

HALF-YEARLY REPORT

for the six months ended 31 March 2019

UNICORN
AIM VCT PLC



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 70% (80% for accounting periods commencing after 5 April 2019) 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 'eligible shares' which carry no preferential rights (save as permitted under VCT rules) to dividends or return of capital and no rights to redemption.

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.

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Financial Highlights

for the six months ended 31 March 2019

- £5.0 million of qualifying investments (£2.0 million new, £3.0 million follow-on) made in the period.
- Offer for Subscription raised £10.4 million (after costs) by the period end.
- Interim dividend of 3.0p declared for the 6 months ended 31 March 2019.

Fund Performance

Ordinary Shares	Shareholders' Funds*	Net asset value per share (NAV)	Cumulative dividends paid per share**	NAV total return to Shareholders since merger per share**	Share price
	(£million)	(p)	(p)	(p)	(p)
31 March 2019	178.3	144.4	51.5	195.9	129.0
30 September 2018	201.4	171.8	48.0	219.8	144.0
31 March 2018	185.5	156.4	45.0	201.4	133.0
30 September 2017	175.5	163.1	41.5	204.6	141.5

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

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

Portfolio Summary

Allocation of qualifying investments by market sector

	As at 31 March 2019	As at 30 September 2018
	%	%
Pharmaceutical & biotechnology	22.9	26.3
Software & computer services	21.0	19.6
Media	9.3	9.2
Healthcare equipment & services	8.0	6.5
Financial services	7.8	7.3
Industrial engineering	5.7	4.7
Travel & leisure	5.5	5.0
Support services	4.6	6.0
Chemicals	3.5	3.1
Aerospace & defence	3.2	3.0
Electronic & electrical equipment	2.4	2.9
Technology hardware & equipment	2.1	2.3
Real estate investment & services	1.9	1.8
Automobiles & parts	1.8	1.6
Industrial transportation	0.2	0.5
Oil equipment & services	0.1	0.1
Food & drug retailers	-	0.1
Total	100.0	100.0

Chairman's Statement

I am pleased to present the unaudited Half-Yearly Report (the "Report") of the Company for the six month period ended 31 March 2019.

As at 31 March 2019, the Net Asset Value ("NAV") of the Company was 144.4 pence per share, which represents a decrease of 12.0 pence per share when compared with the end of the same period last year and is 27.4 pence per share lower than at the start of the current financial year on 1 October 2018. This decline in net asset value reflects the difficult equity market conditions experienced during the period under review, which were most pronounced during the final quarter of 2018. Encouragingly, since the start of 2019, UK equity markets have experienced a recovery, and this has been reflected in an improvement in the NAV to 155.7 pence per share at 31 May 2019.

Investor sentiment deteriorated markedly from the start of October 2018 as political divisions deepened over how best to implement Britain's exit from the European Union. In times of heightened volatility it is normal to see levels of risk aversion increase. This more cautious approach has been highlighted in recently published research by TIME Investments, a specialist in estate planning, in which it found that 23% of wealth managers and IFAs had been asked by their clients to de-risk their investment portfolios. A further 26% said that they are currently nervous of investing in equities. Of those advisers that participated in the survey, 75% cited concerns over the outcome of Brexit negotiations as being the main driver behind client nervousness.

Smaller quoted companies are particularly vulnerable during periods of political and economic uncertainty, often suffering more extreme price movements than larger more liquid companies. This performance differential was starkly illustrated in the period under review, with the Alternative Investment Market falling significantly further and faster than the main UK equity market. In the six months ended 31 March 2019, the FTSE AIM All-Share Index registered a total return of -16.0%, while the FTSE 100 Index delivered a total return of -1.1%, having recovered almost all the declines it experienced during the final quarter of 2018.

Given this backdrop, it is unsurprising that the performance of the Company was also adversely affected during the six month period under review. NAV per share decreased from 171.8 pence to 144.4 pence. After adding back the final dividend of 3.5 pence per share for the financial year ended 30 September 2018, which was paid in February 2019, this represents a total return for the period of -13.9%. In relative terms however, the absolute total return of the Company outperformed that of the FTSE AIM All-Share Index by 2.1%.

Although conditions have been challenging, it is nonetheless reassuring to note that the falls in value experienced by portfolio holdings have been predominantly market related rather than as a result of poor operational or financial delivery by underlying investments.

As noted previously, the introduction of more restrictive rules for Venture Capital Trusts, mean that new investment must be targeted at earlier stage businesses. The operational and financial performance of these newer, and less mature, VCT qualifying

investments has resulted in portfolio performance being rather more volatile than previously. It is therefore important to remind all Shareholders of the risks associated with venture capital investing and to again emphasise that any investment in the Company should be regarded as being relatively high risk and long term in nature.

It is also important however, to highlight some of the key strengths of your Company. Over many years, the Investment Manager has constructed a portfolio of investments operating across a diverse range of sectors that, at an individual level, have generally proven their ability to achieve and maintain growth in revenues and profits over extended periods. These companies, although diverse in the type of products and services they offer, tend to be cash generative, conservatively managed and often have an established history of making dividend payments. The income received from these more mature investments is making an important contribution to the sustainability of your Company's regular and attractive tax free dividends.

Therefore, while total returns may potentially become more volatile over shorter time periods, your Investment Manager nonetheless remains confident in delivering healthy capital returns over the longer term, while also being able to generate sufficient distributable reserves to enable the Board to declare a regular and reasonably predictable level of dividend payments to Shareholders.

