

Half-Yearly Report

for the six months ended 31 March 2021

UNICORN
AIM VCT PLC



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Financial Highlights

for the six months ended 31 March 2021

- Net Asset Value ("NAV") total return per share for the six months ended 31 March 2021, after adding back the dividend paid in the period, was 31.9%.
- £11.5 million of qualifying investments (£8.3 million new, £3.2 million follow-on) made in the period.
- Interim dividend of 3.0 pence per share declared for the six months ended 31 March 2021.
- The Offer for Subscription, launched on 28 January 2021, was over subscribed by 11 February 2021, and had raised £12.0 million (after costs of £292,500) by 31 March 2021, with a further £2.6 million (after costs of £62,900) raised on 8 April 2021.

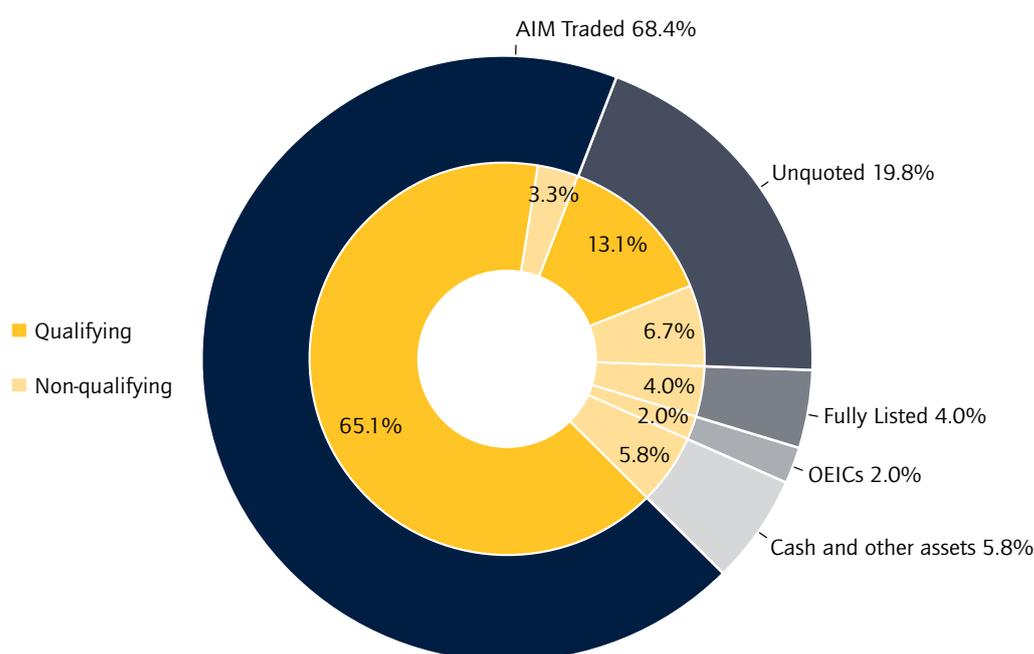
Fund Performance

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 2021	346.3	232.1	64.5	296.6	198.0
30 September 2020	260.2	178.6	61.0	239.6	142.5
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

* Shareholders' funds/net assets as shown in the Condensed Statement of Financial Position on page 10.

** 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 2021



Valuation based on fair value

Chairman's Statement

I am pleased to present the unaudited Half-Yearly Report of the Company for the six month period ended 31 March 2021.

As at 31 March 2021, net assets were £346.3 million. This represents an increase of £179.3 million from 31 March 2020 and an increase of £86.1 million since 30 September 2020. After adding back the dividend paid in the period, the total return in the six month period under review was +31.9% per share.

The Company's total return compared favourably to the FTSE AIM All-Share Index, which increased by 25.3% over the same period, while the total return of the FTSE All-Share Index was +18.5%.

The growth in capital value, from the low point reached in March 2020, is gratifying and performance over the past six months has been particularly pleasing, since it contrasts so sharply with the painful decline in value experienced in the equivalent six month period ended 31 March 2020 following the outbreak of the Covid-19 pandemic. This welcome reversal in fortunes highlights the advantages of adopting a diversified and long-term approach to managing a portfolio of predominantly AIM listed companies, whose value can fluctuate rapidly during periods of stress and subsequent recovery.

Investment Performance

A review of the ten most meaningful contributions to performance in the period in absolute terms (both positive and negative) follows.

Contributors:-

MaxCyte (+£16.1 million) is a clinical-stage, cell-based therapies and life sciences business that has developed a unique and patented cell-engineering platform. Final results released at the end of March 2021, confirmed that the business made significant progress in 2020. Although MaxCyte remains loss-making, revenues grew by an impressive 21% to \$26.2 million, while pre-tax losses narrowed significantly. Further revenue growth is anticipated during 2021, driven by continued progress with existing commercial partners and the conversion of significant new pipeline opportunities. More important, the possible total value of future milestone payments has now risen to over \$950 million. During the period, MaxCyte successfully raised £40 million, which bolstered its balance sheet and brought new shareholders to the company's register in advance of an expected listing on NASDAQ later in 2021.

