



PROVEN GROWTH & INCOME VCT PLC

HALF-YEARLY REPORT

For the Six Months Ended 31 August 2014



PROVEN GROWTH & INCOME VCT PLC

PRINCIPAL INVESTMENT OBJECTIVE

The Company's investment objective is to achieve long-term returns greater than those available from investing in a portfolio of quoted companies, by investing in:

- a portfolio of carefully selected qualifying investments in small and medium sized unquoted companies with excellent growth prospects; and
- a portfolio of non-qualifying investments including cash, liquidity funds, fixed interest securities and non-qualifying venture capital investments,

within the conditions imposed on all VCTs and to minimise the risk of each investment and the portfolio as a whole.



FINANCIAL SUMMARY

Ordinary Shares	31 Aug 2014 Pence	31 Aug 2013 Pence	28 Feb 2014 Pence
Net asset value per share ("NAV")	84.2	83.1	85.2
Dividends paid since class launch (originally as 'C' Shares)	29.1	22.6	27.1
Total return (NAV plus dividends paid since 'C' Share class launch)	113.3	105.7	112.3

Returns for individual fundraisings are provided in the "Shareholder Information" section on pages 21 and 22.



CHAIRMAN'S STATEMENT

INTRODUCTION

I am pleased to present my report for the six months ended 31 August 2014.

NET ASSET VALUE

As at 31 August 2014, the net asset value ("NAV") per share stood at 84.2p, an increase of 1.0p per share or 1.2% since the year end (after adjusting for the 2.0p dividend paid on 25 July 2014).

VENTURE CAPITAL INVESTMENTS

The Company has been an active investor during the six month period, completing some £9.6 million of new investments, along with £1.0 million of follow-on investments. The majority of the new funds invested have been in VCT qualifying investments, but £3.9 million has been invested in non-qualifying opportunities which allows the Company to benefit from a higher potential return than would otherwise be the case on funds held in cash.

There were also a number of realisations in the six month period producing £2.1 million of proceeds. The most significant disposals were those of Eagle Rock Entertainment Group and Pilat Media Global along with further earnout monies from the earlier disposals of Steak Media, Fjordnet and Espresso Group. Realised gains in the period totalled £539,000 as shown on page 16.

Within the existing portfolio there have been a number of positive and negative movements in individual valuations which has resulted in a net unrealised gain of £209,000 during the period. Generally the portfolio investments have continued to make satisfactory progress.

Further details of investment activity can be found in the Investment Manager's Report on pages 6 to 8.

RESULTS AND DIVIDENDS

The Income Statement shows a return on ordinary activities after taxation for the Company during the period of £648,000 (£303,000 revenue return and £345,000 capital return).

An interim dividend of 2.0p per share will be paid on 21 November 2014 to Shareholders on the register at 31 October 2014.

Shareholders are reminded that the Company operates a Dividend Reinvestment Scheme ("DRIS") for Shareholders that wish to have their dividends reinvested in new shares and obtain further income tax relief on those shares. If you are not currently registered for the DRIS and wish to have your dividends paid in the form of new shares, DRIS forms are available from the www.provenvcts.co.uk website or by

contacting Beringea on 020 7845 7820. Shareholders will need to be registered for the DRIS prior to 31 October 2014 to ensure that they will be eligible to receive the forthcoming dividend as new shares.

SHARE ISSUES

The Company allotted 108,956 shares under the Company's DRIS in respect of the dividend paid on 25 July 2014. The shares were issued at 83.2p per share.

SHARE BUYBACKS

The Company continues to operate a policy of purchasing its own shares that become available in the market at a discount of approximately 5% to the latest published NAV.

During the period, the Company completed purchases of 677,055 shares, through the normal buyback facility, at an average price of 80.2p per share; these shares were subsequently cancelled.

Shareholders who are considering selling their shares may wish to consider contacting Panmure Gordon prior to any sale. Panmure is able to confirm the price at which they will buy in shares. Contact details are on page 23.

