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FOUNDERS  
MOONSHOT



ProVenVCTs

# ProVen VCT plc & ProVen Growth and Income VCT plc

NEW ORDINARY SHARE OFFER  
Securities Note  
Tax Years 2023-24 & 2024-25

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# THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this document, you should consult an independent Financial Adviser duly authorised under the Financial Services and Markets Act 2000 (**FSMA**) who specialises in advising on investment in shares and other securities without delay.

This document constitutes a securities note (the **Securities Note**) issued by the Companies and dated 16 January 2024. This document has been prepared in compliance with the Prospectus Regulation Rules made under FSMA (**Prospectus Regulation Rules**), English law and the rules of the Financial Conduct Authority (**FCA**) and the information disclosed may not be the same as that which would be disclosed if this document had been prepared in accordance with the laws of a jurisdiction outside England. Additional information relating to the Companies is contained in a registration document issued by the Companies (the **Registration Document**). A brief summary written in non-technical language conveying the essential characteristics of, and risks associated with, the Companies and new ordinary shares in the capital of each of the Companies which are being offered for subscription (the **New Ordinary Shares**) (the **Offer**), is contained in a summary issued by the Companies (the **Summary**). The Securities Note, Registration Document and Summary have been prepared in accordance with the UK version of Regulation (EU) 2017/1129 as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 (the UK Prospectus Regulation) and have been approved by the FCA as competent authority under the UK Prospectus Regulation. The FCA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation and such approval shall not be considered as an endorsement of the quality of the securities that are the subject of this Securities Note.

This Securities Note, the Registration Document and the Summary together comprise a prospectus issued by the Companies dated 16 January 2024 (**Prospectus**). The Prospectus has been filed with the FCA in accordance with the Prospectus Regulation Rules and you are advised to read the Prospectus in full. None of the Securities Note, Registration Document and Summary constitutes a key information document (**KID**) for the purposes of the UK PRIIPs Laws. However, summary information on each Company is also contained in their respective key information documents. Investors should make their own assessment as to the suitability of investing in the New Ordinary Shares. The Prospectus has been drawn up as part of a simplified prospectus in accordance with Article 14 of the UK Prospectus Regulation.

Persons receiving this document should note that, in connection with the Offer, Howard Kennedy is acting for the Companies and no-one else and, subject to the responsibilities and liabilities imposed by FSMA (or the regulatory regime established thereunder), will not be responsible to any other person for providing the protections afforded to customers of Howard Kennedy nor for providing advice in connection with the Offer. Howard Kennedy is acting as sponsor of the Companies in connection with the Offer, and is authorised and regulated in the United Kingdom by the FCA.

Application will be made to the FCA for the New Ordinary Shares to be admitted to the premium segment of the Official List. Application will also be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on its main market for listed securities. It is expected that Admission will become effective, and that dealings in the New Ordinary Shares will commence, within 10 Business Days of the issue of such New Ordinary Shares.

Your attention is drawn to the risk factors set out on pages 4 to 6 of this document and to the terms and conditions of application set out on pages 51 to 55 of this document.

The Companies and their Directors, whose names appear on page 60 of this document, accept responsibility for the information contained in the Prospectus. To the best of the knowledge of the Companies and the Directors the information contained in the Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import.

## OFFER FOR SUBSCRIPTION

**To raise up to £30,000,000, in aggregate, by way of an issue of New Ordinary Shares in the Companies, with an over allotment facility of up to a further £10,000,000, in aggregate, payable in full in cash on application.**

### **ProVen VCT plc**

(incorporated in England & Wales under the Companies Act 1985 with Registered Number 03911323)

### **ProVen Growth and Income VCT plc**

(incorporated in England & Wales under the Companies Act 1985 with Registered Number 04125326)

The Application Form, together with more information on how to invest is available online under 'How to Invest' in the VCTs section on the ProVen website at [www.proveninvestments.co.uk](http://www.proveninvestments.co.uk) or hard copies can be requested via email to [provenvcts@city.uk.com](mailto:provenvcts@city.uk.com).

