

Amati AIM VCT plc Top Up Offer 2018/2019 and 2019/2020

INFORMATION DOCUMENT

**Offer for Subscription to raise up to
£7,000,000 by way of an issue of New
Shares in the Company**



Finely crafted investments

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this document, you should seek your own financial advice from a person authorised under the Financial Services and Markets Act 2000 ("FSMA").

Your attention is drawn to the Risk Factors set out on pages 5 to 6 of this document.

This document (the "Information Document"), which is a financial promotion and not a prospectus, is issued by the Company and has been approved for the purposes of section 21 of the Financial Services and Markets Act 2000 by Amati Global Investors Limited ("Amati", the "Investment Manager" or "Manager"), which is authorised and regulated by the Financial Conduct Authority ("FCA") (registration number FRN198024), on behalf of the Company. Any decision to invest in the Company should be based on a reading of the whole of this document.

This document contains details of invitations to apply to subscribe for shares in the Amati AIM VCT's Top Up Offer for tax years 2018/2019 and 2019/2020 (the "Offer") for new ordinary shares (the "New Shares") in the Company. If all the securities have been sold or transferred by the addressee this Information Document and any other relevant documents should be passed to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Offer is not being made, directly or indirectly, in or into the United States, Canada, Australia, Japan or the Republic of South Africa or their respective territories or possessions, and documents related to the Offer should not be distributed, forwarded or transmitted in or into such territories. The New Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) or the US Investment Company Act of 1940 (as amended) or the US Investment Advisers Act of 1940 (as amended) and may not be offered, sold or delivered, directly or indirectly, in or into the United States, Canada, Australia, Japan or the Republic of South Africa.

Amati is acting exclusively for the Company in connection with the Offer and will not be responsible to anyone other than the Company for providing the protections afforded to clients in accordance with the rules of the FCA or for advising any such person in connection with the Offer.

Application will be made to the UK Listing Authority for all the New Shares issued to be admitted to the premium segment of the Official List of the UK Listing Authority (the "Official List"). Application will also be made to the London Stock Exchange for all such shares to be admitted to trading on the London Stock Exchange's Main Market for Listed Securities. It is expected that admission of those shares will become effective and dealings will commence no later than 10 business days following allotment.

In this document Amati AIM VCT plc is referred to as "Amati AIM VCT" or the "Company".

This document can be viewed on Amati's website, www.amatiglobal.com, and can be requested free of charge by calling Amati Global Investors on 0131 503 9115, or by sending an email request to info@amatiglobal.com

The Terms and Conditions are set out on pages 21 to 25 of this document, together with the application procedure and a Subscription Form for use in connection with the Offer. The minimum application per investor is £4,000 per tax year. Existing shareholders are not subject to the minimum subscription requirement per investor of £4,000 per tax year in respect of any shares subscribed for in accordance with their pre-emption entitlement. These applications are subject to and restricted by the rules governing non-prospectus offers, which place strict limits and constraints on the capacity and timing of allotments made during the share issuance period. While Amati will use its reasonable endeavours to manage the allotment process fairly and efficiently, it cannot guarantee that shares in respect of successful applications will be allotted at the earliest opportunity during the relevant tax year or at all.

Applications from existing shareholders will be prioritised for the first two weeks of the Offer period (i.e. up to 18 February 2019). During this period, existing shareholders in the Company ("Shareholders") will receive their full requested allocation insofar as the capacity of the Offer allows. Should the Offer be fully or over-subscribed during this initial period, existing shareholders will be guaranteed their pre-emption entitlement, which will be determined in proportion to the number of shares held. Once demand from existing shareholders applying during this initial period is satisfied, all further applications will be processed on a first come, first served basis, subject to the discretion of the Directors.

In the event that the Offer is oversubscribed your allocation may be scaled back or your application form may be returned without being processed.

The Company's share allotment capacity under the Offer is linked to the Net Asset Value of the Company and the prevailing EUR/GBP exchange rate, and will therefore vary through the course of the Offer. Updated information on allotment capacity will be provided via Amati's website as the Offer proceeds. In no circumstances will the Company allot or issue shares which would require it to publish a prospectus and will instead close the Offer.

The completed Subscription Form should be sent by post or delivered by hand to the address below to arrive no later than 12:00 on Thursday 4 April 2019 in respect of the 2018/2019 tax year and 12:00 on Friday 12 July 2019 in respect of the 2019/2020 tax year. The Directors may at their discretion close the Offer earlier than indicated or decide to extend the Offer.

Share Registrars Limited
The Courtyard
17 West Street
Farnham
Surrey
GU9 7DR

Issued: 1 February 2019

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TIMETABLE

Offer opens	1 February 2019
Latest date for the exercise of pre-emption rights by Shareholders	18 February 2019
Applications close in respect of tax year 2018/2019	12:00 on Thursday 4 April 2019
Applications close in respect of tax year 2019/2020	12:00 on Friday 12 July 2019
Expected allotment dates in respect of tax year 2018/2019*	Monday 11 March 2019 Monday 25 March 2019 Friday 5 April 2019
Expected allotment dates in respect of tax year 2019/2020*	Monday 20 May 2019 Monday 17 June 2019 Monday 15 July 2019
Listing and dealings commence	Within 10 business days of allotment
Share certificates issued	Within 10 business days of allotment

The Offer will close earlier than indicated in respect of each tax year if the maximum subscriptions are received. Amati cannot guarantee a specific allotment date during the relevant tax year and applications which cannot be satisfied at one allotment date will be held for processing until a later allotment date. The Offer may also be extended at the discretion of the Directors.

The Company reserves the right to decline to allot New Shares if an investor's funds have not cleared by the date of an allotment. Please therefore make sure that your application and payment arrive at Share Registrars well in advance of the relevant allotment date, so as to ensure that your funds have cleared in Share Registrars' bank account by, at the latest, the date of allotment.

Amati Global Investors Limited, Share Registrars Limited and Amati AIM VCT plc will not bear any responsibility if your application is not processed or your shares are not allotted due to uncleared funds.

* All shares allotted and issued will rank pari passu for dividends and all other purposes with effect from the date of issue. The shares may be held in uncertificated form.

DETAILS OF THE OFFER

Issue Costs for new investors	3%
Issue Price for new investors	Last published net asset value per share, divided by 0.97
Issue Costs for existing Shareholders and applications via authorised financial intermediaries	1%
Issue Price for existing Shareholders and applications via authorised financial intermediaries	Last published net asset value per share, divided by 0.99.
Adviser Charging	Fees for initial advice can be facilitated through the application process.
Trail commission in respect of applications via authorised financial intermediaries acting in an execution only capacity (off-platform)	0.375% paid by the Manager for five years.
Minimum Subscription Level	£4,000 per tax year*
Issue Capacity	Up to £7 million, managed under the non-prospectus rules. Capacity is limited and applications will be accepted on a first come, first served basis, subject to the discretion of the Directors.
Minimum size of the Offer	There is no minimum size of the Offer, as the VCT is already well established.
Annual Management Fee	1.75% of net assets
Ongoing Charges Figure (unaudited)	1.93% of net assets
Annual cap on running costs	3.5% of net assets
Performance Fees	Nil

For full details please see the Terms and Conditions on pages 21 to 25.

* Existing shareholders whose applications are received on or before 18 February 2019 are not subject to the minimum subscription requirement in respect of any shares subscribed for in accordance with their pre-emption entitlement.

RISK FACTORS

The risk factors set out below are those which are considered by the Directors to be material to the Offer and the Company at the date of this document and which the Directors believe investors should consider prior to making any decision to invest in the Company. Additional risks and uncertainties relating to the Company and/or the Offer that are not currently known to the Directors or that the Directors do not currently consider material may also have a material adverse effect on the Company and the market price of the shares issued by the Company.

Any decision to invest in the Company should be based on the consideration of this document as a whole by an investor. An investment in the Company is only suitable for investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which might result from such investments.

Investment in the Company should be regarded as long term in nature and is not suitable for all individuals. Potential investors should consult a suitably qualified financial adviser authorised under the FSMA before deciding whether to, and how much to, invest in the Company.

General and Market Risks

There can be no certainty that the investment objectives of the Company will be achieved or that suitable investment opportunities will be available.

The market price of the ordinary shares in the Company (the "Ordinary Shares") may not fully reflect their underlying net asset value ("Net Asset Value" or "NAV"). The value of an investment may go down as well as up and an investor may get less than the amount invested, even taking into account the available tax reliefs and the value of any dividends received.

The past performance of the Company or other funds managed or advised by Amati is not necessarily a guide to the future performance of the Company. The value of the investment and the dividend stream can rise or fall. An investor may lose his or her entire investment and his or her capital is at risk.

Although the Ordinary Shares will be listed on the premium segment of the Official List and admitted to trading on the London Stock Exchange, it is possible that there may not be a liquid market in the Ordinary Shares and Shareholders may have difficulty in selling their Ordinary Shares.

The ability of the Company to manage the discount to NAV at which the shares trade through share buybacks is dependent on the availability of cash and distributable reserves. In the absence of such buybacks, it is likely that there will not be a liquid market in the Ordinary Shares, and Shareholders may only be able to realise their investment at a wide discount to NAV per share or may not be able to sell at all. In addition, the ability of the Company to buy back shares may be affected by the Company's requirements in relation to financing its target annual dividend payments (please see "Dividend Policy and Share Buyback Risks" below).

The rules relating to qualifying investments ("Qualifying Investments"), as set out in the Income Tax Act 2007 as amended ("ITA"), are complex and restrictive, and are aimed at steering the Manager to invest in smaller, more immature businesses. These companies are less likely to have multinational markets and, as a result, may be more exposed to national economic cycles rather than global economic cycles. This raises the overall risk profile of the investment portfolio. The rules relating to Qualifying Investments have changed in the past and may change again in the future.

In relation to unquoted companies, proper information for determining the value of the Company's underlying investments, or the risks to which they are exposed, may not be available.

The negotiations on the terms of the UK's withdrawal from the EU and the framework for the future relationship between the UK and the EU have been complex and protracted. There remain various possible outcomes, each of which has financial, economic and political implications and which will inevitably affect capital markets. It is not known to what extent any final dispensation will affect the regulation of VCTs in the future, but it may lead to a period of regulatory uncertainty and market instability and thus have an adverse impact on the value of the investments of the Company.

Tax Related Risks

The tax rules or their interpretation in relation to an investment in the Company and/or rates of tax may change during the life of the Company. Investors must hold their shares for at least five years to qualify for income tax relief, otherwise the initial tax relief can be withdrawn.

There can be no certainty that the Company will maintain full VCT status. **If the Company ceases to retain approval as a VCT before qualifying subscribers have held their Ordinary Shares for five years, any income tax relief obtained will have to be repaid.**

A VCT may lose its VCT status if it ceases to comply with the VCT rules. New rules and conditions have been introduced in recent years (under the Finance (No. 2) Act 2015 and the Finance Act 2018) with the intention of ensuring that state aided funding is fully compliant with EU competition rules and to establish the overriding principle that such funding is used primarily for the growth and development of a qualifying business activity. This legislative activity is designed to ensure that VCTs target investment at innovative growth companies at a relatively early stage of development, and therefore new investments made since the changes are likely to be higher risk on average than investments which pre-date them.

A new “risk to capital” condition has been introduced for Qualifying Investments and HMRC is adopting a “principles-based approach” in accepting applications for Advance Assurance, which will streamline the application process by excluding investments structured so as to provide a low risk return. A consequence of this approach, however, is that the pool of assets available to VCTs may become smaller and more competitive. Further, there is a risk that it may be more difficult for the Manager to predict in advance which investments will receive pre-clearance and which investments that may have been qualifying under the old regime would qualify under the new regime. The potential penalty for making a non-qualifying investment is the loss of VCT status. HMRC is encouraging VCTs to make investments without seeking Advance Assurance, and have confirmed that VCT status will not be withdrawn where a VCT has taken reasonable steps to establish that an investment is a qualifying holding, but where HMRC ultimately disagrees. It may however be necessary to dispose of the qualifying investment.

Currently shares traded on AIM benefit from certain tax advantages, which may take them outside inheritance tax relief for many taxpayers, for example Business Property Relief. If that tax relief were to be withdrawn then it might have a material adverse impact on the value of the investments of the Company independent of the fundamentals of the companies in its portfolio.

Under section 264A of the Income Tax Act 2007, relief on subscription shares in a VCT is restricted where, within six months (before or after) of that subscription, the investor had disposed of shares in the same VCT or a VCT which has merged with that VCT, or where it is known that the VCTs intend to merge, or if there is a contractual link between the subscription and disposal. Shareholders and potential investors should therefore be aware that if they dispose and subscribe for shares in such circumstances then they may suffer withdrawal of VCT relief.

