook a Management Buyout (MBO) of the UBS Australia Wealth Management business to establish Crestone Wealth Management in 2016, and subsequently negotiated and managed its sale to LGT in 2023. Clark holds a Bachelor of Economics and Bachelor of Laws from Monash University.

Directors' report (continued)

Other current Directorships

Nash Advisory.

Former Directorships in the last 3 years

LGT Creston, St Vincent's ACMD Council

Special responsibilities

Nil

Interests in shares of the Company

Details of Clark's interests in the Company are included on page 21 of this report.

Maureen Baker (Non-Executive Director) (appointed 1 August 2024)

Maureen is a senior capital markets professional with over 25 years experience in a variety of financial services roles in the investment banking and securities industry. Maureen has served as the Head of Regional Equity Sales for Deutsche Bank in Hong Kong, covering the Asia Pacific markets and investors. She has also served in the role of Managing Director of Australian Sales for CLSA as well as working in other roles in Investment Banking upon returning back to Australia. Maureen holds a Bachelor of Commerce from the University of Melbourne and an MBA from Melbourne Business School. She is also a Graduate of the Australian Institute of Company Directors.

Other current Directorships

Nil

Former Directorships in the last 3 years

Nil

Special responsibilities

Maureen is the Chair of the Audit Committee.

Interests in shares of the Company

Details of Maureen's interests in the Company are included on page 21 of this report.

Judith Smith (Non-Executive Director) (resigned 1 August 2024)

Prior to undertaking non-executive roles, Judith was formerly the Head of Private Equity at IFM Investors and Chair of the IFM Risk Committee. At IFM, Judith managed a multi-billion private equity portfolio of domestic and global investments. Prior to her role at IFM, Judith held various investment management roles. Judith holds a Master of Applied Finance from the University of Melbourne and a Bachelor of Economics (with Honours) from Monash University. She is a Fellow of the Financial Services Institute of Australasia and Graduate member of the Australian Institute of Company Directors. Judith is a director of Funds SA and Universal Biosensors Inc. and committee member with the South Australian Venture Capital Fund and Breast Cancer Trials.

Other current Directorships

Funds SA, Universal Bisensors Inc.

Former Directorships in the last 3 years

Scale Investors, LUCRF.

Special responsibilities

Judith was the chair of the Audit Committee.

Directors' report (continued)

Interests in shares of the Company

Details of Judith's interests in the Company are included on page 21 of this report.

David Trude (Non-Executive Director) (resigned 1 August 2024)

David is a senior banking executive with over 40 years' experience in a variety of financial services roles in the banking and securities industry. He is Chairman of Waterford Retirement Village and Hansen Technologies Limited. He was also formerly Managing Director, Australian Chief Executive Officer/Country Manager of Credit Suisse Australia Ltd. He was a former panel member of the ASX Disciplinary Tribunal and Director of the Stockbrokers Association of Australia. Acorn Capital Investment Fund Limited 2024 Annual Financial Report David holds a Bachelor of Commerce from the University of Queensland and is a Master Stockbroker of the Stockbrokers and Financial Advisers Association of Australia and Member of the Australian Institute of Company Directors.

Other current Directorships

David is Chairman of Hansen Technologies Limited.

Former Directorships in the last 3 years

Chairman of E.L.&C Baillieu. Member of the Board of Cboe Australia Pty Ltd. Director of MSL Solutions Pty Ltd.

Special responsibilities

David was a member of the Audit Committee.

Interests in shares of the Company

Details of David's interests in the Company are included on page 21 of this report.

Matthew Sheehan (Company Secretary)

Matthew Sheehan is an Investment Director with the Manager, responsible for the origination, assessment and ongoing management of unlisted investments, with a particular focus on the structuring and documentation of unlisted investments. He is also the Legal Counsel and Company Secretary of the Manager.

Matthew began his career as a private practice lawyer and worked at firms in Melbourne, New York and London. Prior to joining the Manager in April 2009, Matthew worked at Macquarie Group as the General Counsel and Company Secretary of Macquarie Communications Infrastructure Group and Macquarie Specialised Asset Management Limited.

Matthew holds a Bachelor of Economics (with Honours) from Monash University as well as Bachelor of Laws (with Honours) and Master of Applied Finance from the University of Melbourne.

Meetings of Directors

The number of meetings of the Company's Board of Directors held during the reporting year ended 30 June 2025, and the number of meetings attended by each Director were:

	Board Meetings Attended	Board Meetings Held
John Steven	9	9
Robert Brown	9	9
Clark Morgan (appointed 1 August 2024)	9	9
Maureen Baker (appointed 1 August 2024)	9	9
Judith Smith (resigned 1 August 2024)	1	9
David Trude (resigned 1 August 2024)	1	9

Directors' report (continued)

	Audit Committee Meetings Attended	Audit Committee Meetings Held
John Steven	2	2
Robert Brown (member for the period 1 August to 31 August 2024)	1	2
Clark Morgan (appointed 1 August 2024)	2	2
Maureen Baker (appointed 1 August 2024)	2	2
Judith Smith (resigned 1 August 2024)	1	2
David Trude (resigned 1 August 2024)	1	2

Indemnification and insurance of directors, officers and auditors

In accordance with the Company's Constitution, the Company indemnifies every person who is or has been an officer of the Company against any liability (other than for legal costs) incurred by that person as an officer of the Company (including liabilities incurred by the officer as a Director or secretary of a subsidiary of the Company where the Company requested the officer to accept that appointment), to the extent permitted by law and subject to the restrictions in section 199A of the *Corporations Act 2001* and any other applicable law.

The Company has also entered into deeds of indemnity, insurance and access with each Director. During the reporting period, the Company paid insurance premiums for liability incurred by a person as a Director while acting in that capacity, except where the liability arises out of conduct involving lack of good faith. Due to confidentiality obligations and undertakings of the insurance policy, no further details in respect of the premium or the policy can be disclosed.

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young Australia during or since the financial year.

Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company are important. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001.* The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Ernst & Young Australia received or are due to receive the following amounts for the provision of non-audit services:

For the reporting year ended	**30 June 2025 $**	**30 June 2024 $**
Tax compliance services	—	11,000
Total remuneration for non-audit services	**—**	**11,000**

Details of the amounts paid or payable to the auditors for audit services provided during the reporting period are set out below.

Directors' report (continued)

Non-audit services (continued)

For the reporting year ended	**30 June 2025 $**	**30 June 2024 $**
Audit Services		
Audit and review of financial statements and other audit work under the *Corporations Act 2001*	120,239	104,706
Total remuneration for audit services	**120,239**	**104,706**

Fees paid to and interests held in the Company by the Manager or its associates

Fees paid to the Manager out of Company property during the reporting period are disclosed in Note 12 of the financial statements.

No fees were paid out of Company property to the Directors of the Investment Manager during the reporting year.

The number of interests in the Company held by the Manager or its associates as at the end of the reporting period are disclosed in Note 12 of the financial statements.

Rounding of amounts to the nearest thousand dollars

Unless otherwise stated, monetary amounts contained in this report and the financial report have been rounded to the nearest $1,000 under the option available to the Company under *Australian Securities and Investments Commission (ASIC) Corporations Instrument 2016/191.*

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 22.

Remuneration report (Audited)

This report details the remuneration policy and outcomes for key management personnel ("KMP") of the Company (as defined in AASB 124 *Related Party Disclosures*) for the year ended 30 June 2025. This remuneration report forms part of the Directors' Report and has been audited in accordance with the *Corporations Act 2001*.

There is no remuneration paid to executives by the Company as their services are provided pursuant to an agreement with the Manager as disclosed below. The Company has no employees (only Directors) and therefore does not have a remuneration policy for employees. Accordingly, the Directors of the Company are the only members of KMP and this remuneration report outlines the remuneration policy and arrangements that are in place for Directors only.

The Investment Manager has been compensated with $899,861 (2024: $854,575) for management fees and $Nil (2024: $Nil) for performance fees.

Remuneration policy

The Board of Directors' policy is to remunerate Directors at market rates for time, commitment and responsibilities. The Board determines payments to the Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required,

Directors' report (continued)

Remuneration policy (continued)

subject to the Board's approval. No remuneration consultants were engaged during the reporting period and no remuneration recommendation was made.

Relationship between remuneration policy and the Company performance

Remuneration of the Directors is not linked to the performance of the Company. The Directors are remunerated with set fees and do not receive any performance based pay. This enables the Directors to maintain their independence and impartiality when making decisions affecting the future direction of the Company.

Remuneration arrangements

The Directors received the following annual Director fees (inclusive of superannuation):

Director Fees	$
John Steven	60,000
Robert Brown	—
Clark Morgan (appointed 1 August 2024)	51,104
Maureen Baker (appointed 1 August 2024)	51,104
Judith Smith (resigned 1 August 2024)	3,333
David Trude (resigned 1 August 2024)	3,333

Remuneration details for the reporting year ended 30 June 2025

The Directors do not receive any benefits or remuneration other than Directors' fees and statutory superannuation.