Completed Application Forms must be submitted online via the 'How to Invest' section of the ProVen website at [www.proveninvestments.co.uk](http://www.proveninvestments.co.uk) or sent by email to [provenvcts@city.uk.com](mailto:provenvcts@city.uk.com) or sent by post or delivered by hand (during normal business hours only) to The City Partnership (UK) Limited, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH. The Offer opens on 16 January 2024 and will close not later than 3 p.m. on 4 April 2024 in respect of the 2023/2024 Offer and not later than 3 p.m. on 28 June 2024 in respect of the 2024/2025 Offer, or as soon as the Offer is fully subscribed. The Directors, in their absolute discretion, may decide to increase the Offer by up to a further £5,000,000 for each of the Companies, close the Offer earlier or extend the closing date of the 2024/2025 Offer to a date no later than 31 December 2024.

This document should be read in conjunction with the Registration Document and the Summary, copies of which are available from the locations listed on page 47 of this document and at the ProVen VCTs' website at [www.proveninvestments.co.uk](http://www.proveninvestments.co.uk) (although the information on that website does not form part of the Prospectus and is not incorporated by reference herein).

No person receiving a copy of this document or an Application Form in any territory other than the UK may treat the same as constituting an offer or invitation to them to subscribe for or purchase New Ordinary Shares unless, in such territory, such offer or invitation could lawfully be made.



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# Risk Factors


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As a prospective Investor there are a number of risk factors which you should be aware of before investing in the New Ordinary Shares. Prospective Investors should read the whole of the Prospectus and not rely solely on the information in the sections entitled "Risk Factors".

The Directors consider the following risks relating to the New Ordinary Shares to be material for potential Investors, but the risks listed below do not necessarily comprise all those relating to the New Ordinary Shares. Additional risks and uncertainties currently unknown to the Directors (such as changes in legal, regulatory or tax requirements), or which the Directors currently believe are immaterial, may also have a materially adverse effect on the New Ordinary Shares. Material risks relating to the Companies are set out in the Registration Document.

- It is anticipated that interest rates will remain relatively high over the near term, which may have an adverse effect on the Companies' investee companies and, potentially, their value and have a negative impact on the NAV of the Companies, which in turn may have an adverse effect on the future investment returns of the Companies and the market value of the Shares.
- High levels of inflation in the UK economy is causing pressure across consumer markets as a result of rising prices leading to a "cost of living" crisis. This has adversely impacted consumer spending habits as a result of the consequential fall in the disposable income of many consumers and such consumers may reduce their spending levels generally as a result. Investee companies that are focussed on consumers or that operate in retail sectors may suffer as a consequence of this squeeze on consumer confidence and spending. The performance of such businesses may therefore suffer as a result, which in turn might impact the performance of the Companies and the income and capital returns Investors receive from the Ordinary Shares.
- The current hostilities in Ukraine and the Middle East, and in respect of the former the resulting sanctions imposed on the Russian Federation and Belarus by various countries around the world are having an impact on the global economy and are causing volatility across stock and financial markets. In particular, the interruption and/or limitation in the supply of certain natural resources (such as oil and gas) has had an adverse effect on prices. If these geopolitical uncertainties continue, they may have a negative impact on the performance of the Companies' portfolios of investments.
- Levels, bases of, and relief from taxation are subject to change. Such changes could be retrospective. The tax reliefs described in the Prospectus are based on current legislation, practice and interpretation. The ability of Investors to secure the tax reliefs available to investors in VCTs depends on their individual circumstances. If there is any change to the tax reliefs or tax legislation practice or interpretation, or an Investor fails to obtain the available VCT tax reliefs, this would be likely to affect the returns to such Investors.
- Changes in legislation concerning VCTs in general, and Qualifying Investments and Qualifying Trades in particular, may restrict or adversely affect the ability of either Company to meet its objectives, may limit the number of investment opportunities and may reduce the returns to Investors. There can be no assurances that either Company will meet its objectives. The Companies will face competition for investment opportunities and there can be no assurance that sufficient suitable investment opportunities will be identified which may adversely impact the return to Investors.
- The market price of a ProVen Share or PGI Share may not fully reflect its underlying NAV and, therefore, any disposal of such Shares may be at a price below the NAV and an Investor may not get back the full amount invested.
- It is the intention of the Directors that the Companies be managed so as to qualify as VCTs, but there can be no guarantee that such status will be maintained. If either Company fails to meet the qualifying requirements for VCTs, this could result in adverse tax consequences for Investors, including being required to repay the 30% income tax relief and, in addition, a liability to capital gains tax may arise on any subsequent disposal of their Ordinary Shares.
- The value of a VCT depends on the performance of the underlying assets. It can take a number of years for the underlying value or quality of the businesses of smaller companies, such as those in which the Companies invest, to be fully reflected in their market values and their market values are often materially affected by general market sentiment, which can be negative for prolonged periods. This may adversely affect the performance of the Companies, and consequently this may impact the income and capital returns Investors receive from the Ordinary Shares.
- The Companies may invest in businesses which are considerably smaller than the maximum size allowed by the VCT legislation. They may also have a short trading history. Investment in small unquoted companies involves substantially higher risk than investing in larger, longer established businesses such as those listed on the main market of the London Stock Exchange. In particular, small companies often have limited product lines, markets





