

Prospectus

Offer for subscription to raise up to £20 million
with an over-allotment facility to raise up to a further £5 million



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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the action to be taken, you should immediately consult your bank manager, stockbroker, solicitor, accountant or other independent financial intermediary authorised pursuant to the Financial Services and Markets Act 2000, as amended (FSMA).

This document, constitutes a prospectus issued by Unicorn AIM VCT plc (Company) dated 28 January 2025 (Prospectus). The Prospectus has been prepared in accordance with and has been approved by the Financial Conduct Authority (FCA) as the competent authority under Regulation (EU 2017/1129)/Prospectus (Amendment etc.) (EU Exit) Regulations 2019. The FCA only approves the Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU 2017/1129)/Prospectus (Amendment etc.) (EU Exit) Regulations 2019 and such approval shall not be considered as an endorsement of the quality of the securities or the issuer that are subject to the Prospectus.

This document has further been prepared in compliance with the Prospectus Regulation Rules made under FSMA (Prospectus Regulation Rules), English law and the rules of the FCA and the information disclosed may not be the same as that which would be disclosed if this document had been prepared in accordance with the laws of a jurisdiction outside England. The Prospectus has been drawn up as part of a simplified Prospectus in accordance with section 2.5.1 of the Prospectus Regulation Rules.

Summary information on the Company is also contained in its key information document (Key Information Document). Investors should make their own assessment as to the suitability of investing in the securities.

The Company and the directors of the Company (Directors), whose names appear on the inside back cover of this document, accept responsibility for the information contained in this document. To the best of the knowledge of the Company and the Directors, the information contained in this document is in accordance with the facts and the document makes no omission likely to affect its import.

Persons receiving this document should note that, in connection with the Offer, Panmure Liberum Limited (Panmure Liberum) is acting as sponsor for the Company and Unicorn Asset Management Limited (Unicorn AM) is acting as promoter to the Company (and, in each case, for no one else), are both authorised and regulated in the United Kingdom by the FCA and will not (subject to the responsibilities and liabilities imposed by FSMA or the regulatory regime established thereunder) be responsible to any other person for providing the protections afforded to customers of Panmure Liberum and Unicorn AM (respectively) for providing advice in connection with the Offer.

Shakespeare Martineau LLP, which is regulated in the United Kingdom by the Solicitors Regulation Authority, is acting as legal adviser to the Company and no one else and will not be responsible to any other person for providing advice in connection with any matters referred to herein.

Application has been made to the FCA for all of the ordinary shares of 1p each in the capital of the Company to be issued pursuant to the Offer (New Shares) to be admitted to the closed-ended investment fund category of the Official List and will be made to the London Stock Exchange for such New Shares to be admitted to trading on its main market for listed securities. It is expected that such admission to the Official List will become effective and that dealings in the New Shares will commence within three business days following allotment. The Company's existing issued shares are traded on the London Stock Exchange's main market for listed securities.

UNICORN AIM VCT PLC

(Registered in England and Wales with registered number 04266437)

Offer for Subscription to raise up to £20 million with an over-allotment facility to raise up to a further £5 million through the issue of New Shares

The attention of prospective investors in the Company who are resident in, or citizens of, territories outside the United Kingdom is drawn to the information under the heading 'Overseas Shareholders' in paragraph 10 of Part VIII of this document. The New Shares will not be registered under the United States Securities Act 1933 or the United States Investment Company Act 1990, and no action has been, or will be, taken in any jurisdiction by, or on behalf of the Company, Unicorn AM or LGBR Capital London Limited (LGBR Capital), the distributor for the Offer, which would permit a public offer of the New Shares in any jurisdiction other than the United Kingdom, nor has any such action been taken with respect to the possession or distribution of this document other than in the United Kingdom.

Copies of this Prospectus (and any supplementary prospectus published by the Company) are available free of charge from the national storage mechanism (<https://data.fca.org.uk/#/nsm/nationalstoragemechanism>) and from Unicorn AM and LGBR Capital:

| | |
|---|---|
| Unicorn Asset Management Limited | LGBR Capital London Limited |
| First Floor Office, Preachers Court | 10 Throgmorton Avenue |
| The Charterhouse, Charterhouse Square | London |
| London EC1M 6AU | EC2N 2DL |
| telephone: 020 7253 0889 | telephone: 020 7071 3920 |
| download: https://unicornaimvct.co.uk/fund-information/current-fundraising/ | |
| download: https://lighttowerpartners.co.uk/products/unicorn-aim-vct/ | |
| email: info@unicornam.com | email: unicornam@lgbrcapital.com |

The procedure for, and the terms and conditions of, application under this Offer are set out in Part X of this document. The Offer will open for applications at 9.00 a.m. on 13 February 2025 and will close for applications at 5.30 p.m. on 30 April 2025 (or, if earlier, as soon as the Offer is fully subscribed or otherwise at the Board's discretion).

Applications should be made by completing and submitting the online Application Form (please refer to the instructions at <https://unicornaimvct.co.uk/fund-information/current-fundraising/> or contact the receiving agent, The City Partnership (UK) Limited on 01484 240 910 or by email at unicornaimvct@city.uk.com) and payment of Application monies must be by way of bank transfer. If you have any administrative queries, please contact The City Partnership (UK) Limited. If you are unable to use the online application facility, please contact Unicorn Asset Management Limited.

YOUR ATTENTION IS DRAWN TO THE RISK FACTORS ON PAGES 9 AND 10.

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Summary

1. Introduction, containing warnings

This summary should be read as an introduction to the prospectus issued by Unicorn AIM VCT plc (Company) on 28 January 2025 (Prospectus) and any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Civil liability attaches only to those persons who have published the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

The securities (New Shares) being offered pursuant to the offer for subscription by the Company contained in the Prospectus (Offer) are ordinary shares of 1 p each (ISIN: GBO0B1RTFN43) (Shares).

The Company can be contacted by writing to the company secretary, ISCA Administration Services Limited at The Office Suite, Den House, Den Promenade, Teignmouth TQ14 8SY or by calling, within business hours, 01 392 487056.

The Legal Entity Identity number (LEI) for the Company is 21380057QDV7D34E9870.

The Prospectus was approved on 28 January 2025 by the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN. Contact information relating to the Financial Conduct Authority can be found at <https://www.fca.org.uk/contact>.

2. Key information on the issuer

2.1 Who is the issuer of securities?

The Company is a public company with limited liability incorporated in England and Wales and domiciled in the United Kingdom.

The Company operates under the Companies Act 2006 and regulations made thereunder.

HMRC has granted approval of the Company as a venture capital trust (VCT) under section 259 of the Income Tax Act 2007 (as amended). The business of the Company has been, and it is intended will be, carried on so as to continue to comply with that section to maintain full VCT approval.

The LEI for the Company is 21380057QDV7D34E9870.

The Company does not have any major shareholders and to the best of the knowledge and belief of the directors of the Company (Directors), the Company is not directly controlled by any other party and at the date of the Prospectus, there are no arrangements in place that may, at a subsequent date, result in a change of control of the Company.

The board of Directors is comprised of Tim Woodcock (Chair), Julian Bartlett, Charlotta Ginman, Jeremy Hamer and Josephine Tubbs (Board).

Unicorn Asset Management Limited (Investment Manager) has been appointed as the Company's investment manager. ISCA Administration Services Limited has been appointed as the company secretary and as the Company's administrator.

Johnston Carmichael LLP acts as auditor to the Company. Johnston Carmichael LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

2.2 What is the key financial information regarding the issuer?

2.2.1 Selected historical financial information

2.2.1.1 Information relevant to closed end funds (as at 30 September 2024 (audited), unless otherwise stated)

| Share class | Net assets | No. of Shares | NAV per Share | Historical Performance |
|-------------|------------|---------------|---------------|---|
| Ordinary | £199.4m | 190,437,026 | 104.7p | 100.7p (NAV as at 31 December 2024 (unaudited)) |

The Board has declared a final dividend, subject to shareholder approval, in respect of the financial year ended 30 September 2024 of 3.5p payable on 21 February 2025 to shareholders on the register as at 3 January 2025. The Board has also declared an interim special dividend of 6.0p payable on 21 February 2025 to shareholders on the register as at 3 January 2025. If adjusted for these dividends, the unaudited NAV per Share as at 31 December 2024 would be 91.2p.

2.2.1.2 Income statement for closed end funds

| | Financial year ended 30 September 2024 £'000 (unless otherwise stated) |
|--|---|
| Income from investments | 2,829 |
| Total income before operating expenses | 2,910 |
| Investment management fees (accrued/paid) | 3,920 |
| Fees (accrued/paid) to other service providers | 499 |
| Other expenses | 288 |
| (Loss)/profit on ordinary activities before taxation | 625 |
| Net (loss)/profit on ordinary activities before taxation | 625 |
| Basic and diluted earnings per Share | 0.34p |
| Dividends paid per Share (in the period) | 18.2p |
| Dividends paid/declared per Share (in respect of the period) | 18.2p* |

* This includes the final dividend, subject to shareholder approval, in respect of the financial year ended 30 September 2024 of 3.5p payable on 21 February 2025 to shareholders on the register as at 3 January 2025, but excludes the interim special dividend of 6.0p payable on 21 February 2025 to shareholders on the register as at 3 January 2025.

2.2.1.3 Balance sheet for closed end funds

| | As at 30 September 2024 |
|------------------|-------------------------|
| Total net assets | £199.4m |
| NAV per Share | 104.7p |

2.2.2 Pro forma financial information

There is no pro forma financial information in the Prospectus.

2.2.3 Qualifications to audit reports

There were no qualifications in the audit report for the Company in respect of the financial year ended 30 September 2024.

2.3 What are the key risks that are specific to the issuer?

- There can be no guarantee that the Company's investment objectives will be achieved or that suitable investment opportunities will be available. The performance of the Company (and the ability to achieve returns for shareholders) will be dependent on the investment opportunities sourced by the Investment Manager and the performance of those investments.
- Changes to VCT legislation since 2015 have introduced a number of restrictions and conditions designed to ensure that investments are made in smaller, younger businesses targeting growth and development and where capital is at risk. As a result of the changes, it is probable that a higher proportion of the Company's portfolio over time will be in investments in unquoted companies which, by definition, are higher risk and, as a consequence the Company is likely to experience more extreme investment outcomes, both on the upside and the downside. The changes to the rules may also limit the number of, and increase competition for, investment opportunities available going forward compared to previously and such companies are likely to have a higher risk profile (and increased volatility of future returns and more extreme investment outcomes) than companies in which investments were previously made.
- Investment in AIM-quoted, Aquis market-traded and unquoted companies by its nature involves a higher degree of risk than investment in companies listed on the main market of the London Stock Exchange. In particular, the viability and financial performance of small companies often depends on a narrow product range, small markets, limited financial resources, a small number of staff and counterparties, and may be more susceptible to political, exchange rate, taxation and regulatory changes.
- The new Labour Government has announced significant amendments to the inheritance tax rules in the 2024 Autumn Budget, including business relief being reduced to 50% in respect of AIM shares. The Board and the Manager believe that a reduction in tax reliefs available to investors in AIM shares under business relief could result in more investment opportunities being available for the Company from reduced competition if there is less funding available from AIM-related inheritance tax products. However, the AIM market could also be adversely affected as a result of the proposed amendments by being seen as less attractive to investors and, therefore, less attractive as a market on which to list, which may limit the number of qualifying investment opportunities and/or reduce the level of returns which might otherwise have been achievable.

- The Board intends to manage its affairs in respect of each accounting period so as to maintain approval as a VCT. However, there can be no guarantee that the Company will be able to maintain VCT status.
- Some of the Company's investments may be difficult to realise. The fact that a share is traded on AIM or Aquis markets does not guarantee its liquidity. The value of the Company's portfolio (both quoted and unquoted) and opportunities for realisation will also depend on stock market conditions.
- Any change of governmental, economic, fiscal, monetary or political policy, including government spending reviews, levels of unemployment, stock market volatility, consumer confidence, inflation and changes to the current level of interest rates could materially affect the operation and performance of the Company and/or investee companies and/or the value of, and returns from, the Shares and/or the Company's ability to achieve or maintain VCT status.
- Geopolitical risks have increased significantly over the last few years. Economic and global political uncertainty stemming from conflict in Ukraine and the Middle East, ongoing tensions between global powers such as the US and China, political regime change (actual and potential) across the UK, US and Europe, potential tariffs or governmental policies that hinder international trade and result in volatile commodity continue to present significant challenges. The continuing period of higher levels of interest rates, the relatively tight labour market, disruption to supply chains, low consumer spending and higher energy costs continue to present significant challenges, which is adversely affecting economic growth, particularly in the UK. This may continue to adversely affect the performance of companies in which the Company has invested or may invest, which in turn may adversely affect the valuation of the investments, the performance of the Company and/or the value of, and returns from, the Shares. This may also negatively impact the number or quality of investment opportunities available to the Company.
- It is also possible that currently unknown and unanticipated events, either domestic or international, may occur and have a negative effect on economic activity and adversely affect the performance of companies in which the Company has invested or may invest, which in turn may adversely affect the performance of the Company.

3 Key information on the securities

3.1 What are the main features of the securities?

3.1.1 Description and class of securities

The New Shares are ordinary shares of 1p each (ISIN: GB00B1RTFN43).

The Company's share capital comprises ordinary shares of 1p (GBP) each.

As at the date of this document there are 188,733,452 Shares in issue (all fully paid up). The maximum number of New Shares to be issued pursuant to the Offer is 35 million.

3.1.2 Rights attaching to the securities

The New Shares will rank equally in all respects (including on a winding up) with each other and the existing Share capital of the Company from the date of issue.

There are no restrictions on the transferability of the Shares.

3.1.3 Dividend policy

The Board remains committed to a policy of maintaining a steady flow of dividend distributions to shareholders from the income and capital gains generated by the portfolio.

The amount of such dividends is at the Board's discretion and the ability to pay dividends is influenced by the performance of the Company's investments, available distributable reserves and cash, as well as the need to retain funds for further investment and ongoing expenses.

3.2 Where will the securities be traded?

Application has been made to the FCA for the New Shares to be admitted to the closed-ended investment fund category of the Official List and will be made to the London Stock Exchange for such shares to be admitted to trading on its main market for listed securities.

3.3 What are the key risks that are specific to the securities?

- The value of Shares, and the income derived from them, may go down as well as up and an investor may not get back the amount they invested. The past performance of the Company or other funds managed or advised by the Investment Manager should not be regarded as a guide to the future performance of the Company. The value of Shares in the Company largely depends on the performance of the Company's underlying investments. The value of such investments and the dividend stream therefrom can rise and fall. Shareholders may get back less than the amount originally invested, even after taking into account the available tax reliefs. In addition, there is no guarantee that dividends will be paid or that any stated dividend objective will be met.

- Shareholders will have no rights to have their Shares redeemed or repurchased by the Company at any time. Shareholders wishing to dispose of their Shares will need to do so via the stock market. The ability of shareholders to sell their Shares at, or close to, net asset value will depend on the existence of buyers for the Shares and the market price of the Shares.
- Although the existing Shares have been (and it is anticipated that the New Shares to be issued pursuant to the Offer will be) admitted to the closed-ended investment fund category of the Official List and are (or will be) traded on the London Stock Exchange's main market for listed securities, the secondary market for VCT Shares is generally illiquid (which may be due to upfront tax relief not being available for VCT shares bought in the market) and shareholders may have difficulty in selling their Shares as a result.
- The sale of New Shares by a subscriber within five years of subscription will result in the upfront income tax relief claimed upon investment becoming repayable. On this basis, investing in New Shares should be considered a long-term investment. Further, the disposal of any existing Shares within six months before or after the acquisition of New Shares will result in the amount of the investment in New Shares to which VCT tax reliefs are available being reduced by an amount equal to the proceeds received on the disposal.

4 Key information on the offer of securities to the public and/or the admission to trading on a regulated market

4.1 Under which conditions and timetable can I invest in the securities?

4.1.1 Terms and Conditions

The Company is seeking to raise up to £20 million (with an over-allotment facility to raise up to a further £5 million) through the issue of up to 35 million New Shares pursuant to the Offer. If the Board decides (in consultation with the Investment Manager) to increase the Offer by using the over-allotment facility, this will be communicated by way of a Regulatory Information Service announcement.

The number of New Shares to be allotted to a successful Applicant will be determined by the following formula (Allotment Formula):

$$\text{Number of New Shares} = \frac{A - B - C}{NAV}$$

Where:

- A is the Application Amount (this being the amount remitted to the Company with the investor's Application, including any amount requested to be facilitated, as accepted under the Offer);
- B is 2.5% of the Application Amount (i.e. 2.5% of A), less any amount of the fee payable to the Investment Manager that the Investment Manager has agreed to waive at its discretion;
- C is either:
 - (i) in respect of advised investors, the amount of any initial adviser charge agreed to be facilitated (up to the maximum of 4.5% of the Application Amount (i.e. 4.5% of A)); or
 - (ii) in respect of 'execution-only' and professional client investors, the amount of any initial commission agreed to be paid to the relevant financial intermediary (up to a maximum of 3% of the Application Amount (i.e. 3% of A)) less any amount of initial commission agreed to be waived; and
- NAV is the most recently published NAV per Share at the time of allotment, adjusted for dividends subsequently declared and for which the record date for payment has passed at the time of allotment.

The price per New Share is determined by dividing the Application Amount (this being the amount of the investor's Application accepted to be used to subscribe for New Shares (i.e. the Application Amount, inclusive of any amount of any initial adviser charge agreed to be facilitated in respect of an advised investor)) by the number of New Shares to be issued.

4.1.2 Expected Timetable

The Offer will open for Applications at 9.00 a.m. on 13 February 2025 and will close for Applications at:

- 5.30 p.m. on 1 April 2025 for the 2024/2025 tax year; and
- 5.30 p.m. on 30 April 2025 for the 2025/2026 tax year,

or, if earlier, as soon as the Offer is fully subscribed or otherwise at the Board's discretion.

The Board currently envisages three allotments of New Shares on or around 11 March 2025, 4 April 2025 and 12 May 2025. Allotment of New Shares may, however, be made more or less frequently at the discretion of the Board (including, if earlier, following full subscription).

4.1.3 Details of Admission

Applications have been made to the FCA for the New Shares to be admitted to the closed-ended investment fund category of the Official List and will be made to the London Stock Exchange for such shares to be admitted to trading on its main market for listed securities. It is anticipated that dealings in the New Shares will commence within three business days following allotment.

4.1.4 Distribution

The New Shares will be available to be issued in either registered form (i.e. certificated) or electronic form (i.e. via CREST). Where applicable, share certificates are expected to be dispatched by post within ten business days of allotment.

4.1.5 Dilution

Assuming 35 million New Shares are allotted by the Company (this being the maximum number of New Shares that may be allotted pursuant to the Offer), the existing issued share capital of the Company would represent 84.4%, this being the dilutive effect on existing shareholders of the Company assuming no participation by them in the Offer.

4.1.6 Expenses of the Offer

4.1.6.1 Offer expenses

The Investment Manager, 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. In consideration, the Investment Manager has agreed to meet all Offer costs payable by the Company, excluding (as these are borne by the investor through the Allotment Formula) permissible initial commissions offered to intermediaries in respect of 'execution only' and Professional Client investors and any amounts due from the Company to investors in connection with the facilitation of initial adviser charges, but including any annual trail commissions offered to intermediaries in respect of 'execution only' and Professional Client investors.

The Investment Manager may agree to waive any part of its fee represented by 2.5% of the Application Amounts in respect of Applications accepted under the Offer as referred to above (this being (B) in the Allotment Formula) in respect of any specific investor or group of investors for the benefit of such investors. The benefit of any waiver will reduce the fee payable to the Investment Manager and, in respect of investors, be applied by reducing (B) in the Allotment Formula by an equivalent amount, which will reduce the costs applied for those investors, thereby increasing the number of New Shares to be allotted to such investors.

The Investment Manager has further agreed that, to the extent that the actual costs of the Offer incurred by it (ignoring annual trail commission) are less than the amount of the promotion fee payable to it, it will rebate the excess amount to the Company.

The fees payable to the Investment Manager (which the Investment Manager uses to settle Offer costs), plus (i) permissible initial commissions offered to intermediaries in respect of 'execution only' and professional client investors and (ii) any amounts due from the Company to investors in connection with the facilitation of initial adviser charges will, therefore, be the maximum costs directly incurred by the Company in relation to the Offer, however these are borne by investors through the Allotment Formula).

Assuming full subscription under the Offer (utilising the over-allotment facility), the Offer costs payable by the Company would be a maximum of £1.75 million (assuming that all investors are advised investors and the maximum adviser fee the Company will facilitate is requested). The net proceeds would, on the same basis, amount to £23.25 million.

4.1.6.2 Expenses charged to the investor

The maximum upfront costs of the Offer to an investor will be 2.5% of the Application Amount (this being the amount remitted to the Company with the investor's Application, including any amount requested to be facilitated, as accepted under the Offer) plus (i) in respect of 'execution-only' investors, any initial commission payable to 'execution-only' financial intermediaries (this being a maximum of 3% of the Application Amount) or (ii) in respect of advised investors, any amount of initial adviser charges payable by the investor (unless an investor agrees to pay directly any other fees in connection with their investment).

4.2 Why is this Prospectus being produced?

4.2.1 Reasons for the Offer

The Board and the Investment Manager believe that there is further appetite for investment in the Company and potentially attractive investment opportunities available.

4.2.2 The use and estimated net amount of proceeds

The net proceeds of the Offer will be pooled with the existing cash resources of the Company and applied (i) to make new and follow-on investments in accordance with its investment policy and (ii) to help meet annual outgoings (including running costs, directors' fees, service provider fees, dividends and market purchases of Shares).

Assuming full subscription under the Offer (utilising the over-allotment facility) the Offer costs payable by the Company would be a maximum of £1.75 million (assuming that all investors are advised investors and the maximum adviser fee the Company will facilitate is requested). The net proceeds would, on the same basis, amount to £23.25 million.

4.2.3 Conflicts of interest

The Investment Manager's fees are based on a percentage of net assets and, therefore, there is an inherent conflict in the valuations it proposes in relation to unquoted investments. This conflict is managed by the valuation of unquoted investments being reviewed and approved each quarter by the Board and reviewed annually by external auditors. The Investment Manager is also the investment manager or adviser to a number of other funds, including open ended investment company sub-funds in which the Company invests. To ensure that the Investment Manager does not receive a double payment of management fees in respect of these other funds, the Company and the Investment Manager have put in place arrangements whereby the Company does not pay the Investment Manager management fees in relation to any investments by the Company in these other funds.

Save as set out above, there are no material potential conflicts of interest which any of the service providers to the Company may have as between their duty to the Company and the duties owed to third parties and their other interests.

Risk Factors

Prospective investors should consider carefully the following risk factors in addition to the other information presented in this document. If any of the risks described below materialise, it could have a material effect on the Company's business, financial condition or results of operations. The risks and uncertainties described below are not the only ones the Company, the Board or investors in the Shares will face. Additional risks not currently known to the Company or the Board, or that the Company or the Board currently believes are not material, may also adversely affect the Company's business, financial condition and results of operations.

The value of the Shares could decline due to any of the risk factors described below materialising, and investors could lose part or all of their investment. Investors should consult an independent financial intermediary authorised under FSMA concerning an investment in its Shares.

The attention of prospective investors is drawn to the following risks.

Risks relating to Shares

The value of Shares, and the income derived from them, may go down as well as up and an investor may not get back the amount they invested. The past performance of the Company or other funds managed or advised by the Investment Manager should not be regarded as a guide to the future performance of the Company. The value of Shares in the Company largely depends on the performance of the Company's underlying investments. The value of such investments and the dividend stream therefrom can rise and fall. Shareholders may get back less than the amount originally invested, even after taking into account the available tax reliefs. In addition, there is no guarantee that dividends will be paid or that any stated dividend objective will be met.

Shareholders will have no rights to have their Shares redeemed or repurchased by the Company at any time. Shareholders wishing to dispose of their Shares will need to do so via the stock market. The ability of Shareholders to sell their Shares at, or close to, net asset value will depend on the existence of buyers for the Shares and the market price of the Shares.

Although the existing Shares have been (and it is anticipated that the New Shares to be issued pursuant to the Offer will be) admitted to the closed-ended investment fund category of the Official List and are (or will be) traded on the London Stock Exchange's main market for listed securities, the secondary market for VCT Shares is generally illiquid (which may be due to upfront tax relief not being available for VCT shares bought in the market) and Shareholders may have difficulty in selling their Shares as a result. An investment in the Company should be considered as long-term.

The Shares are likely to trade at a discount and the price for a Share at which a Shareholder could sell on the stock market may be significantly less than the net asset value of the Share or the price paid by the Shareholder to acquire the Share. Prospective Investors should note that, historically, the Shares have traded at a discount.

Investment Risks

There can be no guarantee that the Company's investment objectives will be achieved or that suitable investment opportunities will be available. The performance of the Company (and the ability to achieve returns for Shareholders) will be dependent on the investment opportunities sourced by the Investment Manager and the performance of those investments.

Changes to VCT legislation since 2015 have introduced a number of restrictions and conditions designed to ensure that investments are made in smaller, younger businesses targeting growth and development and where capital is at risk. As a result of the changes, it is probable that a higher proportion of the Company's portfolio over time will be in investments in unquoted companies which, by definition, are higher risk and, as a consequence the Company is likely to experience more extreme investment outcomes, both on the upside and the downside. These changes to the rules may also limit the number of, and increase competition for, investment opportunities available going forward compared to previously and such companies are likely to have a higher risk profile (and increased volatility of future returns and more extreme investment outcomes) than companies in which investments were previously made. The changes could also restrict the structure of investments and the ability to make follow-on investments adversely impacting on the Company's portfolio. Further changes in legislation concerning VCTs, in particular in relation to qualifying holdings and qualifying trades, may also limit the number of qualifying investment opportunities and/or reduce the level of returns which might otherwise have been achievable.

Investment in AIM-quoted, Aquis market-traded and unquoted companies by its nature involves a higher degree of risk than investment in companies listed on the main market of the London Stock Exchange. In particular, the viability and financial performance of small companies often depends on a narrow product range, small markets, limited financial resources, a small number of staff and counterparties, and may be more susceptible to political, exchange rate, taxation and regulatory changes. In addition, the market for securities in smaller companies is less regulated and less liquid than that for securities in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such securities. Investment returns will, therefore, be uncertain and are likely to involve a higher degree of risk than investment in a company listed on the Official List.

The new Labour Government has announced significant amendments to the inheritance tax rules in the 2024 Autumn Budget, including Business Relief being reduced to 50% in respect of AIM shares. The Board and the Manager believe that a reduction in tax reliefs available to investors in AIM shares under Business Relief could result in more investment opportunities being available for the Company from reduced competition if there is less funding available from AIM-related inheritance tax products. However, the AIM market could also be adversely affected as a result of the proposed amendments by being seen as less attractive to investors and, therefore, less attractive as a market on which to list, which may limit the number of qualifying investment opportunities and/or reduce the level of returns which might otherwise have been achievable.