Renalytix AI (+£6.3 million) is an artificial intelligence enabled 'in vitro' diagnostics company focused on optimising the clinical management of kidney disease. Interim results for the six months ended 31 December 2020 confirmed significant operational and regulatory progress including the first commercial orders for its key KidneyIntelX tests. In February 2021, the United States Office of Management and Budget cleared KidneyIntelX under the Medicare Coverage of Innovation Technology rule, which grants nationwide reimbursement approval for the IntelX test following regulatory clearance from the US Food and Drug Administration. At the end of April 2021, Renalytix AI announced its first major commercial

contract. Under the terms of the 10-year, US government contract for KidneyIntelX testing, pricing has been set at \$950 per reportable result. The specific test is for diabetic kidney disease, and the contract covers 140 US government departments, including the military. This contract is a major breakthrough for Renalytix AI and represents comprehensive validation of their AI driven technology platform.

Hasgrove (+£6.2 million) is the holding company for Interact; a Software-as-a-Service ("SaaS") business, which delivers internal business communications software that helps global corporations to develop fully engaged and productive work environments. Trading at Interact exceeded expectations during its financial year to 31 December 2020, despite a challenging operational backdrop, with annual revenues growing by 26% to £20.1 million. Subscription sales have continued to grow strongly as the business expands its operations and strategic focus on North America. In addition, Interact continues to benefit from the need for businesses to enable their employees to work from home during the ongoing global pandemic.

Surface Transforms ("ST") (+£5.3 million) is a manufacturer of carbon fibre reinforced ceramic automotive brake discs. In a trading update covering the twelve month period ended 31 December 2020, management reported on a transformational year of progress for the company, with ST's patented ceramic brake discs being specified on a number of new vehicle models from a variety of automotive manufacturers. As a result, contracted pipeline revenues have increased significantly. Management remains confident of securing nomination on further vehicle models, with pilot testing programmes and commercial negotiations both reported to be progressing well. In January 2021, ST successfully raised £18 million of additional capital to fund an expansion of existing production capacity.

Interactive Investor (ii) (+£4.3 million) is the UK's second largest direct-to-consumer investment platform with assets under administration of £45 billion and more than 350,000 customers. ii currently has corporate net assets of more than £200 million and operates with no debt. In its financial year ended 31 December 2020, ii generated revenues of £121.3 million and EBITDA of £48.3 million representing growth on the previous financial year of 46% and 90% respectively. In March 2021, ii agreed to acquire the direct-to-consumer retail customer book from EQ, for a total consideration of up to £48.5 million. On completion of this latest transaction, ii's assets under administration are expected to increase further, to around £50 billion, while customer numbers are likely to be more than 400,000.

Access Intelligence (+£3.8 million) provides Software-as-a-Service ("SaaS") solutions for the public relations, communications and marketing divisions of large corporates. Final results for the financial year ended 30 November 2020 confirmed that the business has made considerable progress in winning new international 'blue-chip' clients including; Amazon, Twitter and AstraZeneca. These important customer wins helped to fuel strong growth in annual contract value of 21% to £21.9 million, which supports growth in future revenues.

Access Intelligence successfully raised £10 million in new capital in December 2020, which will be used to invest in enhancing the product portfolio and to enable further geographic expansion.

Anpario (+£3.6 million) is a manufacturer and distributor of natural feed additives for animal health, nutrition and biosecurity. Anpario reported resilient results for the 12 months ended 31 December 2020, despite the broader challenges associated with the Covid-19 pandemic. Group revenues increased 5% to £30.5 million, while profit before tax increased by 22% to £5.4 million. This impressive financial performance was primarily driven by strong sales growth in the Americas, Europe and China, combined with tight cost control, which resulted in the business generating a record level of annual profit. Anpario's natural products are particularly well placed to capture further demand, due to increasing legal restrictions surrounding the use of antibiotic growth promoters in production animals.

Ilika (+£3.1 million) is a pioneer in the development of solid state battery technology, enabling solutions for many different customers that require safe, portable, flexible, fast charging, high energy battery solutions. Ilika has continued to develop and commercialise its thin-film 'Stereax' miniature solid-state batteries that are primarily designed to power medical devices and industrial wireless sensors in hostile environments. In addition, Ilika has made good progress in developing its large-format 'Goliath' battery cells for use in electric vehicles and has recently signed a framework agreement with the UK Battery Industrialisation Centre, which is designed to facilitate growth in battery production from 1 kilo-watt hour per week to 5 Mega-watt hour per week by 2024.

Destiny Pharma (+£3.1 million) is a clinical phase biotechnology company dedicated to the development of novel gels focused on infection prevention. Destiny Pharma recently announced positive results from a clinical study which tests its XF-73 nasal gel for the prevention of post-surgical infections such as methicillin-resistant *Staphylococcus aureus* (commonly known as MRSA). Following this positive development, the business now plans to develop a Phase 3 clinical study alongside regulatory bodies, including the US Food & Drug Administration. Destiny's management team has identified a significant potential commercial opportunity for XF-73 in hospitals to help tackle the fight against MRSA.