Dividend Policy and Share Buyback Risks

Legislative changes relating to the Company's ability to pay dividends from distributable reserves, including those introduced in the 2014 Finance Act preventing VCTs returning capital subscribed by investors within 3 years of the end of the accounting period in which the shares were issued (in respect of shares issued post 5 April 2014), could remove or impair the Company's ability to pay a dividend of 5-6% of year end NAV as per its Dividend Policy (see page 17).

The absence or diminution of distributable reserves could prevent the Company from continuing its current buyback and/or dividend distribution policy.

Fund Manager Risks

The performance of the Company depends on the investment performance of the Manager which in turn is dependent upon the performance and continued availability of certain key personnel.

LETTER FROM THE CHAIRMAN OF AMATI AIM VCT

Amati AIM VCT plc

Incorporated in England and Wales under the Company Act 1985.

Registered number: 04138683

Directors

Peter Lawrence (Chairman)

Julia Henderson

Mike Killingley

Susannah Nicklin

Brian Scouler

Registered office:

27-28 Eastcastle Street,
London,
W1W 8DH

Dear Investor,

We are pleased to offer both existing shareholders and potential new investors the opportunity to subscribe for shares in the Amati AIM VCT Top Up Offer for tax years 2018/2019 and 2019/2020.

Resulting from the merger of two long established venture capital trust ("VCT") funds managed by Amati Global Investors, the current portfolio of Amati AIM VCT (the "Company") offers investors exposure to a well-diversified portfolio of small and medium sized businesses while benefitting from tax reliefs available to VCT shareholders. All of the material holdings are quoted on AIM, giving the portfolio price transparency and allowing the Manager to publish a marked-to-market NAV every week. AIM has become one of the world's most successful stock markets for companies valued at less than £500m. Even with the criteria for qualifying investments having been tightened significantly over the last few years, a healthy number of opportunities to make new qualifying investments have been presented.

The Directors expect that the Manager will continue to find a significant number of new qualifying investment opportunities of suitable quality and potential on AIM each year and have considered the funding requirements of the Company which would best support this, taking into account any likely sale of shares from the current portfolio on the one hand as against share buybacks, dividend payments and running costs on the other. By raising additional funds for new investments, rather than simply selling existing holdings, the Directors believe that the Company can continue to benefit further from the maturity and resilience of some of the older investments, whilst at the same time allowing the portfolio to continue to grow and develop.

The current Top Up Offer is designed to allow the Company to raise new funds during the first half of 2019 in a timely and low-cost fashion. The Offer will be managed in accordance with the rules governing non-prospectus share offers, which limits its size to EUR 8m (approx. £7m as at the date of publication). In the longer term, assuming that investment opportunities continue to emerge and demand for VCT shares continues, the Board would hope to return to the format of a Prospectus-based offer.

Amati AIM VCT qualifies for the tax reliefs available to VCT investors, and in order to do so it follows the detailed rules contained in the Income Tax Act 2007 and all of the subsequent amendments. This legislation obliges VCTs to focus their investment activity principally on making "qualifying investments" which have to meet a series of stringent conditions. In practice this means that VCT funds are deployed in companies which are at an earlier stage of development than those in which an unconstrained smaller companies fund would generally invest. Nevertheless, the VCT has no obligation to sell, as once a qualifying investment is made, it will normally remain qualifying for as long as it remains either private or is quoted on the Alternative Investment Market ("AIM"). As a consequence, a proportion of these investments should mature into much larger enterprises over time, which provides balance for the portfolio.

The Company currently holds 9-10% of its net assets in a single non-qualifying investment, the TB Amati UK Smaller Companies Fund, which along with holding cash, is allowed under the legislation. All of the other investments are in qualifying holdings, which date back as far as 2002 and which leaves the Company well placed to meet the increase in the required level of qualifying holdings under the legislation from 70% to 80% from April 2019. All new investments are likely also to be in qualifying holdings, which are made when companies that meet the current set of tests under the VCT legislation issue new shares to raise money. Given that Amati AIM VCT is focused almost exclusively on the AIM market, its ability to make new investments is limited by the number of qualifying companies of suitable quality that raise money on AIM. Due to these restrictions, if the Company chooses to sell shares in such companies, it would not be able to buy them back; as a result, the Company tends to be – and wishes to remain – a long term investor.

The form to apply for subscription is on page 29 (the "Subscription Form").

The Directors believe that Amati AIM VCT represents an attractive investment proposition for the following reasons:

- (i) subscribers for new shares in the Company benefit from the strength and depth of the maturing portfolio of companies built up over many years (see pages 13 to 14);
- (ii) the Fund Manager has an impressive track record of being able to identify the most promising early-stage growth companies on AIM and has been recognised through numerous industry awards over recent years for UK smaller company investment;
- (iii) Non-Qualifying investment is principally made in the TB Amati UK Smaller Companies Fund, which means that cash surplus to short term requirements can be productively employed through investment in small and mid-sized UK companies in a portfolio managed by the Fund Manager;
- (iv) the liquidity offered by AIM reduces risks for shareholders and means that the Manager does not need to hold significant amounts of cash for follow-on and new investments, as cash over and above that held on deposit or in the TB Amati UK Smaller Companies Fund could generally be raised at short notice from the existing portfolio if necessary;
- (v) the dividend policy of the Company is to pay dividends twice a year currently totalling 5% - 6% of year end NAV (equivalent to 6.9% - 8.3% tax free yield after and taking into account the full 30% initial income tax relief available to subscribers, and adjusting for the maximum up-front costs of 3%); such dividend payments are subject to the Company having sufficient working capital, distributable reserves and cash receipts in the period; no profit forecast or guarantee of income or dividends is to be inferred or implied from this statement;
- (vi) the Company maintains a share buyback programme which, subject to the availability of distributable reserves and the Company's cash requirements, provides liquidity for Shareholders who wish to sell shares (such sales are carried out on the London Stock Exchange at market price, which is typically set at a discount of between 6% to 9% to the prevailing net asset value per share; Shareholders need to instruct a stockbroker to arrange the transaction);
- (vii) Amati Global Investors brings together an award winning team of highly experienced investment professionals focusing on smaller companies listed on AIM and the Main Market of the London Stock Exchange. The fund managers and staff at Amati and the Directors of the Company have significant shareholdings in the Company.

Pre-emption Rights for Existing Shareholders

Applications from existing shareholders will be prioritised for the first two weeks of the Offer period (i.e. up to 18 February 2019). During this period existing shareholders will receive their full requested allocation, insofar as the capacity of the Offer allows. Should the Offer be fully or over-subscribed during this initial period, existing shareholders will be guaranteed their pre-emption entitlement, which will be determined in proportion to the number of shares held. Once demand from existing shareholders who have applied during this initial period is satisfied, all further applications will be processed on a first come, first served basis, subject to the discretion of the Directors.

Dividend Reinvestment Scheme

The Company operates a dividend reinvestment scheme ("Dividend Reinvestment Scheme") to enable Shareholders to use all of their dividends to subscribe for further Ordinary Shares, in lieu of cash, in the Company in a cost effective manner. The price at which the Ordinary Shares are issued is the Net Asset Value per share at a date as close as possible to the dividend payment date. The Company bears all the costs of operating the Dividend Reinvestment Scheme. Dividend reinvestment enables Shareholders to increase their total holding in the Company without incurring dealing costs, issue costs or stamp duty. Subject to the limits on investments in VCTs, any shares issued in lieu of a cash dividend would qualify for the same tax reliefs that are applicable to shares issued under the main Offer. **Please note, however, that shares subscribed for under dividend reinvestment schemes count towards the annual limit of £200,000 for tax reliefs granted to VCT investors so please consider your overall position carefully.** Shareholders wishing to participate in the Dividend Reinvestment Scheme in respect of New Shares issued to them under the Top Up Offer should tick the relevant boxes in Section 8 of the Subscription Form. The terms of the Dividend Reinvestment Scheme are available on Amati's website (www.amatiglobal.com) or you can contact Amati by telephone on **0131 503 9115** or by email at **info@amatiglobal.com**. Please note that any instruction given in respect of the Dividend Reinvestment Scheme will also be applied to any existing holdings in the Company.

Key Information Document

The Company is required to publish a Key Information Document (KID), which sets out the key features, risks, potential future performance and costs of PRIIPs (Packaged Retail and Insurance-based Investment Products). This document is available at Amati's website: www.amatiglobal.com.

Risk Factors

Persons considering acquiring Ordinary Shares in the Company are referred to the Risk Factors set out on pages 5 to 6 of this document.

Action to be taken

Before making a decision to invest in the Company, we recommend that you seek advice from a financial adviser authorised under the FSMA. If you have any questions about the application process, please contact Share Registrars Limited on **01252 821390** or email **AmatiOffer@shareregistrars.uk.com**. The investment managers at Amati also welcome calls from existing and prospective investors and can be contacted on **0131 503 9115**. The suitability (or otherwise) of any investment in the Company will depend on your individual circumstances and neither Amati nor Share Registrars Limited will be able to provide investment advice in connection with the Company or the Offer.

Yours faithfully,

Peter Lawrence, Chairman
Amati AIM VCT plc

FURTHER INFORMATION

INVESTOR RETURNS

The figures in this section are an indication of past performance. **Past performance is not a reliable indicator of future performance.** The information has been compiled by Amati from its own records and is based on the time periods indicated on each table and graph.

The following table shows the NAV Total Return performance of Amati AIM VCT over certain periods to 31 December 2018 (and assuming that dividends are reinvested on the ex-dividend date), together with a comparison against the Numis Alternative Markets Total Return Index.

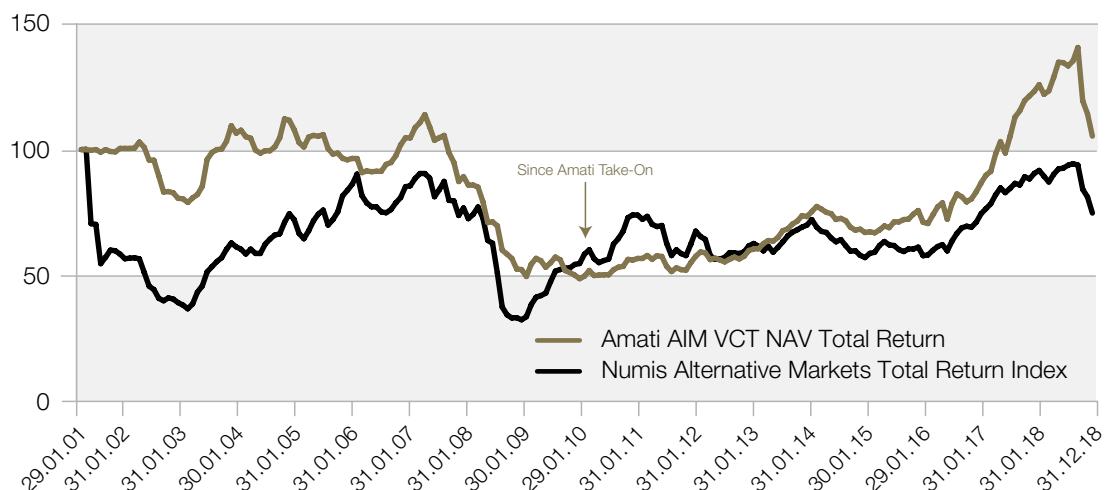
Time Period	*Since Take-on (25 March 2010)				**Since Launch
		1 yr	3yr	5yr	
NAV % Total Return	108.9	(14.5)	39.2	43.0	5.4
Index % Total Return	27.5	(17.5)	22.2	8.1	(25.3)
Performance Relative to Index %	81.4	3.0	16.9	34.9	30.7

* Take-on of management contract by the Manager: 25 March 2010

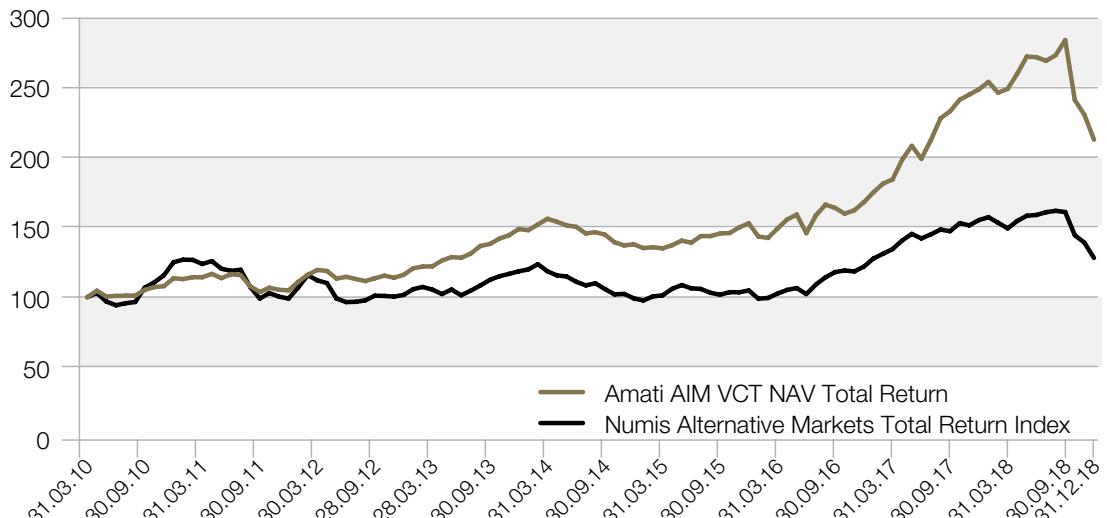
** Launch: 29 January 2001

The following graphs show the NAV Total Return performance of Amati AIM VCT to 31 December 2018, both since its inception as Singer & Friedlander AIM VCT 3 in 2001 and since the change of manager to Amati on 25 March 2010.

