

Unicorn Asset Management Limited (Unicorn) is an independent, specialist fund management group, established in July 2000. Unicorn focuses on long term, long only investment in UK quoted companies and aims to achieve superior absolute returns through the application of traditional, fundamental principles of investment.

Investment Objective

The Company's objective is to provide Shareholders with an attractive return from a diversified portfolio of investments, predominantly in the shares of AIM quoted companies, by maintaining a steady flow of dividend distributions to Shareholders from the income as well as capital gains generated by the portfolio.

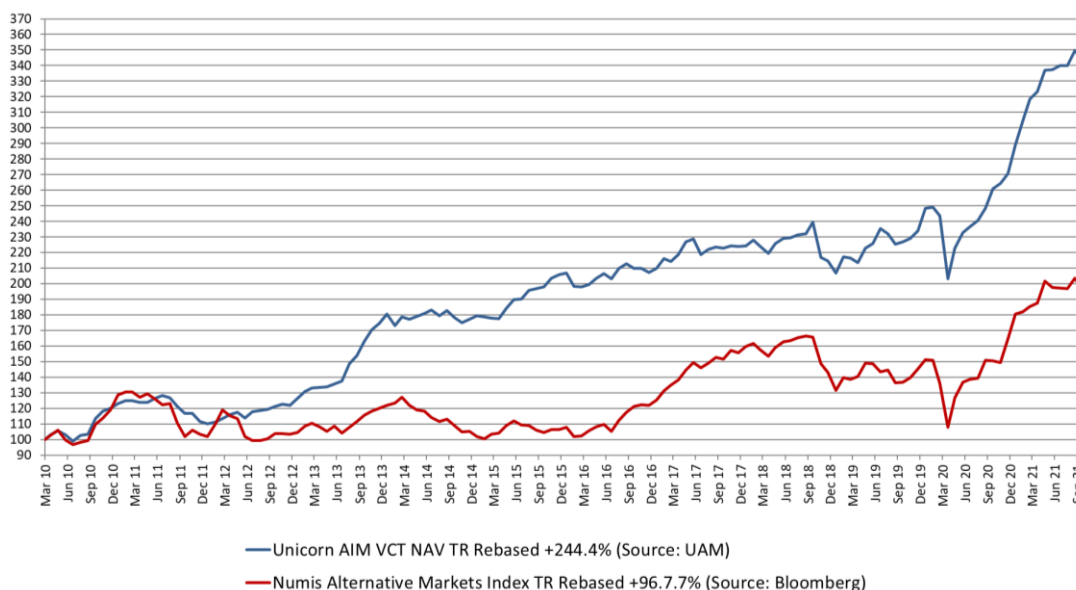
It is also the objective that the Company should continue to qualify as a Venture Capital Trust ("VCT"), so that Shareholders benefit from the taxation advantages that this brings. To achieve this, at least 80% for accounting periods commencing on or after 6 April 2019 (previously 70%) of the Company's total assets are to be invested in qualifying investments of which 70% by VCT value (30% in respect of investments made before 6 April 2018 from funds raised before 6 April 2011) must be in ordinary shares, which carry no preferential rights (save as permitted under VCT rules) to dividends or return of capital and no rights to redemption.

Fund Commentary

The Company has prepared this factsheet for the quarter ending 30 September 2021 with information from the full annual reports and accounts, together with relevant information up to the date of publication.

Performance

% return (rebased at 100)



Source: Unicorn Asset Management/Bloomberg, 30 September 2021, (since merger with Unicorn AIM VCT II on 9 March 2010). Past performance of Unicorn AIM VCT is not a guide to future performance.

As at 30 September 2021, the audited net assets of the Company amounted to £370.8 million, which compares very favourably to the closing net assets of £260.2 million reported at the end of the previous financial year. This healthy increase in net assets was partly due to the proceeds of the fully subscribed Offer for Subscription, but predominantly due to the positive development of the Company's portfolio of investments as shown in the table on page 19 of the Annual Report.

It is very pleasing that the Offer for Subscription, which closed in February 2021, was again fully subscribed. Importantly, the new capital secured from the Offer for Subscription provided additional liquidity, which was subsequently fully and successfully deployed through meaningful participation in a significant number of exciting new investment opportunities. Encouragingly, a substantial majority of these new additions to the portfolio have already made a meaningfully positive contribution to overall performance.