Avacta Group (+£3.0 million) develops innovative cancer therapies and diagnostics based on its proprietary Affimer® and pre[CISION™ platforms. Avacta recently released its final results for the financial year ended 31 December 2020, which highlighted the remarkable progress made in its Diagnostics division over the past twelve months. Importantly, Avacta has achieved excellent clinical sensitivity and specificity for its rapid coronavirus antigen 'lateral flow' test. The mass manufacture and commercialisation of this test is now dependent upon securing a CE Mark that will serve to validate the safety and conformity of the product. On 10 May 2021, Avacta reported that the Declaration of Conformity for the CE mark had been submitted to the Medicines and Healthcare Products Regulatory Agency ("MHRA"). Avacta's Therapeutics division also

made substantial progress during 2020, despite the significant constraints on operations imposed as a result of the Covid-19 pandemic. In addition to various key licensing and partnership agreements, Avacta has also secured critical approval from the MHRA to trial its proprietary pre[CISION™ chemistry in a phase 1 'in-human' trial on patients who have locally advanced cancerous tumours.

In view of the buoyant equity markets that prevailed during the period under review, positive contributions were broadly spread throughout the portfolio. The ten best performing stocks, as reported on above, in aggregate, delivered realised and unrealised capital gains amounting to more than £53 million.

Detractors:-

There were no material detractors from performance during the period under review. In absolute terms, the ten largest detractors from performance registered, in aggregate, an unrealised capital loss of £3 million, which equates to less than 1% in negative performance contribution overall.

Investment Activity

The pipeline of investment opportunities strengthened during the period under review, as the UK equity market continued to recover from the sell-off triggered by the onset of the Covid-19 pandemic in early 2020. As a result, the number and value of deals completed in the first half of the Company's current financial year increased significantly. In total, five new VCT qualifying transactions were completed in the period, while follow-on investments were made in three portfolio companies that remained eligible for further State Aided funding. In aggregate, £11.5 million was allocated to VCT qualifying companies in the period. A detailed review of the new investments made in the period will be contained in the Annual Report for the financial year ending 30 September 2021.

In aggregate, over £9.3 million was raised from the partial disposal of a number of holdings during the period. The purpose of such disposals is threefold; to manage stock specific risk, to lock in capital profits for future distribution to Shareholders via dividend payments, and to help manage liquidity requirements.

Offer for Subscription

The latest Offer for Subscription was launched on 28 January 2021. The Offer was heavily oversubscribed and closed to applications on 11 February 2021. In relation to the tax year ended 5 April 2021, new shares to the value of £12.0 million were allotted and issued. On behalf of the Board, I welcome all new Shareholders and thank existing Shareholders for their continued support.

Dividends

The Board has declared an interim dividend of 3.0 pence per share, for the six months ended 31 March 2021. This interim dividend will be paid on 12 August 2021 to Shareholders on the register on 16 July 2021. The shares will be quoted ex-dividend on 15 July 2021.

Chairman's Statement (continued)

Dividend decisions are taken by the Board of the Company and are always subject to a number of factors including; market conditions, satisfactory performance, and/or availability of cash and distributable reserves.

Dividend Reinvestment Scheme ("DRIS")

On 11 February 2021, 182,131 Ordinary Shares were allotted at a price of 215.3 pence per share, being the latest published net asset value at 31 January 2021, to Shareholders who elected to receive Ordinary Shares under the DRIS as an alternative to the final cash dividend for the year ended 30 September 2020.

Share Buybacks

During the period from 1 October 2020 to 31 March 2021, the Company bought back 1,878,400 of its own Ordinary Shares for cancellation, at an average price of 181.3 pence per share including costs.

As at 31 March 2021, there were 149,221,613 Ordinary Shares in issue.

Material Transactions

Other than the allotment of shares under the Offer for Subscription, share buybacks and the purchase and sale of investments described above, there were no material transactions in the six month period ended 31 March 2021. Subsequent to the end of the period under review, a further 1,129,286 new Ordinary Shares were allotted and issued under the Offer for Subscription. These new shares were issued to applicants who requested that their shares be allotted in the 2021/2022 tax year. Following this allotment, the Company had 150,350,899 Ordinary Shares in issue.

VCT Status

The Company remains above the VCT qualifying threshold required by HM Revenue & Customs, with approximately 89.4% (excluding new capital) 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.

Outlook

The impressive roll-out of the nationwide vaccination programme, means that almost 37 million people, being approximately 70% of the UK adult population, have already received their first dose of vaccine and over 38% have also received a second dose. When taken in conjunction with the extended national lockdown measures that have been in place since December 2020, the UK is currently experiencing a welcome and sustained fall in the number of new Covid-19 infections.

