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Maven Income and Growth VCT 3 PLC
18 March 2025

Maven Income and Growth VCT 3 PLC

Final results for the year ended 30 November 2024

The Directors report the Company's financial results for the year ended 30 November 2024.

Highlights

- NAV total return at the year end of 152.03p per Ordinary Share (2023: 150.05p)
- NAV at the year end of 51.31p per Ordinary Share (2023: 52.48p)
- Seven profitable private company realisations completed, generating total returns of up to 8.2x cost and cash proceeds of £8 million
- Annual dividend target increased to 6% of NAV per Ordinary Share
- Final dividend of 2.15p per Ordinary Share proposed for payment in May 2025
- Over £5.8 million deployed in new and follow-on investments
- Offer for Subscription closed in April 2024, raising a total of £5.3 million
- New Offer for Subscription launched in September 2024

Strategic Report

Chairman's Statement

On behalf of your Board, I am pleased to present the Annual Report for the first time as Chairman. The financial year to 30 November 2024 has been a period of positive progress for your Company. In particular, this has been your Company's most successful year for realisations since the change to the VCT rules in 2015, validating the underlying investment strategy and its ability to deliver growth in Shareholder value. More specifically, your Company completed seven profitable private company exits, several of which achieved strategic premiums that were ahead of the relevant investee company carrying value at 30 November 2023, and which have been a key component to the increase in NAV total return. The Board recognises the importance of regular tax free Shareholder distributions and, given the maturity and diversity now evident in the portfolio, has resolved to increase the annual dividend target from 5% to 6% of NAV per Ordinary Share at the immediately preceding year end. In line with this new target, a final dividend of 2.15p per Ordinary Share has been proposed for payment in May 2025, taking the dividend yield for the year to 6%.

Portfolio Review

The past few years have been challenging for the UK economy, where ongoing political instability and a succession of economic shocks have dampened growth prospects and impacted business and consumer confidence. However, your Company has delivered a resilient performance during this period, reflecting the consistent application of the investment strategy, which has the core objective of building a large and broadly based portfolio of private companies with high growth potential that operate across a diverse range of sectors with limited exposure to discretionary spending, and where revenues are not directly dependent on consumer expenditure.

More recently, and notwithstanding the ongoing geopolitical unrest, 2024 has seen a gradual return to a more benign economic position. Inflation is now broadly back within the target range and further interest rate cuts are expected during 2025, although the wider impact on business confidence of the October 2024 Budget remains to be seen.

Your Company's portfolio has increased steadily in size and scale, and now includes 88 growth focused private and AIM quoted companies providing access to a wide range of dynamic and emerging sectors such as cyber security, healthtech, software, regtech and specialist manufacturing.

During the second half of the financial year, five profitable exits completed, including three sales to US private equity buyers. In June 2024, the sale of the residual holding in cyber security specialist **Quorum Cyber** completed, resulting in a total overall return of 8.2x cost across two separate exit events. The partial sale of digital archiving specialist **MirrorWeb** completed in August generating a total return of 3.4x cost, comprising an initial cash return and a retained equity stake in the enlarged business, MirrorWeb Holdings LLC. In early September the partial exit from regtech specialist **Novatus Global** also completed generating a total return of 4.7x cost which, again, consisted of a mix of cash alongside a retained equity stake in the existing business. In September, specialist electronics contract manufacturer **CB Technology** and digital payments software provider **QikServe** were both sold in all cash transactions to trade acquirers, generating total returns of 2.8x cost and 1.3x cost respectively. In the first half of the financial year, also in all cash transactions, the exit from **Glacier Energy Services** completed, generating a total return of 1.05x cost, and the exit from graduate recruitment specialist **GradTouch** completed, generating a total return of 1.5x cost.

The partial exit from Quorum Cyber in 2021 was the first transaction where the Manager negotiated a sale that consisted of an initial cash return together with a retained equity stake in the business, which allowed your Company to participate in its future growth in value. Where an investee company is performing strongly and achieving scale, and a large secondary funding round will help it to further accelerate growth, the ability to achieve a partial exit, generating a healthy initial cash return alongside a retained equity stake in the enlarged business, is a model the Manager is keen to replicate, and has done so with the partial exits from MirrorWeb and Novatus Global. In both cases, these businesses made rapid commercial progress post your Company's investment and attracted the attention of separate international investors that provided substantial new capital to expedite expansion plan. This enabled your Company to achieve a good initial cash return whilst retaining a minority equity interest, which has the potential to deliver a further return.

In addition to the strong level of exits, it is pleasing to report that there has been further growth and development across the portfolio during the financial year, with £2 million invested into seven new private companies, adding further sectoral diversification. In addition, £3.7 million was provided in follow-on funding to support 19 existing businesses, alongside the completion of three small AIM transactions.

The majority of companies in the private equity portfolio continue to deliver revenue growth and achieve their strategic objectives which, in certain cases, has resulted in uplifts to valuations. Conversely, there are a small number of companies that are performing behind plan, or have ceased to trade, which has resulted in protective provisions being taken against specific holdings. Shareholders will find further details of the key developments across the portfolio in the Investment Manager's Review in the Annual Report.

Consistent with your Company's long term growth objective, and with the "sunset clause" for VCT and EIS schemes now extended until 2035, in late September 2024 the Board was pleased to launch a new Offer for Subscription, alongside Offers by the other Maven managed VCTs. Your Company has a target raise of £10 million, including an over-allotment facility of up £5 million and, as at the date of this Annual Report, £6.5 million has been raised. The Offers close to new applications on 4 April 2025 for the 2024/25 tax year and 25 April 2025 for the 2025/26 tax year, unless fully subscribed ahead of these dates. Further information about the Maven VCT Offers, including the Prospectus and Application Form, can be found at: **mavencp.com/vctoffer**.