Details of the remuneration of the Directors, the KMP of the Company are set out in the following tables:

Name	Year	Short-term benefits Cash salary and fees	Post-employment benefits Superannuation	Total
		$	$	$
John Steven	2025	53,812	6,188	**60,000**
Robert Brown	2025	—	—	**—**
Clark Morgan (appointed 1 August 2024)	2025	45,833	5,271	**51,104**
Maureen Baker (appointed 1 August 2024)	2025	45,833	5,271	**51,104**
Judith Smith (resigned 1 August 2024)	2025	2,989	344	**3,333**
David Trude (resigned 1 August 2024)	2025	2,989	344	**3,333**

Name	Year	Short-term benefits Cash salary and fees	Post-employment benefits Superannuation	Total
		$	$	$
John Steven	2024	54,054	5,946	**60,000**
Judith Smith	2024	36,036	3,964	**40,000**
David Trude	2024	36,036	3,964	**40,000**
Robert Brown	2024	—	—	**—**

Robert Brown does not receive remuneration for his services to Acorn Capital Investment Fund Limited.

Director equity interests

The following table summarises the movements in the shareholdings of Directors (including their related parties) during the reporting period.

Directors' report (continued)

Name	Ordinary Shares held at start of the reporting year	Other net change	Ordinary Shares held at end of the reporting year
John Steven	**117,188**	**—**	**117,188**
Robert Brown	**96,925**	**1,890**	**98,815**
Clark Morgan (appointed 1 August 2024)	**—**	**50,000**	**50,000**
Maureen Baker (appointed 1 August 2024)	**—**	**61,000**	**61,000**
Judith Smith (resigned 1 August 2024)	**112,614**	**—**	**112,614***
David Trude (resigned 1 August 2024)	**—**	**—**	**—**

*Judith Smith's equity interest is the balance as at her resignation date.

Other transactions with key management personnel or entities related to them

No Director or their related parties have entered into a material contract with the Company since the last reporting date.

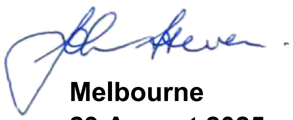
Loans transactions and balances

The Company has not made, guaranteed or secured, directly or indirectly any loans to the Directors or their related parties during the reporting period.

Authorisation

The Directors' Report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.

John Steven
Chairman and Non-Executive Director



Melbourne
29 August 2025

Ernst & Young
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Auditor's independence declaration to the directors of Acorn Capital Investment Fund Limited

As lead auditor for the audit of the financial report of Acorn Capital Investment Fund Limited for the financial year ended 30 June 2025, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

Ernst & Young

Ernst & Young

Luke Slater

Luke Slater
Partner
29 August 2025

Statement of comprehensive income

For the year ended 30 June

	Notes	2025 $'000	2024 $'000
Income			
Interest income		183	182
Dividend/Distribution income	2	789	799
Net gains/(losses) on financial instruments at fair value through profit or loss	3	14,548	2,621
Net foreign exchange gains/(losses)		52	88
Other operating income		8	21
Total net income		**15,580**	**3,711**
Expenses			
Management fees	12	900	855
Directors' fees		158	140
Auditor's remuneration	17	120	105
Brokerage expenses		393	112
Insurance		89	94
Share registry fees		50	66
ASX fees		46	48
Custody fees		71	46
Legal fees		71	6
Earn out consideration (write-back)/expense		(3)	(307)
Other expenses		204	171
Total expenses		**2,099**	**1,336**
Profit/(loss) before income tax expense		**13,481**	**2,375**
Income tax expense/(benefit)	4	3,809	609
Profit/(loss) after the income tax for the reporting year attributable to the owners of the Company		**9,672**	**1,766**
Other comprehensive income/(loss) for the reporting year attributable to the owners of the Company		—	—
Total comprehensive income/(loss) for the reporting year attributable to the owners of the Company		**9,672**	**1,766**
Earnings per share/(loss per share) for profit/(loss) after income tax attributable to the owners of the ordinary shares of the Company:			
Basic earnings per share (CPU)		10.84	2.01
Diluted earnings per share (CPU)		10.84	2.01

The statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

As at 30 June

	Notes	2025 $'000	2024 $'000
Assets			
Cash and cash equivalents	13	5,640	527
Receivables and prepayments	6	234	221
Financial assets at fair value through profit or loss	7	94,760	90,922
Deferred tax assets	5	—	3,461
Total assets		**100,634**	**95,131**
Liabilities			
Payables	8	710	758
Deferred tax liabilities	5	348	—
Total liabilities		**1,058**	**758**
Net assets		**99,576**	**94,373**
Contributed equity		101,185	100,750
Accumulated losses		(31,756)	(31,756)
Dividend reserve		30,147	25,379
Total equity attributable to owners of the Company		**99,576**	**94,373**

The statement of financial position should be read in conjunction with the accompanying notes.

Statement of changes in equity

For the year ended 30 June

For the reporting year ended 30 June 2025	Contributed equity $'000	Accumulated losses $'000	Dividend reserve $'000	Total equity $'000
Balance at 1 July 2024	**100,750**	**(31,756)**	**25,379**	**94,373**
Profit/(loss) after income tax	—	—	9,672	**9,672**
Other comprehensive income	—	—	—	**—**
Total comprehensive income/(loss) for the reporting year attributable to the owners of the Company	**—**	**—**	**9,672**	**9,672**
Transactions with owners in their capacity as owners:				
Dividends declared	—	—	(4,904)	**(4,904)**
Dividends reinvested	435	—	—	**435**
Balance at 30 June 2025	**101,185**	**(31,756)**	**30,147**	**99,576**

For the reporting year ended 30 June 2024	Contributed equity $'000	Accumulated losses $'000	Dividend reserve $'000	Total equity $'000
Balance at 1 July 2023	**99,277**	**(31,756)**	**29,753**	**97,274**
Profit/(loss) after income tax	—	—	1,766	**1,766**
Other comprehensive income	—	—	—	**—**
Total comprehensive income/(loss) for the reporting year attributable to the owners of the Company	**—**	**—**	**1,766**	**1,766**
Transactions with owners in their capacity as owners:				
Dividends declared	—	—	(6,140)	**(6,140)**
Dividends reinvested	1,473	—	—	**1,473**
Balance at 30 June 2024	**100,750**	**(31,756)**	**25,379**	**94,373**

The statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows

For the year ended 30 June

	Notes	2025 $'000	2024 $'000
Cash flows from operating activities			
Proceeds from sale of financial instruments at fair value through profit or loss		53,837	53,801
Purchase of financial instruments at fair value through profit or loss		(43,141)	(49,056)
Transaction costs on financial instruments held at fair value through profit or loss		(393)	(112)
Dividends/distribution income received		769	754
Interest received		172	177
Custody fees paid		(87)	(35)
Other income received		9	21
Management fees paid		(870)	(895)
Operating expenses paid		(716)	(792)
Net cash inflows/(outflows) from operating activities	13	**9,580**	**3,863**
Cash flows from financing activities			
Dividends paid		(4,470)	(4,664)
Net cash inflows/(outflows) from financing activities		**(4,470)**	**(4,664)**
Net increase/(decrease) in cash and cash equivalents		**5,110**	**(801)**
Cash and cash equivalents at the beginning of the year		527	1,333
Effects of exchange rate changes on cash and cash equivalents		3	(5)
Cash and cash equivalents at the end of the year		**5,640**	**527**
Non-cash operating and financing activities			
Issues of units under the distribution reinvestment plan		**435**	**1,473**

The statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Financial Report

Notes to the financial statements

1. Basis of preparation and overarching material accounting policies

These financial statements cover Acorn Capital Investment Fund Limited (the Company) as an individual entity.

The principal activity of the Company during the year was to invest in accordance with the provisions of the Company's governing documents. The investment strategy of the Company is to invest in a portfolio of listed and unlisted microcap companies.

The financial report of the Company for the year ended 30 June 2025 was authorised for issue in accordance with a resolution of the Directors on 29 August 2025. The Directors of the Company have the power to amend and reissue the financial statements. The Company is incorporated and domiciled in Australia.

Basis of preparation

The accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB).

Furthermore, the financial statements have been prepared on a going concern basis as the Company is expected to generate sufficient funds to enable it to pay its debts as and when they fall due.

The Company is a for-profit entity for the purposes of preparing financial statements.

The statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be recovered or settled within twelve months, except for financial assets and liabilities at fair value through profit or loss. The amounts expected to be recovered or settled beyond twelve months after the end of each reporting period cannot be reliably determined.

Unless stated otherwise, the financial report is presented in Australian dollars and has been prepared on the basis of fair value measurement of assets and liabilities, except where otherwise stated.

Statement of compliance

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Foreign currency

Both the presentation currency and the functional currency of the Company are Australian dollars.

Transactions in foreign currency are translated into the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into Australian dollars at the foreign exchange rate ruling at the statement of financial position date.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the historical exchange rate as at the date of the transaction.

Non-monetary items measured at fair value in a foreign currency are translated to the functional currency using the exchange rate ruling at the date when the fair value was determined.

Comparatives

Where necessary, comparative figures have been reclassified to conform to any changes in presentation made in this financial report.