Some of the Company's investments may be difficult to sell. The fact that a share is traded on AIM or Aquis does not guarantee its liquidity. The value of the Company's portfolio (both quoted and unquoted) and opportunities for realisation will also depend on stock market conditions. There may also be constraints imposed on the realisation of investments by the need to maintain the VCT status of the Company, which may restrict the Company's ability to obtain maximum value from its investments. In addition, although the Company may receive conventional venture capital rights in connection with some unquoted investments, as a minority investor it may not be in a position to protect its interests.

Investment in unquoted companies often involves assuming high levels of risk, partly due to the early stage of their development and the absence of liquidity in their issued share capital. This is particularly true when such investments are compared to investment in fully-quoted securities or AIM-quoted shares. As a consequence of this lack of liquidity, the Investment Manager's ability to manage stock specific exposure and unquoted portfolio concentration through the partial disposal of shares is reduced. The valuation of the unquoted securities also introduces additional risk, because it inevitably involves an element of subjectivity. This additional risk is mitigated through the application of a rigorous valuation process, in accordance with IPEV Valuation Guidelines. However, in the absence of daily mark-to-market pricing, the carrying values of the Company's investments in privately owned businesses will not always be transparent. As the carrying value of such investments will be more subjective, there may be an adverse effect on the net assets of the Company and the NAV per Share if the valuation is subsequently reduced following availability of further information and/or disposal proceeds are lower.

Tax Related Risks

The sale of New Shares by a subscriber within five years of subscription will result in the upfront income tax relief claimed upon investment becoming repayable. On this basis, investing in New Shares should be considered a long-term investment. Further, the disposal of any existing Shares within six months before or after the acquisition of New Shares will result in the amount of the investment in New Shares to which VCT tax reliefs are available being reduced by an amount equal to the proceeds received on the disposal.

The Board intends to manage its affairs in respect of each accounting period so as to maintain approval as a VCT. However, there can be no guarantee that the Company will be able to maintain VCT status. Failure to continue meeting the VCT qualifying conditions could result in Shareholders losing tax reliefs available on VCT Shares, resulting in adverse tax consequences including, if Qualifying Investors have not held their Shares for five years, the income tax relief obtained on the amount subscribed in the Company being subject to clawback by HMRC. Furthermore, should the Company lose VCT status, dividends and gains arising on the disposal of Shares would become subject to tax and the Company would also lose its exemption from corporation tax on capital gains.

On 4 July 2024, a new Labour Government was elected. Although the Labour party have previously expressed support for VCT and (S)EIS schemes, and notwithstanding the passing of a Treasury order on 3 September 2024 which formally extended the retirement date of the schemes from midnight on 5 April 2025 to midnight on 5 April 2035, the newly elected Government may still make significant changes to the VCT rules (or their interpretation) or VCT tax reliefs available, or may repeal the VCT scheme entirely. Any such developments may adversely affect the future viability of the Company.

The tax rules or their interpretation in relation to an investment in the Company and/or rates of tax may change during the life of the Company and can be retrospective, which may affect tax reliefs available on Shares and/or the ability of the Company to meet its objectives or maintain VCT status.

Other Risks

Geopolitical risks have increased significantly over the last few years. Economic and global political uncertainty stemming from conflict in Ukraine and the Middle East, ongoing tensions between global powers such as the US and China, political regime change (actual and potential) across the UK, US and Europe, potential tariffs or governmental policies that hinder international trade and result in volatile commodity prices continue to present significant challenges. The continuing period of higher levels of interest rates, the relatively tight labour market, disruption to supply chains, low consumer spending and higher energy costs continue to present significant challenges, which is adversely affecting economic growth, particularly in the UK. This may continue to adversely affect the performance of companies in which the Company has invested or may invest, which in turn may adversely affect the valuation of the investments, the performance of the Company and/or the value of, and returns from, the Shares. This may also negatively impact the number or quality of investment opportunities available to the Company.

Any change of governmental, economic, fiscal, monetary or political policy, including government spending reviews, levels of unemployment, stock market volatility, consumer confidence, inflation and changes to the current level of interest rates could materially affect the operation and performance of the Company and/or investee companies and/or the value of, and returns from, the Shares and/or the Company's ability to achieve or maintain VCT status.

It is also possible that currently unknown and unanticipated events, either domestic or international, may occur and have a negative effect on economic activity and adversely affect the performance of companies in which the Company has invested or may invest, which in turn may adversely affect the performance of the Company.

The performance of the Company depends on the performance of the Investment Manager, which in turn is dependent upon the performance and continued availability of certain key personnel. In the event that any one or more of these persons were unavailable either temporarily or permanently, the investment performance of the Company may be adversely affected.

The Articles provide the opportunity for Shareholders to consider the continuation of the Company at the annual general meeting falling after the fifth anniversary of the last allotment of Shares from time to time (and, thereafter, at five-yearly intervals). The allotment and issue of New Shares pursuant to the Offer will defer the opportunity for Shareholders to consider the continuation of the Company and, as a result, both existing and new Shareholders may have to wait longer, if there are no buyers in the market, to realise their investments.

Offer Timetable, Statistics & Costs

Indicative Offer Timetable

| | |
|---|--|
| Offer opens for Applications | 9.00 a.m. on 13 February 2025 |
| Closing date for Applications for the 2024/2025 tax year* | 5.30 p.m. on 1 April 2025 |
| Closing date for Applications for the 2025/2026 tax year* | 5.30 p.m. on 30 April 2025 |
| Allotments** | on or around 11 March 2025, 4 April 2025 and 12 May 2025 |
| Effective date for the listing of New Shares and commencement of dealings | three Business Days following allotment |
| Share certificates and tax certificates to be dispatched | within ten Business Days of allotment |

* *The Offer will close for Applications earlier than stated above if it is fully subscribed or otherwise at the Board's discretion.*

** *The Board currently envisages three allotments of New Shares. Allotment of New Shares may, however, be made more or less frequently at the discretion of the Board. The Board reserves the right to accept Applications and allot and arrange for listing of New Shares as it sees fit.*

Offer Statistics

| | |
|---|--|
| Investor's minimum investment | £3,000 |
| Amount (before costs) to be raised*** | £20 million (with an over-allotment facility to raise up to a further £5 million) |
| Maximum number of New Shares to be issued | 35 million |

*** *If the Board decides to utilise the over-allotment facility, this will be advised by way of a Regulatory Information Service Announcement.*

Offer Price, Costs and Commissions

Details on how the number of New Shares and the Offer Price will be calculated, together with details relating to financial intermediary commission and facilitation of initial adviser charges, are set out in Part II of this document.

Applications

The procedure for, and the terms and conditions of, application under this Offer are set out in Part X of this document. The Offer will open for Applications at 9.00 a.m. on 13 February 2025. Applications should be made by completing and submitting the online Application Form (please refer to the instructions at <https://unicornaimvct.co.uk/fund-information/current-fundraising/> or contact the receiving agent, The City Partnership (UK) Limited on 01484 240 910 or by email at unicornaimvct@city.uk.com) and payment of Application monies must be by way of bank transfer. If you are unable to use the online application facility, please contact Unicorn Asset Management Limited.

Applications under the Offer will be accepted on a 'first-come, first-served' basis, subject always to the discretion of the Board. For these purposes 'first-come, first-served' shall be assessed based on the date and time of receipt of a fully completed Application, subject to receipt of Application monies (in full, including those making multiple payments) in cleared funds within five Business Days thereafter (or, if earlier, before an Offer deadline or close of the Offer) to retain the Applicant's position of priority. If Application monies are not received within such time, the relevant date and time shall be when the Applicant's actual Application monies (in full) are received in cleared funds. An Application may not be considered as 'complete' until identity verification is completed and/or, where relevant, information or supporting evidence required for the Application remains outstanding.

If you have any questions relating to the completion of the Application Form or any other administrative queries, please contact The City Partnership (UK) Limited on 01484 240 910. Calls are charged at the Standard Geographic Rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that The City Partnership (UK) Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Letter from the Chair

Unicorn AIM VCT plc
The Office Suite
Den House
Den Promenade
Teignmouth
TQ14 8SY
(Registered number 04266437)

28 January 2025

Dear Investor

Introduction

On behalf of the Board, I am pleased to introduce this opportunity to invest in the Company.

The Board and Unicorn AM, our investment manager, believe that there continues to be further appetite for investment in the Company and that sufficient, and potentially attractive, investment opportunities are available. We are, therefore, pleased to offer Shareholders and new investors the opportunity to subscribe for New Shares in the Company pursuant to this Offer.

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.

The Company's original fundraising was launched in November 2001 and it is now a well-established VCT. With unaudited net assets of over £190 million as at 31 December 2024, the Company remains one of the largest AIM-focused VCTs in the market, giving the Company economies of scale. Unlike a newly established VCT, the Company offers investors access to an existing and diversified portfolio of investments in circa 90 active companies. This means that it has the potential to deliver tax-free capital growth and dividends to Qualifying Investors sooner than is likely to be the case with a new VCT.

Recent Performance and Economic Backdrop

As at 30 September 2024, the audited net assets of the Company were £199.4 million (audited net asset value per Share of 104.7p). This represents a decline of £12.5 million (17.9p per Share) when compared to the position as at 30 September 2023. There were a number of factors behind this fall, with a decrease in the value of the investment portfolio of £3.3 million, £32.0 million of dividends paid and a further £4.9 million returned to Shareholders through share buybacks all contributing to the reduction in net assets. This was partially offset by the fully subscribed fundraising, which raised net proceeds of £19.5 million, and £4.4 million from Shareholders who invested through the Dividend Reinvestment Scheme. The total return per Share (movement in net asset value plus dividends paid) of 0.3% during the financial year ended 30 September 2024 underperformed the total return of 3.9% registered by the FTSE AIM All-Share Index over the same period. Whilst disappointing, it is worth noting that the average total return of the other constituents within the AIC VCT AIM-quoted peer group was -5% (source: FE Analytics, bid-bid GBP).

The Company's performance for the year ended 30 September 2024 reflects the broader market dynamics. The economic and geopolitical environment in both the UK and globally was challenging. Following a sustained period of rising interest rates, aimed at curbing inflation, the UK economy began to show some tentative signs of stabilisation, albeit that productivity was still below par and economic growth remained minimal. Despite the rate of inflation having declined, the cost of living remained high, which continued to place a strain on household budgets and dampened consumer confidence. The faltering macroeconomic environment was reflected in the behaviour of the UK stock market, where investor sentiment remained fragile.

Despite resilience in the broader UK stock market, the smaller companies listed on AIM underperformed relative to other, more established, UK-listed smaller companies. The small size and limited liquidity of these companies continued to deter investors and the focus remained on more established companies offering stronger cash flow stability.

As at 31 December 2024, the unaudited net asset value per Share was 100.7p (£190.6 million). The total return per Share for the three month period ended 31 December 2024 was -4.1%. Whilst this is a disappointing start to the Company's current financial year, it reflects the continuing challenging market conditions referred to above, as well as the increased cost pressures placed on businesses following the 2024 Autumn Budget.

Despite these challenges, certain AIM sectors including technology, healthcare and renewable energy are demonstrating resilience. Companies in these areas continue to benefit from structural trends towards digital transformation and sustainability, which remain attractive to investors. Additionally, the relative weakness of the pound continues to support M&A activity, as undervalued UK assets appeal to foreign buyers.

Notable portfolio activity in the quarter included the acquisition of Keywords Studios plc by EQT SB Group and payment of the consideration to the shareholders of Keywords Studios plc by way of a scheme of arrangement resulting in cash proceeds being received of £6.1 million. This follows completion of the acquisition by Pollen Street Capital of Mattioli Woods in the prior quarter resulting in cash proceeds being received of £7.8 million.

The Board has decided to distribute the majority of the capital profit in respect of the realisations of the investments in Keywords Studios and Mattioli Woods and has declared an interim special dividend of 6.0p payable on 21 February 2025 to Shareholders on the register as at 3 January 2025. This is in addition to the final dividend recommended by the Board, subject to Shareholder approval, in respect of the financial year ended 30 September 2024 of 3.5p also payable on 21 February 2025 to Shareholders on the register as at 3 January 2025. If adjusted for these dividends, the unaudited NAV per Share as at 31 December 2024 would be 91.2p.

While the portfolio's diversification strategy is reducing risk to some extent, certain holdings within high-growth sectors faced considerable pressure and, as is normal in venture capital investing, some of our investee companies have recently failed. Nonetheless, the Board believes that the Company's strategic positioning within high growth sectors will ultimately enable the portfolio to generate Shareholder value over the long term. Despite recent economic headwinds, the operational performance of many of our AIM-listed companies has been reassuringly resilient. A large proportion of our investee companies are well-established, profitable and cash generative businesses, which sell highly specialised products and services for which there is typically continuing, strong demand. As the macroeconomic environment begins to stabilise, and with expectations of improved investor sentiment towards smaller, growth-oriented companies, both the Board and the Investment Manager are optimistic that the Company is well positioned to deliver positive capital returns.

The Investment Manager is seeing early indications of renewed investor interest in the AIM, driven by attractive valuations. The IPO market has also shown modest signs of recovery, with several new companies preparing to list. The Investment Manager remains highly selective, ensuring that new investments align with the Company's long-term growth strategy. This disciplined approach, coupled with an improved deal pipeline, suggests promising opportunities for capital deployment in the coming year. The Investment Manager's approach to backing new companies remains highly selective. The Investment Manager remains confident that it will continue to find exciting investment opportunities that, over time, are capable of delivering this important combination of tax-free dividend income and capital growth.

VCT Rule Changes

Over the last decade, the UK Government has continued to direct VCT investment away from lower risk areas and into early-stage businesses that require scale-up capital. In order to achieve this objective, the rules governing eligibility for VCT investment have been tightened. New investment is, therefore, targeted towards younger, less well-established businesses, which means they are often loss-making and higher risk.

The Investment Manager has been successful in adapting its investment approach to meet the new VCT investment restrictions and, despite the difficult market conditions, has made new investments in promising companies with the objective of further diversifying the portfolio while generating both growth and income. The Company invested £13.4 million in new and follow-on investments across fourteen companies in the financial year ended 30 September 2024.

The portfolio currently contains investments in six active unquoted companies, which, in aggregate, accounted for approximately 21.4% of the Company's unaudited net assets as at 31 December 2024. This compares to six investments which accounted for approximately 14.6% of the Company's unaudited net assets as at 31 December 2023. No new unquoted investments were made during the period. However, the proportion of the Company's net assets represented by existing unquoted investments increased, driven by a significant rise in the valuation of Hasgrove Limited and a reduction in net assets resulting from the payment of substantial dividends. Going forward, it is likely that the proportion of the Company's portfolio in investments in unquoted companies will remain around this higher level.

The Opportunity

The Board believes that the Offer is an attractive investment opportunity for both existing Shareholders and new investors for the following reasons:

- **Good deal-flow** – The Investment Manager believes there will continue to be a healthy flow of attractive, VCT qualifying, opportunities from which to choose new investments. Small and medium-sized enterprises (SMEs) play a key role in boosting productivity, but, crucially, they continue to need financial support in order to expand successfully.
- **Timing** – With SMEs expected to play an important part in the UK's economic recovery, UK Government-backed schemes such as VCTs are well placed to assume a greater role in providing a reliable, and much-needed, source of expansion capital.
- **Established portfolio** – The Offer provides the opportunity for investors to access an established investment portfolio, which has performed well historically and has the potential to generate capital growth and deliver dividends for Shareholders, even in the first year of investment. By contrast, returns through an investment in a newly established VCT are likely to take longer to achieve.
- **Tax-free returns** – The Company has an established track record of making regular dividend payments to Shareholders, having paid normal dividends of 6.5p in respect of each of the last three financial years. These dividends are tax-free to Qualifying Investors. A dividend of 6.5p would represent a yield of 6.2% (based on the audited net asset value per Share as at 30 September 2024 of 104.7p). In addition, the Company may also, from time to time, pay special dividends where significant proceeds are received on realisation of an investment. In the year ended 30 September 2024 the Company paid a special dividend of 11.7p per Share (39.0p in the year ended 30 September 2023). The Company has also declared an interim special dividend of 6.0p payable on 21 February 2025 to Shareholders on the register as at 3 January 2025. Special dividends should be regarded as exceptional following significant returns arising on certain investment disposals and is not expected to be an annual occurrence.

The Investment Manager

Unicorn AM was established in 2000 and is an independently owned and managed company. The Investment Manager specialises in investing in small and medium sized UK companies, quoted on AIM and fledgling markets and has a successful track record in this area of the market.

The Investment Manager is an independent asset manager focused on delivering long-term value for investors. The Investment Manager operates a team-based approach to investment management and its committed and well-resourced investment team has over 175 years' of combined experience to draw upon. Unlike many investment firms, the Investment Manager is majority owned by its directors, managers and their families, providing a further incentive to help ensure that the funds it manages deliver a consistently strong performance.

As at 31 December 2024 the Investment Manager had over £720 million under discretionary management or its advice in a range of funds and mandates designed to satisfy a variety of investor requirements. Its funds include an OEIC with six sub-funds.

The Offer

The Company proposes to raise up to £20 million (with an over-allotment facility to raise up to a further £5 million) through the issue of up to 35 million New Shares pursuant to the Offer. If the Board decides (in consultation with the Investment Manager) to increase the Offer by using the over-allotment facility, this will be communicated by way of a Regulatory Information Service announcement.

The Offer will open for Applications at 9.00 a.m. on 13 February 2025 and will close for Applications at 5.30 p.m. on 1 April 2025 for the 2024/2025 tax year and 5.30 p.m. on 30 April 2025 for the 2025/2026 tax year, or, if earlier, as soon as the Offer is fully subscribed or otherwise at the Board's discretion.

Details on how the number of New Shares and the Offer Price will be calculated, together with details relating to financial intermediary commission and facilitation of initial adviser charges, are set out in Part II of this document.

We are continuing to use an Allotment Formula through which the number of New Shares to be issued to an Applicant will be calculated. This takes into account the costs incurred by investors, whether (a) 'execution-only' financial intermediary commission applies or (b) an upfront initial adviser charge applies, or (c) an investor is applying direct. The Allotment Formula also remains based on the most recently published NAV per Share at the time of allotment. The Company publishes monthly unaudited NAVs and may publish additional NAVs for the purposes of allotments under the Offer.

Tax Benefits

The Company provides Qualifying Investors with access to the attractive tax benefits associated with an investment in a VCT. Qualifying Investors will receive up to 30% income tax relief on amounts subscribed (subject to (i) a maximum investment of £200,000 across all VCTs in a tax year, (ii) an investor's tax liability being reduced to nil and (iii) provided the New Shares are held for at least five years). Dividends and capital gains for Qualifying Investors will also be tax-free (subject to the annual investment limits).

Potential investors should note that the disposal of any existing Shares within six months before or after the subscription for New Shares will result in the amount of the investment in New Shares to which VCT tax reliefs are available being reduced by an amount equal to the proceeds received on the disposal.

Next Steps

Applications should be completed and submitted online and payment of Application monies should be sent by bank transfer. This is in order to improve efficiency and security, as well as to reduce our carbon footprint. Potential investors are encouraged to apply early as we expect the Offer to fill up quickly.

If you are considering an investment, please read the full Prospectus and then complete the online Application Form (please refer to the instructions at <https://unicornaimvct.co.uk/fund-information/current-fundraising/> or contact the Receiving Agent on 01484 240910 or by email at unicornaimvct@city.uk.com). Please note that payment of Application monies must be by way of bank transfer. If you have any administrative queries, please contact the Receiving Agent. If you are unable to use the online application facility, please contact the Investment Manager.

If you have any questions regarding the Offer you should contact your financial intermediary or call Unicorn AM on 020 7253 0889 or LGBR Capital (the distributor for the Offer) on 020 7071 3920. Please note that neither Unicorn AM nor LGBR Capital are able to provide you with investment, financial or tax advice. Your attention is also drawn to the Risk Factors on pages 9 and 10 of this document.

We look forward to welcoming new and returning Shareholders.

Tim Woodcock
Chair

Part I – Investment Opportunity

Attractive Investment Opportunity

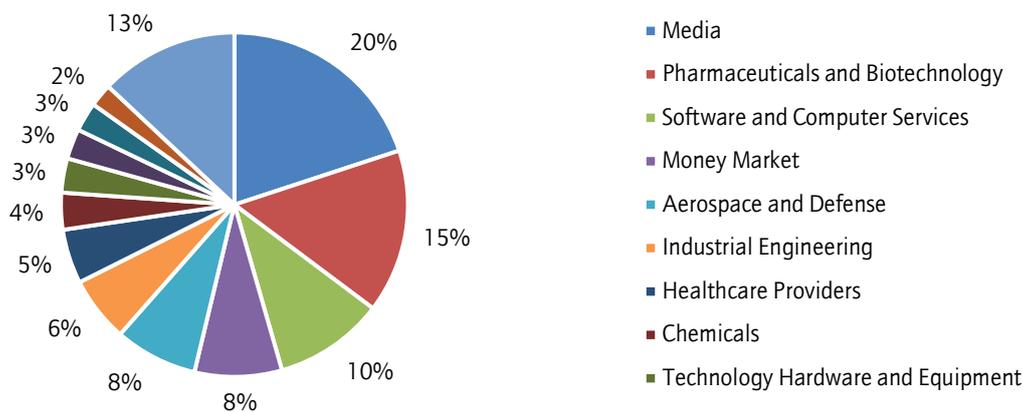
The Company is an established VCT which meets the qualification requirements set out by HMRC. Unlike a new VCT, the Company has an established track record of delivering both capital growth and regular dividend income (tax-free to Qualifying Investors) from an established portfolio of existing investments. The strategy is to invest in businesses that in the Investment Manager's opinion 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 to support a progressive dividend policy.

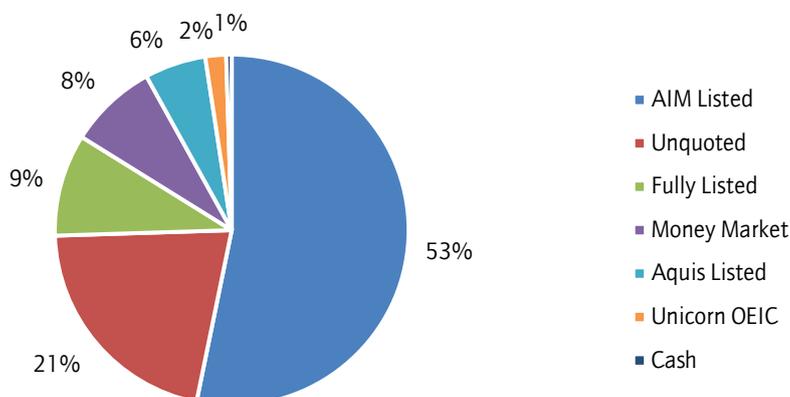
Shareholders should be aware that, as a result of the new qualifying conditions introduced over the last few years, new capital raised by the Company under recent offers, the current Offer and under future offers is likely to be directed towards earlier stage companies which may not be profitable at the point of investment.

The Company's assets are currently invested in a diversified portfolio of investments both by sector and by number of investments held. The portfolio allocation, based on valuations as at 31 December 2024 (taken from the unaudited accounts of the Company as at that date), are shown below. The Investment Manager's team will continue to maintain a selective approach to new investment opportunities.

Allocation of Investments by Sector



Allocation of Investments by Type



The existing portfolio (excluding funds which are currently under investment grace periods) is, by VCT Value (as defined on page 55 and which is calculated on a different basis to the accounting value), comfortably above the 80% threshold required to retain VCT qualifying status and was 89.7% as at 31 December 2024.

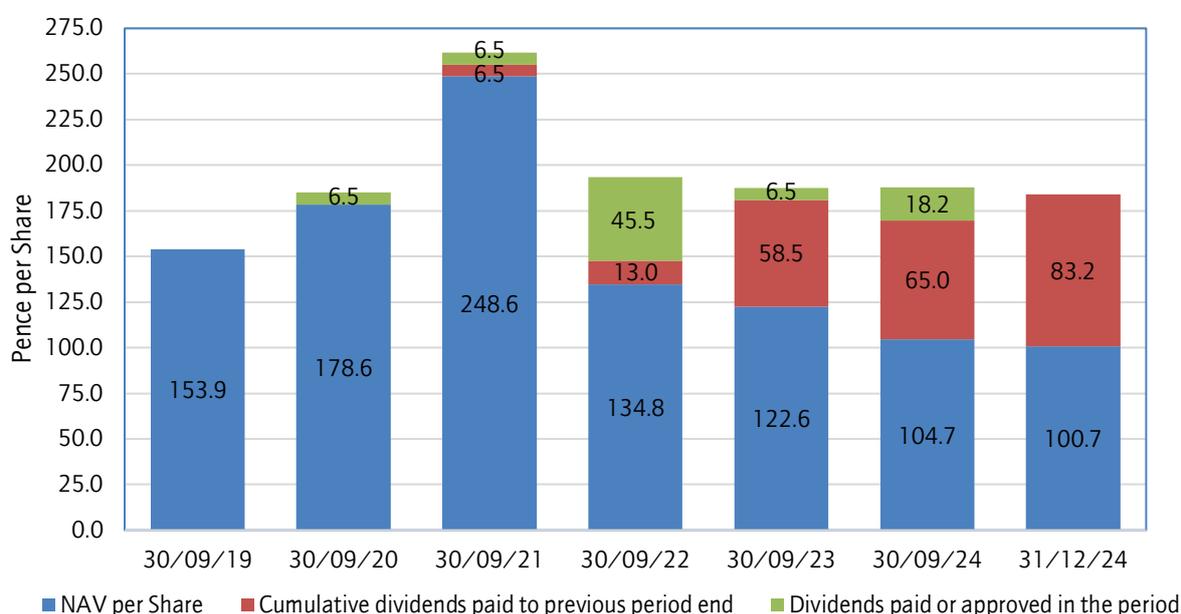
The Board believes that:

- The Company offers access to a diversified and maturing portfolio of companies, which the Board and the Investment Manager believe have the potential to develop and grow. As at 31 December 2024, the Company held investments in circa 90 active companies valued at £189.7 million (unaudited).
- The Company has a healthy dividend record, having paid out circa £133.2 million in aggregate to Shareholders from 30 September 2019 to 31 December 2024, which have been tax-free to Qualifying Investors. This does not include the final dividend, subject to Shareholder approval, for the financial year ended 30 September 2024 of 3.5p or the interim special dividend of 6.0p, both payable on 21 February 2025 to Shareholders on the register as at 3 January 2025.
- The companies in which the Company has invested have, on a simple average basis and by reference to their most recent published accounts (as available as at 31 December 2024), an average market capitalisation of £65 million, a turnover of £26.8 million per annum and a pre-tax loss of £4.7 million per annum, with approximately 21% of the companies currently expected to pay a dividend in the next 12 months. These figures exclude the funds and fully listed securities in which the Company has holdings, which form part of the Company's portfolio for liquidity management purposes.
- Many business owners seek a listing on AIM because it is a well regulated market with a diversified investor base that can help to achieve growth and assist in realising the potential of their business. Despite the continuing challenging economic conditions and reduced number of new entrants on AIM in the last two years, as well as the new Labour Government having announced significant amendments to the inheritance tax rules in the 2024 Autumn Budget, including Business Relief being reduced to 50% in respect of AIM shares, the Board and the Manager continue to believe that AIM is an attractive source of financing for innovative, high-quality and growing companies. A reduction in tax reliefs available to investors in AIM shares under Business Relief could result in more investment opportunities being available for the Company from reduced competition if there is less funding available from AIM-related inheritance tax products.
- SMEs are expected to play an important part in the UK's economic recovery and the Company is well-placed to provide support to such companies. Whilst investment in unquoted companies carries higher risk, and, as a consequence, the Company is likely to experience more failures on such investments, there can be significant potential upside for successful businesses.
- The Investment Manager's experienced investment team continues to see a steady flow of VCT qualifying opportunities from companies in the AIM market and also in the unquoted sector, which may need capital in the medium term, not least because banks continue to limit their lending exposure to smaller companies.
- New offers by VCTs continue to offer attractive tax incentives for private investors when compared to other types of tax efficient investment.

