

HALF-YEARLY REPORT

for the six months ended 31 March 2020

UNICORN
AIM VCT PLC



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Financial Highlights

for the six months ended 31 March 2020

- Net Asset Value ("NAV") total return for the six months ended 31 March 2020, after adding back dividends paid in the period, declined by 14.3%.
- £4.4 million of qualifying investments (£2.2 million new, £2.2 million follow-on) made in the period.
- Interim dividend of 3.0p declared for the six months ended 31 March 2020.
- The Offer for Subscription, launched on 11 February 2020, had raised £17.7 million (after costs) by 5 April 2020.

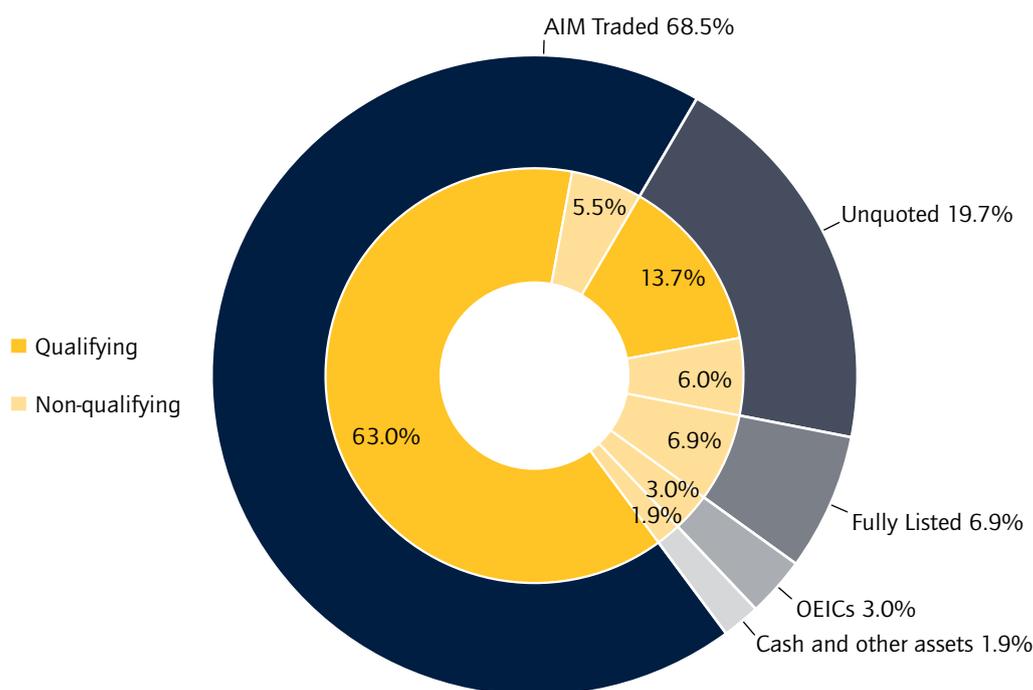
Fund Performance

Ordinary Shares	Shareholders' Funds* (£million)	Net asset value per share (NAV) (p)	Cumulative dividends paid per share** (p)	Net asset value plus cumulative dividends paid per share** (p)	Share price (p)
31 March 2020	167.0	128.4	58.0	186.4	116.5
30 September 2019	201.1	153.9	54.5	208.4	137.0
31 March 2019	178.3	144.4	51.5	195.9	129.0
30 September 2018	201.4	171.8	48.0	219.8	144.0

* Shareholders' funds/net assets as shown in the Condensed Statement of Financial Position on page 12.

** Since the merger of the Company with Unicorn AIM VCT II on 9 March 2010 and merger of all former share classes.

Percentage of Assets Held as at 31 March 2020



Valuation based on fair value

Chairman's Statement

This is my first report to you since becoming Chairman following my appointment on 31 January 2020. I would like to begin by thanking my predecessor, Peter Dicks who is stepping down from the Board on 18 May 2020, for his excellent stewardship of the Company over the past 18 years and wish him well for the future. I know he will continue to take a great interest in our progress.

I very much wish that the circumstances in which we all collectively find ourselves were different and I hope that you are all managing to cope as best as possible in the face of the Covid-19 pandemic and consequent severe economic upheaval.

The UK Government and the Bank of England have worked to provide fiscal and monetary support in a co-ordinated effort to mitigate the worst of the immediate economic impact of lockdown on the population. It is possible that these actions will position the UK economy relatively well for future recovery. It is also probable, however, that there will be many corporate casualties as the knock-on effects of reduction in demand and disruption in supply in some sectors impact on others. There will also be second order effects and unintended consequences that are difficult to predict. Regardless of how resilient the UK economy proves to be, there can be little doubt that this crisis will impact on the way business is conducted and how we live our lives for a long while to come.

Equity markets have fallen heavily since the virus emerged and spread throughout Europe and the United States. Your Company has not been immune to the effects of the pandemic and has suffered a negative total return over the six month period.

As at 31 March 2020, the net assets of the Company were £167.0 million, which represents a decrease of £11.3 million compared with the end of the same period last year and is £34.1 million lower than at 30 September 2019. The total return in the six month period under review was -14.3%. The loss of capital value, albeit almost entirely unrealised at this time, is clearly painful for all Shareholders, but some small comfort can be drawn from the relative defensiveness of the portfolio as a whole, compared to the FTSE AIM All-Share Total Return Index, which fell by 21.3% over the same period.

I feel that it is important to highlight some of the key strengths of your Company. Over many years, our Investment Manager has worked to construct a diverse portfolio of investments operating across a range of sectors that, at an individual level, have generally proven their ability to achieve and maintain growth in revenues and profits over extended periods. The investee companies, although diverse in the type of products and services they offer, tend to be cash generative, conservatively managed and often have an established history of paying dividends.

The dividend income that your Company receives from its mature investments is certain to decline in the current financial year. Whilst we continue to cash in on capital gains, where appropriate, opportunities may be limited and this will negatively affect the reserves available for future distribution.

Offer for Subscription

The latest Offer for Subscription was launched on 11 February 2020. Despite the challenging backdrop, the Offer was strongly supported and, in relation to the tax year ended 5 April 2020, 13,799,381 new Ordinary Shares at a price range between 131.02p and 137.72p (total value of £17.7 million) were allotted and issued subsequent to the period end. The Offer remains open for subscription until 30 June 2020, or until the maximum capacity of £25.0 million has been reached. On behalf of the Board, I welcome all new Shareholders and thank existing Shareholders for their continued support in these difficult times.

Dividend Reinvestment Scheme ("DRIS")

On 6 February 2020, 112,002 Ordinary Shares were allotted at a price of 170.5p per share, being the latest published net asset value at 31 January 2020, to Shareholders who elected to receive Ordinary Shares under the DRIS as an alternative to the final dividend for the year ended 30 September 2019.

Share Buybacks

During the period from 1 October 2019 to 31 March 2020, the Company bought back 766,375 of its own Ordinary Shares for cancellation, at an average price of 140.3 pence per share including costs.

As at 31 March 2020, there were 130,005,698 Ordinary Shares in issue.

Dividends

The Board has declared an interim dividend of 3.0 pence per share, for the six months ended 31 March 2020. This interim dividend will be paid on 12 August 2020 to Shareholders on the register on 17 July 2020. The shares will be quoted ex-dividend on 16 July 2020.