Since inception:



Since change of manager to Amati:



The following table shows historic returns to 31 December 2018 attributable to shares issued by the original VCTs which have made up Amati AIM VCT, prior to being managed by Amati:

	Launch date	NAV total return with dividends re-invested (%)	NAV total return with dividends not re-invested (%)	Numis Alternative Markets Total Return Index (%)
Singer & Friedlander AIM 3 VCT ('C' shares)	4 April 2005	15.6	3.9	4.1
Invesco Perpetual AIM VCT	30 July 2004	2.3	(17.8)	27.5
Singer & Friedlander AIM 3 VCT*	29 January 2001	5.4	(5.2)	(25.3)
Singer & Friedlander AIM VCT	28 September 1998	(44.9)	(27.5)	16.1
Singer & Friedlander AIM 2 VCT	29 February 2000	(19.3)	(27.0)	(61.9)
Amati VCT	24 March 2005	85.0	51.9	0.3

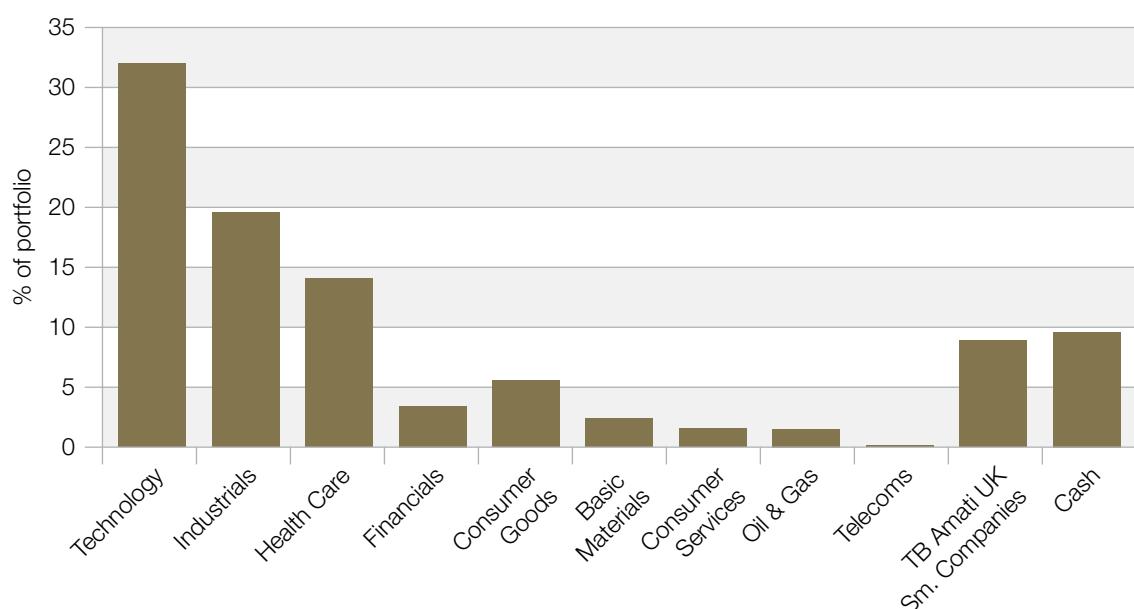
* Singer & Friedlander AIM 3 VCT changed its name to ViCTory VCT on 22 February 2006, to Amati VCT 2 on 8 November 2011 and to Amati AIM VCT on 4 May 2018.

INVESTMENT PORTFOLIO

As at 31 December 2018 the investment portfolio of Amati AIM VCT consisted of shares and convertible loans in 65 companies (see pages 13 to 14 for the full list of holdings). Given that the Company, as advised by the Manager, follows an active investment style, the constituent investments and the weightings between the sectors within the portfolio are constantly under review and may change at any time in the event that the Manager considers it necessary or prudent. The unaudited net asset value of an Ordinary Share in the Company as at 31 December 2018 was 135.90p.

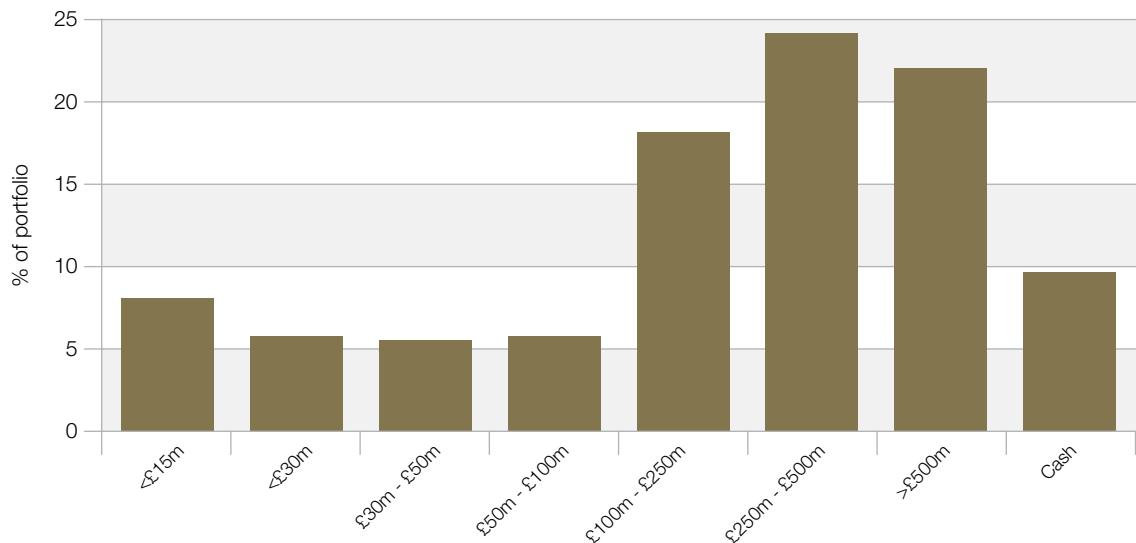
Sector Analysis

The portfolio of investments in the Company as at 31 December 2018 is analysed in the graph below by sector and also gives the percentage of NAV represented by the TB Amati UK Smaller Companies Fund:



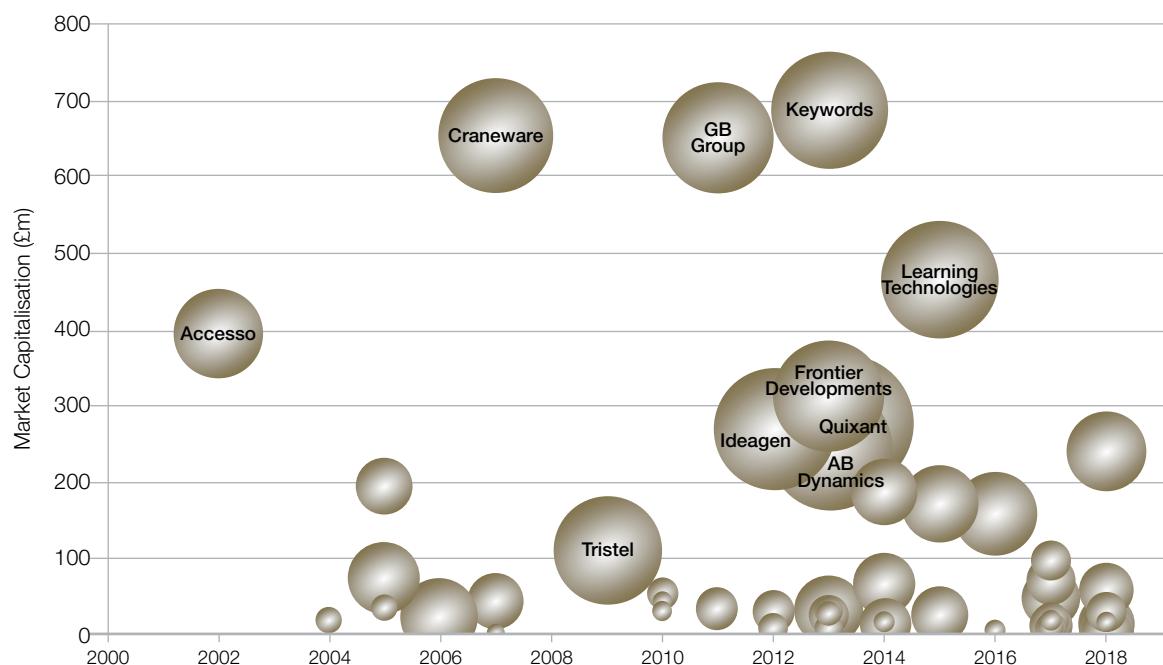
Market Capitalisation Analysis

The portfolio of investments in the Company as at 31 December 2018 is analysed in the graph below by market capitalisation:



Qualifying Portfolio Analysis

The portfolio of qualifying investments in the Company as at 31 December 2018 is analysed in the graph below by date of initial investment and market capitalisation. The size of the circles represents the relative size of the holdings in the portfolio by value. The top ten qualifying portfolio companies are labelled. The dates of investments in securities held solely by Amati VCT plc prior to the merger with Amati VCT 2 plc in May 2018, are given as the dates those securities were acquired by the Company pursuant to the merger.



As at 31 December 2018 the average weighted market capitalisation of qualifying investments held by the Company was £262 million.

Investment Portfolio

The following table shows the investment portfolio of the Company as at 31 December 2018, excluding holdings valued at nil.

Company	Sector	Type	Book Cost* £'000	Market Value £'000	% of NAV
TB AMATI UK SMALLER COMPANIES FUND	Financials	Equity	9,317	10,489	9.0%
AB DYNAMICS	Industrials	Equity	3,753	9,018	7.8%
QUIXANT	Technology	Equity	4,196	6,361	5.5%
IDEAGEN	Technology	Equity	3,303	5,806	5.0%
KEYWORDS STUDIOS	Industrials	Equity	5,174	5,438	4.7%
LEARNING TECHNOLOGIES	Industrials	Equity	5,078	5,344	4.6%
CRANEWARE	Technology	Equity	3,899	5,156	4.4%
FRONTIER DEVELOPMENTS	Consumer Goods	Equity	4,698	4,987	4.3%
GB	Technology	Equity	3,203	4,761	4.1%
TRISTEL	Health Care	Equity	3,290	4,426	3.8%
TOP TEN			45,911	61,786	53.2%
ACCESSO TECHNOLOGY	Technology	Equity	221	3,162	2.7%
LOOPUP	Technology	Equity	2,577	2,688	2.3%
CREO MEDICAL	Health Care	Equity	1,613	2,503	2.2%
HARDIDE	Basic Materials	Equity	2,361	2,351	2.0%
PREMIER TECHNICAL SERVICES	Industrials	Equity	2,141	2,290	2.0%
ANPARIO	Health Care	Equity	1,829	2,023	1.7%
WATER INTELLIGENCE	Industrials	Equity	1,218	1,890	1.6%
FAIRFX	Financials	Equity	1,137	1,770	1.5%
SCIENCE IN SPORT	Consumer Goods	Equity	1,956	1,589	1.4%
AMRYT PHARMA	Health Care	Equity	1,563	1,445	1.2%
TOP TWENTY			62,526	83,498	71.8%
FALANX	Industrials	Equity	1,350	1,350	1.1%
BILBY	Industrials	Equity	1,681	1,293	1.1%
POLAREAN IMAGING	Health Care	Equity	1,200	1,286	1.1%
BROOKS MACDONALD	Financials	Equity	1,154	1,262	1.1%
ANGLE	Health Care	Equity	1,615	1,228	1.1%
SRT MARINE SYSTEMS	Technology	Equity	1,174	1,174	1.0%
I-NEXUS	Technology	Equity	2,500	1,108	1.0%
IXICO	Health Care	Equity	1,409	1,107	1.0%
ROSSLYN DATA TECHNOLOGIES	Technology	Equity	947	1,104	0.9%
BLOCK ENERGY	Oil & Gas	Equity	1,500	975	0.8%
ONCIMMUNE	Health Care	Equity	1,013	917	0.8%
FUSION ANTIBODIES	Health Care	Equity	1,444	698	0.6%
BELVOIR LETTINGS	Financials	Equity	783	693	0.6%
MYCELX TECHNOLOGIES	Oil & Gas	Equity	645	687	0.6%
BONHILL	Consumer Services	Equity	670	662	0.6%
SOLID STATE	Industrials	Equity	520	608	0.5%
MAXCYTE	Health Care	Equity	820	588	0.5%
ESCAPE HUNT	Consumer Services	Equity	752	531	0.5%
BYOTROL	Basic Materials	Equity	859	425	0.4%
BRADY	Technology	Equity	395	415	0.4%
UNIVERSE	Industrials	Equity	488	395	0.3%
PROPERTY FRANCHISE	Financials	Equity	352	325	0.3%

