

Rensburg Aim VCT plc

Summary

Offer for Subscription

Sponsored by Williams de Broë Plc

Summary

This Summary should be read as an introduction to the full text of the Registration Document and the Securities Note which, together with this Summary, comprise the Prospectus. Any decision to invest in the New Ordinary Shares should be based on a consideration of the Prospectus as a whole. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the EEA States, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches to those persons who are responsible for this Summary, including any translation of the Summary, but only if the Summary is misleading, inaccurate or inconsistent when read together with other parts of the Prospectus.

Rensburg Aim VCT's offer for subscription of up to £10 million of New Ordinary Shares is being launched on 3 January 2006.

Introduction

Rensburg Aim VCT is a venture capital trust with its Ordinary Shares listed on the Official List and traded on the London Stock Exchange's market for listed securities. Rensburg Aim VCT was established in January 1999, with its principal investment policy being to invest in AIM Companies. In December 2005, the Company merged with Rensburg VCT, which was established in 1996 and had broadly similar investment objectives. The principal reason for the Merger was to reduce annual running costs as a percentage of the net assets. In addition, the Directors believe that the Company now has greater critical mass and enhanced credibility, with over £28 million of net assets in a portfolio of AIM Companies, Unquoted Companies, FTSE 100 'blue-chip' equities, UK equity unit trusts and cash.

The Company now proposes to raise up to £10 million for further investment. There is no overall minimum subscription level and therefore the Offer will definitely proceed.

Investment Policy

Rensburg Aim VCT aims to maximise tax-free returns to Shareholders. The Directors intend that substantially all of the New Funds will be initially invested in FTSE 100 'blue-chip' equities and UK equity unit trusts managed by Rensburg Sheppards, short dated fixed-interest securities and bank deposits, as required for liquidity.

Within three years from the date of first allotment of the New Ordinary Shares, at least 70% of the New Funds should be invested in Qualifying AIM Companies, in accordance with the investment criteria below. The balance will continue to be invested in FTSE 100 'blue-chip' equities, UK equity unit trusts and short dated fixed-interest securities, all managed by Rensburg Sheppards.

Investment Criteria

Qualifying Investments will principally be in AIM Companies or companies that intend to join AIM within 12 months of the investment date. They will also usually satisfy most of the following criteria:

- a good track record;
- operate in growth markets;
- offer superior products or services compared with their competitors;
- sufficient funds to finance growth; and
- experienced, committed (in terms of share ownership and options) and balanced management teams.

Distribution Policy

Rensburg Aim VCT has paid cumulative distributions of 14 pence per Ordinary Share since it was launched and declared a further interim dividend of 1 pence per Share to be paid on 30 December 2005 to existing Shareholders. The policy of Rensburg Aim VCT will continue to be to maximise distributions to Shareholders. A privileged feature of a VCT is the ability to make distributions, including net realised capital profits, tax free to private investors. Distributions will usually be made on a half yearly basis in July and December each year.

The Directors intend, subject to legal and regulatory requirements and having sufficient cash resources, to make distributions to Shareholders of not less than 3 pence per Share per annum for a minimum of three years. This will represent a return of 6.3% to investors (net of 40% income tax relief on subscription), which is equivalent to a gross return of 10.4% to higher rate tax payers. This is not intended to be a profit forecast.

Share Buy Back Policy

The Company operates a policy of purchasing Shares in the market at a price equivalent to 90% of the Company's most recently published net asset value per Ordinary Share, subject to complying with legal and regulatory requirements and having sufficient cash resources. The maximum number of Shares that may be purchased by the Company in any year is 10% of the total number of issued Shares.

Tender Offer

Approximately three years after the closing date of the Offer, the Directors intend that the Company should, subject to legal and regulatory requirements and having sufficient cash resources, make a tender offer to all Shareholders to purchase up to 30% of the Ordinary Shares then in issue. It is intended that the Tender Offer would be at a price of not less than 90% of the published net asset value at the time. Investors who subscribe under the Offer will then have held their Shares for the necessary three years in order to retain their initial income tax relief.

