



ACORN

MANAGEMENT PARTNERS LLC

“The Solutions Company with our own Engine”

Established 2009

Broker-Driven Growth Engine: Explainer

A broker-driven growth engine is a transformative strategy for capital raising and market expansion, uniquely designed to help micro-, small-, and mid-cap public companies break free from the cycle of being overlooked by Wall Street and undervalued by the market. Rather than relying solely on traditional investor relations (IR) and public relations (PR) - which too often yield little impact for emerging companies - this model leverages networks of professional brokers who actively manage vast pools of investor capital and maintain direct relationships with thousands of qualified buyers.

Why Should You Be Concerned About Your Past Approach?

The Hidden Risks of a NON-Unified Approach:

- **Chronic Underexposure:** Most micro- and small-cap companies receive little to no analyst coverage and are virtually invisible to institutional investors. This lack of visibility leads to lower liquidity, persistent undervaluation, and missed opportunities for growth.
- **Dilutive and Ineffective Financing:** Without effective outreach, companies often resort to down rounds or highly dilutive financings, sacrificing long-term shareholder value for short-term survival—yet still see minimal improvement in trading volume or valuation.
- **Missed Capital Pools:** Traditional IR/PR efforts rarely tap into the \$30-40 trillion+ in broker-controlled assets, leaving a massive source of potential investment untouched.
- **Limited Market Trust:** Investors are more likely to trust opportunities introduced by brokers they know, rather than unfamiliar companies reaching out directly. Without broker advocacy, your investment thesis may be misunderstood or ignored.

The Game Changer: How the Broker-Driven Growth Engine Works

Acorn's broker-driven growth engine connects your story directly to the \$30-40 trillion in broker-controlled capital—delivering targeted, persistent outreach where traditional IR/PR falls short. Our process systematically educates these brokers on your investment thesis through relentless, data-backed communication—clear comparables, credible catalysts, and model-driven projections for long-term holders. Unlike others who only reach passive audiences, we make sure your story is understood and acted on by the professionals who move the needle.

- **Expansive Broker Networks:** By engaging with professional brokers who each manage hundreds of accounts, your company gains immediate access to a broad, qualified investor base that would otherwise be out of reach.
- **High-Volume, Targeted Outreach:** This model enables thousands of targeted calls and hundreds of presentations each month, dramatically increasing your company's exposure and credibility in the market.
- **Data-Driven Pipeline:** Every step is tracked and measured, ensuring transparency and allowing you to see real, actionable results—not just vague promises.
- **Reduced Reliance on Dilution:** With more effective capital access, companies can negotiate from a position of strength, reducing the need for overly dilutive financing and protecting shareholder value.

Think about it:

1. This is exactly how brokers and Wall Street professionals raise capital and grow their business—so why reinvent the wheel?
2. If this is how capital truly flows on Wall Street, what's stopping you from making your company impossible to overlook?

The Solution: Stop Being Undiscovered on Wall Street

Why the Broker-Driven Model Matters

- **Expanded Reach:** Brokers connect companies with investors beyond the usual IR/PR channels, tapping into overlooked capital pools.
- **Credibility and Trust:** Investors are more likely to engage when introduced by a trusted broker, accelerating decision-making and capital flow.
- **Data-Driven Results:** Modern broker-driven models use transparent tracking and reporting, allowing companies to measure every stage of the funnel and optimize for results.

Broker-Driven Growth Engine

| Challenge | Traditional IR/PR Approach | Broker-Driven Growth Engine |
|---------------------------|-------------------------------|--|
| Analyst Coverage | Minimal or absent | Brokers introduce to new analysts |
| Access to Capital | Limited, slow, often dilutive | Direct access to broker-managed assets |
| Investor Trust | Low, unfamiliar outreach | High, broker relationships |
| Market Visibility | Poor, inconsistent | High, sustained, and targeted |
| Measurable Results | Rarely tracked | Fully transparent and data-driven |

Our Process: The most Effective Path to Capital & Shareholder Growth

The broker-controlled asset pool is over five times larger than the institutional capital typically available to micro-cap companies. By leveraging Acorn's network and methodology, your company can tap into this vastly greater pool of capital and distribution, bypassing traditional bottlenecks and unlocking new pathways for shareholder growth and liquidity. Focusing on broker-driven distribution is not just an alternative—it's a strategic advantage for companies seeking meaningful capital access and market presence.