Company	Sector	Type	Book Cost* £'000	Market Value £'000	Market Value % of NAV
EU SUPPLY	Technology	Equity	532	301	0.3%
VELOCITY COMPOSITES	Industrials	Equity	820	270	0.2%
BRIGHTON PIER	Consumer Services	Equity	489	265	0.2%
SYNECTICS	Industrials	Equity	342	253	0.2%
FIREANGEL SAFETY TECHNOLOGY	Industrials	Equity	690	251	0.2%
MIRRIAD	Technology	Equity	834	191	0.2%
NETCALL	Technology	Equity	110	184	0.2%
DODS	Consumer Services	Equity	596	180	0.2%
APPSCATTER	Technology	Equity	591	173	0.1%
DIURNAL	Health Care	Equity	1,440	158	0.1%
GENEDRIVE	Health Care	Equity	442	156	0.1%
ILIKA	Technology	Equity	265	112	0.1%
ANTENOVA	Telecommunications	Equity	0	81	0.1%
ANTENOVA	Telecommunications	Preference Shares	100	47	0.0%
ALLERGY THERAPEUTICS	Health Care	Equity	29	36	0.0%
SABIEN TECHNOLOGY	Industrials	Equity	408	13	0.0%
TOTAL INVESTMENTS			93,484	104,996	90.3%
NET CURRENT ASSETS				11,330	9.7%
NET ASSET VALUE				116,325	100%

* Book costs should be treated with caution, since partial sells may have been made since the initial investments and thus the comparison with market values may not give an accurate indication of capital gains or losses.

THE DIRECTORS

The Company's Board comprises five Directors, all of whom are non-executive and independent of the Manager. Although the management of the Company's portfolio has been delegated to the Manager, the Directors retain overall responsibility for the Company's affairs. The Articles of Association of the Company (the "Articles") require the Directors to notify the Company of any interest they may have which may potentially conflict with their duties to the Company, and allow the independent Directors (those Directors who do not have a conflict of interest) to authorise any potential conflict which a Director may have.

A short biography of each of the Directors is set out below:

Peter Lawrence joined the Board in May 2018 and is chairman of the Company. He is currently also chairman of ECO Animal Health Group plc, an AIM-traded company which he founded in 1972. He is also chairman of Baronsmead Venture Trust plc and of Anpario plc, which is also traded on AIM. He is a director of Algatechnologies Limited, which is backed by private equity. Peter was chairman of Amati VCT plc prior to the merger with Amati AIM VCT plc.

Julia Henderson joined the Board in May 2018. She has specialised in advising quoted and unquoted companies for over thirty years. Her corporate finance career began at ANZ Merchant Bank after which she became a co-founder of Beeson Gregory Limited, a mid-market investment bank. Since 2004 she has been an independent consultant, chairman and non-executive director to companies across a broad range of sectors. Previous non-executive directorships include ECO Animal Health Group plc, GTL Resources plc, Alkane Energy plc, and TP Group plc. She was a director of Amati VCT plc prior to the merger with Amati AIM VCT plc.

Mike Killingley joined the Board in February 2006. He is a former non-executive chairman of a number of AIM and listed companies, including Beale plc, Southern Vectis plc, Conder Environmental plc and Advanced Technology (UK) plc, and a former non-executive director of AIM-quoted Falkland Islands Holdings plc. He was a senior partner with KPMG, chartered accountants, from 1988 until retiring from the firm in 1998; he is the chairman of the audit committee of the Company.

Susannah Nicklin joined the Board in May 2016. She is an investment and financial services professional with 20 years of experience in executive roles at Goldman Sachs and Alliance Bernstein in the US, Australia and the UK. She has also worked in the social impact private equity sector with Bridges Ventures and the Global Impact Investing Network. Susannah is a non-executive director and senior independent director at Pantheon International plc, a non-executive director and senior independent director of City of London Investment Group plc, a non-executive director of the North American Income Trust and a non-executive director of Baronsmead Venture Trust plc. She holds the Chartered Financial Analyst credential from the CFA Institute.

Brian Scouler joined the Board in May 2018. He spent 25 years in Private Equity with Charterhouse, Royal Bank of Scotland and Dunedin. He has wide experience of buying and selling private companies and investment portfolio management, sitting on numerous investee company boards. He was formerly manager of a quoted investment trust and a member of the steering committee of LPEQ, the listed private equity group. He is a Chartered Accountant with a number of non-executive and advisory appointments. He was a director of Amati VCT plc prior to the merger with Amati AIM VCT plc.

THE MANAGER

Amati Global Investors Limited is the investment manager to the Company. Incorporated in Scotland, Amati is 51% owned by Amati Global Partners LLP which was co-founded by Paul Jourdan in 2009 to effect the management buyout of Noble Fund Managers Limited. The remaining 49% of Amati is owned by Mattioli Woods plc. In addition to Amati AIM VCT, Amati manages the TB Amati UK Smaller Companies Fund and the Amati AIM IHT Portfolio Service. Amati is a Tier 1 signatory to the UK Stewardship Code and a signatory to the UN-supported Principles for Responsible Investment (PRI).

THE VCT INVESTMENT MANAGEMENT TEAM

Dr Paul Jourdan, David Stevenson and Anna Wilson are the principal fund managers responsible for the investment portfolio. Details on these individuals are set out below:

Dr Paul Jourdan co-founded Amati Global Investors following the management buyout of Noble Fund Managers from Noble Group in January 2010, having joined Noble in 2007 as Head of Equities. His fund management career began in 1998 with Stewart Ivory, where he gained experience in UK, emerging market and global equities. In 2000, Stewart Ivory was taken over by First State and Paul became manager of what is now TB Amati UK Smaller Companies Fund. In 2004, he was appointed Head of UK Equities at First State. In early 2005, he launched Amati VCT plc and then also became manager of Amati VCT 2 plc after the investment management contract moved to Amati Global Investors in 2010. Prior to 1998, Paul worked as a professional violinist, including a four-year period with the City of Birmingham Symphony Orchestra. He currently serves as a director of Sistema Scotland, a Scottish registered charity, and also as a trustee of Clean Trade, a charity registered in England and Wales.

David Stevenson joined Amati in 2012. In 2005 he was a co-founding partner of investment boutique Cartesian Capital, which managed a range of retail and institutional UK equity funds in long only and long/short strategies. Prior to that he was Assistant Director at SVM, where he also managed equity products including the UK Opportunities small/midcap fund, which was ranked top decile for the 5 year period from inception to 2005. David started his career at KPMG where he qualified as a Chartered Accountant. He latterly specialised in corporate finance, before moving into private equity with Dunedin Fund Managers. David has co-managed both the TB Amati UK Smaller Companies Fund and Amati AIM VCT since 2012, and the Amati AIM IHT Portfolio Service since 2014.

Anna Wilson (previously Anna Croze) is an experienced fund manager specialising in UK equities. Anna joined the Amati team in 2018 from Adam and Company, where she led research for the PAM-award winning wealth manager. She brings her expertise in running the successful AIM-listed portfolio service to Amati as well as a breadth of experience in managing substantial OEICs, private client and charity portfolios. She co-managed the Adam Worldwide Fund and the Stewart Ivory Investment Markets Fund which won three Lipper Awards under her stewardship.

INVESTMENT POLICY OF AMATI AIM VCT

Investment Objectives

The investment objectives of the Company are to generate tax free capital gains and regular dividend income for its Shareholders, primarily through Qualifying Investments in AIM-traded companies and through Non-Qualifying Investments as allowed by the VCT legislation. The Company will manage its portfolio to comply with the requirements of the rules and regulations applicable to VCTs from time to time. The Company's policy is to hold diversified portfolios across a broad range of sectors to mitigate risk.

Investment Parameters

Whilst the objective is to make Qualifying Investments primarily in companies traded on AIM or on NEX, the Company may also make Qualifying Investments in companies likely to seek a quotation on AIM or NEX. With regard to the Non-Qualifying portfolios the Company makes investments which are permitted under the VCT regulations, including shares or units in an Alternative Investment Fund (AIF) or an Undertakings for Collective Investment in Transferable Securities (UCITS) fund and shares in other companies which are listed on a regulated market such as the Main Market of the London Stock Exchange. For continued approval as a VCT under the ITA the Company must, within three years of raising funds, maintain at least 70%¹ of their value (based on cost price, or last price paid per share if there is an addition to the holding) in qualifying investments. Any investments by the Company in shares or securities of another company must not represent more than 15% of the Company's net asset value at the time of purchase.

¹ 80% for accounting periods beginning on or after 6 April 2019.

Investment Criteria

When analysing a company's suitability for investment the Manager looks for a number of attributes, such as high barriers to entry; sustainable competitive advantage; innovation; revenue visibility and growth; pricing power; balance sheet adequacy and the ability to finance growth; and an incentivised management team with a good track record.

Particular attention will also be paid to areas of the market which the Manager believes are overlooked either due to size and therefore lack of broker coverage; or because the company is operating in an out of favour sector.

At the same time as appraising a company for its positive attributes, the Investment Manager tries to avoid a number of negative features, which could include the following: aggressive accounting, flattering revenues, profits and finances; consistently reporting 'exceptional' and 'restructuring' costs; competitive threats from larger companies with greater operating scale, or from new technologies; unexpected cash calls; significant liabilities such as debt, lease and pensions; and lumpy, irregular income.

Realisation Strategy

One of the advantages of investing in publicly quoted companies is that exits can be made at the choosing of any of the underlying shareholders, subject to the liquidity (ease of buying and selling) of the stock itself. This means that the Manager can plan to: a) exit a holding in its entirety; b) reduce the position size; or c) maintain investments for the long term in Qualifying Holdings where the Manager believes that the investment case remains attractive. It is this latter course that the Manager has been following since 2015. This approach, often colloquially referred to "running your winners", advocates retaining companies that have performed well in the past into the future rather than exiting to crystallise a profit purely on the basis that the share price has gone up. (By "performing", the Manager is referring to the growth in the fundamentals of the business (revenues, profits and cash flows) as well as growth in the share price.) This approach has resulted in the Company building up significant portfolio weightings in its most attractive and successful investments. Due to the success of these holdings and the resulting valuation appreciation over time, these investments tend to be the largest businesses in the portfolio. Where the Manager believes that the portfolio weighting has exceeded appropriate levels, they will seek to reduce the position size by selling a portion of the holding on the market. The advantage of this approach is that just as these holdings tend to be the largest in the portfolio by market capitalisation, they are also likely to be the most liquid (by virtue of the higher capitalisations).

Borrowing Policy

The Company may, within the limits set out in its Articles of Association, utilise borrowings to provide flexibility in its investment and dividend policies.

The Articles allow the Company to borrow up to an amount equal to its adjusted capital and reserves (as defined in its Articles). However, the Board has indicated that it will restrict the borrowings of the Company to an amount which will not, without the previous sanction of an ordinary resolution by Shareholders, exceed an amount equal to 25% of the adjusted capital and reserves.

The Company's policy is to use borrowing for short term liquidity purposes only. As at the date of this document the Company has no intention to borrow and does not have borrowing facilities in place.

Qualifying Investment Conditions

Qualifying investment opportunities arise when a company that satisfies the qualifying tests raises new capital. This may be as part of an Initial Public Offering or a Secondary Offering on AIM, or it may be raising new capital as a private company.

Certain conditions apply to the Company when making investments of this nature, which can be broadly summarised as follows:

- (i) no investment may be made by a VCT in a company that causes that company to receive more than £5m (£10m if the company is deemed to be a Knowledge Intensive Company) of State Aid Risk Finance (including from VCTs) over the twelve months prior to and including the date of investment, or more than a total of £12m (£20m in the case of a Knowledge Intensive Company) over the company's lifetime. A subsequent acquisition by the investee company of another company that has previously received State Aid Risk Finance can cause the lifetime limit to be exceeded;
- (ii) no investment can be made by a VCT in a company whose first commercial sale was more than 7 years prior to the date of investment (10 years in the case of a Knowledge Intensive Company), except where previous State Aid Risk Finance was received by the company within the relevant age limit, or where a turnover test is satisfied and the funds raised are to be used to enter a new product or geographical market. (A Knowledge Intensive Company can elect to establish the starting point for the determination of the 10 year initial investment limit as the date at which the company's annual turnover exceeds £200,000, rather than the date of the company's first commercial scale.) A subsequent acquisition by the investee company of another company whose first commercial sale was more than 7 years (10 years if the company is deemed to be a Knowledge Intensive Company) prior to the date of investment can result in a breach of the VCT rules; and
- (iii) no investment can be made by a VCT in a company where the funds received are to be used by that company for the acquisition of another existing business or trade.