Valuation Methodology

Consistent with industry best practice, the Board and the Manager continue to apply the International Private Equity and Venture Capital Valuation (IPEV) Guidelines as the central methodology for all private company valuations. The IPEV Guidelines are the prevailing framework for fair value assessment in the private equity and venture capital industry, and the most recent update (December 2022) incorporates the special guidance, issued post COVID-19 and the Ukraine war, which expands on the concept of, and impact on, valuations of distressed markets, as well as looking at ESG factors as part of the valuation methodology. In accordance with normal market practice, investments quoted on AIM, or another recognised stock exchange, are valued at their closing bid price at the period end. Further details on your Company's approach to valuing portfolio companies can be found in the Business Report and in Note 1 to the Financial Statements in the Annual Report. The principal Key Performance Indicators (KPIs) are outlined in the Business Report and a summary of the Alternative Performance Measures (APMs) is included in the Financial Highlights in the Annual Report, with definitions of terms contained in the Glossary in the Annual Report.

Treasury Management Strategy

During the year, your Company has maintained a proactive approach to treasury management, by building a diversified portfolio of high yielding securities where the objective remains to optimise the income from cash reserves held prior to investment in VCT qualifying companies. Your Company has, for several years, held a focused portfolio of permitted, non-qualifying holdings in carefully selected investment trusts with strong fundamentals and attractive income characteristics, with the remaining cash held on deposit across several UK banks. This approach has also ensured ongoing compliance with VCT legislation, which states that not less than 70% of a VCT's income must be derived from shares or securities.

The rapid rise in interest rates during 2023 resulted in a significant increase in the level of interest income generated from the uninvested cash held on deposit and required the Board and the Manager to revise its approach to treasury management. After conducting a detailed whole of market review, a broadly based portfolio of listed securities was constructed including holdings in MMFs and OEICs, alongside carefully selected London Stock Exchange listed investment trusts diversified across private equity, infrastructure and other classes, with the remaining cash held on deposit with several UK banks to minimise counterparty risk. This strategy has ensured ongoing compliance with the Nature of Income condition and also provides your Company with a significant new stream of income that currently generates a blended annualised yield of 4.2% across the treasury management portfolio and uninvested cash.
It is worthwhile highlighting that this is a dynamic portfolio, which will vary in size depending on your Company's rate of investment, investee company realisations and overall liquidity levels. Full details of the holdings in this portfolio can be found in the Investment Portfolio Summary in the Annual Report.

Enhanced Dividend Policy

Your Board recognises the importance to Shareholders of regular tax free distributions and, given the maturity and diversity now evident in the portfolio, has elected to improve the dividend policy. From the year ended 30 November 2024, your Company has increased its target annual dividend from 5% to 6% of the NAV per Ordinary Share at the immediately preceding year end.

Shareholders should be aware that this remains a target and that decisions on distributions take into consideration a number of factors including the realisation of capital gains, the adequacy of distributable reserves, the availability of surplus revenue and the VCT qualifying level, all of which are kept under close and regular review. As the portfolio continues to expand and the proportion of younger companies with high growth potential increases, the timing of distributions will be more closely linked to realisation activity, whilst also reflecting the requirement to maintain the VCT qualifying level.

Proposed Final Dividend

In line with the enhanced dividend policy, the Directors are pleased to propose that a final dividend of 2.15p per Ordinary Share, in respect of the year ended 30 November 2024, be paid on 9 May 2025 to Shareholders who are on the register at 28 March 2025. This will bring the annual dividend to 3.15p per Ordinary Share, representing a yield of 6% based on the NAV per Ordinary Share at the immediately preceding year end. Since the Company's launch, and after receipt of the proposed final dividend, a total of 102.87p per Ordinary Share will have been paid in tax free distributions. It should be noted that payment of a dividend reduces the NAV of the Company by the total amount of the distribution.

The Board wishes to take this opportunity to remind Shareholders that it is their responsibility to ensure that the Company's Registrar (The City Partnership) has correct contact and bank account details to allow for the timely payment of dividends. Dividend tax vouchers are available to download from the Registrar's investor hub at: **maven-cp.cityhub.uk.com**, with hard copies being posted to those Shareholders who have not opted to receive communications from the Company electronically.

Dividend Investment Scheme (DIS)

Your Company operates a DIS, through which Shareholders can, at any time, elect to have their dividend payments utilised to subscribe for new Ordinary Shares issued under the standing authority requested from Shareholders at Annual General Meetings. Ordinary Shares issued under the DIS are free from dealing costs and should benefit from

Annual General Meetings. Ordinary Shares issued under the DIS are free from dealing costs and should benefit from the tax reliefs available on new Ordinary Shares issued by a VCT in the tax year in which they are allotted, subject to an individual Shareholder's particular circumstances.

Shareholders can elect to participate in the DIS in respect of future dividends, by completing a DIS mandate form and returning it to The City Partnership. In order for the DIS to apply to the 2024 final dividend, the mandate form must be received by the Registrar before 11 April 2025, this being the relevant dividend election date. The mandate form, terms & conditions and full details of the scheme (including tax considerations) are available on the Company's webpage at: **mavencp.com/migvct3**. Election to participate in the DIS can also be made through the Registrar's online investor hub at: **maven-cp.cityhub.uk.com/login**.

If a Shareholder is in any doubt about the merits of participating in the DIS, or their own tax status, they should seek advice from a suitably qualified adviser.

Fund Raising and Offer for Subscription

In April 2024, your Company closed the Offer for Subscription that was launched in October 2023 having raised a total of £5.3 million. Details regarding the new Ordinary Shares issued in relation to this offer can be found in Note 12 to the Financial Statements in the Annual Report.

On 27 September 2024, a new Offer for Subscription was launched, alongside Offers by the other Maven managed VCTs, accepting applications for the 2024/25 and 2025/26 tax years. Your Company has a target raise of £10 million including an over-allotment facility of up to £5 million. The Offers will remain open until 25 April 2025, unless fully subscribed ahead of this date, and further details can be found at: **mavencp.com/vctoffer**. As at the date of the Annual Report your Company had raised a total of £6.5 million.

Consistent with the objective of making regular allotments of new Ordinary Shares, the first allotment for the 2024/25 tax year completed on 18 December 2024, with a further allotment taking place on 19 February 2025. Applications for the 2024/25 tax year will close on 4 April 2025, unless fully subscribed ahead of this date, with an allotment expected to complete that day. Applications for the 2025/26 tax year will close on 25 April 2025, unless fully subscribed ahead of this date, with an allotment completing shortly thereafter.