Performance*

The bar charts below display the key indicators that the Board uses as performance measures to assess how the Company is performing against its objectives.

NAV per Share, Cumulative Dividends Paid & Cumulative Total Shareholder Return



The Cumulative Total Return from 1 October 2019 to 31 December 2024 was 30.0p. Whilst the NAV per Share decreased from 153.9p to 100.7p during this period, the Company paid, in aggregate, dividends of 83.2p per Share (circa £133.2 million in aggregate), as shown in the graph above.

In the year ended 30 September 2024, the Company paid ordinary dividends of 6.5p per Share and a special dividend of 11.7p per Share.

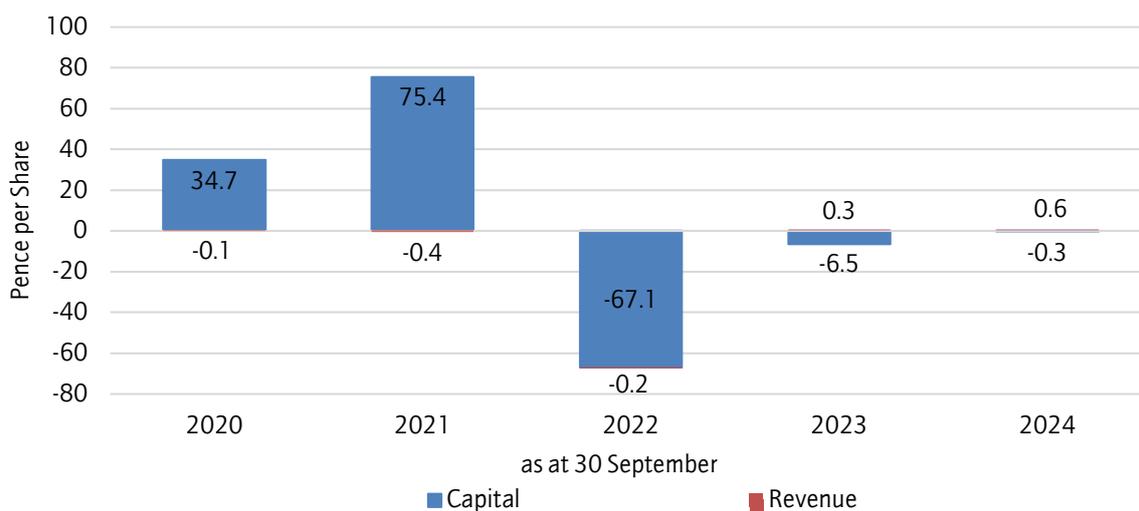
The Company has declared an interim special dividend of 6.0p payable on 21 February 2025 to Shareholders on the register as at 3 January 2025. The Board has also recommended a final dividend, subject to Shareholder approval, for the financial year ended 30 September 2024 of 3.5p also payable on 21 February 2025 to Shareholders on the register as at 3 January 2025. If adjusted for these dividends, the unaudited NAV per Share as at 31 December 2024 would reduce to 91.2p and the cumulative dividends paid per Share would see a corresponding increase.

Special dividends should be regarded as exceptional following significant returns arising on certain investment disposals and is not expected to be an annual occurrence.

* The past performance of the Company should not be regarded as a guide to the future performance of the Company. The above represents the return on Shares since 30 September 2019. Shares issued before or after this date will have different performance statistics.

Earnings per Share*

The Company's earnings per Share for the most recent financial year ended 30 September 2024, together with those of the previous four financial years, are outlined in the chart below:



The capital and revenue earnings for the three months ended 31 December 2024 were -4.2p per Share and 0.1 p per Share, respectively.

* Total earnings including unrealised gains/losses on investments after taxation divided by the weighted average number of Shares in issue. The past performance of the Company should not be regarded a guide to the future performance of the Company.

Part II – The Offer

Terms of the Offer

The Company is seeking to raise up to £20 million (with an over-allotment facility to raise up to a further £5 million) through the issue of up to 35 million New Shares pursuant to the Offer. If the Board decides (in consultation with the Investment Manager) to increase the Offer by using the over-allotment facility, this will be communicated by way of a Regulatory Information Service announcement. There is no minimum subscription level for the Offer to proceed and the Offer is not underwritten.

The minimum investment by an investor under the Offer is £3,000 (in aggregate across both tax years if relevant). Investors are reminded that VCT upfront income tax relief is only available in respect of investments of up to £200,000 across all VCTs in any one tax year.

New Shares will rank pari passu with the existing Shares in issue in respect of dividends with record dates after the date of issue of the relevant New Shares.

The full terms and conditions of the Offer can be found at the end of this document. By signing the Application Form (or equivalent), an Applicant (and, if relevant, the financial intermediary) will be declaring that they have read the Terms and Conditions of Applications and agree to be bound by them.

Closing Date and Receipt of Applications

The Offer will open for Applications at 9.00 a.m. on 13 February 2025 and will close for Applications at:

- 5.30 p.m. on 1 April 2025 for the 2024/2025 tax year; and
- 5.30 p.m. on 30 April 2025 for the 2025/2026 tax year

or, if earlier, as soon as the Offer is fully subscribed or otherwise at the Board's discretion.

Applications should be completed and submitted online (please refer to the instructions at <https://unicornaimvct.co.uk/fund-information/current-fundraising/> or contact the Receiving Agent on 01484 240 910 or by email at unicornaimvct@city.uk.com) and payment of Application monies must be by way of bank transfer. If you have any administrative queries, please contact the Receiving Agent. If you are unable to use the online application facility, please contact the Investment Manager.

Applicants are encouraged to submit their Application early in order to improve the likelihood that their Application will be successful.

Applications under the Offer will be accepted on a 'first-come, first-served' basis, subject always to the discretion of the Board. For these purposes 'first-come, first-served' shall be assessed based on the date and time of receipt of a fully completed Application, subject to receipt of Application monies (in full, including those making multiple payments) in cleared funds within five Business Days thereafter (or, if earlier, before an Offer deadline or close of the Offer) to retain the Applicant's position of priority. If Application monies are not received within such time, the relevant date and time shall be when the Applicant's actual Application monies (in full) are received in cleared funds. An Application may not be considered as 'complete' until identity verification is completed and/or, where relevant, information or supporting evidence required for the Application remains outstanding.

Allotment

The Board currently envisages three allotments of New Shares on or around 11 March 2025, 4 April 2025 and 12 May 2025 (or, if earlier, following full subscription). Allotment of New Shares may, however, be made more or less frequently at the discretion of the Board.

The Board reserves the right to accept Applications and allot and arrange for the listing of Offer Shares as it sees fit.

The Allotment Formula

The number of New Shares to be allotted to a successful Applicant will be determined by the following Allotment Formula:

$$\text{Number of New Shares} = \frac{A - B - C}{NAV}$$

Where:

- A is the Application Amount (this being the amount remitted to the Company with the investor's Application, including any amount requested to be facilitated, as accepted under the Offer);
- B is 2.5% of the Application Amount (i.e. 2.5% of A), less any amount of the fee payable to the Investment Manager that the Investment Manager has agreed to waive at its discretion;

- C is either:
- (i) in respect of advised investors, the amount of any initial adviser charge agreed to be facilitated (up to the maximum of 4.5% of the Application Amount (i.e. 4.5% of A)); or
 - (ii) in respect of 'execution-only' and Professional Client investors, the amount of any initial commission agreed to be paid to the relevant financial intermediary (up to a maximum of 3% of the Application Amount (i.e. 3% of A)) less any amount of initial commission agreed to be waived; and
- NAV is the most recently published NAV per Share at the time of allotment, adjusted for dividends subsequently declared and for which the record date for payment has passed at the time of allotment.

The number of New Shares to be allotted by the Company will be rounded down to the nearest whole number and fractions of New Shares will not be allotted.

The Allotment Formula is used for a number of reasons. First, it creates a structure which enables Qualifying Investors to receive upfront VCT income tax relief on the Application Amount. Second, it is based on the latest published NAV per Share and takes into account of the costs of the Offer so as to avoid a diminution in the net asset value of the existing Shares. Third, it takes into account each investor's specific costs so that number of New Shares to be issued is based on the net proceeds in respect of that investor. The Allotment Formula results in a bespoke issue price per investor derived from the number of New Shares allotted to that investor. The Board believes that this results in a fair outcome for all investors and existing Shareholders.

Potential investors should note that the NAV per Share may rise or fall during the Offer period.

Offer Price

The Offer Price is determined by dividing the Application Amount by the number of New Shares to be issued.

The Company will announce the number of New Shares issued and the range of Offer Prices by way of a Regulatory Information Service announcement following allotment.

VCT Tax Reliefs

Qualifying Investors will be able to benefit from the tax reliefs applicable in respect of subscriptions for VCT Shares in respect of the Application Amount (i.e. including any initial adviser charge to be facilitated). This includes up to 30% upfront income tax relief on the Application Amount, which would not be available if Shares were purchased in the secondary market.

Offer Costs

The Investment Manager, 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. In consideration, the Investment Manager has agreed to meet all Offer costs payable by the Company,

excluding (as these are borne by the investor through the Allotment Formula):

- permissible initial commissions offered to intermediaries in respect of 'execution only' and Professional Client investors; and
- any amounts due from the Company to investors in connection with the facilitation of initial adviser charges (see further below),

but including:

- annual trail commissions offered to intermediaries in respect of 'execution only' and Professional Client investors.

The Investment Manager may agree to waive any part of its fee (this being (B) in the Allotment Formula) in respect of any specific investor or group of investors for the benefit of such investors. The benefit of any waiver will reduce the fee payable to the Investment Manager and, in respect of investors, be applied by reducing (B) in the Allotment Formula by an equivalent amount, which will reduce the costs applied for those investors, thereby increasing the number of New Shares to be allotted to such investors.

The Investment Manager has further agreed that, to the extent that the costs of the Offer incurred by it (ignoring annual trail commissions) are less than the amount of the promotion fee payable to it, it will rebate the excess amount to the Company.

Save where an investor has agreed to pay a financial adviser a charge for advice regarding the suitability of the investment, the maximum initial costs an investor will effectively pay will be 5.5% of the Application Amount.

The maximum initial costs effectively borne by an advised investor will be 7.0% of the Application Amount, unless additional adviser charges to be paid directly by the investor are agreed over the amount to be facilitated. An investor may bear less than this, depending on the terms offered by the financial adviser, intermediary and/or the Investment Manager.

Assuming full subscription under the Offer (utilising the over-allotment facility) the Offer costs payable by the Company would be a maximum of £1.75 million (assuming that all investors are advised investors and the maximum adviser fee the Company will facilitate is requested). The net proceeds would, on the same basis, amount to £23.25 million.

Financial Intermediary Charges and Commissions

Advised Investors

Investors who receive advice from their financial intermediary, or the Application is an 'advised-own' case (i.e. the individual adviser is subscribing on behalf of themselves), can ask for an initial adviser charge (in whole or part) to be facilitated by the Company's Receiving Agent (subject to a maximum facilitation amount of an amount equal to 4.5% of the Application Amount).

If agreed to be facilitated, this will be paid on behalf of the investor from an equivalent amount due to the investor from the Company. The amount of any adviser charge facilitated will be taken into account in the Allotment Formula (and is, therefore, effectively borne by the investor) and the investor will receive fewer New Shares. This should not, however, affect the availability of upfront VCT income tax relief on the Application Amount.

It should be noted that the maximum amount of initial adviser charges which may be facilitated as outlined above should not be considered as implying an appropriate level of an initial adviser charge. Adviser charges are for the investor and the financial intermediary to agree, depending on the level of advice and service being provided.

The Company will not facilitate ongoing adviser charges. Any such arrangements should be handled directly between the investor and the financial adviser.

'Execution-Only' Investors and Professional Client investors

The Investment Manager may (on behalf of the Company) agree with financial intermediaries providing 'execution-only' services or where a financial intermediary has classified an advised investor as a Professional Client, to pay an initial commission (subject to a maximum of 3% of the Application Amount in respect of their clients). Financial intermediaries may waive all or part of the initial commission due for the benefit of their client. The amount of initial commission payable will be taken into account in determining the number of New Shares to be allotted under the Allotment Formula).

In addition, provided that the financial intermediaries' clients continue to hold their New Shares, such financial intermediaries will normally be paid an annual trail commission by the Investment Manager of 0.45% of the Offer Price of the New Share in question. No payment of trail commission will (save as referred to below) be made to the extent that the cumulative trail commission would exceed 2.25% of the Offer Price of the New Share in question. The Investment Manager may 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.

Commissions will only be paid if, and to the extent, they are permitted under legislation and regulations. Annual trail commission will be paid after the later of the annual general meeting of the Company and, where applicable, the date of payment of the final dividend in each year.

Investors and financial intermediaries should note that trail commission is not payable if an 'execution only' intermediary subsequently then gives advice in respect of the investor's holding in the relevant Company or if the financial intermediary subsequently de-classifies the investor as a Professional Client. It is the responsibility of the investor and the financial intermediary to notify either the Investment Manager or ISCA Administration Services as soon as possible if trail commission payments for this (or for any other reason) must cease (though the Investment Manager also reserves the right to cease payments if it believes, in its absolute discretion, that payments should cease).

Investors and financial intermediaries should note that where New Shares are initially allotted to or are subsequently transferred to a nominee account it is not possible to verify that clients continue to hold their New Shares. In these cases payment of trail commission will be suspended until evidence that the investor continues to be the beneficial holder of the New Shares is provided to the Investment Manager or ISCA Administration Services.

Commission Arrangements on Existing Shareholdings

Should an Existing Shareholder decide to seek financial advice from their existing 'execution-only' financial intermediary in respect of participating in the Offer, any trail commission which is currently being paid to that Shareholder's financial intermediary pursuant to an existing holding in the Company must cease and either the Company, the Investment Manager or ISCA Administration Services must be notified accordingly.

Example of the Allotment Formula

There follows an example of how the Allotment Formula works for:

- a direct investor;
- an advised investor (where the amount to be facilitated is 3.0% of the Application Amount); and
- for an 'execution-only' investor (where an initial commission of 3.0% of the Application Amount has been agreed, in one case payable to the financial intermediary, but in the other waived by the financial intermediary),

in each case where the amount remitted to the Company with the investor's Application is £10,000 and based on an unaudited NAV per Share of 91.2p (this being the unaudited NAV per Share as at 31 December 2024 adjusted for the final dividend (which is subject to Shareholder approval) in respect of the year ended 30 September 2024 of 3.5p and the interim special dividend of 6.0p referred to on page 17).

| | Application Amount (A) (£) | Offer Costs (B) (2.5%) (£) | Financial Intermediary Charges (C) | | NAV per Share (p) | Number of New Shares* |
|--|----------------------------|----------------------------|------------------------------------|-----------------------|-------------------|-----------------------|
| | | | Facilitation Amount (£) | Commission Amount (£) | | |
| Advised investor | 10,000 | (250) | (300) | - | 91.2 | 10,361 |
| 'Execution-only' investor (initial commission payable) | 10,000 | (250) | - | (300) | 91.2 | 10,361 |
| 'Execution-only' investor (initial commission waived) | 10,000 | (250) | - | - | 91.2 | 10,690 |
| Direct investor | 10,000 | (250) | - | - | 91.2 | 10,690 |

* Rounded down to the nearest whole number of New Shares.

Use of Funds

The net proceeds of the Offer will be pooled with the existing cash resources of the Company and applied as follows:

- to make new and follow-on investments in accordance with its investment policy; and
- to help meet annual outgoings (including running costs, directors' fees, service provider fees, dividends and market purchases of Shares).

Results of the Offer

The following will be announced through Regulatory Information Service Announcements:

- following each allotment, the number of New Shares issued and the range of Offer Prices relating to the allotment; and
- following the final allotment under the Offer and close, the final results of the Offer.

Part III – The Board and the Investment Manager

The Board

The Board currently comprises five non-executive directors, all of whom are independent of the Investment Manager: Tim Woodcock (Chair), Julian Bartlett, Charlotta Ginman, Jeremy Hamer and Josephine Tubbs. The Board sets the Company's policies and objectives and ensures that its obligations to the Shareholders are met. The Board has significant relevant experience of similar investment funds, regulatory organisations, corporate governance of listed companies, the private equity industry and investing in small companies.

The Company has appointed Unicorn AM as its investment manager and ISCA Administration Services as company secretary and administrator, subject to the overall control and direction of the Board. As a result, the Board has overall responsibility for the Company's affairs, including approving valuations (prepared by the Investment Manager) and NAVs (calculated by ISCA Administration Services).

The Directors

The Board undertakes a continuous review to assess its future composition and consider succession planning. Jeremy Hamer, having served on the Board for over 12 years, had indicated his intention to step down from the Board last year and will not be standing for re-election at the annual general meeting on 12 February 2025. The Board engaged in an extensive and open recruitment process and is pleased to have appointed Julian Bartlett to the Board in October 2024.

Tim Woodcock (Independent, non-executive Chair)

Tim Woodcock qualified as a chartered accountant at PricewaterhouseCoopers. He 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.

Tim is a non-executive director of a number of private companies in which he holds a significant shareholding. These include Jolly Fine Pub Group Limited, Secure Parking and Storage Limited and Taylor Asset Management Limited.

Julian Bartlett (Independent, non-executive Director)

Julian Bartlett 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 non-executive director of FFI Holdings plc from August 2017 until it ceased trading on AIM in August 2019. Julian is a Fellow of the Institute of Chartered Accountants in England and Wales.

Julian is a non-executive director and chair of Invesco Fund Managers Limited, a non-executive director of Invesco Pensions Limited, non-executive director and chair of the audit committee of Triple Point Venture VCT Plc and a non-executive director of Lindsell Train Limited.

Charlotta Ginman (Senior Independent, non-executive Director)

Charlotta Ginman, FCA, qualified as a chartered accountant at Ernst & Young before spending a career in investment banking and commercial organisations, principally in technology and telecoms related industries. Former employers include S.G. Warburg (now UBS), Deutsche Bank, JP Morgan and Nokia Corporation.

Charlotta is a non-executive director and audit committee chair for Gamma Communications plc and the senior independent non-executive director and audit committee chair for Boku Inc. Charlotta is also a non-executive director of JPMorgan Indian Investment Trust Plc and VinaCapital Vietnam Opportunity Fund Limited.

Jeremy Hamer (Independent, non-executive Director, Chair of the Audit Committee)

Jeremy Hamer qualified as a chartered accountant and went into industry after three years abroad with Coopers and Lybrand. Initially in finance roles, he then moved into general management leading a significant turnaround for a private food group.

After a five-year stint in venture capital he became a plural non-executive director on a number of AIM-listed company boards, as well as developing a business coaching practice. Today he continues to coach.

Josephine Tubbs (Independent, non-executive Director)

Josephine Tubbs is an independent non-executive director, financial consultancy co-founder and a practising lawyer. Josephine has over 30 years' experience as a lawyer and regulatory adviser in the authorised funds and asset management sector having started her career in private practice.

For 25 years Josephine worked as Head of Legal, initially for Framlington Group and then AXA Investment Managers (AXA IM), where she was promoted to General Secretary UK in 2020. During her time at AXA IM, Josephine served on its executive committee and the board of several authorised Irish investment funds and management companies.

At the end of 2022 Josephine left AXA IM to focus on several part time roles. Josephine is a senior lawyer at Better Society Capital Limited, the UK's largest social impact investor and an independent non-executive director of Makrana Dunmore Singapore Fund Pte, Ltd and Dunmore Alternative Multi-Manager ICAV, an Irish umbrella investment fund which is a multi-manager hedge fund platform authorised by the Central Bank of Ireland.

The Investment Manager

The Investment Manager is an independently owned and managed investment management company. The Investment Manager was incorporated and registered in England and Wales on 4 February 2000 as a private limited company with registered number 03919499. The Investment Manager's registered office and principal place of business is at First Floor Office, Preacher's Court, The Charterhouse, Charterhouse Square, London EC1M 6AU (telephone 020 7253 0889). The Investment Manager is authorised and regulated by the FCA to provide investment management services with registered number 192164. The principal legislation under which the Investment Manager operates is the CA 2006 (and regulations made thereunder).

The Investment Manager is an independent asset manager focused on delivering long-term value for investors. The Investment Manager operates a team-based approach to investment management and its committed and well-resourced investment team has over 175 years' of combined experience to draw upon. Unlike many investment firms, the Investment Manager is majority owned by its directors and managers, providing further incentive for the funds it manages to deliver a consistently strong performance.

Members of the team follow a traditional and conservative approach to fund management, focusing on bottom-up stock selection based on fundamental research. They aim to deliver superior long-term performance by adhering to a disciplined investment process and to reduce risk by focusing investment resource on those businesses which are led by experienced management teams, which have good profitability and cash generation prospects and which the Investment Manager believes are capable of delivering sustained growth. In particular, the Investment Manager is a specialist in the AIM sector with over £235 million invested in AIM quoted companies across its fund range as at 31 December 2024, which includes the Company, an OEIC and its AIM ISA/IHT portfolio service.

As at 31 December 2024, the funds under the discretionary management or advice of the Investment Manager were allocated across three fund classes/portfolio services:

- OEIC with six sub-funds (£484.1 million – valued at mid-price);
- AIM VCT (£186.9 million* – valued at bid-price); and
- AIM IHT** (£54.5 million – valued at bid-price).

* Excluding investments made by the Company in Unicorn AM managed OEICs.

** Unicorn AM acts as investment adviser.

The Company continues to represent a significant part of the Investment Manager's business. In addition, as at 31 December 2024 the officers and employees of the Investment Manager held 1,557,866 Shares in the Company.

Senior Investment Team

Chris Hutchinson, Director and Portfolio Manager

Chris has been covering UK equity investments since 1998 with a particular focus on small and mid-sized businesses. He collaborates with the investment team across the Company, Unicorn AIM IHT & ISA Service and managed accounts. Chris joined Unicorn in 2005 and is also co-manager of Unicorn Outstanding British Companies Fund.

Fraser Mackersie, Portfolio Manager

Fraser joined Unicorn AM in 2008 and is co-manager of the Unicorn UK Income Strategy and Unicorn UK Growth Funds, as well as collaborating with the investment team across the other OEIC funds, the Company, Unicorn AIM IHT & ISA Service and managed accounts. Having previously held positions with F&C Asset Management and Geoghegan & Co Chartered Accountants, Fraser graduated from the University of St Andrews in 2003 with a degree in Economics and Management and is a Fellow of the Association of Chartered Certified Accountants.

Simon Moon, Portfolio Manager

Simon joined Unicorn AM in 2008 and is co-manager of the Unicorn UK Income Strategy and the Unicorn UK Smaller Companies and UK Growth Funds, as well as collaborating with the investment team across the other OEIC funds, the Company, Unicorn AIM IHT & ISA Service and managed accounts. Prior to joining Unicorn AM, Simon worked as a research analyst at JM Finn & Co. Stockbrokers and spent three years in the NHS graduate finance scheme.

Max Ormiston CFA, Portfolio Manager

Max joined Unicorn AM in 2014 and is co-manager of the Unicorn Outstanding British Companies Fund, as well as collaborating with the investment team across the OEIC funds, the Company, Unicorn AIM IHT & ISA Service and managed accounts. Prior to Unicorn AM, Max worked as an investment manager with Brewin Dolphin. Max graduated from Newcastle University in 2009 with a first-class degree.

Anam Ajani CFA, Investment and ESG Associate

Anam joined Unicorn AM in 2022 and works closely with the investment team on the OEIC funds, the Company, the AIM IHT & ISA Portfolio Service portfolios and managed accounts, providing research and analysis across the UK equity market. Anam holds an MSc in Finance and Accounting from Imperial College Business School and was previously a senior analyst with J.P. Morgan Chase & Co.

Cordelia Tahany, Head of Sustainability & Senior Investment Analyst

Cordelia joined Unicorn AM in 2022 having previously worked as an investment banking analyst at J.P. Morgan. Cordelia leads Unicorn's ESG function, working as part of the investment team across the OEIC funds, the Company, the AIM IHT & ISA Portfolio Service portfolios and managed accounts. Cordelia is a CFA Level II Candidate and graduated from London School of Economics & Political Science (LSE) with a BSc in Economic History.

Cleo Papathanasopoulou, Investment Associate

Cleo joined Unicorn AM in 2024 and brings extensive expertise across public and private markets. Prior to joining Unicorn AM, Cleo spent over seven years at Maven Capital Partners, where she contributed to the success of its highly regarded VCT range. At Unicorn AM, she works as part of the team the OEIC, AIM VCT, IHT Portfolios and Managed Accounts. Cleo graduated from University of Strathclyde with a BSc (Hons) in Mathematics, Statistics and Finance.

Part IV - Investment Objective and Policy

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 (VCT), so that Shareholders benefit from the taxation advantages that this brings. To achieve this, at least 80% for accounting periods commencing on or after 6 April 2019 (previously 70%) of the Company's total assets are to be invested in qualifying investments of which 70% by VCT value (30% in respect of investments made before 6 April 2018 from funds raised before 6 April 2011) must be in ordinary shares which carry no preferential rights (save as may be permitted under VCT rules) to dividends or return of capital and no rights to redemption.

Investment Policy

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

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

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

There are a number of VCT conditions which need to be met by the Company which may change from time to time. The Investment Manager will seek to make qualifying investments in accordance with such requirements.

Asset mix

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

Borrowing

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

Part V - Management and Administration

Fees and Expenses

The Investment Manager receives an annual management fee of an amount equal to 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 and 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 for this purpose. The fee is calculated and paid quarterly in arrears. If the Company raises further funds during a quarter, the net assets for the relevant quarter are 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 Investment Manager is not entitled to any performance incentive fees.

75% of the Company's management expenses is currently charged against capital, with the balance to be met from income.

ISCA Administration Services provides administration services and is the appointed company secretary, and is currently entitled to an annual fee of £211,680 (together with any applicable VAT). ISCA Administration Services offers specialist accounting, fund administration and company secretarial services to closed end structures such as investment trusts, Venture Capital Trusts and other types of specialist funds. Its senior staff have in aggregate over sixty years' experience in the industry.

Annual Expenses Cap

The Company's normal annual expenses are approximately 2.3% of the average net assets of the Company (based on the financial year ended 30 September 2024) but are, in any event, capped at an amount equal to 2.75% of the net assets of the Company as at the end of each financial year. Any excess over this amount will be borne by the Investment Manager. Annual expenses include those incurred by the Company in the ordinary course of its business (including management and administration fees, Directors' remuneration, fees payable to the registrar, stockbroker, auditor, solicitors and the VCT status adviser). Normal annual expenses do not include trail commission (payable by the Company in respect of previous fundraisings) and exceptional items.