1. Basis of preparation and overarching material accounting policies (continued)

Rounding of amounts

Unless otherwise stated, monetary amounts contained in this report and the Directors' report have been rounded to the nearest $1,000 under the option available to the Company under *Australian Securities and Investments Commission (ASIC) Corporations Instrument 2016/191.*

Investment income

Investment income may include net gains or losses from financial instruments. Where applicable, these net gains include all realised and unrealised fair value changes. Any foreign exchange differences, interest, dividends and distributions are recorded as separate line items in the statement of comprehensive income.

The Company has not applied hedge accounting.

Interest revenue and interest expense

Interest revenue and interest expense is recognised in the statement of comprehensive income for all interest-bearing financial instruments on an accruals basis using effective interest rate (EIR) method when the amount can be reliably measured and receipt is probable.

Dividend/ Distribution revenue

Dividend revenue is recognised on the date when the Company's right to receive the payment is established.

Dividend revenue is presented gross of any non-recoverable withholding taxes, which are disclosed separately in the statement of comprehensive income.

Net gain or loss on financial assets and liabilities at fair value through profit or loss

Net gains or losses on financial assets and liabilities at fair value through profit or loss are changes in the fair value of financial assets and liabilities held for trading or designated upon initial recognition as at fair value through profit or loss and exclude interest and dividend income and expenses.

Unrealised gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of the prior period's unrealised gains and losses for financial instruments which were realised in the reporting period. Realised gains and losses on disposals of financial instruments classified as at fair value through profit or loss are calculated using the first in, first out (FIFO) method. They represent the difference between an instrument's carrying amount and disposal amount.

Expenses

Expenses are recognised on an accrual basis at the fair value of the consideration paid or payable for services rendered.

Expenses may include management fees, operation costs and transaction costs. Expenses may also include performance fees if permitted by the Company's governing documents. Expenses are recognised in the statement of comprehensive income.

Income tax

Income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the Australian corporate income tax rate adjusted for changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses. The Company reviews its turnover and income types annually for the purposes of assessing the base rate entity requirements for taxation purposes. As the Company does not meet the base rate entity requirements, taxes are provided for at the full company tax rate of 30%.

1. Basis of preparation and overarching material accounting policies (continued)

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates applicable to the Company. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction that at the time of the transaction did not affect either accounting or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Company may incur withholding tax imposed by certain countries on investment income. Such income is recorded gross of withholding tax in the statement of comprehensive income.

Income tax expense or benefit is recognised in the statement of comprehensive income.

Current and deferred tax balances are recognised in the statement of financial position.

Goods and services (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except when the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash flow transactions are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

Operating Segment Information

The Company operates in Australia only and the principal activity is investment.

Basis of consolidation

The Company meets the definition of an Investment Entity under AASB 10 *Consolidated Financial Statements,* as it meets the following criteria

- the Company obtains funds from shareholders for the purpose of providing them with investment management services;
- the Company's business purpose, which it communicated directly to shareholders, is investing solely for returns from capital appreciation and investment income; and
- the performance of investments made by the Company are measured and evaluated on a fair value basis.

1. Basis of preparation and overarching material accounting policies (continued)

The Company meets all the typical requirements of an investment entity.

The Company has determined that for any entities it controls or has significant influence over, that do not provide investment related services to the Company, consolidated financial statements are not required. The Company's investments in these entities are measured at fair value through profit and loss in accordance with AASB 9.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the reporting period.

Diluted earnings per share

Diluted earnings per share adjusts the basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Cash and cash equivalents

Cash and cash equivalents are financial assets with fixed or determinable payments and comprise of cash at bank, cash held with custodian and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Cash and cash equivalents are recognised at fair value. For the purposes of the statement of cash flows, cash and cash equivalents are stated net of any outstanding bank overdrafts.

Receivables

Receivables may include such items as Reduced Input Tax Credits (RITC), amounts for dividends, interest and securities sold where settlement has not yet occurred. Dividends are accrued when the right to receive payment is established. Interest is accrued at the end of each reporting period from the time of last payment.

Payables

Payables include liabilities and accrued expenses owing by the Company which are unpaid as the end of the period. Trades are recorded on trade date and normally settled within two business days. Purchases of financial instruments that are unsettled at the end of each year are included in payables.

Amounts due to and from brokers

Amounts due to brokers are payables for securities purchased (in a regular way transaction) that have been contracted for, but not yet delivered, on the reporting date. Refer to the accounting policy for financial liabilities, other than those classified as at fair value through profit or loss, for recognition and measurement.

Amounts due from brokers are receivable for securities sold (in a regular way transaction) that have been contracted for, but not yet delivered, on the reporting date.

Financial instruments

Classification

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. In accordance with AASB 9 *Financial Instruments*, the Company categorises its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities below:

- It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking; or

1. Basis of preparation and overarching material accounting policies (continued)

- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Recognition/derecognition

The Company recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Company has transferred their rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Company has:

- Transferred substantially all of the risks and rewards of the asset; or
- Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

Measurement

At initial recognition, the Company measures financial assets and financial liabilities at fair value through profit or loss. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in the statement of comprehensive income.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value are presented in the statement of comprehensive income. Interest and dividends earned or paid on those instruments are recorded separately in interest revenue and dividend/distribution revenue in the statement of comprehensive income.

Debt instruments, other than those classified as at fair value through profit or loss, are measured at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in the profit or loss when the debt instruments are derecognised or impaired through the amortisation process. For further details on how the values of financial instruments are determined, please refer to note 11.

Financial assets at fair value through profit or loss

Financial assets are categorised as financial assets measured at fair value through profit or loss (FVTPL). The classification depends on the definition and the purpose for which the investments were acquired. The classification of investments is determined at initial recognition and evaluated at each reporting date.

A financial asset is classified at fair value through profit or loss if:

- Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount; or
- It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
- At initial recognition, it is irrevocably designated at fair value through profit or loss, when doing so, eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

1. Basis of preparation and overarching material accounting policies (continued)

The Company includes in this category

- Debt instruments: These include investments that are held under a business model to manage them on a fair value basis for investment income and fair value gains
- Instruments held for trading: This category includes equity instruments and debt instruments which are acquired principally for the purpose of generating a profit from short term fluctuations in price.

Purchases and sales of financial assets are recognised on the date on which the Company becomes party to the contractual agreement (trade date) to purchase or sell the asset.

Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company includes in this category short-term non-financing receivables, accrued income and other receivables.

Financial liabilities at fair value through profit or loss and amortised cost

Financial liabilities are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the amortisation process. The Company includes measured at amortised cost short-term payables, such as accrued operating expenses and unsettled trades.

Impairment of financial assets

For financial assets measured at amortised cost, the Company applies a simplified approach to calculating expected credit losses (ECL). Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Share Capital

Ordinary shares are classified as equity. Issued and paid up equity is recognised at the fair value of the consideration received by the Company. Incremental costs directly attributable to the issue of new shares or options (that vest immediately) are shown in equity as a deduction from the proceeds.

If the entity reacquires its own equity instruments, for example as the result of a share buy back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs is recognised directly in equity.

The authorised share capital of the Company is fully paid and listed on the Australian Securities Exchange. The Company's capital is represented by these shares.

Dividends to Shareholders

Dividends are at the discretion of the Company. A dividend to the Company’s shareholders is accounted for as a deduction from the dividend reserve. Dividends are recognised as a liability in the period in which it is irrevocably declared by the Board of Directors.

The Company has a dividend reserve for the purpose of reserving profits to allow the Company to declare dividends. Profit for the six-month period is added to the Dividend Reserve at 31 December and 30 June each year and dividends paid are deducted from the reserve on the payment date. Losses recorded for the six-month period at 31 December and 30 June each year are transferred to the Accumulated Losses.

Dividends are declared by the Board of Directors in accordance with the *Corporations Act 2001* section 254T.

The Company has a Dividend Reinvestment Program (DRP) which applies to dividends, details of which are on the company website.

1. Basis of preparation and overarching material accounting policies (continued)

Use of judgements & estimates

The preparation of the Company's financial statements requires it to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future. However, estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company may hold financial instruments for which quoted market prices are readily available. These may include Company's listed financial instruments which are valued primarily based on the prices provided by independent pricing services.

Additionally, the Company may also hold certain financial instruments whose fair value cannot be derived from active markets, such as convertible notes or unquoted securities. Consequently, they are determined using prices obtained from inactive or unquoted markets and/or other valuation techniques. The inputs to these valuation techniques (if applicable) are taken from observable markets to the extent practicable, are validated, and periodically reviewed by experienced personnel, independent of the area that created them. The Investment Manager employs a variety of valuation techniques to assess the fair value of unlisted investments. Please refer to Note 11 for further details.

Where observable inputs are not available, the inputs may be estimated based on a degree of judgements and assumptions in establishing fair values. The determination of what constitutes 'observable' requires significant judgement by the Company. The Company considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

In addition, areas such as credit risk (both own counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments. For certain other financial instruments, including amounts due from/to brokers, accounts payable and accounts receivable, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

As at 30 June 2025 and 30 June 2024, the Company has measured investment securities at their fair value through profit or loss.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and changes in tax laws on foreign withholding tax. Differences arising between the actual investment income and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax expense already recorded. As the Company assesses the probability for litigation and subsequent cash outflow with respect to taxes as remote, no contingent liability has been recognised.