The Directors are confident that Maven's regionally based team of investment executives has the capability to continue to source attractive investment opportunities in VCT qualifying companies across a range of sectors, and that the additional liquidity provided by this fundraising will facilitate further expansion and development of the portfolio in line with the investment strategy. In addition, the funds raised will allow your Company to maintain its active share buy-back policy, whilst also spreading costs over a wider asset base, with the objective of maintaining a competitive OCR for the benefit of all Shareholders.

Share Buy-backs

The Directors acknowledge the need to maintain an orderly market in the Company's shares and have delegated authority to the Manager to enable the Company to buy back its own shares in the secondary market for cancellation, or to be held in treasury, subject always to such transactions being in the best interests of Shareholders.

It is intended that the Company will seek to buy back shares with a view to maintaining a share price that is at a discount of approximately 5% to the latest published NAV per Ordinary Share. Any purchase of the Company's own shares will be subject to various factors, including market conditions, available liquidity and the maintenance of the VCT qualifying status. It should, however, be noted that buy backs are prohibited whilst the Company is in a closed period, which is the time from the end of a reporting period until either the announcement of the relevant results or the release of an unaudited NAV. Additionally, a closed period may be introduced if the Directors and Manager are in possession of price sensitive information.

Shareholders should note that neither the Company nor the Manager can execute a transaction in the Company's shares. Any instruction by a Shareholder to buy or sell shares on the secondary market must be directed through a stockbroker of their choice. To discuss a transaction, the Shareholder's broker should contact the Company's stockbroker, Shore Capital Stockbrokers, on 020 7647 8132.

VCT Regulatory Developments

During the year, there were no further amendments to the rules governing VCTs and your Company remains fully compliant with the complex conditions and requirements of the scheme.

On 3 September 2024, HM Treasury approved the regulations required to extend the "sunset clause" for VCT and EIS schemes until 2035. This provides greater certainty to Shareholders, as well as SMEs seeking growth capital, that VCTs will remain a central component of the UK's funding infrastructure. Furthermore, and as expected, the new Government's first Budget Statement in October 2024 did not introduce changes to tax reliefs for VCT and EIS schemes. As part of the growth agenda, the Chancellor confirmed that the Government would continue to work with entrepreneurs and venture capital firms to support investment to grow the UK economy by ensuring that policies provide a positive environment for entrepreneurship. The Venture Capital Trust Association (VCTA), of which the Manager is a founding member, and the Association of Investment Companies (AIC), of which the Company is a member, will continue to work with HM Treasury to build on this positive relationship, which recognises the importance of VCTs in supporting Britain's brightest entrepreneurs and creating regional employment opportunities.

The October 2024 Budget did, however, introduce a widely expected change to the tax regime for AIM quoted shares with the announcement that, with effect from 6 April 2026, business relief, which applies to shares that do not trade on recognised stock exchanges such as AIM and AQSE, will be reduced to 50%, rather than the current 100%. As Shareholders will be aware, the performance of AIM over the past few years has been disappointing with depressed valuations and limited high quality new investment opportunities. Against this backdrop, the value of your Company's AIM portfolio has gradually declined and as at 30 November 2024 accounted for less than 2% of NAV. Throughout the year, your Company has maintained a cautious approach to AIM and has only completed three small AIM investments, two of which were follow-ons. Whilst the Board and Manager recognise the beneficial liquidity characteristics of listed shares, it is not anticipated that there will be a significant increase in the number of new AIM investments. In addition, it is also likely that certain legacy AIM holdings will be liquidated where, based on operational performance and market dynamics, there is limited expectation of a near term share price recovery or M&A activity.

Environmental, Social and Governance (ESG) Considerations

Whilst your Company's investment policy does not incorporate specific ESG objectives, the Board and the Manager recognise the importance of considering and understanding ESG matters as an integral part of the investment process. Maven has established an ESG and Responsible Investment Policy which ensures that all related ESG risks and opportunities are identified during pre-investment due diligence, and can be carefully considered as part of the investment process. Maven's ESG framework for companies post investment then provides a structure for regular engagement with the Manager, which ensures that ESG metrics can be monitored annually throughout the period of investment.

In addition, Maven has an ESG steering group, which comprises members from all areas of the business, bringing a diverse range of skills, experience and perspective. The core objective is to develop and embed effective ESG principles throughout Maven's business. The scope of the steering group includes setting the strategy for the collation and assessment of ESG data, consideration of regulatory reporting requirements, promoting ESG aims amongst Maven employees and portfolio companies, and oversight of reporting to stakeholders.

The Manager continues to be an active member of the United Nations Principles of Responsible Investment, and submitted its first public report in July 2024. This allows Maven to re-establish its commitment to include ESG as an integral part of the investment process. Over the past year, the Manager has become increasingly involved with social initiatives that focus on diversity. Maven has supported schemes such as Future Asset, the Investing in Women Code, Lifted Project and the 10,000 Interns Foundation, as it considers the early introduction of females and ethnic minorities to the investment sector as crucial to reducing the disparities that still exist. During the year, Maven also launched a Female Founder Workshop programme that has increased introductions to female led businesses.

Annual General Meeting (AGM)

The 2025 AGM will be held on 1 May 2025 in Maven's London office, which is located at **6th Floor, Saddlers House, 44 Gutter Lane, London, EC2V 6BR**. The AGM will commence at 11:30am and the Notice of Annual General Meeting can be found in the Annual Report.

The Future

In the year ahead, the focus of your Board and the Manager will remain on further expanding the portfolio across multiple growth sectors, sourced through Maven's regional network of deal executives, whilst progressing exit opportunities to help maintain a programme of regular Shareholder distributions to deliver further growth in Shareholder value.

Keith Pickering
Chairman

18 March 2025

Business Report

This Business Report is intended to provide an overview of the strategy and business model of the Company, as well as the key measures used by the Directors in overseeing its management. The Company is a VCT and invests in accordance with the investment objective set out below.

Investment Objective

The Company aims to achieve long-term capital appreciation and generate income for Shareholders.