Please note that this is not an exhaustive summary and should not be relied upon when considering an investment in the Company. For further details please refer to the Venture Capital Schemes Manual published by HMRC, which can be found at <https://www.gov.uk/hmrc-internal-manuals/venture-capital-schemes-manual>.

Non-Qualifying Investments

The large majority of the Company's Non-Qualifying Investment is held through a holding in the TB Amati UK Smaller Companies Fund, which is an award-winning open-ended investment company investing in companies listed in London. The team at Amati also manages this fund, which complies with the Investment Association (IA) sector classification requiring that 80% of the portfolio is invested in the bottom 10% by value of listed companies domiciled in the UK, giving a target universe ranging from the Alternative Investment Market ("AIM") to fully listed constituents of the Small Cap and Mid 250 indices.

Where Non-Qualifying investments are made in individual companies, such investments are likely to be held or to be bought by this fund too. In these cases the Manager looks to buy companies which provide either better liquidity than that typically found with Qualifying Investments, or industry exposure which is not normally represented by Qualifying Investments, thus increasing the diversification of the portfolio as a whole.

Share Buyback Policy

The Company endeavours to ensure that there is liquidity in the Ordinary Shares and has authorised the Manager to pursue an active discount management policy, subject to sufficient levels of distributable reserves, cash receipts and other requirements in the relevant accounting period.

The Directors of the Company have decided that, in normal circumstances, the Company will buy back those Ordinary Shares which Shareholders wish to sell, subject to legislation governing the Company (including the recent European Union Market Abuse Regulations), the market conditions at the time and the Company having both the funds and the distributable reserves available for the purpose (bearing in mind the other obligations of the Company and its dividend policy).

Subject to legislative requirements, the Directors may utilise some of the proceeds of the Offer to fund share buybacks. Ordinary Shares which are bought back by the Company will be cancelled. This buyback policy aims to support the Ordinary Share price by limiting the discount to Net Asset Value at which Ordinary Shares trade.

The making, timing and discount of any share buybacks will remain at the absolute discretion of the Board of the Company.

Under the current Listing Rules of the UKLA, the price paid for the Ordinary Shares cannot be more than the higher of (i) the amount equal to 105% of the average of the middle market quotations for the five business days immediately preceding the date on which the Ordinary Shares are purchased; (ii) the price of the last independent trade; and (iii) the highest then current independent bid on the London Stock Exchange.

Dividend Policy

The Directors aim to pay dividends of between 5% and 6% of net asset value per year, with the authority to increase or decrease this level at the Directors' discretion. The Company's ability to pay future dividends at this level will depend, inter alia, on adequate liquidity being achieved and the availability of distributable reserves. The Board considers that the above dividend policy will provide both a good level of cash return to Shareholders and underpin the ongoing strength of the Company by allowing for a level of capital growth.

Venture capital trusts can distribute realised capital profits from the sale of underlying investments and income by way of dividends, which are free of income tax to Qualifying Subscribers. The Directors intend that the Company will take advantage of this opportunity by distributing some or all of its realised profits from time to time. Generally, a VCT must distribute by way of dividend such amount as to ensure that it retains not more than 15% of its income from shares and securities. In the event that the Directors deem it prudent and, subject to the legislation governing the Company, interim and exceptional dividends may also be paid by the Company. Forecasts of dividends should not be treated as profit forecasts.

Shareholders who wish to have dividends paid directly into a bank account, rather than by cheque to their registered address, may complete a mandate form for this purpose. A dividend mandate form is provided as part of each Subscription Form at the back of this document. Further dividend mandate forms may be obtained from the Company's registrar, Share Registrars Limited.

DURATION OF THE COMPANY

Although investments in VCTs are of a long term nature, with the full benefit of their tax reliefs being available to subscribers only where they hold their investments for more than 5 years, the Directors of the Company believe that there should be an opportunity for Shareholders to consider the future of the Company at regular intervals.

The Articles provide that a continuation vote is to be proposed at the 2020 AGM and at every fifth AGM thereafter. If that vote is not passed, the Articles provide that the Company is to convene a general meeting within 9 months at which special resolutions are to be proposed for the reconstruction or reorganisation of the Company and, if that resolution is not passed, then a special resolution for the voluntary winding up of the Company. If neither resolution is passed, then the Company continues as a VCT.

INVESTMENT MANAGEMENT ARRANGEMENTS

Under the investment management and administration arrangements between the Company and the Manager, Amati AIM VCT plc has agreed to pay to the Manager a quarterly fee of 0.4375% (i.e. 1.75% per annum) of the net asset value of the Company, payable in arrears. The Manager has waived the right to performance fees.

The Manager may make, or has made, a small number of investments in private companies or unquoted convertible loan instruments in AIM-quoted companies. In these cases a deal fee may be paid to the Manager by the investee company, out of which legal expenses and other associated costs arising from the investment are covered. If such deals are aborted the Manager pays for any costs which have arisen. Where the Manager appoints a non-executive director to the board of an investee company they will generally be paid by the investee company in line with other non-executive directors. This payment may also take the form of a monitoring fee.

Any trail commissions paid to intermediaries are paid by the Manager.

Either party may terminate the investment management agreement (the "IMA") on one year's notice. The appointment of the Manager as administrator and company secretary may be terminated on one year's notice (as indicated below, the Manager has delegated the company secretarial function). The Manager's appointment may also be terminated at any time if at any time the Manager is, *inter alia*, unable to pay its debts or goes into receivership or administration or an order is made or a resolution passed for the winding up of the Manager, the Manager becomes insolvent or stops or threatens to stop carrying on its business or payment of its debts or makes any arrangement with its creditors generally, a receiver of administrator is appointed, the Manager is found liable for material breach of duty or negligence or material breach of contract, Paul Jourdan ceases to work on a day-to-day basis in the management of the Company's investment portfolio, or the Manager undergoes a change of control which Amati AIM VCT considers will have a materially adverse effect on the services to be provided.

ADMINISTRATIVE ARRANGEMENTS

Under the IMA, the Manager has also agreed to provide certain company secretarial and administrative services to the Company. The Manager has engaged The City Partnership (UK) Limited to act as Company Secretary and Link Asset Services to act as Fund Administrator. The Company has agreed to pay to the Manager a fee increased in line with the retail prices index annually in arrears in respect of the provision of these services and the current fee is £81,600 per annum.

As noted above, the Company may terminate the appointment of the Manager as its investment manager with one year's notice, and may also terminate with one year's notice the arrangements by which the Manager provides company secretarial and administrative services to the Company.

FINANCIAL CALENDAR

Financial year end	31 January
Annual results announcement	April
Annual General Meeting	June
Dividends paid	expected July and November
Half year results announcement	September

TAXATION CONSIDERATIONS

TAX BENEFITS FOR VCTs AND VCT INVESTORS

What follows is a general outline of the potential tax benefits available to VCTs and their Shareholders.

It does not set out any of the legislative provisions in full and investors should seek their own independent taxation advice. Tax treatment is dependent on the circumstances of the individual investor.

A full guide to the VCT legislation can be found on HMRC's web site (<https://www.gov.uk/hmrc-internal-manuals/venture-capital-schemes-manual>), which includes links to the source legislation, namely the Income Tax Act 2007 ("ITA"). The provisions for Income Tax relief on subscription and distributions are in Part 6, the provisions for VCTs are in sections 274 to 285 and the provisions for what constitutes qualifying investments are in sections 286 to 313.

Tax reliefs for VCTs

For each accounting period in respect of which a company is approved by HMRC as a VCT, the company is exempt from corporation tax on chargeable gains. The company continues to be liable to corporation tax on income in the usual way.

Tax reliefs for investors

The tax reliefs set out below are available to individuals aged 18 or over who invest in shares in a VCT. There is no specific limit on the amount an individual can invest in a VCT, but tax reliefs will only be given to the extent that the total of an individual's subscription or other acquisitions of shares in VCTs in any tax year does not exceed £200,000 (which includes shares subscribed for under dividend reinvestment schemes). Investors who intend to invest more than £200,000 in VCTs in any one tax year should take independent advice on this. A husband and wife may be eligible to obtain tax relief in respect of investments up to £200,000 each.

Income tax relief

An investor subscribing for shares in a VCT will be entitled to claim income tax relief on amounts subscribed up to a maximum of £200,000 in any tax year. The current taxation legislation applicable to individual investors provides for income tax relief of up to 30% of the amount subscribed up to investor limits (up to an amount that reduces the investor's income tax liability to nil).

Tax relief on subscriptions for shares in a VCT is withdrawn if the shares are disposed of (other than between spouses) within five years of issue; if the VCT loses its approval during this period; or where, within six months (before or after) that subscription, the investor had disposed of shares in the same VCT or a VCT which has merged with that VCT, or where it is known that the VCTs intend to merge, or if there is a contractual link between the subscription and disposal.

Dividend relief

An investor who acquires, whether by subscription, purchase or otherwise, in any tax year, VCT shares up to a maximum of £200,000 will not be liable to income tax on dividends paid by the VCT on those shares. An individual who purchases VCT shares in the market will not be liable to income tax on dividends paid by the VCT on those shares.

Effect of tax relief

	5% tax free yield	6% tax free yield
Gross investment	£10,000	£10,000
Less 3% costs	(£300)	(£300)
Value of holding after costs	£9,700	£9,700
Income tax relief (30% x gross investment)	(£3,000)	(£3,000)
Net cost (gross investment less income tax relief)	£7,000	£7,000
Tax free dividend (5-6% of value after costs ie £9,700)	£485	£582
Tax free dividend yield on net cost of investment	6.9%	8.3%

Capital gains tax relief

Any gains made on shares held in a VCT disposed of in the market are not subject to capital gains tax (subject to a maximum investment by an individual of £200,000 in any one tax year). Similarly, any loss on shares held in a VCT will not be treated as an allowable loss. Both of the above apply to the extent that the shares have been acquired within the limit of £200,000 for any tax year. A husband and wife may be eligible to obtain tax relief in respect of investments up to £200,000 each. An individual purchaser of existing shares in the market will also be entitled to claim relief from capital gains tax on disposal as described above.

If a VCT which has been granted approval subsequently fails to comply with the conditions for approval, any gains on the shares after the date on which loss of VCT status takes effect will be taxable. Where VCT status is treated as never having been given, all gains are taxable.

Obtaining tax reliefs

A VCT issues each investor with a certificate which should be used to claim the income tax relief, either by obtaining from HMRC an adjustment to his/her tax coding under the PAYE system, or by waiting until the end of the tax year and using his/her Self Assessment Tax Return to claim relief.

Dividends received on shares acquired in VCTs up to the qualifying maximum of £200,000 per tax year need not be shown in the investor's Self Assessment Tax Return.

VCT reliefs may not be available if the investor takes out a loan specifically to subscribe for New Shares in the VCT.

Investors not resident in the UK

Investors not resident in the UK should seek their own professional advice as to the consequences of making an investment in a VCT as they may be subject to tax in other jurisdictions as well as in the UK.

Future changes to the tax regime applicable to the Company

The tax rules set out in this section are a summary of certain applicable rules as at the date of this document. The taxation rules and their interpretation and/or any applicable rates of tax and tax reliefs may change at any time.

VCT STATUS

Qualifying as a VCT

The Company has to satisfy a number of tests in order to qualify as a VCT and, therefore, to obtain the tax benefits available to VCTs and their individual shareholders. These are set out on HMRC's website at: <https://www.gov.uk/hmrc-internal-manuals/venture-capital-schemes-manual>.

As at the date of this document the Company has full approval as a VCT.

Withdrawal of approval

Approval of a VCT may be withdrawn by HMRC if the relevant tests are not satisfied. Withdrawal of approval generally has effect from the time when notice of withdrawal is given to the VCT but, in relation to capital gains of the VCT only, can be backdated to not earlier than the first day of the accounting period commencing immediately after the last accounting period of the VCT in which all the tests were satisfied.

Approval may also be withdrawn if a VCT has issued shares and, within a period of three years of the date of that issue, makes a payment to its shareholders of an amount representing a repayment of share capital, other than for the purpose of redeeming or repurchasing any of those shares. Such a payment may also include the payment of any dividend or distribution.

Loss of VCT Status

The following is a summary of the tax consequences for VCTs and their shareholders resulting from a loss of VCT Status.