New and amended standards and interpretations

There are no standards interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2024 that have a material impact on the amounts recognised in prior periods or will affect the current or future periods.

1. Basis of preparation and overarching material accounting policies (continued)

Standards issued but not yet effective

AASB 18 *Presentation and Disclosure in Financial Statements*

AASB 18 was issued in June 2024 and replaces AASB 101 *Presentation of Financial Statements.* The new standard introduces new requirements for the statement of comprehensive income, including:

- new categories for the classification of income and expenses into operating, investing and financing categories, and
- presentation of subtotals for "operating profit and "profit before financing and income taxes".

Additional disclosure requirements are introduced for management-defined performance measures and new principles for aggregation and disaggregation of information in the notes and the primary financial statements and the presentation of interest and dividends in the statement of cash flows. The new standard is effective for annual years beginning on or after 1 January 2027 and will apply to the Company for the financial year ending 30 June 2028.

This new standard is not expected to have an impact on the recognition and measurement of assets, liabilities, income and expenses, however there will likely be changes in how the statement of comprehensive income and statement of financial position line items are presented as well as some additional disclosures in the notes to the financial statements, including the restatement of the prior period presentation. Management is in the process of assessing the impact of the new standard.

Certain amendments to accounting standards have been published that are not mandatory for the 30 June 2025 reporting year and have not been early adopted by the Company. These amendments are not expected to have a material impact on the Company in the current or future reporting years and on foreseeable future transactions

2. Dividend/Distribution income

For the year ended 30 June	2025 $'000	2024 $'000
Dividends	498	544
Trust Distributions	291	255
Total Dividend/Distribution income	**789**	**799**

3. Net gains/(losses) on financial instruments held at fair value through profit or loss

For the year ended 30 June	2025 $'000	2024 $'000
Net unrealised gain/(loss) on financial assets at fair value through profit or loss	7,317	(183)
Net realised gain/(loss) on financial assets held at fair value through profit or loss	7,231	2,804
Total net gains on financial instruments held at fair value through profit or loss	**14,548**	**2,621**

4. Income tax expense

For the year ended 30 June	2025 $'000	2024 $'000
Income tax expense recognised in profit or loss		
Current income tax (benefit)/expense	—	—
Deferred tax expenses/(benefit)	3,809	609
	3,809	**609**
Deferred income tax expense included in tax expense comprises:		
Decrease in deferred tax assets due to changes in net unrealised gains/(losses) on financial assets	2,144	33
Decrease in deferred tax assets due to utilisation of prior year losses	1,648	391
Decrease in deferred tax assets due to provisions and accruals	(7)	158
Decrease in deferred tax assets due to unclaimed incorporation expenses carried forward	24	27
	3,809	**609**
Numerical reconciliation of tax expense to prima facie tax payable		
Profit/(loss) before income tax (benefit)/expense	13,481	2,375
Tax at the Australian tax rate of 30% (2024: 30%)	4,043	713
Tax effect of amounts which are assessable (not deductible) in calculating taxable income	(124)	(160)
Other adjustments	(110)	56
Income tax expense/(benefit) at the effective income tax rate of 28.25% (2024: 25.64%)	**3,809**	**609**

5. Deferred tax assets/(liabilities)

As at 30 June	**2025** **$'000**	**2024** **$'000**
The balance comprises temporary differences attributable to:		
Amount recognised in profit or loss		
Changes in unrealised portfolio losses	(2,144)	(33)
Utilisation of prior year tax losses	(1,648)	(391)
Provisions and accruals	7	(158)
Unclaimed incorporation expenses carried forward	(24)	(27)
Total deferred tax expense/(benefit)	**(3,809)**	**(609)**
Net deferred tax expense/(benefit)	**(3,809)**	**(609)**
Movements		
Opening balance	3,461	4,070
Credited/(charged) to profit or loss	(3,809)	(609)
Closing balance at 30 June	**(348)**	**3,461**
Gross up for deferred tax liabilities netted off	—	—
Gross deferred tax assets/(liabilities)	**(348)**	**3,461**
Deferred tax assets/(liabilities) to be settled after more than 12 months	(381)	3,444
Deferred tax assets/(liabilities) to be settled within 12 months	33	17
Total deferred tax assets/(liabilities)	**(348)**	**3,461**

6. Receivables

Receivables may include GST RITC, interest, dividends, trust distributions and other income accrued and unsettled trade purchases. They are recognised when the right to receive payment is established and are generally recovered within 30 days. The Company measures expected credit losses on a 12-month basis.

Given the nature of the Company's receivables and the limited exposure of the Company to credit risk, no material expected credit losses have been recognised.

All receivables are considered current, and not impaired.

As at 30 June	**2025** **$'000**	**2024** **$'000**
Distributions receivable	106	86
GST claimable	18	45
Interest receivable	18	7
Outstanding trade settlements	23	—
Prepaid expenses	69	83
Total receivables	**234**	**221**

7. Financial assets at fair value through profit or loss

As at 30 June	**2025 $'000**	**2024 $'000**
Derivatives		
Warrants	105	63
Total derivatives	**105**	**63**
Equity securities		
Listed equities	71,096	62,083
Unlisted equities*	22,843	28,159
Total equity securities	**93,939**	**90,242**
Debt securities		
Convertible notes	716	617
Total debt securities	**716**	**617**
Total financial assets at fair value through profit or loss	**94,760**	**90,922**

An overview of the risk exposures and fair value measurements relating to financial assets at fair value through profit or loss is included in notes 10 and 11 respectively.

*One of the investments was acquired by a strategic investor in April 2025. The Company holds priority rights to participate in a potential earnout, currently estimated at $2.131 million as at 30 June 2025. The final amount will depend on the asset's performance up to March 2027. Although the sale has been agreed upon, the investment held by the Company has not yet been derecognised as it still has exposure to risks and rewards.

8. Payables

Payables represent unsecured non-derivative, non-interest-bearing financial liabilities in respect of goods and services provided to the Company prior to the end of the financial year. Payables may include redemptions payable, accrued expenses and unsettled purchases of financial instruments which are unpaid by the Company at the reporting date. Amounts are generally paid within 30 days.

Amounts payable to related entities have no fixed repayment term and are non-interest-bearing.

All payables are considered current.

As at 30 June	**2025 $'000**	**2024 $'000**
Mangement Fees Payable	493	463
Outstanding trade settlements	63	104
Earn Out payable*	63	65
Accrued expenses payable	91	126
Total payables	**710**	**758**

*On 14 December 2017, the Company purchased a portfolio of securities (refer to ASX announcement on 14 December 2017 for full details). Upon the liquidation of the portfolio for cash, and subject to Acorn Capital Investment Fund Limited generating a return above a pre-agreed threshold, 30% of cash receipts from such sale of the portfolio are payable. This amount will be paid at the election of the Company, in either cash or Company shares, at the same post tax NTA as the shares comprising the initial consideration payment were issued. The liability related to the earn-out as at balance date is $62,812 (2024: $65,470).

9. Contributed equity and movements in total equity

As at 30 June	**2025** **No. '000**	**2024** **No. '000**
Share capital		
Fully paid ordinary shares	**89,599**	**89,034**
Movements in shares on issue:		
Opening balance	**89,034**	**87,352**
Dividends reinvested	565	1,682
Closing balance	**89,599**	**89,034**

Terms and conditions of contributed equity

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on the shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company. Ordinary shares in the Company do not have a par value attached to them.

Capital risk management

The Company's policy is to maintain an appropriate level of liquidity in the Company's shares.

To achieve this, the Board of Directors monitor monthly net tangible asset (NTA) results, investment performance, the Company's management expenses and share price movements.

No changes were made in the objectives, policies or processes for managing capital during the years ended 30 June 2025 and 30 June 2024.

10. Financial risk management

Overview

The Company's activities can expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk, counterparty risk and liquidity risk.

The Company's overall risk management program focuses on ensuring compliance with the Company's governing documents and seeks to maximise the returns derived for the level of risk to which the Company is exposed. The Manager is responsible for identifying the financial risks that arise from these financial instruments and for ensuring there are mechanisms in place to manage these risks.

The allocation of assets between the various types of financial instruments is determined by the Company's Investment Manager who manages the Company's assets to achieve the Company's investment objectives.

Divergence from target allocations and the composition of the assets is monitored on a regular basis.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors. Market risk includes (amongst others) three types of risk: interest rate risk (due to fluctuations in interest rates), currency risk (due to fluctuations in foreign exchange rates), and equity price risk (due to fluctuations in market prices).

The market risk disclosures are prepared on the basis of the Company's direct investments and not on a look-through basis.

The Company is exposed to market risks influencing investment valuations. The Company may utilise derivatives to manage this risk.

10. Financial risk management (continued)

Price risk

Price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

The summarised sensitivity analysis section below sets out how this component of price risk is managed and measured. Investments are classified in the statement of financial position at fair value through profit or loss.