Reasons for the Fund Raising

The Directors intend to raise the New Funds to:

- take advantage of the substantial flow of investment opportunities which is anticipated by the Manager, from both existing and new AIM Companies;
- further diversify the Company's portfolio of investments;
- participate in 'follow-on' investments in existing investee companies;
- spread the fixed costs of the Company over a larger number of Shares; and
- enable the Company to buy back its own Shares.

Reasons to Invest in this VCT

The Directors believe that the key reasons to invest in this VCT are:

- to receive a tax-free return of not less than 6.3 % per annum for a minimum of three years*;
- the buy back policy;
- the Tender Offer;
- the Company primarily invests in AIM Company shares and also 'blue-chip' equities;
- the Company is in the first quartile for performance of all VCTs launched in the 1999/2000 tax year;
- the Company has an experienced investment manager;
- the Company has an existing diversified portfolio of investments;

- there are substantial tax reliefs for individuals investing up to £200,000 in VCTs each tax year:
 - 40% income tax relief on the amount invested*;
 - dividends received by a Shareholder are tax free;
 - any capital gains on the disposal of shares are tax free; and
- this Offer will definitely proceed.

* net of 40% income tax relief for investments in the 2005/2006 tax year

Advantages of Investing in AIM Companies

In order to comply with VCT Rules, the Company must invest at least 70% of the New Funds in Qualifying Companies, which can comprise either AIM Companies or Unquoted Companies. Rensburg Aim VCT primarily invests in AIM Companies and currently holds £15 million in the ordinary shares of 43 AIM Companies.

AIM is one of the world's leading markets for smaller, growing companies (source: London Stock Exchange). As at 30 November 2005, there were 1,351 AIM Companies with a total market capitalisation of £50.9 billion. In the period from the launch of AIM in June 1995 up to the end of November 2005, £21.5 billion of capital has been raised (source: London Stock Exchange).

Tax Reliefs

The Company has obtained confirmation from HM Revenue & Customs that it qualifies as a venture capital trust. There are substantial tax benefits available for those investing in a VCT. The principal tax relief available in the 2005/2006 tax year is 40% income tax relief on the cost of investment. Under current legislation income tax relief is due to decrease to 20% in the 2006/2007 tax year. Investors claiming this relief must hold the New Ordinary Shares for at least three years to preserve the income tax relief.

The investor does not need to be a 40% taxpayer but must have a sufficient income tax liability to offset the relief against, otherwise the relief will be limited to that which would reduce the income tax liability to nil.

There are also three further tax benefits from investing in a VCT:

1. There is no tax on dividends.
2. There is no tax on any capital gain resulting from the sale of New Ordinary Shares made by investors subscribing under the Offer.
3. The Company itself suffers no tax on any capital gains arising from its own investments.

Directors

William Michael Cran (Chairman)
 Barry Aubrey Anysz
 Richard Godfrey Battersby
 Peter Charles Smart

The Manager

Rensburg Sheppards, as manager of Rensburg Aim VCT, is responsible for identifying and evaluating investment opportunities. Rensburg Sheppards' VCT management division (formerly known as Capital for Companies) was established in 1983. At 30 September 2005, Rensburg Sheppards plc had £11.7 billion under management.

Fees

Initial fee

The Manager has agreed to underwrite all the costs of the Offer (including commissions payable to financial intermediaries, which are a 3% initial commission or, alternatively, a 2% initial commission and 0.5% per annum for a maximum period of five years) in return for an amount equal to 5% of the gross proceeds of the Offer.

Annual fee

The Manager receives an annual management fee of 1.8% (excluding VAT) of the Company's net assets (for these purposes the net assets are treated as gross assets less current liabilities). The total annual running costs of the Company, including the fees to Rensburg Sheppards and Directors' fees, are capped, excluding any performance fee, by agreement with Rensburg Sheppards at 3.5% (excluding VAT) of the Company's net assets.

