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# ACORN CAPITAL INVESTMENT FUND LTD

INVESTOR UPDATE MARCH 2021

ASX: ACQ



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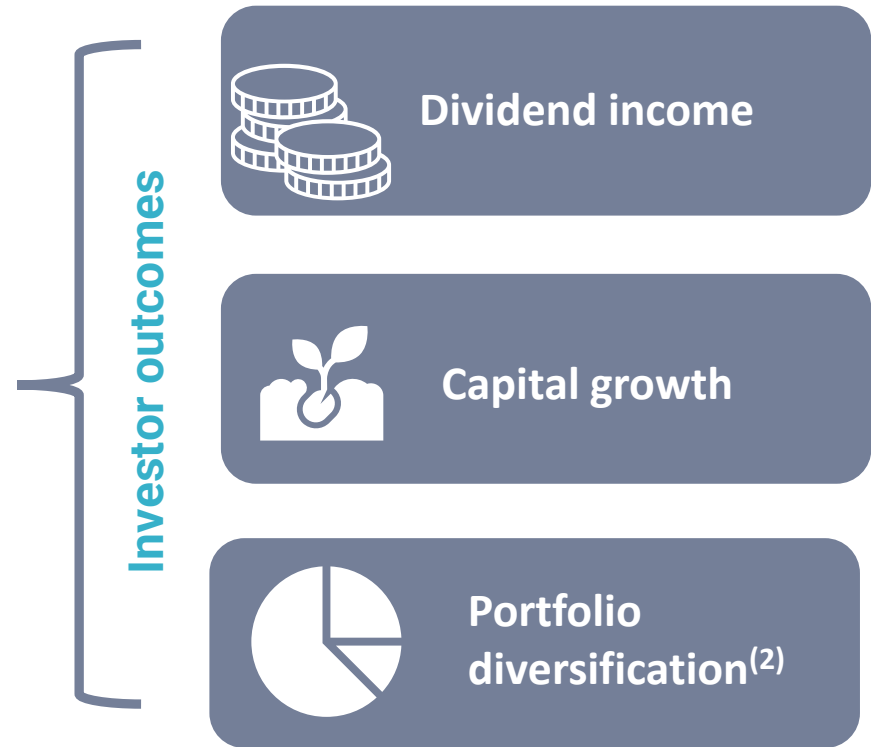
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# ACQ investment strategy has demonstrated its ability to deliver positive investment outcomes

 ACQ investment Strategy has outperformed its benchmark since listing<sup>(1)</sup>



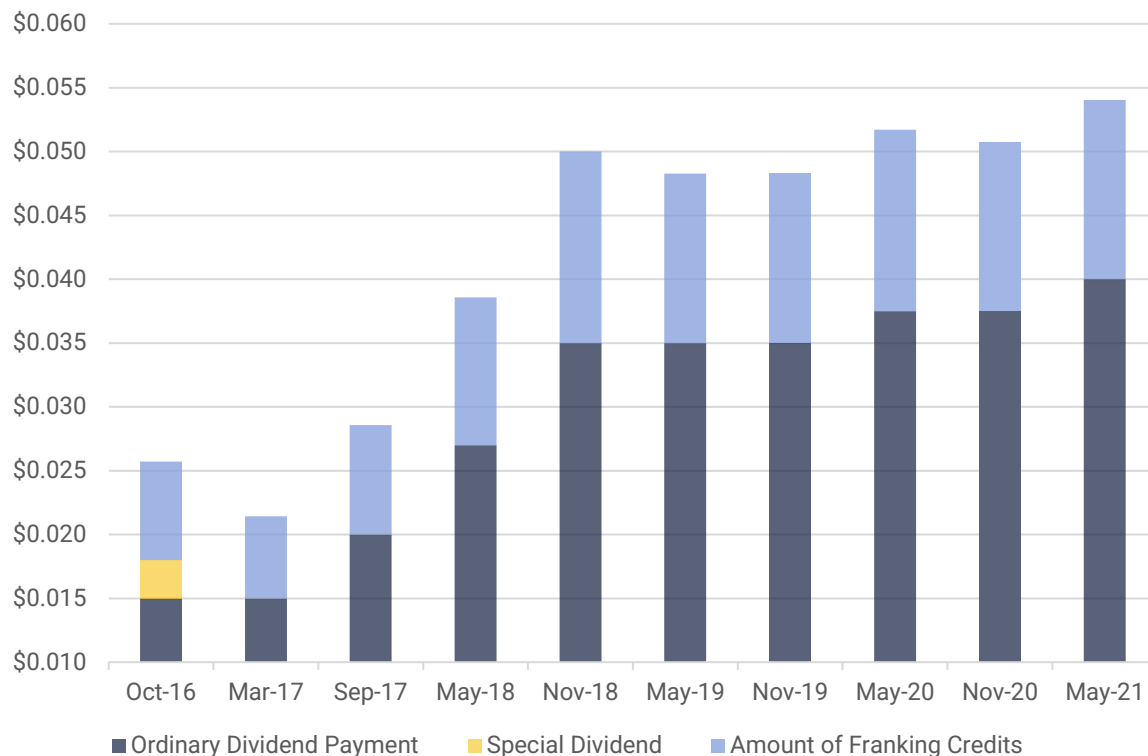
1. As at 31 March 2021 Acorn Capital estimates that the ACQ gross portfolio return has outperformed the S&P/Small Ordinaries Accumulation Index by 6% p.a. since ACQ listed on the ASX on 1 May 2014. Past performance is not a reliable indicator of future performance
2. Acorn Capital believes that the ACQ investment strategy should provide diversification benefits to an already diversified investment portfolio

