

Hargreave Hale

AIM VCT

As at the end of January 2024

Summary

Investment Team:

Oliver Bedford, Fund Manager
Lucy Bloomfield, Deputy Fund Manager

Ticker: HHV

Launch Date: September 2004

Year End: September

Share Price (05.02.24): 42.20p

NAV per Share⁽²⁾: 44.66p

Last Div. Paid (28.07.23): 1.00p

Next Div.: 1.50p

Total Divs. Paid: 76.20p

NAV Yield⁽¹⁾ (30.09.22): 4.98%

Discount to NAV (05.02.24): 5.51%

Number of Shares: 345,560,959

Market Cap: £145.83m

Charges (AMC): 1.70%

Ongoing Expenses: 2.50%

SEDOL Number: B02WHS0

ISIN Number: GB00B02WHS05

(1) Excluding the 2 pence special dividend
(2) Ex-Dividend

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Investors should note that an investment in an AIM VCT carries a high level of risk. Please refer to the Risks section on page 2 of the factsheet for more information. Capital is at risk.

This document should not be considered as a personal recommendation to invest. Potential investors should read the prospectus before investing. If in any doubt about the suitability of this investment seek professional advice. This information does not constitute an offer, invitation or solicitation to deal in the securities of this fund. Issued by Canaccord Genuity Wealth Limited which is authorised and regulated by the FCA.

Hargreave Hale AIM VCT plc,
Talisman House, Boardmans Way,
Blackpool, FY4 5FY.

Hargreave Hale AIM VCT

Investment objectives

The company's objectives are to generate capital gains and income from its portfolio and to make distributions from capital or income to shareholders whilst maintaining its status as a VCT.

Investment Policy

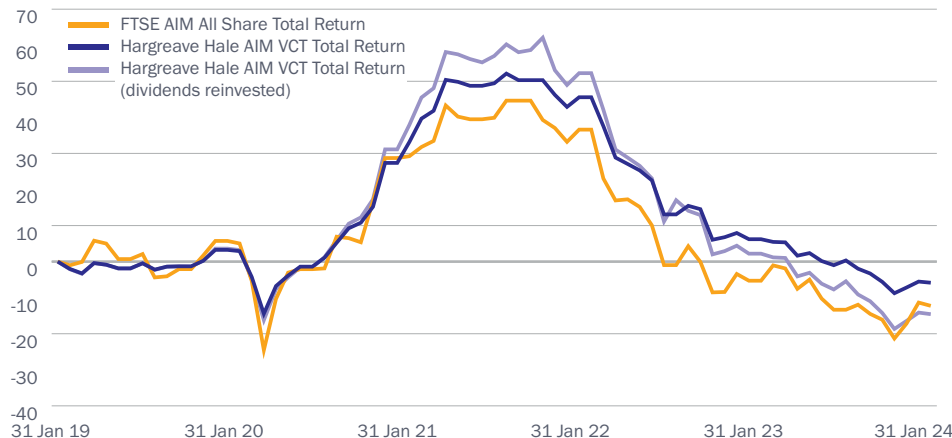
The company aims to achieve its investment objectives by maintaining a diversified portfolio of VCT qualifying investments as well as making non-qualifying investments as allowed by the VCT rules. Qualifying investments will primarily be made in companies listed on AIM but may also include private companies and companies listed on the AQSE Growth Market. These small companies will be UK based or have a UK presence and whilst of high risk will have the potential for significant capital appreciation. Non-qualifying investments may include equities and exchange traded funds listed on the main market of the London Stock Exchange, fixed income securities, bank deposits that are readily realisable and the Marlborough Special Situations Fund.

The company's portfolio is managed in order to maintain its VCT status whereby 80% of the funds raised must be invested in qualifying investments within 3 years of the beginning of the accounting period in which the shares were issued. Hargreave Hale will target a higher threshold of approximately 85% in order to provide some element of protection against an inadvertent breach of the VCT rules.

Performance

The table below illustrates how the VCT has performed year on year against the FTSE AIM All-Share Index. Please note that past performance is not a reliable indicator of future results. The returns are inclusive of any dividends paid within the period, based on NAVs for the VCT and the last price paid for the FTSE AIM All Share Total Return Index.

NAV total return*



Discrete NAV performance (%)¹

	Jan 23 - Jan 24	Jan 22 - Jan 23	Jan 21 - Jan 22	Jan 20 - Jan 21	Jan 19 - Jan 20
Hargreave Hale AIM VCT Total Return	-14.36	-27.58	3.63	31.82	2.90
Hargreave Hale AIM VCT Total Return (dividends reinvested)	-15.57	-28.81	3.04	33.61	3.22
FTSE AIM All Share Total Return	-11.33	-19.58	-4.79	23.06	5.02

Source: Canaccord Genuity Wealth Limited

NAV rolling returns to end December 2023 (%)¹

	1 Year	2 Years	3 Years	4 Years	5 Years
Hargreave Hale AIM VCT Total Return	-14.36	-37.30	-32.23	-9.21	-5.86
Hargreave Hale AIM VCT Total Return (dividends reinvested)	-15.57	-39.89	-38.06	-17.24	-14.58
FTSE AIM All Share Total Return	-11.33	-28.69	-32.11	-16.45	-12.27

Source: Canaccord Genuity Wealth Limited

Important information

Please read over page

* Based on a starting NAV of 75.80p, January 2019. Source: Canaccord Genuity Wealth Limited

¹ All data as at the end of January 2024 show returns based on performance of the NAV and dividends paid.