OUTLOOK

Following the major realisations that have occurred in recent years, such as Steak Media and Espresso Group, the Manager continues to focus on replenishing the portfolio with new investments, while continuing to pursue exit opportunities for some of the more mature investments in the portfolio. Good progress on new investments has been made to this end in the first half of the year and, with the Manager continuing to report a strong pipeline of potential investment opportunities, the Board expects to see further additions over the remainder of the year. The existing portfolio includes a number of investments which are developing well and which, with the benefit of improving economic conditions, may be able to provide profitable realisations in due course.

Looking ahead, the Company is planning to launch a new offer for subscription later in the year. Full details will be sent to all Shareholders as soon as they are available.

Marc Vlessing

Chairman

21 October 2014

INVESTMENT MANAGER'S REPORT

INTRODUCTION

We have pleasure in presenting our half-yearly report for the six month period to 31 August 2014. This has been a particularly strong period for investment activity, with over £11 million of investments being completed in the period from 1 March 2014 to the date of this report. This represents over 20% of the Company's opening net asset value. Ten new companies have been added to the investment portfolio and further investments have been made in five portfolio companies. It has also been a successful period for investment realisations, with four full exits and the receipt of additional earnout proceeds in relation to earlier investment disposals.

PORTFOLIO ACTIVITY AND VALUATION

At 31 August 2014, the Company's investment portfolio consisted of 38 investments of which 36 were unquoted, at a cost of £34.2 million and a valuation of £37.4 million. This represents an unrealised uplift on cost of 9%, or 13% when new investments made during the period, which are valued at cost, are excluded. Additionally, the Company held cash of £14.8 million.

Our previous review in the annual report to 28 February 2014 commented on the post year end investments in MyOptique Group, Europe's leading online eyewear retailer, (£2.4 million), Response Tap, a cloud-based, telephone call analytics solution (£1.4 million), Big Data Partnership, a services/consultancy firm specialising in the area of big data analytics (£720,000), and Peerius, a software provider (£600,000). In addition to these, we made further new investments during the period to 31 August 2014 in Maplin (£2.5 million), Chargemaster (£925,000), Perfect Channel (£255,000) and Celoxica (£750,000).

Maplin is a familiar presence on the British High Street as a specialist retailer of a wide range of electronic equipment and has a turnover of £200 million a year. Maplin was the subject of a management buyout from its private equity owner in June 2014, with equity finance provided primarily by Rutland Partners, with ProVen Growth and Income VCT and ProVen VCT each investing £2.5 million. The investment is not VCT qualifying, as the Company exceeds the gross assets and employee limits set by the VCT rules, but we believe it has the potential to deliver an attractive return and will therefore hold it as part of the non-qualifying portion of the Company's assets. Chargemaster is the UK's leading provider of electric vehicle charging infrastructure. The ProVen VCTs' investment of £3.0 million will be used to strengthen the company's position in the UK market and fund further expansion into Europe. The company was recently placed 32nd in the Sunday Times Hiscox Tech Track 100, a list of the UK's top 100 fastest growing private technology companies. Perfect Channel is a provider of online auction platforms for business. It works with businesses including the auctioneer Christie's, Manchester City FC and Lloyds of London using its market leading technology and significant experience to facilitate improved results for the auction process. The £2.0 million ProVen VCTs' investment is being used to fund the international growth of the business. Celoxica is the Company's second debt investment and provides market data and trading

solutions for financial services firms. The total ProVen VCTs' investment of £1.5 million will be used to fund further growth.

The Company also invested a further £1.0 million in Skills Matter, Charterhouse Leisure and Senselogix and provided a small debt facility to Eagle-i Music following its spinout from Eagle Rock Entertainment Group.

The period since 31 August 2014 has seen the completion of a further two new investments: an investment of £551,000 into Watchfinder, an online retailer of pre-owned luxury watches and £415,000 into Simplestream, a provider of livestreaming, catch-up TV and media management solutions for broadcast and media clients. In addition, the Company has committed £600,000 to InContext Solutions. InContext is a US based company which provides 3D virtual store research and simulation. This is the first VCT investment alongside our US managed funds which we view as part of both a growth and diversification strategy for the Company.