The negative long term economic consequences of the global pandemic are likely to be significant. The huge increase in

government debt, the likelihood of a significant rise in structural unemployment and the possibility of a return of inflation, despite stagnant economic growth, all suggest there will be a heavy price to pay in future for protecting the UK population today. In the short term however, the UK's emergence from a third national lockdown will lead to a sharp recovery in consumer spending. The restrictions have resulted in a significant increase in the UK household savings ratio, which had risen to a near record high of 16.1% by the end of March 2021, according to data recently released by the Office for National Statistics. As a result, household savings are forecast to have increased by at least £150 billion in the past twelve months. Meanwhile, incomes and vulnerable jobs have largely been protected over the past year by government initiatives such as the furlough scheme. As national lockdown restrictions are eased, the early evidence of consumer behaviour suggests that this excess disposable income may well be deployed in a short-term spending spree that reflects significant pent-up consumer demand, especially across the hospitality, leisure, retail and travel sectors. Current economic forecasts suggest that UK Gross Domestic Product may grow by up to 7% in 2021, despite the lockdown in the first quarter, which gives a clear indication of the potential strength of this pent-up demand.

In the absence of a further serious wave of Covid-19 infections in the UK, the Board is cautiously optimistic about the prospect of delivering net asset growth in the second half of the Company's financial year. This cautious optimism is however, moderated by worrying developments elsewhere, particularly in India, where virus mutations appear to have facilitated an explosive growth in the rate of new and serious infections.

Conclusion

The Board is pleased with the strong progress made by the Company in the six months ended 31 March 2021. The performance of the portfolio during the period was exceptional, however, we should not expect that to be repeated in the second half of the year. The positive absolute and relative performance, combined with an over-subscribed Offer for Subscription, led to the net assets of the Company closing the period at a record high level of £346.3 million.

As ever, the long term aim remains to deliver meaningful capital returns, while maintaining the long established track record of distributing a steady and attractive flow of tax free dividends to eligible Shareholders.

Notwithstanding the risks posed by the ongoing Covid-19 crisis, I am hopeful of being in a position to report on further progress after the end of the current financial year.

Tim Woodcock
Chairman

18 May 2021

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, 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 2021

	Book cost £'000	Valuation £'000	% of net assets by value*
Qualifying investments			
AIM quoted investments			
MaxCyte	2,954	21,811	6.3
Abcam	1,161	16,249	4.7
Surface Transforms	3,164	12,821	3.7
Renalytix AI	1,425	10,602	3.1
Tracsis	1,500	10,560	3.0
Tristel	878	10,303	3.0
Anpario	1,423	10,258	3.0
Avacta Group	932	9,331	2.7
Access Intelligence	3,232	8,836	2.5
Cohort	1,278	7,200	2.1
Mattioli Woods	1,626	6,516	1.9
Keywords Studios	303	6,347	1.8
Ilika	1,232	5,699	1.6
Directa Plus	3,800	5,493	1.6
Avingtrans	996	5,378	1.5
Destiny Pharma	2,000	5,108	1.5
AB Dynamics	793	5,025	1.5
Idox	1,242	3,984	1.2
Animalcare Group	2,401	3,910	1.1
Trackwise Designs	1,750	3,900	1.1
Instem	985	3,546	1.0
Belvoir Group	1,883	3,156	0.9
Wey Education	2,150	3,127	0.9
British Honey Company (The)	3,001	3,110	0.9
ULS Technology	1,500	3,075	0.9
Omega Diagnostics	444	2,960	0.9
City Pub Group	2,250	2,773	0.8
Verici DX	900	2,610	0.8
Feedback	2,000	2,400	0.7
Oncimmune Holdings	2,088	2,239	0.6
Angle	1,385	2,215	0.6
Fusion Antibodies	1,160	2,096	0.6
PCI-PAL	900	2,060	0.6
45 investments each valued at less than 0.5% of net assets	39,687	20,882	6.0
	94,423	225,580	65.1

	Book cost £'000	Valuation £'000	% of net assets by value*
Qualifying investments			
Unlisted investments			
Hasgrove	1,313	29,976	8.7
Interactive Investor**	1,250	11,362	3.3
nkoda Limited	2,500	1,625	0.5
Heartstone Inns	1,113	788	0.3
LightwaveRF	2,616	500	0.1
Osirium Technologies - Loan Stock	500	500	0.1
Phynova	1,500	490	0.1
Syndicate Room	1,250	112	0.0
3 investments each valued at less than 0.1% of net assets	2,215	34	0.0
	14,257	45,387	13.1
Total qualifying investments	108,680	270,967	78.2
Non-qualifying investments			
Interactive Investor**	2,197	23,153	6.7
Fully listed UK equities	14,944	13,438	3.9
AIM quoted investments	7,181	11,494	3.3
Unicorn Ethical Fund (OEIC) Income	4,483	4,088	1.2
Unicorn UK Growth Fund (OEIC)	416	1,169	0.3
Unicorn UK Smaller Companies Fund (OEIC)	272	1,046	0.3
Unicorn Ethical Fund (OEIC) Accumulation	616	617	0.2
Lloyds Banking Group 9.25% Preference Shares	267	306	0.1
Other unlisted investments each valued at less than 0.1% of net assets	368	-	-
	30,744	55,311	16.0
Total non-qualifying investments	30,744	55,311	16.0
Total investments	139,424	326,278	94.2
Cash and cash equivalents		21,861	6.3
Current assets		165	0.1
Current liabilities		(2,020)	(0.6)
Net assets		346,284	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 to 4.