and/or financial resources and may be dependent for their management on a smaller number of key individuals.

- The price paid for new investments may also be driven up by external factors, such as competition from other investors or market sentiment within certain sectors, which may not accurately reflect their future values.
- In most cases, the valuation of the existing investments will be based on the valuation metrics of comparable quoted companies, adjusted for differences between the company being valued and the comparable companies. If the valuation metrics of the comparable quoted companies change, for example if there is a correction in quoted market multiples, there is likely to be a knock-on effect on the value of the Companies' portfolios and the Companies have experienced this in some recent valuations of individual portfolio companies as a result of volatility in certain comparable quoted shares. The current valuations of the existing investments may, therefore, not accurately reflect their future values.
- Existing investments are valued in accordance with the International Private Equity and Venture Capital Valuation Guidelines. These valuations are based, among other things, on assumptions about the likely future performance of the companies and involve a considerable degree of judgement. Accordingly, if those judgements prove to be incorrect, the current valuations of the existing investments may, therefore, not accurately reflect their values.
- The Finance Act 2018 introduced a "risk-to-capital" condition for Qualifying Investments, designed to focus investments towards potentially higher growth earlier stage businesses, and away from lower risk investments, such as those with significant property assets which could be regarded as lower risk. These, and other earlier changes to the VCT Rules, may mean that there are fewer opportunities for investment, that each Company may not be able to provide further investment funds for some of the companies already in its portfolio, (which may result in alternative funders providing such funds with a resultant dilution to the Companies' interest in these companies or some of these companies being unable to raise funds at all, which may result in their insolvency) and that there is a greater element of risk given the focus on earlier stage

businesses. This could affect the returns to the Companies and Shareholders.

