

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO WHAT ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO SEEK YOUR OWN FINANCIAL ADVICE IMMEDIATELY FROM YOUR BANK MANAGER, STOCKBROKER, SOLICITOR, ACCOUNTANT OR OTHER FINANCIAL ADVISER AUTHORISED PURSUANT TO THE FINANCIAL SERVICES AND MARKETS ACT 2000 AS AMENDED (FSMA).

26 January 2026

## Dear Shareholder

Please find below an update on your investment in the Company, including details of the new offer for subscription to raise up to £20 million, with an over-allotment facility to raise up to a further £15 million (Offer).

## New Offer

As a valued Shareholder in the Company, I am writing to inform you that the Company has launched a new offer for subscription, details of which are set out in the offer document issued by the Company on 26 January 2026 (Offer Document), which is now open for applications.

For Shareholders wishing to participate in the Offer, copies of the Offer Document and a link to the online Application Form can be found on the Company's website: <https://unicornaimvct.co.uk/fund-information/current-fundraising/>.

The Offer Document is available electronically on the Company's website (rather than sending hard copies to Shareholders) and applications should be made online through the application facility. This improves efficiency and helps reduce our carbon footprint. For the same reason, as well as for security purposes, **application monies will only be accepted by way of electronic transfer** (i.e. cheques will not be accepted). If you have any administrative queries, please contact the receiving agent, The City Partnership (UK) Limited, on 01484 240 910 or by email at [unicornaimvct@city.uk.com](mailto:unicornaimvct@city.uk.com). **If you are unable to use the online application facility, please contact Unicorn Asset Management Limited on 020 7253 0889 or by email at [info@unicornam.com](mailto:info@unicornam.com).**

Applications under the Offer will normally be accepted on a first come, first served basis once regarded as complete (which includes receipt of cleared funds), subject always to the discretion of the Board. As such, Shareholders intending to apply are encouraged to submit their application early in order to improve the likelihood that their application will be successful. The Offer will close for applications at 12.00 noon on 2 April 2026 (in respect of the 2025/2026 tax year) and 31 July 2026 (in respect of the 2026/2027 tax year) or, if earlier, as soon as the Offer is fully subscribed or otherwise at the Board's discretion.

***You should read and understand the Offer Document, including the Risk Factors, before making any decision to invest. If in doubt, you are recommended to take advice from an independent financial adviser authorised under FSMA.***

***In particular, you should note that applications elected to be made in the 2026/2027 tax year will result in the allotment of shares pursuant to the Offer after 5 April 2026, from which point the amount of upfront income tax relief available to prospective investors on subscription for New Shares will be on 20% (and not 30%) of the amount subscribed as announced in the 2025 Autumn Budget. You should further note that applications elected (in whole or part) for the 2025/2026 tax year which are received on or before 12.00 noon on 2 April 2026 where payment is not received by 12.00 noon on 2 April 2026 will be deemed to be revoked (in whole or part, as relevant).***

## Recent Performance and Economic Backdrop

As at 30 September 2025, the audited net assets of the Company were £194.4 million (audited net asset value per Share of 90.3p). This represents a decline of £5.0 million (14.4p per Share) when compared to the position as at 30 September 2024. There were several moving parts behind this fall, with a decrease in the value of the investment portfolio of £1.9 million, £24.4 million of dividends paid and a further £5.3 million returned to Shareholders through share buybacks alongside operating costs of £4.5 million, all contributing to the reduction in net assets. This was partially offset by the fully subscribed fundraising pursuant to the 2025 offer for subscription, which raised net proceeds of £24.1 million, and £3.6 million from Shareholders who invested through the Dividend Reinvestment Scheme. The total return per Share (movement in net asset value plus dividends paid) of - 1.8% during the financial year ended 30 September 2025 underperformed the total return of 7.9% 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 -1.9%.

The Company's performance for the year ended 30 September 2025 reflects the broader market dynamics. The UK economy faced several concurrent challenges during the financial year. Inflation, while declining in headline terms, remained elevated throughout the period, underpinned by strong wage growth and persistent pricing pressure in the services sector. Core inflation consistently exceeded the Bank of England's 2% target, and interest rates were maintained at high levels, which impacts on both business investment and consumer demand.

As at 31 December 2025, the unaudited net asset value per Share was 106.0p (£228.2 million). The total return per Share for the three month period ended 31 December 2025 was 17.4%.

