

Unicorn Asset Management

Quarterly AIM Newsletter



Q2 2026

For professional advisers only

FROM THE DESK OF Max Ormiston

Unicorn AIM VCT

The largest and longest running AIM VCT in the market, focused on long term income generation and capital growth

AIM IHT & ISA Portfolio Service

Invests in a BR qualifying portfolio of AIM businesses to deliver IHT mitigation, natural income and growth - there are two portfolios; a growth focus portfolio and a dividend focus portfolio

AIM IHT & ISA Service Responsible Portfolios

Offers the dividend and growth portfolios with expanded revenue restrictions on investee companies

The FTSE AIM All-Share Index delivered a total return of +8.3% in the second quarter of 2026, rebounding sharply from the -6.2% decline recorded in the first quarter. Sentiment improved as US-Iran tensions eased, culminating in a mid-June agreement to extend the ceasefire, and UK and European equities posted some of their strongest single-day gains in over a year. AIM outpaced the FTSE 100 (+4.0%) but lagged the FTSE 250 (+9.8%), as investors rotated back into risk whilst still favouring larger, more liquid mid-caps.



Max Ormiston,
Portfolio Manager

Sector performance reflected the return of risk appetite. Industrials, consumer discretionary and leisure led the advance, while within technology gains were concentrated in AI infrastructure and semiconductors, leaving software lagging. Energy and defensives gave back their early-quarter gains as safe-haven demand faded.

The macroeconomic backdrop turned more supportive. The Bank of England held its base rate at 3.75% at both the April and June meetings, though a growing minority of the Monetary Policy Committee (MPC) favoured a hike given sticky services inflation. UK CPI peaked at 3.3% in March before easing to 2.8% in April and holding there in May. Primary market activity remained subdued, with the IPO pipeline still weighted towards the second half. Looking ahead, the durability of the ceasefire and the path of services inflation are likely to be the key determinants of sentiment towards the junior market.

Unicorn AIM VCT recorded a net asset value ("NAV") total return of +4.4% during the quarter, underperforming the AIM index. One of the largest contributors was Animalcare Group (+0.9%), which received a recommended cash takeover offer from a private equity group. The largest detractor was Aurigo International (-0.6%), which weakened after full-year results on 4 June showed revenue down to £8.0m and a widened adjusted EBITDA loss of £3.0m, as autonomous programme milestones slipped into the new year.

The Unicorn AIM IHT Portfolio Service delivered a strong quarter, with the Growth Focus Model Portfolio returning +10.1% and the Dividend Focus Model Portfolio returning +7.0%. The standout contributor to the Growth Portfolio was Advanced Medical Solutions (+47%), which rose sharply after a recommended 285p cash offer from H.B. Fuller at a 35% premium was announced on 25 June; the position was subsequently exited after the period end. Animalcare Group (+46%) was the top performer in the Dividend Portfolio, again reflecting its recommended cash takeover offer. Gooch & Housego (+27%) also contributed strongly, its shares buoyed by strong order book growth — up 16.5% to £167.3m at the half-year on robust aerospace and defence demand, with a takeover bid announced post period end.

The principal detractor to the Growth Portfolio was Cerillion (-15%), whose interim results reflected the expected first-half weighting of high-margin licence revenue, though record order intake lifted the order book 64% year-on-year. The Dividend Portfolio was held back by Gateley (-18%), which fell after a June trading update flagged that geopolitical uncertainty and a worsening medium-term interest-rate outlook had weighed on client sentiment and delayed transaction completions.

Q2 2026 PORTFOLIO OVERVIEW

UNICORN AIM VCT PLC

Total return: +4.4% vs NAMI +6.5%

Stocks added: N/A

Stocks exited: Idox

Name	Contribution to Return (%)
Top 3 performers	
Avingtrans	+0.9
Animalcare Group	+0.9
Hardide	+0.6
Bottom 3 performers	
Aurrigo International	-0.6
Babcock International	-0.3
Directa Plus	-0.3

UNICORN AIM IHT & ISA PORTFOLIO SERVICE - GROWTH FOCUS

Total returns: +10.1% vs NAMI +6.5%

Stocks added: Science group, Concurrent Technologies

Stocks exited: Mortgage Advice Bureau, Young & Co's Brewery

Name	Total Return (%)
Top 3 performers	
Advanced Medical Solutions	+47.2
Solid State	+43.9
Tatton Asset Management	+30.4
Bottom 3 performers	
Cerillion	-14.8
Midwich Group	-12.8
Boku	-9.7

UNICORN AIM IHT & ISA PORTFOLIO SERVICE – RESPONSIBLE GROWTH

Total returns: +4.6% vs NAMI +6.5%

Stocks added: Science group, Concurrent Technologies

Stocks exited: Mortgage Advice Bureau

Name	Total Return (%)
Top 3 performers	
Tatton Asset Management	+30.4
Keystone Law Group	+24.7
Volex	+24.3
Bottom 3 performers	
Cerillion	-14.8
Midwich Group	-12.8
Boku	-9.7

UNICORN AIM IHT & ISA PORTFOLIO SERVICE - DIVIDEND FOCUS

Total returns: +7.0% vs NAMI +6.5%

Stocks added: Science group, NIOX

Stocks exited: Mortgage Advice Bureau, Young & Co's Brewery

Name	Total Return (%)
Top 3 performers	
Animalcare Group	+46.5
Tatton Asset Management	+30.4
Gooch & Housego	+27.5
Bottom 3 performers	
Gateley	-18.4
Midwich Group	-12.8
RWS	-4.3

The VCT table shows contributions to fund performance. The IHT tables show the total return of stocks held in the model portfolio.