Decisions about the payment of dividends are taken by the Board and are always subject to a number of factors including; market conditions, satisfactory performance, and availability of cash and distributable reserves.

While it remains the Board's intention to maintain a regular and predictable level of dividend payments to Shareholders, we will be keeping our dividend policy under careful review as developments during this pandemic unfold.

Material Transactions

Other than share buybacks and the purchase and sale of investments described in the Investment Manager's Review, there were no other material transactions in the six month period ended 31 March 2020. Subsequent to the period end new Ordinary Shares were allotted to subscribers under the Offer for Subscription, as detailed above.

VCT Status

The Company remains above the VCT qualifying threshold required by HM Revenue & Customs, with approximately 88% of total assets by VCT value being invested in VCT qualifying companies. The Company has complied with all other HM Revenue & Customs regulations, and your Board has been advised by its VCT Tax Adviser, PriceWaterhouseCoopers LLP, that the Company has maintained its venture capital trust status. As noted previously, the minimum percentage of total assets required to be held in VCT qualifying shares has increased from 70% to 80% for accounting periods that commenced after 6 April 2019.

Covid-19

The Board has reviewed the implications of the global Covid-19 pandemic and has ensured that the Company's service providers have put in place measures to maintain the ongoing operation of its business, and to ensure continued compliance by the Company of its regulatory obligations. Whilst there can be no absolute guarantee that there will be no business interruption, to date there has been no impact on the administration of the Company and the Board has received satisfactory details from its key service providers of the steps they are taking to protect their employees and operations and the alternative working policies they have in place to ensure continued business services.

Outlook

The Covid-19 pandemic has affected everyone. The outlook for British businesses, their employees and the UK economy as a whole, deteriorates further as each day of lockdown passes. As at the date of writing, the most recent economic data released by the Office for National Statistics (ONS) suggests that GDP may fall by up to 35 percentage points in the short term. Despite this, stock prices in April have rebounded strongly, with the FTSE AIM All-Share Total Return Index up by 18.8% in the month. It remains to be seen as to whether this is a short term rally before further falls.

In the meantime, the resulting uncertainty creates an environment that discourages both consumer spending and business investment, which is very damaging to the UK economy over the longer term. In terms of National Debt, the huge increase in borrowing needed to support the shutdown of the economy will have negative consequences, the full extent of which are currently difficult to predict.

On a more positive note, the majority of companies held in the portfolio should survive and recover value in due course. A number of these businesses continue to trade reasonably well, while some are either already beneficiaries of, or have an opportunity to benefit from, the pandemic. The Investment Manager is focused on limiting further damage to the value of the portfolio. This is currently being achieved by retaining higher than usual levels of cash, limiting new investment activity and making select disposals where judged necessary. Meanwhile the Investment Manager intends to continue providing much needed financial support to those early stage businesses that are deemed to have particularly interesting and attractive longer term prospects.

Encouragingly, the NAV at 30 April 2020 had increased to 146.4 pence per share representing an increase of 14.0% on the NAV of 128.4 pence per share at the period end.

Conclusion

Given the challenging market conditions experienced in the period under review, together with an increasingly uncertain economic outlook, it is heartening that our most recent Offer for Subscription was so strongly supported. The new monies raised will enable the Investment Manager to continue the established and successful strategy of selectively enhancing and developing the existing portfolio of investments, while providing much needed capital to emerging 'scale-up' businesses. Given the unprecedented circumstances, the new capital will be deployed carefully and cautiously.

Finally, I should like to thank Shareholders for their ongoing support and to wish you all continued good health.

Tim Woodcock
Chairman

18 May 2020

Investment Manager's Review

Introduction

The period under review has come to be entirely dominated by the emergence of the Covid-19 pandemic, its rapid spread around the world and its impact on everybody's lives. The sharp decline in total assets experienced during the final two months of the period, has clearly been painful for all Shareholders. In the context of the havoc and misery inflicted on human lives however, the impact feels relatively benign. The team at Unicorn Asset Management Limited are immensely fortunate in that we all remain healthy, are able to work extremely effectively from our respective homes and are privileged to manage a portfolio of investments across a diverse and relatively resilient array of companies, the majority of which should survive and recover value over time. We are acutely conscious that there are many who have not been nearly so lucky and we therefore hope that you and your families are all staying healthy and reasonably happy in these extraordinary times.

For the record, performance during the first four months of the period was strong, with NAV increasing by 10.8%. In the following two months from 1 February 2020 to 31 March 2020, the value of the portfolio declined dramatically, with NAV falling by 24.7% to end the period under review at 128.4 pence per share.

Investment Performance

A review of the ten most meaningful contributions to performance in absolute terms over the reporting period follows:

Contributors

Augean (+28.2%) is a provider of specialist waste management services. Financial results for the year ended 31 December 2019 were strong. Augean reported an increase of 33% in adjusted revenue (before landfill tax) to £91.5 million and growth of 68% in adjusted pre-tax profit to £19.2 million. An exceptional charge of £26.2 million relating to the payment of disputed landfill tax assessments was recorded however, resulting in a statutory loss before tax of £15.3 million. The Augean management team continues to contest these assessments and the company's lawyers are confident of a successful outcome at any future Tribunal. Operationally, the company continues to secure multiple new contracts and appears to be coping well with the effects of the pandemic.

Instem (+20.3%) is a provider of IT solutions to the global life sciences market. In line with recent guidance from the Financial Conduct Authority, Instem have decided to postpone the release of their financial results. Instead, the company has released a positive trading update covering its financial year ended 31 December 2019. Subject to audit, this will result in 2019 revenues of approximately £25.7 million and adjusted earnings of around £4.9 million. As at 31 December 2019, Instem's net cash position was £6.0 million. The business is reported to have experienced buoyant demand across the life sciences industry and benefited from an increasing level of recurring revenue as a result of switching to a Software as a Service (SaaS) model. Instem's Data Collection, Regulatory Solutions and Informatics businesses all performed well and have apparently

maintained positive momentum in the first quarter of the new financial year.

Keywords Studios (+26.2%) is a provider of technical and creative services to the global video games industry. In April 2020, Keywords released financial results for the year ended 31 December 2019. The results highlighted an increase in revenue of more than 30% to €326.5 million together with a 7.9% growth in adjusted pre-tax profit to €40.9 million. Trading in the current financial year is reported to be in line with management expectations. While some disruption to the provision of services is currently being experienced due to the Covid-19 pandemic, management are confident that the video games market will remain resilient, with strong underlying growth drivers likely to result in additional demand for Keywords' services.

Tristel (+44.8%) is a manufacturer of infection prevention and contamination control products. Tristel is likely to be a beneficiary of the Covid-19 outbreak, given that demand for its unique and effective range of infection control products should increase. During the period under review, Tristel reported interim results for the six months ended 31 December 2019. The results confirmed that trading remained strong with revenues and profits increasing at a healthy rate, primarily due to growing sales to UK hospitals as well as robust international demand. As a result, the Board proposed a 15% increase in the interim dividend and reiterated its positive outlook for sales in the second half of the financial year.

Wey Education (+115.8%) is a provider of online educational services. In February 2020, the Board released a positive trading update reporting that the company's two divisions; InterHigh and Academy 21 were performing ahead of managements' expectations. As a consequence, turnover for the financial year to 31 August 2020 is expected to be significantly ahead of the prior year comparable period. The company last reported full year results in November 2019, which included revenue of £6.0 million and a loss before tax of £0.7 million.

