

Product

Unicorn AIM VCT

Tax Status

Venture Capital Trust

Fund Group

Unicorn Asset Management

Risk Warning

This communication is provided for informational purposes only. This information does not constitute advice on investments within the meaning of Article 53 of the Financial Services and Markets Act (Regulated Activities) Order 2001. Should investment advice be required this should be sought from a FCA authorised person.

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Table of Contents

RISK WARNINGS AND DISCLAIMERS4

GENERAL RISK WARNINGS4

ADDITIONAL RISK WARNINGS4

Factsheet.....5

Summary5

Disclaimer5

TER classification6

Review based upon6

The Offer.....6

Track Record9

Manager 10

Costs 12

Conclusion 13

RISK WARNINGS AND DISCLAIMERS

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GENERAL RISK WARNINGS

Your attention is drawn to the following risk warnings which identify some of the risks associated with the investments which are mentioned in the Review:

Fluctuations in value of investments

The value of investments and the income from them can go down as well as up and you may not get back the amount invested.

Suitability

The investments may not be suitable for all investors and you should only invest if you understand the nature of and risks inherent in such investments and, if in doubt, you should seek professional advice before effecting any such investment.

Past performance

Past performance is not a guide to future performance.

Legislation

Changes in legislation may adversely affect the value of the investments.

Taxation

The levels and the bases of the reliefs from taxation may change in the future. You should seek your own professional advice on the taxation consequences of any investment.

ADDITIONAL RISK WARNINGS

Venture capital trusts

1. An investment in a VCT carries a higher risk than many other forms of investment.
2. A VCT's shares, although listed, are likely to be difficult to realise.
3. You should regard an investment in a VCT as a long term investment, particularly as regards a VCT's investment objectives and policy and the five year period for which shareholders must hold their ordinary shares to retain their initial income tax reliefs.
4. The investments made by VCTs will normally be in companies whose securities are not publicly traded or freely marketable and may therefore be difficult to realise and investments in such companies are substantially riskier than those in larger companies.
5. If a VCT loses its Inland Revenue approval tax reliefs previously obtained may be lost.
6. No investment can be made by the VCT in a company whose first commercial sale was more than 7 years prior to date of investment, except where previous State Aid Risk Finance was received by the company within 7 years (10 years for a 'knowledge intensive' company) or where a turnover test is satisfied; and
7. No funds received from an investment by the VCT into a company can be used to acquire another existing business or trade.

Factsheet

Unicorn AIM VCT

Type	AIM VCT with track record
Size	£20m fund raising with £15m overallotment. There is currently £227m of AUM within the Unicorn AIM VCT
Manager	Unicorn Asset Management
Sponsor	N/A (Public Offers and Admissions to Trading Regulations)
Registrars	The City Partnership (UK) Ltd
Focus	To generate tax free capital gains and regular dividend income for its shareholders through a diversified portfolio of VCT qualifying AIM listed investments across a broad range of sectors
Promoter	Light Tower Partners
Funds initially invested	Cash deposits and quoted investments
Minimum investment	£3,000 per tax year, including initial adviser charges
Initial Closing Date	2 April 2026 for the 2025/2026 tax year, for the 2026/2027 tax year the offer will close on July 31st or when fully subscribed
Issue costs	2.5% for IFA/advised investors
Annual costs	2%
Initial advisor charges	If charged, these may be facilitated by the VCT on subscription

Summary

Table 1: Tax Efficient Review summary of offering Pros and Cons

PROs	CONs
A total of 12.5p per share of dividends was paid to investors in 2025, A further special dividend of 23p has been proposed to be paid in 2026 following the partial sale of Hasgrove.	The buyback policy has no fixed target discount and there is a wide discount (over 10% for the latest buyback in August 2025) between the NAV per share and the share price
The recent changes to what constitutes a VCT-qualifying company could significantly widen the universe of investable companies for the AIM VCTs	The Unicorn AIM VCT has topped the AIM VCT peer group over the 3, 5 and 10 year timescales for performance, but the overall performance of the AIM market has been poor in recent years
The Unicorn AIM VCT remains one of the largest AIM VCTs and provides a diverse portfolio of AIM stocks. They also have an experienced management team including Simon Moon, Fraser Mackersie, Chris Hutchinson and Max Ormiston all of whom have been with the firm in excess of 12 years.	Whilst the manager has measures in place to mitigate any issues the holding of Oberon Investments Group by the Unicorn AIM VCT could be seen as a conflict of interest. Oberon advise and promote unquoted companies about listing on the AIM Market, and they also run a smaller AIM VCT as well

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Tax Efficient Review classification

Tax Efficient Review classifies this VCT as an “AIM VCT with track record” and Unicorn are

experienced fund managers within the VCT market.

Review based upon

TER always meet with fund managers prior to a review. This review is based on those meetings,

the Offer Document (dated January 2026) and data provided by Unicorn Asset Management.

Changes to VCTs in the November 2025 Budget

The 2025 Budget unexpectedly heaved a large stone into the VCT pond when the initial tax break was reduced from 30% to 20% for VCT allotments after 6th April 2026. We can only wait to see what effects the ripples it will undoubtedly produce have both on VCT fund raising in the next few years and consequently on the longer-term prospects for VCTs continuing to create sufficient inflows to maintain their portfolio of companies and, most importantly for investors, to fund their buyback policies.