Dividend Policy

The VCT aims to pay a 5% dividend p.a. (based on year end NAV) through semi-annual distributions, although the ability to pay dividends will be subject to, inter alia, the performance of the investments, the available reserves and cash resources. In those years where performance is particularly strong, the Directors may consider a higher dividend payment. Conversely in poorer years, the Directors may opt to reduce or declare that no dividends will be paid at all.

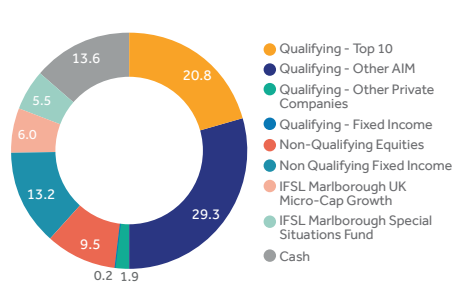
Liquidity

The Company aims to improve the liquidity in its ordinary shares and to maintain a discount of approximately 5% to the last published NAV per share (as measured against the mid-price of the shares) by making secondary market purchases. This policy is non-binding and at the discretion of the Board. The effective operation of the policy is dependent on a range of factors which may prevent the Company from achieving its objectives. As a result there is no guarantee you will be able to sell your shares or of the discount to NAV at which they will be sold.

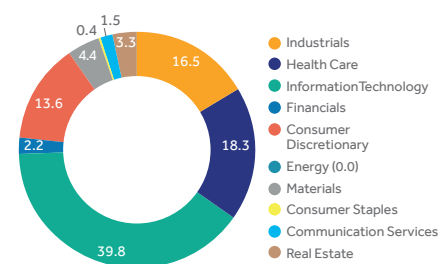
Background

Launched in August 2004, Hargreave Hale AIM VCT plc merged with Hargreave Hale AIM VCT 2 plc on 23 March 2018. Hargreave Hale has been the appointed investment manager of the company's assets since inception.

Asset allocation (%)



Qualifying sector allocation (%)



Top 10 Qualifying holdings (%)

Investment	Sector	Cost £'000s	(Unaudited) Valuation £'000	% of NAV
Equipmake	Industrials	3,662	5,087	3.2%
Eagle Eye	Information Technology	1,642	4,934	3.1%
Learning Technologies	Information Technology	2,238	3,649	2.4%
PCI PAL	Information Technology	2,280	3,530	2.2%
My First Years ⁽¹⁾	Consumer Discretionary	2,500	3,107	1.9%
Maxcyte	Health Care	1,270	2,925	1.8%
Cohort	Industrials	619	2,812	1.8%
Kidly ⁽¹⁾⁽²⁾	Consumer Discretionary	4,060	2,473	1.5%
Engage XR	Information Technology	3,453	2,417	1.5%
Fadel Partners	Information Technology	2,300	2,252	1.4%
Qualifying - Other AIM		66,048	46,721	29.3%
Qualifying - Other Private Companies		5,972	2,984	1.9%
Qualifying Fixed Income		300	300	0.2%
Non Qualifying Fixed Income		21,142	20,855	13.2%
Non Qualifying Equities		15,360	15,236	9.5%
IFSL Marlborough UK Micro-Cap Growth		9,321	9,741	6.0%
IFSL Marlborough Special Situations Fund		9,717	8,822	5.5%
Cash		21,677	21,677	13.6%
Total		173,561	159,522	100.0%

(1) Private company

(2) Holding inclusive of equity and convertible loan note investments

As at 31 January 2024, the NAV per ordinary share of Hargreave Hale AIM VCT was 44.66p.

Set out above are the top ten qualifying investments. All data is unaudited

Risks

Risks Specific to the VCT. The VCT will invest in small, high risk companies that place an investor's capital at risk. These qualifying companies may have volatile share prices and the investments may be difficult to realise. They may be overly reliant on a few large customers and have less financial resilience. They may also have weak or negative cash flow and less management resource.

Legislative Risk. Changes in legislation may adversely affect the company's status as a VCT and its ability to meet the investment objectives and/or reduce the level of achievable return.

Risks to the Tax Reliefs. There can be no guarantee that the VCT will meet its objectives or that suitable investment opportunities will be identified. A failure to maintain the qualifying status could result in the VCT losing the tax reliefs previously obtained, resulting in adverse tax consequences for investors. Investors who sell their VCT shares before the fifth anniversary of the share issue are likely to have to repay their income tax relief. Therefore, an investment in a VCT should be seen as a long term investment. The tax reliefs will depend on an investor's personal circumstances and may be subject to future changes.

Risks that relate to VCT Shares. VCT shares can be difficult to sell as there can be little demand for VCT shares in the secondary market, furthermore the share price is unlikely to fully reflect the net asset value per share. The value of shares and the income from them can fall as well as rise. Investors may not get back the full amount invested. The VCT operates a credible share buy-back policy but the Directors reserve the right to amend or suspend the application of the buy-back policy. Dividend distributions are subject to performance and other factors and cannot be guaranteed. The past performance of the VCT and its underlying investments is no indicator of future performance. Investors may not get back the amount they originally invested.