All securities investments present a risk of loss of capital. Except for equities sold short, the maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. Possible losses from equities sold short can be unlimited.

As the Company's investments are carried at fair value with fair value changes through profit or loss, changes in market conditions will directly affect net investment income.

The Investment Manager mitigates this price risk through diversification and a rigorous selection of securities and other financial instruments within specified limits as disclosed in the Company's governing documents. Price risk mainly arises from the possible change in the fair value of the Company's equity holdings. Price risk sensitivity on the Company's equity holdings is disclosed in the summarised sensitivity analysis section of this note. The analysis assumes the price of these investments increased/decreased by 10% (2024: 10%).

Daily monitoring of trade restrictions and exposure against limits is undertaken with any breach of these limit restrictions reported in accordance with the Risk Management Framework.

Foreign exchange risk

Companies that invest in international assets are exposed to foreign exchange risk. Foreign exchange risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company holds assets denominated in currencies other than the Australian dollar. The foreign exchange risk relating to non monetary assets and liabilities is a component of price risk. Foreign exchange risk arises as the value of monetary securities denominated in other currencies will fluctuate due to changes in exchange rates.

In accordance with the Company's policy, the Investment Manager monitors the Company's currency position on a regular basis. This information and the compliance with the Company's policy are reported to the relevant parties on a regular basis as deemed appropriate and ultimately to the Board.

The foreign exchange risk disclosures have been prepared on the basis of the Company's direct investments and not on a look through basis for investments held indirectly through unit trusts.

When the Investment Manager formulates a view on the future direction of foreign exchange rates and the potential impact on the Company, the Investment Manager factors that into its portfolio allocation decisions. While the Company has direct exposure to foreign exchange rate changes on the price of non-Australian dollar denominated securities, it may also be indirectly affected for example, by the impact of foreign exchange rate changes on the earnings of certain entities in which the Company invests, even if those entities' securities are denominated in Australian dollars. For that reason, the sensitivity analysis may not necessarily indicate the total effect on total equity and profit/(loss) of future movements in foreign exchange rates.

Foreign exchange risk sensitivity on the Company's total equity and profit/(loss) is disclosed in the summarised sensitivity analysis section of this note. The analysis assumes the Australian dollar weakened/strengthened by 10% (2024: 10%) against the various currencies to which the Company is exposed, with all other variables held constant. The Company did not have any material exposure to foreign exchange risk as at 30 June 2025.

Cash flow and fair value interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

10. Financial risk management (continued)

Interest rate risk is not considered to be a significant risk to the Company as the majority of the Company's financial instruments are non-interest bearing with only cash and cash equivalents being directly subject to interest rate risk. The impact of interest rate risk on the profit and net assets of the Company is considered to be immaterial.

Summarised sensitivity analysis

The following table summarises the sensitivity of the Company's net profit and net assets to applicable market risks. The possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates, foreign exchange rates and market prices. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of the economies, markets and securities in which the Company invests. As a result, historic variations in risk variables are not a definitive indicator of future variations in the risk variables. The risk arises from financial assets held outside Australia and/or denominated in foreign currencies.

	Impact on net profit/Net assets							
	Price risk		Foreign exchange risk					
	-10%	+10%	-10% USD	+10% USD	-10% CAD	+10% CAD	-10% NZD	+10% NZD
	A$'000	A$'000	A$'000	A$'000	A$'000	A$'000	A$'000	A$'000
30 June 2025	**(9,476)**	**9,476**	**(150)**	**183**	**—**	**—**	**(194)**	**237**
30 June 2024	(9,092)	9,092	(573)	701	(35)	42	(136)	166

Credit risk

Credit risk is the risk that one party to a financial instrument will cause financial loss to the other party by failing to discharge an obligation. The Company aims to ensure that at all times it has appropriate credit risk management policies and practices in place and that the Board and senior management are appropriately informed of the Company's credit risks.

Credit risk is not considered to be a significant risk to the Company as the Company does not hold any direct investments in debt securities or have significant receivables.

Concentrations of risk

Concentrations of risk arise when a number of financial instruments are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic conditions. These similarities would cause the counterparties' liabilities to meet the contractual obligations to be similarly affected by certain changes in the risk variables.

The concentrations of risk are monitored by the Investment Manager to ensure they are within acceptable limits by reducing the exposures or by other means as deemed appropriate.

Concentrations of risk are managed based on industry sector.

Based on the concentrations of risk that are managed based on industry sector, the following investments can be analysed by the industry sector as at 30 June 2025.

10. Financial risk management (continued)

As at 30 June	2025 $'000	2025 %	2024 $'000	2024 %
Materials	21,714	22.91	21,691	23.85
Financials	21,128	22.30	15,527	17.08
Consumer Discretionary	4,120	4.35	5,550	6.10
Consumer Services	1,009	1.06	1,959	2.16
Information Technology	9,909	10.46	8,744	9.62
Industrials	12,726	13.43	13,147	14.46
Health Care	10,441	11.02	13,067	14.37
Energy	7,355	7.76	6,034	6.64
Consumer Staples	560	0.59	591	0.65
Communication Services	5,798	6.12	4,612	5.07
Total	**94,760**	**100.00**	**90,922**	**100.00**

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. This risk is controlled through the Company's investment in financial instruments that under normal market conditions are readily convertible to cash. In addition, the Company maintains sufficient cash and cash equivalents to meet normal operating requirements.

The Company's investments include listed securities that are considered readily available, as they are listed on recognised stock exchanges.

The Company may invest in unlisted equities that expose the Company to the risk that the Company may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer.

In accordance with the Company's policy, the Manager monitors the Company's liquidity position on a regular basis. This information and the compliance with the Company's policy are reported to the relevant parties on a regular basis as deemed appropriate and ultimately to the Board.

The table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the ned of the reporting period to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

10. Financial risk management (continued)

As at 30 June 2025

	Less than 1 month	1-3 months	3-12 months	Beyond 12 months	Total
	$'000	$'000	$'000	$'000	$'000
Earn Out payable	—	—	—	63	**63**
Accrued expenses payable	—	91	—	—	**91**
Management fees payable	—	—	493	—	**493**
Outstanding settlements payable	63	—	—	—	**63**
Total payables	**63**	**91**	**493**	**63**	**710**

As at 30 June 2024

	Less than 1 month	1-3 months	3-12 months	Beyond 12 months	Total
	$'000	$'000	$'000	$'000	$'000
Earn Out payable	—	—	—	65	**65**
Accrued expenses payable	—	126	—	—	**126**
Management fees payable	—	—	463	—	**463**
Outstanding settlements payable	104	—	—	—	**104**
Total payables	**104**	**126**	**463**	**65**	**758**

11. Fair value measurement

In accordance with AASB 13 *Fair Value Measurement* the Company is required to disclose fair value measurements by level using the fair value hierarchy. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Quoted prices in active markets (level 1)

The pricing for the majority of the Company's investments is generally sourced from independent pricing sources or reliable brokers' quotes. Investments whose values are based on quoted market prices (bid, ask or last price) in active markets, e.g. recognised stock exchanges and therefore classified within level 1, include active listed equities.

Significant unobservable inputs (level 3)

Investments classified within level 3 have significant unobservable inputs, as they are infrequently traded. Level 3 instruments could include convertible notes and certain private equity type investments of which valuations are not based on market inputs or securities valued using models and internal data. Level 3 investments may be adjusted to reflect illiquidity. Level 3 instruments also include those that have a stale price, that is, where the pricing for a particular security has remained static for an extended period of time. Level 3 investments are valued by the Investment Manager using a variety of valuation techniques, taking into consideration recent market transactions. These valuations are reassessed on a monthly basis by the Investment Manager, and approved by the Investment Valuation Committee, chaired by an ACQ Director.

11. Fair value measurement (continued)

Valuation Techniques employed by the Investment Manager in assessing the fair value of unlisted investments are

- Third Party Transactions : The recent third party transaction price methodology refers to the price at which a significant transaction, that is considered to represent fair value, has occurred into a company. In assessing whether the recent transaction price remains indicative of fair value the manager will assess the size of the transaction, the parties involved, the time since the transaction has occurred, along with other known information, such as if there have been other changes or events which have occurred since the transaction date.

- Relative Valuation Techniques using Multiples/Industry Benchmarks: This technique assesses the investment company’s value based on how similar companies or assets are valued, often by utilizing ratios like the price-to-earnings (P/E) ratio, enterprise value-to-EBITDA (EV/EBITDA), or price-to-book (P/B) ratios. It assumes that similar assets or businesses should trade at similar prices, using financial ratios as a benchmark. The determination of relevant peer multiples requires significant judgement and is re-assessed semi-annually at each valuation date.

- Relative Valuation & Option Pricing Model (OPM): This technique is used when the instruments held as part of a complex capital structure with different sets of preferences and privileges. In this case, a relative valuation technique is first used to determine an overall equity value, then the OPM treats each different class of security as a call option on the total equity value of the company and uses the Black-Scholes model to value the option.

