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Dear Shareholder

In light of the requisition for a further General Meeting to consider potential changes to the board of directors of Maven Renovar VCT (formerly Amati AIM VCT) initiated by the former fund manager, this letter outlines Maven's views on the AIM VCT market, our assessment of your VCT's investment strategy and performance prior to our appointment, and our analysis and forward-looking plans for the VCT.

We want to assure investors that Maven has both the capability and a proven track record of repositioning and improving a similar AIM focused VCT which we will highlight later in this letter. We bring a clear understanding of the existing portfolio, deep insight into the AIM market landscape, and a long-term strategy designed to reinvigorate the VCT. Our goal is to deliver improved and maintainable returns for shareholders, underpinned by disciplined investment management, a focus on value creation and a competitive fee structure, with Maven's management fees entirely waived for two years.

AIM Challenges

You will no doubt be aware of AIM's significant underperformance since 2022, with the index delivering a total return of -36% over that period[1]. While this might initially appear to be a cyclical downturn, we would argue that the challenges facing AIM VCT investing in particular are rooted in deeper, structural issues. These can be traced back to the changes in VCT legislation introduced in 2015 and 2018, which have had long-term implications for the viability and effectiveness of AIM focused strategies.

These legislative changes required VCTs to shift their focus towards earlier stage businesses. As a result, all VCTs – whether AIM or private equity focused – have had to substantially adapt their investment approach. Over this period, generalist vs AIM focused performance has diverged significantly, as illustrated by the AIC industry data shown opposite. (For reference, "Generalist VCT" refers to those with a private equity focus.)

Table 1 Generalist and AIM VCT Performance[2]

	Share price total return (%)	
	5yr	10yr
Generalist VCTs	19.43%	56.48%
AIM VCTs	-3.54%	25.28%

Our view is that, since the legislative changes, AIM listed opportunities that qualify for VCT investment have not met the quality threshold required to support an AIM-only strategy. This was obscured by strong market performance up to 2021 but, as we detail later (Table 2), is demonstrated by there being only one AIM holding in the current Renovar portfolio which listed since 2018 where the company is profitable and growing strongly. In contrast, 26 new investments made during this period remain loss making and are underperforming relative to expectations.

[1] FTSE AIM All-Share Index 31 December 2021 to 11 July 2025. Source: londonstockexchange.com.
[2] Source: The Association of Investment Companies. As at 14 July 2025.

Under the VCT rules, it is important to stress that AIM managers cannot look for opportunities across the whole AIM market but are instead restricted to a small number of qualifying transactions where quality has been poor in recent years. With hindsight, the backdrop for an AIM-only strategy deteriorated significantly in 2018 and the outlook for such a strategy cannot be fixed simply by an equity market rally – it would require a complete turnround in the types of VCT qualifying companies that choose to join AIM.

There was no shortage of capital in 2020 and 2021[3], but the market still failed to produce successful new IPOs. The current narrative often focuses on a lack of capital, but this is far from the only structural issue affecting AIM and AIM VCT investing. We are supportive of efforts to reform AIM and regularly consider alternative strategies to take advantage of the value currently available in UK small-cap equities. But we are not convinced AIM is the right incubator for early stage growth companies that qualify for VCT investment; at least not in the volumes an AIM-only VCT strategy would require.

We also monitor industry wide data. Of the 92 AIM fundraises since 2018 which received at least £2 million of VCT investment, the average share price performance stands at -60%[4]. More significantly and starkly, 40 of these investments have declined by 90–100%[4]. This cannot be just AIM weakness but instead a pattern of regular business failures. While losses are an inherent part of early stage investing, no narrowly focused strategy can withstand such widespread failures.

It has been difficult to witness numerous AIM companies, including many Renovar investments, failing to adapt to more challenging capital market conditions when their progress toward profitability starts to underperform. The options available to institutional investors, including VCT managers like Amati Global Investors, have been seen to be ineffective in protecting shareholder value. The manager has few rights with AIM investments and is left exposed to the vagaries of individual performance and listed market restrictions. By contrast, private company investments typically include downside protections, consent rights and a board appointment giving the manager a direct route to support portfolio companies and enhance value, and much more control when changes are required.

While it took until the 2022 sell-off in AIM to show in performance, we believe the investment opportunities available to AIM investors since 2018 have not been adequate to support an AIM-only strategy. The weak market since then has only proved that these investments were too high risk and could not be structured to protect shareholder value. Investors should question how the VCT has performed since 2018 and why this performance would improve without a change of strategy.