- Qualifying Investments made by the Companies will be in companies whose shares are not readily marketable and, therefore, may be difficult to realise. There may also be constraints imposed on the realisation of investments in order to maintain the VCT tax status of the Companies.
- As minority investors the Companies will not control the boards of directors of investee companies and may not be in a position to fully protect their interests.
- The total dividends per New Ordinary Share paid during a financial period may exceed the increase, if any, in the NAV per New Ordinary Share arising from net income and realised and unrealised gains during the period. If this is the case, the NAV per New Ordinary Share will fall over the period.
- Although it is anticipated that the New Ordinary Shares will be admitted to a premium listing on the Official List and to trading on the London Stock Exchange's main market for listed securities, there is likely to be an illiquid market primarily because under the VCT rules, the initial income tax relief is only available to those subscribing for newly issued shares. It may, therefore, be difficult for Shareholders to sell their New Ordinary Shares. In addition, it is likely that the market value of the New Ordinary Shares will be less than their underlying net asset value.
- The effect of the Covid-19 pandemic on stock markets and other financial markets around the world is still unfolding. Supply chain issues and delays in manufacture have been exacerbated by the war in Ukraine and the challenges from current geopolitical uncertainty. Surging energy prices have driven up costs in all sectors leading to price rises across the economy, which has resulted in increases in bank base rates which have led to higher costs of borrowing (which may impact consumers' disposable income and the availability and costs of borrowing for the Companies' investee companies). The continuing effect of these challenges are difficult to predict, but they may have a negative impact on the future performance of the Companies' portfolio of investments. Some investee companies may struggle to achieve their growth projections, and may encounter severe financial difficulties. This in turn may have a negative impact on the valuation of



the Companies' portfolio of investments, and hence on the NAV of the Companies.

- The Companies' portfolios of investments may operate underlying business which are directly affected by the prevailing macroeconomic conditions in which they operate, and the value of their trade and/or business may be materially affected by changes in the economic cycle including any economic slowdown or recession. Any such adverse economic developments that affect the markets in which such investee companies operate could have consequential impacts on the business and economic condition and prospects of the Companies' portfolios of investments and/or their respective counterparties, suppliers or customers in ways that are difficult to predict but which may adversely impact the return to Investors.
- The impact of the UK's withdrawal from the EU and the ending of the transition period on 31 December 2020 may still have an impact on the business models, business operations and financial results of, or sales demand, material and labour costs, availability and cost of finance for, the businesses in which the ProVen VCTs invest, resulting in a reduction in the value of the Ordinary Shares.
- A decline in the general economy may also lead to reduced merger and acquisitions activity. This may make it more difficult for the Companies to realise the full value of portfolio companies that have reached their maturity and would otherwise be ready for the Companies to exit. In these circumstances the Companies may only be able to exit investments at depressed prices and may not be able to realise the anticipated returns on investments. This could have a consequential downward effect on the value of the Ordinary Shares.
- In 2015 a sunset clause for VCT income tax relief was introduced. This was a condition of the European Commission's State Aid approval of the UK's VCT and EIS schemes, namely a retirement date for the schemes of midnight on 5 April 2025. Income tax relief will no longer be given to subscriptions made on or after 6 April 2025, unless the relevant legislation is renewed or replaced with similar legislation before this date by an HM Treasury order. The current Finance Bill includes legislation to extend the "sunset clause" to 5 April 2035. This is subject to a Treasury Order being laid following EU approval being obtained for the continuation of the VCT rules. It is not known whether the EU will require any other changes to the VCT legislation.





# Important Information

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## Forward Looking Statements

Investors should not place undue reliance on forward-looking statements. This document includes statements that are (or may be deemed to be) "forward looking statements", which can be identified by the use of forward-looking terminology including the various terms "believes", "continues", "expects", "intends", "aims", "may", "will", "would", "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. Forward looking statements involve risk and uncertainty because they relate to future events and circumstances. Save in relation to statements concerning working capital adequacy, forward-looking statements contained in this document, based on past trends or activities, should not be taken as a representation that such trends or activities will continue in the future. These statements will be updated as and when required by the UK Prospectus Regulation Rules, the Listing Rules and the DGTR, as appropriate.

## Governing Law

Unless otherwise stated, statements made in this Prospectus are based on the law and practice currently in force in England and Wales.

## Non-Mainstream Pooled Investment Status and UK MiFID Laws

As the Companies are closed-ended investment companies, the New Ordinary Shares will be "excluded securities" under the FCA's rules on non-mainstream pooled investments. Accordingly, the promotion of the New Ordinary Shares is not subject to the FCA's restriction on the promotion of non-mainstream pooled investments. The Companies each intend to conduct their affairs so that the New Ordinary Shares can be recommended by financial advisers to retail investors in accordance with the rules on the distribution of financial instruments under the UK MiFID Laws. The Directors consider that the Shares should be considered "non-complex" for the purposes of UK MiFID Laws.