Business Model and Investment Policy

Under an investment policy approved by the Directors, the Company intends to achieve its objective by:

- investing the majority of its funds in a diversified portfolio of shares and securities in smaller, unquoted UK companies and AIM quoted companies that meet the criteria for VCT qualifying investments and have strong growth potential;

- investing no more than £1.25 million in any company in one year and no more than 15% of the Company's assets by cost in one business at any time; and

- borrowing up to 15% of net asset value, if required and only on a selective basis, in pursuit of its investment strategy. The Board has no intention of approving any borrowing at this time.

Principal and Emerging Risks

The Board and the Audit & Risk Committee have an ongoing process for identifying, evaluating and monitoring the principal and emerging risks facing the Company. The risk register and risk dashboard form key parts of the Company's risk management framework and are used to carry out a robust assessment of the risks, including a significant focus on the controls in place to mitigate them.

The current principal and emerging risks facing the Company are considered to be as follows:

Principal risk	Root cause	Control measures
Investment risk	• Majority of investments are in small and medium sized unquoted UK companies and AIM quoted companies, which carry a higher level of risk and lower liquidity relative to investments in large quoted companies.	• The Company appoints an FCA authorised investment manager with the appropriate skills, experience and resources required to achieve the Investment Objective. • The Board ensures that a robust and structured selection, monitoring and realisation process is applied by the Manager to all investments, and regularly reviews the investment portfolio with the Manager. • The Company's investment portfolio is diversified across a large number of companies and a range of economic sectors.
Operational risk	• Failure of a significant outsourcer to perform duties and	• All outsourcers are selected following the completion of

	to perform duties and responsibilities in accordance with service level agreements.	following the completion of appropriate due diligence, with the Manager carrying out an annual review of key outsourcers. • The Manager and Custodian are FCA authorised and subject to FCA Rules requiring the maintenance of adequate financial resources, including enabling an orderly wind-down.
IT and cyber security risk	• Heightened cyber security risk and potential IT failure, which could cause a third party to fail to perform its duties and responsibilities or experience financial difficulties such that it is unable to carry on trading and cannot provide services to the Company.	• The Board reviews control and compliance reports from the Manager, which includes oversight of third party cyber security arrangements, to ensure these adequately address systems and data security risks. • The Manager validates the ability of third parties to operate an effective business continuity plan (BCP) and reports on this to the Board.
VCT qualifying status risk	• Failure to meet VCT qualifying status could result in Shareholders losing the income tax relief on initial investment and loss of tax relief on any tax free income or capital gains received. Failure to meet the qualifying requirement could result in a loss of listing of the Company's shares.	• The Board works closely with the Manager to ensure compliance with all applicable and upcoming legislation, such that VCT qualifying status is maintained. • Further information on the management of this risk is detailed under other headings in the Business Report.
Legislative and regulatory risk	• Breaches of regulations including, but not limited to, the Companies Act 2006, the FCA Listing Rules, the FCA Disclosure Guidance and Transparency Rules, the General Data Protection Regulation (GDPR), or the Alternative Investment Fund Managers Directive (AIFMD) by the Company could lead to a number of detrimental outcomes and reputational damage.	• The Board strives to maintain a good understanding of the changing regulatory agenda and considers emerging issues so that appropriate changes can be developed and implemented in good time. • The Board and the Manager continue to make representations where appropriate, either directly or through relevant industry bodies such as the AIC, the British Private Equity and Venture Capital Association (BVCA) and the Venture Capital Trust Association (VCTA) in relation to any changes in legislation.
Emerging risk	**Root cause**	**Control measures**
Global conflict and political instability	• Escalating global conflict and political instability resulting in the potential for escalating prices, disruption to supply chains and general market uncertainty.	• Maven works closely with all portfolio companies to identify, and support, the management of any challenges resulting from global conflict and political instability. • This activity is reported to, and reviewed by, the Board at each quarterly meeting, or as otherwise required, and, whilst it cannot be obviated entirely, the Company's investment portfolio is diversified across a large number of investee companies and a range of economic sectors.

In addition, an explanation of certain economic and financial risks and how they are managed can be found in Note 16 to the Financial Statements in the Annual Report.

Statement of Compliance with Investment Policy

The Company is adhering to its stated investment policy and managing the risks arising from it. This can be seen in various tables and charts throughout the Annual Report, from information provided in the Chairman's Statement and in the Investment Manager's Review. A review of the Company's business, its position as at 30 November 2024 and its performance during the year then ended is included in the Chairman's Statement, which also includes an overview of the Company's business model and strategy.

The management of the investment portfolio has been delegated to Maven, which also provides company secretarial, administrative and financial management services to the Company. The Board is satisfied with the breadth and depth of the Manager's resources and its nationwide network of offices, which supply new deals and enable it to monitor the geographically widespread portfolio of companies effectively.

The Investment Portfolio Summary in the Annual Report discloses the investments in the portfolio and the degree of co-investment with other clients of the Manager. The Portfolio Analysis charts in the Annual Report show the profile of the portfolio by industry sector and demonstrate the broadly spread end market exposure and provide insight into the age of investments within the portfolio. The level of qualifying investments is monitored continually by the Manager and reported to the Audit & Risk Committee quarterly, or as otherwise required.

Key Performance Indicators (KPIs)

During the year, the net return on ordinary activities before taxation was £2,488,000 (2023: a loss of £2,815,000), the gain on investments was £3,143,000 (2023: loss of £1,985,000) and earnings per share were 2.08p (2023: 2.51p loss). The Directors also use a number of Alternative Performance Measures (APMs) in order to assess the Company's success in achieving its objectives, and these also enable Shareholders and prospective investors to gain an understanding of its business. The APMs are shown in the Financial Highlights in the Annual Report and are defined in the Glossary in the Annual Report.

In addition, the Board considers the following to be KPIs:

- NAV total return;
- annual yield;
- share price discount to NAV;
- investment income; and
- OCR.

