



Renaissance US Growth Investment Trust PLC

January 2010 Newsletter

We have been updating you between the annual and interim reports using newsletters. These are not intended to provide detailed financial information as in formal reports, but are intended to provide an overview of your Company's activities during the previous quarter.

Net Asset Value

Your Company's net asset value at 31 December 2009 was 309.61 pence compared with 289.64 pence on 30 September 2009, a gain of 6.89% against a gain of 3.03% in the Russell 2000.

Portfolio Activity

For the three months ended December 2009 we sold all or part of five holdings, made three new investments and had one portfolio company complete an initial public offering.

During the quarter we sold China-Biotics, Inc. (NASDAQ: CHBT), Hallmark Financial Services (NASDAQ: HALL) and OmniVision Technologies Inc. (NASDAQ: OVTI); we made partial sales in Duoyuan Printing, Inc. (DYU) and Hanwei Energy Services Corp. (Toronto: HE) for combined proceeds of \$4,813,979 against a cost of \$3,579,878 for a gain of \$1,234,100.

In early October we invested \$800,000 in the common shares of Orient Paper (AMEX: ONP). Founded in 1996, Orient Paper is engaged in the production and distribution of products such as corrugating medium paper, offset printing paper, writing paper and other paper and packaging-related products in China. The Company uses recycled paper as its primary raw material. As one of the largest paper producers in Hebei Province, China, the Company is strategically located in Baoding, a city in close proximity to Beijing where the majority of publishing houses are based. At calendar year-end the common stock of Orient Paper was quoted at \$10.48 while our basis is just \$2.40 per share.

In late October we invested \$797,000 in the common stock of SkyPeople Fruit Juice Inc. (AMEX: SPU). SkyPeople engages in the production and sale of concentrated apple juice, concentrated pear juice, concentrated kiwifruit puree, fruit juice drinks, fresh fruits, fruit vinegar and organic fresh fruits. The company primarily exports its products to the United States, Europe, the Russian Federation and the Middle East. For the three months ended September, the company reported revenues up 67.0% and earnings up 76.0% from the same period in 2008. At year-end the common stock of SkyPeople was quoted at \$4.12 per share against our cost basis of \$3.00 per share.

Between mid October and mid December we made an open market purchase of PHC, Inc., (AMEX: PHC) a national healthcare company providing behavioral health services in five states, including substance abuse treatment facilities in Utah and Virginia and inpatient and outpatient psychiatric facilities in Michigan, Pennsylvania and Nevada. The company also offers internet and telephonic-based referral services that includes employee assistance programs and critical incident services. Contracted services with government agencies, national insurance companies and major transportation and gaming companies cover more than one million individuals. For the three months ended September, the company reported revenues up 7.7% and positive earnings up from a loss during the same period a year ago. At year-end the common was quoted at \$1.13 against our cost basis of \$1.07.

On 6 November 2009, previously unquoted Duoyuan Printing Inc., (NYSE: DYP) sold 5.5 million shares in an initial public offering (“IPO”) underwritten by Piper Jaffray & Company. The proceeds of \$42.3 million will be used to build a factory, upgrade existing manufacturing facilities, and for general corporate purposes, including possible acquisitions. Your Company sold one-third of its holdings in the IPO for \$8.50 per share, compared with a cost of \$3.84. Duoyuan’s products are primarily used by commercial printing companies for the production of newspapers, magazines, books and packaging materials. For its fiscal year ended June 2009, the company earned \$1.30 per share compared to \$1.06 the prior year. For the quarter ended September, the company earned \$0.39 per share against \$0.34 per share the previous year. As at 15 January 2010, the stock closed at \$10.42 per share.

We would like to highlight again the progress in one of our unquoted companies. Your Company owns a substantial interest in Silicon Valley-based AnchorFree Inc. AnchorFree was founded in 2005 by two entrepreneurs who wanted to put users in control of their own data online and to significantly impact user privacy on the internet. AnchorFree’s Hotspot Shield is the world’s only free ad-supported virtual private network. Hotspot Shield enables users to access all online content anonymously and securely from any location in the world. Their technology enables the use of services such as Skype, Facebook, YouTube and Google which are often blocked by many telecom companies around the world. Usage of their virtual private network has increased dramatically with page views per month now reaching over one billion. Given that users are now in over 100 countries, revenues are growing rapidly and the company is experiencing expanding profit margins, we believe AnchorFree is increasingly becoming an attractive acquisition target. Since we last wrote about AnchorFree, their sales and earnings have once again accelerated making us increasingly confident of the company’s bright future.

In the Half Yearly Report, we mentioned that ReneSola Ltd (NYSE: SOL) had entered into a securities purchase agreement with our unquoted holding Dynamic Green Energy (“DGE”). While we are disappointed that the acquisition did not close, we are optimistic that DGE has a bright future. The reasons the acquisition did not consummate are complex, however, these issues were unrelated to DGE itself. DGE is well positioned and is aggressively pursuing its business plan. Finally, we are confident that the value of our creditor position exceeds the value of the company.

Conclusion

We look forward to the prospects of an even better year in 2010. As usual, there are a number of anticipated corporate actions that should create value for shareholders. We also believe our discount to net asset value creates an opportunity for investors.

Russell Cleveland, RENN Capital Group, Inc.

This report contains forward-looking statements. Such statements reflect the current views of the Manager with respect to future events and are subject to certain risks, uncertainties and assumptions. Although the Manager believes that the expectations reflected in such forward-looking statements are reasonable, should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual future results or events may vary materially from those described herein.

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