The Company has also seen activity in realisations. The disposal of the Company's investment in quoted company Pilat Media Global crystallised an overall return of 3.9 times the total investment; Eagle Rock Entertainment Group was sold to Universal Music Group, generating a modest initial profit, with the potential for further proceeds depending on performance; and Altacor generated initial proceeds of £516,000 on a carrying value of £258,000. Further significant sales proceeds were also received in relation to the sale of Steak Media (£2.1 million), taking the total return to 5.6 times the initial investment cost, and Fjordnet (£505,000). A further £238,000 was received after the period end in respect of Espresso Group. Some of these proceeds were accrued at the end of the last financial year and so the current period profit effect is not the total proceeds received. There were also a number of loan repayments notably from Donatantonio Group.

Polytherics Limited listed on the Alternative Investment Market under the name Abzena plc at a placing price of 81p per share. The placing was backed by major institutional shareholders including Invesco, Imperial Innovations plc and Woodford Investment Management (which additionally holds a significant direct investment in Imperial Innovations). The Company's shareholding in Abzena is subject to a 12 month lock-up period and so the Company continues to hold the investment. Even with a discount to reflect this restriction, the Company's investment has increased in value by £1.0m, an uplift of 80% on the 28 February 2014 valuation.

Other than the uplifts in value achieved on these investment disposals and the uplift for Abzena plc, there were no material valuation movements during the period. The portfolio continues to make good overall progress.

INVESTMENT MANAGER'S REPORT

CONTINUED

OUTLOOK

The continuing recovery in the UK economy has resulted in high levels of confidence among the owners of UK SMEs, which is encouraging them to seek investment to drive higher growth. This has resulted in a strong flow of investment opportunities for the Company and the significant level of investment activity in the period. We expect deal flow to remain strong in the second half of the year, although the rate of investment is not likely to be as high as the exceptional levels seen in the last few months.

Acquisition activity by large corporate buyers is also at a cyclically high level and we do not foresee any let up in the near future. Several of the companies in the Company's portfolio have recently been approached by corporate buyers. These approaches may lead to further disposals from the portfolio in the next few months, although there is no guarantee of this.

Overall, we are cautiously optimistic about the prospects for the investment portfolio.

Beringea LLP

21 October 2014

UNAUDITED BALANCE SHEET

AS AT 31 AUGUST 2014

	31 Aug 2014 £'000	31 Aug 2013 £'000	28 Feb 2014 £'000
Fixed assets			
Investments	37,369	22,310	28,138
Current assets			
Debtors	465	340	2,832
Cash at bank and in hand	14,815	28,049	22,806
	15,280	28,389	25,638
Creditors			
Amounts falling due within one year	(362)	(448)	(437)
Net current assets	14,918	27,941	25,201
Net assets	52,287	50,251	53,339
Capital and reserves			
Called up share capital	1,005	979	1,014
Capital redemption reserve	1,091	1,069	1,080
Share premium account	763	36,320	674
Special reserve	42,416	8,562	43,283
Capital reserve – realised	3,812	2,286	4,312
Revaluation reserve	3,506	2,129	3,585
Revenue reserve	(306)	(1,094)	(609)
Equity shareholders' funds	52,287	50,251	53,339
Net asset value per share:	84.2p	83.1p	85.2p

UNAUDITED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 31 AUGUST 2014

	Six months ended 31 Aug 2014			Six months ended 31 Aug 2013			Year ended 28 Feb 2014
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Total £'000
Income							
Continuing operations	628	–	628	482	–	482	856
Acquisitions	–	–	–	7	–	7	44
	628	–	628	489	–	489	900
Gains on investments							
Continuing operations	–	748	748	–	293	293	4,544
Acquisitions	–	–	–	–	62	62	460
	–	748	748	–	355	355	5,004
Total income	628	748	1,376	489	355	844	5,904
Investment management fees	(131)	(392)	(523)	(120)	(359)	(479)	(1,031)
Performance incentive fees	–	–	–	–	–	–	(79)
Other expenses	(194)	(11)	(205)	(215)	(4)	(219)	(591)
Return/(loss) on ordinary activities before taxation	303	345	648	154	(8)	146	4,203
Tax on ordinary activities	–	–	–	–	–	–	–
Return/(loss) attributable to equity shareholders	303	345	648	154	(8)	146	4,203
Basic and diluted return per Ordinary Share	0.5p	0.5p	1.0p	0.3p	0.0p	0.3p	7.5p

