

# ACORN CAPITAL INVESTMENT FUND

INVESTMENT UPDATE  
SEPTEMBER 2023



## Acorn Capital Investment Fund Limited ACN 167 595 897

### Net Tangible Asset Per Ordinary Share

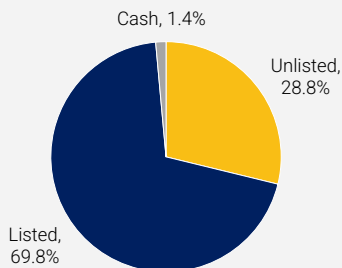
as at 30 September 2023 (all figures unaudited)

NTA before all taxes	1.0450
NTA after taxes and before taxes on unrealised gains	1.0886
NTA after taxes including taxes on unrealised gains	1.1007

ASX Code	ACQ
Date of Listing	1 May 2014
Shares on Issue	87,351,616
Share Price	\$1.02
Market Cap \$m	\$89.1m
Number of Stocks	79
Dividends	8.5c <sup>^</sup> (fully franked)
Dividend Yield	8.3%*

<sup>^</sup> Ordinary over the past 12 months  
\* Implied on share price

### Investment Split



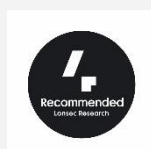
### Top 10 Stocks as at 30 September 2023

Company	Weight %
Marketplacer (UL)	3.9%
Splend Holdings Ltd (UL)	3.7%
Ramelius Resources Limited	3.6%
Impedimed Limited	3.2%
Azure Minerals Limited	3.1%
Meteoric Resources NI	2.9%
Aroa Biosurgery Limited	2.9%
Metals Acquisition LTD	2.8%
Moula Money Pty Ltd (UL)	2.5%
Boss Energy Ltd	2.5%
<b>Total</b>	<b>31.1%</b>

UL = Unlisted investment

### Ratings\*

Lonsec "Recommended"



### Performance as at 30 September 2023 (all figures unaudited)

	1 mth %	3 mths %	1 year %	3 years % p.a.	5 years % p.a.	Since incept. % p.a.
ACQ <sup>1</sup>	-3.4%	-1.9%	1.0%	1.1%	5.2%	7.9%
S&P/ASX Small Ords Acc Index	-4.0%	-1.9%	6.8%	2.6%	1.6%	5.6%

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

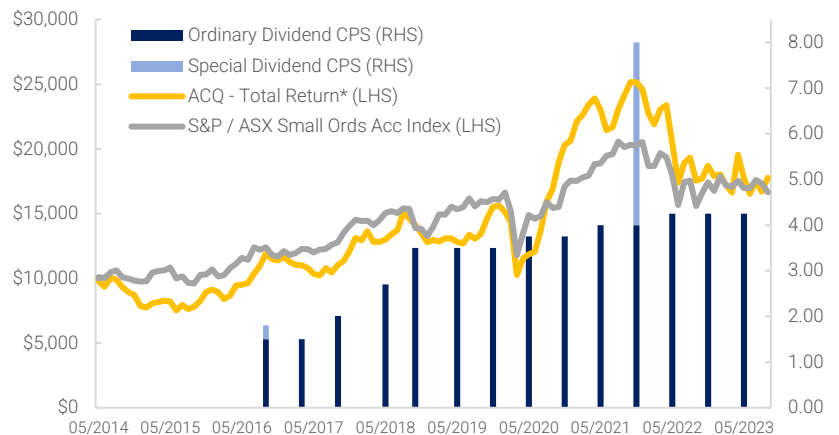
### Acorn Capital - Investment Update

"Australian markets were weak September, following a sell-off in global markets impacted by rising long-term bond yields and increasing expectations of 'higher-for-longer' interest rates. Australian 10-year bond yields rose 46bps to 4.49%, the highest since October 2011. The Small Ords index returned -4.0% for the month, underperforming the ASX 200 (-2.8%).

The weakness was widespread, with all industries in the S&P/ASX Small Ordinaries Index declining, except for Energy (+16.5%). The largest detractors from the index were Materials – Resources (-8.1%), Financials – AREITs (-8.1%) and Consumer Discretionary (-7.7%)."

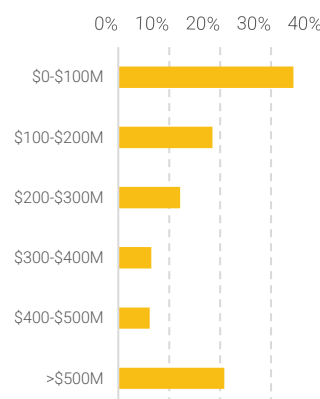
### ACQ manager – Acorn Capital Limited

### Growth \$10K

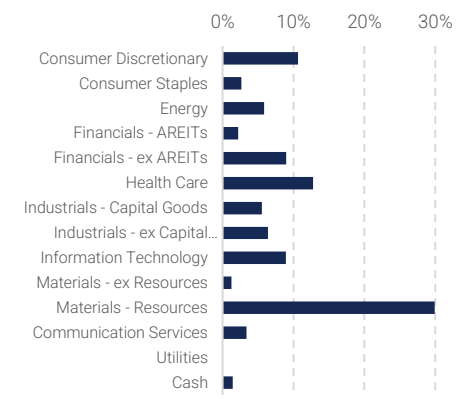


\*Total shareholder return assuming dividends reinvested, includes special dividends

### Market Cap Bands



### Sector Exposures



### ACQ Objective

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

### Dividend Intention

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

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

### Investment Philosophy

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

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

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

### Investment Strategy

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

### Investment Manager profile

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

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

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

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