VCT Status Monitoring

PricewaterhouseCoopers LLP is the Company's VCT status adviser. It carries out reviews of the Company's investment portfolio to ensure compliance and, when requested to do so by the Board or the Investment Manager, reviews prospective investments to ensure that they are qualifying investments.

Custody Arrangements

The Bank of New York Mellon (being incorporated and registered in the United States, but whose UK establishment has its registered office at 160 Queen Victoria Street, London EC4V 4LA with registered number FC005522, its telephone number being 020 3322 4806 and being authorised and regulated by the FCA) acts as custodian of the Company's quoted assets and some of the unquoted assets and, in that capacity, is responsible for ensuring safe custody and dealing and settlement arrangements in relation to such assets. In relation to the balance of unquoted assets, the Company is responsible for the safekeeping of certificates and these are held by the company secretary under the control of the Board at the Company's registered office.

Dividend Policy

The Board remains committed to a policy of maintaining a steady flow of dividend distributions to Shareholders from the income and capital gains generated by the portfolio.

The ability to pay dividends and the amount of such dividends is at the Board's discretion and the ability to pay dividends is influenced by the performance of the Company's investments, available distributable reserves and cash, as well as the need to retain funds for further investment and ongoing expenses.

The Company only pays dividends by bank transfer to reduce costs and administration, as well as its carbon footprint.

Dividend Reinvestment Scheme

The Company operates, through The City Partnership (UK) Limited, a dividend reinvestment scheme whereby Shareholders can elect to have their dividends reinvested in further Shares.

Under the Scheme, dividends are reinvested at the last published NAV per Share prior to allotment. The terms of the Dividend Reinvestment Scheme are available on the Company's website: <https://www.unicornaimvct.co.uk/dividend-reinvestment-scheme>. Please also note the information in paragraph 1.3 on page 32 of this document in relation the acquisitions and disposals of shares in the same VCT.

Share Buybacks and Discount Policy

The Board believes that it is in the best interests of the Company and its Shareholders to make market purchases of its Shares from time to time.

There are three main advantages to be gained from maintaining a flexible approach to share buybacks, namely: (i) regular Share buybacks provide a reliable mechanism through which Shareholders can realise their investment in the Company, rather than being reliant on a very limited secondary market, (ii) Share buybacks, when carried out at a discount to the underlying net asset value, help modestly to enhance the NAV per Share for continuing Shareholders and (iii) implementing Share buybacks on a regular basis helps control the discount to NAV.

The Board decides the level of discount to NAV at which Shares will be bought back and keeps this under regular review. The Board seeks to maintain a fair balance between the interests of those wishing to sell their Shares and continuing Shareholders.

The Board intends to continue with the above share buy-back policy. Any such future repurchases will be made in accordance with guidelines established by the Board from time to time and will be subject to the Company having the appropriate authorities from Shareholders and sufficient funds available for this purpose. Share buybacks will also be subject to prevailing market conditions, market abuse rules and any applicable law at the relevant time. Shares bought back in the market are cancelled.

Duration of the Company

In order for the future of the Company to be considered by the Shareholders, the Board shall at the annual general meeting of the Company falling after the fifth anniversary of the last allotment of shares in the Company (which includes shares allotted pursuant to an offer or the Dividend Reinvestment Scheme) and thereafter at five yearly intervals, invite the members to consider and debate the future of the Company (including, without limitation, whether the Company should be wound up, sold or unitised) and as soon as practicable following that meeting shall convene a general meeting to propose such resolution as the members attending the annual general meeting may by ordinary resolution require.

Valuation Policy

Valuations of unquoted securities are normally carried out at the end of each quarter and are initially proposed by the Investment Manager and reviewed and approved by the Board. Valuations will be in accordance with IPEV Valuation Guidelines under which investments are valued at fair value, as defined in those guidelines. Any AIM or other quoted investment will be valued at the closing bid price of its shares, in accordance with generally accepted accounting practice. The net asset value of the Shares is calculated monthly and published on an appropriate Regulatory Information Service, as well as being published on the Company's website (<https://www.unicornaimvct.co.uk>)*. Additional net asset values may be released for the purposes of the Offer. If for any reason valuations are suspended, Shareholders will be notified in a similar manner.

* This website does not form part of the Prospectus unless that information is incorporated by reference.

Investor Communications

The Board believes that open communication with Shareholders is very important and is always ready to consider suggestions or matters of concern raised by Shareholders outside formal shareholder meetings. In addition to the announcement and publication of the annual report and financial statements and the half-yearly results for the Company as detailed below, the Company also voluntarily publishes interim management statements. Half-yearly reports are no longer printed and are published on the website. Shareholders registering their email address with the Company's registrar, the City Partnership (UK) Limited, will be notified when they are available.

Reporting Dates

| | |
|--|--------------|
| Financial year end | 30 September |
| Announcement and publication of annual report and financial statements to Shareholders | December |
| Announcement and publication of half-yearly results | May |

Part VI – Top Ten Investments

Set out below are the top ten investments by value held by the Company (which represent approximately 54% of the unaudited net assets as at 31 December 2024), together with cash and liquidity funds.

The accounting cost is the original investment cost made by the Company (and/or, where relevant, the value of the investment when acquired by the Company from Unicorn AIM VCT II plc or Rensburg AIM VCT plc, which were merged into the Company), less capital repayments to 31 December 2024.

Investee Companies

| Hasgrove Limited (Unlisted) | | | |
|--------------------------------------|-------------|---|--------|
| Accounting cost (£'000) | 1,277 | Turnover (£'000)* | 37,032 |
| Valuation (£'000) | 37,891 | Profit/(loss) before tax (£'000)* | 9,907 |
| Valuation basis | EV Multiple | Net assets/(liabilities) (£'000)* | 13,344 |
| % of the Company's net assets | 19.9 | * Sourced from the latest published audited financial year end accounts to 31 December 2023 | |
| <i>Market sector: Media</i> | | | |
| <i>Location: Manchester, England</i> | | | |

| Cohort plc (AIM) | | | |
|---|-----------|--|---------|
| Accounting cost (£'000) | 1,279 | Turnover (£'000)* | 202,533 |
| Valuation (£'000) | 13,080 | Profit/(loss) before tax (£'000)* | 19,824 |
| Valuation basis | Bid Price | Net assets/(liabilities) (£'000)* | 109,840 |
| % of the Company's net assets | 6.9 | * Sourced from the latest published audited financial year end accounts to 30 April 2024 | |
| <i>Market sector: Aerospace & Defence</i> | | | |
| <i>Location: Reading, England</i> | | | |

| Tracsis plc (AIM) | | | |
|--|-----------|---|--------|
| Accounting cost (£'000) | 1,500 | Turnover (£'000)* | 81,022 |
| Valuation (£'000) | 8,085 | Profit/(loss) before tax (£'000)* | 995 |
| Valuation basis | Bid Price | Net assets/(liabilities) (£'000)* | 68,169 |
| % of the Company's net assets | 4.2 | * Sourced from the latest published audited financial year end accounts to 31 July 2024 | |
| <i>Market sector: Software & Computer Services</i> | | | |
| <i>Location: Leeds, England</i> | | | |

| MaxCyte Inc. (AIM) | | | |
|---|-----------|---|----------|
| Accounting cost (£'000) | 2,926 | Turnover (US\$'000)* | 41,288 |
| Valuation (£'000) | 7,954 | Profit/(loss) before tax (US\$'000)* | (37,923) |
| Valuation basis | Bid Price | Net assets/(liabilities) (US\$'000)* | 232,167 |
| % of the Company's net assets | 4.2 | * Sourced from the latest published audited financial year end accounts to 31 December 2023 | |
| <i>Market sector: Pharmaceuticals & Biotechnology</i> | | | |
| <i>Location: Gaithersburg, USA</i> | | | |

| Anpario plc (AIM) | | | |
|---|-----------|---|--------|
| Accounting cost (£'000) | 1,423 | Turnover (£'000)* | 30,998 |
| Valuation (£'000) | 7,274 | Profit/(loss) before tax (£'000)* | 2,753 |
| Valuation basis | Bid Price | Net assets/(liabilities) (£'000)* | 33,649 |
| % of the Company's net assets | 3.8 | * Sourced from the latest published audited financial year end accounts to 31 December 2023 | |
| <i>Market sector: Pharmaceuticals and Biotechnology</i> | | | |
| <i>Location: Worksop, England</i> | | | |

| Tristel plc (AIM) | | | |
|--|-----------|---|--------|
| Accounting cost (£'000) | 878 | Turnover (£'000)* | 41,933 |
| Valuation (£'000) | 6,368 | Profit/(loss) before tax (£'000)* | 7,082 |
| Valuation basis | Bid Price | Net assets/(liabilities) (£'000)* | 32,410 |
| % of the Company's net assets | 3.6 | * Sourced from the latest published audited financial year end accounts to 30 June 2023 | |
| <i>Market sector: Healthcare Providers</i> | | | |
| <i>Location: Newmarket, England</i> | | | |

| Avingtrans plc (AIM) | | | |
|--|-----------|--|---------|
| Accounting cost (£'000) | 1,512 | Turnover (£'000)* | 136,615 |
| Valuation (£'000) | 6,772 | Profit/(loss) before tax (£'000)* | 4,825 |
| Valuation basis | Bid Price | Net assets/(liabilities) (£'000)* | 113,014 |
| % of the Company's net assets | 3.6 | * Sourced from the latest published audited financial year end accounts to 31 May 2024 | |
| <i>Market sector: Industrial Engineering</i> | | | |
| <i>Location: Chatteris, England</i> | | | |

| The Property Franchise Group plc (formerly Belvoir Group plc) (AIM) | | | |
|--|-----------|---|--------|
| Accounting cost (£'000) | 1,883 | Turnover (£'000)* | 27,278 |
| Valuation (£'000) | 5,193 | Profit/(loss) before tax (£'000)* | 9,014 |
| Valuation basis | Bid Price | Net assets/(liabilities) (£'000)* | 40,812 |
| % of the Company's net assets | 2.7 | * Sourced from the latest published audited financial year end accounts to 31 December 2023 | |
| <i>Market sector: Real Estate Investment & Services</i> | | | |
| <i>Location: Lincolnshire, England</i> | | | |

| SulNOx Group Plc (AIM) | | | |
|----------------------------------|-----------|--|---------|
| Accounting cost (£'000) | 1,950 | Turnover (£'000)* | 544 |
| Valuation (£'000) | 4,980 | Profit/(loss) before tax (£'000)* | (1,860) |
| Valuation basis | Bid Price | Net assets/(liabilities) (£'000)* | 9,244 |
| % of the Company's net assets | 2.6 | * Sourced from the latest published audited financial year end accounts to 31 March 2024 | |
| <i>Market sector: Chemicals</i> | | | |
| <i>Location: London, England</i> | | | |

| AB Dynamics plc (AIM) | | | |
|--|-----------|---|---------|
| Accounting cost (£'000) | 792 | Turnover (£'000)* | 100,767 |
| Valuation (£'000) | 4,875 | Profit/(loss) before tax (£'000)* | 11,488 |
| Valuation basis | Bid Price | Net assets/(liabilities) (£'000)* | 125,155 |
| % of the Company's net assets | 2.6 | * Sourced from the latest published audited financial year end accounts to 31 August 2023 | |
| <i>Market sector: Industrial Engineering</i> | | | |
| <i>Location: Bradford on Avon, England</i> | | | |

Cash and Liquidity Funds

| Cash | |
|-------------------|-------|
| Cost (£'000) | 2,623 |
| Valuation (£'000) | 2,623 |
| Valuation basis | - |
| % of net assets | 1.4 |

| BlackRock Cash Fund Class D (Unit Trust) | |
|---|------------|
| Accounting Cost (£'000) | 7,833 |
| Valuation (£'000) | 7,817 |
| Valuation basis | Unit Price |
| % of net assets | 4.1 |

| Royal London Short-Term Money Market Fund Y Income | |
|---|------------|
| Accounting Cost (£'000) | 7,732 |
| Valuation (£'000) | 7,675 |
| Valuation basis | Unit Price |
| % of net assets | 4.0 |

| Unicorn Ethical Fund Income | |
|------------------------------------|------------|
| Accounting Cost (£'000) | 4,483 |
| Valuation (£'000) | 3,584 |
| Valuation basis | Unit Price |
| % of net assets | 1.9 |

Notes:

Investment and portfolio information in this Part VI has been extracted from the Company's unaudited financial information as at 31 December 2024. As at the date of this document, there has been no material change in the information as set out above in this Part VI since 31 December 2024.

The information on investee companies' turnover, profit/loss before tax and net assets/liabilities in relation to the largest investments have been sourced from the relevant investee company's latest published financial year/period end accounts. All such third party information has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by the relevant investee company, no facts have been omitted which would render such reproduced information inaccurate or misleading.

Part VII – Taxation

TAX POSITION OF INVESTORS

The following is only a summary of the law concerning the tax position of individual investors in VCTs based on current UK law and practice and does not constitute legal, investment or tax advice. Potential investors are recommended to consult a professional adviser as to the taxation consequences of an investment in a VCT.

The following applies to the Company and to the persons holding Shares as an investment and who are the absolute beneficial owners of such Shares. The information may not apply to certain classes of persons, such as dealers in securities.

The tax reliefs set out below are those currently available to individuals who are UK tax payers and aged 18 or over who subscribe for New Shares under the Offer and will be dependent on personal circumstance. Whilst there is no specific limit on the amount of an individual's acquisition of shares in a VCT, tax reliefs will only be given to the extent that the total of an individual's subscriptions or other acquisitions of shares across all VCTs in any tax year do not exceed £200,000 (including shares purchased in the secondary market and through dividend reinvestment schemes). Qualifying Investors who intend to invest more than £200,000 in VCTs in any one tax year should consult their professional advisers.

The tax legislation of an investor's Member State and the Company's country of incorporation may have an impact on the taxation of income received from Shares.

1. Tax Reliefs

1.1 Income Tax

(i) Relief from income tax on investment

A Qualifying Investor subscribing for New Shares will be entitled to claim income tax relief on amounts subscribed up to a maximum investment of £200,000 across all VCTs in any tax year.

The relief is given at the rate of 30% on the amount subscribed for VCT shares regardless of whether the Qualifying Investor is a higher rate, additional rate or basic rate tax payer, provided that the relief is limited to the amount which reduces the Qualifying Investor's income tax liability to nil. Investments to be used as security for or financed by loans may not qualify for relief, depending on the circumstances.

(ii) Dividend relief

A Qualifying Investor, who acquires shares in VCTs (including through dividend reinvestment schemes) in any tax year costing up to a maximum of £200,000, will not be liable to income tax on dividends paid on those shares and there is no withholding tax thereon.

(iii) Purchases in the market

A Qualifying Investor who purchases existing VCT shares in the secondary market will be entitled to claim dividend relief (as described in paragraph 1.1(ii) above) but not relief from income tax on the investment (as described in paragraph 1.1(i) above).

(iv) Withdrawal of relief

Relief from income tax on a subscription for VCT shares will be withdrawn if the VCT shares are disposed of (other than between spouses or on death) within five years of issue or if the VCT loses its approval as a VCT within this period, as detailed below.

Dividend relief ceases to be available if the VCT loses its approval as a VCT within this period, as detailed below, or if shares are no longer owned by a Qualifying Investor.

1.2 Capital Gains Tax

(i) Relief from capital gains tax on the disposal of VCT shares

A disposal by a Qualifying Investor of VCT shares will give rise to neither a chargeable gain nor an allowable loss for the purposes of UK capital gains tax. The relief is limited to the disposal of VCT shares acquired within the limit of £200,000 for any tax year.

(ii) Purchases in the market

An individual purchaser of existing VCT shares in the secondary market will be entitled to claim relief from capital gains tax on disposal (as described in paragraph 1.2(i) above).

(iii) Facilitation of adviser charges

Where investors request an adviser charge to be facilitated, such investors will be due an entitlement from the Company of an amount equal to the amount to be facilitated from which such adviser charge will be paid on behalf of the investor. HMRC's position on rebates out of sums paid by investors on subscribing for their shares for the purposes of facilitating adviser charges is that these do not form part of the cost of the shares for tax purposes. Since Qualifying Investors in VCTs are exempt from capital gains tax, this should not have any adverse tax effect on a capital disposal of shares. However, a repurchase of shares from an investor by a VCT may be taxed as a distribution and, as such, may be subject to income tax on the difference between the cost of the shares (which, in light of the adviser charge being disregarded, would be lower than the price at which they were subscribed) and the price at which they are bought back. Consequently, any income tax liability may be greater than where no adviser charge had been facilitated as a result of the investor being treated as having subscribed a lesser amount for their shares.

1.3 Acquisition and Disposals of Shares in the Same VCT

The disposal of existing shares in a VCT within six months before or after subscription (including a subscription of shares through a dividend reinvestment scheme) for new shares in the same VCT (or otherwise where the disposal and subscription is linked) will result in the amount of the investment in the new shares in the VCT to which VCT tax reliefs are available being reduced by an amount equal to the proceeds received on the disposal.

1.4 Loss of VCT Approval

For a company to be fully approved as a VCT, it must meet the various requirements as summarised on pages 33 to 34.

If a company which has been granted approval as a VCT subsequently fails to comply with the conditions for approval, approval as a VCT may be withdrawn. In these circumstances, relief from income tax on the initial investment is repayable unless loss of approval occurs more than five years after the issue of the relevant VCT shares. In addition, income tax relief ceases to be available on any dividend paid in any accounting period ending after VCT status has been lost and any gains on the VCT shares up to the date from which loss of VCT status is treated as taking effect will be exempt, but gains thereafter will be taxable.

2. Illustration of the Effect of Tax Relief for Qualifying Investors

The table below has been prepared for illustrative purposes only and does not form part of the summary of the tax reliefs contained in this section. The table shows how the initial tax reliefs available can reduce the effective cost of an investment (net of any facilitated adviser charge) of £10,000 in a VCT by a Qualifying Investor subscribing for VCT shares to £7,000:

| | Tax Relief | Effective Cost |
|--|------------|----------------|
| Investor unable to claim any tax reliefs | Nil | £10,000 |
| Qualifying Investor able to claim full 30% income tax relief | £3,000 | £7,000 |

The combined effect of the initial income tax relief, tax-free dividends and tax-free capital growth can substantially improve the net returns of an investor in a VCT.

3. Obtaining Tax Reliefs

The Company will provide to each Qualifying Investor a certificate which Qualifying Investors may use to claim income tax relief, either by obtaining from HMRC an adjustment to their tax coding under the PAYE system or by waiting until the end of the tax year and claiming relief in their tax return.

4. Investors not Resident in the UK

Investors not resident in the UK should seek their own professional advice as to the consequences of making an investment in a VCT as they may be subject to tax in other jurisdictions as well as in the UK.

TAX POSITION OF THE COMPANY

1. Qualification as a VCT

To qualify as a VCT, a company must be approved as such by HMRC. To obtain such approval it must:

- (a) not be a close company;
- (b) have each class of its ordinary share capital listed on a regulated market;
- (c) derive its income wholly or mainly from shares or securities;
- (d) have at least 80% for accounting periods commencing 6 April 2019 (previously 70%) by VCT Value of its investments in shares and securities in Qualifying Investments, 70% of which must be in eligible shares (30% in respect of investments made on or before 5 April 2018 from funds raised before 6 April 2011);
- (e) have at least 10% by VCT Value of each Qualifying Investment in eligible shares;
- (f) not have more than 15% by VCT Value of its investments by VCT Value (including cash), at the time of making an investment, in a single company or group (other than a VCT or a company which would, if its shares were listed, qualify as a VCT);
- (g) not retain more than 15% of its income derived from shares and securities in any accounting period;
- (h) not make any non-Qualifying Investment other than those specified in section 274 of ITA 2007;
- (i) not, in respect of any share capital created on or after 6 April 2014 and any reserves created from the cancellation thereof, make any payment out of such share capital and reserves to shareholders within three years from the end of the accounting period in which that share capital was created;
- (j) not invest in a company or group which causes the company or group to receive more than £5 million (£10 million for 'knowledge intensive' companies) of state-aided investment in the 12 months ended on the date of that investment;
- (k) not invest in a company or group which causes that company or group to receive more than £12 million (£20 million for 'knowledge intensive' companies) of state-aided investment during its lifetime;
- (l) invest in companies where the first state-aided investment was within seven years of the first commercial sale in respect of the relevant trade (in respect of 'knowledge intensive' companies such period being ten years from the first commercial sale or, if the company so elects, ten years from the end of the accounting period in which the company revenues were greater than £200,000), save for in certain limited circumstances where the funds are to be used in connection with a new product or geographical market;
- (m) not permit the use of VCT funds by a company to acquire shares in another company, another business or trade or provide a return of capital to existing shareholders of that company; and
- (n) invest at least 30% of funds raised in an accounting period beginning on or after 6 April 2018 in Qualifying Investments within 12 months after the end of that accounting period.

Conditions (j) to (l) do not apply to investments in shares listed on a recognised stock exchange or to certain investment funds/vehicles.

2. Qualifying Investments

A Qualifying Investment consists of shares or securities first issued to the VCT (and held by it ever since) by a company, in each case satisfying the conditions set out in Chapters 3 and 4 of Part 6 of ITA 2007.

In relation to shares and securities:

- (a) for the purpose of paragraphs 1 (d) and (e) above, to be 'eligible shares', the shares issued to the VCT must carry no preferential rights on a winding up and no rights to be redeemed (although they may have certain preferential non-cumulative rights to dividends, provided these are not discretionary); and
- (b) any loan made by the VCT must have maturity period greater than five years, must not be guaranteed and, in respect of loans made from 15 March 2018, may not be secured and must provide no more than a commercial rate of return on the principal.

The conditions relating to the investee company are detailed, but include the investee company:

- (i) having a permanent establishment in the UK (but the company need not be UK resident);
- (ii) being unquoted (for VCT purposes companies whose shares are traded on Aquis and AIM markets are considered to be unquoted, whilst shares in an unquoted company that subsequently becomes listed may still be regarded as a Qualifying Investment for a further five years following listing, provided all other conditions are met);
- (iii) carrying on a qualifying trade (for this purpose certain activities are excluded, such as dealing in land or shares or providing financial services);
- (iv) carrying on, or intending to carry on, the relevant trade (whether itself or by a qualifying subsidiary) at the time of the issue of shares or securities to the VCT (and at all times thereafter);
- (v) having no subsidiaries other than qualifying subsidiaries which must, in most cases, be at least 51% owned;
- (vi) commencing to trade within two years of the issue of shares or securities to the VCT and continuing to trade thereafter;
- (vii) not existing for a disqualifying purpose (e.g. for the purpose of accessing tax reliefs or being in substance a financing business);
- (viii) having objectives to grow and develop over the long-term (both generally and as referred to in the 'risk to capital condition' referred to below);
- (ix) having gross assets not exceeding £15 million immediately before and £16 million immediately after the investment;
- (x) applying the money raised for the purposes of a qualifying trade within certain time periods;
- (xi) not being controlled by another company;
- (xii) having fewer than 250 full-time (or full-time equivalent) employees (500 in the case of 'knowledge intensive' companies) at the time of the investment; and
- (xiii) meeting the conditions set out in paragraphs 1(j) to (m) above.

In addition, from 15 March 2018 there is a principles-based gateway test (the 'risk to capital' condition) which requires (i) the investee company having objectives to grow and develop over the long-term and (ii) the investment to carry a significant risk of losing more capital than the net return (including any tax relief).

3. Approval as a VCT

A VCT must be approved at all times by HMRC. Approval has effect from the time specified in the approval.

A VCT cannot be approved unless the tests detailed above are met throughout the most recent complete accounting period of the VCT and HMRC is satisfied that they will be met in relation to the accounting period of the VCT which is current when the application is made. However, where a VCT raises further funds, VCTs are given grace periods to invest those funds before such further funds become subject to the tests.

However, to aid the launch of a VCT, HMRC may give provisional approval if satisfied that conditions (b), (c), (f) and (g) in paragraph 1 above will be met throughout the current or subsequent accounting period and condition (d) in paragraph 1 above will be met in relation to an accounting period commencing no later than three years after the date of provisional approval.

The Company has obtained approval as a VCT from HMRC.

4. Withdrawal of Approval

Approval of a VCT may be withdrawn by HMRC if the various tests set out above are not satisfied. The exemption from corporation tax on capital gains will not apply to any gain realised after the point at which VCT status is lost.

Withdrawal of approval generally has effect from the time when notice is given to the VCT but, in relation to capital gains of the VCT only, can be backdated to no earlier than the first day of the accounting period commencing immediately after the last accounting period of the VCT in which all of the tests were satisfied.

5. Taxation of a VCT

VCTs are exempt from corporation tax on chargeable gains. A VCT will be subject to corporation tax on its income (excluding dividends received from UK companies) after deduction of allowable expenses.

The above is only a summary of the conditions to be satisfied for a company to be treated as a VCT.

Part VIII – Additional Information

1. The Company

- 1.1 The legal and commercial name of the Company is Unicorn AIM VCT plc.
- 1.2 The Company was incorporated and registered in England and Wales under CA 1985 as a public company with limited liability on 7 August 2001, with registered number 04266437. The principal legislation under which the Company operates (and under which its shares are created) is CA 2006 and regulations made thereunder.
- 1.3 On 27 September 2001, the Registrar of Companies issued the Company with a trading certificate under section 117 of CA 1985 (now section 761 of CA 2006) entitling it to commence business.
- 1.4 The Company's registered office is at The Office Suite Den House, Den Promenade, Teignmouth, United Kingdom, TQ14 8SY (telephone 01392 487 056). The Company is domiciled in England and does not have, nor has it had since incorporation, any subsidiaries or employees.
- 1.5 The Company revoked its status as an investment company under section 266 of CA 1985 (now section 833 of CA 2006) on 17 August 2004.
- 1.6 The memorandum of association, which, by virtue of section 28 of CA 2006, is now treated as being part of the Articles, provides that the Company's principal object and purpose is to carry on the business of a VCT. The objects of the Company are set out in full in clause 4 of the memorandum of association.
- 1.7 The International Securities Identification Number (ISIN) of the Shares is GB00B1RTFN43. The Company's Legal Entity Identity number is 21380057QDV7D34E9870.
- 1.8 HMRC has granted approval of the Company as a VCT under section 259 of ITA 2007. The business of the Company has been, and it is intended will be, carried on so as to continue to comply with that section to maintain full VCT approval.
- 1.9 The Company is not regulated by the FCA or an equivalent European Economic Area regulator. However the Company is an alternative investment fund for the purposes of, and subject to, the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) and has registered itself pursuant thereto as a small alternative investment fund manager with the FCA. The Company is subject to the requirements of VCTs and, as an entity listed on the main market of the London Stock Exchange, the rules and regulations issued by the FCA from time to time. The Company is not otherwise regulated.
- 1.10 The Company and its Shareholders are subject to the provisions of the City Code on Takeovers and Mergers and CA 2006 which require shares to be acquired/transferred in certain circumstances.