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

FOR THE SIX MONTHS ENDED 31 AUGUST 2014

	31 Aug 2014 Total £'000	31 Aug 2013 Total £'000	28 Feb 2014 Total £'000
Opening shareholders' funds	53,339	38,339	38,339
Proceeds from share issues	91	19,234	21,655
Share issue costs	–	(268)	(362)
Movement in share capital to be issued	–	(781)	(781)
Purchase of own shares	(545)	(4,330)	(4,838)
Total recognised gains for the period	648	146	4,203
Dividends paid in the period	(1,246)	(2,089)	(4,877)
Closing shareholders' funds	52,287	50,251	53,339

UNAUDITED CASH FLOW STATEMENT

FOR THE SIX MONTHS ENDED 31 AUGUST 2014

	Note	Six months ended 31 Aug 2014 £'000	Six months ended 31 Aug 2013 £'000	Year ended 28 Feb 2014 £'000
Net cash inflow/(outflow) from operating activities	A	2,204	15	(597)
Capital expenditure				
Purchase of investments		(10,601)	(843)	(6,551)
Disposal of investments		2,118	9,283	11,131
Net cash (outflow)/inflow from capital expenditure		(8,483)	8,440	4,580
Acquisitions				
Cash acquired		–	2,746	2,746
Acquisition costs		–	(140)	–
		–	2,606	2,746
Equity distributions paid		(1,246)	(2,089)	(4,877)
Net cash (outflow)/inflow before financing		(7,525)	8,972	1,852
Financing				
Proceeds from share issue		91	12,960	15,426
Share issue costs		–	(268)	(362)
Purchase of own shares		(557)	(4,330)	(4,825)
Movement in unallotted share capital		–	(781)	(781)
Net cash (outflow)/inflow from financing		(466)	7,581	9,458
(Decrease)/increase in cash	B	(7,991)	16,553	11,310

	Six months ended 31 Aug 2014 £'000	Six months ended 31 Aug 2013 £'000	Year ended 28 Feb 2014 £'000
Notes to the cash flow statement:			
A Net cash flow from operating activities			
Return on ordinary activities before taxation	648	146	4,203
Gains on investments	(748)	(355)	(5,004)
Net cost of acquisition	–	(11)	–
Decrease in debtors	2,365	105	129
(Decrease)/increase in creditors	(61)	130	75
Net cash inflow/(outflow) from operating activities	2,204	15	(597)
B Analysis of net funds			
Beginning of period	22,806	11,496	11,496
Net cash (outflow)/inflow	(7,991)	16,553	11,310
End of period	14,815	28,049	22,806

SUMMARY OF INVESTMENT PORTFOLIO

AS AT 31 AUGUST 2014

	Cost £'000	Valuation £'000	Valuation movement in the period £'000	% of portfolio by value
Top ten venture capital investments (by value)				
Cognolink Limited	2,051	3,515	15	6.8%
Pulpitum Limited	2,900	2,823	(77)	5.4%
MEL TopCo Limited (t/a Maplin)	2,500	2,500	–	4.8%
MyOptique Group Limited	2,400	2,400	–	4.6%
Abzena plc (formerly Polytherics Limited)	1,278	2,310	1,026	4.4%
APM Healthcare Limited	1,731	2,206	44	4.2%
Utility Exchange Online Limited	2,090	2,033	31	3.9%
Skills Matter Limited	1,981	1,981	–	3.8%
Inskin Media Limited	1,435	1,965	(53)	3.8%
Disposable Cubicle Curtains Limited	1,730	1,730	–	3.3%
	20,096	23,463	986	45.0%
Other venture capital investments	14,139	13,906	(777)	26.6%
	34,235	37,369	209	71.6%
Cash at bank and in hand		14,815		28.4%
Total		52,184		100.0%