VCTs require new fund raising in order for VCTs to:

1. Make new investments and maintain follow-on funding to investee companies
2. Pay manager fees and company running fees
3. Fund share buybacks of investors wishing to exit after 5 years

A VCT does have a few sources of funds apart from new fund raising:

1. Profitable investee company exits
2. Investee company dividend
3. The returns from investments within the non-qualifying portfolio
4. Bank interest on uninvested funds

We roughly estimate that a VCT needs to raise around 15% of its AUM each year just in order to stand still (this figure will vary for both the size and the circumstances of each VCT). Potential investors, IFAs and wealth managers in VCTs need to take a view on how the Budget change post 6th April 2026 might affect fund raising.

We understand from the VCT Association (the industry body representing most of the VCT managers in the UK) that they continue to liaise with HM Treasury about the drop in income tax

Table 2: **Unicorn Asset Management funds under management as at 31/12/25**

VCT	Net assets (£m)	Annual fee	Still to be invested (£m)
VCT funds			
Unicorn AIM VCT	228	2%	0
NON VCT funds than can co-invest with VCT Funds			
UK Income	£148	0.75%	0
UK Growth	£18	0.75%	0
UK Ethical Income	£20	0.75%	0
UK Smaller Companies	£40	0.75%	0
Outstanding British Companies	£32	0.75%	0
AIM IHT Portfolio Service	£45	1.25%	0
TOTAL	£531m		0

Source: Unicorn Asset Management

relief, together with the related data and assumptions upon which the decision was made; so we

will also wait to hear of any further developments from these discussions

Consumer Duty

The FCA's Consumer Duty comes into force from 31 July 2023 for existing products and services. One of the main purposes of this new legislation is that it seeks to ensure customers receive "fair value" and that fund management firms provide evidence that these outcomes are being met.

The assessment carried out by each firm is to ensure that its products provide fair value to retail customers in the target markets for those products; and that it has carried out a value

assessment of its products which they review on a regular basis (appropriate to the nature and duration of the product).

Each firm being reviewed by TER has created their own "Confirmation of Value" assessment, which are available directly from the fund manager. Please note that in each TER report, there is a Fees section which compares the costs of the offer being reviewed against its peer group.

The Offer

This latest offer from the Unicorn AIM VCT is looking to raise £20m with a further £15m over-allotment facility, giving a total fund raise of £35m for this Offer. This is £10m higher than the previous Unicorn AIM VCT offers (January 2025 - £20m plus £5m over-allotment).

The total amount of the fund raising is relatively small in the overall VCT market, but this increase comes at a time of two key points:

1. A high level of cash and cash based funds within the assets under management of the Unicorn AIM VCT
2. The impending changes of the income tax relief from 30% to 20% for VCT shares allotted after 6th April 2026

In response to the second of these points, clearly the Manager is keen to lock in additional capital ahead of the rule changes to support the investment pipeline after April 6th which they anticipate will improve given the recent widening of what constitutes a VCT qualifying company.

In response to the first point, Tax Efficient Review questioned the Manager specifically about the £32m in the Royal London Short-Term Money Market Fund and the £2m in the BlackRock Cash Fund, which are currently in the portfolio, along with substantial cash holdings. Their response was to say that they have been collating cash to

pay out almost £50m in a special dividend (23p per share) on 5th March 2026.

The Unicorn AIM VCT was launched back in November 2001 and is a well-established AIM VCT. The level of assets under management reached £355m in the 2021/2022 tax year, but like a lot of AIM and UK small cap funds, there have been significant reductions in value since then. The latest AUM of the Unicorn AIM VCT is at £228m as at 31st December 2025. It is important to note that this decline in AUM is not all down to the performance of the underlying AIM companies, as there have also been continued significant dividends paid to shareholders in recent years.

The Company remains one of the largest AIM-focused VCT in the market, with a diverse portfolio of investments, with 93 active companies (82 of which are VCT qualifying).

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 and capital gains generated by the portfolio.

The net proceeds of the Offer will be pooled with the existing cash resources of the Company and

Table 3: **AIM VCT provider 3, 5 & 10 year performance comparison**

VCT manager (alphabetical order)	VCT name	Data as at	Annual return over last 3 years	Annual return over last 5 years	Annual return over last 10 years
HARGREAVE HALE	Hargreave Hale AIM VCT	31/12/2025	-8.3%	-7.1%	0.0%
OCTOPUS	Octopus AIM VCT	31/12/2025	-3.7%	-6.1%	1.0%
	Octopus AIM VCT 2	31/12/2025	-4.2%	-6.2%	0.9%
UNICORN	Unicorn AIM VCT	31/12/2025	2.0%	-0.9%	4.1%

Source: Tax Efficient Review calculation based on dividend and Net Asset Value data from public accounts

Calculation: (Closing period NAV less Opening period NAV plus dividends paid in the period) divided by number of years in the period

Figures do not include tax relief

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Table 4: **Provider results comparison**