The impact of these challenges on Renovar

Amati understood that the VCT rule changes made their role as manager more complicated. Indeed, they acknowledged this in the 2024 Annual Report:

> *Looking at the impact on the portfolio of the VCT rule changes in 2016-17 shows that satisfactory returns have been difficult to achieve in the period since then, albeit this is looking back from the point of view of a low point.*

Over the past five financial years, Amati made 60 investments[5] on behalf of the VCT. Only nine of these either made a realised gain or were valued above cost at the end of their tenure. Amati persisted with an AIM focused strategy long after it became clear, in our view, that the prospects for AIM and the quality of investments being considered – individually and collectively – were too weak. Notably in the past three years Maven considered 23 of these same investments and rejected 20. From our assessment, too many were highly speculative (with, in retrospect, very poor success rates) or were follow-on fundraises by management teams that had already underperformed.

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[3] Source: *AIM Primary & Secondary Markets Factsheet* londonstockexchange.com.

[4] Source: Maven Capital Partners. To 9 July 2025.

[5] All investment over £100,000. Source: Maven Capital Partners, Amati Global Investors data.

The problem for Renovar was significantly compounded by the level of fundraising by your VCT in 2020, 2021 and 2022: £114 million of new capital was raised in three years compared to a total NAV of £146 million in January 2020. This meant earlier investors' portfolio had to be heavily diluted by a large amount of early stage new investments at elevated valuations when the AIM market had already risen rapidly. The VCT's many new investors have of course been particularly impacted by the recent losses: total return for the last four financial years has been -45.6%[6].

Amati did look to broaden their approach in 2021 and 2022 by investing in several private companies with the intention of supporting their listings on AIM. Saietta – supported pre-IPO and further at IPO – was the VCT's largest such investment totalling £5.1 million. The IPO was initially successful but the company overstretched itself significantly, underperformed commercially, and collapsed into administration in 2024. Amati made four such pre-IPO investment in those two years. Three have failed entirely for combined losses of £9.3 million[7].

Since then Amati completed two further private investments, including 2 Degrees (M2030) which was introduced and led by Maven. We understand Amati supported changing Renovar's investment policy to allow more private companies investments, until the Board became sceptical of their lack of resource and expertise to deliver this strategy.

While sourcing high quality new opportunities has been challenging for all AIM VCT managers, we consider the most significant contributor to recent losses has been the failure to take profits during the preceding market rally.

By January 2021, the VCT's portfolio had £106 million in net unrealised gains[8]. This peak followed an extraordinary period of near-zero UK interest rates and the Covid-19 crisis, which further fuelled investor appetite for speculative and thematic growth stories. While few UK investors can claim to have timed this peak perfectly, Amati sold just £10 million of AIM holdings in 2021[9]. Those unrealised gains have since reversed entirely[10].

We believe that a VCT operating in such a high volatility market must have a disciplined and opportunistic selling strategy – one that capitalises on exceptional price spikes to lock in gains and protect long term value. We note the requisitioners' proposal to "optimise performance" and capitalise on any rebound in the AIM holdings by "being willing to exit them if attractive opportunities appear." This does not align with the historic approach taken by Amati as investment manager.

Case study: Maven Income and Growth VCT 5 (MIG5) – previously Bluehone AiM VCT2

To demonstrate our capability to turnaround your VCT, and to explain our careful approach to doing so, we reference our experience with Maven Income and Growth VCT 5. MIG5 was previously an AIM focused VCT under the Bluehone brand which had suffered a prolonged period of underperformance before our appointment as investment manager in 2011. It had close similarities with Renovar, enjoying early success but then not taking gains when available. When the AIM market turned down the fund manager also attempted unsuccessfully to diversify into private company transactions, without a dedicated team for this adjacent market.

MIG5's AIM portfolio was quickly reviewed and graded, with weaker companies exited as liquidity and the VCT qualifying position permitted. Nevertheless, the retained AIM listed companies continued to represent a substantial portion of the portfolio and remained significant contributors to overall performance. Ideagen plc, MIG5's top-performing listed holding, was retained until its takeover in 2022.

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[6] Source: Maven Capital Partners, Maven Renovar VCT PLC Annual Reports 2022-2025.
[7] Source: Maven Capital Partners.
[8] Source: Maven Renovar VCT PLC Annual Report 2021.
[9] Source: Maven Capital Partners, Amati Global Investors data.
[10] Source: Maven Renovar VCT PLC Annual Report 2025.

MIG5 initially had just 1% cash, but the early AIM sales enabled dividends to be promptly resumed and these distributions have been maintained and progressively improved since that time. Maven prioritised returning gains from exits to investors by paying a number of special and enhanced dividends.