In accordance with DTR 4.2.7, the Directors consider that the principal risks and uncertainties facing the Company have not materially changed since the publication of the Annual Report and Accounts for the year ended 30 September 2020.

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 and political
- global pandemics

A more detailed explanation of these risks and the way in which they are managed can be found in the Strategic Report on page 26 and in the Notes to the Financial Statements on pages 64 and 65 of the 2020 Annual Report and Accounts – copies can be found via the Company's website www.unicornaimvct.co.uk.

Global Pandemics

Covid-19 remains a significant risk which has impacted global commercial activities. The Board continues to monitor 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 impact of Covid-19 and the Chairman's Statement covers this subject in more detail. The Board continues to liaise 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), 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 profit of the Company for the period ended 31 March 2021, 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 and the 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 2021 and the above responsibility statement was signed on its behalf by:

Tim Woodcock
Chairman

18 May 2021

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 2021

	Notes	Six months ended 31 March 2021 (unaudited)			Six months ended 31 March 2020 (unaudited)			Year ended 30 September 2020 (audited)		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net unrealised gains/ (losses) on investments	7	-	80,885	80,885	-	(26,802)	(26,802)	-	50,506	50,506
Net gains/(losses) on realisation of investments	7	-	3,606	3,606	-	(648)	(648)	-	337	337
Income	4	913	-	913	966	-	966	1,620	-	1,620
Investment management fees	2	(709)	(2,126)	(2,835)	(469)	(1,410)	(1,879)	(1,042)	(3,126)	(4,168)
Other expenses		(362)	-	(362)	(355)	-	(355)	(747)	-	(747)
(Loss)/profit on ordinary activities before taxation		(158)	82,365	82,207	142	(28,860)	(28,718)	(169)	47,717	47,548
Tax on (loss)/profit on ordinary activities	3	-	-	-	-	-	-	-	-	-
(Loss)/profit and total comprehensive income after taxation		(158)	82,365	82,207	142	(28,860)	(28,718)	(169)	47,717	47,548
Basic and diluted earnings per share:										
Ordinary Shares	5	(0.11)p	56.30p	56.19p	0.11p	(22.16)p	(22.05)p	(0.12)p	34.69p	34.57p

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 13 to 18 form part of these Half-Yearly financial statements.

Unaudited Condensed Statement of Financial Position

as at 31 March 2021

	Notes	As at 31 March 2021 (unaudited) £'000	As at 31 March 2020 (unaudited) £'000	As at 30 September 2020 (audited) £'000
Non current assets				
Investments at fair value	1e,7	326,278	163,742	239,566
Current assets				
Debtors		165	365	916
Cash and cash equivalents		21,861	4,034	21,387
		22,026	4,399	22,303
Creditors: amounts falling due within one year		(2,020)	(1,177)	(1,663)
Net current assets		20,006	3,222	20,640
Net assets		346,284	166,964	260,206
Share capital and reserves				
Called up share capital		1,492	1,300	1,457
Capital redemption reserve		74	33	56
Share premium account		50,617	14,031	38,320
Capital reserve		194,040	41,573	117,421
Special reserve		92,902	108,125	98,434
Profit and loss account		7,159	1,902	4,518
Equity Shareholders' funds		346,284	166,964	260,206
Basic and diluted net asset value per share of 1p each				
Ordinary Shares	8	232.06p	128.43p	178.55p

The financial information for the six months ended 31 March 2021 and the six months ended 31 March 2020 has not been audited.

The notes on pages 13 to 18 form part of these Half-Yearly financial statements.

Unaudited Condensed Statement of Changes in Equity

for the six months ended 31 March 2021

	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 2021							
At 1 October 2020	1,457	56	38,320	117,421	98,434	4,518	260,206
Profit after taxation	-	-	-	76,619	-	5,588	82,207
Transfer to special reserve	-	-	-	-	(2,126)	2,126	-
Net proceeds from share issue	52	-	11,922	-	-	-	11,974
Net proceeds from DRIS share issue	1	-	375	-	-	-	376
Net cost of share buybacks	(18)	18	-	-	(3,406)	-	(3,406)
Dividend paid	-	-	-	-	-	(5,073)	(5,073)
At 31 March 2021	1,492	74	50,617	194,040	92,902	7,159	346,284
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)
Dividend paid	-	-	-	-	-	(4,535)	(4,535)
At 31 March 2020	1,300	33	14,031	41,573	108,125	1,902	166,964
Year ended 30 September 2020							
At 1 October 2019	1,307	25	13,856	65,535	114,297	6,096	201,116
Profit/(loss) after taxation	-	-	-	51,886	-	(4,338)	47,548
Transfer to special reserve	-	-	-	-	(7,295)	7,295	-
Net proceeds from share issues	178	-	23,987	-	-	-	24,165
Net proceeds from DRIS share issues	3	-	477	-	-	-	480
Net cost of share buybacks	(31)	31	-	-	(4,147)	-	(4,147)
Dividends paid	-	-	-	-	(4,421)	(4,535)	(8,956)
At 30 September 2020	1,457	56	38,320	117,421	98,434	4,518	260,206