PROVIDER	AVERAGE SCORE BASED ON PLACE IN PEER GROUP (lower is better)
UNICORN	1
OCTOPUS	2
HARGREAVE HALE	4

Calculation as at 15/01/2026 and based on results in Table 3 for providers with ten year performance. In order to reduce the data down to one figure, each VCTs' position in the Table 3 results is scored from 1 (first in the year) to the total number of VCTs in the analysis for the period (lower numbers are better), added together and then averaged over the three periods being measured

Table 5: **Top Ten Qualifying Investments as at 31/12/25**

No.	Company	Date of first investment	Total invest- ment (£m)	Total realisa- tions to date (£m)	Current hold- ing value (£m)	Investment return
1	Hasgrove	2006	1.3	89.1	19.4	8345%
2	Cohort	2006	1.2	0.0	10.0	862%
3	Tracsis	2007	1.5	12.6	4.9	1164%
4	Avingtrans	2004	1.0	0.1	7.8	793%
5	Tristel	2014	0.9	0.0	6.8	773%
6	Aurrigo	2022	4.9	0.1	6.7	140%
7	Anpario	2006	1.4	0.0	8.8	616%
8	The Property Franchise Group	2024	1.9	0.0	6.6	353%
9	Idox	2010	1.2	0.0	4.3	347%
10	SulNOx	2021	1.7	0.7	5.5	355%

Source: Unicorn Asset Management

utilised predominantly to make new and follow-on VCT qualifying investments in accordance with its investment policy. Where capital is available for investment while awaiting suitable VCT qualifying opportunities, or in excess of the 80% VCT qualification threshold, it may be invested in collective investment funds or in non-qualifying shares and securities in fully-listed UK companies.

One of the differentiators of the Unicorn AIM VCT is that the manager has the flexibility to consider unquoted VCT qualifying companies as potential investments, as opposed to being purely focused on AIM companies. It's often a criticism of AIM VCTs that there is a limited amount of VCT qualifying companies which list on the AIM. The current breakdown of the Unicorn AIM VCT assets under management (AUM) is in Table 2.

Unicorn have raised between £15m and £25m in recent years and have opted to look to raise £35m with this offer as they continue to feel there is an improving outlook for good VCT qualifying companies both coming to market and privately in 2026. Unicorn say that this has allowed the funds sought to increase to £35m and they hope this will provide them with additional capital to deploy over the coming months and in particular take advantage of the increased deal flow they anticipate seeing as a result of changes in the Autumn budget.

We asked Unicorn to comment upon how they see the market for new issues of VCT qualifying stocks coming to the market and they said:

"Following a subdued period for deal flow in the financial year ended 30 September 2024, the financial year 2025 saw a notable improvement in both the volume and quality of VCT-qualifying opportunities reviewed by the Investment Manager. This recovery translated into a more active investment phase, particularly in the second half of the year, culminating in a total of £16 million being deployed into qualifying companies—an increase on the prior year's deployment levels. Encouragingly, this momentum appears to be continuing into the current financial year. The pipeline remains strong, with several prospective AIM IPOs under active review, signalling a modest but welcome resurgence in primary market activity. Moreover, recent rule changes introduced in the Autumn 2025 Budget—most notably the extension of VCT State Aid eligibility—are expected to reinforce long-term demand for growth capital among AIM-listed

companies, while also broadening the appeal of VCTs to investors. We have already observed an increase in early-stage engagement from brokers, and further activity is anticipated in the months ahead."

The Unicorn AIM VCT is part of the Unicorn Asset Management stable of funds, with a breakdown as at 31st December 2025 as follows:

- OEIC Funds £390m
- AIM VCT £228m
- AIM IHT Service £45m

An issue with AIM VCTs across the market has been a potential dearth of VCT qualifying companies coming to the AIM market. AIM VCT managers cannot simply buy shares in existing AIM stocks which happen to be VCT qualifying. They have to buy into new equity being issued by VCT qualifying companies, which means either new IPO companies coming to the market for the first time, or existing AIM companies issuing new equity. If there is a lack of IPOs of VCT qualifying AIM companies, this means an AIM VCT could struggle to deploy cash in quality companies.

The Unicorn AIM VCT does have the capacity to allow Non-AIM investments, which means they are not wholly reliant upon new equity issues from the VCT qualifying companies on the AIM market.

Many of the recent investments made by the Unicorn AIM VCT team have been follow-on investments into existing portfolio companies. However they have participated in a couple of new IPOs on the AIM market of late, as well as buying shares in companies which were not new to AIM but were new to the Unicorn Portfolio.

Dividend and Share Buy-Back Policy

The Unicorn AIM VCT has a good track record of dividends, having paid out over 150p in dividends to shareholder since the merger in 2010. The dividends over the past 5 years are shown in the table below.

Year	Pence per share
2021	6.5p
2022	45.5p
2023	6.5p
2024	18.2p
2025	12.5p
Total	89.7p

As mentioned earlier, there has been an announcement to the market for the Unicorn AIM VCT to pay a special 23p per share dividend on 5th March 2026 (ex-div date 22nd January 2026).

