Acorn Capital Investment Fund Limited

ACN 167 595 897

Appendix 4D - Half Year Report
for the half year ended 31 December 2025

Results for announcement to the market

	31 December 2025 $'000	31 December 2024 $'000	Change %
Revenue/(loss) from ordinary activities	22,921	5,646	306
Profit/(loss) from ordinary activities before tax attributable to members	22,042	4,725	366
Profit/(loss) from ordinary activities after tax attributable to members	15,419	3,360	359

Dividend Information	Cents per share	Franked amount per share	Tax rate for franking
2026 interim dividend	3.50	100 %	30 %

Interim Dividend Dates	
Ex-dividend Date	16 April 2026
Record Date	17 April 2026
Payment Date	6 May 2026

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 FY26 Interim Dividend and all subsequent dividends unless notice is given of its suspension or termination.

	31 December 2025 $/share	30 June 2025 $/share
Net Tangible Asset Backing Per Share (post Tax)	1.2533	1.1100

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

	31 December 2025 $/Share	30 June 2025 $/Share
Net Tangible Asset Backing Per Share (Post Tax)	1.2533	1.1100
Permanent differences		
Provision for transaction costs on disposal of the Portfolio	0.0013	0.0010
Adjustment to deferred tax liabilities	0.0004	0.0003
Net Tangible Assets Per Share in the Financial Report[1]	**1.2550**	**1.1113**

[1]Based on shares on issue of 89,852,270 (30 June 2025: 89,599,002)

This report is based on the Half Year Financial Report which has been subject to independent review by the Auditor, Ernst & Young.

All the documents comprise the information required by the Listing Rule 4. 2A.

This information should be read in conjunction with the 30 June 2025 Annual Report.

Acorn Capital Investment Fund Limited

ACN 167 595 897

Interim Financial Report

for the half-year ended 31 December 2025

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

Contents to Financial Report

This interim financial report does not include all the notes of the type normally included in a set of annual financial statements. Accordingly, this report is to be read in conjunction with the annual financial statements for the year ended 30 June 2025 and any public announcements made in respect of Acorn Capital Investment Fund Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the ASX listing rule.

This financial report covers Acorn Capital Investment Fund Limited as an individual entity.

The Investment Manager of Acorn Capital Investment Fund Limited is Acorn Capital Limited (ACN 082 694 532). The principal registered office in Australia of Acorn Capital Investment Fund Limited is Level 4, 2 Russell Street, Melbourne Victoria 3000.

Directors' report

The Directors of Acorn Capital Investment Fund Limited (the Company), present their report together with the financial statements of the Company for the period from 1 July 2025 to 31 December 2025 (the reporting period).

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

Directors

The following persons held office as Directors of the Company during the period 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
Maureen Baker	Non-Executive Director

Principal activities and significant changes in the state of affairs

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

The principal activity of the Company during the period was to invest in a portfolio of listed and unlisted microcap companies.

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

Operating and financial review

During the half-year, the Company continued to invest in accordance with its governing documents.

The most appropriate measure of the Company's financial performance is total comprehensive income/(loss). Total comprehensive income/(loss) for the half-year ended 31 December 2025 was $15,419,440 (2024: $3,360,054).

The Company's profit/(loss) before income tax for the half-year was $22,042,431 (2024: $4,724,914).

The profit/(loss) after income tax for the half-year was $15,419,440 (2024: $3,360,054).

Basic earnings/(loss) per share after income tax were 17.20 cents for the period (2024: 3.77 cents).

The results of the Company were as follows:

For the period ended 31 December	2025 $'000	2024 $'000
Profit/(loss) after the income tax for the reporting period attributable to the owners of the Company	15,419	3,360

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. The below disclosed information is a non-IFRS disclosure.

Directors' report (continued)

As at 31 December 2025	**For monthly NTA Reporting**	**For Financial Reporting**
	$/share	**$/share**
NTA per share before income tax ($/share)	1.3325	1.3309
NTA after income tax excluding tax on unrealised gains ($/share)	1.2825	1.2809
NTA per share after income tax ($/share)	1.2549	1.2533

As at 31 December 2024	**For monthly NTA Reporting**	**For Financial Reporting**
	$/share	**$/share**
NTA per share before income tax ($/share)	1.0460	1.0447
NTA after income tax excluding tax on unrealised gains ($/share)	1.0599	1.0586
NTA per share after income tax ($/share)	1.0695	1.0681

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.

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 8.

Directors' report (continued)

Authorisation

The Directors' Report is signed in accordance with a resolution of the Board of Directors.