Offer for Subscription

The recent Offer for Subscription was launched on 29 January 2019. The Offer was strongly supported and closed, fully subscribed, on 5 April 2019. The total raised, net of all costs, was £24.3 million and resulted in the issuance of 16,707,794 new shares. On behalf of the Board, I would like to welcome all new Shareholders and to thank existing Shareholders for their continued support.

Share Buybacks

Between 1 October 2018 and 31 March 2019, the Company bought back 809,023 of its own Ordinary Shares for cancellation, at an average price of 129.3 pence per share including costs. At 31 March 2019, there were 123,461,320 Ordinary Shares in issue.

Dividends

In accordance with the policy adopted in the 2017/18 financial year, the Board has declared an interim dividend of 3.0 pence per share, for the half year ended 31 March 2019. This interim dividend will be paid on 9 August 2019, to Shareholders on the register on 19 July 2019. The shares will be quoted ex-dividend on 18 July 2019. As in previous years, dividend decisions remain subject to a number of factors including; market conditions, satisfactory performance, availability of cash and distributable reserves.

Dividend Investment Scheme

The Company has previously sought the views of Shareholders on offering a scheme whereby dividends can be reinvested into new shares in the Company rather than being paid out in cash. We will provide details to Shareholders of this option when we distribute the dividend in August 2019 with a view to implementing the scheme for the payment of the final dividend in early 2020.

Investment Performance

A review of the most meaningful contributions to performance in absolute terms (both positive and negative) follows, with share price change during period shown in brackets:-

Abcam (-20.7%) is a life sciences company providing highly specialised antibodies and other products to research laboratories and clinical communities worldwide. In March 2019, Abcam announced interim results for its financial half-year ended 31 December 2018, which reported total revenue growth in the period of 10.8% to £124.7 million and an increase of 5.2% in adjusted diluted earnings per share to 16.3 pence. Gross profit margins remained steady at 70.2%, but the group's operating margin declined from 29.1% to 26.8% as costs increased following a period of investment in the business to support future growth. Growth over the short-term is now expected to be slightly weaker than previously forecast, partly due to continued softness in the Japanese market. In addition, achieving sustained growth in Abcam's custom products & licensing business is taking longer than anticipated. The company has arranged a £200 million revolving credit facility, signalling that it may seek to make further acquisitions, alongside its organic growth strategy. The group's cash generation remains strong, with £83.2 million of net cash on the Balance Sheet at the period end. Abcam's share price declined sharply in the broad market sell-off that occurred in the final quarter of 2018, but encouragingly, has recovered in value by approximately 30% from its low point reached on 20 December 2018.

AB Dynamics (+29.1%) supplies advanced testing systems to the global automotive manufacturing industry, designed to assist research and development and improve production quality control. In its results for the financial year ended 31 August 2018, AB Dynamics reported strong growth in revenues of 51% to £37.1 million, while basic earnings per share increased by 74% to 36.3 pence. Continued strong cash generation resulted in a net cash position of £15.9 million at the financial year end and the Board have therefore proposed a 10% increase in the final dividend to 2.2 pence per share. AB Dynamics continues to experience good order growth and the new Chief Executive is planning increased investment in new product development and operational capability in order to meet anticipated future demand. AB's recent trading update confirmed further growth in revenues and profits in the first six months of its current financial year, driven by demand for a market leading testing product that supports the development of Advanced Driver Assistance Systems (ADAS).

Anpario (-31.3%) is an international producer and distributor of high performance natural feed additives for animal health, hygiene and nutrition. In March 2019, Anpario released financial results for the year ended 31 December 2018, which recorded strong growth in profits of 34% to £4.0 million. Growth in profits was achieved despite group sales declining modestly to £28.3 million. Product sales were impacted by challenging economic conditions in Latin America, where revenues declined by 21%, and in China, where, due to the outbreak of African Swine Flu, revenues fell by 11% compared to the prior year. Costs were carefully controlled however, and the business remained cash generative, despite investing

in additional inventory and materials to reduce potential Brexit related risks. The proposed final dividend was increased by 11% to 5.0 pence per share.

Augean (+81.1%) is one of the UK's leading specialist waste management businesses. In its financial results for the year ended 31 December 2018, Augean reported a significant recovery in profitability, with adjusted pre-tax profits increasing by 69% to £11.4 million. The improved financial results were a result of strong underlying trading, successful implementation of cost savings and the disposal of an unprofitable business division. This resulted in a significant improvement in free cash flow generation and a net cash position at the financial year end of £8.2 million, compared to net debt of £10.8 million in the prior year. For the past 18 months, Augean has been legally challenging a series of HMRC assessments related to the alleged historic under-payment of landfill tax. The sums involved are significant. In total, HMRC has issued final assessments amounting to £26.7 million (excluding interest) and, while Augean continues to pursue all available legal channels to challenge these assessments, a negative outcome will obviously have serious implications for the business. In the meantime, Augean has reported a strong start to its current financial year with further growth expected in its key energy from waste and oil rig decommissioning markets.