The financial information for the six months ended 31 March 2021 and the six months ended 31 March 2020 has not been audited.

The profit and loss account comprises the revenue reserve of £40,000 and the realised capital reserve of £7,119,000.

*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 notes on pages 13 to 18 form part of these Half-Yearly financial statements.

Unaudited Condensed Statement of Cash Flows

for the six months ended 31 March 2021

	Notes	Six months ended 31 March 2021 (unaudited) £'000	Six months ended 31 March 2020 (unaudited) £'000	Year ended 30 September 2020 (audited) £'000
Operating activities				
Investment income received		1,135	1,150	1,638
Investment management fees paid		(2,541)	(2,041)	(3,936)
Other cash payments		(331)	(283)	(757)
Net cash outflow from operating activities		(1,737)	(1,174)	(3,055)
Investing activities				
Purchase of investments	7	(11,532)	(4,455)	(6,910)
Sale of investments	7	9,857	5,830	10,239
Net cash (outflow)/inflow from investing activities		(1,675)	1,375	3,329
Net cash (outflow)/inflow before financing		(3,412)	201	274
Financing				
Dividends paid	6	(4,682)	(4,362)	(8,446)
Shares issued under Offer for Subscription (net of transaction costs paid in the period)		11,974	(123)	24,343
Expenses of DRIS share issues		-	-	(30)
Shares repurchased for cancellation		(3,406)	(1,075)	(4,147)
Net cash inflow/(outflow) from financing		3,886	(5,560)	11,720
Net increase/(decrease) in cash and cash equivalents		474	(5,359)	11,994
Cash and cash equivalents at start of period		21,387	9,393	9,393
Cash and cash equivalents at end of period		21,861	4,034	21,387
Reconciliation of operating profit/(loss) to net cash outflow from operating activities				
Profit/(loss) for the period		82,207	(28,718)	47,548
Net unrealised (gains)/losses on investments		(80,885)	26,802	(50,506)
Net (gains)/losses on realisation of investments		(3,606)	648	(337)
Transaction costs		(10)	(2)	(6)
Decrease in debtors and prepayments		227	187	34
Increase/(decrease) in creditors and accruals		342	(77)	231
Reconciling items – dividends reinvested		(12)	(14)	(19)
Net cash outflow from operating activities		(1,737)	(1,174)	(3,055)

The financial information for the six months ended 31 March 2021 and the six months ended 31 March 2020 has not been audited.

The notes on pages 13 to 18 form part of these Half-Yearly financial statements.

Notes to the Unaudited Financial Statements

for the six months ended 31 March 2021

1. Principal accounting policies

a) Statement of compliance

The Company's Financial Statements for the six months to 31 March 2021 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 2020.

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 periods ended 31 March 2021 and 31 March 2020 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 2020 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 2021, the Company held cash balances of £21.9 million. 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 £2.6 million, after costs, has been raised under the Offer for Subscription.

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 2021

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 £2,126,000 being 75% of the investment management fees to the capital reserve and the balance of 25% being £709,000 to revenue.

At 31 March 2021, £1,498,000 payable to the Investment Manager is included in creditors due within one year.

3. Taxation

The total allowable expenses exceed income hence there is no tax charge for the period.

4. Income

	Six months ended 31 March 2021 (unaudited) £'000	Six months ended 31 March 2020 (unaudited) £'000	Year ended 30 September 2020 (audited) £'000
Dividends	829	881	1,418
Unicorn managed OEICs (including reinvested dividends)	64	61	39
Bank deposit interest	1	4	11
Loan stock interest	19	20	152
	913	966	1,620

5. Basic and diluted earnings and return per share

	Six months ended 31 March 2021 (unaudited)	Six months ended 31 March 2020 (unaudited)	Year ended 30 September 2020 (audited)
Total earnings after taxation (£'000)	82,207	(28,718)	47,548
Basic and diluted earnings per share (pence)	56.19	(22.05)	34.57
Net revenue from ordinary activities after taxation (£'000)	(158)	142	(169)
Basic and diluted revenue earnings per share (pence)	(0.11)	0.11	(0.12)
Total capital return after taxation (£'000)	82,365	(28,860)	47,717
Basic and diluted capital earnings per share (pence)	56.30	(22.16)	34.69
Weighted average number of shares in issue in the period	146,297,150	130,219,359	137,556,594