John Steven
Chairman and Non-Executive Director

Melbourne
25 February 2026

Shape the future
with confidence

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

As lead auditor for the review of the interim financial report of Acorn Capital Investment Fund Limited for the half-year ended 31 December 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 review;

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

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

Ernst & Young

Ernst & Young

Luke Slater

Luke Slater
Partner
25 February 2026

Condensed statement of comprehensive income

For the period ended 31 December

	Notes	2025 $'000	2024 $'000
Income			
Interest income		102	36
Dividend/Distribution income		368	426
Net gains/(losses) on financial instruments at fair value through profit or loss		22,627	5,077
Net foreign exchange gains/(losses)		(176)	99
Other operating income		—	8
Total income		**22,921**	**5,646**
Expenses			
Management fees		545	458
Directors' fees		81	79
Auditor's remuneration		47	74
Transaction costs		97	61
Insurance		39	46
Share registry fees		30	35
ASX fees		24	23
Custody fees		19	37
Legal fees		3	37
Earn out consideration (write-back)/expense		(63)	(3)
Other expenses		57	74
Total expenses		**879**	**921**
Profit/(loss) before income tax expense		**22,042**	**4,725**
Income tax expense/(benefit)	4	6,623	1,365
Profit/(loss) after the income tax for the reporting period attributable to the owners of the Company		**15,419**	**3,360**
Other comprehensive income/(loss) for the reporting period attributable to the owners of the Company		—	—
Total comprehensive income/(loss) for the reporting period attributable to the owners of the Company		**15,419**	**3,360**
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)		17.20	3.77
Diluted earnings per share (CPU)		17.20	3.77

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

Condensed statement of financial position

As at

	Notes	31 December 2025 $'000	30 June 2025 $'000
Assets			
Cash and cash equivalents		7,173	5,640
Receivables and Prepayments	2	210	234
Financial assets at fair value through profit or loss	3	113,291	94,760
Total assets		**120,674**	**100,634**
Liabilities			
Payables	5	947	710
Deferred tax liabilities	6	2,478	348
Provision for income tax		4,493	—
Total liabilities		**7,918**	**1,058**
Net assets		**112,756**	**99,576**
Contributed equity		101,410	101,185
Accumulated losses		(31,756)	(31,756)
Dividend reserve		43,102	30,147
Total equity attributable to owners of the Company		**112,756**	**99,576**

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

Condensed statement of changes in equity

For the period ended 31 December

For the reporting period ended 31 December 2025	Contributed equity $'000	Accumulated losses $'000	Dividend reserve $'000	Total equity $'000
Balance at 1 July 2025	**101,185**	**(31,756)**	**30,147**	**99,576**
Profit/(loss) after income tax for the reporting period attributable to the owners of the Company	—	—	15,419	**15,419**
Other comprehensive income	—	—	—	**—**
Total comprehensive income/(loss) for the reporting period attributable to the owners of the Company	**101,185**	**(31,756)**	**45,566**	**114,995**
Transactions with owners in their capacity as owners:				
Dividends declared	—	—	(2,464)	**(2,464)**
Dividends reinvested	225	—	—	**225**
Balance at 31 December 2025	**101,410**	**(31,756)**	**43,102**	**112,756**

For the reporting period ended 31 December 2024	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 for the reporting period attributable to the owners of the Company	—	—	3,360	**3,360**
Other comprehensive income	—	—	—	**—**
Total comprehensive income/(loss) for the reporting period attributable to the owners of the Company	**100,750**	**(31,756)**	**28,739**	**97,733**
Transactions with owners in their capacity as owners:				
Dividends declared	—	—	(2,448)	**(2,448)**
Dividends reinvested	223	—	—	**223**
Balance at 31 December 2024	**100,973**	**(31,756)**	**26,291**	**95,508**

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

Condensed statement of cash flows

For the period ended 31 December

	2025 $'000	2024 $'000
Cash flows from operating activities		
Proceeds from sale of financial instruments at fair value through profit or loss	38,501	27,160
Purchase of financial instruments at fair value through profit or loss	(34,261)	(24,580)
Transaction costs on financial instruments held at fair value through profit or loss	(97)	(61)
Dividends/distribution income received	366	432
Interest received	104	40
Custody fees paid	—	(44)
Other income received	—	9
Management fees paid	(439)	(417)
Operating expenses paid	(255)	(282)
Net cash inflows/(outflows) from operating activities	**3,919**	**2,257**
Cash flows from financing activities		
Dividends paid	(2,239)	(2,226)
Net cash inflows/(outflows) from financing activities	**(2,239)**	**(2,226)**
Net increase/(decrease) in cash and cash equivalents	**1,680**	**31**
Cash and cash equivalents at the beginning of the period	5,640	527
Effects of exchange rate changes on cash and cash equivalents	(147)	6
Cash and cash equivalents at the end of the period	**7,173**	**564**
Non-cash operating and financing activities		
Issues of units under the distribution reinvestment plan	225	223

The condensed 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 material accounting policy information

This interim financial report for the half-year ended 31 December 2025 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

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

The financial report of the Company for the period ended 31 December 2025 was authorised for issue in accordance with a resolution of the Directors on 25 February 2026. The Directors of the Company have the power to amend and reissue the financial statements. The Company is incorporated and domiciled in Australia.