Notable portfolio activity in the quarter included the realisation of a material portion of the Company's investment in Hasgrove Limited for cash whilst rolling over the balance of its investment into a new holding company established to acquire Hasgrove. The Company received total net proceeds of approximately £88 million from the transaction, of which approximately £22 million was settled through the issuance of shares in the new holding company, with the remaining £66 million received in cash. This represents an excellent result delivered by the Investment Manager both realising considerable cash proceeds from the investment for Shareholders and negotiating a deal which enables the Company to participate in the future growth of Hasgrove.

#### Dividend Update

A key benefit of venture capital trusts is their ability to pay tax-free dividends to qualifying investors, which is why one of the Company's main objectives is to provide a steady flow of dividend distributions. Dividends paid between 1 October 2020 and 31 December 2025 amount to 89.2p per share, as shown in the table opposite.

The Company has paid ordinary dividends of 6.5p per Share in the last three financial years. The Company has recommended a final dividend of 3.5p per Share, subject to Shareholder approval, for the year ended 30 September 2025, payable on 13 February 2026 to Shareholders on the register as at 5 January 2026.

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 2025 the Company paid a special dividend of 6.0p per Share (11.7p in the year ended 30 September 2024). The Company has also declared an interim special dividend of 23.0p per Share payable on 5 March 2026 to Shareholders on the register as at 23 January 2026. These special dividends should be regarded as exceptional following significant returns arising on certain investment disposals and is not expected to be an annual occurrence.

If adjusted for these dividends, the unaudited NAV per Share as at 31 December 2025 would reduce to 79.5p and the cumulative dividends paid per Share would see a corresponding increase.

#### Outlook and Portfolio Overview

The Company remains the largest AIM-focused VCT in the market with unaudited net assets of over £228 million as at 31 December 2025 (ignoring the impact of the abovementioned final dividend and interim special dividend, which will reduce the Company's net assets by approximately £57 million), across a diverse portfolio of investments in circa 80 active VCT qualifying companies.

The investment environment continues to evolve, and while near term uncertainties remain, there are some reasons for optimism. Inflation appears to have plateaued and is forecast by the Bank of England to decline steadily into 2026. Interest rates remain elevated relative to the ultra-low levels of recent years, but market expectations are that they will continue to decline. As macroeconomic conditions begin to stabilise, investor sentiment is showing signs of improvement, particularly towards the UK equity market, which continues to trade at historically attractive valuation levels relative to global peers.

There are encouraging signs of renewed international investor interest in the UK. A combination of depressed valuations, a more stable political outlook, and improving corporate fundamentals has led to increased interest in listed UK businesses, with larger companies being the initial beneficiaries. While this has not yet translated into a broad market re-rating across small and mid-cap companies, it reflects a growing recognition of the value and potential embedded in many UK businesses.

The Company is well positioned to benefit from these developments. The portfolio comprises a diversified group of businesses, many of which are well capitalised, operationally resilient, and focused on long term value creation. The Investment Manager believes there will continue to be a healthy flow of attractive, VCT qualifying, opportunities from which to choose new investments and will continue to identify high quality investment opportunities whilst maintaining a disciplined approach to capital deployment.

I would like to thank you for your continued support of the Company and hope that you will consider taking part in the new Offer. Please do contact your independent financial adviser in the first instance, or Unicorn AM, should you have any questions.

Yours faithfully



**Tim Woodcock**  
Chair

#### Important Information

*This letter is addressed, and is only being sent, to shareholders of the Company within the UK. This letter should not be distributed or forwarded on by shareholders other than to their financial and/or other professional advisers.*

*This letter does not constitute a prospectus or offer document and does not form part of any sale, solicitation or any offer to buy or subscribe for securities. This letter is, however, an advertisement for the purposes of the UK Listing Rules of the FCA in relation to the Offer and the Offer Document. Any decision to invest under the Offer should be made solely on the basis of, and strictly in accordance with the terms of, the Offer Document. Prospective investors should read the full Offer Document and are recommended to take independent financial advice.*

*Application will be made to the FCA for the shares 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 plc for such New Shares to be admitted to trading on its main market for listed securities. It is expected that admission to the Official List will become effective and that dealings in the New Shares will commence within three business days following allotment. The New Shares will rank pari passu with the existing issued shares from the date of issue. The attention of prospective investors is drawn to Part II of the Offer Document for further details on the Offer and the New Shares.*

*Investment in the Company should be considered a long-term investment. The value of shares in the Company, and the income derived from them, can go up and down and investors may not get back the money originally invested. In addition, there is no certainty that the market price of the shares in the Company will fully reflect their underlying net asset value nor that dividends will be paid. Past performance is not a guide to future performance and there is no guarantee that the Company's objectives (including maintaining VCT status) will be achieved. The attention of prospective investors is drawn to the Risk Factors contained in the Offer Document.*