Avacta Group (+42.0%) is an early-stage technology company involved in the pre-clinical biotech sector that has developed a disruptive platform called Affirmer. The technology platform behind Affirmer supports the manufacture of reagents and therapeutics that are designed to be a low cost and more effective alternative to the use of antibodies in immunotherapy treatments for cancer patients. Affirmer's range of non-antibody binding proteins has also been engineered for a wide range of applications where the use of antibodies has limitations. In December 2018, Avacta announced that it had signed an agreement with LG Chem Life Sciences, to develop Affirmer therapeutics for oncology and the treatment of inflammatory diseases. The agreement provides for upfront and near-term milestone payments, plus longer-term clinical development milestones with a potential value of \$180 million. Avacta has now commenced the early-stage optimisation of various drug candidates, whose development may benefit from the deployment of Affirmer technology. The recently announced development partnership with LG is a strong validation of the potential of the Affirmer platform.

Communis (+35.0%) is an integrated business services company which provides marketing and corporate customer communication strategies. In October, Communis announced that it had reached agreement on the terms of an offer to be acquired by OSG Group Holdings. Shareholders received 71 pence per share, representing a c.40% premium to the last closing share price on the date prior to the announcement of the offer. The offer valued Communis at approximately £154 million and crystallised a meaningful capital gain on original investment cost.

Keywords Studios (-40.7%) is a provider of technical services to the global video games industry. During 2018, Keywords successfully completed and integrated eight acquisitions, in line with its

Chairman's Statement *(continued)*

established acquisitive growth strategy. Financial results for the year ended 31 December 2018, confirm that Keywords continues to achieve strong growth. Organic revenues grew by 10%, while total sales for the year were 66% higher at €250.8 million, which translated into an increase in adjusted pre-tax profit of 65% to €37.9 million. Earnings grew by 53% to €0.48 per share, while dividends were increased by 10% to 1.6 pence per share. Despite this impressive growth, shares in Keywords Studios fell sharply during the fourth quarter of 2018, as its value declined in line with many AIM listed growth and technology companies.

MaxCyte (-17.8%) is a cell-based medicines and life sciences company that has developed a patented, high-performance, cell-engineering platform, which is increasingly being used by biopharmaceutical companies engaged in drug discovery, particularly in the field of cell therapy, gene editing and immuno-oncology. MaxCyte issued a trading update in January 2019 covering the financial year ended 31 December 2018, which confirmed that revenues increased by 19% to \$16.7 million, benefitting from an acceleration in growth during the second-half of the year. MaxCyte remains focused on developing its high value CARMA platform, which is a unique and proprietary form of cell therapy. During the period, the first patient in Phase 1 of MaxCyte's clinical trial designed to treat solid cancer tumours was successfully dosed. In March, MaxCyte also announced that it had expanded its relationship with Kite Pharmaceuticals, a company owned by Gilead Sciences. Gilead Sciences is a US-based biopharmaceutical business currently valued at around \$80 billion. MaxCyte's agreement with Kite involves collaboration on multi-drug clinical research and represents a significant endorsement of MaxCyte's evolving technologies. In order to further progress its therapy pipeline and advancement of its CARMA pipeline, MaxCyte recently raised a further £10 million from investors. The Company maintained its equity stake in MaxCyte by participating in this most recent fund raise.

Tracsis (-10.7%) is a provider of software and services for the traffic data and transportation industry. In November, Tracsis released final results for its financial year ended 31 July 2018, which confirmed total revenue growth of 16% to £39.8 million and 9% growth in adjusted earnings per share to 25.5 pence. Growth was particularly strong in rail technology & services, with this division benefitting from the award of a large contract from a major train operating company. In January 2019, Tracsis announced that it had also secured a significant five year agreement with another major train operating company for its TRACS Enterprise product. This agreement is expected to lead to significant recurring revenue growth in future years. Finally, in March 2019, Tracsis released a trading update confirming that trading over the six month period to 31 January 2019 was in line with expectations and ahead of the prior year period. A new CEO, Chris Barnes, has been recruited to replace John McArthur who had previously announced his intention to step down, having spent the last fourteen years building the business.

ULS Technology (-40.4%) is a provider of an online "business to business" software platform for the UK conveyancing and financial intermediary markets. In December, ULS announced its interim

results for the six months ended 30 September 2018, which recorded modest growth of 3% in revenues to £15.8 million and an increase of 7% in adjusted earnings per share. ULS's operating performance was encouraging in the face of a challenging UK housing market, with the company gaining market share in both transactional and re-mortgage instructions. ULS has recently completed the development of a new product called DigitalMove, a fully electronic software platform that enables home buyers to communicate with their conveyancer in an efficient, user friendly and secure environment. ULS's share price came under severe pressure in October, as the company warned that further weakness in UK house transactions was likely to impact on the Group's results in the second half-year period.

In absolute terms, the six largest detractors from performance, as highlighted above, delivered, in aggregate, an unrealised capital loss of £13.1 million. Of these six businesses, only ULS Technologies announced a significant profit warning in the period under review.

Given the difficult market conditions experienced during the period, positive contributions from investee companies were limited. The four best performing stocks, as reported on above, delivered unrealised capital gains amounting to £3.1 million in total.

Investment Activity

In view of the unusually volatile conditions experienced, investment activity has been subdued in the period under review. Two new VCT qualifying investments, Phynova and RenalytixAI, were completed in the six months to the end of March.

Phynova is a privately owned life sciences company that develops proprietary natural healthcare products from active compounds found in plants.

RenalytixAI is a business specialising in the development of artificial intelligence enabled clinical decision tools, designed to improve risk assessment and clinical care in kidney disease, which is currently one of the larger and more costly medical conditions globally.

In total, £2 million was allocated to these new VCT qualifying investments.