1.1. Basis of preparation

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 interim 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 interim 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.

1. Basis of preparation and material accounting policy information (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*.

1.2. Material accounting policy information

The material accounting policies applied in these interim financial statements are consistent with those applied in the Company's financial statements as at and for the year ended 30 June 2025 other than where disclosed and with the exception of changes in accounting policies required following the adoption of new accounting standards on 1 July 2025.

i. 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 2025 that have a material impact on the amounts recognised in the prior periods or will affect the current or future periods.

ii. 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 31 December 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. Receivables

Receivables may include GST Reduced Input Tax Credit (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.

2. Receivables (continued)

As at	31 December 2025 $'000	30 June 2025 $'000
Distributions receivable	108	106
GST claimable	25	18
Interest receivable	16	18
Outstanding trade settlements	—	23
Prepaid expenses	61	69
Total receivables	**210**	**234**

3. Financial assets at fair value through profit or loss

As at	31 December 2025 $'000	30 June 2025 $'000
Derivatives		
Warrants	192	105
Total derivatives	**192**	**105**
Equity securities		
Listed equities	88,634	71,096
Unlisted equities	22,663	22,843
Total equity securities	**111,297**	**93,939**
Debt securities		
Convertible notes	1,802	716
Total debt securities	**1,802**	**716**
Total financial assets at fair value through profit or loss	**113,291**	**94,760**

An overview of the risk exposures and fair value measurements relating to financial assets at fair value through profit or loss is included in note 9.

4. Income Tax expense

For the period ended 31 December	2025 $'000	2024 $'000
Income tax expense recognised in profit or loss		
Current income tax (benefit)/expense	4,493	—
Deferred tax expenses/(benefit)	2,130	1,365
	6,623	**1,365**
Current income tax expense included in tax expense comprises:		
Tax on accounting profit	6,613	—
Less: unrealised portfolio gains/losses	(1,255)	—
Less: recoupment of prior year tax losses	(781)	—
Less: other tax adjustments	(84)	—
	4,493	**—**
Deferred income tax expense included in tax expense comprises:		
Increase in deferred tax liability due to changes in unrealised portfolio losses	1,316	127
Increase in deferred tax liability due to utilisation of prior year losses	781	1,221
Increase in deferred tax liability due to provisions and accruals	19	(7)
Increase in deferred tax liability due to unclaimed incorporation expenses carried forward	14	24
	2,130	**1,365**
Numerical reconciliation of tax expense to prima facie tax payable		
Profit/(loss) before income tax expense	22,042	4,725
Tax at the Australian tax rate of 30% (2024: 30%)	6,613	1,417
Tax effect of amounts which are assessable (not deductible) in calculating taxable income	(36)	(72)
Other adjustments	46	19
Income tax expense/(benefit) at the effective income tax rate of 30% (2023: 30%)	**6,623**	**1,365**

5. 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 period. Payables may include 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.

5. Payables (continued)

As at	31 December 2025 $'000	30 June 2025 $'000
Management fees payable	599	493
Outstanding trade settlements	213	63
Earn Out payable*	71	63
Accrued expenses payable	64	91
Total payables	**947**	**710**

*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 ACQ, in either cash or ACQ 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 $71,299 (30 June 2025: $62,812).

6. Deferred tax assets/(liabilities)

As at	31 December 2025 $'000	30 June 2025 $'000
The balance comprises temporary differences attributable to:		
Amount recognised in profit or loss		
Changes in unrealised portfolio losses	(1,316)	(2,144)
Utilisation of prior year tax losses	(781)	(1,648)
Provisions and accruals	(19)	7
Unclaimed incorporation expenses carried forward	(14)	(24)
Total deferred tax expense/(benefit)	**(2,130)**	**(3,809)**
Net deferred tax expense/(benefit)	**(2,130)**	**(3,809)**
Movements		
Opening balance	(348)	3,461
Credited/(charged) to profit or loss	(2,130)	(3,809)
Closing balance at 30 June	**(2,478)**	**(348)**
Deferred tax assets/(liabilities) to be settled after more than 12 months	(2,478)	(381)
Deferred tax assets/(liabilities) to be settled within 12 months	—	33
Total deferred tax assets/liabilities	**(2,478)**	**(348)**

7. Contributed equity and movements in total equity

As at	**31 December 2025 No. '000**	**30 June 2025 No. '000**
Share capital		
Fully paid ordinary shares	**89,852**	**89,599**
Movements in shares on issue:		
Opening balance	**89,599**	**89,034**
Dividends reinvested	253	565
Closing balance	**89,852**	**89,599**

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.