Performance fee

The Manager will receive 20% of any increase in the Company's net asset value per Ordinary Share (after adding back dividends) in excess of 6% per annum, multiplied by the weighted average number of Ordinary Shares in issue to take account of share issues and buy backs. The performance incentive will be based on the performance over a three year period commencing on 1 March 2006.

Subscription Details

The minimum individual subscription under the Offer is £5,000 and cheques must be received by the close of business on the day prior to the relevant allotment date. Subscriptions must be in multiples of £1,000. New Ordinary Shares will be allotted at 80 pence per New Ordinary Share, or otherwise in accordance with the Price Mechanism set out below. Fractions of a New Ordinary Share will not be allotted nor will any balance be refunded.

Price Mechanism

Recognising that the Company has an existing investment portfolio and in order to be fair to both existing and new Shareholders, New Ordinary Shares will be allotted by reference to the net asset value of the existing Ordinary Shares. Therefore, the Company will allot New Ordinary Shares at 80 pence per New Ordinary Share, being the unaudited net asset value per Ordinary Share at 14 December 2005 of 75.9 pence, plus 5%, being the costs of the Offer, rounded to the nearest whole pence.

If, however, the net asset value immediately preceding any allotment is more than 5% above or 5% below the net asset value at 14 December 2005 then the New Ordinary Shares will be allotted at the relevant net asset value plus 5%, rounded to the nearest whole pence.

If the price at which New Ordinary Shares are allotted is amended under the terms of the Price Mechanism then the Company will publish a supplementary prospectus which will be despatched to investors.

Investment Timing and Procedure

All applications for New Ordinary Shares will be dealt with on a strictly first come, first served basis. Applications received before 28 February 2006 from investors who are not existing Shareholders will be allotted an increased allocation of New Ordinary Shares equivalent to 1% of the amount invested. Existing Shareholders on the register at 31 December 2005 will be allotted a 2% increased allocation, providing their application is received before 28 February 2006.

The initial allotment date is 3 March 2006 and allotments will be on weekly basis thereafter until such time as the Offer is fully subscribed. Details of each allotment will be announced through a regulatory information service. Investors may subscribe to the Offer in either or both the 2005/2006 and 2006/2007 tax years. **Applications for the 2005/2006 tax year must be received by 12.00 noon on 4 April 2006.** As the Company is an existing VCT and the Offer will raise new funds for investment, there is no overall minimum subscription level and therefore the Offer will definitely proceed.

The Offer will close on 31 May 2006, unless fully subscribed at an earlier date. The Directors reserve the right, at their absolute discretion, to extend the final closing date of the Offer.

Listing of New Ordinary Shares and Allotment Details

Application has been made to the UK Listing Authority and to the London Stock Exchange for the New Ordinary Shares to be admitted to the Official List and to trading on the London Stock Exchange's market for listed securities. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence, three business days following each allotment.

All of the New Ordinary Shares will be in registered form. Following allotment, New Ordinary Shares may be transferred into a nominee account.

Risk Factors

The principal risks are summarised below:

- the value of equities can fall as well as rise;
- there is no guarantee that the market price of the Shares will fully reflect the net asset value;
- there is unlikely to be a liquid market in the Shares and it may prove difficult to realise an investment;
- investment in AIM Companies and Unquoted Companies may involve a higher degree of risk than investment in Official List companies and the realisation of such investments can be difficult;
- there may be constraints imposed on the realisation of investments in order to maintain the VCT status of the Company;
- there is no guarantee that the Company will continue to qualify as a VCT. Investors could therefore lose the tax reliefs previously obtained;
- the intention of the Company to buy back its Shares, to pay a minimum distribution and make the Tender Offer is subject to legal and regulatory requirements and having sufficient cash resources;
- the tax rules may change and such changes may be retrospective; and
- there can be no certainty that there will be sufficient deal flow.