- Income Approach: Future amounts are converted into a current (discounted) amount. The present value of the cashflows generated by the investment is derived using reasonable assumptions and estimations of the amount and timing of expected future cashflows (including the terminal value or maturity amount) and the appropriate risk-adjusted discount rate that captures the risk inherent in the investment.

- Conversion/impairment: Assets initially recognised at cost shall be revalued using a conversion methodology when observable market inputs become available, where asset values are no longer reliably measurable or have suffered a permanent decline, impairment shall be recognised to reflect their recoverable amount.

All fair value measurements disclosed are recurring fair value measurements. All other assets and liabilities are carried at a reasonable approximation of fair value.

Transfers between levels of fair value hierarchy are deemed to have occurred at the reporting date. Transfers out of level 3 generally occur when an unlisted equity investment lists on a recognised stock exchange. There have been no transfers in or out of level 3 investments during the year.

The following table presents fair value measurements for financial assets held at FVTPL by level using the fair value hierarchy.

As at 30 June 2025	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Financial assets held at fair value through profit or loss				
Listed equities	71,096	—	—	**71,096**
Unlisted equities	—	—	22,843	**22,843**
Convertible notes	—	—	716	**716**
Warrants	70	—	35	**105**
Total	**71,166**	**—**	**23,594**	**94,760**

11. Fair value measurement (continued)

As at 30 June 2024	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets held at fair value through profit or loss				
Listed equities	62,083	—	—	**62,083**
Unlisted equities	—	—	28,159	**28,159**
Convertible notes	—	—	617	**617**
Warrants	—	—	63	**63**
Total	**62,083**	**—**	**28,839**	**90,922**

The following table presents the movement in level 3 instruments as at the reporting date by class of financial instrument.

As at 30 June 2025	Opening Balance $'000	Purchases $'000	Sales $'000	Transfers into level 3 $'000	Transfers out of level 3 $'000	Gains/ (losses) recognised in profit or loss $'000	Closing balance $'000
Unlisted equities	28,159	962	(8,219)	—	—	1,941	**22,843**
Convertible notes	617	398	(426)	—	—	127	**716**
Warrants	63	—	—	—	—	(28)	**35**
Total	**28,839**	**1,360**	**(8,645)**	**—**	**—**	**2,040**	**23,594**

As at 30 June 2024	Opening Balance $'000	Purchases $'000	Sales $'000	Transfers into level 3 $'000	Transfers out of level 3 $'000	Gains/ (losses) recognised in profit or loss $'000	Closing balance $'000
Equity securities	25,254	5,065	(5,240)	—	—	3,080	**28,159**
Convertible notes	3,279	463	(3,319)	—	—	194	**617**
Warrants	68	—	—	—	—	(5)	**63**
Total	**28,601**	**5,528**	**(8,559)**	**—**	**—**	**3,269**	**28,839**

11. Fair value measurement (continued)

Sensitivity analysis

The following table sets out the material unobservable inputs used in fair value measurements and the sensitivity to changes in those inputs.

As at 30 June 2025

Industry	Valuation Technique	Unobservable Input	Range	Impact on fair value increase/ (decrease)
Unlisted equities				
Communications Services	3rd party	Unquoted share price	+/-10%	-$42k/+$45k
Communications Services	Relative	Revenue multiple	+/-10%	-$186k/+$56k
Consumer Discretionary	3rd party	Unquoted share price	+/-10%	-$123k/+$192k
Consumer Staples	Relative	Blended multiples	+/-10%	-$65k/+$65k
Financials	3rd party	Unquoted share price	+/-10%	-$143k/+$313k
Financials	Independent Valuation	Unquoted share price	+/-10%	-$4k/+$4k
Financials	Relative	Revenue multiple	+/-10%	-$240k/+$240k
Health Care	Liquidation Value	Unquoted share price	+/-10%	-$196k/+$196k
Health Care	Relative	Median peer set EV	+/-10%	-$89k/+$122k
Information Technology	Relative	Blended multiples - revenue, gross profit, EBITDA	+/-10%	-$28k/+$28k
Information Technology	Relative	Gross profit multiple	+/-10%	-$92k/+$92k
Information Technology	Relative	Blended multiples - liquidation value, revenue	+/-10%	-$21k/+$21k

11. Fair value measurement (continued)

Industry	Valuation Technique	Unobservable Input	Range	Impact on fair value increase/ (decrease)
Industrials	3rd party	Unquoted share price	+/-10%	-$125k/+$321k
Industrials	Relative	Revenue multiple	+/-10%	-$159k/+$270k
Industrials	Relative	EBITDA multiple	+/-10%	-$234k/+$337k
Debt instrument				
Industrials	As-converted cap table	Conversion price	+/-10%	-$53k/+$53k
Consumer Discretionary	As-converted cap table	Conversion price	+/-10%	-$19k/+$19k

As at 30 June 2024

Industry	Valuation Technique	Unobservable Input	Range	Impact on fair value increase/ (decrease)
Unlisted equities				
Communications services	3rd party	Unquoted share price	+/-10%	-$55k/+$55k
Communications services	Relative	Revenue multiple	+/-10%	-$134k/+$139k
Consumer Discretionary	3rd party	Unquoted share price	+/-10%	-$245k/+$253k
Consumer staples	3rd party	Unquoted share price	+/-10%	-$59k/+$59k
Financials	3rd party	Unquoted share price	+/-10%	-$331k/+$117k
Financials	Relative	Relative multiple	+/-10%	-$41k/+$43k
Financials	Relative	Blended multiples - revenue, gross profit, EBITDA	+/-10%	-$78k/+$78k
Financials	Relative	PE multiple	+/-10%	-$250k/+$250k
Health Care	3rd party	Unquoted share price	+/-10%	-$107k/+$107k
Health Care	Relative	Relative multiple	+/-10%	-$228k/+$62k.

11. Fair value measurement (continued)

Industry	Valuation Technique	Unobservable Input	Range	Impact on fair value increase/ (decrease)
Industrials	3rd party	Unquoted share price	+/-10%	-$378k/+$417k
Industrials	Black Scholes	Unquoted strike price	+/-10%	-$140k/+$229k.
Industrials	Relative	EBITDA multiple	+/-10%	-$201k/$241k
Information Technology	Relative	Gross profit multiple	+/-10%	-$80k/+$80k
Information Technology	Relative	Blended multiples - revenue, gross profit, EBITDA	+/-10%	-$21k/+$21k
Information Technology	Relative	Blended multiples - revenue, gross profit, EBITDA	+/-10%	-$45k/+$47k
Materials - Resources	Independent valuation	Unquoted share price	+/-10%	-$219k/$219k
Debt instrument				
Health Care	As-converted cap table	Conversion price	+/-10%	-$22k/+$22k
Industrials	As-converted cap table	Conversion price	+/-10%	-$41k/+$41k

There were no significant inter relationships between unobservable inputs that significantly affect fair values.

12. Related party transactions

Acorn Capital Limited is the Investment Manager of the Company. The Company has no employees (only Directors).

Key management personnel

Directors

Any persons with responsibility for planning, directing and controlling the activities of the Company, directly or indirectly during the reporting period are considered key management personnel.

Key management personnel includes persons who were Directors of the Company at any time during the financial year and up to the date of the report as follows:

John Steven	Chairman and Non-Executive Director	
Robert Brown	Director	
Clark Morgan	Non-Executive Director	(appointed 1 August 2024)
Maureen Baker	Non-Executive Director	(appointed 1 August 2024)
Judith Smith	Non-Executive Director	(resigned 1 August 2024)
David Trude	Non-Executive Director	(resigned 1 August 2024)

Key management personnel shareholdings

At 30 June 2025, key management personnel held shares in the Company as follows:

Name	Ordinary Shares held at start of the reporting year	Other net change	Ordinary Shares held at end of the reporting year
John Steven	**117,188**	—	**117,188**
Robert Brown	**96,925**	1,890	**98,815**
Clark Morgan (appointed 1 August 2024)	**—**	50,000	**50,000**
Maureen Baker (appointed 1 August 2024)	**—**	61,000	**61,000**
Judith Smith (resigned 1 August 2024)	**112,614**	—	**112,614***
David Trude (resigned 1 August 2024)	**—**	—	**—**

*Judith Smith's equity interest is the balance as at her resignation date.

Key management personnel compensation

For details on remuneration disclosures relating to key management personnel, refer to the table below:

For the year ended 30 June 2025	Short-term benefits	Post-employment benefits	Total
	$	$	$
Directors			
John Steven	53,812	6,188	60,000
Robert Brown	—	—	—
Clark Morgan (appointed 1 August 2024)	45,833	5,271	51,104
Maureen Baker (appointed 1 August 2024)	45,833	5,271	51,104
Judith Smith (resigned 1 August 2024)	2,989	344	3,333
David Trude (resigned 1 August 2024)	2,989	344	3,333
Total	**151,456**	**17,418**	**168,874**

12. Related party transactions (continued)

For the year ended 30 June 2024	Short-term benefits	Post-employment benefits	Total
	$	$	$
Directors			
John Steven	54,054	5,946	60,000
Judith Smith	36,036	3,964	40,000
David Trude	36,036	3,964	40,000
Robert Brown	—	—	—
Total	**126,126**	**13,874**	**140,000**

Robert Brown does not receive remuneration for his services to Acorn Capital Investment Fund Limited.