## Key facts at a glance as at 31 March 2021

Pre-tax NTA	\$ 1.5758	Gross portfolio return since inception <sup>(1)</sup>	+12.8%p.a.
Post-tax NTA	\$ 1.4329	S&P/Small Ordinaries Accumulation Index (Benchmark) since inception <sup>(2)</sup>	+8.8%p.a.
ACQ share price	\$1.66	Number of Investments	93
Dividends (FY20 final and FY21 interim)	7.75c	Number of Unlisted Investments Current in Portfolio	16
Implied cash dividend yield (based on share price)	4.67% <sup>(3)</sup>	% of Portfolio Unlisted	20% by value
% Franked <sup>(4)</sup>	100%	Shares Outstanding	67.3m

1. Acorn Capital estimates as at 31 March 2021, reported portfolio return since inception is +13.8% p.a. Refer 31 March 2021 Monthly investment update for more information.
2. Inception is the date ACQ listed on the ASX which was 1 May 2014
3. Based on the ACQ share price as at 31 March 2021 of \$1.66
4. Dividends paid are estimated to be franked at a rate of 26% (subject to availability of franking credits)

# ACQ has declared and paid 29.7 cents per share in fully franked dividends since inception<sup>1</sup>



## Dividend Reserves

66 cps <sup>(2)</sup>  
(\$44.4m) <sup>(3)</sup>

1. ASX listing date 1 May 2014  
2. Cents Per Share (CPS) based on 67.3m shares outstanding as at 31 March 2021  
3. As at 31 March 2021

## Recent Highlights

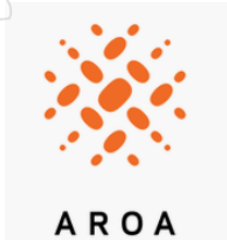
- ACQ portfolio return of +88.7%<sup>(1)</sup> for 12-months ending 31 March 2021- +36.6% above its Benchmark (Small Ords Accumulation Index) of 52.1%
- Portfolio underperformed by 3.9% for the quarter as compared to S&P/Small Ordinaries Index
  - Performance for the quarter was materially impacted by the decline in the CleanSpace share price. Acorn Capital remains confident in the medium term investment prospects for the position
  - A fully franked interim dividend of \$0.04 per share will be paid in May 2021
  - ACQ has outperformed its Benchmark (Small Ords Accumulation index) over 1, 2, 3, 5 years and since inception<sup>(2)</sup> <sup>(3)</sup>