8. Dividends declared

For the period ended 31 December	**31 December 2025 $'000**	**31 December 2024 $'000**
Dividend declared by the Company	3,145	2,456
Total Dividend/Distribution income	**3,145**	**2,456**

Dividends declared

For the half year ended 31 December 2025, a final dividend of 3.50c per share was proposed and approved on the date of this financial report. Based on the number of issued shares as at 31 December 2025 (89,852,270 shares), this represents a total dividend of $3,144,829. The Dividend Reinvestment Plan (DRP) was active and available to the shareholders.

9. 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).

9. Fair value measurement (continued)

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.

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 into/out of level 3 generally occur when an unlisted equity investment lists or delists on a recognised stock exchange. There have been no transfers in or out of level 3 investments during the year.

9. Fair value measurement (continued)

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

As at 31 December 2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets held at fair value through profit and loss				
Listed equities	88,634	—	—	**88,634**
Unlisted equities	—	—	22,663	**22,663**
Convertible notes	—	—	1,802	**1,802**
Warrants	40	—	152	**192**
Total	**88,674**	**—**	**24,617**	**113,291**

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**

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

As at 31 December 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	22,843	184	—	—	—	(364)	**22,663**
Convertible notes	716	1,088	—	—	—	(2)	**1,802**
Warrants	35	—	—	—	—	117	**152**
Total	**23,594**	**1,272**	**—**	**—**	**—**	**(249)**	**24,617**

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**

9. 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 31 December 2025

Industry	Valuation Technique	Unobservable Input	Range	Impact on fair value increase/ (decrease)
Unlisted equities				
Communications Services	Relative	EBITDA multiple	18.0-22.0x	-$46.4k/$48.4k
Communications Services	Relative	Revenue multiple	1.5-1.9x	-$172.7k/+$69.2k
Consumer Discretionary	3rd party	Unquoted share price	+/-10%	-$102.7k/+$102.7k
Consumer Staples	Relative	Blended multiples: NAV and EBITDA	0.9-1.1x,6.7-8.1x	-$61.8k/+$61.8k
Financials	3rd party	Unquoted share price	+/-10%	-$496.8k/+$496.8k
Financials	Independent Valuation	Unquoted share price	+/-10%	-$3.5k/+$3.5k
Health Care	Relative	Median peer set EV	93.0m-113.6m	-$113.9k/+113.2k
Industrials	3rd party	Unquoted share price	+/-10%	-$151.7k/+$151.7k
Industrials	Relative	EBITDA multiple	10.4-12.8x	-$434.4k/+$208.8k
Industrials	Relative	Revenue multiple	3.3-4.1x	-$114.1k/+$157.4k
Industrials	Relative	Relative	4.1-5.0x	-$126.0k/+$126.9k
Information Technology	Relative	Blended multiples - revenue, gross profit, EBITDA	3.1-3.8x, 4.3-5.3x, 13.2-16.2x	-$28.3k/+$28.3k
Information Technology	Relative	Gross profit multiple	8.6-10.5x	-$109.6k/+$111.1k
Debt instrument				
Industrials	Debt Instrument	Conversion/Impairment	+/-10%	-$26.0k/+$26.0k
Consumer Discretionary	Debt Instrument	Conversion/Impairment	+/-10%	-$71.0k/+$72.0k
Information Technology	Debt Instrument	Conversion/Impairment	+/-10%	-$101.9k/+$101.9k

9. Fair value measurement (continued)

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
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

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

10. 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 31 December 2025 or on the results and cash flows of the Company for the period ended on that date.

11. Contingent assets and liabilities and commitments

At balance date, the Company has no contingent assets, liabilities or commitments (30 June 2025: Nil).

Directors' declaration

In the opinion of the Directors:

a. the financial statements and notes set out on pages 9 to 26 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 31 December 2025 and of its performance for the financial period 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 period ended 31 December 2025 required by Section 295A of the *Corporations Act 2001*.

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
25 February 2026

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

Conclusion

We have reviewed the accompanying interim financial report of Acorn Capital Investment Fund Limited (the Company), which comprises the condensed statement of financial position as at 31 December 2025, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of the Company does not comply with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the Company's financial position as at 31 December 2025 and of its financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the interim 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 reviews of the interim financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the interim financial report

The directors of the Company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the interim financial report

Our responsibility is to express a conclusion on the interim financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Ernst & Young

Luke Slater

Luke Slater
Partner
Melbourne
25 February 2026

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