Share Buyback Policy

In terms of a share buy-back policy, Unicorn are in the minority of managers who do not state a set percentage discount at which they will try to maintain between the NAV per share and the share price. VCT managers can help to reduce this discount by liaising with the market makers of their VCT and buying-back shares sold in the secondary market. Investors need to be aware, and Unicorn make the point in relation to their own buy-back policy, that there is no guarantee that a VCT manager will buy-back shares in the secondary market. In all cases, it depends on the manager having the liquidity to buy-back shares, and also that they are within their prescribed limits of how many shares they can buy-back each year.

A specific share buy-back policy therefore could be viewed as a “comfort blanket” for shareholders in a VCT, but they can be an important way of maintaining value when a shareholder has to sell; and a good manager will view such a policy as

an important part of their shareholder relations strategy. It is however worth noting that Unicorn has in recent years bought back at a consistent average discount of just above 10%.

It can be understandable to see why generalist VCTs, which largely hold unquoted companies, would trade at a discount to their NAV per share. The discount reflects the difficulty in valuing the underlying holdings in the VCT. But AIM VCTs do not have this problem, as most of their holdings are listed (and therefore valued) on the AIM market.

Unicorn AIM VCT have been active in buying up shares in the secondary market and we welcome the narrowing of the discount at which this is being done. The latest buyback was at a discount of approximately 10% to the NAV per share (14th August 2025 NAV ex div- 88.9p and buyback share price - 78.5p). Tax Efficient Review understand from Unicorn that whilst there have been no share buy-backs for the past 4 months, the share buy-back programme is expected to start again in Q2 2026.

Tax Efficient Review Strategy rating: 29 out of 30

Track Record

Our approach to comparing track records between providers is to use 3, 5 & 10 year measures of the annual increase in total return (calculated as closing net asset value less opening net asset value plus dividends paid during the period).

The results are in Table 3 and consist of results for each provider currently fund raising and their VCTs over a 3, 5 and 10 year period. In order to reduce the data down to one figure we score each VCTs' position in the results from 1 to the total number of VCTs in the analysis (in this case 17 and lower positions are better), add them together and take an average over the three periods being measured. The results are in Table 4.

The past 3 years have clearly been a poor time for any one invested into an AIM VCT, or in the AIM market in general. But the fact that the Unicorn AIM VCT has largely managed to

preserve capital over the 3, 5 and 10 year time periods with returns of 2%, 0.9% and 4.1% respectively, should be something to congratulate the managers of the Unicorn AIM VCT on.

If we look deeper into the companies which make up the portfolio we can start to see some of the reasons for this level of outperformance. Historically, the largest holding in the Unicorn AIM VCT was not on the AIM market. Hasgrove Ltd was first invested in by the Unicorn AIM VCT in 2006 when it was on AIM, but it delisted from the AIM market in 2013. The Unicorn AIM VCT maintained this holding as it grew in size.

But in November 2025, it was announced that a majority stake in Hasgrove was acquired by Castik Capital (S.à r.l.) which valued the company at a significant uplift in value and provided a major exit for the Unicorn AIM VCT.

The Unicorn AIM VCT received a total net

proceeds of about £87m from the transaction. But from within this, about £22m via the issuance of shares in a new holding company established to buy Hasgrove called Maia TopCo Ltd. Both Unicorn and Castik have become shareholders in the new company. The remaining £65 million has been received in cash and has helped to fund the 23p per share special dividend mentioned earlier in this report.

Table 5 shows the top ten holdings within the Unicorn AIM VCT portfolio and Table 6 at the end of this review shows the total portfolio. This also shows the long “tail” of companies outside of the top 10. There are currently 91 companies within the Unicorn AIM VCT with approximately half of these holdings worth less than 0.5% of the overall portfolio. When Tax Efficient Reviews asked why there was such a long “tail” of smaller investments within the portfolio, the Management team at Unicorn cited that some of these holdings should recover in an upturn and that holding them still helps to maintain their VCT qualifying status.

There are also substantial holdings in larger companies such as Diageo, Schroders, Unilever, Lloyds Bank and the inhouse fund, the Unicorn Ethical Fund. These are clearly part of the non-qualifying investment portfolio, along with the large holdings in the Royal London and Blackrock cash funds mentioned in the Offer section of this report. The Unilever and Lloyds Bank holdings have improved performance within the VCT, but Diageo and the Unicorn Ethical fund have detracted from the performance.

Another holding we would like to highlight in particular is Oberon Investments Group.

Oberon Investments is a broad financial services company offering Investment Management, Wealth Planning, Corporate Advisory and Broking Services. They even have the Oberon AIM VCT which is an old AIM VCT (formerly called the New Century AIM VCT), which is small yet they may start to seek new funds for it? Yet one of

the activities they undertake is advising and promoting companies which are considering a listing on the AIM market as part of their growth strategy. Which means that surely the corporate finance team at Oberon Investments are promoting companies to the AIM team within Unicorn?