Source: Numis Alternative Markets Index, Morningstar, Unicorn Asset Management 30/06/2026.

Past performance is not a guide to future performance, performance is based on returns net of fees. Your capital is at risk, the value of investments and the income from them may go down as well as up. Investors may not get back the amount of their original investment.

NIOX Group

FIRST INVESTMENT: June 2026

MARKET CAP: £250.8 million (30 June 2026)

SECTOR: Healthcare – Medical Equipment & Services

PORTFOLIO: AIM IHT & ISA – Dividend Focus

OVERVIEW OF THE COMPANY:

What NIOX Group does

Oxford-based medical device company focused solely on FeNO breath testing for diagnosing and managing asthma. It makes the global gold-standard device (>58m tests conducted), with 90%+ of clinical revenue from recurring single-use consumables and manufacturing outsourced – a lean, capital-light model.

Why we like it

Global leader with durable moats (scrubber patent to 2032, complex sensor know-how). Converts >100% of EBITDA to cash; adjusted margins up from ~20% to 30%+ in four years. Multiple growth drivers – 45% Japan reimbursement uplift, NIOX PRO rollout, US sales force, COPD – against sub-5% penetration. ~£40m returned since 2022; adjusting for c.£400m tax losses, trades on ~10x EV/EBITDA.

Company news from the latest quarter

FY25 results: revenue +16.5% to £48.7m, adjusted EBITDA margin ~30%, research revenue +77% to £10.1m, net cash £19.9m, final dividend +24% to 1.55p. March 2026: Japan (largest market) raised FeNO reimbursement ~45%. NIOX PRO – first new device in 12 years – rolling out through 2026; new US direct sales force operational by mid-year.

Ilika

FIRST INVESTMENT: June 2020

MARKET CAP: £52.4 million (30 June 2026)

SECTOR: Alternative Energy – Battery technology

PORTFOLIO: Unicorn AIM VCT

OVERVIEW OF THE COMPANY:

What Ilika does

UK solid-state battery developer, AIM-listed since 2010. Two platforms: Stereax miniature cells for medical implants and industrial IoT (early commercial production via US partner Cirtec Medical), and Goliath large-format cells for EV, defence and e-bike use. The model is technology development plus licensing and royalties rather than volume manufacturing.

Why we like it

An early-stage play on solid-state battery commercialisation, protected by a deep IP portfolio (88 granted patents) and a capital-light licensing model that could scale attractively if adopted. Now at an inflection point – first Stereax commercial revenue booked, and 10Ah Goliath prototypes shipped, with growing defence and sovereign-supply interest. Higher-risk and pre-profit, but with meaningful optionality if either platform reaches scale.

Company news from the latest quarter

January 2026: booked its first commercial revenue (Stereax electrode sales to Cirtec Medical). Q1 2026: shipped 10Ah Goliath prototypes to customers and passed battlefield safety testing, spurring defence interest; first commercial Stereax M300 deliveries followed in March. Post-period, FY26 results (to 30 April) confirmed the shift to a revenue-generating business, alongside a £4.6m July placing to fund the next phase.

Source: Unicorn Asset Management 30/06/2026.

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GROWTH FOCUS



DIVIDEND FOCUS



RESPONSIBLE GROWTH FOCUS

MORE INFORMATION

For further information on any of the following, please get in touch.

- Factsheets
- Videos and webinar recordings
- Face-to-face and virtual Events
- Manager meetings
- CPD credit opportunities

CONTENT LIBRARY

EVENTS

Discrete calendar year performance	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)
Growth Focus Portfolio	-10.8	-1.6	-3.9	-25.7	4.6	7.2
Dividend Focus Portfolio	-7.2	4.3	-1.2	-17.7	13.1	-5.8
Deutsche alternative markets	6.3	-5.6	-6.4	-30.7	7.5	19.3
Unicorn AIM VCT	17.7	-4.3	-3.2	-24.5	20.1	21.5
FTSE AIM All-Share	8.5	-4	-6.4	-30.7	6.1	21.8

Source: Numis Alternative Markets Index, Morningstar, Unicorn Asset Management 30/06/2026.

Important Information

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Past performance is not a guide to future performance. Performance is based on returns net of fees. Your capital is at risk, and the value of investments and the income from them may go down as well as up. Investors may not get back the amount of their original investment.

Performance figures show the total return of the Unicorn AIM IHT & ISA Portfolio Service Growth and Dividend Focus Portfolios, where the contribution of each portfolio to the total return is weighted by portfolio size. The returns take into account all portfolio management fees but do not include initial portfolio or adviser fees.

Individual portfolios are excluded during months when a portfolio is being invested, during months when withdrawals are made, where the investor has died, and all portfolios where the initial investment is less than the minimums quoted in the terms and conditions of the service. The performance figures have been calculated by WM Capital Management based on the bid prices of holdings at the end of each month. Fees are subject to change.

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