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

(2) 1 May 2014

(3) Refer detailed performance information in this presentation

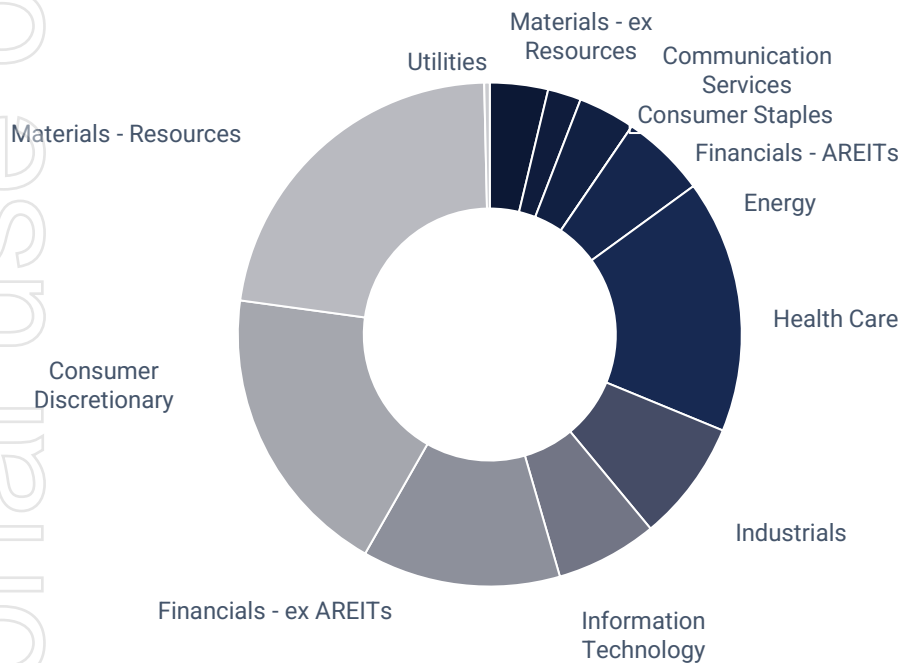
## Top 10 largest investments (in alphabetical order):



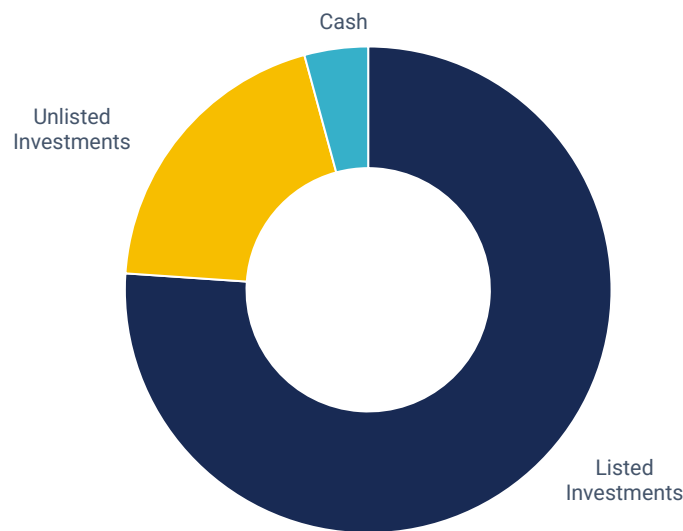
8 of the top 10 positions initiated through private investment rounds