The NAV total return is considered to be a more appropriate long-term measure of Shareholder value as it includes both the current NAV per share and the sum of dividends paid to date. The annual yield is the total dividends paid for the financial year, expressed as a percentage of the NAV per Ordinary Share at the immediately preceding year end. During the year, the Directors revised the Company's dividend policy and will now target a dividend that provides a yield of 6% of the NAV per share at the immediately preceding year end, subject to always complying with the VCT rules, and taking into consideration the level of distributable reserves, profitable realisations in each accounting period and the Company's future cash flow projections. The share price discount to NAV is the percentage by which the mid-market share price of an investment is lower than the NAV per share. Share price total return is the percentage movement in the share price over a period of time, including any re-invested dividends paid over that timeframe. The OCR is a measure of the total cost to an investor and is the total recurring annual expenses of the Company, including management fees, but excluding performance fees, charged to the capital reserve, expressed as a percentage of the average net assets attributable to Shareholders. The Company's OCR for the year ended 30 November 2024 was 3.13% (2023: 3.25%) and is detailed in Note 4 to the Financial Statements in the Annual Report.

A historical record of these measures is shown in the Financial Highlights in the Annual Report. The change in the profile of the portfolio is reflected in the Summary of Investment Changes in the Annual Report. The Board also reviews the Company's investment income and operational expenses on a quarterly basis, as the Directors consider that both elements are important components in the generation of Shareholder returns. Further information can be found in Notes 2 and 4 to the Financial Statements in the Annual Report.

There is no market standard VCT index against which to compare the performance of the Company. However, for reporting to the Board and Shareholders, the Manager uses comparisons with the most appropriate index, being the FTSE AIM All-Share Index, and the graph displayed in the Annual Report compares the Company's performance against that Index. The Directors also consider non-financial performance measures such as the flow of investment proposals.

In addition, the Directors consider economic, regulatory and political trends and factors that may impact on the Company's future development and performance.

Valuation Process

Investments held by Maven Income and Growth VCT 3 PLC in unquoted companies are valued in accordance with the IPEV Guidelines, being the prevailing framework for fair value assessment in the private equity and venture capital industry. The guidelines were updated in December 2022 and incorporate the special guidance issued post COVID-19 and following the invasion of Ukraine, and expand on the concept of and impact on valuations of distressed markets, as well as looking at how ESG factors impact valuations. The Directors and the Manager continue to follow these industry guidelines and adhere to the IPEV Guidelines in all private company valuations. Investments quoted or traded on a recognised stock exchange, including AIM, are valued at their closing bid price at the year end.

Share Buy-backs

At the forthcoming AGM, the Board will seek the necessary Shareholder authority to continue to conduct share buy-backs in accordance with the Company's share buy-back policy as outlined in the Annual Report.

The Board's Duty and Stakeholder Engagement

The Directors recognise the importance of an effective Board and its ability to discuss, review and make decisions to promote the long-term success of the Company and protect the interests of its key stakeholders. As required by Provision 5 of the AIC Code (and in line with the UK Code), the Board has discussed the Directors' duty under Section 172 of the Companies Act and how the interests of key stakeholders have been considered in the Board's discussions and decision making during the year.

This has been summarised in the table below:

Form of stakeholder engagement	Influence on Board decision making
Shareholders Shareholders are encouraged to attend and vote at the AGM and have the opportunity to ask questions and engage with the Directors and the Manager. The Company reports formally to Shareholders by publishing Annual and Interim Reports. In the instance of a corporate action taking place, the Board will communicate with Shareholders through the issue of a Circular and, if required, a Prospectus. In addition, significant matters or reporting obligations are disseminated to Shareholders by way of London Stock Exchange Announcements. The Secretary acts as a point of contact for the Board and communications received from Shareholders are circulated to the whole Board. The Manager also publishes its bi-annual newsletter and provides regular portfolio updates by email.	The Board recognises the importance of tax free dividends to Shareholders and takes this into consideration when making decisions to pay interim and propose final dividends for each year. During the year under review, after taking into account the interests of Shareholders and strategies employed by the other VCTs in its peer group, the Directors agreed an enhancement to the dividend policy and now target an annual dividend of 6% of the NAV per Ordinary Share at the immediately preceding year end. Further details regarding dividends for the year under review can be found in the Chairman's Statement. The Directors recognise the importance to Shareholders of the Company maintaining an active share buy-back policy and considered this when establishing the current programme. Further details can be found in the Chairman's Statement and in the Directors' Report in the Annual Report. In making the decision to launch the current Offer for Subscription, the Directors considered that it would be in the interest of Shareholders to continue to grow the portfolio, completing investments across a diverse range of sectors via both new and follow-on transactions. By growing the Company, as certain costs are fixed, these costs are then spread over a wider asset base, which helps to promote a competitive ongoing charges ratio and is in the interests of Shareholders. In addition, the increased liquidity helps support the buy-back policy referred to above. Further details regarding the current Offers for Subscription can be found in the Chairman's Statement. For the year ending 30 November 2024, after considering the interests of Shareholders and the strategies of other VCTs in its peer group, the Directors agreed to introduce a cap on total expenses payable to Maven, set at 3.5% per annum of the average NAV for the relevant financial period. (2023: 3.8%).
ESG The Directors and the Manager take account of the social, environmental and ethical factors impacted by the Company and the investments that it makes.	The Directors and the Manager are aware of their duty to act in the interests of the Company and acknowledge that there are risks associated with investment in companies that fail to conduct business in a socially responsible manner. The Manager's ESG assessment of investee companies focuses on their impact on the environment as well as broader social themes, such as, the