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 2021 (unaudited) £'000	Six months ended 31 March 2020 (unaudited) £'000	Year ended 30 September 2020 (audited) £'000
Amounts recognised as distributions to equity holders in the period:			
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	4,553
Interim capital dividend of 3.0 pence per share and interim income dividend of nil pence per share for the year ended 30 September 2020 paid on 12 August 2020	-	-	4,421
Final capital dividend of 3.5 pence per share and final income dividend of nil pence per share for the year ended 30 September 2020 paid on 11 February 2021	5,073	-	-
Total dividends paid in the period*	5,073	4,553	8,974
Unclaimed dividends returned	-	(18)	(18)
	5,073	4,535	8,956

* The difference between total dividends paid and that shown in the Condensed Cash Flow Statement is £391,000, which is the amount of dividends reinvested under the Dividend Reinvestment Scheme ("DRIS"). To arrive at the movement of £376,000 shown in the Condensed Statement of Changes in Equity, expenses of £15,000 have been deducted.

Notes to the Unaudited Financial Statements (continued)

for the six months ended 31 March 2021

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 2020	15,211	91,508	16,338	500	5,775	129,332
Unrealised (losses)/gains at 30 September 2020	(4,517)	79,561	42,475	-	(99)	117,420
Permanent impairment in value of investments	-	(6,819)	(367)	-	-	(7,186)
Opening valuation at 30 September 2020	10,694	164,250	58,446	500	5,676	239,566
Shares delisted	-	(1,301)	1,301	-	-	-
Purchases at cost	-	11,532	-	-	12	11,544
Sale proceeds	-	(7,242)	(2,091)	-	-	(9,333)
Net realised gains*	-	3,019	597	-	-	3,616
Increase in unrealised gains	3,050	66,816	9,787	-	1,232	80,885
Closing valuation at 31 March 2021	13,744	237,074	68,040	500	6,920	326,278
Book cost at 31 March 2021	15,211	101,604	16,322	500	5,787	139,424
Unrealised (losses)/gains at 31 March 2021	(1,467)	142,289	52,085	-	1,133	194,040
Permanent impairment in value of investments	-	(6,819)	(367)	-	-	(7,186)
Closing valuation at 31 March 2021	13,744	237,074	68,040	500	6,920	326,378

* Transaction costs on the purchase and disposal of investments of £10,000 were incurred in the period. These are excluded from realised gains shown above of £3,616,000 but were included in arriving at gains on realisations of investments disclosed in the Condensed Income Statement of £3,606,000.

Reconciliation of cash movements in investment transactions

The difference between the sales in Note 7 and that shown in the Condensed Cash Flow Statement is £524,000 which is the result of outstanding trades at 30 September 2020. The difference between purchases per Note 7 above and that shown in the Condensed Cash Flow Statement is £12,000, 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 2021				
Equity investments	250,512	-	68,040	318,552
Non-equity investments	306	-	-	306
Loan stock investments	-	-	500	500
Open ended investment companies	6,920	-	-	6,920
Total	257,738	-	68,540	326,278
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 30 September 2020				
Equity investments	174,675	-	58,446	233,121
Non-equity investments	269	-	-	269
Loan stock investments	-	-	500	500
Open ended investment companies	5,676	-	-	5,676
Total	180,620	-	58,946	239,566

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 £1,301,000 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 2021

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 2020	58,446	500	58,946
Transfers to level 3	1,301	-	1,301
Purchases	-	-	-
Sales	(2,091)	-	(2,091)
Total gains included in gains/(losses) on investments in the Condensed Income Statement			
- on assets sold	597	-	597
- on assets held at the period end	9,787	-	9,787
Closing balance at 31 March 2021	68,040	500	68,540

The transfer into Level 3 relates to HML Holdings which delisted during the period and was subsequently sold under a tender offer.

8. Net asset values

	At 31 March 2021 <small>(unaudited)</small>	At 31 March 2020 <small>(unaudited)</small>	At 30 September 2020 <small>(audited)</small>
Net assets	£346,284,000	£166,964,000	£260,206,000
Number of shares in issue	149,221,613	130,005,698	145,732,541
Net asset value per share	232.06p	128.43p	178.55p

9. Post Balance Sheet Events

On 8 April 2021, the Company allotted and issued 1,129,286 Ordinary shares representing approximately 0.8% of the share capital at prices ranging from 237.44 pence per share to 238.15 pence per share, raising net funds of £2,621,000 from gross subscriptions of £2,684,000.

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 2021 was 244.8p. The Company announces its unaudited NAV on a monthly basis but only revalues unquoted investments quarterly.

Dividends

The Board has declared an interim dividend in respect of the six months ended 31 March 2021 of 3.0 pence per share, payable on 12 August 2021 to Shareholders registered at the close of business on 16 July 2021. The ex-dividend date is 15 July 2021.