Follow-on investments were made in a number of existing investments, which remained eligible for further State Aided funding. In total, £3.0 million of new capital was allocated to these investee companies in order to help facilitate their expansion plans.

In aggregate, almost £4.3 million was raised from the partial disposal of a number of holdings during the period. The purpose of such disposals is threefold; to ensure stock specific risk is contained, to lock in capital profits for future distribution to Shareholders via dividend payments and finally to help manage liquidity requirements. Two further investments; Communisis and Sinclair Pharma, were acquired by trade buyers during the period realising total proceeds of £2.3 million and a realised capital gain of £0.5 million. Non-qualifying holdings in Arbuthnot Banking Group, Mears Group and Science Group were also disposed of in full in the period under review, raising £2.9 million in aggregate and crystallising a total capital gain of £0.9 million.

Material Transactions

Other than 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 2019.

VCT Status

The Company remains above the VCT qualifying threshold required by HM Revenue & Customs, with approximately 79% 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 PWC that the Company has maintained its Venture Capital Trust status. As noted previously, the minimum percentage of total assets required to be held in VCT qualifying shares has increased from 70% to 80% for accounting periods starting after 5 April 2019.

Outlook

In overall terms, the rate of growth in the UK economy continues to slow, and although unemployment remains at multi-year lows, the outlook for British businesses and their employees is arguably deteriorating. The most recent economic data released by the Office for National Statistics ("ONS") was not particularly encouraging in that it highlighted short term stockpiling as being the key reason behind the modest 0.2% rate of growth recorded in the UK economy during February.

The failure of our elected politicians to secure any form of agreed implementation of the vote to leave the European Union has created a vacuum, which has currently resulted in any Brexit decision being deferred, possibly until the end of October 2019. Heightened and sustained levels of political and economic uncertainty rarely result in positive business sentiment or stockmarket performance, so the sooner the Brexit issue is resolved, the more likely that investor confidence will return. In the meantime, uncertainty is creating an environment that discourages both consumer spending and business investment, which is potentially damaging to the UK economy over the longer term.

On a more positive note, the majority of companies held in the portfolio continue to trade well and management teams appear increasingly aware of the importance of prudently managing market expectations. The Investment Manager will retain focus on identifying reasonably valued and well managed businesses in which to invest that, wherever possible, offer value enhancing products and services to their customers in emerging and growing sectors of the economy.

Conclusion

Given the challenging market conditions experienced in the period under review, together with an increasingly uncertain economic and political outlook, it is heartening that our most recent Offer for Subscription was fully subscribed, attracting strong support from both existing Shareholders and new investors. The new monies raised will enable the Investment Manager to continue the established and successful strategy of selectively enhancing and developing the existing portfolio of investments, while providing

much needed capital to emerging 'scale-up' businesses, which, in turn, should create further employment opportunities and, over time, generate meaningful additional tax revenues for HM Treasury.

The investment portfolio consists of a diverse range of companies operating across a broad spectrum of sectors. In the majority of cases, the trading performance of these businesses has remained resilient. Despite the continuing uncertainty surrounding Britain's exit from the European Union, many of the portfolio companies continue to generate growth in both sales and profits. As a consequence, balance sheets have generally been strengthening, which in many cases has allowed dividend distributions to increase. Encouragingly, most management teams also continue to express confidence about the longer term prospects for their businesses.

In share price terms, a larger than usual number of investee companies disappointed during the period under review. As previously noted however, it is reassuring that the overall performance of the Company in the half year to 31 March 2019 has been relatively resilient, especially when compared to that of the FTSE AIM All-Share Index.

Despite significant and growing economic and political uncertainties, UK equity markets have experienced a sustained recovery during the first five months of 2019. The FTSE All-Share Index generated a positive total return of 8.9% between the start of January and the end of May, while the FTSE AIM All-Share Index increased in value by 12.5% over the same period. Pleasingly, the Company also performed strongly over this time period, with Net Asset Value reaching 155.7 pence per share as at 31 May, which represents a total return of 12.4% since the start of the current calendar year. In the absence of a significant deterioration in equity market or economic conditions, the portfolio appears well placed to deliver positive returns during the second half of the current financial year.

As reported in my statement in the Annual Report to 30 September 2018 the Board was awaiting the publication of the AIC Code of Corporate Governance, which was subsequently published in February 2019. Following the AIC Code does not require the Company to make any immediate changes to its composition however, as part of its review on tenure and succession planning it was decided to make a new appointment to the Board. On 10 June 2019 the Company was pleased to announce the appointment of Tim Woodcock as a new Non-Executive Director to the Board. Furthermore, it is my intention to step down as Chairman of the Board in 12 months' time.

Peter Dicks
Chairman

14 June 2019

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 70% VCT qualification threshold (80% from 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.