The investment strategy was broadened to invest in more private companies alongside Maven's other VCT clients. Maven's approach is to invest in UK companies in structural high growth, defensive sectors that have at least £1 million of recurring or contractual revenues, with proven management teams. The private company universe offers a far greater number of opportunities compared to AIM. In 2024, there were £413 million of private company investments by VCTs compared to £52 million of AIM transactions[11].

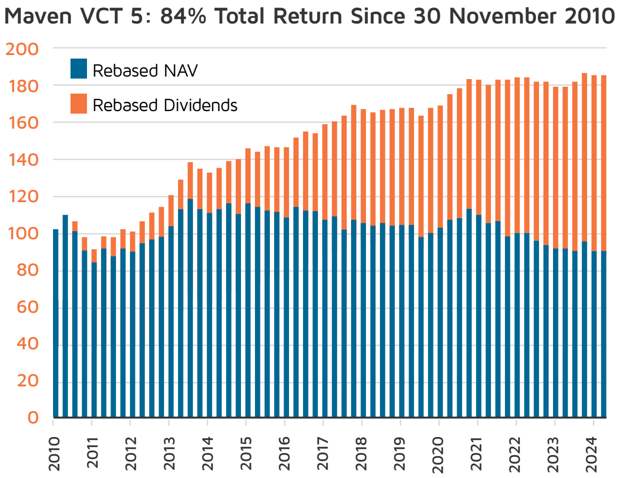
We believe that providing scale-up capital to businesses that are already demonstrating commercial traction, operating in sectors such as data analytics, cyber security, software and specialist engineering, mitigates the risk of early stage investing and will deliver more consistent risk adjusted returns for investors. By comparison, VCT qualifying AIM opportunities brought to us have generally been much earlier stage with a higher risk and cash burn profile.

In its most recent financial year, MIG5 completed eight full or partial exits from private companies, generating £11.3 million in proceeds and £7.0 million in realised gains – a meaningful return relative to the fund's NAV of £67.4 million[12]. These proceeds funded share buybacks and allowed for increased dividends.

It is often argued that private company investments are illiquid compared to AIM investments but, as a comparison, in Renovar's last financial year and the current year to date, the majority of sale proceeds related to AIM holdings being taken over[13]. This shows that, in practice, managing liquidity is not substantially different for AIM and private company strategies.

The chart to the right shows that MIG5 has delivered investors an 84% total return since our appointment to improve and revitalise the VCT in 2011. Inclusive of Maven's commitment to maximising dividends, the VCT's total NAV has grown by 3.6 times[14].

This growth improves the Total Expense Ratio as costs are spread across a larger VCT size (conversely the plan put forward by the former fund manager would see costs as a proportion of NAV increase). There are very few cases of a VCT being placed into run off or wind down for precisely this reason. Instead, a better approach for all shareholders is to improve and broaden the portfolio, improve performance, maximise dividends, grow the VCT, and allow shareholders who wish to exit to do so from a position of strength, not against a backdrop of liquidating investments in a weak market, and increasing costs.



Compared to an initial NAV of £21 million at the time of our appointment, MIG5 has gone on to invest £70 million in 160 new growth company investments over 14 years. Sale proceeds from AIM and private companies total £78 million. After a successful turnaround from a very challenged position, MIG5 now stands as a long-term VCT improvement story – for both its investors and the companies it supports.

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[11] Source: Maven Capital Partners.

[12] Source: Maven Income and Growth VCT 5 PLC Annual Report 2025.

[13] Source: Maven Renovar VCT PLC Annual Report 2025, Maven Capital Partners.

[14] Source: Maven Capital Partners. As at 28 February 2025.

Renovar position and strategy

Maven's initial priority is to review Renovar's portfolio with the aim of exiting lower quality positions and consolidate the holdings into a focused core of investments that offer meaningful long term upside or M&A potential.

To provide context, below is a simple but objective categorisation of the VCT's AIM holdings, segmented by the companies' current maturity and performance.

Table 2 Maven categorisation of AIM holdings

Company categorisation	Current Holdings			New Companies 2018-2024
	Number of holdings	Value (£m)	% AIM portfolio value	
Profitable, strong growth	7	18.9	34%	1
Profitable, growth challenged	9	12.7	23%	3
Loss making, positive outlook	3	6.1	11%	2
Loss making, behind expectations	30	18.0	32%	26

From our assessment, the most obvious feature is that the VCT has too many investments in companies that are loss making and have not met their financial targets. £18 million of exposure to the weakest companies is too high and we would intend to reduce this risk. These realisations will allow (and VCT rules will require) further distributions to shareholders so you benefit directly via dividends from the rationalisation of AIM holdings.