	companies' approach to diversity and inclusion in the workplace and their work with charities. Further details can be found in the Chairman's Statement, the Investment Manager's Review, and in the Statement of Corporate Governance in the Annual Report.
Portfolio companies At the quarterly Board Meetings, the Manager reports to the Board on the performance of portfolio companies. The Directors challenge the Manager on both portfolio company performance and valuation and, where they feel it is appropriate, on the Manager's monitoring role. The Manager communicates directly with each private investee company, normally through the Maven representative who sits on the board of the private investee company. From time to time, the management teams of investee companies give presentations to the Board.	Through the Manager, the Directors encourage portfolio companies to adopt best practice corporate governance, exercising voting rights where required. The Board is also mindful that, as the portfolio expands and the proportion of early stage investment increases, follow-on funding will represent an important part of the Company's investment strategy and this forms a key part of the Directors' discussions in relation to valuations, risk management and fundraising. Meeting with the management teams of the private investee companies gives the Board a better understanding of the investee business.
Manager The Manager attends every Board Meeting, presenting a detailed portfolio analysis and reports on key issues such as VCT compliance, investment pipeline, utilisation of any new monies raised, share liquidity and peer group performance.	The Board ensures that the Manager implements the investment objective and strategy, in accordance with the terms of the Management and Administration Deed, and in compliance with the VCT, and other, regulations. On an annual basis, the Board conducts a review of the Manager's performance and management fee, as part of its decision to re-appoint the Manager. Information provided by the Manager supports the Board's policies regarding dividends and share buy-backs and the decisions made on fundraising. The Board has an active treasury management policy that has the objective of generating income from the cash held prior to investment in VCT qualifying companies. As detailed in the Chairman's Statement and in the Investment Manager's Report, in the Annual Report, during the year under review, several new permitted non-qualifying investments were completed for treasury management purposes. After conducting a detailed whole of market review, the composition of the treasury management portfolio was refined to include holdings in MMFs and OEICs, alongside listed investment trusts diversified across private equity, infrastructure and other classes, with the remaining cash held on deposit with a range of UK banks.
Registrar Annual review meetings and control reports.	Through review and discussion of reports from the Manager, the Directors consider the performance of all third party service providers on an annual basis, including ensuring compliance with GDPR.
Banks and Custodian Regular statements and control reports received, with all holdings and balances reconciled.	Via review and discussion of reports from the Manager, the Directors consider the performance of all third party service providers on an annual basis, including oversight of securing the Company's assets.

Employee, Environmental and Human Rights Policy

The Company has no direct employee or environmental responsibilities, nor is it responsible directly for the emission of greenhouse gases. The Board's principal responsibility to Shareholders is to ensure that the investment portfolio is managed and invested properly. As the Company has no employees, it has no requirement to report separately on employment matters. The Board comprises four male Directors and delegates responsibility for diversity to the Nomination Committee, as explained in the Statement of Corporate Governance in the Annual Report.

The management of the portfolio is undertaken by the Manager through members of its portfolio management team. The Manager engages with the Company's underlying investee companies in relation to their corporate governance practices and in developing their policies on social, community and environmental matters and further information can be found in the Statement of Corporate Governance in the Annual Report. The Manager has continued with its focus on developing its ESG framework and oversight capabilities and further details can be found in the Chairman's Statement. The Manager will be overseeing the collation of this information for the benefit of the Board, supports individual companies to identify ESG risks and opportunities and, where potential improvements are identified, works jointly with investee businesses to make positive changes.

In light of the nature of the Company's business, there are no relevant human rights issues and, therefore, the Company does not have a human rights policy.

Auditor

The Company's Auditor is required to report if there are any material inconsistencies between the content of the Strategic Report and the Financial Statements. The Independent Auditor's Report can be found in the Annual Report.

Future Strategy

The Board and Manager intend to maintain the policies set out above for the year ending 30 November 2025, as it is believed that these are in the best interests of Shareholders.

Approval

The Business Report, and the Strategic Report as a whole, was approved by the Board of Directors and signed on its behalf by:

Keith Pickering
Director

18 March 2025

Income Statement

For the year ended 30 November 2024

	Year ended 30 November 2024			Year ended 30 November 2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gain/(loss) on investments	-	3,143	3,143	-	(1,985)	(1,985)
Income from investments	1,128	-	1,128	917	-	917
Other income	184	-	184	240	-	240
Investment management fees	(311)	(1,243)	(1,554)	(307)	(1,228)	(1,535)
Other expenses	(413)	-	(413)	(452)	-	(452)
Net return on ordinary activities before taxation	**588**	**1,900**	**2,488**	**398**	**(3,213)**	**(2,815)**
Tax on ordinary activities	-	-	-	-	-	-
Return attributable to Equity Shareholders	**588**	**1,900**	**2,488**	**398**	**(3,213)**	**(2,815)**
Earnings per share (pence)	**0.49**	**1.59**	**2.08**	**0.36**	**(2.87)**	**(2.51)**

All gains and losses are recognised in the Income Statement.

The total column of this statement is the Profit & Loss Account of the Company. The revenue and capital return columns are prepared in accordance with the AIC SORP. All items in the above statement derive from continuing operations. No operations were acquired or discontinued during the year.

There are no potentially dilutive capital instruments in issue and, therefore, no diluted earnings per share figures are relevant. The basic and diluted earnings per share are, therefore, identical.

The Notes are an integral part of the Financial Statements and can be found in full in the Annual Report.

Statement of Changes in Equity

For the year ended 30 November 2024

Year ended 30 November 2024	Non-distributable Reserves				Distributable Reserves		
	Share	Share premium	Capital redemption	Capital reserve	Capital reserve	Special distributable	Revenue

	capital £'000	account £'000	reserve £'000	unrealised £'000	realised £'000	reserve £'000	reserve £'000	Total £'000
At 30 November 2023	**11,307**	**25,518**	**719**	**5,489**	**998**	**14,134**	**1,172**	**59,337**
Net return	-	-	-	(239)	3,382	(1,243)	588	2,488
Dividends paid	-	-	-	-	-	(3,196)	(536)	(3,732)
Repurchase and cancellation of shares	(280)	-	280	-	-	(1,381)	-	(1,381)
Net proceeds of share issue	1,009	4,050	-	-	-	-	-	5,059
Net proceeds of DIS issue*	77	298	-	-	-	-	-	375
At 30 November 2024	**12,113**	**29,866**	**999**	**5,250**	**4,380**	**8,314**	**1,224**	**62,146**