2. Share Capital

- 2.1 As at 30 September 2022, the Company's issued share capital comprised 164,023,203 Shares (all of which were fully paid and none of which were held in treasury).
- 2.2 The issued share capital history of the Company since 30 September 2022 is as follows:
 - 2.2.1 During the financial year ended 30 September 2023, the Company issued 12,251,707 Shares and bought back 3,398,754 Shares. As at 30 September 2023, the issued share capital of the Company comprised 172,876,156 Shares (all of which were fully paid and none of which were held in treasury).
 - 2.2.2 During the financial year ended 30 September 2024, the Company issued 22,766,095 Shares and bought back 5,205,225 Shares. As at 30 September 2024, the issued share capital of the Company comprised 190,437,026 Shares (all of which were fully paid and none of which were held in treasury).
 - 2.2.3 Between 1 October 2024 and 27 January 2025 (being the latest practicable date prior to the publication of this document), the Company did not issue any Shares and bought back 1,703,574 Shares.
- 2.3 As at 27 January 2025 (being the latest practicable date prior to the publication of this document), the Company's share capital comprised 188,733,452 Shares (all of which were fully paid and none of which were held in treasury).
- 2.4 The following authorities were granted pursuant to resolutions of the Company passed at the annual general meeting of the Company held on 7 February 2024:
 - 2.4.1 in substitution for any existing authorities, the Directors were generally and unconditionally authorised pursuant to section 551 of CA 2006 to exercise all the powers of the Company to allot Shares and to grant rights to subscribe for, or convert any security into, Shares up to an aggregate nominal amount of £691,504, representing 40% of the issued share capital as at the date of the 2023 Annual Report, provided that the authority conferred by the resolution shall (unless renewed, varied or revoked by the Company in a general meeting) expire on the date falling 15 months after the passing of this resolution or, if earlier, at the

conclusion of the annual general meeting of the Company to be held in 2025, but so that this authority shall allow the Company to make before the expiry of this authority offers or agreements which would or might require Shares to be allotted or rights to be granted after such expiry and the Directors shall be entitled to allot Shares or grant rights pursuant to any such offers or agreements as if the authority conferred by the resolution had not expired;

2.4.2 in substitution for any existing authorities, the Directors were empowered in accordance with sections 570 and 573 of CA 2006 to allot or make offers or agreements to allot equity securities (as defined in section 560 of CA 2006) for cash, pursuant to the authority conferred upon them by the resolution detailed at paragraph 2.5.1 above, or by way of a sale of treasury shares, as if section 561 (1) of CA 2006 did not apply to any such sale or allotment, provided that the power conferred by this resolution shall be limited to:

- (i) the allotment and issue of equity securities with an aggregate nominal value of up to, but not exceeding, £345,752, representing 20% of the issued share capital as at the date of the 2023 Annual Report, in connection with offer(s) for subscription;
- (ii) the allotment and issue of equity securities with an aggregate nominal value of up to, but not exceeding, 10% of the issued share capital of the Company from time to time pursuant to any dividend re-investment scheme operated by the Company, at a subscription price per share which may be less than the net asset value per share, as may be prescribed by the scheme terms; and
- (iii) the allotment, otherwise than pursuant to sub-paragraph (i) above, of equity securities with an aggregate value of up to, but not exceeding, 10% of the issued share capital of the Company from time to time,

in each case where the proceeds may be used, in whole or part, to purchase the Shares in the market provided that this authority shall (unless renewed, varied or revoked by the Company in a general meeting) expire on the date falling 15 months after the passing of the resolution, or if earlier, at conclusion of the annual general meeting to be held in 2025, except that the Company may, before expiry of this authority, make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the authority conferred had not expired; and

2.4.3 in substitution for any existing authorities, the Company was authorised pursuant to section 701 of CA 2006 to make one or more market purchases (within the meaning of section 693(4) of CA 2006) of its own Shares on such terms and in such manner as the Directors may determine (either for cancellation or for the retention as treasury shares for future re-issue or transfer), provided that:

- (i) the aggregate number of Shares which may be purchased shall not exceed 25,914,135 or, if lower, such number of Shares (rounded down to the nearest whole Share) as shall equal 14.99% of the Shares in issue at the date of passing the resolution;
- (ii) the minimum price which may be paid for a Share is 1 p (the nominal value thereof);
- (iii) the maximum price which may be paid for a Share shall be the higher of (a) an amount equal to 5% above the average of the middle market quotations for a Share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Share is to be purchased and (b) the price stipulated by Article 5(6) of the Market Abuse Regulation (596/2014/EU) (as such regulation forms part of UK law as amended);
- (iv) the authority conferred by this resolution shall (unless previously renewed or revoked in general meeting) expire on the date falling 15 months after the passing of this resolution, or if earlier, at the conclusion of the annual general meeting of the Company to be held in 2025; and
- (v) the Company may make a contract or contracts to purchase its own Shares under the authority conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority, and may make a purchase of its own Shares in pursuance of any such contract.

2.5 The following authorities will be sought pursuant to resolutions of the Company to be proposed at the annual general meeting of the Company to be held on 12 February 2025:

2.5.1 in substitution for any existing authorities, the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of CA 2006 to exercise all the powers of the Company to allot Shares and to grant rights to subscribe for, or convert any security into, Shares up to an aggregate nominal amount of £761,478, representing 40% of the issued share capital as at the date of the 2024 Annual Report, provided that the authority conferred by the resolution shall (unless renewed, varied or revoked by the Company in a general meeting) expire on the date falling 15 months after the passing of this resolution or, if earlier, at the conclusion of the annual general meeting of the Company to be held in 2026, but so that this authority shall allow the Company to make before the expiry of this authority offers or agreements which would or might require Shares to be allotted or rights to be granted after such expiry and the Directors shall be entitled to allot Shares or grant rights pursuant to any such offers or agreements as if the authority conferred by the resolution has not expired;

2.5.2 subject to the passing of the resolution referred to in paragraph 2.5.1 above and in substitution for any existing authorities, the Directors be empowered in accordance with sections 570 and 573 of CA 2006 to allot or make offers or agreements to allot equity securities (as defined in section 560 of CA 2006) for cash, pursuant to the authority conferred upon them by the resolution detailed at paragraph 2.5.1 above, or by way of a sale of treasury shares, as if section 561(1) of CA 2006 did not apply to any such sale or allotment, provided that the power conferred by this resolution shall be limited to:

- (i) the allotment and issue of equity securities with an aggregate nominal value of up to, but not exceeding, £380,874, representing 20% of the issued share capital as at the date of the 2024 Annual Report, in connection with offer(s) for subscription;
- (ii) the allotment and issue of equity securities with an aggregate nominal value of up to, but not exceeding, 10% of the issued share capital of the Company from time to time pursuant to any dividend re-investment scheme operated by the Company, at a subscription price per share which may be less than the net asset value per share, as may be prescribed by the scheme terms; and
- (iii) the allotment, otherwise than pursuant to sub-paragraph (i) above, of equity securities with an aggregate value of up to, but not exceeding, 10% of the issued share capital of the Company from time to time,

in each case where the proceeds may be used, in whole or part, to purchase the Shares in the market provided that this authority shall (unless renewed, varied or revoked by the Company in a general meeting) expire on the date falling 15 months after the passing of the resolution, or if earlier, at conclusion of the annual general meeting to be held in 2026, except that the Company may, before expiry of this authority, make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the authority conferred had not expired; and

2.5.3 in substitution for any existing authorities, the Company be authorised pursuant to section 701 of CA 2006 to make one or more market purchases (within the meaning of section 693(4) of CA 2006) of its own Shares on such terms and in such manner as the Directors may determine (either for cancellation or for the retention as treasury shares for future re-issue or transfer), provided that:

- (i) the aggregate number of Shares which may be purchased shall not exceed 28,546,510 or, if lower, such number of Shares (rounded down to the nearest whole Share) as shall equal 14.99% of the Shares in issue at the date of passing the resolution;
- (ii) the minimum price which may be paid for a Share is 1 p (the nominal value thereof);
- (iii) the maximum price which may be paid for a Share shall be the higher of (a) an amount equal to 5% above the average of the middle market quotations for a Share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Share is to be purchased and (b) the price stipulated by Article 5(6) of the Market Abuse Regulation (596/2014/EU) (as such regulation forms part of UK law as amended);
- (iv) the authority conferred by this resolution shall (unless previously renewed or revoked in general meeting) expire on the date falling 15 months after the passing of this resolution, or if earlier, at the conclusion of the annual general meeting of the Company to be held in 2026; and
- (v) the Company may make a contract or contracts to purchase its own Shares under the authority conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority, and may make a purchase of its own Shares in pursuance of any such contract.

2.6 There are no other shares or loan capital in the Company under option or agreed conditionally or unconditionally to be put under option nor does the Company hold shares in treasury.

2.7 The Company will be subject to the continuing obligations of the Listing Rules with regard to the issue of securities for cash and the provisions of section 561 of CA 2006 (which confers on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash) in respect of the balance of the share capital of the Company which is not (or will not be) subject to the disapplications referred to in paragraphs 2.4 and 2.5 above.

2.8 As at 27 January 2025 (this being the latest practicable date prior to publication of this document), the Company is not aware of any person who, immediately following the issue of the New Shares, directly or indirectly, has or will have an interest in the capital of the Company or voting rights which is notifiable under UK law, under which, pursuant to CA 2006, the Listing Rules and the Disclosure Guidance & Transparency Rules, a holding of 3% or more must be notified to the Company.

3. Issued Share Capital and Dilution

- 3.1 The issued Share capital of the Company as at the date of this document is 188,733,452 Shares. Assuming 35 million New Shares are allotted by the Company (this being the maximum number of New Shares that may be allotted pursuant to the Offer), the existing issued share capital of the Company would represent 84.4%, this being the dilutive effect on existing Shareholders assuming no participation in the Offer by them.
- 3.2 The actual number of New Shares issued will depend on the Offer prices at which such shares are issued subject to the maximum of 35 million (including the over-allotment facility) being raised by the Company.
- 3.3 The issue premium on a Share issued pursuant to the Offer will be the difference between the issue price of that share and the nominal value thereof of 1p.

4. Directors' Interests

- 4.1 As at 27 January 2025 (this being the latest practicable date prior to publication of this document), the interests of the Directors (including those of connected persons) are as follows:

| Director | Shares | % of Share Capital |
|--------------------------|---------|--------------------|
| <i>Tim Woodcock</i> | 114,447 | 0.06 |
| <i>Julian Bartlett</i> | - | - |
| <i>Charlotta Ginman*</i> | 39,198 | 0.02 |
| <i>Jeremy Hamer</i> | 30,202 | 0.02 |
| <i>Josephine Tubbs</i> | 17,811 | 0.01 |

* including Shares held by a connected person.

- 4.2 As at 27 January 2025 (this being the latest practicable date prior to publication of this document) save as disclosed above, no Director, their family or any person connected to the Director within the meaning of section 252 of CA 2006 has any interest in the share or loan capital of the Company which is or would, immediately following the Offer, be required to be notified pursuant to section 809 of CA 2006 or which is or would be required to be entered in the register maintained under section 809 of CA 2006.
- 4.3 None of the Directors has a service agreement with the Company, nor are any such contracts proposed. Jeremy Hamer was appointed under a letter of appointment dated 19 November 2010. Charlotta Ginman was appointed under a letter of appointment dated 14 July 2016. Tim Woodcock was appointed under a letter of appointment dated 10 June 2019. Josephine Tubbs was appointed under a letter of appointment dated 24 May 2022. Julian Bartlett was appointed under a letter of appointment dated 2 October 2024. All appointments may be terminated on three months' notice. No arrangements have been entered into by the Company entitling the Directors to compensation for loss of office. From 1 October 2023, each Director is entitled to an annual fee of £30,500. Tim Woodcock as chair of the Board is entitled to an additional annual fee of £7,000, Jeremy Hamer as chair of the audit committee is entitled to an additional annual fee of £5,500 and Charlotta Ginman as the senior independent director is entitled to an additional annual fee of £3,000. It is intended that Julian Bartlett will assume the role of chair of the audit committee following the annual general meeting on 12 February 2024 when Jeremy Hamer steps down from the Board (and be entitled to an additional annual fee of £5,500 from that date).
- 4.4 Fees paid to the Directors in respect of the financial year ended 30 September 2024 were, in aggregate, £137,500 as set out below:

| Director | Fees Paid in the Financial Year Ended 30 September 2024** (£) |
|-------------------------|---|
| <i>Tim Woodcock</i> | 37,500 |
| <i>Julian Bartlett*</i> | - |
| <i>Charlotta Ginman</i> | 33,500 |
| <i>Jeremy Hamer</i> | 36,000 |
| <i>Josephine Tubbs</i> | 30,500 |

* appointed on 2 October 2025.

** plus £1,540 expenses.

- 4.5 Directors' fees for the current financial year ending 30 September 2025 are currently estimated to be £155,000 (excluding expenses). The Directors are not entitled to receive pension benefits from the Company. The Company does not grant options over share capital of the Company nor operate long-term incentive schemes for the benefit of Directors. The Directors are entitled to reimbursement of reasonable expenses.

4.6 The Directors are directors and/or have shareholdings greater than 1% in the following companies in which the Company has invested:

| | | |
|--------------------------------|---|---|
| <i>Charlotta Ginman</i> | Keywords Studios plc (now Keywords Studios Limited) | Director (until 23 October 2024) and shareholder (less than 1%) |
|--------------------------------|---|---|

4.7 Other than as is disclosed in paragraphs 4.4 to 4.6 above, there are no potential conflicts of interest between any duties carried out on behalf of the Company by the Directors and their private interests or other duties and no Director is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company and which was effected by the Company in the years ended 30 September 2022, 2023 and 2024 or in the current financial year or which was effected in an earlier financial year and remains in any respect outstanding or unperformed.

4.8 No loan or guarantee has been granted or provided by the Company to or for the benefit of any of the Directors.

4.9 The Company has taken out directors' and officers' liability insurance for the benefit of its Directors, which is renewable on an annual basis.

4.10 The Directors are currently or have been within the last five years, a member of the administrative, management or supervisory bodies or partners of the companies and partnerships mentioned below:

| Director | Current | Past Five Years |
|--------------------------------|---|---|
| <i>Tim Woodcock</i> | E & S Properties Limited Jolly Fine Pubs Ltd. Lambda Consultancy Services Ltd Lamda Shares Investments Ltd Secure Parking and Storage Limited Secure Parking Property Limited Tablespoon Limited Taylor Asset Management Limited Taylor Rental Limited The Jolly Fine Pub Group Limited Unicorn AIM VCT plc | Appleseed Investments LLP (dissolved)* Jolly Fine Fulham Limited (dissolved) Jolly Fine Malt House Limited (dissolved) Pulseguard International Ltd (dissolved) |
| <i>Julian Bartlett</i> | Invesco Fund Managers Limited Invesco Pensions Limited Lindsell Train Limited Triple Point Venture VCT plc Unicorn AIM VCT plc | St Mary's Eltham Community Centres Association |
| <i>Charlotta Ginman</i> | Boku Inc. Gamma Communications plc JPMorgan Indian Investment Trust plc Unicorn AIM VCT plc VinaCapital Vietnam Opportunity Fund Limited | Consort Medical plc (now Consort Medical Limited) Keywords Studios plc (now Keywords Studios Limited) Pacific Assets Trust Public Limited Company Polar Capital Technology Trust plc QC Ground Limited QC Holdings Limited The Queen's Club Limited |

| | | |
|-------------------------------|---|---|
| <i>Jeremy Hamer</i> | Unicorn AIM VCT plc Uvenco UK plc (in liquidation) | Access Intelligence plc (now Pulsar Group plc) Fin Dec Ltd (dissolved) Motcombe Park Limited (dissolved)* Port Regis School Limited Westminster Coaching LLP (dissolved)* |
| <i>Josephine Tubbs</i> | Dunmore Alternative Multi-Manager ICAV Makrana Dunmore Singapore Fund Pte. Ltd. Unicorn AIM VCT plc | AXA IM ETF ICAV AXA IM WAVE ICAV AXA Investment Managers Ireland Limited AXA Private Debt Fund ICAV AXA Rosenberg Management Ireland Limited (in liquidation) Biben Capital Markets Limited (dissolved)* |

- 4.11 None of the Directors have had any convictions in relation to fraudulent offences during the previous five years.
- 4.12 Save for those companies which have an asterisk next to their name in the table above, which are all companies that have voluntarily been struck off from the Register of Companies and further save as disclosed in this paragraph, there were no bankruptcies, receiverships, liquidations or administrations, of any companies where any of the Directors were acting as (i) a member of the administrative, management or supervisory body, (ii) a partner with unlimited liability, in the case of a limited partnership with a share capital, (iii) a founder where the company had been established for fewer than five years or (iv) a senior manager, during the previous five years:
- 4.12.1 Tim Woodcock was appointed as a director of Jolly Fine Fulham Limited on 1 March 2019 which was dissolved following a compulsory strike-off effective 19 January 2021. Tim Woodcock was also appointed as a director of Jolly Fine Malt House Limited on 16 October 2017, which was placed into liquidation following the passing of a resolution to wind up the company on 19 May 2021 and was subsequently dissolved on 3 August 2023. Tim Woodcock was also a director of Pulseguard International Ltd, which was placed into liquidation following the passing of a resolution to voluntarily wind up the company on 13 December 2021 and was subsequently dissolved on 23 April 2023.
- 4.12.2 Jeremy Hamer was appointed as a director of Uvenco UK plc on 30 May 2012. The company subsequently went into creditors' voluntary liquidation and an extraordinary resolution to wind the company up was passed on 29 October 2018. In the statement of affairs dated 16 December 2021, it was noted that a dividend had been paid to the preferential creditors, the liquidators had agreed claims totalling £10,349,534.57 from 26 unsecured creditors but yet to receive claims from 41 unsecured creditors whose debts are estimated to total £66,593.96, that an interim dividend of 1.11p in the pound was distributed to the unsecured creditors on 18 March 2021 and that there would be sufficient funds to pay a further dividend(s) to unsecured creditors. In the liquidators' annual progress report dated 20 December 2022, the liquidators confirmed that the agreed claims remain at £10,349,534.57 from 26 creditors. The report confirms that there will be sufficient funds realised after defraying the expenses of the liquidation to pay a further dividend to unsecured creditors. The liquidators issued a notice of intention to pay a second and final dividend to non-preferential creditors within two months of 10 February 2023. In a further liquidators' annual progress report dated 13 December 2023, the liquidators confirmed that the agreed claims remain at £10,349,543.57 from 26 creditors for the year ended 28 October 2023. The report also stated that a second and final dividend to unsecured creditors had yet to be dealt with, but it is understood that this has since been approved and distributed. Jeremy Hamer was appointed a director of Fin Dec Ltd on 14 September 2010. An application to voluntarily strike off Fin Dec Ltd was submitted in October 2022 and the company was subsequently dissolved on 24 January 2023.
- 4.12.3 Josephine Tubbs was a director of AXA Rosenberg Management Ireland Limited from 21 August 2013 to 30 December 2022. A special resolution to wind up the company was passed and a liquidator was appointed on 12 September 2022. Josephine Tubbs was also appointed as a director of Biben Capital Markets Limited on 8 February 2023 and resigned on 8 March 2024. An application to voluntarily strike off Biben Capital Markets Limited was submitted on 28 May 2024 and the company was subsequently dissolved on 20 August 2024.
- 4.13 There have been no official public incriminations and/or sanctions of any Director by statutory or regulatory authorities (including designated professional bodies) and no Director has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company during the previous five years.

5. Material Contracts

Save as disclosed in this paragraph, the Company has not entered, other than in the ordinary course of business, into any contract which is or may be material to the Company within the two years immediately preceding the publication of this document or into any contract containing provisions under which the Company has any obligation or entitlement which is material to the Company as at the date of this document:

- 5.1 An investment management agreement dated 1 October 2001 (as supplemented by agreements/deeds/side letters dated 20 January 2004, 19 February 2007, 9 March 2010, 12 April 2010, 1 October 2018 and 18 November 2021) between the Company (1) and Unicorn AM (2) pursuant to which Unicorn AM provides certain investment management services to the Company.

The Investment Manager receives an annual management fee of an amount equal to 2.0% of the net assets of the Company up to net assets of £200 million, 1.5% of the amount of the net assets of the Company from £200 million to £450 million and 1.0% of the amount 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 for the purposes of the fee calculation. The fee is calculated and paid quarterly in arrears. If the Company raises further funds during a quarter, the net assets for the relevant quarter are 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.

Under this agreement, the Investment Manager has agreed to meet the normal annual expenses of the Company (excluding trail commission and exceptional items) in excess of an amount equal to 2.75% of the net assets of the Company as at the end of each financial year.

The Investment Manager may retain any director's fees which it receives in connection with an investment made by the Company subject to prior written approval of the Board. The Investment Manager is required to account to the Company for all syndication, arrangement and transaction fees, commissions, refunds of commissions and interest received by the Investment Manager in connection with the management of the investments of the Company.

The agreement is terminable by either party on 12 months' notice, subject to termination sooner by either party in the event of, inter alia, a party having a receiver, administrator or liquidator appointed or committing a material breach of the agreement or by the Company if it ceases to be a VCT for tax purposes or where the Investment Manager ceases to be authorised by the FCA or if there is a change in control of the Investment Manager. The agreement contains provisions indemnifying the Investment Manager against any liability not due to its default, gross negligence, fraud or breach of FSMA.

- 5.2 Letters of appointment from the Company to each Director as referred to in paragraph 4.4 above.
- 5.3 An administration agreement dated 1 September 2014 (as amended and supplemented from time to time) between the Company (1) and ISCA Administration Services (2) pursuant to which ISCA Administration Services is the company secretary and provides accountancy and administration services to the Company. ISCA Administration Services currently receives an annual fee of an amount equal to £211,680 (exclusive of any applicable VAT).

The agreement is terminable by either party on 12 months' notice, subject to termination sooner by either party in the event of, inter alia, a party having a receiver, administrator or liquidator appointed or committing a material breach of the agreement. The agreement contains provisions indemnifying ISCA Administration Services against any liability not due to its default, gross negligence or fraud.

- 5.5 A letter dated 10 December 2024 from Panmure Liberum pursuant to which Panmure Liberum has been appointed as sponsor to the Offer. The Company has agreed to indemnify Panmure Liberum for any loss suffered in respect of its role as sponsor to the Offer. The Company's liability under this indemnity is unlimited. This engagement may be terminated at any time.
- 5.6 A letter dated 28 January 2025 from the Investment Manager to the Company pursuant to which the Investment Manager has agreed to act as the promoter of the Offer and to underwrite all of the costs and expenses of the Offer (including 'execution-only' financial intermediary annual trail commissions, but, excluding any permissible initial commissions to intermediaries in respect of 'execution only' and Professional Client investors and amounts due from the Company to the investor in connection with facilitated initial adviser charges (such costs being borne by the investor)) in consideration for a promotion fee of 2.5% (as reduced by any discount offered by the Investment Manager to any specific or group of investors) of the Application Amounts in respect of the Applications accepted under the Offer. The Investment Manager has further agreed that, to the extent that the costs of the Offer incurred by it (ignoring annual trail commission) are less than the amount of the promotion fee payable to it, the Investment Manager will rebate this amount to the Company.

6. Related Party Transactions

Save for the entering into of (i) Julian Bartlett's appointment letter referred to in paragraph 4.3 (the annual fee payable thereunder representing 0.02% of the net assets of the Company as at 30 September 2024 (as shown in the 2024 Annual Report) and (ii) the agreement set out in paragraph 5.6 above (the maximum fee payable to the Investment Manager thereunder of £625,000, before settlement of expenses in connection with the Offer, represents 0.31% of the net assets of the Company as at 30 September 2024 (as shown in the 2024 Annual Report)), the Company has not entered into any related party transactions within the meaning of IFRS or UK GAAP since 1 October 2023.

7. Share Rights

The following is a description of the rights attached to the securities, including any limitations of those rights, and procedure for the exercise of those rights:

7.1 Voting

7.1.1 Method of voting

At any general meeting a resolution put to a vote of the meeting shall be decided on a show of hands unless (before or immediately after the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded. Subject to the provisions of the Companies Acts, a poll may be demanded by:

- (i) the chairperson of the meeting; or
- (ii) by at least five members present in person or by proxy having the right to vote at the meeting; or
- (iii) a member or members present in person or by proxy representing not less than one tenth of the voting rights of all the members having the right to vote at the meeting; or
- (iv) a member or members present in person or by proxy holding shares conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one tenth of the total sum paid up on all the shares conferring that right, and a demand for a poll by a person as proxy for a member shall be as valid as if the demand were made by the member themselves.

The chairperson may also demand a poll before a resolution is put to the vote on a show of hands.

7.1.2 Votes of members

Subject to any rights or restrictions attached to any shares:

- (i) on a show of hands every member who is present in person has one vote; every proxy present who has been duly appointed by one or more members entitled to vote on the resolution has one vote and every corporate representative present who has been duly authorised by a corporation has the same voting rights as the corporation would be entitled to; and
- (ii) on a poll every member present in person or by duly appointed proxy or corporate representative has one vote for every share of which he is the holder or in respect of which his appointment as proxy or corporate representative has been made.

Where shares are held jointly, the vote of the senior who has tendered a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members of each company in respect of the holding.

No member shall, unless the Board otherwise determines, be entitled to vote at a general meeting or at any separate meeting of the holders of any class of shares either in person or (save as proxy for another member entitled to vote) by proxy in respect of any share held by him or to exercise any right as a member unless all calls or other sums presently payable by him in respect of that share in the Company have been paid to the Company.

The right to vote, together with other rights and benefits of membership, will also be lost where the member (or any other person claiming to have an interest in such shares) has been issued with a notice pursuant to section 793 of CA 2006 (which requires the member or such other person to declare his interest in the shares) and has failed to give the required information to the Company within the prescribed period set out in that notice.

Unless a poll is duly demanded and the demand is not withdrawn a declaration by the chairperson of the meeting that a resolution has on a show of hands been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive, and an entry to that effect in the book containing the minutes of proceedings of the Company shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

7.1.3 Variation of class rights

Subject to the provisions of the Companies Acts, if at any time the share capital of the Company is divided into shares of different classes any of the rights for the time being attached to any share or class of shares in the Company (and notwithstanding that the Company may be or be about to be wound up) may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated in such manner (if any) as may be provided by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three quarters in nominal value of the issued shares of the class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of the class duly convened and held as provided in the Articles (but not otherwise).

7.1.4 Class meetings

All the provisions in the Articles as to general meetings shall mutatis mutandis apply (with any necessary modifications) to every meeting of the holders of any class of shares save that:

- (i) the quorum at every such meeting shall be not less than two persons present in person or by proxy holding at least one-third of the nominal amount paid up on the issued shares of the class;
- (ii) every holder of shares of the class present in person or by proxy may demand a poll;
- (iii) each such holder shall on a poll be entitled to one vote for every share of the class held by him; and
- (iv) if at any adjourned meeting of such holders, such quorum as aforesaid is not present, not less than one person holding shares of the class (whatever the number) who is present in person or by proxy shall be a quorum.

7.2 *Transfer of shares*

7.2.1 Form of transfer

Except as may be provided in the Articles, each member may transfer all or any of his shares by instrument of transfer in writing in any usual form or in any form approved by the Board. Such instrument shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect of it.