Our Approach: Deliberate, Disciplined, and Built for Results

- **Extensive Network:** We execute over 3,000 targeted outbound calls and 700 broker presentations each month, engaging professionals who collectively influence trillions in assets.
- **Broker Impact:** Each broker typically manages 400–500 accounts and an average of \$305 million in assets.
- **Capital Access:** For example, a network of just 300 brokers represents \$91.5 billion in assets. Even a conservative 0.25% penetration opens the door to \$228.75 million in potential capital.
- **Shareholder Expansion:** Our broker-driven approach fuels real shareholder growth, driving trading volume and market visibility far beyond what traditional IR can achieve.

While the process starts gradually, momentum builds exponentially. Without an expanding broker network and shareholder base, your stock risks erosion of broker relationships, stagnation in shareholder growth, and increased vulnerability to market volatility.

Why Acorn: The Most Effective Path to Capital & Shareholder Growth

The Scale of Opportunity: Broker-Controlled vs. Institutional Capital



| Segment | Estimated Capital Pool (USD) | Notes |
|---|------------------------------|--|
| Broker-Controlled Assets (~450,000 Brokers) | \$30-40 trillion+ | Assets managed by U.S. brokers and broker-dealers, including major retail brokerages. |
| Micro-Cap Institutional (~1,700 Companies) | ~\$0.8 trillion | Institutional capital focused on micro caps (firms below \$1–2B market cap; estimate). |
| Small Cap Institutional (~3,700 Companies) | ~\$1.5 trillion | Institutional capital focused on small caps (firms \$2–5B market cap; estimate). |
| Mid Cap Institutional (~1,100 Companies sub 5B) | ~\$2.2 trillion | Institutional capital focused on mid caps (firms \$5–20B market cap; estimate). |

***Estimated Capital Pool Breakdown: Broker-Controlled vs. Institutional (Micro, Small, and Mid Cap) Capital Pool Estimates (U.S. Market, 2025)

Key Capital Pools Overview

- Applies to companies with a market cap under \$5 billion (~6500 companies), which often have limited institutional ownership and lower liquidity.
- Keep in mind: 60–65% of all available Institutional capital is locked up in index funds or passive investment vehicles.

Why This Matters

- Broker-controlled assets total \$30-40 trillion—more than double the combined institutional capital available to micro, small, and mid-cap firms (\$4.2 trillion)—because so much capital is indexed and unavailable for active investment decisions.
- Broker networks open the door to a much broader investor base, which is essential for smaller companies that typically struggle to attract institutional attention and adequate trading liquidity.
- By leveraging broker relationships, smaller-cap firms can access significant pools of “unexpressed” liquidity and active investors that traditional institutional channels do not reach—dramatically improving their capital-raising opportunities



How the Broker-Driven Funnel Works

Broker Network Outreach

- **Targeted Broker Engagement:** Companies connect with a curated network of brokers who each manage hundreds of client accounts and significant capital pools.
- **High-Volume Activity:** A robust broker-driven engine may execute thousands of targeted calls and hundreds of presentations monthly, ensuring broad and repeated exposure to qualified investors.

Broker Influence and Capital Potential

- **Broker-Controlled Assets:** Brokers collectively manage trillions in assets, representing a vast, often underutilized source of potential investment capital.
- **Multiplicative Effect:** Even a small, engaged network of brokers can open doors to hundreds of millions in potential capital, as each broker has access to multiple high-net-worth clients and institutional investors.

Sales Funnel and Pipeline

- **Awareness:** Brokers introduce the company's story to their investor networks, building initial interest and credibility.
- **Education:** Through presentations and follow-ups, brokers educate investors about the company's value proposition, market opportunity, and growth strategy.
- **Conversion:** Interested investors are guided through due diligence and investment processes, with brokers facilitating engagement and addressing concerns.
- **Retention:** Ongoing broker communication nurtures investor relationships, encourages reinvestment, and supports long-term shareholder value.



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**Thank
You**

Atlanta, GA

Sarasota, FL

New York, NY