Other venture capital investments at 31 August 2014 comprise: Charterhouse Leisure Limited, Blis Media Limited, Monica Vinader Limited, Response Tap Limited, Donatantonio Group Limited, Chargemaster plc, Chess Technologies Limited, Celoxica Limited, Big Data Partnership Limited, Matssoft Limited, Cogora Group Limited, Peerius Limited, Eagle-i Music Limited, Cross Solar PV Limited, Campden Wealth Limited, Perfect Channel Limited, Speed-Trap Holdings Limited, Dianomi Limited, Cinergy International Limited, Senselogix Limited, Long Eaton Healthcare Limited, Amura Holdings Limited, Steribottle Global Limited, Vigilant Applications Limited, 7digital Group plc (formerly UBC Media Group plc), Omni Dental Sciences Limited, Population Genetics Technologies Limited and Deltadot Limited.

With the exception of 7digital Group plc and Abzena plc which are quoted on AIM, all venture capital investments are unquoted.

SUMMARY OF INVESTMENT MOVEMENTS

FOR THE SIX MONTHS ENDED 31 AUGUST 2014

ADDITIONS

	Cost £'000
MEL TopCo Limited (t/a Maplin)	2,500
MyOptique Group Limited	2,400
Response Tap Limited	1,440
Chargemaster plc	925
Celoxica Limited	750
Big Data Partnership Limited	720
Skills Matter Limited	683
Peerius Limited	600
Perfect Channel Limited	255
Charterhouse Leisure Limited	250
Eagle-i Music Limited	48
Senselogix Limited	30
	10,601

SUMMARY OF INVESTMENT MOVEMENTS

CONTINUED

DISPOSALS

	Cost £'000	Market value at 1 March 2014* £'000	Disposal proceeds £'000	Gain/(loss) against cost £'000	Realised gain in period £'000
Eagle Rock Entertainment Group Limited	680	726	737	57	11
Altacor Limited	256	258	516	260	258
Pilat Media Global plc	49	230	236	187	6
Donatantonio Group Limited	204	265	265	61	–
Peerius Limited	79	79	79	–	–
Sports Holdings Limited	12	11	11	(1)	–
Celoxica Limited	10	10	10	–	–
Fjordnet Limited**	–	–	59	59	59
Espresso Group Limited**	–	–	19	19	19
Steak Media Limited**	–	–	186	186	186
	1,290	1,579	2,118	828	539

* Or cost, if acquired during the period under review.

** The Company received a total of £505,000 and £2.1 million in relation to Fjordnet Limited and Steak Media Limited during the period and £238,000 from Espresso Group Limited after the period end. The disposal proceeds in the table reflect proceeds received during the period adjusted for the change in the contingent proceeds accrual over the period.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

1. The unaudited half-yearly results cover the six months to 31 August 2014 and have been prepared in accordance with UK Generally Accepted Accounting Practice ("UK GAAP"). Where presentational guidance set out in the Statement of Recommended Practice "Financial Statements of Investment Trust Companies" revised January 2009 ("SORP") is consistent with the requirements of UK GAAP, the Directors have sought to prepare the financial statements on a consistent basis compliant with the recommendations of the SORP.
2. All revenue and capital items in the Income Statement derive from continuing operations and acquisitions.
3. There are no recognised gains or losses other than those disclosed in the Income Statement.
4. The Company has only one class of business and derives its income from investments made in shares, securities and bank deposits.
5. The comparative figures were in respect of the period ended 31 August 2013 and the year ended 28 February 2014.
6. Return per share for the period has been calculated on the following:

	Ordinary Shares
Revenue return per share based on: Net revenue return after taxation (£'000)	303
Capital return per share based on: Net capital return after taxation (£'000)	345
Weighted average number of shares in issue	62,463,809