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 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 Investment Portfolio Summary

as at 31 March 2019

Qualifying investments	Book cost £'000	Valuation £'000	% of net assets by value*
AIM quoted investments			
Abcam	1,241	14,150	7.9
Tracsis	1,500	10,395	5.8
Mattioli Woods	1,626	7,482	4.2
Anpario	1,516	6,400	3.6
MaxCyte	3,617	5,706	3.2
Tristel	878	4,415	2.5
City Pub Group	2,250	4,354	2.4
Cohort	1,278	4,320	2.4
AB Dynamics	801	3,967	2.2
Access Intelligence	3,232	3,759	2.1
Bonhill	3,160	3,335	1.9
Avingtrans	996	3,320	1.9
Keywords Studio	303	2,848	1.6
Directa Plus	3,400	2,736	1.5
ULS Technology	1,500	2,625	1.5
Surface Transforms	2,646	2,432	1.4
Idox	1,242	2,313	1.3
Sanderson Group	1,360	2,211	1.2
Animalcare Group	2,401	1,939	1.1
Instem	985	1,689	1.0
RenalytixAI	1,500	1,673	0.9
Belvoir Lettings	1,883	1,610	0.9
Osirium Technologies	2,000	1,568	0.9
Angle	1,385	1,523	0.9
Creo Medical	1,000	1,520	0.9
Trackwise Designs	1,750	1,500	0.8
VR Education	1,588	1,429	0.8
Avacta	1,000	1,400	0.8
Hardide	1,832	1,329	0.7
Stride Gaming	1,400	1,326	0.7
LightwaveRF	2,216	1,246	0.7
ECSC Group	2,420	1,232	0.7
Quixant	648	1,168	0.7
HML Holdings	431	1,036	0.6
Surgical Innovations Group	436	880	0.5
Immotion	1,500	871	0.5
Falanx Group	1,500	817	0.5
Microsaic Systems	1,500	750	0.4
Vianet	725	719	0.4
Totally	3,106	703	0.4
Synnovia	655	655	0.4
Wey Education	2,150	616	0.3
Driver Group	552	586	0.3
Omega Diagnostics Group	500	542	0.3
Escape Hunt	1,234	521	0.3
Pressure Technologies	1,140	482	0.3
Redcentric	393	477	0.3
25 investments each valued at less than 0.3% of net assets	14,402	3,954	2.2
	86,778	122,529	68.8

Unaudited Investment Portfolio Summary

as at 31 March 2019

Qualifying investments	Book cost £'000	Valuation £'000	% of net assets by value*
Unlisted investments			
Hasgrove	1,329	6,400	3.6
nkoda Limited	2,500	2,500	1.4
Interactive Investor	1,250	2,042	1.1
Heartstone Inns	1,113	1,161	0.7
Syndicate Room	1,250	956	0.5
Phynova	500	800	0.4
Access Intelligence – Loan stock	300	300	0.2
2 investments each valued at less than 0.1% of net assets	4,102	-	-
	12,344	14,159	7.9
Total qualifying investments	99,122	136,688	76.7

Non-qualifying investments	Book cost £'000	Valuation £'000	% of net assets by value*
Fully listed UK equities	13,432	13,514	7.6
AIM quoted investments	9,816	10,695	6.0
Interactive Investor	2,197	4,161	2.3
Unicorn UK Growth Fund (OEIC)	416	933	0.5
Unicorn UK Smaller Companies Fund (OEIC)	272	849	0.5
Unicorn Ethical Fund (OEIC) Accumulation	568	610	0.3
Unicorn Ethical Fund (OEIC) Income	500	540	0.3
Lloyds Banking Group 9.25% Preference Shares	267	284	0.2
Other unlisted investments each valued at less than 0.1% of net assets	368	-	-
Total non-qualifying investments	27,836	31,586	17.7
Total investments	126,958	168,274	94.4
Current assets		11,168	6.3
Current liabilities		(1,167)	(0.7)
Net assets		178,275	100.0

* Based on fair value not VCT carrying value.

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 5.

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 2018.

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

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

A more detailed explanation of these risks and the way in which they are managed can be found in the Strategic Report on pages 9 and 10 and in the Notes to the Financial Statements on pages 60 to 62 of the 2018 Annual Report and Accounts – copies can be found via the Company's website, www.unicornaimvct.co.uk.

Directors' Statement of Responsibilities in Respect of the Financial Statements

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

- the condensed set of financial statements, which have been prepared in accordance with FRS 104 "Interim Financial Reporting", give a true and fair view of the assets, liabilities, financial position and loss of the Company for the period ended 31 March 2019, 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 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 14 June 2019 and the above responsibility statement was signed on its behalf by:

Peter Dicks,
Chairman

14 June 2019

Unaudited Income Statement

for the six months ended 31 March 2019

	Notes	Six months ended 31 March 2019 (unaudited)			Six months ended 31 March 2018 (unaudited)		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net unrealised (losses)/gains on investments	7	-	(31,396)	(31,396)	-	(3,242)	(3,242)
Net gains on realisation of investments	7	-	4,139	4,139	-	55	55
Income	4	867	-	867	1,340	-	1,340
Investment management fees	2	(413)	(1,241)	(1,654)	(459)	(1,378)	(1,837)
Other expenses		(350)	-	(350)	(345)	-	(345)
Profit/(loss) on ordinary activities before taxation		104	(28,498)	(28,394)	536	(4,565)	(4,029)
Tax on profit/(loss) on ordinary activities	3	-	-	-	-	-	-
Profit/(loss) and total comprehensive income after taxation		104	(28,498)	(28,394)	536	(4,565)	(4,029)
Basic and diluted earnings per share:							
Ordinary Shares	5	0.09p	(24.20)p	(24.11)p	0.46p	(3.91)p	(3.45)p

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

The total column of this statement is the Statement of Total Comprehensive Income of the Company prepared in accordance with Financial Reporting Standards ("FRS"). The supplementary revenue return and capital return columns are prepared in accordance with the Statement of Recommended Practice ("AIC SORP") issued in November 2014 and updated in February 2018 with consequential amendments by the Association of Investment Companies.