Year ended 30 November 2023	**Non-distributable Reserves**				**Distributable Reserves**			
	Share capital £'000	**Share premium account £'000**	**Capital redemption reserve £'000**	**Capital reserve unrealised £'000**	**Capital reserve realised £'000**	**Special distributable reserve £'000**	**Revenue reserve £'000**	**Total £'000**
At 30 November 2022	**10,457**	**19,920**	**346**	**7,422**	**1,050**	**19,974**	**774**	**59,943**
Net return	-	-	-	(1,933)	(52)	(1,228)	398	(2,815)
Dividends paid	-	-	-	-	-	(2,685)	-	(2,685)
Repurchase and cancellation of shares	(373)	-	373	-	-	(1,927)	-	(1,927)
Net proceeds of share issue	1,169	5,353	-	-	-	-	-	6,522
Net proceeds of DIS issue*	54	245	-	-	-	-	-	299
At 30 November 2023	**11,307**	**25,518**	**719**	**5,489**	**998**	**14,134**	**1,172**	**59,337**

**DIS represents the Dividend Investment Scheme as detailed in the Chairman's Statement in the Annual Report.*

The capital reserve unrealised is generally non-distributable other than the part of the reserve relating to gains/(losses) attributable to readily realisable quoted investments which are distributable. The capital reserve unrealised contains £2,386,000 (2023: £2,742,000) of losses in relation to level 1 and level 2 investments, which could be converted to cash, and as such, could be deemed realised.

Where all, or an element of the proceeds of sales have not been received in cash or cash equivalent (as noted on the Realisations table in the Annual Report), and are not readily convertible to cash, they do not qualify as realised gains for the purposes of distributable reserves calculations and, therefore, do not form part of distributable reserves. The split of unrealised gains/(losses) for the year is detailed within the portfolio valuation section of Note 8.

The accompanying Notes are an integral part of the Financial Statements.

Balance Sheet

As at 30 November 2024

	30 November 2024 £'000	**30 November 2023 £'000**
Fixed assets		
Investments at fair value through profit or loss	54,341	55,825
Current assets		
Debtors	565	660
Cash	7,586	3,117
	8,151	**3,777**
Creditors		
Amounts falling due within one year	(346)	(265)
Net current assets	**7,805**	**3,512**
Net assets	**62,146**	**59,337**
Capital and reserves		
Called up share capital	12,113	11,307
Share premium account	29,866	25,518
Capital redemption reserve	999	719
Capital reserve - unrealised	5,250	5,489
Capital reserve - realised	4,380	998
Special distributable reserve	8,314	14,134
Revenue reserve	1,224	1,172
Net assets attributable to Ordinary Shareholders	**62,146**	**59,337**

Net asset value per Ordinary Share (pence)	**51.31**	**52.48**

The Financial Statements of Maven Income and Growth VCT 3 PLC, registered number 04283350, were approved and authorised for issue by the Board of Directors and were signed on its behalf by:

Keith Pickering
Director

18 March 2025

The Notes are an integral part of the Financial Statements and can be found in full in the Annual Report.

Cash Flow Statement

For the Year Ended 30 November 2024

	Year ended 30 November 2024 £'000	**Year ended 30 November 2023 £'000**
Net cash flows from operating activities	**(759)**	**(923)**
Cash flows from investing activities		
Purchase of investments	(11,775)	(20,279)
Sale of investments	16,529	3,742
Net cash flows from investing activities	**4,754**	**(16,537)**
Cash flows from financing activities		
Equity dividends paid	(3,732)	(2,685)
Issue of Ordinary Shares	5,587	6,928
Repurchase of Ordinary Shares	(1,381)	(1,927)
Net cash flows from financing activities	**474**	**2,316**
Net increase/(decrease) in cash	**4,469**	**(15,144)**
Cash at beginning of year	**3,117**	**18,261**
Cash at end of year	**7,586**	**3,117**

The Notes are an integral part of the Financial Statements and can be found in full in the Annual Report.

Notes to the Financial Statements

For the Year Ended 30 November 2024

Accounting policies

The Company is a public limited company, incorporated in England & Wales and its registered office is shown in the Corporate Summary.

(a) Basis of preparation

The Financial Statements have been prepared on a going concern basis and further details can be found in the Directors' Report in the Annual Report. The Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of investments and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, and in accordance with the Statement of Recommended Practice for Investment Trust Companies and Venture Capital Trusts (the SORP) issued by the AIC in July 2022.

(b) Income

Equity income

Dividends receivable on quoted equity shares are recognised on the ex-dividend date. Dividends receivable on unquoted equity shares are recognised when the Company's right to receive payment is established and there is no reasonable doubt that payment will be received.

Unquoted loan stock and other preferred income

Fixed returns on non-equity shares and debt securities are recognised when the Company's right to receive payment and expected settlement is established. Where interest is rolled up and/or payable at redemption, it is recognised as income unless there is reasonable doubt as to its receipt.

Redemption premiums

When a redemption premium is designed to protect the value of the instrument holder's investment rather than reflect a commercial rate of revenue return the redemption premium should be recognised as capital. The treatment of redemption premiums is analysed to consider if they are revenue or capital in nature on a company by company basis. A revenue redemption premium of £nil (2023: £nil) was received in the year ended 30 November 2024.

Bank interest

Deposit interest is recognised on an accruals basis using the rate of interest agreed with the bank. Income from unquoted loan stock and deposit interest is included on an effective interest rate basis.

(c) Expenses

All expenses are accounted for on an accruals basis and charged to the Income Statement. Expenses are charged through the revenue account, except as follows:

• expenses that are incidental to the acquisition and disposal of an investment are charged to capital;

• expenses are charged to the special distributable reserve where a connection with the maintenance or enhancement of the value of the investments can be demonstrated. In this respect, the investment management fee and performance fee have been allocated 20% to revenue and 80% to the special distributable reserve to reflect the Company's investment policy and prospective income and capital growth; and

• share issue costs are charged to the share premium account.

(d) Taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or right to pay less tax in the future have occurred at the balance sheet date. This is subject to the deferred tax asset only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the Financial Statements that are capable of reversal in one or more subsequent periods.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The tax effect of different items of income/gain and expenditure/loss is allocated between capital reserves and revenue account on the same basis as the particular item to which it relates, using the Company's effective rate of tax for the period.

UK corporation tax is provided at amounts expected to be paid/recovered using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

(e) Investments

In valuing unlisted investments, the Directors follow the criteria set out below. These procedures comply with the revised IPEV Guidelines for the valuation of private equity and venture capital investments.