Detractors

AB Dynamics (-48.1%) supplies advanced testing systems to the global automotive manufacturing industry, designed to assist research & development and improve production quality control. AB Dynamics recently released half year financial results for the six month period ended 29 February 2020. Despite strong reported growth, management have highlighted that the Covid-19 pandemic will impact financial performance in the second half of the year as automotive customers continue to struggle with the consequences of global lockdown. The company does have a strong balance sheet however, with net cash of £35.1 million as at the end of February 2020 and remains well-placed to weather the ongoing challenges presented by the virus.

Bonhill Group (-86.4%) is a media and events business that operates in three global business sectors; Technology, Financial Services and Diversity. Although recently released results demonstrate that

the business made encouraging progress during its financial year ended 31 December 2019, it is also clear that trading in the current financial year has become extremely challenging. In an attempt to protect shareholders from further erosion of value, the workforce has been shrunk, dividend payments suspended and additional capital raised in order to strengthen the balance sheet.

City Pub Group (-65.5%) is an owner and operator of premium pubs across the southern half of England and Wales. City Pub's share price fell dramatically in March, as a direct result of the forced closure of all pubs across the UK. While the length of the lockdown remains uncertain, City Pub's management team have taken decisive action to reduce operating costs and strengthen the company's balance sheet through an equity raise, thereby placing the business in a stronger position to recover shareholder value once its pubs are allowed to reopen.

Hardide (-68.2%) is a developer and provider of advanced surface coating technology. Hardide released a trading update at the end of March reporting that revenue for the prior six month period was 25% higher than the same period last year and that the second half had started well. Notwithstanding this encouraging result, it is expected that order intake will be significantly impacted in the second half, particularly from key oil & gas customers. Hardide raised gross proceeds of £2.5 million from a placing of new equity in January 2020 and has also agreed additional debt funding secured against a new coating reactor. These actions have strengthened the company's balance sheet and liquidity position. Nonetheless, Hardide's management continues to review discretionary spending and is implementing further cost saving measures where possible.

Surface Transforms (-38.0%) is a manufacturer of carbon-ceramic brake discs for the automotive and aerospace industries. Interim results for the period ended 31 December 2019 confirmed strong growth in revenues and gross profits and highlighted meaningful progress on a number of testing programmes. Clearly, the Covid-19 pandemic has had a significant impact on short term financial performance as the company's automotive customers have shut factories and cancelled orders. It is likely that Surface Transforms will need further funding in order to successfully navigate an extended period of reduced trading activity.

In absolute terms, the five largest detractors from performance, as highlighted above, delivered, in aggregate, an unrealised capital loss of £11.7 million, which equates to over 5.9% in negative performance contribution.

Given the difficult market conditions, the number of positive contributions from investee companies was lower in the period. The five best performing stocks, as reported on above, delivered unrealised capital gains amounting to £5.5 million in total.

Investment Activity

In view of the extremely volatile conditions, investment activity has understandably been subdued during the period under review.

Two new VCT qualifying investments, **The British Honey Company** and **Ilika**, were completed in the six months to the end of March 2020, for a total investment of £2.2 million.

The British Honey Company is a producer of spirits, honey and jams based in Oxfordshire. The company currently produces thirteen honey products and sixteen spirits, which include honey infused gin. The company added to its portfolio of spirits by acquiring the London Distillery Company in 2020, which makes Dodd's Gin and Rye Whiskey LV-1767 Edition.

Ilika specialises in the development of materials used in solid state battery technology. The technology enables its commercial partners to meet the specific demands of a wide range of applications in Medical Technology, Industrial and Automotive sectors.

Follow-on investments totalling £2.2 million were also made in a number of existing investments that remained eligible for further State Aided funding.

In aggregate, almost £2.3 million was raised from the disposal of a number of qualifying holdings. The purpose of such disposals is threefold; to ensure stock specific risk is contained, to lock in capital profits for future distribution to Shareholders, and to help manage liquidity requirements. The disposals included £300,000 in full repayment of Loan Notes held in Access Intelligence. Two investments; Stride Gaming and APC Technology, were acquired by trade buyers during the period, realising total proceeds of £2.0 million.

Partial disposals were also made in non-qualifying holdings including; Tesco, HSBC and Legal & General, raising a further £3.6 million in aggregate.

In aggregate, the unquoted investments detracted £3.7 million from total Net Asset Value in the six month period ended 31 March 2020. The largest of these investments, by value, are Hasgrove and Interactive Investor.

The Fair Value of Hasgrove was marked down by 12.7% at the end of March 2020, in order to reflect the decline in the valuations of listed competitors in its peer group and to take account of any potential disruption to sales growth caused by the Covid-19 related economic shutdown. In contrast, the Fair Value of Interactive Investor was marked up by 4.7%. Interactive Investor has traded particularly strongly since lockdown measures were introduced in the UK in early March, as it benefits from significantly increased levels of client activity triggered by a spike in stock market volatility. Interactive Investor also announced during the period that it had agreed to acquire Share plc, which will bring further economies of scale to its online investment platform, should the proposed transaction complete. The Fair Values of the other unquoted investments were also marked-down at the end of the period under review in recognition of the extremely challenging and uncertain economic environment.

Investment Manager's Review (continued)

Conclusion

Clearly, Covid-19 has had a profound and often devastating impact on so many lives. In the context of the wider and far more serious effects of the virus, the performance of the Company has so far been relatively resilient. Since the end of the period under review, equity markets around the world have experienced a strong recovery, which has been reflected in a sharp increase in total assets. As at 30 April 2020, NAV had rebounded to 146.4 pence per share, representing an increase of 14.0% when compared to the end of March. By contrast, in total return terms, the FTSE All-Share Index increased by 4.9% during April, while the FTSE AIM All-Share Index delivered a positive total return of 18.8% over the same period.

It is still too early to be certain that the virus has been fully contained let alone defeated, however it is encouraging that equity markets have begun to recover and that the period of complete lockdown appears to be at an end.

The economic effects are only beginning to be discussed, and a period of sharp contraction in business activity is inevitable. As a result it may take a long time for the UK to return to anything approaching previous 'normality'.

Equity markets, and therefore the performance of the portfolio, are likely to remain volatile for the foreseeable future, however, it is heartening to witness a meaningful recovery in value in the short term. We have always focused on delivering superior long-term total returns relative to the wider market and remain confident that the portfolio is well positioned to continue our well established successful record.

Chris Hutchinson

Unicorn Asset Management

18 May 2020

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, so that Shareholders benefit from the

taxation advantages that this brings. To achieve this at least 80% for accounting periods commencing 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.

Investment Policy

In order to achieve the Company's investment objective, the Board has agreed an investment policy which requires the Investment Manager to identify and invest in a diversified portfolio, predominantly of VCT qualifying companies quoted on AIM that display a majority of the following characteristics:

- experienced and well-motivated management;
- products and services supplying growing markets;
- sound operational and financial controls; and
- potential for good cash generation to finance ongoing development and support for a progressive dividend policy.

Asset allocation and risk diversification policies, including maximum exposures, are to an extent governed by prevailing VCT legislation. No single holding may represent more than 15% (by VCT value) of the Company's total investments and cash, at the date of investment.

There are a number of VCT conditions which need to be met by the Company which may change from time to time. The Investment

Manager will seek to make qualifying investments in accordance with such requirements.