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

The notes on pages 15 to 19 form part of these Half-Yearly financial statements.

	Year ended 30 September 2018 (audited)		
	Revenue £'000	Capital £'000	Total £'000
	-	14,368	14,368
	-	4,252	4,252
	3,004	-	3,004
	(908)	(2,724)	(3,632)
	(691)	-	(691)
	1,405	15,896	17,301
	-	-	-
	1,405	15,896	17,301
	1.20p	13.56p	14.76p

Unaudited Statement of Financial Position

as at 31 March 2019

	Notes	As at 31 March 2019 (unaudited) £'000	As at 31 March 2018 (unaudited) £'000	As at 30 September 2018 (audited) £'000
Non current assets				
Investments at fair value	1e,7	168,274	174,126	200,052
Current assets				
Debtors		126	1,771	387
Cash at bank and in hand		11,042	9,884	1,279
		11,168	11,655	1,666
Creditors: amounts falling due within one year		(1,167)	(281)	(290)
Net current assets		10,001	11,374	1,376
Net assets		178,275	185,500	201,428
Share capital and reserves				
Called up share capital		1,235	1,186	1,172
Capital redemption reserve		-	85	99
Share premium account		-	106,325	106,325
Capital reserve		48,756	62,542	80,152
Special reserve		121,728	10,477	7,401
Profit and loss account		6,556	4,885	6,279
Equity Shareholders' funds		178,275	185,500	201,428
Basic and diluted net asset value per share of 1p each				
Ordinary Shares	8	144.40p	156.44p	171.83p

The financial information for the six months ended 31 March 2019 and the six months ended 31 March 2018 has not been audited.

The notes on pages 15 to 19 form part of these Half-Yearly financial statements.

Unaudited Statement of Changes in Equity

for the six months ended 31 March 2019

	Called up share capital £'000	Capital redemption reserve £'000	Share premium account £'000	Capital Reserve £'000	Special reserve* £'000	Profit and loss account* £'000	Total £'000
Six months ended 31 March 2019							
At 1 October 2018	1,172	99	106,325	80,152	7,401	6,279	201,428
Shares repurchased for cancellation and cancelled	(8)	8	-	-	(1,046)	-	(1,046)
Shares issued under Offer for Subscription	71	-	10,531	-	-	-	10,602
Expenses of shares issued under Offer for Subscription	-	-	(232)	-	-	-	(232)
Cancellation of Capital redemption reserve and Share premium account**	-	(107)	(116,624)	-	116,731	-	-
Transfer to special reserve	-	-	-	-	(1,358)	1,358	-
Gains on disposal of investments (net of transaction costs)	-	-	-	-	-	4,139	4,139
Net decrease in unrealised valuations in the period	-	-	-	(31,396)	-	-	(31,396)
Dividend paid	-	-	-	-	-	(4,083)	(4,083)
Investment Management fee charged to capital	-	-	-	-	-	(1,241)	(1,241)
Revenue return for the period	-	-	-	-	-	104	104
At 31 March 2019	1,235	-	-	48,756	121,728	6,556	178,275
Six months ended 31 March 2018							
At 1 October 2017	1,076	77	87,090	65,784	13,736	7,743	175,506
Shares repurchased for cancellation and cancelled	(8)	8	-	-	(1,177)	-	(1,177)
Shares issued under Offer for Subscription	118	-	19,714	-	-	-	19,832
Expenses of shares issued under Offer for Subscription	-	-	(479)	-	-	-	(479)
Unclaimed dividends released	-	-	-	-	-	8	8
Transfer to special reserve	-	-	-	-	(2,082)	2,082	-
Gains on disposal of investments (net of transaction costs)	-	-	-	-	-	55	55
Net decrease in unrealised valuations in the period	-	-	-	(3,242)	-	-	(3,242)
Dividend paid	-	-	-	-	-	(4,161)	(4,161)
Investment Management fee charged to capital	-	-	-	-	-	(1,378)	(1,378)
Revenue return for the period	-	-	-	-	-	536	536
At 31 March 2018	1,186	85	106,325	62,542	10,477	4,885	185,500
Year ended 30 September 2018							
At 1 October 2017	1,076	77	87,090	65,784	13,736	7,743	175,506
Shares repurchased for cancellation and cancelled	(22)	22	-	-	(3,102)	-	(3,102)
Shares issued under Offer for Subscription	118	-	19,714	-	-	-	19,832
Expenses of shares issued under Offer for Subscription	-	-	(479)	-	-	-	(479)
Transfer to special reserve	-	-	-	-	(3,233)	3,233	-
Gains on disposal of investments (net of transaction costs)	-	-	-	-	-	4,252	4,252
Unclaimed dividends and other income released by Rensburg	-	-	-	-	-	15	15
Net increase in unrealised valuations in the year	-	-	-	14,368	-	-	14,368
Dividends paid	-	-	-	-	-	(7,645)	(7,645)
Investment Management fee charged to capital	-	-	-	-	-	(2,724)	(2,724)
Revenue return for the year	-	-	-	-	-	1,405	1,405
At 30 September 2018	1,172	99	106,325	80,152	7,401	6,279	201,428

The financial information for the six months ended 31 March 2019 and the six months ended 31 March 2018 has not been audited.

The profit and loss account comprises the revenue reserve of £373,000 and the realised capital reserve of £6,183,000.