Investments are recognised at their trade date and are designated by the Directors as fair value through profit and loss. At subsequent reporting dates, investments are valued at fair value, which represents the Directors' view of the amount for which an asset could be exchanged between knowledgeable and willing parties in an arm's length transaction. This does not assume that the underlying business is saleable at the reporting date or that its current shareholders have an intention to sell their holding in the near future.

A financial asset or liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

1. For early stage investments completed in the reporting period, fair value is determined using the price of recent investment, calibrating for any material change in the trading circumstances of the investee company. Other early stage companies are valued by applying a multiple to the investee's revenue to derive the enterprise value of each company. Where relevant, an investee may be valued on a discounted cashflow basis.

2. Whenever practical, recent investments will be valued by reference to a material arm's length transaction or a quoted price.

3. Mature companies are valued by applying a multiple to their maintainable earnings to determine the enterprise value of the company.

   To obtain a valuation of the total ordinary share capital held by management and the institutional investors, the value of third party debt, institutional loan stock, debentures and preference share capital is deducted from the enterprise value. The effect of any performance related mechanisms is taken into account when determining the value of the ordinary share capital.

4. All unlisted investments are valued individually by Maven's portfolio management team and discussed by Maven's valuation committee. The resultant valuations are subject to detailed scrutiny and approval by the Directors of the Company.

5. In accordance with normal market practice, investments quoted on AIM or a recognised stock exchange are valued at their closing bid price at the year end.

(f) Fair value measurement

Fair value is defined as the price that the Company would receive upon selling an investment in a timely transaction to an independent buyer in the principal or the most advantageous market of the investment. A three-tier hierarchy has been established to maximise the use of observable market data and minimise the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, for example, the risk inherent in a particular valuation technique used to measure fair value including such a pricing model and/or the risk inherent in the inputs to the valuation technique. Inputs may be observable or unobservable.

Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity.

Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on best information available in the circumstances.

The three-tier hierarchy of inputs is summarised in the three broad levels listed below:

- Level 1 - the unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 - inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly; and

- Level 3 - inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

(g) Gains and losses on investments

When the Company sells or revalues its investments during the year, any gains or losses arising are credited/charged to the Income Statement.

(h) Critical accounting judgements and key sources of estimation uncertainty

Disclosure is required of judgements and estimates made by the Board and the Manager in applying the accounting policies that have a significant effect on the Financial Statements. The area involving the highest degree of judgement and estimates is the valuation of unlisted investments recognised in Note 8 and 16 in the Annual Report and explained in Note 1(e) above.

In the opinion of the Board and the Manager, there are no critical accounting judgements.

Reserves

Share premium account

The share premium account represents the premium above nominal value received by the Company on issuing shares net of issue costs, including £236,298 (2023: £107,047) of trail commission. This reserve is non-distributable.

Capital redemption reserve

The nominal value of shares repurchased and cancelled is represented in the capital redemption reserve. This reserve is non-distributable.

Capital reserve - unrealised

Increases and decreases in the fair value of investments are recognised in the Income Statement and are then transferred to the capital reserve unrealised account. This reserve is generally non-distributable other than the part of the reserve relating to gains/(losses) attributable to readily realisable quoted investments which are distributable.

Capital reserve - realised

Gains or losses on investments realised in the year that have been recognised in the Income Statement are transferred to the capital reserve realised account on disposal. Furthermore, any prior unrealised gains or losses on such investments are transferred from the capital reserve unrealised account to the capital reserve realised account on disposal. This reserve is distributable.

Special distributable reserve

The total cost to the Company of the repurchase and cancellation of shares is represented in the special distributable reserve account. The special distributable reserve also represents capital dividends, capital investment management fees and the tax effect of capital items. This reserve is distributable.

Revenue reserve

The revenue reserve represents accumulated profits retained by the Company that have not been distributed to Shareholders as a dividend. This reserve is distributable.

Return per Ordinary Share

	Year ended 30 November 2024	**Year ended 30 November 2023**
The returns per share have been based on the following figures:		
Weighted average number of Ordinary Shares	119,731,439	112,032,104
Revenue return	£588,000	£398,000
Capital return	£1,900,000	(£3,213,000)
Total return	**£2,488,000**	**(£2,815,000)**

Net Asset Value per Ordinary Share

The net asset value per Ordinary Share as at 30 November 2024 has been calculated using the number of Ordinary Shares in issue at that date of 2024: 121,129,618 (2023: 113,070,327).

Directors' Responsibility Statement

Each Director believes that, to the best of their knowledge:

- the Financial Statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as at 30 November 2024 and for the year to that date;

- the Directors' Report includes a fair review of the development and performance of the Company, together with a description of the principal risks that it faces; and

- the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

Other Information

The Annual General Meeting will be held on Thursday 1 May 2025, commencing at 11.30am, at the offices of Maven Capital Partners UK LLP, 6th Floor, Saddlers House, 44 Gutter Lane, London EC2V 6BR.

The Annual Report and Financial Statements for the year ended 30 November 2024 will be issued to Shareholders and filed with the Registrar of Companies in due course.

The financial information contained within this announcement does not constitute the Company's statutory Financial Statements as defined in the Companies Act 2006. The statutory Financial Statements for the year ended 30 November 2023 have been delivered to the Registrar of Companies and contained an audit report that was unqualified and did not constitute statements under S498(2) or S498(3) of the Companies Act 2006.

Copies of this announcement, and of the Annual Report and Financial Statements for the year ended 30 November 2024, will be available, in due course, to the public at the office of Maven Capital Partners UK LLP, 205 West George Street, Glasgow G2 2LW; at the registered office of the Company, 6th Floor, Saddlers House, 44 Gutter Lane, London EC2V 6BR and on the Company's webpage **mavencp.com/migvct3**.

Neither the content of the Company's webpage nor the contents of any website accessible from hyperlinks on the Company's webpage (or any other website) is incorporated into, or forms part of, this announcement.

The Annual Report will shortly be submitted to the National Storage Mechanism and will be available for inspection at: **www.fca.org.uk/markets/primary-markets/regulatory-disclosures/national-storage-mechanism**.

By Order of the Board

Maven Capital Partners UK LLP
Secretary

18 March 2025

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