Asset mix

Where capital is available for investment while awaiting suitable VCT qualifying opportunities, or is in excess of the 80% VCT qualification threshold for accounting periods commencing after 6 April 2019 (previously 70%), it may be held in cash or invested in money market funds, collective investment vehicles or non-qualifying shares and securities of fully listed companies registered in the UK.

Borrowing

To date the Company has operated without recourse to borrowing. The Board may however consider the possibility of introducing modest levels of gearing up to a maximum of 10% of the adjusted capital and reserves, should circumstances suggest that such action is in the interests of Shareholders.

Venture Capital Trust Status

The Company has satisfied the requirements for approval as a Venture Capital Trust (VCT) under section 274 of the Income Tax Act 2007 (ITA). It is the Directors' intention to continue to conduct the business of the Company so as to maintain compliance with that section.

Unaudited Investment Portfolio Summary

as at 31 March 2020

	Book cost £'000	Valuation £'000	% of net assets by value*
Qualifying investments			
AIM quoted investments			
Abcam	1,241	14,287	8.6
Tracsis	1,500	9,652	5.8
Tristel	878	6,787	4.1
Anpario	1,516	6,200	3.7
Mattioli Woods	1,626	6,082	3.6
Cohort	1,278	5,448	3.3
MaxCyte	3,617	3,772	2.3
Keywords Studios	303	3,561	2.1
Avingtrans	996	3,486	2.1
Access Intelligence	3,232	3,231	1.9
Directa Plus	3,800	2,933	1.8
AB Dynamics	793	2,775	1.7
RenalytixAI	1,500	2,603	1.6
Surface Transforms	2,646	2,516	1.5
Instem	985	2,420	1.4
Animalcare Group	2,401	2,403	1.4
Wey Education	2,150	2,189	1.3
Idox	1,242	2,185	1.3
Belvoir Lettings	1,883	1,481	0.9
Angle	1,385	1,357	0.8
City Pub Group	2,250	1,356	0.8
ULS Technology	1,500	1,313	0.8
Avacta Group	1,300	1,260	0.8
Trackwise Designs	1,750	1,250	0.7
VR Education	1,588	1,191	0.7
Fusion Antibodies	1,000	1,098	0.7
Ilika	1,232	986	0.6
ECSC Group	2,420	971	0.6
HML Holdings	431	893	0.5
Creo Medical	1,000	880	0.5
36 investments each valued at less than 0.5% of net assets	31,760	8,515	5.1
	81,203	105,081	63.0

	Book cost £'000	Valuation £'000	% of net assets by value*
Qualifying investments			
Unlisted investments			
Hasgrove	1,329	12,750	7.6
Interactive Investor**	1,250	4,937	3.0
LightwaveRF (delisted 24/02/2020)	2,616	1,116	0.7
The British Honey Company	1,001	1,001	0.6
Heartstone Inns	1,113	803	0.5
Phynova	1,500	580	0.3
Osirium Technologies - Loan Stock	500	500	0.3
nkoda Limited	2,500	466	0.3
Synnovia (delisted 29/10/2019)	655	345	0.2
Syndicate Room	1,250	327	0.2
2 investments each valued at less than 0.1% of net assets	2,215	34	0.0
	15,929	22,859	13.7
Total qualifying investments	97,132	127,940	76.7
Non-qualifying investments			
12 fully listed UK equities	14,944	11,340	6.8
Interactive Investor**	2,197	10,061	6.0
AIM quoted investments	8,678	9,218	5.5
Unicorn Ethical Fund (OEIC) Income	4,483	3,153	1.9
Unicorn UK Growth Fund (OEIC)	416	701	0.4
Unicorn UK Smaller Companies Fund (OEIC)	272	634	0.4
Unicorn Ethical Fund (OEIC) Accumulation	598	460	0.3
Lloyds Banking Group 9.25% Preference Shares	267	233	0.1
3 unlisted investments each valued at less than 0.1% of net assets	368	2	0.0
	32,223	35,802	21.4
Total non-qualifying investments	32,223	35,802	21.4
Total investments	129,355	163,742	98.1
Cash and cash equivalents		4,034	2.4
Current assets		365	0.2
Current liabilities		(1,177)	(0.7)
Net assets		166,964	100.0

* Based on fair value not VCT carrying value.

** The holding in Interactive Investor consists of both qualifying and non-qualifying shares.

Responsibility Statement

Directors' Statement of Principal Risks and Uncertainties

The important events that have occurred during the period under review and the key factors influencing the financial statements are set out in the Chairman's Statement on pages 2 and 3 and the Investment Manager's Review on pages 4 to 6.

In accordance with DTR 4.2.7, the Directors consider that the principal risks and uncertainties facing the Company, other than as set out below, have not materially changed since the publication of the Annual Report and Accounts for the year ended 30 September 2019.

The principal risks faced by the Company include, but are not limited to:

- investment and strategic
- regulatory and tax
- operational
- fraud and dishonesty
- financial instruments
- economic

A more detailed explanation of these risks and the way in which they are managed can be found in the Strategic Report on pages 9 and 10 and in the Notes to the Financial Statements on pages 61 and 62 of the 2019 Annual Report and Accounts – copies can be found via the Company's website www.unicornaimvct.co.uk.

Global Pandemics

Given recent events, Covid-19 has emerged as a significant risk which has impacted global commercial activities. The Board has been monitoring the development of the pandemic and has considered the impact it has had to date and assessed the impact it may have in the future. We cannot ignore the potential impact of Covid-19 and the Chairman's Statement and Investment Manager's Review cover this subject in more detail. The Board is actively liaising with the Investment Manager to obtain a full understanding of the impact on the investee companies.

Directors' Statement of Responsibilities in Respect of the Financial Statements

In accordance with Disclosure and Transparency Rule (DTR) 4.2.10, Tim Woodcock (Chairman), Peter Dicks, Charlotta Ginman, Jeremy Hamer (Chairman of the Audit Committee) and Jocelin Harris (Senior Independent Director), the Directors, confirm that to the best of their knowledge:

- the condensed set of financial statements, which have been prepared in accordance with FRS 104 "Interim Financial Reporting", give a true and fair view of the assets, liabilities, financial position and loss of the Company for the period ended 31 March 2020, as required by DTR 4.2.4;
- this Half-Yearly Report includes a fair review of the information required as follows:
 - the interim management report included within the Chairman's Statement, Investment Manager's Review and Investment Portfolio Summary, includes a fair review of the information required by DTR 4.2.7 being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties facing the Company for the remaining six months of the year; and
 - there were no related party transactions in the first six months of the current financial year that are required to be disclosed in accordance with DTR 4.2.8.

Cautionary Statement

This report may contain forward looking statements with regards to the financial condition and results of the Company, which are made in the light of current economic and business circumstances. Nothing in this report should be construed as a profit forecast.

This Half-Yearly Report was approved by the Board of Directors on 18 May 2020 and the above responsibility statement was signed on its behalf by:

Tim Woodcock
Chairman

18 May 2020

Management of the Company

The Board has overall responsibility for the Company's affairs including the determination of its investment policy. Risk is spread by investing in a number of different businesses across different industry sectors. The Investment Manager, Unicorn Asset Management Limited, is responsible for managing sector and stock specific risk and the Board does not impose formal limits in respect of such exposures. However, in order to maintain compliance with HMRC rules and to ensure that an appropriate spread of investment risk is achieved, the Board receives and reviews comprehensive reports from the Investment Manager on a monthly basis. When the Investment

Manager proposes to make any investment in an unquoted company, the prior approval of the Board is required. The Board continues to take the need for transparency and independence seriously. When a conflict arises involving a relationship between any Director and an investee or proposed investee company, that Director abstains from any discussion or consideration on any such investment by the Company.