As disclosed in the Annual Report the Board decided that after the payment of the dividend in February 2021 the Company will move to paying all cash dividends by bank transfer rather than by cheque. Shareholders will have the following options available for future dividends:

- Complete a bank mandate form and receive dividends via direct credit to a UK domiciled bank account.
- Reinvest the dividends for additional shares in the Company through the Dividend Reinvestment Scheme (details below).

For those Shareholders who previously received their dividends by cheque and who did not complete and return the mandate form attached to the February 2021 dividend payment please contact the Registrar, City Partnership on 01484 240910 or by email: registrars@city.uk.com.

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 or by post to the address on page 22. 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 22.

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 public markets.

Alternative performance measures

A financial measure of historical or future performance or financial position shown in the Key Performance Indicators on pages 19 and 20 of the 2020 Annual Report and Accounts.

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 the result 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 it is assumed an asset or equity instrument could be sold. For investments traded on a Stock Exchange market this is usually the closing bid price on the valuation 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 per share

Total Net Assets divided by the number of shares in issue at the date of calculation.

NAV total return

Comprises the NAV per share on any given date plus the cumulative dividends paid at that date.

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.

Summary of VCT Regulations

To assist Shareholders, the following is a summary of the most important rules and regulations that determine VCT approval.

To maintain its status as a VCT, the Company must meet a number of conditions, the most important of which are that:

- for accounting periods beginning on or after 6 April 2019 the Company must hold at least 80%, by VCT tax value*, of its total investments (shares, securities and liquidity) in VCT qualifying holdings. New capital raised is not included in calculations for this purpose for approximately three years;
- all qualifying investments made by VCTs on or after 6 April 2018, together with qualifying investments made by funds raised on or after 6 April 2011, are in aggregate required to comprise at least 70% by VCT tax value in "eligible shares", which carry no preferential rights (save as may be permitted under VCT rules) to dividends or return of capital and no rights to redemption;
- no investment in a single company or group of companies may represent more than 15% (by VCT tax value) of the Company's total investments and cash at the date of investment;
- the Company must pay sufficient levels of income dividend from its revenue available for distribution so as not to retain more than 15% of its income from shares and securities in a year;
- the Company's shares must be listed on a regulated European stock market;
- non-qualifying investments can no longer be made, except for certain exemptions in managing the Company's short-term liquidity; and
- VCTs are required to invest 30% of funds raised in an accounting period beginning on or after 6 April 2018 in qualifying holdings within 12 months of the end of the accounting period.

* VCT tax value means as valued in accordance with prevailing VCT legislation. The value of an investment when acquired, rebased if the holding is added to, which causes an increase or decrease in its value. This may differ from the actual cost of each investment shown in the Investment Portfolio Summary on pages 6 and 7.

Since 6 April 2019:

- the period for reinvestment of proceeds on disposal of qualifying investments increased from 6 to 12 months.

To be a VCT qualifying holding, new investments must be in companies:

- which carry on a qualifying trade;
- which have no more than £15 million of gross assets at the time of investment and no more than £16 million immediately following investment from VCTs;
- whose maximum age is generally up to seven years (ten years for knowledge intensive businesses);
- that receive no more than an annual limit of £5 million and a lifetime limit of £12 million (for knowledge intensive companies the annual limit is £10 million and the lifetime limit is £20 million), from VCTs and similar sources of State Aided funding;
- that use the funds received from VCTs for growth and development purposes.

In addition, VCTs may not:

- offer secured loans to investee companies, and any returns on loan capital above 10% must represent no more than a commercial return on the principal; and
- make investments that do not meet the new 'risk to capital' condition (which requires a company, at the time of investment, to be an entrepreneurial company with the objective to grow and develop, and where there is a genuine risk of loss of capital).

Corporate Information

Directors (all non-executive)

Tim Woodcock (Chairman)
Charlotta Ginman
Jeremy Hamer
Jocelin Harris

Registered office:

Suite 8, Bridge House
Courtenay Street
Newton Abbot TQ12 2QS

Secretary & Administrator

ISCA Administration Services Limited
Suite 8, Bridge House
Courtenay Street
Newton Abbot TQ12 2QS

Company Registration Number

04266437

Legal Entity Identifier

21380057QDV7D34E9870

Website

www.unicornaimvct.co.uk

Investment Manager

Unicorn Asset Management Limited
First Floor Office
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The Charterhouse
Charterhouse Square
London EC1M 6AU

VCT Tax Adviser

PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH

Stockbroker

Panmure Gordon (UK) Limited
One New Change
London EC4M 9AF

Auditor

BDO LLP
55 Baker Street
London W1U 7EU

Custodian

The Bank of New York Mellon
One Canada Square
London E14 5AL

Bankers

National Westminster Bank plc
City of London Office
PO Box 12264
1 Princes Street
London EC2R 8BP

Registrar

The City Partnership (UK) Limited
Suite 2 Park Valley House
Meltham Road
Huddersfield HD4 7BH

Solicitors

Shakespeare Martineau LLP
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