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

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

The notes on pages 15 to 19 form part of these Half-Yearly financial statements.

Unaudited Statement of Cash Flows

for the six months ended 31 March 2019

	Notes	Six months ended 31 March 2019 (unaudited) £'000	Six months ended 31 March 2018 (unaudited) £'000	Year ended 30 September 2018 (audited) £'000
Operating activities				
Investment income received		1,114	1,477	3,011
Investment management fees paid		(815)	(1,852)	(3,648)
Other cash payments		(458)	(486)	(787)
Net cash outflow from operating activities		(159)	(861)	(1,424)
Investing activities				
Rensburg unclaimed dividends and other income		-	-	15
Purchase of investments	7	(4,974)	(28,891)	(48,526)
Sale of investments	7	9,515	7,644	24,709
Net cash inflow/(outflow) from investing activities		4,541	(21,247)	(23,802)
Net cash inflow/(outflow) before financing		4,382	(22,108)	(25,226)
Financing				
Dividends paid	6	(4,083)	(4,161)	(7,645)
Shares issued under Offer for Subscription (net of transaction costs paid in the period)		10,510	19,237	19,159
Shares repurchased for cancellation		(1,046)	(1,177)	(3,102)
Net cash inflow from financing		5,381	13,899	8,412
Net increase/(decrease) in cash and cash equivalents		9,763	(8,209)	(16,814)
Cash and cash equivalents at start of period		1,279	18,093	18,093
Cash and cash equivalents at end of period		11,042	9,884	1,279
Reconciliation of operating (loss)/profit to net cash outflow from operating activities				
(Loss)/profit for the period		(28,394)	(4,029)	17,301
Net unrealised losses/(gains) on investments		31,396	3,242	(14,368)
Net gains on realisation of investments		(4,139)	(55)	(4,252)
Transaction costs		(7)	(81)	(119)
Decrease in debtors and prepayments		261	138	29
Increase/(decrease) in creditors and accruals		737	(76)	10
Reconciling items		(13)	-	(25)
Net cash outflow from operating activities		(159)	(861)	(1,424)

The financial information for the six months ended 31 March 2019 and the six months ended 31 March 2018 has not been audited.

The notes on pages 15 to 19 form part of these Half-Yearly financial statements.

Notes to the unaudited financial statements

for the six months ended 31 March 2019

1. Principal accounting policies

a) Statement of compliance

The Company's Financial Statements for the six months to 31 March 2019 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 November 2014 and updated in February 2018 with consequential amendments 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 2018.

b) Financial information

The financial information contained in this report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The financial information for the period ended 31 March 2019 and 31 March 2018 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 2018 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 2019, the Company held cash balances of £11.0 million. The majority of the Company's investment portfolio also remains principally 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.

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 and loss", in accordance with FRS102 and the current International Private Equity and Venture Capital Valuation ("IPEV") guidelines. 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. In the preparation of the valuations of assets 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 regularly reviewed 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.
- 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.

Notes to the unaudited financial statements

for the six months ended 31 March 2019

1. Principal accounting policies *(continued)*

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 and 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.

g) Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Income Statement in other operating expenses.

2. Investment Management Fees

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

The Directors have charged 75% (£1,241,000) of the investment management fees to the capital reserve and 25% (£413,000) to revenue.

At 31 March 2019 £839,000 payable to the Investment Manager is included in creditors due within one year.

3. Taxation

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

4. Income

	Six months ended 31 March 2019 (unaudited) £'000	Six months ended 31 March 2018 (unaudited) £'000	Year ended 30 September 2018 (audited) £'000
Dividends	822	1,205	2,739
Unicorn managed OEICs	24	65	164
Bank deposit interest	3	7	8
Loan stock interest	18	63	93
	867	1,340	3,004

5. Basic and diluted earnings and return per share

	Six months ended 31 March 2019 (unaudited)	Six months ended 31 March 2018 (unaudited)	Year ended 30 September 2018 (audited)
Profit/(loss) and total comprehensive income after taxation (£'000)	(28,394)	(4,029)	17,301
Basic and diluted earnings per share	(24.11)p	(3.45)p	14.76p
Net revenue from ordinary activities after taxation (£'000)	104	536	1,405
Basic and diluted revenue earnings per share	0.09p	0.46p	1.20p
Capital return after taxation (£'000)	(28,498)	(4,565)	15,896
Basic and diluted capital earnings per share	(24.20)p	(3.91)p	13.56p
Weighted average number of shares in issue in the period	117,775,472	116,703,864	117,250,279

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 2019 (unaudited) £'000	Six months ended 31 March 2018 (unaudited) £'000	Year ended 30 September 2018 (audited) £'000
Amounts recognised as distributions to equity holders in the period:			
Final capital dividend of 2.50 pence per share and final income dividend of 1.00 pence per share for the year ended 30 September 2017 paid on 2 February 2018	-	4,161	4,161
Interim capital dividend of 2.80 pence per share and interim income dividend of 0.20 pence per share for the year ended 30 September 2018 paid on 10 August 2018	-	-	3,528
Final capital dividend of 2.50 pence per share and final income dividend of 1.00 pence per share for the year ended 30 September 2018 paid on 1 February 2019	4,083	-	-
Total dividends paid in the period	4,083	4,161	7,689
Unclaimed dividends returned	-	-	(44)
	4,083	4,161	7,645