Investment Manager's fees and other transactions

From time to time Directors of the Company, or their related entities, may purchase or sell the Company's securities through the Australian Securities Exchange in accordance with the Company's security trading policy.

No Director has entered into a material contract with the Company since the last reporting date and there were no material contracts involving Directors' interests subsisting at the reporting date.

Loans transactions and balances

The Company has not made, guaranteed or secured, directly or indirectly any loans to key management personnel or their related entities during the reporting period.

Acorn Capital Limited

Management Agreement

The Company and the Manager have entered into the Management Agreement whereby, subject to the provisions set out below, the Company has exclusively appointed the Manager to invest and manage all the assets of the Company (including any controlled entity of the Company) from time to time, for and on behalf of the Company. An initial term of 5 years was entered into on 5 May 2014, which has been extended for an additional 7 years commencing 16 November 2018.

Management fees

The management of the Company is performed by the Manager who is entitled to be paid management and performance fees. The Company pays the Manager a management fee of 0.95% p.a (plus GST) of the net asset value of the investment portfolio. The management fee is calculated and accrued each month and paid semi-annually in arrears. Management fees paid and payable for the year ended 30 June 2025 are disclosed below.

In addition, the Manager will be entitled to receive a performance fee from the Company equal to 20% (plus GST) of the investment portfolio's outperformance of the S&P/ASX Small Ordinaries Accumulation Index, which is calculated and accrued monthly on a pretax basis and, where tests are satisfied, any positive performance fee amounts that are in excess of the minimum performance fee account balance (as defined in the Management Agreement) are paid annually. There is no performance fee applicable for the year ended 30 June 2025.

All related party transactions are conducted on normal commercial terms and conditions. The transactions during the year and amounts payable at year end between the Company and the Investment Manager were as follows:

12. Related party transactions (continued)

	2025 $	2024 $
Management fees for the year	899,861	854,575
Management fees payable	492,726	462,592

Related party shareholdings

The Australian Unity Group is a joint venture partner of the Investment Manager, Acorn Capital Limited.

Parties related to the Company (including the Investment Manager and its related parties), held shares in the Company as follows.

30 June 2025

Shareholder	No. of shares held opening (Units)	No. of shares held closing (Units)	Fair value of investment ($)	Interest held (%)
Acorn Capital Ltd	207,306	222,434	169,050	0.25
AU Health Ltd	4,588,203	5,561,458	4,226,708	6.21
Directors of Acorn Capital Investment Fund Ltd	326,727	327,003	248,522	0.36
Directors / staff of Acorn Capital Limited	2,669,006	340,978	259,143	0.38
AU Lifeplan Funeral Fund No. 2 (Taxable)	1,138,650	1,138,650	865,374	1.27
AU Lifeplan Funeral Fund No. 2 (Non-Taxable)	912,745	1,106,358	840,832	1.23
AU Capital Guaranteed Funeral Bond (Taxable)	490,239	594,229	451,614	0.66
AU Capital Guaranteed Funeral Bond (Non-taxable)	333,674	404,453	307,384	0.45
AU Capital Secure Funeral Bond	216,550	262,485	199,488	0.29
Total shareholdings	**10,883,100**	**9,958,048**	**7,568,115**	**11.10**

30 June 2024

Shareholder	No. of shares held opening (Units)	No. of shares held closing (Units)	Fair value of investment ($)	Interest held (%)
Acorn Capital Ltd	191,726	207,306	163,772	0.23
AU Health Ltd	4,937,324	4,588,203	3,624,680	5.15
Directors of Acorn Capital Investment Fund Ltd	371,656	326,727	258,114	0.37
Directors / staff of Acorn Capital Limited	2,432,291	2,669,006	2,108,515	3.00
AU Lifeplan Funeral Fund No. 2 (Taxable)	1,010,867	1,138,650	899,534	1.28
AU Lifeplan Funeral Fund No. 2 (Non-Taxable)	982,199	912,745	721,069	1.03
AU Capital Guaranteed Funeral Bond (Taxable)	527,543	490,239	387,289	0.55
AU Capital Guaranteed Funeral Bond (Non-taxable)	359,064	333,674	263,602	0.37
AU Capital Secure Funeral Bond	233,029	216,550	171,075	0.24
Total shareholdings	**11,045,699**	**10,883,100**	**8,597,650**	**12.22**

13. Reconciliation of profit/(loss) to net cash inflows/(outflows) from operating activities

Reconciliation of profit/(loss) to net cash inflows/(outflows) from operating activities

For the year ended 30 June	2025 $'000	2024 $'000
Reconciliation of profit/(loss) to operating cash flow		
Net profit/(loss) after income tax attributable to the owners of the Company	9,672	1,766
Net (gains)/losses on financial instruments at fair value through profit or loss	(14,548)	(2,621)
Net foreign exchange (gains)/losses	(52)	(88)
Proceeds from sale of financial instruments at fair value through profit or loss	53,837	53,801
Purchase of financial instruments at fair value through profit or loss	(43,141)	(49,056)
Net change in receivables and other assets	10	(48)
Net change in payables and other liabilities	(7)	(500)
Net change in deferred tax assets/(deferred tax liabilities)	3,809	609
Net cash inflows/(outflows) from operating activities	**9,580**	**3,863**

Components of cash and cash equivalents

As at 30 June	2025 $'000	2024 $'000
Cash at bank, on hand and at custodian	5,640	527
Total cash and cash equivalents	**5,640**	**527**

Non-cash investing and financing activities

For the year ended 30 June	2025 $'000	2024 $'000
Reinvestment of shareholder dividends	435	1,473

14. Segment information

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources, is the Company's Board. The Company has outsourced the investment management of the portfolio to Acorn Capital Limited the Investment Manager of the Company. The Company operates only in the investment industry in Australia and has no reportable business or geographic segments.

The Company is managed as a whole and is considered to have a single operating segment. There is no further division of the Company or internal segment reporting used by the chief operating decision-maker and the Directors when making strategic, investment or resource allocation decisions.

The internal reporting provided to management is prepared on a consistent basis with the measurement and recognition principles of Australian Accounting Standards. There were no changes in the reportable segments during the reporting period.

15. Earnings per share

For the year ended 30 June	2025	2024
Earnings/(loss)		
Profit/(loss) after income tax attributable to the owners of the Company ($'000)	9,672	1,766
Earnings/(loss) used in calculating basic and diluted earnings per share ($'000)	9,672	1,766
Earnings/(loss) per share		
Basic earnings/(loss) per share (cents)	10.84	2.01
Diluted earnings/(loss) per share (cents)	10.84	2.01
Number of shares		
Weighted average number of shares used in the calculation of basic earnings per share	89,220,975	87,984,740
Weighted average number of shares used in the calculation of diluted earnings per share	89,220,975	87,984,740

16. Dividends declared

For the year ended 30 June Dividends declared in respect of the financial year ended	2025 $'000	2024 $'000
Interim dividend for the financial year	2,456	2,427
Final dividend payable for the financial year	2,464	2,448
Total dividend declared for the financial year	**4,920**	**4,875**

Dividends declared

For the year ended 30 June 2025, a final dividend of 2.75c per share was proposed and approved on the date of this financial report. Based on the number of issued shares as at 31 July 2025 (89,599,002 shares), this represents a total dividend of $2,463,973. The final value of the dividend will be based on the issued shares as at 13 November 2025, being the record date. The Dividend Reinvestment Plan (DRP) was active and available to the shareholders, a total of $565,290 was reinvested from the interim dividend.

Franking credit balance

The amount of franking credits available as at 30 June 2025 was $88,837 (2024: $646,462).

17. Remuneration of auditor

For the year ended 30 June Amounts received or due and receivable by the auditor for:	2025 $	2024 $
Audit and review of the financial report of the Company	120,239	104,706
Total remuneration of auditor	**120,239**	**104,706**
Amounts received or receivable by the auditor for Non-Audit services		
Tax compliance services	—	11,000
Total Non Audit Fees due and receivable by the auditor	**—**	**11,000**
Total remuneration of auditor	**120,239**	**115,706**

18. Events occurring after the reporting period

No significant events have occurred since the reporting date which would impact on the financial position of the Company as at 30 June 2025 or on the results and cash flows of the Company for the year ended on that date.

19. Contingent assets and liabilities and commitments

At balance date the Company has no contingent assets, liabilities or commitments (30 June 2024: Nil).