(i) For the VCT

The exemption from corporation tax on capital gains will not apply to any gain realised after the time from which VCT status is lost. Where provisional approval is lost, all gains realised over the period during which provisional approval was in force will be subject to corporation tax. Should tax status be lost under section 274 of ITA the FCA will be notified as soon as possible.

(ii) For qualifying subscribers' income tax relief on investment

If VCT approval is treated as never having been given, or if it is withdrawn before the shares have been held for five years, the relief will be withdrawn by the making of an assessment for the year of assessment for which the relief was originally given on an amount equal to that relief. Interest on overdue tax may arise.

(iii) For qualifying subscribers and qualifying purchasers' dividend income

Dividend income will not be exempt from tax in respect of profits or gains arising or accruing in any accounting period at a time when VCT status has been lost.

(iv) Capital gains

If provisional VCT approval is withdrawn, approval is treated as never having been given. Gains and losses on shares in the VCT will be taxable and allowable in the ordinary way. If full VCT approval is withdrawn, the individual is treated as having disposed of his shares immediately before the status is lost. Thus, any capital gains realised up to that date will be exempt from tax but gains, after that date, will be taxable in the ordinary way.

Withholding Taxation

No taxation will be withheld at source on any income arising from the New Shares and the Company assumes no responsibility for such withholding.

AMATI AIM VCT TOP UP OFFER TERMS AND CONDITIONS

Save where the context otherwise requires, words and expressions defined in the Information Document have the same meanings when used in these terms and conditions of subscription and in the Subscription Form and the section headed "Subscription Form Guidance Notes" below.

1. These terms and conditions of the Offer apply to the two Offers (one in the tax year 2018/2019 and one in the tax year 2019/2020) made by the Company.
2. The contract created by the acceptance of a subscription (in whole or in part) by the Company may be, at the sole discretion of the Company, conditional on admission to the Official List of the UKLA of the New Shares conditionally allotted.
3. Where payment is being made by cheque or banker's draft, the right is reserved by the Company to present all cheques and bankers' drafts for payment on receipt by the Receiving Agent and to retain share certificates and subscription monies, pending clearance of successful subscribers' cheques and bankers' drafts. The Company and its agents may treat subscriptions as valid and binding even if not made in all respects in accordance with the prescribed instructions or not complying fully with these terms and conditions of subscription and the Company and its agents may, at their discretion, accept a subscription in respect of which payment is not received by the Company prior to the closing of the Offers. The Company and its agents reserve the right to waive in whole or in part any of the provisions of these terms and conditions of subscription, either generally or in respect of one or more applications. In particular, but without limitation, the Company may accept an application made otherwise than by completion of a Subscription Form where the subscriber has agreed in some other manner satisfactory to the Company and its agents to apply in accordance with these terms and conditions of subscription. If any subscription is not accepted in full or any contract created by acceptance does not become unconditional, the subscription monies or, as the case may be, the balance thereof will be returned (without interest) in Sterling by returning each relevant subscriber's cheque or bankers' draft or by crossed cheque in favour of the subscriber, through the post at the risk of the person(s) entitled thereto. In the meantime, subscription monies will be retained by the Company. The Company may require the subscriber to pay interest or its other resulting costs (or both) if the cheque or bankers' draft accompanying his or her application is not honoured on first presentation. If the subscriber is required to pay interest he or she will be obliged to pay the full amount determined by the Company to be the interest on the amount of the cheque or bankers' draft from the date on which such remittance is not honoured until the date of receipt of cleared funds. The rate of interest will be LIBOR plus 3% per annum. The Company reserves the right to decline to allot New Shares if an investor's funds have not cleared by the date of an allotment.
4. The right is reserved to change the basis of allocation under the Offers at the discretion of the Directors, and to reject in whole or in part and scale down and/or ballot any subscription or any part thereof and to shorten or extend any closing date and to arrange for the issue and listing and admission of any shares to be issued at the Directors' discretion. Applications from existing shareholders will be prioritised for the first two weeks of the Offer period (i.e. up to 18 February 2019). During this period existing shareholders will receive their full requested allocation insofar as the capacity of the Offer allows. Should the Offer be fully or over-subscribed during this initial period, existing shareholders will be guaranteed their pre-emption entitlement, which will be determined in proportion to the number of shares held. Once demand from existing shareholders who have applied during this initial period is satisfied, all further applications will be processed on a first come, first served basis, subject to the discretion of the Directors.
5. Subscriptions which are not accompanied by cheques available for immediate presentation or by other valid payment means will be dealt with at the Directors' discretion. If any dispute arises as to the date or time at or on which a subscription is received, the Directors' determination shall be final and binding.
6. The right is reserved for the Company to scale down the number of New Shares available for subscription under the Offers at any time prior to the closing of the Offers. The maximum number of New Shares to be issued by the Company without publishing a prospectus in any 12 month period must not exceed the lower of 20 percent of the issued share capital or the Sterling equivalent of EUR 8m in the Company. No New Shares will be issued under the Offer where such issue would trigger the requirement for a prospectus.
7. The Company reserves the right to accept Subscription Forms and to allot and arrange for the listing of New Shares in respect of applications received under the Offers on or prior to the stated closing date of the Offers (or any extension period, as the case may be) as the Directors see fit.
8. Application is being made to the UKLA and the London Stock Exchange for the maximum number of New Shares in the Company permitted under non-prospectus rules to be admitted to listing and to trading. The tests which would trigger the requirement for a prospectus set out in paragraph 6 above are rolling tests and the Company may only be permitted to issue a lower number. The exact amount which becomes available and the time at which it becomes available depends on a number of factors. As such, depending on subscriptions received, it may not be possible to fill all applications for allotments immediately or at all and applications may be (i) scaled back, or (ii) rejected in full, or (iii) postponed until the next or a subsequent proposed allotment date if it is expected that further capacity may become

available then, in each case at the sole discretion of the Company. Discretion will not be exercised to postpone any allotment where such postponement would result in that allotment taking place in the next tax year and, where an application cannot be fulfilled within the requested tax year, the VCT will use reasonable endeavours to notify that person promptly so as to permit application for a different investment within that tax year but cannot be held responsible in the event that a rejected application results in an investor investing less in aggregate in the relevant tax year than desired. Any remaining funds will be returned to you as per the conditions set out above. By applying for shares under any part of the Offer, a subscriber confirms his/her acknowledgement of and consent to the above.

9. By completing and delivering a Subscription Form, you as the subscriber (and, if you sign the Subscription Form on behalf of somebody else, that person, except as referred to in paragraph 9 (xviii) below):
 - i) offer to subscribe for the number of New Shares as will be determined by the amount specified in your Subscription Form (or such lesser number for which your subscription is accepted) divided by the price of the New Shares resulting from the application of the pricing formula on the terms, and subject to the conditions set out in the Information Document including these terms and conditions, and subject to the Memorandum and Articles of Association of the Company;
 - ii) offer to subscribe at the Issue Price as will be determined by the last published NAV per share for the Company prior to the allotment of shares, divided by 0.97 (the "Divisor"), rounded up to the nearest two decimal places. For applications from existing shareholders and for applications made via authorised financial intermediaries, the Issue Price shall be determined with 0.99 as the Divisor;
 - iii) agree that, in consideration of the Company and its agents agreeing to process your application, your subscription will not be revoked until after (in case of a subscription in respect of the tax year 2018/2019) Thursday 4 April 2019 and (in the case of a subscription in respect of the tax year 2019/2020) Friday 12 July 2019 and that this paragraph shall constitute an irrevocable contract between you and the Company and its agents which will become binding upon dispatch by post to, or (in the case of delivery by hand) on receipt by, the Receiving Agent of your Subscription Form;
 - iv) agree that in respect of those New Shares for which your subscription has been received and is not rejected, your subscription may be accepted at the election of the Company either by notification to the UK Listing Authority of the basis of allocation or by notification of acceptance thereof to the Receiving Agent;
 - v) agree that the Company will hold any monies in respect of your subscription together with other monies received in respect of all subscriptions on trust for the payment of New Shares you have subscribed for or failing such payment to be returned to you without interest and that any interest earned in respect of such monies will be paid to the Company;
 - vi) unless you are paying by electronic transfer, agree and warrant that your cheque or bankers' draft may be presented for payment on receipt and will be honoured on first presentation and agree that if it is not so honoured you will not be entitled to the New Shares applied for or to enjoy or receive any rights or distributions in respect of such New Shares until you make payment in cleared funds for such New Shares and such payment is accepted by the Company in its absolute discretion (which acceptance shall be on the basis that you indemnify the Company and the Receiving Agent against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of your remittance to be honoured on first presentation) and you agree that, at any time prior to the unconditional acceptance by the Company of such late payment, the Company may (without prejudice to its other rights) avoid the agreement to allocate New Shares to you, without liability to you, and may issue or allot such New Shares to some other person, in which case you will not be entitled to any refund or payment in respect of such New Shares, other than the refund to you, at your risk, of the proceeds (if any) of the cheque or bankers' draft accompanying your Subscription Form without interest;
 - vii) authorise Share Registrars Limited as registrar ("**Registrar**") and receiving agent ("**Receiving Agent**") on behalf of the Company to send share certificate(s) in respect of the New Shares for which your subscription is accepted and/or a crossed cheque for any monies returnable by post without interest to your address set out in the Subscription Form and to procure that your name is placed on the register of members of the Company in respect of such New Shares;
 - viii) agree that any share certificate to which you may become entitled and any monies refundable to you may be retained by the Company pending clearance of your remittance and any investigation of any suspected breach of these terms and conditions of subscription and pending any verification of identity which is, or which the Company or the Receiving Agent may consider to be, required for the purposes of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as amended, updated, replaced or superseded from time to time and that such monies will not bear interest;
 - ix) agree that all subscriptions, acceptances of subscriptions and contracts resulting therefrom under the Offers shall be governed by and construed in accordance with English law, and that, for the benefit of the Company and the Receiving Agent, you submit to the non-exclusive jurisdiction of the English Courts and agree that nothing shall limit the right of the Company or the Receiving Agent to bring any action, suit or proceeding arising out of or in connection with any such subscriptions, acceptances of subscriptions and contracts in any other manner permitted by law or in any court of competent jurisdiction;

- x) confirm that, in making such subscription, you are not relying on any information or representation in relation to the Company and the New Shares other than the information contained in the Information Document, and accordingly you agree that no person responsible solely or jointly for the Information Document or any part thereof or involved in the preparation thereof shall have any liability for any such other information or representation and you acknowledge that no person is authorised in connection with the Offers to give any information or make any representation other than as contained in the Information Document and, if given or made, any information or representation must not be relied upon as having been authorised by the Company or any of their agents;
- xi) irrevocably authorise the Company and the Receiving Agent or any person authorised by any of them, as your agent, to do all things necessary to effect registration of any New Shares subscribed by or issued to you into your name and authorise any representative of the Company or the Receiving Agent to execute and/or complete any document required therefor;
- xii) agree that, having had the opportunity to read the Information Document, you shall be deemed to have had notice of all information and statements concerning the Company and the New Shares contained therein;
- xiii) confirm that you have reviewed the restrictions contained in paragraphs 11 and 12 below and warrant that you are not a "US Person" as defined in the United States Securities Act of 1933, as amended, nor a resident of Canada, Australia or Japan and that you are not applying for any New Shares with a view to their offer, sale or delivery to or for the benefit of any US person or a resident of Canada, Australia or Japan; nor will you offer, sell, renounce, transfer or deliver directly or indirectly any of the Shares to any such person;
- xiv) confirm that you are not a US citizen and do not possess a US "Green Card", you were not born in the USA, you do not have a US residence or use a US correspondence address or telephone number, you do not have instructions to transfer funds into a US bank account or directions regularly received from a US address, you do not have an "in care of" or "hold mail" address in the USA that is your sole address and you have not granted a power of attorney or signatory authority to a person with a US address or telephone number;
- xv) agree that all documents and cheques sent by post, by or on behalf of the Company or the Receiving Agent will be sent at the risk of the person entitled thereto;
- xvi) agree that a failure to receive, process or accept your application for New Shares does not give rise to any right of action by any person against the Company, the Receiving Agent or any other person;
- xvii) declare that you are aged 18 or over on the date of your application;
- xviii) warrant that, if you sign the Subscription Form on behalf of somebody else, you have due authority to do so on behalf of that other person, and such person will also be bound accordingly and will be deemed also to have given the confirmations, warranties, undertakings and authorities contained herein and undertake to enclose your power of attorney (or a copy thereof duly certified by a solicitor or bank) with the Subscription Form;
- xix) declare that a loan has not been made to you or any associate of you, which would not have been made, or would not have been made on the same terms, but for you offering to subscribe for, or acquiring, New Shares and that the New Shares are being acquired for bona fide commercial purposes and not as part of a scheme or arrangement the main purpose of which, or one of the main purposes of which, is the avoidance of tax;
- xx) agree that you will not be entitled to exercise any remedy of rescission for innocent misrepresentation at any time after acceptance of your subscription (provided that this does not affect any other right you may have);
- xxi) agree that any error in the register of members of the Company arising as a result of your remittance not being honoured on first presentation or as a result of any other error in connection with your application for New Shares, or as a result of termination or avoidance of any agreement to allocate New Shares pursuant to these terms and conditions may be rectified and, in addition and without prejudice to the foregoing, you hereby irrevocably authorise the Company, or any person appointed by it for this purpose, to execute on your behalf any instrument of transfer which may be necessary to effect any re-allocation or sale of New Shares to any other person arising as a result of the foregoing. The right to rectify the register of members of the Company and/or the power to re-allocate or sell New Shares contained in this paragraph are in addition to any other rights, powers and remedies which would otherwise be available to the Company in the event of a breach by you of these terms and conditions of subscription;
- xxii) agree that Share Registrars will conduct an electronic identity check on all applicants and may make additional verification checks, and agree on request by the Company or the Receiving Agent on behalf of the Company to disclose promptly in writing to any of them such information as the Company or the Receiving Agent may reasonably request in connection with your subscription including, without limitation, satisfactory evidence of identity to ensure compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as amended, replaced or superseded from time to time and to authorise the Company and the Receiving Agent to retain and disclose any information relating to your subscription as they consider appropriate;
- xxiii) declare that the Subscription Form has been completed to the best of your knowledge and that the details relating to you as set out in your Subscription Form are correct;
- xxiv) undertake that you will notify the Company if you are not, or cease to be, either a qualifying subscriber or beneficially entitled to the New Shares;