We asked the team at Unicorn to state why they feel there is not a conflict of interests in holding Oberon Investments within the Unicorn AIM VCT. They said:

“Unicorn is committed to ensuring that all investment decisions are made in the best interests of shareholders. Whilst part of Oberon Investments’ business involves corporate broking, which may include introducing potential investment opportunities to the Unicorn AIM VCT, over 75% of the company’s revenue is derived from other divisions. Every investment, whether new or follow-on, is subject to the same rigorous due diligence process and scrutiny. Unicorn is highly experienced in managing potential conflicts across its range of open-ended funds and managed accounts. In the case of Oberon Investments, the investment team has taken the balanced view that the opportunity fully justifies the investment. Operating within a stringent regulatory framework, Unicorn ensures that all potential conflicts are effectively managed, and shareholder interests are safeguarded. This disciplined approach allows the VCT to achieve its investment objectives whilst maintaining the highest standards of integrity and governance.”

In summary, the Unicorn AIM VCT have done well to preserve shareholder capital and generate strong dividends against the backdrop of some of the worst conditions seen in the AIM market within its 30 year history.

Tax Efficient Review Track Record rating: 34 out of 40

Manager

Unicorn Asset Management is an independently owned and managed investment management company formed in February 2000. Unicorn operates a team-based approach to investment management and has an experienced and well-resourced investment team.

The team follows a traditional and conservative approach to fund management, focusing on bottom-up stock selection based on fundamental research. The investment team comprises the following individuals and the breakdown of their responsibilities in is Table 7 in the Appendix of this report:

- **Anam Ajani CFA, Investment Associate** - Anam joined Unicorn in 2022 and works closely with the investment team on the OEIC, AIM VCT, AIM IHT and Managed Accounts, providing research and analysis across the UK equity market. Anam is a CFA charter holder and was previously a Senior Analyst with J.P. Morgan Chase & Co.
- **Chris Hutchinson, Portfolio Manager** - Chris brings 27 years' experience of UK Smaller Companies Investing to Unicorn, collaborating with the team across Unicorn AIM VCT, Unicorn AIM IHT Service and Managed Accounts. Chris joined Unicorn in 2005 and is co-manager of Unicorn Outstanding British Companies Fund
- **Cleo Papathansopoulou, Investment Associate** - Cleo joined Unicorn in 2024 from Maven Capital Partners, where she contributed to their highly regarded range of VCTs. Cleo brings with her 8 years' experience working with a VCT manager and will support the wider investment team with a focus on AIM and unquoted Investments
- **Cordelia Tahany, Head of sustainability & Investment Associate** - Cordelia joined the team in 2022 having previously worked as an Investment Banking Analyst at J.P. Morgan. Cordelia works closely with Unicorn's ESG Officer and the Investment team across the OEIC, AIM VCT, IHT Portfolios and Managed Accounts. Cordelia holds the Level 4 ESG Investing CFA certificate and is a CFA Level II Candidate
- **Fraser Mackersie, Portfolio Manager** - Fraser joined Unicorn in 2008 and is co-manager of

the Unicorn UK Income Strategy and Unicorn UK Growth Fund as well as collaborating with the Investment team across the OEIC, AIM VCT, AIM IHT Portfolios and Managed Accounts. Having previously held positions with F&C Asset Management and Geoghegan & Co Chartered Accountants

- **Max Ormiston CFA, Portfolio Manager** - Max joined Unicorn in 2014 and is co-manager of the Unicorn Outstanding British Companies Fund as well as collaborating with the Investment team across the OEIC, AIM VCT, AIM IHT Portfolios and Managed Accounts. Prior to Unicorn Max worked as an investment manager with Brewin Dolphin
- **Simon Moon, Portfolio Manager** - Simon joined Unicorn in 2008 and is co-manager of the Unicorn UK Income Strategy and Unicorn UK Smaller Companies Funds as well as collaborating with the Investment team across the OEIC, AIM VCT, AIM IHT Portfolios and Managed Accounts. Prior to joining Unicorn, Simon worked as a research analyst at JM Finn & Co. Stockbrokers

The VCT Board comprises four non-executive directors, all of whom are independent of the Manager:

- **Tim Woodcock (Independent, non-executive Chairman)** - Tim qualified as a chartered accountant and is an experienced company director who has held a number of main board roles for both public and private companies. He also has considerable investment management experience – in 2008 he co-founded Oakfield Capital Partners, a private equity firm specialising in investing and developing fast growing UK smaller companies. He is an active private investor in early-stage opportunities
- **Charlotta Ginman FCA (Independent, non-executive Director)** - Charlotta is a chartered accountant with experience in investment banking and the technology and telecoms industry. She is currently a non-executive director and audit committee chair for Polar Capital Technology Trust plc, Pacific Assets Trust plc and Keywords Studios plc
- **Josephine Tubbs (Independent, non-executive Director)** - Josephine qualified as a solicitor in 1992 and worked in private practice for several

years before becoming an in-house lawyer in 1997. Since 2006, Josie has been General Counsel for AXA Investment Managers in the UK before becoming General Secretary UK in 2019, a position she still holds. Since 2013 she has non-executive director roles on the boards of AXA IM's Irish operating entities and the boards of various Irish domiciled investment funds

- **Julian Bartlett (Independent, non-executive Director)** - Julian has significant financial, assurance and advisory experience gained from over 30 years as a partner at Grant Thornton UK LLP and from former roles at RSM Robson

Rhodes and Deloitte. He specialised in financial services throughout his career with a focus on investment management. He was formerly a nonexecutive Director of FFI Holdings plc from August 2017 until it ceased trading on AIM in August 2019. Julian currently sits as a NED for Triple Point Venture VCT & Lindsell Train Limited as well as acting as independent chair of Invesco Fund Managers. Julian is a Fellow of the Institute of Chartered Accountants in England and Wales.