20. Reconciliation of net tangible assets used in calculation of net tangible assets per ordinary share for ASX reporting (non-IFRS)

For the year ended 30 June	**2025** **$'000**	**2024** **$'000**
Net assets per financial statements	99,576	94,373
Provision for expected costs to be incurred in realising proceeds of assets disposals (non-IFRS)	(95)	(91)
Tax adjustment on expected costs to be incurred in realising proceeds of asset disposals (non-IFRS)	29	(27)
Net tangible assets for ASX reporting	**99,510**	**94,255**
Number of ordinary shares on issue at reporting date	**89,599,002**	**89,033,712**

Net Tangible Asset Backing (NTA) per share

As at 30 June 2025	**For monthly NTA Reporting** **$/share**	**For Financial Reporting** **$/share**
NTA per share before income tax ($/share)	1.1139	1.1152
NTA after income tax excluding tax on unrealised gains ($/share)	1.1229	1.1243
NTA per share after income tax ($/share)	1.1100	1.1113

As at 30 June 2024	**For monthly NTA Reporting** **$/share**	**For Financial Reporting** **$/share**
NTA per share before income tax ($/share)	1.0198	1.0211
NTA after income tax excluding tax on unrealised gains ($/share)	1.0476	1.0490
NTA per share after income tax ($/share)	1.0587	1.0600

Consolidated Entity Disclosure Statement

Acorn Capital Investment Fund Limited does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, section 295A(3A)(a) of the *Corporations Act 2001* does not apply to the Company.

Directors' declaration

In the opinion of the Directors:

a. the financial statements and notes set out on pages 23 to 55 are in accordance with the *Corporations Act 2001*, including:

   i. complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

   ii. giving a true and fair view of the Company's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;

b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

c. Note 1.1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

d. The Directors have been given by the Chief Executive Officer and Chief Financial Officer of the Investment Manager the declarations for year ended 30 June 2025 required by Section 295A of the *Corporations Act 2001.*

e. The information disclosed in the attached consolidated entity disclosure statement is true and correct.

This declaration is made in accordance with a resolution of Directors.

On behalf of the Board of Acorn Capital Investment Fund Limited.

John Steven
Chairman and Non-Executive Director

Melbourne
29 August 2025

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Independent auditor's report to the members of Acorn Capital Investment Fund Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Acorn Capital Investment Fund Limited (the Company), which comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Shape the future with confidence

Investments at fair value through profit or loss

Why significant	How our audit addressed the key audit matter
The Company has investment portfolio consisting primarily of equity securities, convertible notes and warrants. As at 30 June 2025, the listed investments are valued at $71,166,000 and unlisted investments at $23,594,000, combined represent 94% of total assets. As disclosed in the Company's accounting policy Note 1 of the financial report, the investments are measured at fair value through profit or loss in accordance with the requirements of Australian Accounting Standards. The valuation of unlisted investments, which are classified as 'Level 3' investments in accordance with AASB 13 *Fair Value Measurement* involve significant judgements as there are no observable market inputs for valuation. The valuation of unlisted investments is determined by management. Pricing, exchange rates and other market drivers can have a significant impact on the value of these investments. Accordingly, the investments at fair value through profit or loss were considered a key audit matter due to the size and the significant judgement involved in valuing unlisted investments.	Our audit procedures included the following: ▶ Obtained and reviewed the assurance report of the relevant controls of the Company's administrator and custodian for the period 1 July 2024 to 30 June 2025, and assessed the external auditor's competence, objectivity, and findings. ▶ Agreed all investment holdings, including cash accounts to the third-party confirmation at 30 June 2025. ▶ For listed investments, we assessed the fair value of all investments in the portfolio held at 30 June 2025. ▶ For unlisted investments, we engaged our valuation specialists to assess the valuation methodology and key assumptions used in the valuation of the underlying investments, including, where applicable, evidence of recent transactions. ▶ We assessed the adequacy and appropriateness of the disclosures included in Note 11 of the financial report.

Information other than the financial report and auditor's report thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the Company's 2025 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Shape the future
with confidence

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

- The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001;* and

for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 19 to 21 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Acorn Capital Investment Fund Limited for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Ernst & Young

Luke Slater

Luke Slater
Partner
Melbourne
29 August 2025

Additional information for listed companies

ASX Additional information

Additional information required by the ASX Listing Rule and not disclosed elsewhere in this report is set out below. This information is current as at 31 July 2025.

Substantial shareholders

The substantial shareholders as at 31 July 2025 are set out below:

Shareholders	Number of shares
Australian Unity Funds Management Limited	9,067,633

Voting rights

Ordinary shares

On a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Distribution of equity security holders - at 31 July 2025

Range	Total holders	Units	% of issued capital
1-1,000	205	93,550	0.10
1,001-5,000	311	870,177	0.97
5,001-10,000	226	1,778,388	1.98
10,001-100,000	934	33,025,597	36.87
100,001 Over	165	53,831,290	60.08
Total	**1,841**	**89,599,002**	**100.00**

Non marketable parcels

There were 127 holders of less than a marketable parcel of ordinary shares (based on the closing market price on 31 July 2025).

There are no securities subject to voluntary escrow.

Additional information for listed companies (continued)

Twenty largest shareholders - as at 31 July 2025	Ordinary shares	%
BNP PARIBAS NOMS PTY LTD	9,071,797	10.12
CHARLES & CORNELIA GOODE FOUNDATION PTY LTD <CCG FOUNDATION A/C>	4,379,681	4.89
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	2,040,964	2.28
LONCETA PTY LTD <HANCOCK SUPER FUND A/C>	1,430,000	1.60
PERPETUAL CORPORATE TRUST LTD <AFFLUENCE LIC FUND>	1,180,927	1.32
JJ OPPERMAN SUPERANNUATION PTY LIMITED <OPPERMAN SUPER FUND A/C>	950,000	1.06
KING NOMINEES (VIC) PTY LTD <KING FAMILY A/C>	815,204	0.91
MATIMO PTY LTD <MATIMO A/C>	794,760	0.89
THE ATHENAEUM CLUB	689,380	0.77
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	673,781	0.75
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	649,085	0.72
FORTY FIFTH DECBARB PTY LTD <MARTIN E RYAN SUPER FUND AC>	646,410	0.72
REDBROOK NOMINEES PTY LTD	613,162	0.68
LOCHANN PTY LTD <D J INGLES FAMILY A/C>	561,432	0.63
B & M LAWS SUPER FUND PTY LTD <B & M LAWS SUPER FUND A/C>	550,000	0.61
XAVIER COLLEGE FOUNDATION LIMITED	545,523	0.61
DAVID OGG & ASSOCIATES PTY LTD <DAVID L OGG S/F NO 1 A/C>	517,054	0.58
MR DAVID JAMES INGLES <D J INGLES SUPER FUND A/C>	498,683	0.56
XAVIER COLLEGE FOUNDATION LIMITED <IGNATIUS EDUCATION A/C>	496,484	0.55
OFFICER SUPERANNUATION HOLDINGS PTY LTD <OFFICER SUPER A/C>	406,093	0.45

Securities exchange listing

The Company is listed on the Australian Securities Exchange.

ASX Code

ACQ

Transactions & Brokerage

The Company had a total of 1,082 transactions in securities during the reporting period and has paid brokerage totalling $112,450 (inc GST).

Additional information for listed companies (continued)

Investments

At 30 June 2025 the Company held the following

3D Energi
Aic Mines
Ai-Media Technologies
Ama Group
Amaero
Aml3D
Amplia Therapeutics
Amplitude Energy
Apprise Risk Solutions
Aroa Biosurgery
Atturra
Aus Bio
Australian Finance Group
Boss Energy
Brightstar Resources
Butn
Carindale Property Trust
Catapult Group International
City Chic Collective
Clarity Pharmaceuticals
Cleanspace Holdings
Clime Investment Management
Comet Ridge
Complexica
Conflux Technology
Curvebeam Ai
Department 13 International
Dexus Convenience Retail Reit
Dexus Industria Reit.
Dug Technology
Elenium Automation
Eroad
Experience Co
Findi
Firefly Metals
Fremantle Commercial Diving
Fremantle Octopus
Glennon Small Companies
Golden Horse Minerals
Horizon Minerals
ImmVirX
Impedimed
Infomedia
Ingogo
Karoon Energy
Leda Group Holding
Lifestylepanel Holdings
Liquid Instruments
Ma Financial Group
Mac Copper
Maggie Beer Holdings
Marketplacer
Meeka Metals
Meteoric Resources
Micro-X
Midas Minerals
Mr Yum
MX51 Group
New Murchison Gold
Nexted Group
Nimble Money
Opthea
Padua Financial Group
Pantoro Gold
Petratherm
Praemium
Qoria
Quickfee
Robex Resources
Salt Lake Potash
Sayona Mining
Smart Parking
Srg Global
Superloop
Taxi Apps
Thinxtra
Universal Store Holdings
Vault Minerals
Vysarn
Warriedar Resources
Wisr
Zip Co

Directory

Legal Advisor
Minter Ellison Lawyers,
Level 20, Collins Arch
447 Collins Street, Melbourne Victoria 3000

Registered office and principal place of business
C/- Acorn Capital Limited, ACN 082 694 531
Level 4, 2 Russell Street, Melbourne Victoria 3000

Share Registry
Computershare Investor Services Limited
Yarra Falls, 452 Johnston Street, Abbotsford,Victoria 3067

Auditor
Ernst & Young
Level 23, 8 Exhibition Street, Melbourne Victoria 3000

Investment Manager
Acorn Capital Limited
Level 4, 2 Russell Street, Melbourne Victoria 3000