7.2.2 Right to refuse registration

The Board may in its absolute discretion and without giving any reason refuse to register any share transfer unless:

- (i) it is in respect of a share which is fully paid up;
- (ii) it is in respect of a share on which the Company has no lien;
- (iii) it is in respect of only one class of shares;
- (iv) it is in favour of a single transferee or not more than four joint transferees;
- (v) it is duly stamped (if so required); and
- (vi) it is delivered for registration to the Office, or such other place as the Board may from time to time determine, accompanied (except in the case of a transfer by a recognised person where a certificate has not been issued) by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor and the due execution by him of the transfer or if the transfer is executed by some other person on his behalf, the authority of that person to do so, provided that such discretion may not be exercised in such a way as to prevent dealings in such shares from taking place on an open and proper basis.

7.3 *Dividends and other payments*

7.3.1 Declaration of dividends

Subject to the provisions of the Companies Acts and of the Articles, the Company may by ordinary resolution declare that out of profits available for distribution, dividends be paid to members according to their respective rights and interests in the profits of the Company available for distribution. However, no dividend shall exceed the amount recommended by the Board.

7.3.2 Interim dividends

Subject to the provisions of the Companies Acts, the Board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appear to the Board to be justified by the profits of the Company available for distribution and the position of the Company. If at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends on shares which rank after shares conferring preference rights with regard to dividend as well as on shares conferring preferential rights unless at the time of payment any preferential dividend is in arrears. Provided that the Board acts in good faith it shall not incur any liability to the holders of shares conferring preferential rights for any loss that they may suffer in consequence of the declaration or by the lawful payment of any interim dividend on any shares ranking after those with preferential rights.

7.3.3 Entitlement to dividends

Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up (otherwise than in advance of calls) on the shares on which the dividend is paid. Subject as aforesaid, all dividends shall be apportioned and paid pro rata according to the amounts paid up or credited as paid up on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date it shall rank for or be entitled to dividends accordingly.

All dividends and interest shall be paid (subject to any lien of the Company) to those members whose names shall be on the register at the date at which such dividend shall be declared or at the date at which such interest shall be payable respectively, or at such other date as the Company by ordinary resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of shares.

The Board may pay the dividends or interest payable on shares in respect of which any person is by transmission entitled to be registered as holder to such person upon production of such certificate and evidence as would be required if such person desired to be registered as a member in respect of such shares.

7.3.4 Uncashed dividends

If cheques, warrants or orders for dividends or other sums payable in respect of a share sent by the Company to the person entitled thereto by post are returned to the Company undelivered or left uncashed on 2 consecutive occasions the Company shall not be obliged to send any further dividends or other monies payable in respect of that share due to that person until he notifies the Company of an address to be used for the purpose

7.3.5 Unclaimed dividends

All dividends, interest or other sum payable and unclaimed for 12 months after having become payable may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends unclaimed for a period of 12 years after having become due for payment shall (if the Board so resolves) be forfeited and shall revert to the Company.

7.4 *Winding up*

If the Company is wound up, the surplus assets remaining after payment of all creditors are to be divided among the members in proportion to the capital which at the commencement of the winding up is paid up on the shares held by them respectively and, if such surplus assets are insufficient to repay the whole of the paid up capital, they are to be distributed so that as nearly as may be the losses are borne by the members in proportion to the capital paid up at the commencement of the winding up on the shares held by them respectively. The above is subject to the rights attached to any shares which may be issued on special terms or conditions.

If the Company is wound up the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by law, divide among the members in specie the whole or any part of the assets of the Company and may for that purpose value any assets and determine how the division shall be carried out as between the members or different classes of members. Any such division may be otherwise than in accordance with the existing rights of the members but if any division is resolved otherwise than in accordance with such rights the members shall have the same right of dissent and consequential rights as if such resolution were

a special resolution passed pursuant to section 110 Insolvency Act 1986. The liquidator may with the like sanction vest the whole or any part of the whole of the assets in trustees on such trusts for the benefit of the members as the liquidator with the like sanction shall determine but no member shall be compelled to accept any assets on which there is a liability.

8. Corporate Governance, Board Committees and Risk Management

8.1 Corporate Governance

The Board adopts the Association of Investment Companies Code of Corporate Governance (AIC Code). The AIC Code addresses the principles and provisions set out in the UK Corporate Governance Code (the UK Code), as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company.

The Board considers that reporting against the principles and recommendations of the AIC Code (by reference to the AIC Guide) will provide the most appropriate information to Shareholders. The AIC Code was endorsed in February 2019 by The Financial Reporting Council, which has confirmed that in complying with the AIC Code, the Company will meet its obligations in relation to the UK Code. The Board has noted the publication of the AIC Code in August 2024 following the issue of the updated UK Code in January 2024. The new AIC Code will be applicable to the Company from 1 October 2025.

As at the date of this document, the Board considers that the Company complies with the AIC Code and the relevant provisions of the UK Code save as set out below.

As an investment company managed by third parties, the Company does not employ a chief-executive, nor any executive directors. The systems and procedures of the Investment Manager and ISCA Administration Services, the provision of VCT monitoring services by PricewaterhouseCoopers LLP, and the annual statutory audit as well as the size of the Company's operations, gives the Board confidence that an internal audit function is not appropriate.

At least four formal Board meetings are scheduled every year and other meetings are held as necessary. All the Directors are equally responsible under the law for the proper conduct of the Company's affairs. In addition, the Directors are responsible for ensuring that their policies and operations are in the best interests of all Shareholders and that the best interests of creditors and suppliers to the Company are properly considered.

Matters specifically reserved for decision by the Board have been defined. These include compliance with the requirements of CA 2006, the UK Listing Authority, AIFMD, the London Stock Exchange and UK Accounting Standards; changes relating to the Company's capital structure or its status as a public limited company; Board and committee appointments and terms of reference of committees; material contracts of the Company and contracts of the Company not in the ordinary course of business. The Board as a whole considers management engagement, nomination and remuneration matters rather than delegating these to committees, as all of the current Directors are considered independent of the Investment Manager. Management engagement matters include an annual review of the Company's service providers, with a particular emphasis on reviewing the Investment Manager in terms of investment performance, quality of information provided to the Board and remuneration. The Board as a whole considers Board and committee appointments and the remuneration of individual Directors.

A procedure has been adopted for individual Directors, in the furtherance of their duties, to take independent professional advice at the expense of the Company. The Directors also have access to the advice and services of the company secretary, who is responsible to the Board for ensuring board procedures are followed. Both the appointment and removal of the company secretary are matters for the Board as a whole.

In accordance with the AIC Code, all Directors will offer themselves for re-election annually and the Board's succession planning will continue. In terms of overall length of tenure, the AIC Code does not explicitly make recommendations on tenure for directors. However, it does state, circumstances which are likely to impair or could appear to impair, a non-executive director's independence include, but are not limited to, whether a director has served on the board for more than nine years from the date of their first appointment, but the Board does not concur with this view. The Board does not believe that a director should be appointed for a finite period. The AIC Code does recommend that it should have a policy on tenure of the chair and the Company has adopted a nine year maximum tenure policy.

Jeremy Hamer has served longer than nine years, however, the Board considers that he remained independent of the Investment Manager and continued to offer independent, professional judgement and constructive challenge to the Investment Manager. Jeremy will step down from the Board at the annual general meeting on 12 February 2025.

The Board has considered whether each Director is independent in character and judgement and whether there are any relationships or circumstances which are likely to affect, or could appear to affect, the Director's judgement and has concluded that, all of the Directors are independent of the Investment Manager. The involvement of the Directors with investee companies is shown above at paragraph 4.6. The Directors, who were independent of each potential conflict, considered the circumstances and agreed that all of the relevant Directors in each case remain independent of the Investment Manager. This is because these relationships are not of a material size to their assets and other business activities nor to those of the Company. There are no other contracts or investments in which the Directors have declared an interest.

The potential conflicts referred to above, along with other potential conflicts, have been reviewed by the Board in accordance with the procedures under the Articles and applicable rules and regulations and have been authorised by the Board in accordance with these procedures. The Articles allow the Directors not to disclose information relating to a conflict where to do so would amount to a breach of confidence. The Board places great emphasis on the requirement for the Directors to disclose their interests in investments (and potential investments) and has instigated a procedure whereby a Director declaring such an interest does not participate in any discussions or decisions relating to such investments. The Directors inform the Board of changes to their other appointments as necessary. The Board reviews the authorisations relating to conflicts quarterly.

The Board aims to include a balance of skills and experience that the Directors believe to be appropriate to the management of the Company. The Chair fully meets the independence criteria as set out in the AIC Code. The effectiveness of the Board and the Chair is reviewed annually as part of the internal control process led by the senior independent director (Charlotta Ginman). In the year to 30 September 2024, she concluded that the composition and performance of the Board was effective. The Directors monitor the continuing independence and effectiveness of the Chair and inform him of their conclusions.

The Directors are aware of the need to have a Board which, as a whole, comprises an appropriate balance of skills and experience combined with diversity of thinking, perspective and background. Any Board appointment will be based on merit against the required criteria, the current and future needs of the Company and having regard to the diversity criteria under the Listing Rules. The Board place great importance on diversity and independent thinking when assessing its composition although being externally managed and comprising of only four/five non-executive directors there is reduced scope to fully comply with the requirements. As a result, whilst the Board meets the criteria of (i) at least 40% of the individuals on the Board are women and (ii) at least one of the senior postings on the Board is held by a woman, it is not currently meeting the requirement that one Director should be from an ethnic minority background.

8.2 *Board Committees*

As noted above the Board as a whole considers matters relating to management engagement, nomination and remuneration.

The audit committee comprises all of the Directors and Jeremy Hamer acts as chair (to be succeeded by Julian Bartlett when Jeremy Hamer steps down from the Board at the annual general meeting to be held on 12 February 2024). The Board is satisfied that at least one member of the audit committee has recent and relevant financial experience.

The audit committee meets quarterly to review the internal financial and non-financial controls, accounting policies and contents of the half-yearly and annual reports to Shareholders. It has primary responsibility for making recommendations on the appointment and removal of the external auditors. The audit committee reviews the independence of the auditors and the effectiveness of the audit process annually. Should the audit committee be dissatisfied with the standard of service received from the incumbent auditor, a tender process would be undertaken. The Company's external auditors are invited to attend meetings as appropriate.

8.3 *Risk Management*

The Board has overall responsibility for the Company's affairs including the determination of its investment policy. The Board is also responsible for the Company's internal financial controls and internal control and risk management systems. It has delegated the monitoring of these systems, on which the Company, is reliant, to the audit committee.

The audit committee has put in place procedures for identifying, evaluating and managing the significant risks faced by the Company. As part of this process an annual review of the control systems is carried out in accordance with the Internal Control: Revised Guidance for Directors as issued by the Financial Reporting Council. The review covers consideration of the key business, operational, compliance and financial risks facing the Company. Each risk is considered with regard to the controls exercised by the Board or by the audit committee, the reporting by service providers and controls relied upon by the Board or the audit committee, any exceptions for consideration by the Board or audit committee and the responsibilities for each risk and its review period and risk rating. Investment risk is managed to the Board or the audit committee's satisfaction by the Investment Manager, primarily through the medium of a diversified portfolio.

The audit committee reviews a schedule of key risks at each audit committee meeting which identifies the risks, controls and deficiencies that have arisen in the quarter, and any action to be taken.

9 **General Taxation**

9.1 The following paragraphs, which are intended as a general guide only and are based on current legislation and HMRC practice, summarise advice received by the Board as to the position of the Company's Shareholders who hold Shares other than for trading purposes. Any persons who are in any doubt as to their taxation position or may be subject to taxation in any jurisdiction other than the United Kingdom should consult their professional advisers.

9.2 Stamp duty and stamp duty reserve tax – the Company has been advised that no stamp duty or stamp duty reserve tax will be payable on the issue of the Shares. The Company has also been advised that the transfer of Shares will, subject to any applicable exemptions, be liable to ad valorem stamp duty at the rate of 0.5% of the consideration paid. An unconditional agreement to transfer such shares if not completed by a duly stamped stock transfer will be subject to stamp duty reserve tax generally at the rate of 50p per £100 (or part thereof) of the consideration paid.

- 9.3 Taxation of dividends – under current law, no tax will be withheld by the Company when it pays a dividend.
- 9.4 Close company – the Board believes that the Company is not, and expects that following completion of the Offer it will not be, a close company within the meaning of ITA 2007. If the Company was a close company in any accounting period, approval as a VCT for the Company would be withdrawn.

10. Overseas Shareholders

The issue of New Shares to persons resident in or citizens of jurisdictions outside the UK may be affected by the laws of the relevant jurisdiction. Such Shareholders and potential investors should inform themselves about and observe any legal requirements, in particular:

- (i) none of the New Shares have been or will be registered under the United States Securities Act 1933, as amended, or qualify under applicable United States state statute and the relevant clearances have not been, and will not be, obtained from the securities commission of any province of Canada, Australia or Japan;
- (ii) the Company is not registered under the United States Investment Company Act of 1940, as amended and investors are not entitled to the benefits of that Act; and
- (iii) no offer is being made, directly or indirectly, in or into, by the use of emails, or by means of instrumentality (including, without limitation, facsimile, transmission, telex or telephone) or interstate or foreign commerce, or of any facility in a national securities exchange, the United States, Canada, or Japan. It is the responsibility of investors with registered addresses outside the UK to satisfy themselves as to the observance of the laws of the relevant jurisdiction in connection with the issue of New Shares including the obtaining of any government or exchange control or other consents which may be required, the compliance with any other necessary formalities which need to be observed and the payment of any issue, transfer or other taxes or duties due in such jurisdiction.

11. Financial Information

11.1 *Latest financial information*

The Company has produced annual statutory accounts for the financial year ended 30 September 2024 (2024 Annual Report). The 2024 Annual Report was audited by Johnston Carmichael LLP (registered office: Bishop's Court, 29 Albyn Place, Aberdeen, Scotland, AB10 1YL), and was reported on without qualification and contained no statements under section 495 to section 497A of CA 2006. Johnston Carmichael LLP is registered to carry on audit work by the Institute of Chartered Accountants in England and Wales.

The 2024 Annual Report was prepared in accordance with UK generally accepted accounting practice (GAAP), the requirements of CA 2006 and the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'. The 2024 Annual Report contains a description of the Company's financial condition, changes in financial condition and results of operation and is being incorporated by reference and can be accessed at the Company's website: <https://www.unicornaimvct.co.uk>, and through the national storage mechanism: <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

Where the 2024 Annual Report makes reference to other documents, such other documents are not incorporated into and do not form part of this Prospectus. The two tables below comprise a cross-referenced list of information incorporated by reference. The parts of the 2024 Annual Report which are not being incorporated by reference are either not relevant for an investor or are covered elsewhere in the Prospectus.

The 2024 Annual Report includes the following information:

| Description | 2024 Annual Report |
|--|--------------------|
| Income Statement (or equivalent) | Page 65 |
| Balance Sheet (or equivalent) | Page 66 |
| Statement showing all changes in equity (or equivalent note) | Page 67 |
| Cash Flow Statement | Page 68 |
| Accounting Policies and Notes | Pages 69 to 86 |
| Auditor's Report | Pages 58 to 64 |

This information has been prepared in a form consistent with that which will be adopted in the Company's next published annual financial statements having regard to accounting standards and policies and legislation applicable to those financial statements.

The 2024 Annual Report also includes operating/financial reviews as follows:

| Description | 2024 Annual Report |
|-----------------------------|--------------------|
| Objective | Page 27 |
| Performance Summary | Page 1 |
| Results and Dividend | Pages 1 to 4 |
| Investment Policy | Page 27 |
| Outlook | Pages 5 and 12 |
| Investment Manager's Review | Pages 6 to 12 |
| Portfolio Summary | Pages 14 to 21 |
| Business Review | Pages 2 to 5 |
| Valuation Policy | Pages 69 and 70 |

Certain financial information of the Company is also set out below:

| | Financial Year ended 30 September 2024 £'000 (unless otherwise stated) |
|--|---|
| Investment income | 2,829 |
| Total income before operating expenses | 2,910 |
| Investment management fee (accrued/paid) | 3,920 |
| Fees (accrued/paid) to other service providers* | 499 |
| Other expenses | 288 |
| Profit/(loss) on ordinary activities before taxation | 625 |
| Net (loss)/profit on ordinary activities before taxation | 625 |
| Basic and diluted earnings per Share | 0.34p |
| Dividends paid per Share (in the period) | 18.2p |
| Dividends paid per Share (in respect of the period) | 18.2p** |
| Net assets | £199,422 |
| NAV per Share | 104.7p |

* Comprising administration fees, custody fees, audit fees, registrar's fees, broking fees, VCT monitoring fees and other professional fees (including taxation fees).

** This includes the final dividend, subject to shareholder approval, in respect of the financial year ended 30 September 2024 of 3.5p payable on 21 February 2025 to shareholders on the register as at 3 January 2025, but excludes the interim special dividend of 6.0p payable on 21 February 2025 to shareholders on the register as at 3 January 2025.

11.2 *Most recently published NAV*

As at 31 December 2024, the date to which the most recent unaudited financial information on the Company has been published, the Company's NAV per Share was 100.7p. The Company's unaudited net assets as at that date were of £190.6 million.

The Board has recommended a final dividend, subject to Shareholder approval, in respect of the financial year ended 30 September 2024 of 3.5p and declared an interim special dividend of 6.0p, both payable on 21 February 2025 to Shareholders on the register as at 3 January 2025. The unaudited NAV per Share as at 31 December 2024 would, if adjusted for these dividends, be 91.2p.

11.3 Capitalisation

The capitalisation of the Company as at 31 December 2024 (extracted from the Company's unaudited internal records without material adjustment), is set out below.

| Shareholders' Equity | £'000 |
|-----------------------------|----------------|
| Called-up share capital | 1,892 |
| Capital redemption reserve | 211 |
| Share premium account | 124,570 |
| Capital reserve | 14,059 |
| Special reserve | 20,967 |
| Profit and loss account | 28,863 |
| Total | 190,562 |

The payment of the final dividend of 3.5p per Share for the year ended 30 September 2024 referred to in paragraph 11.2 above will reduce the special reserve by approximately £5.9 million and the profit and loss account by approximately £0.7 million.

The payment of the interim special dividend of 6.0p per Share referred to in paragraph 11.2 above will reduce the profit and loss account by approximately £11.4 million.

Save as set out above, there has been no material change in the capitalisation of the Company between 31 December 2024 and 27 January 2025, the latest practicable date before the date of publication of this document.

11.4 Indebtedness

As at 27 January 2025 (the latest practicable date prior to publication of this document), the Company has no indebtedness, whether guaranteed, unguaranteed, secured, unsecured, direct and/or contingent and there is no current intention of incurring any such indebtedness during the twelve month period from the date of this document.

11.5 Recent material investments

The following material investments/subscription applications have been made by the Company since 30 September 2024:

- (i) a new investment of £1.5 million in Good Life Plus Plc in October 2024;
- (ii) a follow-on investment of £1.6 million in Renalytix Plc in October 2024;
- (iii) a new investment of £0.3 million in Ixico Plc in October 2024;
- (iv) a follow-on investment of £1.0 million in Equipmake Holdings Plc in November 2024;
- (v) a follow-on investment of £0.9 million in Feedback Plc in November 2024;
- (vi) a follow-on investment of £3.8 million in BlackRock Cash Fund Class D (Unit Trust) in November 2024;
- (vii) a follow-on investment of £3.8 million in Royal London Short-Term Money Market Fund Y Income in November 2024;
- (viii) a new investment of £1.2 million in Windar Photonics Plc in December 2024;
- (ix) a follow-on investment of £0.4 million in Aurrigo International Plc in December 2024;
- (x) a follow-on investment of £0.2 million in SulNOx Group Plc in December 2024;
- (xi) a follow-on investment of £0.3 million in Gelion Plc in December 2024; and
- (xii) an application for subscription of £0.6 million in Oxford Biodynamics Plc in January 2025.

Save as set out above, there have been no material investments made by the Company since 30 September 2024. In the ordinary course, there are a number of potential investments which are in progress, but no firm commitments have been made in respect of these.

11.6 *Working capital statement*

The Company is of the opinion that its working capital is sufficient for its present requirements, that is for at least the twelve month period from the date of this document.

When calculating the working capital available to the Company, the Company has assessed whether it is able to access cash and other available liquid resources in order to meet its liabilities as they fall due. The Company has not taken into account the proceeds of the Offer in calculating the working capital available to it. When calculating its present requirements, the Company has taken into account the terms of its investment strategy and investment policy.

11.7 *Significant change statement*

Save for the dividends declared as referred to in paragraph 11.2 above, which will reduce the net assets of the Company by approximately £18 million as referred to paragraph 11.3 above, there has been no significant change in the financial position of the Company since 30 September 2024, the date to which the 2024 Annual Report was made up to.

12. Other

- 12.1 The Directors act and will continue to act independently of the Investment Manager. No majority of the Directors will be directors or employees of, or former directors or employees of, or professional advisers to, the Investment Manager or any other company in the same group as the Investment Manager.
- 12.2 The Company has no employees or subsidiaries.
- 12.3 The Investment Manager has and will have sufficient and satisfactory relevant experience in advising on investments of the size and type which the Company proposes to make. The Directors will also ensure that the Board and any additional or replacement investment advisers have and will have sufficient and satisfactory experience in advising on such investments.
- 12.4 Save as set out below, there are no material potential conflicts of interest which any of the service providers to the Company may have as between their duty to the Company and the duties owed to third parties and their other interests.
- 12.4.1 Unicorn AM's fees are based on a percentage of net assets and, therefore, there is an inherent conflict of interest in the valuations it proposes in relation to unquoted investments. This conflict is managed by the valuation of unquoted investments being reviewed quarterly and approved by the Board and reviewed annually by external auditors.
- 12.4.2 Unicorn AM is the investment manager both to the Company and a number of other funds, including open ended investment company sub-funds, in which the Company invests. The Investment Manager received from these other funds fees in respect of the Company's investment in the funds of £36,000, £27,000 and £28,000 in the years ended 30 September 2022, 2023 and 2024 and £7,000 in the current year to date respectively, for the management services provided to them and calculated on the value of the Company's holding in each such OEIC on a daily basis. To ensure that the Investment Manager does not receive a double payment of management fees in respect of these other funds, the Company and the Investment Manager have put in place arrangements whereby the Company does not pay the Investment Manager (under the management arrangements with the Company set out in paragraph 5.1 above) management fees in relation to any investment by the Company in these other funds.
- 12.4.3 Travel and other expenses that are recoverable from the Company may be considered benefits to the Directors concerned. Where applicable, associated tax liability will be settled by the Company.
- 12.5 There are no governmental, legal or arbitration proceedings (including any such proceedings which are or were pending or threatened of which the Company is aware) during the 12 months immediately preceding the date of this document, in each case which may have, or have had, in the recent past, a significant effect on the Company's financial position or profitability.
- 12.6 Save as set out in the first three risk factors under the heading 'Other Risks' on page 10 of this document, there are no governmental, economic, monetary, political or fiscal policies and factors which have or could affect the Company's operations.
- 12.7 The Board believes that the Offer will result in a significant change to the Company, principally an increase in its net assets of an amount equivalent to the net proceeds of the Offer, which would be £23.25 million as set out, and based on the assumptions detailed, in paragraph 12.8 below. The short term impact of the Offer on earnings is likely to be dilutive as the additional costs will currently be greater than any interest earned on cash balances raised. Once the net funds raised have been successfully invested, the impact of the Offer should, in due course, be accretive to earnings and net assets per Share.
- 12.8 The gross proceeds of the Offer will be £25 million (assuming full subscription and utilisation of the over-allotment facility). Assuming full subscription under the Offer (utilising the over-allotment facility) the Offer costs payable by the Company would be a maximum of £1.75 million (assuming that all investors are advised investors and the maximum adviser fee the Company will facilitate is requested). The net proceeds would, on the same basis, amount to £23.25 million.

12.9 The Company's capital resources are restricted insofar as they may be used only in putting into effect the investment policy of the Company (the current investment policy being as set out on page 25 of this document).

12.10 The Company is subject to the investment restrictions relating to a Venture Capital Trust in ITA 2007 (as amended and supplemented from time to time), as more particularly detailed in Part VII of this document, and in the Listing Rules which specify that: (a) the Company must, at all times, invest and manage its assets in a way which is consistent with its objective of spreading investment risk and in accordance with its published investment policy (the current investment policy being as set out on page 25 of this document); (b) the Company must not conduct any trading activity which is significant in the context of its group as a whole; and (c) the Company may not invest more than 10%, in aggregate, of the value of the total assets of the Company (at the time an investment is made) in other listed closed-ended investment funds.

Any material change to the investment policy of the Company will require the approval of Shareholders pursuant to the Listing Rules.

The Company intends to direct its affairs in respect of each of its accounting periods so as to qualify as a venture capital trust and accordingly:

- (i) the Company's income is intended to be derived wholly or mainly from shares or other securities, as this phrase is interpreted by HMRC;
- (ii) the Company will not control the companies in which it invests in such a way as to render them subsidiary undertakings;
- (iii) none of the investments, at the time of investment, will represent more than 15% by VCT Value of the Company's investments by VCT Value (including cash); and
- (iv) not more than 20% of Company's gross assets will at any time be invested in the securities of property companies.

12.11 Shareholders will be informed, by means of the half-yearly and/or annual report or through a Regulatory Information Service announcement, if the investment restrictions as described in paragraph 12.10 above are breached.

12.12 If, at any time, the Company's VCT status is lost, dealing in its shares and valuation of the Company's net asset value will normally be suspended, which will be communicated to Shareholders through a Regulatory Information Service announcement until such time as proposals to continue as a VCT or to be wound up have been further announced. The Directors do not anticipate any other circumstance under which valuations may be suspended.

12.13 All Shareholders have the same voting rights in respect of the share capital of the Company. The Company is not aware of any person who, directly or indirectly, exercises or could exercise control over the Company, nor of any arrangements, the operation of which, may be at a subsequent date result in a change of control of the Company. The Company does not have any material shareholders with different voting rights.

12.14 Johnston Carmichael LLP (a member of the Institute of Chartered Accountants in Scotland) is the current auditor of the Company. Johnston Carmichael LLP was appointed at the annual general meeting held on 7 February 2023 following a tender process in place of BDO LLP.

12.15 A typical investor in the Company will be a UK taxpayer who is aged 18 or over and who already has a portfolio of VCT and non-VCT investments (such as unit trusts, OEICs, investment trusts and direct shareholdings in listed and non-listed companies). The investor should be comfortable with the risks associated with an investment in a VCT and be willing to retain the investment for at least five years (in order to retain their upfront income tax relief).

12.16 The New Shares will be issued in the Applicant's name in registered form (unless otherwise requested). The Company is registered with CREST, a paperless settlement system. Applicants can request that New Shares be issued into a CREST account and/or into a nominee name by completing the relevant section of the Application Form. In all cases, no temporary documents of title will be issued.

12.17 The Company regularly publishes announcements via the Regulatory Information Service and its website. Below is a summary of the information disclosed in accordance with the Company's obligations under the Market Abuse Regulation over the last 12 months which are relevant as at the date of this Prospectus:

On 10 January 2025, the Company announced that the unaudited net asset value per Share as at 31 December 2024 was 100.7p.

On 6 December 2024, the Company announced its audited results for the year ended 30 September 2024 and that the annual general meeting of the Company will be on 12 February 2025.

On 27 November 2024, the Company announced its intention to launch the Offer.