7. NAV per share for the period has been calculated on the following:

	Ordinary Shares
Net assets (£'000)	52,287
Number of shares in issue at period end	62,063,191

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

CONTINUED

8. DIVIDENDS

	Pence	Six months to 31 Aug 2014			Six months to 31 Aug 2013			Year ended 28 Feb 2014
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Total £'000
2014 Final	2.0	–	1,246	1,246	–	–	–	–
2014 Special Interim	2.5	–	–	–	–	–	–	1,565
2014 First Interim	2.0	–	–	–	–	–	–	1,224
2013 Interim	4.0	–	–	–	687	1,401	2,088	2,088

9. RESERVES

	Capital redemption reserve £'000	Share premium account £'000	Special reserve £'000	Capital reserve realised £'000	Revaluation reserve £'000	Revenue reserve £'000
At 1 March 2014	1,080	674	43,283	4,312	3,585	(609)
Purchase of own shares	11	–	(545)	–	–	–
Issue of new shares	–	89	–	–	–	–
Expenses capitalised	–	–	–	(403)	–	–
Gains on investments	–	–	–	539	209	–
Retained revenue	–	–	–	–	–	303
Transfer between reserves	–	–	(322)	610	(288)	–
Distributions paid	–	–	–	(1,246)	–	–
At 31 August 2014	1,091	763	42,416	3,812	3,506	(306)

The Special reserve, Capital reserve-realised and Revenue reserve are all distributable reserves. The Revaluation reserve includes losses of £2,845,000 which are included in the calculation of distributable reserves. Total distributable reserves are £43,077,000.

10. CONTINGENT LIABILITIES, GUARANTEES AND FINANCIAL COMMITMENTS

The Company has no contingent liabilities, guarantees and financial commitments.

11. CONTROLLING PARTY AND RELATED PARTY TRANSACTIONS

In the opinion of the Directors there is no immediate or ultimate controlling party.

Malcolm Moss is a Partner of Beringea LLP. Beringea LLP was the Company's Investment Manager during the period. During the 6 months ended 31 August 2014, £523,000 was payable to Beringea LLP in respect of these services. At the period end the Company owed Beringea LLP £253,000.

12. The unaudited financial statements set out herein do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006 and have not been delivered to the Registrar of Companies. The figures for the year ended 28 February 2014 have been extracted from the financial statements for that year, which have been delivered to the Registrar of Companies; the Auditor's report on those financial statements was unqualified.

13. The Directors confirm that, to the best of their knowledge, the half-yearly financial statements have been prepared in accordance with the "Statement: Half-Yearly Financial Reports" issued by the UK Accounting Standards Board and the half-yearly financial report includes a fair review of the information required by:

- a. DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the year; and
- b. DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period, and any changes in the related party transactions described in the last annual report that could do so.

14. RISKS AND UNCERTAINTIES

Under the Disclosure and Transparency Directive, the Board is required, in the Company's half-yearly results, to report on principal risks and uncertainties facing the Company over the remainder of the financial year.

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

CONTINUED

The Board has concluded that the key risks facing the Company over the remainder of the financial year are as follows:

- i. investment risk associated with investing in small and immature businesses;
- ii. investment risk arising from volatile stock market conditions and their potential effect on investment valuation; and
- iii. failure to maintain approval as a VCT.

In the case of (i), the Board is satisfied with the Company's approach. The Investment Manager follows a rigorous process in vetting and careful structuring of new investments and, after an investment is made, close monitoring of the business. In respect of (ii), the Company seeks to hold a diversified portfolio. However, the Company's ability to manage this risk is quite limited, primarily due to the restrictions arising from the VCT regulations and the general nature of investing in small unquoted businesses.

The Company's compliance with the VCT regulations is continually monitored by the Administrator, who reports regularly to the Board on the current position. The Company also retains PricewaterhouseCoopers to provide regular reviews and advice in this area. The Board considers that this approach reduces the risk of a breach of the VCT regulations to a minimal level.