The Administrator, ISCA Administration Services Limited, provides Company Secretarial and Accountancy services to the Company.

Unaudited Condensed Income Statement

for the six months ended 31 March 2020

	Notes	Six months ended 31 March 2020 (unaudited)			Six months ended 31 March 2019 (unaudited)			Year ended 30 September 2019 (audited)		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net unrealised losses on investments	7	-	(26,802)	(26,802)	-	(31,396)	(31,396)	-	(11,102)	(11,102)
Net (losses)/gains on realisation of investments	7	-	(648)	(648)	-	4,139	4,139	-	650	650
Income	4	966	-	966	867	-	867	2,700	28	2,728
Investment management fees	2	(469)	(1,410)	(1,879)	(413)	(1,241)	(1,654)	(916)	(2,748)	(3,664)
Other expenses		(355)	-	(355)	(350)	-	(350)	(772)	-	(772)
Profit/(loss) on ordinary activities before taxation		142	(28,860)	(28,718)	104	(28,498)	(28,394)	1,012	(13,172)	(12,160)
Tax on profit/(loss) on ordinary activities	3	-	-	-	-	-	-	-	-	-
Profit/(loss) and total comprehensive income after taxation		142	(28,860)	(28,718)	104	(28,498)	(28,394)	1,012	(13,172)	(12,160)
Basic and diluted earnings per share:										
Ordinary Shares	5	0.11p	(22.16)p	(22.05)p	0.09p	(24.20)p	(24.11)p	0.81p	(10.56)p	(9.75)p

All revenue and capital items in the above statement derive from continuing operations of the Company.

The total column of this statement is the Statement of Total Comprehensive Income of the Company prepared in accordance with Financial Reporting Standards ("FRS"). The supplementary revenue return and capital return columns are prepared in accordance with the Statement of Recommended Practice ("AIC SORP") issued in October 2019 by the Association of Investment Companies.

Other than revaluation movements arising on investments held at fair value through Profit or Loss Account, there were no differences between the profit/(loss) as stated above and at historical cost.

The notes on pages 15 to 20 form part of these Half-Yearly financial statements.

Unaudited Condensed Statement of Financial Position

as at 31 March 2020

	Notes	As at 31 March 2020 (unaudited) £'000	As at 31 March 2019 (unaudited) £'000	As at 30 September 2019 (audited) £'000
Non current assets				
Investments at fair value	1e,7	163,742	168,274	192,551
Current assets				
Debtors		365	126	426
Cash and cash equivalents		4,034	11,042	9,393
		4,399	11,168	9,819
Creditors: amounts falling due within one year		(1,177)	(1,167)	(1,254)
Net current assets		3,222	10,001	8,565
Net assets		166,964	178,275	201,116
Share capital and reserves				
Called up share capital		1,300	1,235	1,307
Capital redemption reserve		33	-	25
Share premium account		14,031	-	13,856
Capital reserve		41,573	48,756	65,535
Special reserve		108,125	121,728	114,297
Profit and loss account		1,902	6,556	6,096
Equity Shareholders' funds		166,964	178,275	201,116
Basic and diluted net asset value per share of 1p each				
Ordinary Shares	8	128.43p	144.40p	153.92p

The financial information for the six months ended 31 March 2020 and the six months ended 31 March 2019 has not been audited.

The notes on pages 15 to 20 form part of these Half-Yearly financial statements.

Unaudited Condensed Statement of Changes in Equity

for the six months ended 31 March 2020

	Called up share capital £'000	Capital redemption reserve £'000	Share Premium account £'000	Unrealised capital reserve £'000	Special reserve* £'000	Profit and loss account* £'000	Total £'000
Six months ended 31 March 2020							
At 1 October 2019	1,307	25	13,856	65,535	114,297	6,096	201,116
Loss after taxation	-	-	-	(23,962)	-	(4,756)	(28,718)
Transfer to special reserve	-	-	-	-	(5,097)	5,097	-
Net proceeds from DRIS share issue	1	-	175	-	-	-	176
Net cost of share buybacks	(8)	8	-	-	(1,075)	-	(1,075)
Dividends paid	-	-	-	-	-	(4,535)	(4,535)
At 31 March 2020	1,300	33	14,031	41,573	108,125	1,902	166,964
Six months ended 31 March 2019							
At 1 October 2018	1,172	99	106,325	80,152	7,401	6,279	201,428
(Loss)/profit after taxation	-	-	-	(31,396)	-	3,002	(28,394)
Transfer to special reserve	-	-	-	-	(1,358)	1,358	-
Net proceeds from share issues	71	-	10,299	-	-	-	10,370
Net cost of share buybacks	(8)	8	-	-	(1,046)	-	(1,046)
Dividends paid	-	-	-	-	-	(4,083)	(4,083)
Cancellation of capital redemption reserve and share premium account**	-	(107)	(116,624)	-	116,731	-	-
At 31 March 2019	1,235	-	-	48,756	121,728	6,556	178,275
Year ended 30 September 2019							
At 1 October 2018	1,172	99	106,325	80,152	7,401	6,279	201,428
(Loss)/profit after taxation	-	-	-	(14,617)	-	2,457	(12,160)
Transfer to special reserve	-	-	-	-	(5,405)	5,405	-
Net proceeds from share issues	167	-	24,156	-	-	-	24,323
Net cost of share buybacks	(32)	32	-	-	(4,430)	-	(4,430)
Dividends paid	-	-	-	-	-	(8,045)	(8,045)
Cancellation of capital redemption reserve and share premium account**	-	(106)	(116,625)	-	116,731	-	-
At 30 September 2019	1,307	25	13,856	65,535	114,297	6,096	201,116

The financial information for the six months ended 31 March 2020 and the six months ended 31 March 2019 has not been audited.

The profit and loss account comprises the revenue reserve of £508,000 and the realised capital reserve of £1,394,000.

*The special reserve and profit and loss account are distributable to Shareholders. The special reserve is used to fund market purchases of the Company's own shares, to make distributions and to write-off existing and future losses.

**The cancellation of the capital redemption reserve and share premium account was approved by the court on 26 March 2019.

The notes on pages 15 to 20 form part of these Half-Yearly financial statements.

