

ACORN CAPITAL MICRO OPPORTUNITIES FUND

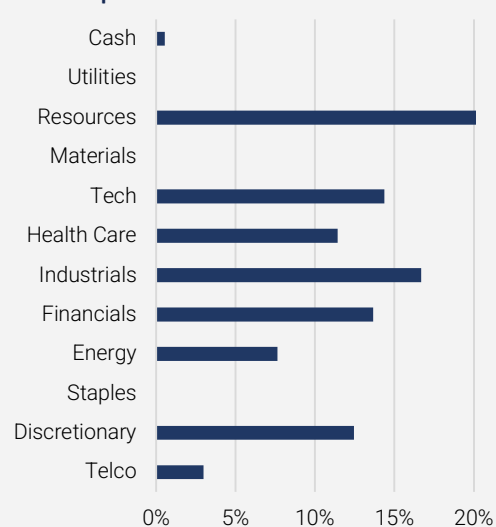


INVESTMENT UPDATE
January 2025

Top 5 Stocks

Company	Sector
Aroa Biosurgery	Health Care
Eroad	Tech
Meeka Metals	Resources
Superloop	Telco
Vysarn	Industrials
Weight Top 5	18.3%

Sector Exposures

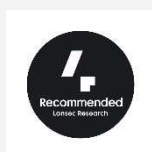


Fund Overview

APIR Code	ACQ4764AU
Benchmark	S&P ASX Emerging Companies Accumulation Index
Distributions	Annual
Management Fee	1.20%
Incentive Fee	20% above benchmark
Highwater mark	Yes
Responsible Entity	Evolution Trustees Ltd
Pricing frequency	Daily
Min. investment	\$20,000

Ratings*

Lonsec "Recommended"



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Commentary ¹

The S&P/ASX Emerging Companies Index (XECAI) returned 0.38% in January, underperforming the S&P ASX Small Ordinaries Index 4.59% and the ASX100 4.45%. We see that January is traditionally a volatile period as many market participants are away, and the resulting lower liquidity can lead to outsized moves. This can be compounded by the arrival of quarterly updates towards the end of the month. The Resources sector was the benchmark's largest positive contributor, rising 7.2%. This uplift was largely driven by gold stocks—representing almost 9% of the index's weight and the AU gold price climbing 6.2% to \$4505. In contrast, the Materials ex-Resources sector was the benchmark's weakest performer, declining 18.6% predominantly driven by IperionX which fell 23%.

The portfolio returned 1.97% for January, outperforming the benchmark by 1.59%. Aroa Biosurgery's 24% decline at the end of the month weighed down the return of the portfolio. In their latest quarterly report, Aroa presented a guidance for FY25 revenues in the range of NZD\$81m - \$84m, revised from earlier guidance of NZD\$80m - \$87m. However, the guidance incorporated positive currency impacts. On a constant currency basis, the revenue guidance was revised to NZD\$76 - \$79m. The 7% downgrade in revenue guidance (on a constant currency basis) clearly frustrated the market and was reflected in the aggressive sell off. Based on the midpoint of guidance, the company is expected to grow revenues in FY25 by 12% in constant currency terms and by 19% on an actual basis and is expected to turn profitable at the EBITDA line and turn cashflow positive in 2H FY25. We believe the investment case remain intact. The best performing sector within the portfolio was Materials Resources, which returned 13.7%.

Performance

	1 mth %	3 mth %	6 mth %	FYTD %	1 year %	3 year %p.a.	Since incept. %p.a.
Micro Opportunities Fund ²	1.97	-1.74	8.47	12.23	24.78	-1.33	12.03
Benchmark	0.38	0.24	9.81	10.08	22.51	-0.96	15.06
Alpha	+1.59	-1.98	-1.34	+2.15	+2.27	-0.37	-3.03

Attribution

Contributors			Detractors		
Company	Sector	Impact %	Company	Sector	Impact %
Meeka Metals	Resources	1.20	Aroa Biosurgery	Health Care	-1.36
Opthea	Health Care	0.75	AML3D	Industrials	-0.49
Petratherm	Resources	0.51	Zip Co	Financials	-0.36

1. Commentary for month of January 2025 2. Net performance is based on redemption price for the period, after all fees and costs. Assumes all distributions are reinvested.

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