- xxv) agree that if evidence of identity satisfactory to the Company and its agents is not provided to the Company or its agents within a reasonable time (in the opinion of the Company) following a request therefor, any agreement with you to allocate New Shares may be terminated and, in such case, the New Shares which would otherwise have been allocated to you may be re-allocated and your application monies will be returned to the bank or other account on which the cheque or bankers' draft accompanying your Subscription Form was drawn without interest;
- xxvi) agree that you are not applying on behalf of a person engaged in money laundering, drug crimes or terrorist financing or terrorism;
- xxvii) undertake to pay interest at the rate prescribed in paragraph 3 above if the remittance accompanying your Subscription Form is not honoured on first presentation;
- xxviii) agree that your Subscription Form is addressed to the Company and the Receiving Agent; and
- xxix) acknowledge and agree that, pursuant to the General Data Protection Regulation ((EU) 2016/679) and the Data Protection Act 2018 and any national implementing laws, regulations and secondary legislation, as amended or updated from time to time or by the laws of the European Union and case law ("DP Legislation") the Company, the Manager, the Receiving Agent and/or the Registrar, may hold personal data (as defined in the DP Legislation) relating to past and present Shareholders. Personal data may be retained on record and shall be kept for no longer than is necessary for the purposes for which it is being processed or for complying with any obligation to which the Company is subject. The Manager's and the Company's full Privacy Notice ("Privacy Notice") (from time to time) is available from http://www.amatiglobal.com/privacy_notice.php. The Company will use such information for the purposes set out below (collectively the "Purposes"), to (amongst other things),
 - (a) process your personal data as required by or in connection with your holding of shares in the Company, including processing personal data in connection with credit and money laundering checks on you;
 - (b) communicate with you as necessary in connection with its affairs and generally in connection with your holding of shares in the Company;
 - (c) provide your personal data to such third parties, including the Manager, the Receiving Agent and/or the Registrar, as the Company, the Manager, the Receiving Agent and/or the Registrar may consider necessary in connection with the Company's affairs and generally in connection with your holding of shares in the Company or as the DP Legislation may require, including to third parties outside the European Economic Area;
 - (d) without limitation provide such personal data to associates, third party service providers, affiliates, agents or functionaries appointed by the Company, the Manager, the Receiving Agent and/or the Registrar for processing, notwithstanding that any such party may be outside the European Economic Area; and
 - (e) process your personal data for the Company's, the Manager's, the Registrar's and/or the Receiving Agent's internal administration.

10. In providing the Company, the Manager, the Receiving Agent and/or the Registrar with personal data relating to a third party, you hereby represent and warrant to the Company, the Manager, the Receiving Agent and/or the Registrar that you have obtained the consent of any data subject to such holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes set out above in this paragraph 9, xxix) above.

11. No person receiving a copy of the Information Document or a Subscription Form in any territory other than the United Kingdom may treat the same as constituting an invitation to treat to him nor should he in any event use such Subscription Form unless in the relevant territory such an invitation or offer could lawfully be made to him or such Subscription Form could lawfully be used without contravention of any regulation or other legal requirements. It is the responsibility of any person outside the United Kingdom wishing to make a subscription to satisfy himself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory. The Company reserves the right, in its absolute discretion, to reject any application received from outside the United Kingdom.

12. The New Shares have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States of America, its territories or possessions or other areas subject to its jurisdiction (the "USA"). In addition, the Company has not been and will not be registered under the United States Investment Advisers Act of 1940, as amended. No subscription will be accepted if it bears an address in or post mark from the USA.

13. Dealings prior to the issue of certificates for New Shares will be at the risk of Subscribers. A person so dealing must recognise the risk that a subscription may not have been accepted to the extent anticipated or at all.

14. The rights and remedies of the Company and its agents under these terms and conditions of subscription are in addition to any rights and remedies which would otherwise be available to them and the exercise of partial exercise of one will not prevent the exercise of others.

15. Completed Subscription Forms, together with payment, must be returned by post or by hand to Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR so as to be received by 12.00 noon on 4 April 2019 in respect of the 2018/2019 Offer and 12.00 noon on 12 July 2019 in respect of the 2019/2020 Offer. Multiple subscriptions by investors are permitted in relation to each of the 2018/2019 Offer and the 2019/2020 Offer.
16. To the extent permitted by law, all representations, warranties and conditions, express or implied and whether statutory or otherwise (including, without limitation, pre-contractual representations but excluding any fraudulent representations), are expressly excluded in relation to the New Shares and the Offers.

AMATI AIM VCT TOP UP OFFER SUBSCRIPTION FORM – GUIDANCE NOTES

Please complete all relevant parts of the Subscription Form according to the instructions below.

SECTION 1 – APPLICATION

Insert (in figures) the amount you wish to apply to invest in the Company in each tax year and the total amount of your investment.

You do not have to invest in both tax years but your application, for each tax year you do choose to invest, must be for a minimum of £4,000 per tax year. (Existing shareholders whose applications are received on or before 18 February 2019 are not subject to the minimum subscription requirement in respect of any shares subscribed for in accordance with their pre-emption entitlement.)

SECTION 2 – PERSONAL DETAILS

Insert your full name, full address, daytime telephone number, email address (if you have one), date of birth and National Insurance number. Please also indicate whether you are an existing shareholder and where applicable insert your 6 digit Share Registrars Investor ID or Holder Number. This can be found on your share certificate or dividend confirmation.

SECTION 3 – TAX RESIDENCY STATUS

You must tick the box to confirm that you are a UK resident for tax purposes and give details of any other countries where you are resident for tax purposes. This is a requirement under the Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standard (CRS) and full details must be given where applicable or your application will be rejected.

The Company reserves the right, in its absolute discretion, to reject any application received from outside the United Kingdom or from an applicant whose country of residence for tax purposes is not the United Kingdom.

SECTION 4 – PAYMENT

The Company reserves the right to decline to allot New Shares if an investor's funds have not cleared by the date of an allotment. Please therefore make sure that your application and payment arrive at Share Registrars well in advance of the relevant allotment date, so as to ensure that your funds have cleared in Share Registrars' bank account by, at the latest, the date of allotment.

For guidance, please note the transmission and clearance times for the following methods of payment:

Cheques: seven working days after being banked by Share Registrars

BACS: three working days

Faster Payments: usually same day but can be up to two working days

CHAPS: same day (depending on the cut-off time of your bank)

Amati Global Investors Limited, Share Registrars Limited and Amati AIM VCT plc will not bear any responsibility if your application is not processed or your shares are not allotted due to uncleared funds.

Payments can be made by the following methods:

1. Personal Cheques, Building Society Cheques or Banker's Drafts

Please make your cheque/draft payable to "Share Registrars Limited a/c Amati" for the **exact** amount shown for the **total** application to subscribe in Section 1. Your cheque/draft should be crossed "A/C payee only" and pinned to the completed Subscription Form. Third party cheques are not accepted. **Building society cheques and banker's drafts will only be accepted where the cheque/draft is embossed or stamped with the name of the account holder and drawn from the account in his/her name.**

Any payment by personal cheque, building society cheque or banker's draft must be made in pounds sterling, drawn on a branch of a bank or building society in the United Kingdom which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited, or which has arranged for its cheques or banker's drafts to be cleared through the facilities provided by members of either of these companies. Such cheques or bankers' drafts must bear the appropriate sort code in the top right hand corner and must be drawn on the personal account of the individual investor where they have sole or joint title to the funds.

2. Bank transfer

Payments can be made by BACS, CHAPS or Faster Payments to the designated bank account for the Offers, details of which will be provided by Share Registrars. Any transfer of funds must be made so that the cleared funds are available at or near the time that the Subscription Form is being processed. The process is as follows:

- (i) Before you send your Subscription Form please email AmatiOffer@shareregistrars.uk.com stating that you intend to make a bank transfer and provide the following information:

Name of Bank
Account Name
Account Number
Sort Code
Payment Amount
Reference Number*

*The reference number should consist of ten characters: your first and last initials plus your date of birth in DDMMYYYY format (e.g. AL17081962). This will allow Share Registrars to match the payment with your Subscription Form.

- (ii) Share Registrars will then provide by return the bank account information required for the payment. Please make sure you are able to provide (if applicable) the original (or certified) bank statement or transaction receipt clearly showing the payment to Share Registrars Limited.
- (iii) Please send your Subscription Form together with your supporting documentation to Share Registrars Ltd without delay and no later than 48 hours after making the payment. If you have difficulties making the transaction or your Subscription Form is likely to be delayed you **must** contact Share Registrars on **01252 821 390** or by email at AmatiOffer@shareregistrars.uk.com to discuss your application. Failure to do so may result in your application being rejected.

SECTION 5 – IDENTITY VERIFICATION (ALL METHODS OF PAYMENT)

Share Registrars Limited will conduct an electronic identity check on all applicants regardless of payment method. In addition to the requirements set out below, applicants may be asked to provide additional documentation for verification purposes.

Please confirm that you have provided any documents required if applicable.

For applications of up to and including £50,000 – **nothing further required**.

For applications of more than £50,000 by direct clients or where an intermediary has not completed Section 11 you must provide **certified** copies of **two** different forms of identification, **one** document from each group:

- a. Photographic ID such as a passport or driving licence.
- b. Proof of address such as a recent utility bill (less than three months old), recent bank statement (less than three months old) or driving licence (if not already used as photo ID).

Certification can be carried out by an authorised financial intermediary, solicitor, accountant, banker or other regulated person.

SECTION 6 – SOURCE OF FUNDS VERIFICATION (BANK TRANSFERS ONLY)

Important: you must provide the documentation outlined below (if applicable) even if your application has been received via an intermediary and Section 11 has been completed.

If you will be making a bank transfer of up to and including £13,000 and the payment is linked to a single application – **nothing further required**.

For bank transfers of more than £13,000 (or a series of payments in respect of linked applications for more than £13,000 in total value) you must provide evidence of source of funds, regardless of whether you are a direct client or your application has come via an intermediary (advised or execution only). Please provide **one** of the following in support of your application:

- a. An original or certified copy of the bank statement or transaction receipt in your name which clearly shows the payment(s) made to Share Registrars Limited.
- b. Written confirmation from your bank on headed paper with details of the payment, including the name of the account from which the funds are drawn, account number and sort code.

Certification can be carried out by an authorised financial intermediary, solicitor, accountant, banker or other regulated person.

Share Registrars Limited reserves the right to make additional verification checks as set out in the Terms and Conditions.

SECTION 7 – NOMINEE/CREST INSTRUCTION

If your application is successful and you would like your subscription shares issued to your nominee through CREST, please give full details.

SECTION 8 – DIVIDEND PREFERENCE

Tick **one** box only. You can elect to receive dividends in cash **or** you can elect to join the Dividend Re-Investment Scheme, where dividends are reinvested into new shares for the Company. Any election that you make **will also be applied to any existing holdings in the Company**; you **cannot** elect to receive both dividends in cash and shares issued under the Dividend Re-Investment Scheme in respect of your shareholding.

If you elect to receive dividends in cash, we **strongly recommend that payments are made directly into your bank account**. If you do not provide bank details, dividends will be paid by cheque and sent to your registered address.