Tax Efficient Review Team rating: 18 out of 20

Costs

- **Initial costs - 2.5%**

Unicorn AM, as promoter of the Offer will be paid a fee equal to 2.5% of the Application Amounts in respect of applications accepted under the Offer, plus an amount equal to any execution only initial intermediary commissions. In consideration, Unicorn AM has agreed to meet all Offer costs payable by the Company, including any initial execution only intermediary commissions and fees payable in respect of LightTower Partners (Promoter).

Unicorn AM on behalf of the Company may agree to pay an initial commission to execution only intermediaries (subject to an amount equal to maximum of 3% of the Application Amount). Execution only intermediaries will also normally be paid annual trail commission of an amount equal 0.375% of the net asset base of the New Share (subject to a maximum cumulative payment of 2.25% of the offer price of the New Share in question.) Unicorn AM may, with the consent of the Board, agree to pay trail commission on a different basis, providing it does not exceed the maximum cumulative payment of 2.25% of the offer price of the New Share in question

- **Annual management fee:**

2.0% of the net assets of the Company up to net assets of £200 million

1.5% of the net assets of the Company from

£200 million to £450 million

1.0% of the net assets of the Company in excess of £450 million (together with any applicable VAT).

The value of any investments made by the Company in other Unicorn AM managed funds are excluded from the value of the net assets of the Company. The fee is calculated and paid quarterly in arrears

The Company's normal annual expenses are approximately 2.0% of the net assets of the Company (based on the financial year ended 30 September 2024) but were, in any event, capped at an amount equal to 3.6% of net assets as at the end of each financial year to 30 September 2018, reduced to 2.75% of the net assets of the Company as at the end of each financial year thereafter.

- **Performance fee:** In recognition of the net assets of the Company over the last few years and, following discussions with the Board, Unicorn AM offered to waive its entitlement to possible future performance incentive fees and the performance incentive arrangements were terminated in July 2017. This is also in keeping with the other AIM VCTs in the market.

Tax Efficient Review Cost rating: 8 out of 10

Conclusion

The Unicorn AIM VCT, run by the team headed up by veteran fund manager Chris Hutchinson, is returning with a new fund raising looking to raise £20m with a further over-allotment facility of £15m. This total of £35m makes this the largest fund raising that the Unicorn AIM VCT has undertaken for several years. Even in 2021 when the AIM market was soaring to new heights after the COVID-19 disruption and the Unicorn AIM VCT performed very well, did they only look to raise £15m.

So why are they coming out for significantly more funds this year (albeit a smaller amount than many generalist VCTs)? Partly the answer lies in the changes to the income tax relief which VCTs attract, which is reducing from 30% to 20% for shares issued after 6th April 2026. But also because with this reduction in relief came an expansion in the limits of what constitutes a VCT qualifying company. Clearly the Manager is keen to lock in additional capital ahead of the income tax changes, but also because they anticipate that the changes to VCT company status will provide a wider universe of qualifying companies to invest into going forwards.

Anyone familiar with the AIM market will know that it has had a torrid time of it over the past 5 years, with an over-bearance of sellers, and policy changes on the inheritance tax relief applied to AIM companies in that time have not helped. Since the heights seen at the end of 2021 it has been a difficult market for all involved. However, there has been an improvement in the AIM market and certainly the mining and natural resources companies on the AIM market have performed well in the past year (although these cannot be held by the VCT).

In turning to the track record of the Unicorn AIM VCT, they are leading the AIM VCT manager performance group as they have for many years now. They have largely managed to preserve capital over the past 3, 5 and 10 year time periods with returns of 2%, 0.9% and 4.1% respectively. Given the market conditions this is something that the team at Unicorn should be congratulated on.

One of the reasons behind this outperformance is the largest holding in the portfolio historically was not on the AIM market. Hasgrove Ltd was first invested in by the Unicorn AIM VCT in 2006 when it was on AIM, but it delisted from the AIM market in 2013. In November 2025, it was announced that a majority stake in Hasgrove was acquired by Castik Capital (S.à r.l.) which valued the company at a significant uplift in value and has provided a major exit for the Unicorn AIM VCT. The Unicorn AIM VCT received a total net proceeds of about £87m from the transaction but about £22m has been kept via the issuance of shares in a new holding company called Maia TopCo Ltd. The remaining £65 million has been received in cash and has helped to fund the 23p per share special dividend on 5th March 2026 (ex-div date 22nd January 2026).

So whilst the AIM market has indeed had a difficult time, it is a cyclical market and the team at Unicorn have done well to navigate the choppy waters over recent years. The shareholders in this VCT should be pleased with the returns they have seen and particularly the dividends they have received. There remains a large “tail” of smaller holdings in the 91 companies in the portfolio, but like many others they are also waiting for a recovery in the AIM market.