15. GOING CONCERN

The Company has considerable financial resources both at the period end and at the date of this report, and holds a diversified portfolio of investments. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The Directors confirm that they are satisfied that the Company has adequate resources to continue in business for the foreseeable future. For this reason, they believe that the Company continues to be a going concern and that it is appropriate to apply the going concern basis in preparing the financial statements.

- 16. Copies of the unaudited half-yearly results will be sent to Shareholders. Further copies can be obtained from the Company's Registered Office and will be available for download from www.provenvcts.co.uk.

SHAREHOLDER INFORMATION

SHAREHOLDER INVESTMENT AND RETURNS ANALYSIS

The table below shows the investment returns per £1 invested for each fundraising. No account has been taken of the possible benefit of any capital gains tax deferral (available for new investments up to and including tax year 2003/2004) or of additional shares that may have been available through early bird or financial intermediary discounts.

Original share class	Tax year	Allotment date(s)	Income tax relief	Net cost with initial income tax relief	Dividends received	Current valuation	Total return
Ordinary	2000/01 & 2001/02	All dates	20%	80.0p	158.9p	51.9p	210.8p
Ordinary	2007/08 & 2008/09	All dates	30%	70.0p	54.3p	49.4p	103.7p
Ordinary	2009/10 & 2010/11	To 28/05/10	30%	70.0p	24.5p	105.9p	130.4p
Ordinary	2010/11 & 2011/12	To 02/06/11	30%	70.0p	21.5p	92.9p	114.4p
Ordinary	2011/12	To 24/08/11	30%	70.0p	17.4p	97.6p	115.0p
Ordinary	2011/12	From 24/08/11	30%	70.0p	17.8p	99.8p	117.6p
Ordinary	2012/13	All dates	30%	70.0p	12.4p	99.3p	111.7p
Ordinary	(non-advised)						
Ordinary	2012/13	All dates	30%	70.0p	12.8p	102.4p	115.2p
Ordinary	(advised)						
Ordinary	2013/14	To 30/05/13	30%	70.0p	12.4p	99.3p	111.7p
Ordinary	(non-advised)						
Ordinary	2013/14	To 30/05/13	30%	70.0p	12.8p	102.4p	115.2p
Ordinary	(advised)						
Ordinary	2013/14	From 30/05/13	30%	70.0p	11.3p	90.7p	102.0p
Ordinary	(non-advised)						
Ordinary	2013/14	From 30/05/13	30%	70.0p	11.7p	93.6p	105.3p
Ordinary	(advised)						
Ordinary	2013/14	30/08/13	30%	70.0p	7.3	95.0p	102.3p
Ordinary	(non-advised)						
Ordinary	2013/14	30/08/13	30%	70.0p	7.6	98.1p	105.7p
Ordinary	(advised)						
Ordinary	2013/14	23/10/13	30%	70.0p	7.4	95.7p	103.1p
Ordinary	(non-advised)						

SHAREHOLDER INFORMATION

CONTINUED

Original share class	Tax year	Allotment date(s)	Income tax relief	Net cost with initial income tax relief	Dividends received	Current valuation	Total return
Ordinary	2013/14 (advised)	23/10/13	30%	70.0p	7.6	98.7p	106.3p
Ordinary	2013/14 (non-advised)	29/11/13 & 19/12/13	30%	70.0p	5.2	98.0p	103.2p
Ordinary	2013/14 (advised)	29/11/13 & 19/12/13	30%	70.0p	5.4	101.2p	106.6p
Ordinary	2013/14 (non-advised)	20/01/14	30%	70.0p	4.9	92.5p	97.4p
Ordinary	2013/14 (advised)	20/01/14	30%	70.0p	5.1	95.5p	100.6p
Ordinary*	2013/14	From 06/08/13	0%	100.0p*	7.8p	100.7p	108.5p
C	2005/06	All	40%	60.0p	29.1p	84.2p	113.3p
D	All	All	30%	70.0p	12.0p	96.2p	108.2p

* Ordinary Shares issued to former ProVen Health VCT plc shareholders. Based on the net asset value of 83.6p per ProVen Growth and Income Share on 6 August 2013 and no initial income tax relief.