If you elect to join the Dividend Re-Investment Scheme you will have confirmed that you have read and understood the full terms and conditions relating to the scheme. These are available on Amati's website: www.amatiglobal.com.

SECTION 9 – COMMUNICATION PREFERENCES

Please tick the relevant boxes to indicate the following:

1. How you would like the Receiving Agents to acknowledge receipt of your application (email or letter);
2. To opt in to our mailing list for investor updates;
3. To opt in to our mailing list for investor events;
4. To opt in to electronic communications in respect of your shareholding(s).

Please also carefully read the Privacy Notice. It contains important information as to how we use your personal data and your statutory rights in relation to any consent you have given regarding our use of it.

SECTION 10 – APPLICANT'S DECLARATION & SIGNATURE

Please read the declarations and sign and date. The Subscription Form may only be signed by someone other than the applicant if they are authorised to do so and are able to provide original copies of the relevant legal documents if requested. Please note that the Key Information Document is available from the website of Amati Global Investors: www.amatiglobal.com.

SECTIONS 11-14 TO BE COMPLETED BY AUTHORISED FINANCIAL INTERMEDIARIES ONLY

SECTION 11 – INTERMEDIARY DETAILS

Intermediaries should provide details of their firm, including contact name and address, FCA Number, email address, telephone number and bank details where applicable.

Please ensure that you tick the relevant box to indicate whether you have provided advice to your client or if the transaction is execution only.

Please also indicate whether you have verified your client's identity to the standard required by the Money Laundering Regulations 2017 and that it met the guidance of the for the UK Financial Sector issued by the Joint Money Laundering Steering Group. Advisers should note that if this box is not ticked the applicant must provide the relevant documentation as outlined in Section 5.

SECTION 12 – ADVISORY FEES

If you have agreed advisory fees to be deducted from your client's subscription please state the amount(s) to be deducted. Payments are normally made by cheque but if you provide your bank details these payments can be made by bank transfer.

SECTION 13 – TRAIL COMMISSION

Authorised financial intermediaries who, acting on behalf of their clients on an execution only and off platform basis, return valid Subscription Forms bearing their name and FCA number and confirming their execution only and off-platform status and eligibility to receive commission, will be paid the following, based on the amount paid in respect of the New Ordinary Shares allocated for each Subscription Form: an annual trail commission of 0.375% (limited to five years) which will be paid by the Manager. Such payments are conditional in all circumstances upon them being consistent with all applicable law and regulation, including the FCA COBS Handbook.

SECTION 14 – INTERMEDIARY DECLARATION

Please read the declarations and sign and date.

Please return your completed Subscription Form by post or by hand (during normal business hours) to Share Registrars Limited at the following address:

Share Registrars Limited

The Courtyard
17 West Street
Farnham
Surrey
GU9 7DR

3. Tax Residency Status

Please tick the box if you are a UK resident for tax purposes

Please give details of any other countries of which you are a resident for tax purposes:

Country:

Tax Identification Number:

Country:

Tax Identification Number:

The Company reserves the right, in its absolute discretion, to reject any application received from outside the United Kingdom or from an applicant whose country of residence for tax purposes is not the United Kingdom.

4. Payment

The Company reserves the right to decline to allot New Shares if an investor's funds have not cleared by the date of an allotment. Please therefore make sure that your application and payment arrive at Share Registrars well in advance of the relevant allotment date, so that your funds have cleared in Share Registrars' bank account by, at the latest, the date of allotment. See the Subscription Form – Guidance Notes for important information.

Please tick **one** box only:

A. I have enclosed a **personal cheque, building society cheque or banker's draft** for the total amount shown in Section 1, made payable to "Share Registrars Limited a/c Amati" and crossed "A/C PAYEE ONLY". If I have paid by building society cheque or banker's draft the cheque/draft is embossed or stamped with my name and is drawn from my personal account. I have provided identity verification documentation if applicable.

Please send your completed Subscription Form together with your cheque/draft and any relevant supporting documentation to the address shown at the top of this form.

OR

B. I confirm that I will be making a **bank transfer** and I have provided Share Registrars with details of the account from which I will be transferring funds. I will send my completed Subscription Form together with any identity verification and source of funds documentation (if applicable) within 48 hours of making my payment.

1. Before you send your Subscription Form please email AmatiOffer@shareregistrars.uk.com stating that you intend to make a bank transfer and provide the following information:

- Name of Bank
- Account Name
- Account Number
- Sort Code
- Payment Amount
- Reference number*

*The reference number should consist of your first and last initials plus your date of birth in DD-MM-YYYY format (e.g. AL17081962). This will allow Share Registrars to match the payment with your Subscription Form.

2. Share Registrars will then provide by return the bank account information required for the payment. When you make your payment please make sure you are able to provide (if applicable) the original (or certified) bank statement or transaction receipt clearly showing the payment to Share Registrars Limited.

3. Please send your completed Subscription Form together with the relevant supporting documentation to the address shown at the top of this form **within 48 hours** of making the payment. Failure to do so may result in your application being rejected.

5. Identity Verification (all methods of payment)

Share Registrars Limited will conduct an electronic identity check on all applicants regardless of payment method. In addition to the requirements set out below, applicants may be asked to provide additional documentation for verification purposes.

APPLICATIONS OF UP TO AND INCLUDING £50,000

If your application is for up to and including £50,000 – **nothing further required**

If you paid by bank transfer go to Section 6; otherwise go to Section 7.

APPLICATIONS OF MORE THAN £50,000

1. If your application is for more than £50,000 and your intermediary (advised or execution only) has completed Section 12 – **nothing further required**

If you paid by bank transfer go to Section 6; otherwise go to Section 7.

2. If your application is for more than £50,000 and you are either a direct client **or** where your intermediary has not completed Section 11, please provide certified copies* of **two** different forms of identification, **one** document from **each** group:



Photographic ID

- Passport
- Driving Licence



Proof of Address

- Recent utility bill (less than 3 months old)
- Recent bank statement (less than 3 months old)
- Driving Licence (if not already used for photo ID)

*Copies can be certified by an authorised financial intermediary, accountant, solicitor, banker or other regulated person.

If you paid by bank transfer go to Section 6; otherwise go to Section 7.

6. Source of Funds Verification (bank transfers only)

Important: you must provide the documentation outlined below (if applicable) even if your application has been received via an intermediary and Section 11 has been completed.

In addition to any documentation required above at Section 5 you must provide the following if applicable:

BANK TRANSFERS OF UP TO AND INCLUDING £13,000

If you will be making a bank transfer of up to and including £13,000 and the payment is linked to a single application – **nothing further required**

BANK TRANSFERS OF MORE THAN £13,000

If you will be making a bank transfer of more than £13,000 (or a series of payments in respect of linked applications of more than £13,000 in total value) – please provide **one** of the documents listed below:

- An original or certified copy* of the bank statement or transaction receipt in your name which shows the payment(s) made to Share Registrars Limited.
- Written confirmation from your bank on headed paper with details of the payment, including the name of the account from which the funds are drawn, account number and sort code.

*Copies can be certified by an authorised financial intermediary, accountant, solicitor, banker or other regulated person.

Share Registrars Limited reserves the right to make additional verification checks as set out in the Terms and Conditions.

7. Nominee/Crest Instruction (if applicable)

If my application is successful please issue my shares to my nominee through CREST

Crest Participant ID:

Crest Member Account ID:

Crest Participant Name:

Crest Participant Address:

Postcode:

Crest Participant Contact Name:

Telephone Number:

Email Address:

8. Dividend Preference

Please tick **one** box only.

Amati AIM VCT plc*

Dividends Paid In Cash

or

Dividend Re-Investment Scheme

*Please note that the instruction given above will be applied to any existing holding in the Company.

Now do **one** of the following:

1. If you elected for dividends to be paid in cash and you would like your dividends paid directly to your bank account, please complete and sign the bank mandate below. If you do not provide your bank details your dividends will be paid by cheque and posted to your registered address.
2. If you elected to join the Dividend Re-Investment Schemes in respect of your application please **proceed directly to Section 9**.

Please forward, until further notice, all dividends that may from time to time become due on any Ordinary Shares now standing, or which may hereafter stand, in my name in the register of members of Amati AIM VCT plc to:

Name of Bank/Building Society:

Address of Branch:

Account Name: (BLOCK CAPITALS please)

Account Number: (Please quote all digits including zeros)

Sort Code: - -

Signature:

Date:

9. Communication Preferences

(Please complete only if different from Section 2)
Shareholder title and full name:

Postcode:

Method of notification for receipt of your application

Email

OR

Letter

Tick the box if you would like to receive regular updates including monthly fact sheets and newsletters for Amati funds:

Email

Tick the box if you would like to receive invitations to Amati events:

Email

ELECTRONIC COMMUNICATIONS (COMPANIES ACT 2006)

Tick the box to opt in to electronic communications in respect of your shareholding in Amati AIM VCT plc. This means that you will receive notifications by email (where you have provided an email address below) or by letter that information and/or documents are available on Amati's website.

Opt in to electronic communications

You have the right to **opt out** of electronic communications at any time and to revert to paper format delivered by post by emailing enquiries@shareregistrars.uk.com or by writing to **Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR**. For those Shareholders who are registered on the Web Based Share Portal at www.shareregistrars.uk.com please log in and click on "Personal Details" to update.

If you do not provide an email address we are obliged to send you notifications by letter.

Email:

PRIVACY NOTICE

Your personal data will be used by Amati Global Investors Limited, Share Registrars Limited, Amati AIM VCT plc and any third party advisers to the above as follows:

- To process your application and verify your identity and source of funds under the Money Laundering Regulations 2017
- To allot your shares and provide the relevant documentation in connection with your shareholding if your application is successful
- To pay dividends, administer the Dividend Re-Investment Schemes and process other corporate actions as necessary
- To provide you with any reports or information required by law.
- To provide you with fund fact sheets, Amati newsletters and invitations to Amati events where you have given consent for us to do so.

Our full Privacy Notice can be found at: www.amatiglobal.com/privacy_notice.php

If we rely on your consent as our legal basis for processing your personal information, you have the right to withdraw that consent at any time by contacting us by telephone on **0131 503 9100**, by email at info@amatiglobal.com or in writing to: **Data Protection Officer, Amati Global Investors, 8 Coates Crescent, Edinburgh EH3 7AL**.

We will not share your data with any other party other than those listed above unless required to do so by law.

10. Applicant Declaration and Signature

1. I HEREBY DECLARE THAT I have read and understood the Terms and Conditions contained in the Amati AIM VCT plc Top Up Offer 2018/2019 and 2019/2020 Information Document and agree to be bound by them.
2. I confirm that the Key Information Document (as referred to on page 8 of the Amati AIM VCT plc Top Up Offer 2018/2019 and 2019/2020 Information Document) has been made available to me.
3. I understand that this is a LONG TERM investment and have read the RISK FACTORS.
4. I confirm that I understand and agree with the details submitted by my financial intermediary (if applicable) in sections 11-14 below, including any advisory fees to be deducted from my subscription.
5. I understand that tax relief will only be available on the amount subscribed net of any advisory fees that I have agreed to be deducted from my subscription.

HMRC MAY INSPECT THIS FORM. PLEASE NOTE IT IS A SERIOUS OFFENCE TO MAKE A FALSE DECLARATION.

Signature:

Date:

D D M M Y Y Y Y

13. Trail Commission

Annual trail commission of 0.375% per annum (limited to five years) is available to authorised financial intermediaries acting on an execution only off platform basis and will be paid by Amati Global Investors. **Such payments can no longer be made in respect of subscriptions received through intermediaries acting in an advisory capacity.**

If you have applied for trail commission and your firm has been registered on our payments system you will receive a notification annually from trail@amatiglobal.com. We will ask you to provide bank details for commission payments or to confirm bank details previously provided. We will also ask you to confirm a list of clients relating to trail commission. **No payments will be made without confirmation of bank details.**

Tick all that apply:

My firm is applying for trail commission and is eligible to receive such payments in respect of the client named at Section 2.

My firm has previously received trail commission from Amati Global Investors.

Name of Firm:

Contact Name:

Telephone:

Email Address:

For further information or any enquiries relating to trail commission please email: trail@amatiglobal.com

14. Authorised Financial Intermediary Declaration

I HEREBY DECLARE THAT I am an authorised financial intermediary and that the information I have provided on this form is, to the best of my knowledge and belief, accurate and complete. In the event that any circumstances change such that the information I have provided is no longer accurate and complete, I agree to notify Amati immediately in writing.

Signature:

Date:

D D M M Y Y

Amati Global Investors Limited, Amati AIM VCT plc and Share Registrars Limited cannot accept any responsibility if any details quoted by you are incorrect.

For assistance with the completion of this Subscription Form please contact Amati Global Investors during normal office hours on 0131 503 9115 or email info@amatiglobal.com

No investment advice can be given.



Amati
Global Investors

Finely crafted investments