Unaudited Condensed Statement of Cash Flows

for the six months ended 31 March 2020

	Notes	Six months ended 31 March 2020 (unaudited) £'000	Six months ended 31 March 2019 (unaudited) £'000	Year ended 30 September 2019 (audited) £'000
Operating activities				
Investment income received		1,150	1,114	2,657
Investment management fees paid*		(2,041)	(815)	(2,691)
Other cash payments		(283)	(458)	(855)
Net cash outflow from operating activities		(1,174)	(159)	(889)
Investing activities				
Purchase of investments	7	(4,455)	(4,974)	(23,115)
Sale of investments	7	5,830	9,515	20,270
Net cash inflow/(outflow) from investing activities		1,375	4,541	(2,845)
Net cash inflow/(outflow) before financing		201	4,382	(3,734)
Financing				
Dividends paid	6	(4,362)	(4,083)	(8,045)
Shares issued under Offer for Subscription (net of transaction costs paid in the period)		(123)	10,510	24,323
Shares repurchased for cancellation		(1,075)	(1,046)	(4,430)
Net cash (outflow)/inflow from financing		(5,560)	5,381	11,848
Net (decrease)/increase in cash and cash equivalents		(5,359)	9,763	8,114
Cash and cash equivalents at start of period		9,393	1,279	1,279
Cash and cash equivalents at end of period		4,034	11,042	9,393
Reconciliation of operating loss to net cash outflow from operating activities				
Loss for the period		(28,718)	(28,394)	(12,160)
Net unrealised losses on investments		26,802	31,396	11,102
Net losses/(gains) on realisation of investments		648	(4,139)	(650)
Transaction costs		(2)	(7)	(77)
Decrease/(increase) in debtors and prepayments		187	261	(39)
(Decrease)/increase in creditors and accruals		(77)	737	964
Reconciling items – dividends reinvested		(14)	(13)	(29)
Net cash outflow from operating activities		(1,174)	(159)	(889)

* The reduced management fee paid in the six months ended 31 March 2019 reflects the switch from payment in advance to payment in arrears with effect from 1 October 2018.

The financial information for the six months ended 31 March 2020 and the six months ended 31 March 2019 has not been audited.

The notes on pages 15 to 20 form part of these Half-Yearly financial statements.

Notes to the Unaudited Financial Statements

for the six months ended 31 March 2020

1. Principal accounting policies

a) Statement of compliance

The Company's Financial Statements for the six months to 31 March 2020 have been prepared under UK Generally Accepted Accounting Practice ("UK GAAP") and the Statement of Recommended Practice, 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ("the SORP") issued in October 2019 by the Association of Investment Companies.

The financial statements have been prepared in accordance with the accounting policies set out in the statutory accounts for the year ended 30 September 2019.

b) Financial information

The financial information contained in this report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The financial information for the period ended 31 March 2020 and 31 March 2019 has not been audited or reviewed by the Company's Auditor pursuant to the Auditing Practices Board guidance on such reviews. The information for the year to 30 September 2019 has been extracted from the latest published Annual Report and Financial Statements, which have been lodged with the Registrar of Companies, contained an unqualified auditors' report and did not contain a statement required under Section 498 (2) or (3) of the Companies Act 2006.

c) Going concern

After due consideration, the Directors believe that the Company has adequate resources for the foreseeable future and that it is appropriate to apply the going concern basis in preparing the financial statements. As at 31 March 2020, the Company held cash balances of £4.0 million which had increased to £22.8 million at 30 April 2020. A large proportion of the Company's investment portfolio remains invested in AIM and fully listed equities which may be realised, subject to the need for the Company to maintain its VCT status. Cash flow projections covering a period of twelve months from the date of approving the financial statements have been reviewed and show that the Company has sufficient funds to meet both contracted expenditure and any discretionary cash outflows from buybacks and dividends. The Company has no external loan finance in place and is therefore not exposed to any gearing covenants. In assessing the Company's ability to continue as a going concern, the Board has fully considered the impact of the current pandemic.

Subsequent to the period end £17.7 million, after costs, has been raised under the Offer for Subscription. The Offer for Subscription remains open and it is estimated that a further £6.5 million, after costs, will be raised increasing the Company's liquid resources.

d) Presentation of the Income Statement

In order to better reflect the activities of a VCT and in accordance with the SORP, supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented alongside the Statement of Comprehensive Income. The revenue column of profit attributable to Shareholders is the measure the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in Section 274 Income Tax Act 2007.

e) Investments

All investments held by the Company are classified as "fair value through profit or loss", in accordance with FRS102. This classification is followed as the Company's business is to invest in financial assets with a view to profiting from their total return in the form of capital growth and income and in accordance with the Company's risk management and investment policy. In the preparation of the valuations of assets, in accordance with current IPEV guidelines, the Directors are required to make judgements and estimates that are reasonable and incorporate their knowledge of the performance of the investee companies.

- For investments actively traded on organised financial markets, fair value is generally determined by reference to Stock Exchange market quoted bid prices at the close of business on the balance sheet date. Purchases and sales of quoted investments are recognised on the trade date where a contract of sale exists whose terms require delivery within a time frame determined by the relevant market.
- Unquoted investments are reviewed at least quarterly to ensure that the fair values are appropriately stated and are valued in accordance with current IPEV guidelines, as updated in December 2018, which relies on subjective estimates. Fair value is established by assessing different methods of valuation, such as price of recent transaction, earnings multiples, discounted cash flows and net assets. Purchases and sales of unlisted investments are recognised when the contract for acquisition or sale becomes unconditional.

Notes to the Unaudited Financial Statements (continued)

for the six months ended 31 March 2020

1. Principal accounting policies (continued)

- Where a company's underperformance against plan indicates a diminution in the value of the investment, provision against cost is made, as appropriate. Where it is considered the value of an investment has fallen permanently below cost, the loss is treated as a permanent impairment and as a realised loss, even though the investment is still held. The Board assesses the portfolio for such investments and, after agreement with the Investment Manager, will agree the values that represent the extent to which an investment loss has become realised. This is based upon an assessment of objective evidence of that investment's future prospects, to determine whether there is potential for the investment to recover in value.
- Redemption premiums on loan stock investments are recognised at fair value when the Company receives the right to the premium and when considered recoverable.

f) Capital reserves

(i) Realised (included within the Profit and Loss Account reserve)

The following are accounted for in this reserve:

- Gains and losses on realisation of investments;
- Permanent diminution in value of investments; and
- Transaction costs incurred in the acquisition of investments.

(ii) Unrealised capital reserve (Revaluation reserve)

Increases and decreases in the valuation of investments held at the period end are accounted for in this reserve, except to the extent that the diminution is deemed permanent.

In accordance with stating all investments at fair value through profit or loss, all such movements through both unrealised and realised capital reserves are shown within the Income Statement for the period.

(iii) Special reserve

The costs of share buybacks are charged to this reserve. In addition, any realised losses on the sale of investments, and 75% of the management fee expense, and the related tax effect, are transferred from the Profit and Loss Account to this reserve. The reserve can also be used for distributions made by the Company.

2. Investment Management Fees

Unicorn Asset Management Limited ("UAML") receives an annual management fee, calculated and payable quarterly in arrears, of 2% of the net asset value of the Company, excluding the value of the investments in the OEICs which are also managed by UAML, up to net assets of £200 million and 1.5% of net assets in excess of £200 million. If the Company raises further funds during a quarter the net asset value for that quarter shall be reduced by an amount equal to the amount raised, net of costs, multiplied by the percentage of days in that quarter prior to the funds being raised.

The Directors have charged 75% (£1,410,000) of the investment management fees to the capital reserve and 25% (£469,000) to revenue.

At 31 March 2020, £810,000 payable to the Investment Manager is included in creditors due within one year.

3. Taxation

Despite reporting a revenue profit, the total allowable expenses exceed income and there is no tax charge for the period.