Tax Efficient Review rating: 89 out of 100 (for an AIM VCT with track record)

Table 6: Unicorn AIM VCT Portfolio at 31/12/25

Security	Sector	Book Cost £m	Market Value £m	% of NAV	Times Multiple
Cohort plc	Aerospace and Defense	1.156	9.966	4.37%	8.6
Avingtrans plc 5p	Industrial Engineering	0.996	7.802	3.42%	7.8
Tristel plc	Health Care Providers	0.878	6.787	2.97%	7.7
Anpario	Food Producers	1.423	8.766	3.84%	6.2
AB Dynamics	Automobiles and Parts	0.793	3.225	1.41%	4.1
Concurrent Tech plc	Technology Hardware and Equipment	0.275	1.100	0.48%	4.0
The Property Franchise Group	Real Estate Investment and Services	1.883	6.647	2.91%	3.5
Idox	Software and Computer Services	1.242	4.305	1.89%	3.5
Tracsis plc	Software and Computer Services	1.500	4.868	2.13%	3.2
SulNOx Group	Chemicals	1.741	5.481	2.40%	3.1
Avacta Group	Pharmaceuticals and Biotechnology	0.932	2.408	1.06%	2.6
Netcall plc	Software and Computer Services	0.192	0.419	0.18%	2.2
Synectics plc	Industrial Support Services	0.110	0.220	0.10%	2.0
Animalcare Group	Pharmaceuticals and Biotechnology	2.401	3.877	1.70%	1.6
Lloyds Banking Grp	Banks	2.588	3.733	1.64%	1.4
Aurrigo Group	Technology Hardware and Equipment	4.858	6.685	2.93%	1.4
Babcock International Group	Aerospace and Defense	2.490	3.416	1.50%	1.4
Ixico	Pharmaceuticals and Biotechnology	0.341	0.412	0.18%	1.2
Unilever	Personal Care, Drug and Grocery Stores	2.259	2.672	1.17%	1.2
Tan Delta Systems	Electronic and Electrical Equipment	0.504	0.581	0.25%	1.2
PCI-PAL	Software and Computer Services	1.023	1.132	0.50%	1.1
Good Life Plus	Travel and Leisure	2.500	2.668	1.17%	1.1
Zoo Digital Group	Software and Computer Services	0.003	0.003	0.00%	1.1
Oberon Investments Group	Open End and Miscellaneous Investment Vehicles	2.499	2.587	1.13%	1.0
Windar Photonics	Electronic and Electrical Equipment	1.170	1.199	0.53%	1.0
Quantum Base Holdings	Industrial Support Services	1.750	1.762	0.77%	1.0
BlackRock Cash Fund Class D (Income)	Money Market	32.000	32.032	14.03%	1.0
Royal London Short-Term Money Market Fund Y Income (OEIC)	Money Market	32.045	32.072	14.05%	1.0
ORCA Computing Holdings Ltd 10.0% CLN	Technology Hardware and Equipment	1.800	1.800	0.79%	1.0
Schroders	Investment Banking and Brokerage Services	2.891	2.849	1.25%	1.0
MaxCyte Inc	Pharmaceuticals and Biotechnology	2.926	2.846	1.25%	1.0
Primary Health Properties	Real Estate Investment Trusts	3.533	3.425	1.50%	1.0
Londonmetric Property	Real Estate Investment Trusts	3.503	3.220	1.41%	0.9
Maia TopCo Limited (Hasgrove) - Preference shares	Software and Computer Services	21.511	19.360	8.48%	0.9
SkinBioTherapeutics	Pharmaceuticals and Biotechnology	1.500	1.224	0.54%	0.8
Warwick Acoustics	Technology Hardware and Equipment	2.000	1.600	0.70%	0.8
EDX Medical Group	Pharmaceuticals and Biotechnology	1.500	1.190	0.52%	0.8
Software Circle	Software and Computer Services	0.231	0.181	0.08%	0.8
Pulsar Group	Software and Computer Services	3.159	2.478	1.09%	0.8
Ilika	Electronic and Electrical Equipment	1.528	1.197	0.52%	0.8
Phynova Group	Pharmaceuticals and Biotechnology	1.500	1.164	0.51%	0.8
Unicorn Ethical Fund Income	Open End and Miscellaneous Investment Vehicles	4.483	3.203	1.40%	0.7

