

### Investment Objective

The Unicorn UK Smaller Companies Fund aims to achieve long-term capital growth by investing predominantly in shares in smaller UK companies where a smaller company is defined as a constituent of the Numis Smaller Companies Index. In addition, the fund may invest up to 20% of the portfolio value in companies not included in the above, including those listed on the Alternative Investment Market.

### Investment Policy/Strategy

The strategy is to invest in profitable and dividend paying small companies with the potential to grow.

### Manager

Simon Moon

### Fund Commentary

The UK Smaller Companies Fund registered a total return of +2.4% in August. This compares to the IA UK Smaller Companies sector, which recorded an average total return of +1.5% over the same period.

The top contributor was Frontier Developments (+66.9%), adding 206 basis points (bps) to fund performance. The creator and publisher of video games revealed that it plans to release its new game franchise, Jurassic World Evolution, in summer 2018 to coincide with the release of the new Jurassic World: Fallen Kingdom film. The game will be simultaneously released on PC, PlayStation 4 and Xbox One platforms, giving players the opportunity to create and manage their own Jurassic World. The game is expected to prove popular given the popularity of the globally renowned Jurassic World brand and benefit from close collaboration with Universal Pictures in marketing alongside the highly anticipated film. Frontier Developments also announced that its existing franchises, Planet Coaster and Elite Dangerous had achieved cumulative unit sales of 1 million and 2.75 million respectively.

The second largest contributor was 4Imprint Group, adding 84 bps to fund performance. The company announced its half year results which reported earnings ahead of market expectations, boosted by strong trading in May and June. Management also expects the positive performance to continue in the second half of its financial year, helped by a recent marketing campaign.

The principal detractor during August was Somero Enterprises (-8.8%), which cost the Fund 46 bps in performance terms. Shares in Somero, a manufacturer of concrete-levelling equipment, drifted lower in the absence of meaningful news flow.

In a quiet month for trading activity, existing holdings in Xaar and Secure Trust Bank were topped up and a new holding in Wincanton, a logistics company, was initiated.

Unicorn Asset Management Limited (Unicorn) is an independent, specialist fund management group, established in July 2000.

Unicorn focuses on long term, long only, investment in UK quoted companies and aims to achieve superior absolute returns through the application of traditional, fundamental principles of investment.



### Cumulative Performance

	YTD	1 Year	3 Year	5 Year	10 Year
UK Smaller Companies (B-Shares)	18.3%	30.1%	42.2%	150.7%	189.9%
Rank	31/49	16/49	32/48	14/45	12/42
NSCI (ex IC)	13.7%	21.6%	37.3%	107.8%	145.2%
Sector Average	19.3%	26.0%	44.1%	114.2%	132.7%

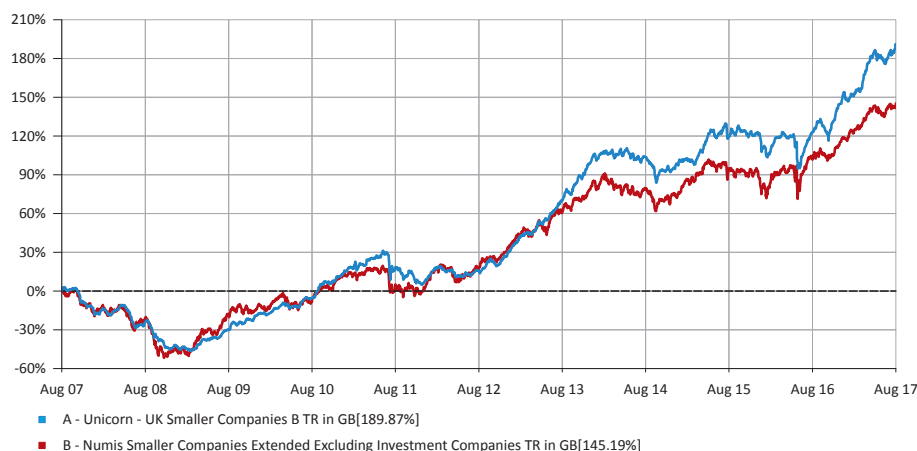
Source: Financial Express (Using bid to bid market value, total return)

### Discrete Performance

	2016	2015	2014	2013	2012
UK Smaller Companies (B-Shares)	10.0%	14.2%	-2.1%	57.0%	19.7%
Rank	17/48	30/47	30/47	3/46	40/45
NSCI (ex IC)	11.1%	10.6%	-1.8%	36.9%	29.9%
Sector Average	7.7%	14.2%	-2.0%	37.4%	22.5%

Source: Financial Express (Using bid to bid market value, total return)

### Past Performance - 10 Years



31/08/2007 - 31/08/2017 Data from FE 2,017

Past performance is not a guide to future performance. The value of investments and the income from them may go down as well as up and investors may not get back the full amount of their original investment.

Top 10 Holdings	
Frontier Developments	5.0%
Somero	4.6%
4Imprint Group	3.7%
Acal	3.3%
Ocean Wilsons Holdings	3.0%
Avon Rubber	2.9%
Coats Group	2.9%
Alpha FX	2.9%
Alumasc Group	2.9%
Clipper Logistics	2.8%
<b>Total</b>	<b>34.0%</b>

Fund Facts	
Fund Manager	Simon Moon
Fund Size	£54m
Launch Date	15 July 2002
Fund Sector	UK Smaller Companies
Number of Holdings	42
Pricing	10:00 Daily
ISAs/JISAs	Available
Dividend Dates	Ex-Div: 30/9
	Payment: 30/11

Risk Ratios	1yr	3yr
Volatility	8.16	9.73
Alpha	0.76	0.54
Beta	1.10	0.94
Sharpe	3.17	0.93
Information Ratio	0.64	-0.06

Sector Breakdown	
Industrial Engineering	13.3%
Construction & Materials	11.7%
Financial Services	9.1%
Industrial Transportation	8.8%
Software & Computer Services	8.1%
Media	6.6%
General Industrials	5.6%
Support Services	5.3%
Leisure Goods	5.0%
Cash	4.2%
<b>Total</b>	<b>77.7%</b>

Share Class Information			
	A - Income	B - Income	O - Income
Initial Charge	5.50%	2.50%	5.50%
On Going Charge	1.61%	0.86%	1.61%
ISIN Code	GB0031791238	GB0031785065	GB00BJTMCQ36
Sedol Code	3179123	3178506	BJTMCQ3
Bloomberg Code	UNUKSAI	UNUKSBI	UNUKSOI
MEX ID	U2UKSI	U2UKSB	U2AAAF
Initial Investment	£2,000.00	£20,000.00	£10,000.00

How to buy the Fund: The fund is available through a number of distributors including	
7IM	HL Vantage
Aegon	Hubwise
Alliance Trust	James Hay
Ascentric/Funds Direct	Novia
Aviva	Nucleus
AXA Elevate	Old Mutual Wealth
Bestinvest	Pershing Nexus Funds
Charles Stanley Direct	Standard Life Fundzone
Cofunds	Transact
Fidelity Funds Network	Zurich

All figures within this factsheet have been calculated with reference to 31 August 2017 with exception to the on going charge figure which is based on the annual accounts for the year ended 30 September 2016

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### Fact sheet issued by:

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