4. Income

	Six months ended 31 March 2020 (unaudited) £'000	Six months ended 31 March 2019 (unaudited) £'000	Year ended 30 September 2019 (audited) £'000
Dividends	881	822	2,460
Unicorn managed OEICs (including reinvested dividends)	61	24	216
Bank deposit interest	4	3	16
Loan stock interest	20	18	36
	966	867	2,728

5. Basic and diluted earnings and return per share

	Six months ended 31 March 2020 (unaudited)	Six months ended 31 March 2019 (unaudited)	Year ended 30 September 2019 (audited)
Total earnings after taxation (£'000)	(28,718)	(28,394)	(12,160)
Basic and diluted earnings per share	(22.05)p	(24.11)p	(9.75)p
Net revenue from ordinary activities after taxation (£'000)	142	104	1,012
Basic and diluted revenue earnings per share	0.11p	0.09p	0.81p
Total capital return after taxation (£'000)	(28,860)	(28,498)	(13,172)
Basic and diluted capital earnings per share	(22.16)p	(24.20)p	(10.56)p
Weighted average number of shares in issue in the period	130,219,359	117,775,472	124,761,066

There are no instruments in place that may increase the number of shares in issue in future. Accordingly, the above figures currently represent both basic and diluted earnings per share.

6. Dividends

	Six months ended 31 March 2020 (unaudited) £'000	Six months ended 31 March 2019 (unaudited) £'000	Year ended 30 September 2019 (audited) £'000
Amounts recognised as distributions to equity holders in the period:			
Final capital dividend of 2.5 pence per share and final income dividend of 1.0 pence per share for the year ended 30 September 2018 paid on 1 February 2019	-	4,083	4,083
Interim capital dividend of 2.8 pence per share and interim income dividend of 0.2 pence per share for the year ended 30 September 2019 paid on 9 August 2019	-	-	3,962
Final capital dividend of 3.0 pence per share and final income dividend of 0.5 pence per share for the year ended 30 September 2019 paid on 6 February 2020	4,553	-	-
Total dividends paid in the period*	4,553	4,083	8,045
Unclaimed dividends returned**	(18)	-	-
	4,535	4,083	8,045

* The difference between total dividends paid and that shown in the Condensed Cash Flow Statement is £191,000, which is the amount of dividends reinvested under the Dividend Reinvestment Scheme ("DRIS"). To arrive at the movement of £176,000 shown in the Condensed Statement of Changes in Equity, expenses of £15,000 have been deducted.

** Included in debtors at the period end.

Notes to the Unaudited Financial Statements (continued)

for the six months ended 31 March 2020

7. Investments at fair value

	Fully listed £'000	Traded on AIM £'000	Unlisted shares £'000	Unlisted loan stock £'000	Unicorn OEIC funds £'000	Total £'000
Book cost at 30 September 2019	19,726	95,312	15,109	300	5,755	136,202
Unrealised (losses)/gains at 30 September 2019	(331)	44,747	20,357	-	762	65,535
Permanent impairment in value of investments	-	(6,819)	(2,367)	-	-	(9,186)
Opening valuation at 30 September 2019	19,395	133,240	33,099	300	6,517	192,551
Shares delisted	-	(2,309)	2,309	-	-	-
Purchases at cost	-	2,454	1,501	500	14	4,469
Sale proceeds	(3,566)	(1,964)	-	(300)	-	(5,830)
Net realised (losses)/gains*	(696)	50	-	-	-	(646)
Decrease in unrealised gains	(3,560)	(17,172)	(4,487)	-	(1,583)	(26,802)
Closing valuation at 31 March 2020	11,573	114,299	32,422	500	4,948	163,742
Book cost at 31 March 2020	15,211	89,881	17,994	500	5,769	129,355
Unrealised (losses)/gains at 31 March 2020	(3,638)	31,237	14,795	-	(821)	41,573
Permanent impairment in value of investments	-	(6,819)	(367)	-	-	(7,186)
Closing valuation at 31 March 2020	11,573	114,299	32,422	500	4,948	163,742

* Transaction costs on the purchase and disposal of investments of £2,000 were incurred in the period. These are excluded from realised losses shown above of £646,000 but were included in arriving at losses on realisations of investments disclosed in the Condensed Income Statement of £648,000.

Note: Permanent impairments brought forward of £2,000,000 have been eliminated on disposal.

Reconciliation of cash movements in investment transactions

There is no difference between the sales in Note 7 and that shown in the Cash Flow Statement. The difference between purchases per Note 7 above and that shown in the Cash Flow Statement is £14,000, which is the reinvested dividends in the Unicorn Ethical Fund.

7. Investments at fair value (continued)

Fair value hierarchy

The table below sets out fair value measurements using FRS102 s11.27 fair value hierarchy. The Company has one class of assets, being at fair value through profit or loss.

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
At 31 March 2020				
Equity investments	125,639	-	32,422	158,061
Non-equity investments	233	-	-	233
Loan stock investments	-	-	500	500
Open ended investment companies	4,948	-	-	4,948
Total	130,820	-	32,922	163,742
At 31 March 2019				
Equity investments	146,738	-	18,020	164,758
Non-equity investments	284	-	-	284
Loan stock investments	-	-	300	300
Open ended investment companies	2,932	-	-	2,932
Total	149,954	-	18,320	168,274
At 30 September 2019				
Equity investments	152,337	-	33,099	185,436
Non-equity investments	298	-	-	298
Loan stock investments	-	-	300	300
Open ended investment companies	6,517	-	-	6,517
Total	159,152	-	33,399	192,551

There are currently no financial liabilities at fair value through profit or loss.

Categorisation within the hierarchy has been determined on the lowest level input that is significant to the fair value measurement of the relevant asset as follows:

Level 1 – valued using quoted prices in active markets for identical assets.

Level 2 – valued by reference to valuation techniques using directly observable inputs other than quoted prices included within Level 1.

Level 3 – valued by reference to valuation techniques using inputs that are not based on observable market data.

The valuation techniques used by the Company are explained in the accounting policies in Note 1.

The fair value of unquoted investments, categorised as Level 3 investments, is established by assessing different methods of valuation, such as price of recent transaction, earnings multiples, discounted cash flows and net assets, therefore no assumptions are disclosed or sensitivity analysis provided.

A transfer of £2,309,000 has been made from Level 1 to Level 3 in the period in respect of the investments delisted from AIM, as detailed below.

Notes to the Unaudited Financial Statements (continued)

for the six months ended 31 March 2020

7. Investments at fair value (continued)

A reconciliation of fair value measurements in Level 3 is set out below:

	Equity investments £'000	Loan stock investments £'000	Total £'000
Opening balance at 1 October 2019	33,099	300	33,399
Transfers to level 3	2,309	-	2,309
Purchases	1,501	500	2,001
Sales	-	(300)	(300)
Total losses included in (losses)/gains on investments in the Condensed Income Statement			
- on assets sold	-	-	-
- on assets held at the period end	(4,487)	-	(4,487)
Closing balance at 31 March 2020	32,422	500	32,922

Transfers into Level 3 relate to investments that have delisted during the period. Brady (£17,000) valued at £34,000, LightwaveRF (£1,451,000) valued at £1,116,000 and Synnovia (£841,000) valued at £345,000.

8. Net asset values

	At 31 March 2020 (unaudited)	At 31 March 2019 (unaudited)	At 30 September 2019 (audited)
Net assets	£166,964,000	£178,275,000	£201,116,000
Number of shares in issue	130,005,698	123,461,320	130,660,071
Net asset value per share	128.43p	144.40p	153.92p

9. Post Balance Sheet Events

On 5 April 2020, the Company allotted and issued 13,799,381 Ordinary shares representing approximately 10.6% of the share capital at prices ranging from 131.02 pence per share to 137.72 pence per share, raising net funds of £17,719,000 from gross subscriptions of £18,150,000.