Notes to the unaudited financial statements

for the six months ended 31 March 2019

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 2018	15,690	95,276	13,859	300	2,215	127,340
Unrealised gains at 30 September 2018	2,842	68,930	5,737	-	2,642	80,151
Permanent impairment in value of investments	-	(5,072)	(2,367)	-	-	(7,439)
Opening valuation at 30 September 2018	18,532	159,134	17,229	300	4,857	200,052
Purchases at cost	-	4,224	750	-	13	4,987
Sale proceeds	(2,569)	(5,450)	-	-	(1,496)	(9,515)
Net realised gains*	578	2,544	-	-	1,024	4,146
(Decrease)/increase in unrealised gains	(2,743)	(27,228)	41	-	(1,466)	(31,396)
Closing valuation at 31 March 2019	13,798	133,224	18,020	300	2,932	168,274
Book cost at 31 March 2019	13,699	96,594	14,609	300	1,756	126,958
Unrealised gains at 31 March 2019	99	41,702	5,778	-	1,176	48,755
Permanent impairment in value of investments	-	(5,072)	(2,367)	-	-	(7,439)
Closing valuation at 31 March 2019	13,798	133,224	18,020	300	2,932	168,274

* Transaction costs on the purchase and disposal of investments of £7,000 were incurred in the period. These are excluded from realised gains shown above of £4,146,000 but were included in arriving at gains on realisations of investments disclosed in the Income Statement of £4,139,000.

Reconciliation of cash movements in investment transactions

There is no difference between the sales in Note 7 and that shown in the Cash Flow Statement. The difference between purchases per Note 7 above and that shown in the Cash Flow Statement is £13,000, which is the reinvested dividends on the Unicorn Ethical Fund.

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 and loss.

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
At 31 March 2019				
Equity investments	146,738	-	18,020	164,758
Non-equity investments	284	-	-	284
Loan stock investments	-	-	300	300
Open ended investment companies	2,932	-	-	2,932
Total	149,954	-	18,320	168,274
At 31 March 2018				
Equity investments	155,442	-	7,606	163,048
Non-equity investments	318	-	-	318
Loan stock investments	-	-	425	425
Open ended investment companies	10,335	-	-	10,335
Total	166,095	-	8,031	174,126
At 30 September 2018				
Equity investments	177,373	-	17,229	194,602
Non-equity investments	293	-	-	293
Loan stock investments	-	-	300	300
Open ended investment companies	4,857	-	-	4,857
Total	182,523	-	17,529	200,052

7. Investments at fair value (continued)

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

There have been no transfers between levels during the period.

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

	Non-equity investments £'000	Equity investments £'000	Loan stock investments £'000	Total £'000
Opening balance at 1 October 2018	-	17,229	300	17,529
Purchases	-	750	-	750
Sales	-	-	-	-
Total gains included in (losses)/gains on investments in the Income Statement				
- on assets sold	-	-	-	-
- on assets held at the period end	-	41	-	41
Closing balance at 31 March 2019	-	18,020	300	18,320

8. Net asset values

	At 31 March 2019 (unaudited)	At 31 March 2018 (unaudited)	At 30 September 2018 (audited)
Net assets	£178,275,000	£185,500,000	£201,428,000
Number of shares in issue	123,461,320	118,574,174	117,226,048
Net asset value per share	144.40p	156.44p	171.83p

9. Post Balance Sheet Events

On 5 April 2019, the Company allotted and issued 9,663,499 Ordinary shares representing approximately 7.8% of the share capital at prices ranging from 146.6 pence per share to 148.3 pence per share, raising net funds of £13,953,000 from gross subscriptions of £14,290,000.

On 9 April 2019, the Company purchased 433,311 shares for cancellation, representing approximately 0.33% of the issued share capital at a total cost of £564,000 representing 130.2 pence per share.

On 14 May 2019, the Company purchased 200,000 shares for cancellation, representing approximately 0.15% of the issued share capital at a total cost of £271,000 representing 135.5 pence per share.

On 11 June 2019, the Company purchased 425,125 shares for cancellation, representing approximately 0.32% of the issued share capital at a total cost of £581,000 representing 136.7 pence per share.

10. Related party transactions

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

Shareholder Information

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

Net asset value per share

The Company's NAV per share as at 31 May 2019 was 155.7p. The Company announces its unaudited NAV on a monthly basis.

Dividends

The Board has declared an interim dividend in respect of the six months ended 31 March 2019 of 3.0p per share, payable on 9 August 2019 to Shareholders registered at the close of business on 19 July 2019. The ex-dividend date is 18 July 2019.

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

Selling your shares

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

Shareholder enquiries:

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

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

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

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

Change of Address

To notify the Company of a change of address please contact the Company's Registrar at the address on page 21.

Fraud warning

The Company has become aware that a small number of Shareholders along with those of other VCTs have received unsolicited telephone calls from persons purporting to be acting on behalf of a client who is looking to acquire their VCT shares at an attractive price. It is often stated by the caller that 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, even though a UK address may well be quoted and a UK telephone number provided. If the Shareholder wishes to proceed, they are sent a non-disclosure agreement for the Shareholder 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.

Corporate Information

Directors (all non-executive)

Peter Dicks (Chairman)
Charlotta Ginman
Jeremy Hamer
Jocelin Harris
Tim Woodcock (appointed 10 June 2019)

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
Preacher's Court
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
No 1 Colmore Square
Birmingham
B4 6AA



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0207 253 0889
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ASSET MANAGEMENT