DIVIDENDS

Dividends are paid by the registrar on behalf of the Company. Shareholders who wish to have dividends paid directly into their bank account rather than by cheque to their registered address can complete a mandate form for this purpose. Queries relating to dividends and requests for mandate forms should therefore be directed to the Company's registrar, Capita Asset Services, whose details are on page 25 of this document.

SHARE PRICES

The Company's share prices can be found on various financial websites with the following TIDM/EPIC code:

TIDM/EPIC code

PGOO

Latest share price (20 October 2014):

78.5p per share

WEBSITES

Latest financial information, including information on recent investment transactions, newsletters and electronic copies of Annual Reports, Half-Yearly Reports and Interim Management Statements can be found on the Company's website:

www.provenvcts.co.uk

Shareholders can also check details of their shareholdings using Capita Asset Services' website at **www.capitaassetservices.com**, by clicking on "Products and Services", then "Shareholders" and then "UK companies and share plans" and then "Share Portal".

SELLING SHARES

The Company's shares can be bought and sold in the same way as any other company listed on the London Stock Exchange via a stockbroker. Shareholders who invested in the Company in the 2009/2010 tax year and subsequent tax years should be aware that they need to hold their shares for a minimum period of time to retain the income tax relief they received on investment. Selling your shares may have tax consequences, therefore, you should contact your independent financial adviser if you have any queries.

The Company operates a policy of buying its own shares for cancellation as they become available. The Company is, however, unable to buy back shares direct from Shareholders, so you will need to use a stockbroker to sell your shares. If you are considering selling your shares or trading in the secondary market, please contact the Company's Corporate Broker, Panmure Gordon (UK) Limited ("Panmure").

Panmure is able to provide details of close periods (when the Company is prohibited from buying in shares) and details of the price at which the VCT has bought in shares. Panmure can be contacted as follows:

Chris Lloyd
020 7886 2716 chris.lloyd@panmure.com

Paul Nolan
020 7886 2717 paul.nolan@panmure.com

SHAREHOLDER INFORMATION

CONTINUED

NOTIFICATION OF CHANGE OF ADDRESS

Communications with Shareholders are mailed to the registered address held on the share register. In the event of a change of address, or other amendment, this should be notified to the Company's registrar, Capita Asset Services, under the signature of the registered holder.

UNSOLICITED COMMUNICATION WITH SHAREHOLDERS

We are aware of cases of shareholders in VCTs having received unsolicited phone calls, e-mails or correspondence concerning investment matters. Please note that it is very unlikely that the Company, Beringea LLP or the Company's Registrar, Capita Asset Services, would make unsolicited telephone calls or send e-mails to Shareholders. Shareholders can, however, expect official documentation in connection with the Company and may receive details of investment activity and new VCT offers from the Investment Manager. Furthermore, please be assured that the Company limits access to the Company's share register by third parties to the maximum extent permissible under the Companies Act 2006. If you receive either an unexpected telephone call or correspondence about which you have concerns, please contact Grant Whitehouse, the Company Secretary, on 020 7416 7780.

DIRECTORS

Marc Vlessing (Chairman)
Natasha Christie-Miller
Malcolm Moss
James Stewart

INVESTMENT MANAGER

Beringea LLP
39 Earlham Street
London WC2H 9LT
www.provenvcts.co.uk
Tel: 020 7845 7820

COMPANY SECRETARY AND ADMINISTRATION MANAGER

Grant Whitehouse
Downing LLP
Ergon House
Horseferry Road
London SW1P 2AL

REGISTERED OFFICE

39 Earlham Street
London WC2H 9LT
Registered No. 4125326

REGISTRAR

Capita Asset Services
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU
www.capitaassetservices.com
Tel: 0871 664 0324

(calls cost 10p per minute plus network extras,
lines open 8:30am to 5:30pm Monday to Friday)

CORPORATE BROKER

Panmure Gordon (UK) Limited
One New Change
London EC4M 9AF



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