On 9 April 2020, the Company purchased 447,110 shares for cancellation, representing approximately 0.31% of the issued share capital at a total cost of £494,000 representing 110.5 pence per share.

10. Related party transactions

During the first six months of the financial year, no transactions with related parties have taken place which have affected the financial position or the performance of the Company.

Shareholder Information

The Company's Ordinary Shares (Code: UAV) are listed on the London Stock Exchange. Shareholders can visit the London Stock Exchange website www.londonstockexchange.com for the latest news and share prices of the Company. The share price is also quoted in the Financial Times and can be accessed through the Company's website www.unicornaimvct.co.uk selecting the options Fund information then "Live Share Price".

Net asset value per share

The Company's NAV per share as at 30 April 2020 was 146.4p. The Company announces its unaudited NAV on a monthly basis.

Dividends

The Board has declared an interim dividend in respect of the six months ended 31 March 2020 of 3.0p per share, payable on 12 August 2020 to Shareholders registered at the close of business on 17 July 2020. The ex-dividend date is 16 July 2020.

Shareholders who wish to have future dividends paid directly into their bank account rather than sent by cheque to their registered address can complete a mandate for this purpose. Mandates can be obtained by contacting the Company's Registrar, The City Partnership (UK) Limited.

Dividend Reinvestment Scheme

Shareholders may elect to reinvest their dividends by subscribing for new shares in the Company. Shares will be issued at the latest published Net Asset Value prior to the allotment. For details of the scheme see the Company's website www.unicornaimvct.co.uk/dividend-reinvestment-scheme or contact the scheme administrators, The City Partnership, on 01484 240910.

Selling your shares

The Company's shares are listed on the London Stock Exchange and as such they can be sold in the same way as any other quoted company through a stockbroker. **Shareholders wishing to sell their shares are advised to contact the Company's stockbroker, Panmure Gordon (UK) Limited, by telephoning 020 7886 2716 or 2717 before agreeing a price with their stockbroker.** Shareholders are also advised to discuss their individual tax position with their financial adviser before deciding to sell their shares.

Shareholder enquiries:

For general Shareholder enquiries, please contact ISCA Administration Services Limited (the Company Secretary) on 01392 487056 or by e-mail on unicornaimvct@iscaadmin.co.uk.

For enquiries concerning the performance of the Company, please contact the Investment Manager, Unicorn Asset Management Limited, on 020 7253 0889 or by e-mail on info@unicornam.com.

For enquiries relating to your shareholding, please contact The City Partnership (UK) Limited on 01484 240910 or registrars@city.uk.com. Alternatively, you can make changes to your account, such as a change of address, by logging on to <https://unicorn-aim.cityhub.uk.com>.

Electronic copies of this report and other published information can be found on the Company's website at www.unicornaimvct.co.uk.

Change of Address

To notify the Company of a change of address please contact the Company's Registrar at the address on page 23.

Fraud warning

The Company has become aware that a small number of its Shareholders along with shareholders of other VCTs have received unsolicited telephone calls from people purporting to act on behalf of a client who is looking to acquire their VCT shares at an attractive price. The caller often says they already have a significant holding and are trying to obtain a 51% stake in the Company. We believe these calls are part of a "Boiler Room Scam". Typically, these unsolicited calls originate from outside the UK, although a UK address may be given and a UK telephone number provided. If the Shareholder wishes to proceed, they are sent a non-disclosure agreement to sign and return. If this is returned a payment may then be requested for a bond or insurance policy.

Shareholders are warned to be very suspicious if they receive any similar type of telephone call and are strongly advised never to respond to unsolicited calls and emails from people who are not known to them.

If you have any concerns, please contact the Company Secretary, ISCA Administration Services on 01392 487056, or email unicornaimvct@iscaadmin.co.uk.

Information rights for beneficial owners of shares

Please note that beneficial owners of shares who have been nominated by the registered holder of those shares to receive information rights under section 146 of the Companies Act 2006 are required to direct all communications to the registered holder of their shares, rather than to the Company's Registrar, The City Partnership (UK) Limited, or to the Company directly.

Glossary

AIM

The Alternative Investment Market, a sub-market of the London Stock Exchange, designed to help smaller companies access capital from the public market.

Cumulative dividends paid

The total amount of dividend distributions paid by the Company, since its merger with Unicorn AIM VCT II on 9 March 2010 and merger of all former share classes, up to the period end.

Discount

A discount to NAV is calculated by subtracting the mid-market share price from the NAV per share and is expressed as a percentage of the NAV per share.

DRIS

The Dividend Reinvestment Scheme which gives Shareholders the opportunity to reinvest future dividend payments by subscribing for additional Ordinary Shares.

DTR

The Disclosure and Transparency Rules contained within the Financial Conduct Authority's Handbook.

EBITDA

Earnings Before Interest, Tax, Depreciation and Amortisation. A metric used to evaluate a company's operating performance.

Fair Value

The amount for which an asset or equity instrument could be exchanged between parties. For investments traded on a Stock Exchange market this is usually the closing bid price on the balance sheet date. The fair value of unquoted investments is determined in accordance with current IPEV guidelines.

IPEV Guidelines

The International Private Equity and Venture Capital Valuation ("IPEV") Guidelines as issued in December 2018 which set out recommendations, intended to represent current best practice, on the valuation of Private Capital Investments where they are reported at fair value by assessing different methods of valuation, such as price of recent transaction, earnings multiples, discounted cash flows and net assets.

Net Assets

The total value of all the Company's assets, at fair value, having deducted all liabilities at their carrying value.

NAV

Total Net Assets divided by the number of shares in issue at the date of calculation and usually expressed as an amount per share.

NAV total return

Comprises the NAV per share plus the cumulative dividends paid to the period end.

Ongoing charges

The total expenses incurred in the ordinary course of the business expressed as a percentage of average Net Assets.

Qualifying investments

An investment in a company satisfying a number of conditions under the VCT legislation. Included among the many conditions are: the shares or securities in the company must have been originally issued to the VCT and held ever since, the company must be unquoted (which includes listing on AIM or the NEX exchanges), have a permanent establishment in the UK and apply the money raised for the purposes of growth and development for a qualifying trade within a specified time period. There are also restrictions relating to the size and stage of the company as well as maximum investment limits.

VCT

A Venture Capital Trust as defined in the Income Tax Act 2007.

VCT Value

The value of an investment when acquired, rebased if the holding is added to which causes an increase or decrease in its value.

80% test

The requirement for the Company to hold a minimum of 80% of its total assets, by VCT value, in qualifying holdings.

Corporate Information

Directors (all non-executive)

Tim Woodcock (Chairman)
Peter Dicks
Charlotta Ginman
Jeremy Hamer
Jocelin Harris

Registered office:

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Newton Abbot TQ12 2QS

Secretary & Administrator

ISCA Administration Services Limited
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Newton Abbot TQ12 2QS

Company Registration Number

04266437

Legal Entity Identifier

21380057QDV7D34E9870

Website

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Investment Manager

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VCT Tax Adviser

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Auditor

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London EC1A 4AB

Custodian

The Bank of New York Mellon
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Notes

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