In terms of Net Asset Value ("NAV") per share, which is obviously a particularly relevant measure of how well individual Shareholders have fared, this also progressed strongly. As at 30 September 2021, the audited NAV per share was 248.6 pence per share, which represents an increase of 39.2% on the closing NAV per share of 178.6 pence per share as at 30 September 2020.

It is satisfying to report on such a positive period for the Company, especially given the multitude of external threats arising from the enduring Covid-19 crisis and a troublesome Brexit agreement.

Although a small number of investee companies struggled, either as a result of the UK's departure from Europe, or because the impacts of Covid-19 continue to affect demand for their products or services, the negative effects on overall performance have been significantly outweighed by particularly powerful contributions from many of the AIM-listed holdings in the portfolio. In addition, uplifts to the fair values of two unquoted investee companies; Hasgrove and Interactive Investor, reflect their continued strong growth.

Final Dividend & Declared Special Dividend

An interim dividend of 3.0 pence per share was paid to all Shareholders on 12 August 2021. This dividend is in addition to the 3.5 pence per share final dividend for the prior financial year, which was paid in February 2021.

The Directors are recommending a final dividend of 3.5 pence per share for approval at the Annual General Meeting to be held on 3 February 2022. This would bring total dividends to 6.5 pence per share for the year under review. If approved this will be payable on 10 February 2022 to Shareholders on the register on 6 January 2022.

Share Buybacks

The Board continues to believe that it is in the best interests of the Company and its Shareholders to make market purchases of its shares from time to time. During the financial year ended 30 September 2021, the Company continued to buy back and cancel shares in the market from selling Shareholders and purchased 3,204,997 Ordinary shares for a total consideration of £6.2 million.

Buybacks remain the main means by which selling Shareholders can realise their investments at a fair price and the Board therefore remains committed to offering this buyback facility. Future repurchases of shares will continue to be made, if deemed appropriate, in accordance with guidelines established by the Board and will be subject to the Company having the appropriate authorities from Shareholders and sufficient funds available for this purpose. Share buybacks will also be subject to the Listing Rules and any applicable law at the relevant time. Shares bought back in the market are normally cancelled.

New Offer

On 26 October 2021, the Company announced the intention to launch an Offer for Subscription to raise up to £25 million through the issue of new ordinary shares. The prospectus, which will contain the full details and terms and conditions of the Offer, is expected to be available in January 2022.

Top 10 Holdings	
Interactive Investor	11.6%
Hasgrove	7.9%
MaxCyte	6.0%
Abcam	4.7%
Tracsis	4.2%
Augean	3.2%
Surface Transforms	3.1%
Anpario	2.9%
Tristel	2.7%
Access Intelligence	2.6%
Total	48.9%

Fund Facts	
Fund Manager	Chris Hutchinson
Directors	Tim Woodcock (Chairman)
	Charlotta Ginman
	Jeremy Hamer
	Jocelin Harris
Fund Size	£370.8m
Year End	30 September

Top 10 Sector Breakdown	
Pharmaceuticals & Biotechnology	22.34%
Software & Computer Services	21.69%
Financial Services	11.66%
Health Care Providers	7.07%
Automobiles & Parts	4.75%
Industrial Engineering	3.79%
Waste & Disposal Services	3.15%
Chemicals	3.07%
Medical Equipment & Services	2.45%
Investment Banking & Brokerage Services	2.25%
Total	82.2%

Share Class Information	
Net Asset Value	248.6p
Ongoing Charges Figure	c. 2.0%
ISIN Code	GB00B1RTFN43
Sedol Code	B1RTFN4
Ticker	UAV

- Past performance is not a guide to future performance. The value of investments and the income from them may go down as well as up and investors may not get back the full amount of their original investment
- Unicorn Asset Management do not give out investment advice, we recommend that you contact a financial advisor if you are unsure whether to invest
- Investors should also read the Prospectus and KIID document of the fund before making an investment
- Equities are subject to greater degrees of market risk than other types of investment, such as bonds or money market instruments. You should not invest unless you are prepared to accept a higher degree of risk
- Investing in smaller companies, including AIM companies, can carry greater risks than those usually associated with large capitalisation companies. Smaller companies are likely to be less established and may not have access to the financial resources available to their larger counterparts. The shares of smaller companies are relatively illiquid and under-researched.
- Taxation levels, benefits and reliefs may all vary depending on individual circumstances and are subject to change
- Opinions expressed in this factsheet are subject to change without notice.
- Unicorn Asset Management Limited are authorised and regulated by the Financial Conduct Authority.

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