On 2 October 2024, the Company announced the appointment of Julian Bartlett as a non-executive director.

On 23 May 2024, the Company announced its half-yearly results for the six month period ended 31 March 2024.

12.18 Panmure Liberum has given and not withdrawn its written consent to the issue of this document and the inclusion of its names and the references to it in this document in the form and context in which it appears.

12.19 For the purposes of the Product Governance Requirements, the 'Target Market' is advised retail investors or investors who have prior knowledge and/or experience of VCTs or other tax-efficient investment products (such as the Enterprise Investment Scheme) who may be sufficiently experienced to purchase direct or on an 'execution-only' basis, and in each case who may be seeking VCT tax reliefs and be capable of bearing financial loss. Experience of direct investments in smaller quoted (for example FTSE 350) or AIM quoted or unquoted companies may also be relevant. An investment in the Company may not be suitable for prospective investors who fall within the 'negative-target market'. For these purposes, please also note the following:

Knowledge and experience: investing in listed investment funds, investing in single company shares, investing in high-risk or volatile assets, owning, running or holding a senior management position in business, previous investment in VCTs or (S)EIS or inheritance tax products, understanding of VCT rules and reliefs and understanding of limited liquidity products.

Financial position and ability to bear loss: have an income tax liability, have utilised other tax-efficient vehicles (pensions and ISAs), be able to bear the loss of the entire capital invested and reduced liquidity and be willing to invest for the medium to long-term.

'Negative-target market': investors who are looking for capital protection and cannot afford, or have a low risk tolerance/capacity for significant investment loss, lack the requisite knowledge of, and are unable to comprehend the risks associated with, investing in VCTs or comparable products, have an investment horizon of less than five years and have not made full use of other tax-efficient ways of investing (for example making use of pensions and ISA allowances).

Distribution channels: financial advisers and execution-only intermediaries who have previous experience of investing in VCTs or other tax-efficient products.

12.20 The Company and the Directors consent to the use of the Prospectus, and accept responsibility for the content of the Prospectus, with respect to subsequent resale or final placement of securities by financial intermediaries, from the date of the Prospectus until close of the Offer. The Offer will close for Applications on or before 5.30 p.m. on 30 April 2025, unless previously fully subscribed or closed earlier by the Directors. There are no conditions attaching to this consent. Financial intermediaries may use the Prospectus in the UK.

12.21 **Financial intermediaries must give investors information on the terms and conditions of the offer being made by the financial intermediaries at the time they introduce such offer to investors. Any financial intermediary using the Prospectus must state on its website that it is using the Prospectus in accordance with the consent in paragraph 12.20 above.**

13. Documents Available for Inspection

Copies of the following documents will be available for inspection during normal business hours on any day (Saturdays, Sundays and public holidays excepted) from the date of this document until the offer closes at the offices of Shakespeare Martineau LLP, 60 Gracechurch Street, London EC3V 0HR and can also be accessed on the Company's website at <https://www.unicornaimvct.co.uk>:

- 13.1 the articles of association of the Company;
- 13.2 the 2024 Annual Report;
- 13.3 the material contracts referred to in paragraph 5 above;
- 13.4 the consent referred to in paragraph 12.18 above; and
- 13.5 this document.

28 January 2025

Part IX – Definitions

| | |
|-----------------------------------|---|
| 2023 Annual Report | the annual report and financial statements for the Company for the financial year ended 30 September 2023 |
| 2024 Annual Report | the annual report and financial statements for the Company for the financial year ended 30 September 2024 |
| Admission | admission of the New Shares allotted under the Offer to the closed-ended investment fund category of the Official List and to trading on the London Stock Exchange becoming effective |
| advised investor | an investor who received advice from a financial intermediary, or the Application is an 'advised-own' case (i.e., the individual adviser is subscribing on behalf of themselves), in respect of an investment under the Offer |
| AIC | Association of Investment Companies |
| AIC Code | the 2019 AIC Code of Corporate Governance Code |
| AIM | the Alternative Investment Market of the London Stock Exchange |
| Allotment Formula | the formula, pursuant to which the number of New Shares to be allotted to an Applicant under the Offer, as further detailed in Part II of this document |
| Applicant | an applicant under the Offer |
| Application | an application by an Applicant for New Shares pursuant to the Offer |
| Application Amount | the amount remitted by the Applicant with the Applicant's Application, including any amount requested to be facilitated, as accepted under the Offer |
| Application Form | the online application form for use in respect of the Offer made available by the Receiving Agent or such other form of Application as the Company may in its discretion agree to accept |
| Aquis | the Aquis Stock Exchange (previously NEX Exchange), a prescribed market for the purposes of section 118 of FSMA |
| Articles | the articles of association of the Company |
| Board | the board of Directors of the Company |
| Business Day | any day on which banks are generally open for business in London, other than a Saturday |
| Business Relief | relief from Inheritance Tax for business property as set out in Part 5 Chapter 1 of IHTA 1984, commonly known as Business Relief or Business Property Relief |
| CA 2006 | the Companies Act 2006 (as amended) |
| City Partnership | The City Partnership (UK) Limited |
| COBS | the FCA conduct of business sourcebook |
| Common Reporting Standard or CRS | the OECD Common Reporting Standard for Automatic Exchange of Financial Account Information |
| Companies Acts | means every UK statute (including orders, regulations and other subordinate legislation made under it) from time to time in force concerning companies |
| Company | Unicorn AIM VCT plc |
| CREST | the computerised settlement system to facilitate the transfer of title to securities in uncertified form operated by Euroclear UK & Ireland Limited |
| Directors | the directors of the Company (and each a Director) |
| Disclosure and Transparency Rules | the Disclosure and Transparency Rules of the FCA |
| Dividend Reinvestment Scheme | the dividend reinvestment scheme made available by the Company |

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| EEA States | the member states of the European Economic Area |
| 'Execution-only' investor | an investor who invests under the Offer through an 'execution-only' financial intermediary |
| FCA | the Financial Conduct Authority |
| FATCA | the Foreign Account Tax Compliance Act of the US |
| FSMA | the Financial Services and Markets Act 2000 and regulations made thereunder (as amended) |
| HMRC | HM Revenue & Customs |
| Investment Manager or Unicorn AM | Unicorn Asset Management Limited |
| IPEV Valuation Guidelines | International Private Equity and Venture Capital Valuation (IPEV) guidelines (December 2018 and further COVID-19 guidance for March 2020) developed by the British Venture Capital Association and other organisations |
| IRS | US Internal Revenue Service |
| ISCA Administration Services | ISCA Administration Services Limited |
| ITA 2007 | the Income Tax Act 2007 (as amended) |
| Key Information Document | the key information document produced by the Company |
| LGBR Capital | LGBR Capital London Limited |
| Listing Rules | the listing rules of the FCA |
| Market Abuse Regulations | Market Abuse Regulation (Regulation (EU) 596/2014 and as amended by the Market Abuse (Amendment) (EU Exit) Regulations 2019 |
| Memorandum | the memorandum of association of the Company |
| Money Laundering Regulations | the Money Laundering Regulations 2019 within the guidance for the UK Financial Sector issued by the Joint Money Laundering Steering Group |
| NAV or net asset value | the net asset value of a company calculated in accordance with that company's accounting policies |
| New Shares | new Shares to be issued pursuant to the Offer (and each a New Share) |
| OEIC | open-ended investment company (and, for the purposes of references to the OEIC managed by Unicorn AM, means Unicorn Investment Funds, which is a FCA authorised UCITS scheme (as defined in the FCA Handbook)) |
| Offer | the offer for subscription to raise up to £20 million with an over-allotment facility to raise up to a further £5 million, through the issue of up to, in aggregate, 35 million New Shares as set out in this document |
| Offer Price | the price at which New Shares will be issued to be determined by dividing the Application Amount by the number of New Shares to be issued as calculated pursuant to the Allotment Formula |
| Official List | the Official List maintained by the FCA |
| Panmure Liberum | Panmure Liberum Limited |

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| Product Governance Requirements | Product governance requirements of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (MiFID) and Regulation (EU) No 600/2014 of the European Parliament and the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (MiFIR), and any other implementing measure which operated to transpose MiFiD and MiFiR into UK law before 31 January 2020 |
| Professional Client | a client of a financial adviser where that adviser classifies the client as a professional client for the purposes of COBS 3.5 |
| Prospectus | this document |
| Prospectus Regulation Rules | the Prospectus Regulation Rules issued by the FCA and made under Part VI of FSMA and pursuant to the Prospectus Regulation |
| Prospectus Regulation | Regulation (EU 2017/1119) of the European Parliament and of the Council dated 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market/Prospectus (Amendment etc.) (EU Exit) Regulations 2019 (Statutory Instrument 2019/1234) |
| Qualifying Company | an unquoted (including an AIM-quoted and Aquis market-traded) company which satisfies the requirements of Chapter 4 of Part 6 of the ITA 2007 |
| Qualifying Investment | shares in, or securities of, a Qualifying Company held by a Venture Capital Trust which meets the requirements described in Chapter 4 of Part 6 of the ITA 2007 |
| Qualifying Investors | individuals aged 18 or over who are resident for tax purposes in the United Kingdom (and each a Qualifying Investor) |
| Receiving Agent | City Partnership in its capacity as receiving agent under the Offer |
| Registrar | City Partnership in its capacity as registrar |
| Regulatory Information Service | a newswire service designated as a Regulatory Information Service by the FCA for the purposes of Appendix 3 of the Listing Rules |
| Shareholders | holders of Shares (and each a Shareholder) |
| Shares | ordinary shares of 1p (sterling) each in the capital of the Company (and each a Share) |
| SME | small or medium-sized enterprise |
| United Kingdom or UK | the United Kingdom of Great Britain and Northern Ireland |
| United States or US | the United States of America, its states, territories and possessions (including the District of Columbia) |
| VCT Value | the value of an investment calculated in accordance with section 278 of ITA 2007 |
| Venture Capital Trust or VCT | a venture capital trust as defined in section 259 ITA 2007 |

Part X – Application for New Shares and Application Procedures

Terms and Conditions of Application

The following Terms and Conditions of Application apply to the Offer.

Save where the context otherwise requires, words and expressions defined in this document have the same meanings when used in these Terms and Conditions of Application, the Application Procedures and the Application Form. Words importing one gender (where appropriate) include any other gender and words importing the singular shall (where appropriate) include the plural and vice versa. References to the Investment Manager shall mean in its capacity as promoter to the Offer and/or in its capacity as investment manager to the Company (as the context requires).

The Application Procedures and the Application Form form part of these terms and conditions of Application.

1. The maximum amount to be raised under the Offer is £25 million (£20 million with an over-allotment facility for a further £5 million). The maximum number of New Shares to be issued pursuant to the Offer is 35 million. If the Board (in consultation with Investment Manager) decides to utilise the over-allotment facility (subject to the overall aggregate maximum number of 35 million New Shares to be issued pursuant to the Prospectus), the Company will make a Regulatory Information Service announcement as soon as reasonably practicable. The Offer will open for Applications at 9.00 a.m. on 13 February 2025 and be closed for Applications at 5.30 p.m. on 30 April 2025 (or, if earlier, as soon as the Offer is fully subscribed or otherwise at the Board's discretion).
2. The contract created by the acceptance of Applications in the manner herein set out will be conditional upon the Admission of the New Shares to the closed-ended investment fund category of the Official List of the FCA and to trading on the London Stock Exchange's main market for listed securities, unless otherwise so resolved by the Board. If the Offer is withdrawn or any Application is not accepted or if any Application is accepted for a lower amount than applied for, or if there is a surplus of funds from the Application Amount, the Application Amount (or relevant balancing amount thereof) will (save where the amount is less than £5, in which case you authorise such amount be paid to the Company and used for its own purpose) be returned without interest at the risk of the person(s) entitled thereto by bank transfer to the same bank account from which the monies were received as identified on the Application Form. In the meantime, Application Amounts will be retained by the Receiving Agent in a separate account.
3. The Company reserves the right to retain documents of title and, if relevant, any surplus Application Amount pending clearance of the successful Applicants' transfer of Application monies.
4. By completing and submitting an Application Form, you (as the Applicant) acknowledge that your Application is addressed to the Company, the Investment Manager and the Receiving Agent in respect of acceptance of these Terms and Conditions of Application and further that you (as the Applicant), in respect of the Offer:
 - a. irrevocably offer to subscribe for such number of New Shares at the Offer Price per share in respect of the monetary amount stated on the Application Form (net of any amount requested to be facilitated in respect of an initial adviser charges) on the basis of the Allotment Formula and Offer Price determination as set out in Part II of the Prospectus, subject to the provisions of (i) the Prospectus; (ii) these Terms and Conditions of Application; (iii) the Articles; and (iv) any document or information mentioned, and on the basis set out, in paragraph (k) below;
 - b. agree that, in consideration of the Company agreeing to process your Application, your Application may not be revoked (save in accordance with 'withdrawal rights' under section 87Q of FSMA and Prospectus Regulation Rule 3.4.1 where a supplementary prospectus to the Prospectus is issued by the Company), and that this paragraph constitutes a collateral contract between you and the Company, the Investment Manager and the Receiving Agent which will become binding upon your or your agent's submission to the Receiving Agent of your duly completed Application Form;
 - c. agree that pending clearance of your Application monies transfer (i) you will not be entitled to receive documents of title in respect of the New Shares (nor shall your financial intermediary be entitled to any facilitation of any initial adviser charges or, as relevant, payment of any commission) or to enjoy or receive any rights or distributions in respect of such New Shares unless and until you make payment in cleared funds for such New Shares and such payment is accepted by the Company (which acceptance shall be in its absolute discretion and may be on the basis that you indemnify it and the Receiving Agent against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of your remittance to be honoured on first presentation) and (ii) that any documents of title, any Application monies returnable and any monies payable to your financial intermediary may be retained pending clearance (and that such monies will not bear interest) and that at any time prior to unconditional acceptance by the Company of such late payment in respect of such New Shares, the Company may (without prejudice to its other rights), avoid the agreement to allot such New Shares and avoid the facilitation of any initial adviser charges or payment of initial commission and may allot such New Shares to some other person (in which case you will not be entitled to any payment in respect of such New Shares, other than the refund of such late payment (together with any other Application monies returnable) at your risk by bank transfer to the bank account identified on the Application Form);
 - d. agree that any Application monies, together with other monies received from other Applicants, will be held on trust by the Receiving Agent for the purposes of either (i) the payment of the Offer Price in respect of New Shares you have subscribed for and/or (ii) the return (save, as set out in paragraph 2, where the amount is less than £5) to you (without interest) in circumstances where such payment(s) as referred to in (i) are not made (and in circumstances where (ii) applies, you acknowledge that any interest earned on such monies will be paid to the Company and used for its own purposes);

- e. agree that any monies refundable may be retained by the Receiving Agent pending clearance of your remittance and any verification of identity which is, or which the Company or the Receiving Agent may consider to be, required in relation to you or any third party payer for the purposes of the Money Laundering Regulations and the Common Reporting Standard;
- f. agree to provide the Company and/or the Receiving Agent with any information which either may request in connection with your Application and/or in order to comply with Venture Capital Trust or other relevant legislation and/or the Money Laundering Regulations (as may be amended) and the Common Reporting Standard;
- g. agree that, in respect of those New Shares for which your Application has been received and processed, and is not rejected, acceptance of your Application shall be constituted by inclusion in an allotment of New Shares to you pursuant to the Offer;
- h. authorise the Company's Registrar to send, as relevant, definitive documents of title for the number of New Shares for which your Application is accepted or procure that such New Shares are issued in uncertificated form where requested on the Application Form (and further to procure that your name or, where relevant, that of your nominee where requested on the Application Form, is placed on the register of members of the Company in respect of such New Shares);
- i. authorise the Receiving Agent to send any monies returnable to you at your risk by way of bank transfer to the bank account identified on the Application Form;
- j. irrevocably authorise the Receiving Agent and/or the Registrar and/or the Company or any person authorised by any of them, as your agent, to do all things necessary to effect registration of any New Shares subscribed by or issued to you into your name (or, where relevant, the name of your nominee where requested on the Application Form) and authorise any representative of the Receiving Agent, the Registrar or the Company to execute any document required;
- k. agree and acknowledge that, having had the opportunity to read the Prospectus, the Key Information Document and any supplementary prospectus issued by the Company and filed with the FCA), you are making your Application solely on the basis of the information and statements concerning the Company and the New Shares contained in such documents and the latest publicly available financial information and Regulatory Information Services announcements by the Company, all of which you shall be deemed to have received and read (whether or not so read);
- l. confirm that in making such Application you are not relying on any information or representation in relation to the Company other than those contained in the Prospectus (including any supplementary prospectus issued by the Company and filed with the FCA), the Key Information Document and the latest publicly available Regulatory Information Services announcements by the Company and you agree that no person responsible solely or jointly for such documents or any part thereof or involved in the preparation thereof shall have any liability for any such information or representation relating to the Company, the New Shares or for any change in the law or regulations affecting VCTs;
- m. confirm and warrant that the information provided on the Application Form is true and accurate, confirm any instructions thereon in relation to the facilitation of an initial adviser charge and irrevocably authorise the Company and the Receiving Agent to make such payments from your investor entitlement;
- n. confirm that you are not a US person as defined under the United States Securities Act of 1933, as amended, or a resident of Canada and that you are not applying for any New Shares with a view to their offer, sale, delivery to or for the benefit of any US person or a resident of Canada, and that you have reviewed the restrictions contained in paragraph 6 below and warrant compliance therewith (including that, in connection with your Application, you have observed the laws of all relevant territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your Application in any territory and that you have not taken any action which will or may result in the Company, the Receiving Agent and the Investment Manager acting in breach of the regulatory or legal requirements of any territory in connection with the Offer or your Application);
- o. confirm and warrant that you are not under the age of 18 years and further that you are not currently targeted by any form of UK, US or EU sanctions or restrictive measures including: blocking; asset freezes; restrictions on dealings, issuing, or trading in debt, equity, derivatives, or other securities; or any other prohibition or restriction on exercising any rights or performing any obligations you may have in connection with any third party and that you will inform the Company and the Receiving Agent/Registrar immediately of any circumstances or changes whilst you are an applicant or a Shareholder that could impact this warranty;
- p. declare that a loan has not been made to you or any associate, which would not have been made or not have been made on the same terms, but for you offering to subscribe for, or acquiring, New Shares and that the New Shares are being acquired for bona fide commercial purposes and not as part of a scheme of arrangement the main purpose of which, or one of the main purposes of which, is the avoidance of tax.
- q. warrant that, if you complete the declaration section of the Application Form on behalf of somebody else, you have due authority to do so on behalf of that other person, and such person will also be bound accordingly and will be deemed also to have given the confirmations, warranties, undertakings and authority contained herein and undertake to enclose (where requested) your power of attorney or a copy thereof duly certified by a solicitor or bank with the Application Form;

- r. authorise each Company (as relevant), the Investment Manager and the Receiving Agent (and their delegates) to provide information as provided by you or to you in connection with your Application to your intermediary detailed on your Application Form;
- s. where you have received advice in respect of your Application from a financial intermediary, you (i) authorise the Company and the Investment Manager (and their delegates and agents) to provide any information in relation to your Application and ongoing investment in the Company, to such financial intermediary (including any associated network or service provider) detailed on your Application Form (or other authorised financial intermediary (including any associated network or service provider) who may subsequently be engaged by you to provide advice in connection with your investment in the Company as notified to the Company and/or the Investment Manager from time to time), (ii) acknowledge that any such communication may be sent to your financial intermediary (including any associated network or service provider) prior to or, where requested, in place of, being sent to you in such form as may be agreed with such financial intermediary (including any associated network or service provider) and that such information may also be provided more frequently where agreed and (iii) authorise the Company and the Investment Manager (and their delegates and agents) to accept instructions relating to your investment in the Company and changes to your personal details as provided by such financial intermediary (including any associated network or service provider), subject to such evidence and/or verification as the Company and/or the Investment Manager and/or their delegates and agents may request;
- t. acknowledge that the Receiving Agent and Investment Manager are acting solely for the Company and no-one else and will not be responsible to anyone other than the Company for providing any advice in relation to the Offer and will not treat you (or, where relevant, your nominee) as its customer (and agree that neither the Receiving Agent nor the Investment Manager will regard you as its customer by virtue of you having made an Application for New Shares or by virtue of such Application being accepted); and
- u. acknowledge that the information provided in connection with your Application will be provided to the Receiving Agent, the Investment Manager (and its delegates) and the Registrar to process Applications and shareholding details and send notifications to you and that you acknowledge that the Receiving Agent and/or the Investment Manager and/or the Company (or their delegates and agents) may, if necessary, disclose information to HMRC and the IRS to satisfy their FATCA or CRS obligations or to other regulatory bodies if required, or considered obliged, to do so in accordance with any statute or regulation or by governmental, judicial and law enforcement bodies; and
- v. agree that these confirmations, warranties, undertakings and authorities are made and given to the Company, the Receiving Agent and the Investment Manager; and
- w. agree that all Applications, acceptances of Applications, instructions to facilitate any initial adviser charges, payments of initial commission and contracts resulting therefrom shall be governed by and construed in all respects in accordance with English law and that you submit to the jurisdiction of the English courts and agree that nothing shall limit the right of the Company (or its agents) to bring any action, suit or proceeding arising out of or in connection with any such Applications and acceptances of Applications, instructions to facilitate any adviser charges, any payments of initial commission and contracts in any other manner permitted by law or any court of competent jurisdiction.

5. The Company reserves the absolute right to inspect (either itself, through the Receiving Agent and/or the Investment Manager or through other agents) all Applications submitted, and may consider void and reject any Application that does not in the sole judgment of the Company satisfy the terms and conditions of the Offer. If an Application Form is not completed or in the Company's determination (in its absolute discretion) has not been validly completed, provided that the Application Form is otherwise in order and is accompanied by the appropriate Application monies, the Application may be accepted as a valid Application in whole or in part at the Company's discretion.

The right is also reserved to treat as valid any application for New Shares not complying fully with these Terms and Conditions of Application, or not in all respects complying with the Application Procedures. In particular, but without limitation, the Company may accept Applications made otherwise than by completion and submission of an Application Form where the Applicant has agreed in some other manner to apply in accordance with, and be bound by, these terms and conditions and may, at its discretion, accept an Application and issue New Shares in respect of which payment is not received or cleared by the closing date of the Offer.

6. No action has been or will be taken in any jurisdiction by, or on behalf of, the Company or the Investment Manager which would permit a public offer of New Shares in any jurisdiction where action for that purpose is required, other than the UK, nor has any such action been taken with respect to the possession or distribution of the Prospectus or any document or information mentioned in paragraph (k) above other than in the UK. No person receiving a copy of the Prospectus, an Application Form or any document or information mentioned in paragraph (k) above or access to an Application Form in any territory other than the UK may treat the same as constituting an invitation or offer to them nor should they in any event complete and submit an Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to them or such Application Form could lawfully be used without contravention of any regulation or other legal requirements. It is the responsibility of any person outside the UK wishing to make an Application for New Shares to satisfy themselves as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.

The New Shares have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States. In addition, the Company has not been and will not be registered under the United States Investment Company Act of 1940, as amended. The Investment Manager is not and will not be registered under the United States Investment Advisers Act of 1940, as amended. No Application will be accepted if it bears an address in the USA.

7. Applications will normally be accepted on a 'first-come, first-served' basis once regarded as complete, subject always to the discretion of the Board. For these purposes 'first-come, first-served' shall be assessed based on the date and time of receipt of a fully completed Application, subject to receipt of Application monies (in full, including those making multiple payments) in cleared funds within five Business Days thereafter (or, if earlier, before an Offer deadline or close of the Offer) to retain the Applicant's position of priority. If Application monies are not received within such time, the relevant date and time shall be when the Applicant's actual Application monies (in full) are received in cleared funds. If you or your financial intermediary submit a hard copy, scanned, or PDF Application, the Receiving Agent will manually enter your Application into the online facility (including recording the date/time of receipt of the offline Application) and send you a copy of the online submission by email or post for your review and written confirmation. Please note that only upon receipt of your written confirmation of the content of the online submission will the Receiving Agent process your Application. For confirmed Applications, the associated date and time of receipt shall be determined in accordance with the 'first-come, first-served' basis referred to above. An Application may also not be considered as complete until identity verification is completed and/or, where relevant, information or supporting evidence required for the Application remains outstanding. The right is reserved, notwithstanding the basis so determined, to reject in whole or in part and/or scale down and/or ballot any Application (in whole or part), including multiple and suspected multiple and Applications in respect of which any verification of identity the Receiving Agent considers may be required for the purposes of the Money Laundering Regulations has not been satisfactorily supplied.

The Board currently envisages three allotments of New Shares on or around 11 March 2025, 4 April 2025 and 12 May 2025 (or, if earlier, following full subscription). Allotment of New Shares may, however, be made more or less frequently at the discretion of the Board.

It is expected that dealings in the Offer Shares will commence three Business Days following allotment and that share certificates will be dispatched within ten business days of the allotment of the Offer Shares. Allotments will be announced through a Regulatory Information Service Announcement.

Dealing may commence before such notification of the issue of New Shares. Temporary documents of title will not be issued. Dealings prior to the issue of certificates, if applicable, for New Shares will be at the risk of Applicants. A person so dealing must recognise the risk that an Application may not have been accepted to the extent anticipated or at all. The Offer cannot be withdrawn after dealings in the New Shares issued from time to time under the Offer have commenced.

The Offer is not underwritten. The allotment of New Shares will be subject to having the requisite authorities from Shareholders from time to time. The Offer will be suspended if at any time the Company is prohibited by statute or other regulations from issuing New Shares or to the extent that the Company has insufficient shareholder authority to issue New Shares.

8. The Investment Manager may agree to waive any part of the fee element due to it represented by the 2.5% of the Application Amount in respect of any specific investor or group of investors for the benefit of such investors. The benefit of the waiver will reduce the fee payable to the Investment Manager and, in respect of investors, be applied by reducing (B) in the Allotment Formula by an equivalent amount, which will increase the number of New Shares to be allotted to the relevant investors. The 2.5% fee applies to the full Application Amount (i.e. including any amount to be facilitated for adviser charges referred to in paragraph 11 below to cover administration costs of facilitation).
9. The Investment Manager may (on behalf of the Company) agree with financial intermediaries who provide 'execution-only' services to a client or where an intermediary has classified an advised investor as a Professional Client, in respect of Applications accepted from such clients, to pay an initial commission (subject to a maximum of 3% of the Application Amount accepted and subscribed for New Shares). Initial commission will only be paid following the allotment of New Shares to the financial intermediary's client.

In addition, provided they continue to act for their client and the client continues to hold such New Shares, such financial intermediaries will be paid annual trail commission by the Investment Manager of 0.45% of the Offer Price of the New Share in question. No payment of trail commission shall be made to the extent that the cumulative trail commission would exceed 2.25% of the Offer Price of each such New Share in question. The Investment Manager may agree to pay trail commission on a different basis, provided that it does not exceed the maximum cumulative payment of 2.25% of the Offer Price of the New Share in question.

Initial commission and annual commission will only be paid if, and to the extent, they are permitted under legislation and regulations. Initial commission will be paid out of the costs of the Offer. Annual trail commission will be paid by the Investment Manager. Financial intermediaries should keep a record of Application Forms submitted bearing their FCA number to substantiate any claim for commission.