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

ACQ Sector Diversification



ACQ Portfolio Composition



Source: Acorn Capital, as at 31 March 2021

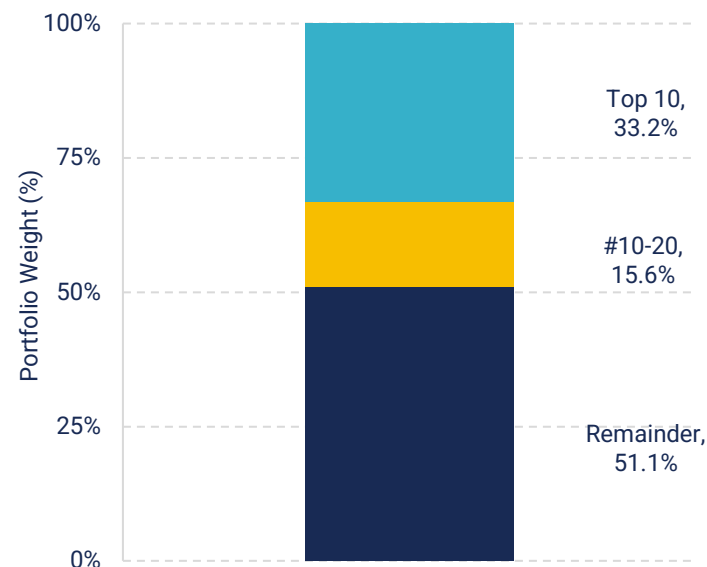


# ACQ investment portfolio had 33.2% of FUM in top 10 investments

## Top 10 Holdings

	% Gross Portfolio
1. Telix Pharmaceuticals Limited	5.8%
2. Moula Money Pty Ltd (UL)	5.7%
3. Redbubble Limited	3.8%
4. Aroa Biosurgery Limited	3.6%
5. Calix Limited	3.6%
6. Elenium Automation (UL)	2.6%
7. Shine Justice Ltd	2.5%
8. CleanSpace Holdings Limited	1.9%
9. Innovative Asset Solutions Group (UL)	1.9%
10. Adairs Limited	1.8%
<b>Total</b>	<b>33.2%</b>

## Distribution of holdings by weight



Source: Acorn Capital, as at 31 March 2021

(1) Since ACQ listing on ASX in May 2014

## ACQ generated a reported portfolio return of +88.7%<sup>1</sup> for the 12 months to 31 March 2021

Portfolio Return for Periods to 31 March 2021	3 Months	6 months	1 year	2 years p.a.	3 years p.a.	5 years p.a.	Since inception p.a. <sup>3</sup>
ACQ (Post Fees & Op Costs) <sup>1</sup>	-1.8%	+16.2%	+88.7%	+23.6%	+15.8%	+17.6%	+12.8%
Acorn Capital / SIRCA Microcap Acc. Index <sup>2</sup>	+3.9%	+21.9%	+99.7%	+23.0%	+12.7%	+14.0%	+10.3%
S&P/ASX Small Ords Acc. Index <sup>4</sup>	+2.1%	+16.2%	+52.1%	+9.6%	+8.3%	+10.7%	+8.8%
S&P/All Ords Accumulation Index <sup>4</sup>	+3.2%	+21.2%	+113.0%	+23.7%	+11.9%	+14.0%	+11.5%

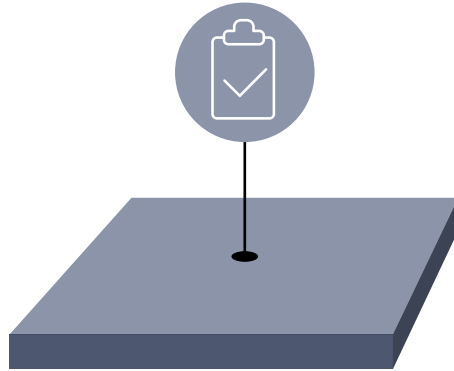
(1) Portfolio performance is unaudited and calculated as the movement in NTA before tax effects, which is post all management fees, performance fees and operating costs. Performance includes dividends paid and payable but has not been grossed up for franking credits received by shareholders. All figures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

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

(3) Inception is 1 May 2014

(4) Source: Factset

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### Proven strategy

- ACQ's investment strategy has outperformed its Benchmark since inception
- Strategy has delivered a return of +88.7%<sup>(1)</sup> in LTM to 31 March 2021 outperforming the S&P/Small Ordinaries Accumulation Index by +36.6%



### Attractive dividend yield

- 7.75 cents in fully franked dividends declared in past 12 months
- 4 cents dividend declared for the period ending Dec 2020
- 66 cents per share in dividend reserves<sup>(2)</sup>
- ACQ has a policy of paying a dividend of at least 5% of the 30 June Post-Tax NTA<sup>(3)</sup>



### Unique portfolio & Attractive returns

- ACQ provides investors with a unique emerging company portfolio, that is difficult to replicate
- Risk managed through bottom up stock selection and diversification – industry & stage of development
- Through ACQ's investment activities retail investors in ACQ have access to institutional placements
- Acorn Capital continues to see attractive unlisted investments for deployment of ACQ capital

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2. Estimated by Acorn Capital as at 31 March 2021 and 67.3m shares at 31 March 2021

3. Refer ACQ ASX release dated 31 August 2020 for more information

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**Further Information**  
**[www.ACQfund.com.au](http://www.ACQfund.com.au)**