Table 6: Unicorn AIM VCT Portfolio at 31/12/25

Security	Sector	Book Cost £m	Market Value £m	% of NAV	Times Multiple
ORCA Computing Holdings Ltd	Technology Hardware and Equipment	0.200	0.140	0.06%	0.7
Young & Co	Travel and Leisure	0.745	0.496	0.22%	0.7
Diageo	Beverages	3.503	2.245	0.98%	0.6
Fusion Antibodies	Health Care Providers	1.410	0.864	0.38%	0.6
RC Fornax	Aerospace and Defense	1.702	1.014	0.44%	0.6
Vianet plc (formerly Brulines (Holdings) plc)	Software and Computer Services	0.725	0.425	0.19%	0.6
RUA Life Sciences	Pharmaceuticals and Biotechnology	0.008	0.005	0.00%	0.5
Heartstone Inns	Travel and Leisure	1.113	0.587	0.26%	0.5
Touchstar plc	Technology Hardware and Equipment	0.338	0.159	0.07%	0.5
PHSC plc	Industrial Support Services	0.253	0.112	0.05%	0.4
Nexteq	Technology Hardware and Equipment	0.648	0.272	0.12%	0.4
Renalytix	Pharmaceuticals and Biotechnology	3.675	1.496	0.66%	0.4
Eden Research	Pharmaceuticals and Biotechnology	1.500	0.577	0.25%	0.4
Diales	Industrial Support Services	0.552	0.205	0.09%	0.4
Equipmake Holdings	Automobiles and Parts	2.500	0.875	0.38%	0.4
Arecor Therapeutics	Pharmaceuticals and Biotechnology	2.778	0.911	0.40%	0.3
Hardide plc	Chemicals	2.054	0.572	0.25%	0.3
Gelion	Electronic and Electrical Equipment	2.172	0.562	0.25%	0.3
Gama Aviation (prev Hangar 8 plc)	Industrial Transportation	0.760	0.182	0.08%	0.2
Surgical Innovations Group plc	Medical Equipment and Services	0.436	0.104	0.05%	0.2
Huddled Group	Personal Care, Drug and Grocery Stores	2.250	0.524	0.23%	0.2
Verici DX	Pharmaceuticals and Biotechnology	3.621	0.837	0.37%	0.2
Chesterfield Special Cylinders Holdings	General Industrials	1.140	0.227	0.10%	0.2
Cambridge Nutritional Sciences	Software and Computer Services	0.444	0.067	0.03%	0.2
Incanthera	Pharmaceuticals and Biotechnology	1.960	0.287	0.13%	0.1
XP Factory	Travel and Leisure	2.000	0.274	0.12%	0.1
Feedback	Medical Equipment and Services	4.900	0.658	0.29%	0.1
Oxford Biodynamics	Pharmaceuticals and Biotechnology	4.498	0.585	0.26%	0.1
Directa Plus plc	Chemicals	5.250	0.613	0.27%	0.1
Distil plc	Beverages	0.005	0.001	0.00%	0.1
Dillistone Group plc	Software and Computer Services	0.937	0.104	0.05%	0.1
nkoda Limited	Software and Computer Services	2.496	0.225	0.10%	0.1
Surface Transforms	Automobiles and Parts	3.164	0.276	0.12%	0.1
LungLife AI New	Pharmaceuticals and Biotechnology	0.755	0.065	0.03%	0.1
Creo Medical	Medical Equipment and Services	1.000	0.078	0.03%	0.1
LightwaveRF	Technology Hardware and Equipment	2.616	0.167	0.07%	0.1
Abingdon Health	Medical Equipment and Services	1.851	0.116	0.05%	0.1
Getech Group	Oil, Gas and Coal	0.188	0.011	0.00%	0.1
Merit Group	Media	1.176	0.052	0.02%	0.0
Engage XR Holdings	Medical Equipment and Services	2.084	0.085	0.04%	0.0
Futura Medical	Pharmaceuticals and Biotechnology	2.300	0.063	0.03%	0.0
CelLBxHealth	Pharmaceuticals and Biotechnology	1.385	0.028	0.01%	0.0
LungLife AI	Pharmaceuticals and Biotechnology	3.080	0.058	0.03%	0.0
Genedrive	Pharmaceuticals and Biotechnology	0.706	0.010	0.00%	0.0
Trellus Health	Health Care Providers	2.500	0.022	0.01%	0.0

Table 6: Unicorn AIM VCT Portfolio at 31/12/25

Security	Sector	Book Cost £m	Market Value £m	% of NAV	Times Multiple
Earnz	Construction and Materials	1.500	0.008	0.00%	0.0
Metir	Electronic and Electrical Equipment	2.175	0.009	0.00%	0.0
Cloudified Holdings Limited	Software and Computer Services	1.500	0.003	0.00%	0.0
Cizzle Biotechnology Holdings	Pharmaceuticals and Biotechnology	0.747	0.000	0.00%	0.0
Total Investments			219.82		
Net Current Assets			8.42		
NET ASSET VALUE			£228.24m		

Source: Unicorn Asset Management

Table 11: Matrix of individual responsibilities Unicorn where members spend at least 50% of their time on Deal origination and New deal doing and have at least three years involved with VCTs

NAMES	Chris Hutchinson	Max Ormiston	Fraser Mackersie	Simon Moon	Anam Ajani	Cordelia Tahany	Cleo Papathanasopoulou
VCT WORK							
Deal origination	10%	10%	10%	10%			10%
General enquiries	5%	5%	5%	5%	10%	10%	10%
Portfolio Management	20%	22%	22%	20%	20%	20%	20%
Fund raising	5%	2%	2%	2%	10%	10%	10%
Internal issues	5%	2%	2%		10%	10%	10%
Exits	10%	10%	10%	10%			10%
NON VCT WORK							
Non-VCT work	45%	49%	49%	53%	50%	50%	30%
TOTAL	100%	100%	100%	100%	100%	100%	100%
Years in venture capital	28	16	19	19	6	7	7
Years involved with VCTs	20	12	17	17	4	4	7
Years with current team	20	12	17	17	4	4	1

Source: Unicorn