The Receiving Agent will collate the Application Forms bearing the financial intermediaries' FCA number and calculate the initial commission payable which will be paid within one month of the allotment of New Shares to the financial intermediary's relevant client.

Annual trail commission will be paid after the later of the annual general meeting of the Company in the relevant year or, where applicable, the date of payment of the final dividend for the relevant year, and further provided that no financial advice is provided

by the financial intermediary to the client. The administration of annual trail commission will be managed by ISCA Administrative Services on behalf of the Investment Manager which will maintain a register of financial intermediaries entitled to trail commission. The Investment Manager shall be entitled to rely on a notification from a client that they have changed their financial intermediary, in which case, the trail commission will cease to be payable.

Financial intermediaries may agree to waive initial commission in respect of an Application. If this is the case then the benefit of the waiver will reduce the commission payable to the financial intermediary and, in respect of investors be applied by reducing (C) in the Allotment Formula by an equivalent amount, which will increase the number of New Shares to be allotted to the relevant investors. If the maximum amount to be waived stated on the Application Form would be greater than 3.0% of the Application Amount accepted, the amount of the commission to be waived will be reduced to 3.0%.

10. Applicants and 'execution-only' financial intermediaries should note that Investors and financial intermediaries should note that trail commission is not payable if an 'execution only' intermediary subsequently then gives advice in respect of the investor's holding in the relevant Company or if the financial intermediary subsequently de-classifies the investor as a Professional Client. It is the responsibility of the investor and the financial intermediary to notify either the Investment Manager or ISCA Administration Services as soon as possible if trail commission payments for this (or for any other reason) must cease (though the Investment Manager also reserves the right to cease payments if it believes, in its absolute discretion, that payments should cease).

In respect of existing trail commission arrangements to financial intermediaries, such payments will continue (to the extent permitted under legislation and regulations), but not if subsequent financial advice in respect of the holding is given. As a result, should an existing Shareholder decide to seek financial advice from their existing 'execution-only' financial intermediary in respect of participating in the Offer, any trail commission which is currently being paid to that financial intermediary in respect of an existing holding by that Shareholder in the Company must cease and either the Company, the Investment Manager or ISCA Administrative Services should be notified accordingly (though the Company also reserves the right to cease payments if it believes advice may have been given or for any other reason in its absolute discretion).

Investors and financial intermediaries should note that where New Shares are initially allotted to or are subsequently transferred to a nominee account it is not possible to verify that clients continue to hold their New Shares. In these cases payment of trail commission will be suspended until evidence that the investor continues to be the beneficial holder of the New Shares is provided to the Investment Manager or ISCA Administration Services.

11. Where an Application Form is submitted by an Applicant or on an Applicant's behalf by a financial intermediary who has provided advice in respect of the Application, or the Application is an 'advised-own' case (i.e., the individual adviser is subscribing on behalf of themselves), the Company can, through the Receiving Agent, facilitate the payment of any initial adviser charges (in whole or part) agreed between the Applicant and the financial intermediary. Ongoing adviser charges will need to be settled directly by the Applicant to their financial intermediary.

The maximum amount that will be facilitated in respect of initial adviser charges is an amount equal to 4.5% of the Application Amount accepted. Such investors will be due an entitlement from each relevant Company in which Offer Shares are allotted up to an amount equal to the amount to be facilitated from which such adviser charge will be paid on behalf of the investor. The investor entitlement may not be taken by the investor as a cash payment and is made available solely for the purposes of facilitating the adviser charge. Any amount to be facilitated will be applied through the Allotment Formula as an increase in the amount of Offer Costs and will, therefore, decrease the number of Offer Shares to be allotted to the investor.

Initial financial advisers charges will be paid (typically within three to five Business Days) following allotment of Offer Shares to such adviser's Any additional initial adviser charges in excess of 4.5% of the Application Amount will need to be settled directly by Applicant to their financial intermediary. Initial adviser charges will only be paid following the allotment of New Shares to the financial intermediary's client.

If the Applicant and the financial intermediary agree that a charge is to be facilitated, the Application Form must be completed (including the financial intermediary declaration) by the financial intermediary to confirm (i) that the facilitation amount has been agreed and (ii) that the financial intermediary has read and agrees to be bound by the terms and conditions of the Offer. The charging of VAT on an initial adviser charge is the sole responsibility of the financial intermediary. Should any facilitated charge undertaken by the Company exclude the payment of any such VAT, the Applicant will, at all times, remain solely responsible to make up such VAT deficit (if any) to the financial intermediary. If the maximum amount to be facilitated stated on the Application Form would be greater than 4.5% of the Application Amount accepted, the amount of the initial adviser charge to be facilitated will be reduced.

The maximum amount of initial adviser charges stated above that will be facilitated should not be taken as implying an appropriate level of initial adviser charges.

12. The Company reserves the right to make the Offer available via one or more investment platforms (subject to information being received in respect of any Applicant and the intended underlying beneficial holder of New Shares as may be requested by or on behalf of the Company) and subject to paragraph 5 above. The Company further reserves the right to make a paper Application Form available where an investor is unable to use the online application facility (or otherwise at its discretion). Application Forms must either include an electronic signature for the Applicant (and, if relevant, the intermediary) or have the Applicant's name (and, if relevant, the

financial intermediary's name) stated in full within the signature box. The submission of such Application Forms to the Companies and/or the Receiving Agent by or on behalf of an Applicant (and, if relevant, the financial intermediary) shall constitute confirmation by the Applicant (and, if relevant, the financial intermediary) of agreement to these terms and conditions (and any additional terms and conditions stated on the Application Form).

13. The Company, the Investment Manager and the Receiving Agent respect an Applicant's privacy and are committed to protecting his or their personal information. If an Applicant would like to find out more about how the Company, the Investment Manager and the Receiving Agent use and look after personal information, please refer to their privacy notices, which can be found at:
 - The Company: <https://www.unicornaimvct.co.uk/investor-area/unicorn-aim-vct/privacy-policy>
 - The Investment Manager: <https://www.unicornam.com/wp-content/uploads/2021/10/UAM-Privacy-Policy.pdf>
 - The City Partnership (UK) Limited: <https://city.uk.com/privacy.html>

You have certain rights in relation to your personal information, including the right to receive a copy of the information that is held about you. For more details, please see the privacy notices referred to above.

14. The Company may, in its absolute discretion, make non-material amendments to these terms and conditions, in particular (but not limited to) for the purpose of expedient processing of Applications, without giving notice to investors.

Application Procedures

Applications should be made by completing and submitting the online Application Form (please refer to the instructions at <https://unicornaimvct.co.uk/fund-information/current-fundraising/> or contact the receiving agent, The City Partnership (UK) Limited on 01484 240 910 or by email at unicornaimvct@city.uk.com) and payment of Application monies must be by way of bank transfer. If you have any administrative queries, please contact The City Partnership (UK) Limited. If you are unable to use the online application facility, please contact Unicorn Asset Management Limited.

Application Deadlines

The Offer will open for Applications at 9.00 a.m. on 13 February 2025 and will close for Applications at:

- 5.30 p.m. on 1 April 2025 for the 2024/2025 tax year; and
- 5.30 p.m. on 30 April 2025 for the 2025/2026 tax year

or, if earlier, as soon as the Offer is fully subscribed or otherwise at the Board's discretion.

The Board currently envisages three allotments of New Shares on or around 11 March 2025, 4 April 2025 and 12 May 2025 (or, if earlier, following full subscription). Allotment of New Shares may, however, be made more or less frequently at the discretion of the Board.

Applications under the Offer will be accepted on a 'first-come, first-served' basis, subject always to the discretion of the Board. For these purposes 'first-come, first-served' shall be assessed based on the date and time of receipt of a fully completed Application, subject to receipt of Application monies (in full, including those making multiple payments) in cleared funds within five Business Days thereafter (or, if earlier, before an Offer deadline or close of the Offer) to retain the Applicant's position of priority. If Application monies are not received within such time, the relevant date and time shall be when the Applicant's actual Application monies (in full) are received in cleared funds. An Application may not be considered as 'complete' until identity verification is completed and/or, where relevant, information or supporting evidence required for the Application remains outstanding.

Offline Applications

An offline application may only be submitted with the consent of the Company.

If you or your financial intermediary submit a hard copy, scanned, or PDF Application, the Receiving Agent will manually enter your Application into the online facility (including recording the date/time of receipt of the offline Application) and send you a copy of the online submission by email or post for your review and written confirmation. Please note that only upon receipt of your written confirmation of the content of the online submission will the Receiving Agent process your Application. For confirmed Applications, the associated date and time of receipt shall be determined in accordance with the 'first-come, first-served' basis detailed above.

Nominee Applications

If you are a nominee applying on behalf of beneficial owners, please complete and submit an Application Form for each beneficial owner with the relevant nominee details (CREST or otherwise) in Section 5.

Subject to the number of beneficial owners within the nominee, the Receiving Agent may configure an online application form pre-filled with the nominee's details to expedite the application process. Nominees should contact the Receiving Agent regarding the remittance of the associated subscription monies to ensure compliance with the Offer's Money Laundering Notice.

Tracking the Status of Your Application Form & Application Monies

In addition to email/post communications from the Receiving Agent concerning receipt of your Application and associated monies, you may use the Receiving Agent's online tracking service to track the status of your Application Form and download a PDF copy of your Application Form.

For any New Shares for which your Application is accepted, the Receiving Agent will issue an email notification concerning the availability of the associated allotment letter and income tax relief certificate for download via the online tracking service within three Business Days following the allotment. The Receiving Agent will issue the associated allotment correspondence by post within ten Business Days following the allotment for Applicants who do not provide an email address. The Registrar will issue the related share certificate (where applicable) by post within ten Business Days following the allotment.

The Receiving Agent's online tracking service is at <https://city-ora/offers/uav-2425/tracking>.

To access the service, you need to provide (i) your unique Application reference number (starting "UAV-2425-"), which will be noted on the Receiving Agent's correspondence to you, (ii) your date of birth, and (iii) your National Insurance number or Unique Taxpayer Reference, as provided in your Application Form.

Administrative Queries

If you have any questions regarding the completion and return of the Application Form or any other administrative queries, please contact the Receiving Agent, The City Partnership (UK) Limited, on 01484 240 910 (Monday to Friday, excluding English public holidays, 9.00 am - 5.30 pm) or by email at unicornaimvct@city.uk.com. Calls are charged at the Standard Geographic Rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that The City Partnership (UK) Limited cannot provide any financial, legal or tax advice.

The Receiving Agent kindly asks Applicants and their financial intermediaries to refrain from ad-hoc requests to confirm the receipt of Applications or associated monies. The Receiving Agent will issue the relevant acknowledgement correspondence (by email or post) once the Application Form and monies are processed.

HMRC may inspect this form. Please note that it is a serious offence to make a false declaration.

How to complete the Application Form

Sections 1 – 6 of the Application Form may be completed by the Applicant, the Applicant's financial intermediary, or an individual on behalf of the Applicant who is authorised to do so.

Section 1 – Financial Intermediary Firm

Please tick the box if a financial intermediary firm is associated with the Application. If the financial intermediary firm is associated with a network or service provider/platform, please tick the relevant box, or enter the name of the network or service provider in the box provided.

Section 2 – Applicant Details

Please provide your full name, date of birth, current address, previous address (if you have been at your current address for less than three years), email address (if you have one), telephone number, National Insurance number (NINo) (if you have one), Unique Taxpayer Reference (if you do not have a NINo) and non-UK tax residency details (if any).

If you are a US Citizen please tick the associated box. A US Citizen is a person who is (a) born in the United States, (b) naturalised as a US citizen or (c) has a parent who is a US citizen. Further, a person can be deemed a 'tax resident' of the United States by virtue of the 'substantial presence test' or if they hold a 'green card'. If you are unsure about your citizen/tax status, please consult your tax adviser.

The Applicant must be the intended beneficial owner of the New Shares (please do not use a nominee name as this may jeopardise entitlement to VCT tax reliefs). If you would like New Shares to be issued directly to a nominee and/or into CREST, please also complete the relevant sections in Section 5.

The Company is legally required to collect information about the tax residency and classifications of new Shareholders which may be shared with HMRC.

If you're an existing shareholder in the Company, please provide your shareholder reference (CIN) or the name of the nominee in which you hold Shares. You can find your CIN on shareholder documentation issued by the Registrar, or by logging into your Unicorn AIM VCT Investor Hub (Hub) account. The Registrar will also use your CIN and/or other personal details to identify whether you are an existing Shareholder and, where identifiable, add your New Shares to your existing shareholding account.

If you would like to register for the Hub, please go to <https://unicorn-aim.cityhub.uk.com> and click on 'Register'. If you require any assistance, please contact the Registrar, The City Partnership (UK) Limited, on 01484 240910 (Mon – Fri, 9 am – 5.30 pm, excluding English public holidays) or at unicornaimvct@city.uk.com.

We appreciate that providing this information may require additional work on your part; however, our reason for asking is to avoid duplicate entries in the register and, thereby, avoid sending you duplicate copies of communications.

Occasionally, Unicorn AM would like to contact you regarding its new products and services. If you would like to opt in to marketing communications, please tick the box.

It is important that this section of the Application Form is completed clearly and accurately, as the Receiving Agent will send Application acknowledgement correspondence (by email or post) to the address details in this section. If the Application is successful, the Registrar will enter the name and address from this section onto the Company's register and on the associated tax and share certificates.

If you have any personal circumstances which you would like the Company to consider when administering your Application and any New Shares for which your Application is accepted, please detail them in the box provided. Circumstances may include physical or mental health problems, specific characteristics such as age or literacy skills, or changes in personal circumstances such as bereavement, job loss or changes in household income. If you would like the Company to communicate with a spouse, partner, relative, or trusted individual regarding your Application and any New Shares allocated to you, please include their contact details. By including a named individual in the box below, you agree that the Company may disclose information regarding your shareholding in the Company to the named individual. Please note

that instructions will not be taken from the named individual without a power of attorney in place. Please do NOT provide detailed health or financial information. It is sufficient to indicate the general nature of your situation and its expected duration.

Section 3 – Application Amount

Please insert the amount of money (whole pounds sterling) you wish to subscribe for New Shares in respect of the 2024/2025 tax year and, if relevant, in respect of the 2025/2026 tax year.

The total Application amount must be for a minimum value of £3,000 (**including** any initial adviser charge to be facilitated), in aggregate across both tax years if relevant. Applications must be for a whole amount of pounds. Income tax relief is available on the total Application Amount **including** any initial adviser charge to be facilitated.

The maximum aggregate investment across all VCTs (including shares issued under a dividend reinvestment scheme) on which tax reliefs are available is £200,000 per tax year.

The Finance Act 2014 which came into force with effect from 6 April 2014 restricts the availability of income tax relief on a subscription for shares in a VCT issued after 5 April 2014 where it is 'linked' to a sale of shares in the same VCT or if an investor subscribes for shares in a VCT within six months before or after selling any shares in that same VCT. Please refer to the Prospectus for further details.

Section 4 – Payment

Application monies must be **sent by bank transfer** to the Bank of Scotland plc account details of which are set out in Section 4 of the Application Form. Your payment must relate solely to your Application.

Your transfer must be drawn in pounds sterling from an account with a UK-regulated credit or e-money institution, which is in your sole or joint name.

Your payment must also **include an alphanumeric reference comprising your initials and telephone number** provided in Section 2. Please detail this reference in the payment reference field on the bank transfer payment instruction. For example, the payment reference for an Applicant with the name Ms Mary Jane Bloggs and telephone number +44 (0)1 23 456 7891, should be MJB01234567891.

You should provide the details of your remitting bank account to allow the Receiving Agent to match, reconcile, and confirm receipt of the monies. Verification of your remitting bank account also forms part of the Company's checks under the Money Laundering Regulations. The bank account should be a pound sterling account held at a UK-regulated credit or e-money institution in your sole/joint name.

The Company and the Receiving Agent cannot take responsibility for correctly identifying payments without a reference nor where a payment has been received but without an accompanying Application Form. The right is reserved to reject any Application in respect of which the bank transfer has not been cleared on first presentation. Any monies will be returned by bank transfer to the remitting account subject to the satisfactory completion of any verification of identity checks, at the risk of the person(s) entitled thereto.

The Receiving Agent will acknowledge receipt of the Application Form (online, email, or post) by email (to the email address provided in Section 2, if any) or post. Further, the Receiving Agent will also issue confirmation of receipt of payment, by email or post, once the monies have been matched to the Application Form.

Any financial intermediary associated with the Application, as detailed in Section 7, will receive copies of the Receiving Agent's acknowledgement correspondence by email.

Section 5 – Shareholding Preferences

Please confirm your shareholding registration preference for any New Shares for which the Application is accepted.

If you wish for any New Shares for which the Application is accepted to be allotted to a nominee (CREST or otherwise), please enter the nominee details in the relevant boxes.

The "Communications" and "Dividends" sections concern individual certificated holdings only. Applicants who wish to hold New Shares within a nominee (CREST or otherwise) should contact the nominee regarding their preferences following the relevant allotment.

Communications

The Company would like to communicate with you electronically in respect of your shareholding in the Company. The Articles of the Company provide authority to use electronic means to convey information to Shareholders, including, but not limited to, sending, and supplying documents or information to Shareholders by making them available on a website. This means that you will receive notifications by email (where you have provided an email address in Section 2) or by letter that information and/or documents are available on the Company's website.

We will notify you when documents and information are available to access on the website, and we will provide you with (i) the address of the website, (ii) the place on the website where the documents and information may be accessed; and (iii) details of how to access the documents or information.

Regarding any New Shares for which your Application is accepted, please confirm how you would like the Company to communicate with you. If you do not confirm a communications preference above and you are a registered holder of New Shares, the Company will send notifications to you by post to the address in Section 1.

If you are an existing Shareholder in the Company, your election will be applied to all Shares held under the shareholding account to which the New Shares are added. If you do not confirm a communications preference and your New Shares are added to an existing shareholding account, your previous election will continue to apply in respect of all Shares in that shareholding account (including the New Shares issued and added to that shareholding account).

You have the right to opt out of electronic communication at any time and to revert to paper format by contacting the Company's registrar.

Dividends

In respect of any dividends which may be paid by the Company on the New Shares you can:

- (i) Elect to receive dividends by way of a bank transfer (the Company only pays dividend via bank transfers to reduce its carbon footprint).
- (ii) Elect to participate in the Company's Dividend Reinvestment Scheme, under which any cash dividend will be used to acquire additional New Shares in the Company rather than receiving a cash payment. The full terms and conditions of the Dividend Reinvestment Scheme are available at <https://unicornaimvct.co.uk/dividend-reinvestment-scheme>. By completing the election below you confirm that you have read the terms and conditions of the Dividend Reinvestment Scheme and agree to be bound by them.

If you are an existing Shareholder in the Company, the above election will be applied to all Shares held under the shareholding account to which the New Shares are added.

If you have previously elected to participate in the Dividend Reinvestment Scheme but the election above is to receive dividends by way of cash payment, this Application will constitute a notice served as at the date the New Shares are issued to withdraw from the Dividend Reinvestment Scheme (and your participation in the Dividend Reinvestment Scheme will continue in the meantime). If your Application is rejected, a separate notice will need to be sent to the Company's registrar to withdraw from that Dividend Reinvestment Scheme.

If your dividend preference is to receive cash dividends paid directly to your bank account, you must provide the details of the bank account into which you wish the Company to pay any dividends. The bank account should be a pound sterling account held at a UK-regulated credit or e-money institution in your sole/joint name.

Section 6 – Applicant Declaration

Please confirm whether you will sign the Application Form or if it will be signed on your behalf.

If you are a third party signing the Application Form on behalf of the Applicant and you are not a representative of a nominee, please provide the power of attorney, or a copy thereof duly certified in ink by a solicitor or bank to the Receiving Agent, by post, and use the Applicant's initials and telephone number as the reference (i.e., the same reference as used for payment of application monies).

If you are a representative of a nominee and the nominee provides a non-discretionary investment service to the Applicant, the representative must provide evidence of (i) the Applicant's instruction to make the investment and (ii) the representative's authority to sign the Application Form.

If the nominee provides a discretionary investment service to the Applicant, the representative must provide evidence of their authority to sign the Application Form.

The signatory must sign, state their name, and date the Application Form in Section 6. By signing and dating the Application Form, the Applicant agrees to subscribe for New Shares at the Offer Price on the Terms and Conditions of the Offer as set out in the Prospectus.

If the Application Form is not signed, the Receiving Agent will not be able to process the Application and the Application monies will be returned to the remitting account by bank transfer, subject to the satisfactory completion of any verification of identity checks, at the risk of the person(s) entitled thereto.

IF APPLICABLE, THE REMAINDER OF THE APPLICATION FORM MUST BE COMPLETED BY AN AUTHORISED REPRESENTATIVE OF THE ASSOCIATED FINANCIAL INTERMEDIARY FIRM.

Section 7 – Financial Intermediary Details

Please detail the name of the firm, the firm's FCA number, the individual adviser's/intermediary's name, email address, and telephone number. The Receiving Agent will use these contact details to issue Application acknowledgements, or in the event of any queries in respect of this Application or financial intermediary fees/commissions. The right is reserved to reject any Application or withhold any payment of fees or commission if the Company is not, at its sole discretion, satisfied that the financial intermediary (firm or individual) is authorised or is unable to identify the financial intermediary (firm or individual) based on information provided.

Please provide (if applicable) the financial intermediary relevant partner reference in the box below. Failure to provide a valid partner reference may delay the processing of this Application Form.

Section 8 – Financial Intermediary Remuneration

Please confirm the nature of the service provided to the Applicant by ticking one of the boxes provided.

Advised Investor

Please tick box (A) if this is an 'advised-own' case (i.e., the individual adviser is subscribing on behalf of themselves) or if the individual adviser has provided financial advice to the Applicant and has agreed an initial adviser charge (nil or otherwise) with the Applicant which complies with COBS 6.1A.

Please enter the initial adviser charge for facilitation in whole pounds sterling in the box provided (please enter "0" if NIL or if the Application is in respect of your own investment). If the individual adviser does not want the Company to facilitate payment of the initial adviser charge, or if the individual adviser has made alternative payment arrangements with the Applicant, the please enter "0" in the box provided.

The **maximum amount which will be facilitated is 4.5% of the total Application Amount** in Section 3. Any amount agreed with your client in excess of this (including any applicable VAT falling outside the amount to be facilitated) is the responsibility of your client and will need to be settled by your client direct.

The charging of VAT on an initial adviser charge is the sole responsibility of the financial adviser. Should any charge facilitated by the Company not include the payment of any such VAT, the investor will, at all times, remain solely responsible to make up such VAT deficit (if any) to the financial adviser.

'Execution-only' Investor or Professional Client Investor

Please tick box (B) if the financial intermediary has acted in an execution-only capacity on behalf of the Applicant or box (C) if the investor is a Professional Client and so is entitled to receive commission in accordance with COBS 2.3/2.3A and any other applicable FCA regulations.

Initial commission will be paid at a rate of 3.0% of the total Application Amount. The financial intermediary may waive up to 3.0% of the initial commission for the benefit of the Applicant. Please insert the % amount of initial commission to be waived in the box provided (please enter "0" if NIL).

Adviser Charges and Commission Payments

Please confirm the bank account into which any initial adviser charges or commission payments associated with the Application should be paid by bank transfer.

Please provide (as applicable) your payment reference (e.g. AOR Number or similar). Failure to provide a valid payment reference number may delay the processing of this Application Form.

If a copy of a statement of fee/commission payment should be sent to the firm's finance department, please provide the relevant email address in the box provided. Please note that where applicable, the Receiving Agent will email a copy of the statement to the individual adviser/intermediary detailed in Section 7. Retrospective requests for additional copies of statements will be issued by the Receiving Agent in return for a £10 administration fee.

Section 9 – Financial Intermediary Declaration

An individual with the authority to sign on behalf of the financial intermediary firm detailed in Section 7 must sign and date the Application Form in Section 9. By signing and dating the Application Form the individual, on behalf of the financial intermediary firm, confirms the declarations set out in Section 9.

MONEY LAUNDERING NOTICE

In accordance with the Money Laundering Regulations, the identity of all Applicants must be verified before New Shares can be allotted. This is a routine step associated with the Application process and ensures that (i) Applicants are who they say they are and (ii) Application monies have not been acquired illegally and there is no attempt to use the Company and/or the Receiving Agent as part of criminal activity.

Please note that New Shares cannot be allotted if the Receiving Agent is unable to verify the Applicant's identity, and the Application may ultimately be treated as invalid and Application monies returned.

For Applications made via a financial intermediary, the financial intermediary should complete verification of the Applicant. By signing the Application Form, the financial intermediary confirms that they have applied customer due diligence measures on a risk sensitive basis in respect of the Application to the standard required by the ML Regulations within the guidance for the UK financial sector issued by the Joint Money Laundering Steering Group.

If the Company, Unicorn AM and/or the Receiving Agent request additional information in connection with the financial intermediary's due diligence, the information will need to be provided within two Business Days of receiving the request.

For direct Applications, the Receiving Agent will use the Applicant's personal information from the Application Form to verify their identity through Veriphy, a specialist AML compliance solution provider. Veriphy's AML checks include identity and UK address validation as well as integral mortality, departure, sanction, and politically exposed person searches. **Veriphy's checks have no impact on an Applicant's credit score or their ability to obtain credit.**

In the small number of cases where Veriphy is unable to verify the Applicant's identity sufficiently, the Receiving Agent will need the Applicant to supply evidence of their identity and will contact the Applicant (or their financial intermediary if applicable) to request copies of the relevant documents (typically, an original or certified copy of a passport or driving licence, as well as a recent bank statement or utility bill) and explain how those should be provided. Please note that failure to provide satisfactory evidence following such a request may result in a delay in processing an Application or, at the point of the Offer closing to Applications, the Application being treated as invalid and Application monies returned.

Note: The Company and/or the Receiving Agent may, in their absolute discretion, and regardless of the Application Amount and/or the involvement of a financial intermediary, require identity verification.

Corporate Information

Directors

Timothy David Woodcock (Chair)
Julian Antony Bartlett
Maria Charlotta Ginman-Horrell
Jeremy John Hamer
Josephine Vanessa Tubbs
(all of the registered office)

Company Number
04266437

Investment Manager

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

Company Secretary and Administrator

ISCA Administration Services Limited
The Office Suite
Den House
Den Promenade
Teignmouth
TQ14 8SY

Solicitors

Shakespeare Martineau LLP
60 Gracechurch Street
London
EC3V 0HR

Sponsor and Stockbroker

Panmure Liberum Limited
25 Ropemaker Street
London
EC2Y 9LY

Auditors

Johnston Carmichael LLP
7-11 Melville Street
Edinburgh
EH3 7PE

Registered Office

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Teignmouth
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Telephone: 01392 487056
Email: unicornaimvct@iscaadmin.co.uk
Website: www.unicornaimvct.co.uk*

Receiving Agent and Registrar

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Park Valley Mills
Meltham Road
Huddersfield
HD4 7BH

Bankers

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PO Box 12264
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Distributor

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Custodian

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* This website does not form part of the Prospectus unless that information is incorporated by reference.



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unicornam.com

Unicorn 
Investing with conviction