The requisitioners' proposals also contain an intention to undertake a similar course of action but we believe Amati could have done so more meaningfully during their tenure but did not do so at that time.

The table above also captures the subset of current holdings that entered the portfolio between 2018 and 2024. This quantifies the extent to which AIM investments made since the structural VCT rule changes have failed to mature as expected and have diluted the overall quality of Renovar's portfolio.

At the same time, we want to dispel any suggestion that Maven intends to pursue a fire sale of the AIM portfolio and a rapid pivot toward private company investments. There are high quality, mature businesses within the AIM portfolio that remain attractive long term holdings for the VCT. Maven's approach is firmly rooted in maintaining a balanced portfolio – anchored by mature, proven investments while selectively introducing promising and highly curated new opportunities which have gone through an extensive due diligence process, whether private or AIM listed, but assessed by the same criteria. The MIG5 example of Ideagen demonstrates our ability to maximise value and time sales correctly, and underscores the continuing importance of retaining quality AIM holdings to support consistent returns for shareholders.

Furthermore, subject to future decisions on Renovar's investment policy, Maven's approach to private company investing and portfolio rebalancing will be deliberately gradual. We apply a high quality threshold to all new investments, and our goal is to enhance diversification within the VCT – not reduce it. It will take several years before the value of private company holdings approaches that of the AIM portfolio.

This approach has two important implications. Firstly, the planned level of private company investment can initially be funded from the VCT's existing liquidity. It is entirely separate from the process of optimising the AIM portfolio and will not interfere with the return of AIM sale proceeds to shareholders. Secondly, for at least the next three years, we expect the core, mature AIM companies will remain an important driver of Renovar's performance. We believe this approach respects the position of those shareholders who chose Renovar specifically for its AIM focus and want to maintain exposure to any recovery.

The change of strategy from AIM to AIM Plus is intended to be wholly additive. It will preserve the potential of the strong assets in current AIM portfolio but widen Renovar's investment opportunities to ensure the portfolio is gradually enhanced and diversified over time, including further AIM investments if deal flow improves. The wider landscape of private companies gives better access to particularly appealing capital light industries including software that we consider have been under represented in AIM VCTs since 2018. We firmly believe only a broadened strategy can optimise returns for your VCT and counter the negative impact of the 2018 VCT rule changes on AIM-only VCTs.

To achieve this dual AIM and private equity strategy, a large investment team with skills in both listed markets and private equity is required. Maven is one of the few VCT managers with this type of extended resource: approximately 120 executives in 11 UK offices the majority of whom are actively involved in evaluating, making and managing VCT investments and providing essential back office support. Amati by contrast has never grown its team to be able to source and complete complementary private company VCT opportunities in the same way but still made pre-IPO investments, leading to significant losses on several transactions[15].

Looking further ahead, if we are to continue investing in private companies for Renovar beyond the next two to three years, new investments will need to be funded through future fundraises by your VCT which will be considered by your board at that time. For now, Maven has committed to working for the first two years to begin actively improving shareholder returns without charging any management fee. This represents a significant investment by Maven in the future success of Renovar and delivers meaningful cost savings for shareholders.

To end on a positive note, we firmly believe that Renovar – following the example of MIG5 – can be successfully turned around. Its core of better quality AIM holdings, most of which would no longer qualify for new VCT investment today will be retained to maximise value. A new and diverse portfolio of private companies sourced across our large national network will diversify and improve the asset base of your VCT. A solid private company asset base to support the VCT qualifying requirements will also allow a more proactive approach to AIM sales when appropriate, to help underpin dividend capacity.

We are confident that by adopting this proven strategy your VCT can return to delivering consistent long term returns for investors and again play a meaningful role in supporting the growth of ambitious UK companies. However, this requires a clear acknowledgement of the challenges your VCT has faced since 2018 and why – as your Board concluded – Amati has not been able to adapt their approach, even with attempts to shift the strategy away from AIM, to deal with the much altered backdrop. This is why we believe a change of strategy and of manager is required to return your VCT to growth.

In conclusion, we hope shareholders will support your current directors in rejecting the requisitioners' proposals and instead back a proven turnaround strategy focused on the aims of renewal, value creation, and long-term success.

Maven Capital Partners UK LLP
July 2025

The views expressed in this letter are those of the current manager, Maven Capital Partners UK LLP based on information from Maven Capital Partners UK LLP, Maven Renovar VCT plc and external market data as detailed above. The content is not intended as investment advice and should not be relied upon as such.

[15] Source: Maven Capital Partners.