## Websites

Without limitation, neither the contents of the Companies' or the Manager's website (or any other website referred to in this Prospectus) nor the content of any website accessible from hyperlinks on the Companies' or the Manager's website (or any other website referred to in this Prospectus) is incorporated into, or forms part of this Prospectus.

## Withdrawal

The Companies may update the information provided in this Prospectus by means of a supplement if a significant new factor that may affect the evaluation by prospective Investors occurs after the publication of this Prospectus or if this Prospectus contains any material mistake or substantial inaccuracy. Any such supplement will be subject to approval by the FCA and will be made public in accordance with the Prospectus Regulation Rules. In the event that the Companies are required to publish a supplement prospectus prior to Admission, applicants who have applied for New Ordinary Shares shall have the right to withdraw their applications for New Ordinary Shares made prior to the publication of the supplement prospectus. Such withdrawal must be made within the time limits and in the manner set out in any such supplement prospectus (which shall be at least two clear Business Days following the publication of the relevant supplement prospectus). If the application is not withdrawn within the stipulated period, any offer to apply for New Ordinary Shares will remain valid and binding.

## Discounts for early application

Applicants (and their spouses/civil partners) who had an existing shareholding in one of the Companies on 15 January 2024, and whose valid Application (including cleared funds) forms part of the first £5 million of valid Applications for each Company and is received by 3 p.m. on 16 February 2024, will be entitled to additional New Ordinary Shares with an aggregate subscription price equivalent to 1% of the amount subscribed.

All other Applicants whose valid Application (including cleared funds) forms part of the first £5 million of valid Applications for each Company and is received by 3 p.m. on 16 February 2024 will be entitled to additional New Ordinary Shares with an aggregate subscription price equivalent to 0.5% of the amount subscribed.

The subscription price of the Additional Shares will be met by the Manager.



## Expected Timetable

Offer opens	16 January 2024
First allotment dates:	
2023/2024 Offer	On or before Friday 5 April 2024 <sup>1</sup>
2024/2025 Offer	On or around Friday 26 April 2024 <sup>1</sup>
Final deadlines for receipt of Applications and cleared funds, unless fully subscribed earlier:	
2023/2024 Offer	3 p.m. on Thursday 4 April 2024 <sup>2</sup>
2024/2025 Offer	3 p.m. on Friday 26 April 2024 <sup>2</sup>
Admission	within 10 Business Days of each allotment
Allotment notifications and tax certificates issued	within 3 Business Days of each allotment via email (within 10 Business Days if by post)
Share certificates sent out	within 15 Business Days of each allotment

1 Multiple allotments of New Ordinary Shares are expected to occur in respect of valid Applications received for the 2023/2024 Offer on such dates as the Directors may decide on or prior to 5 April 2024 with the first allotment expected to occur during March 2024 and for the 2024/2025 Offer in April 2024 (with additional allotments occurring on such other dates as the Directors may decide after 6 April 2024 and prior to the close of the Offer as required, but not later than 31 December 2024).

2 The Directors reserve the right to extend the 2024/2025 Offer in respect of their Company at their absolute discretion to a date no later than 31 December 2024. Either Offer will close earlier than the dates stated above if it is fully subscribed. The Directors reserve the right to close either Offer earlier than the dates set out above and to accept Applications and issue New Shares at any time following the receipt of valid applications.

## Offer Statistics

Total Offer size	£40,000,000*
Maximum amount to be raised per Company	£20,000,000*
Minimum aggregate Investment per Investor	£5,000**
Minimum Investment per Investor per Company per tax year	£2,500**
Maximum Investment per Investor on which tax reliefs are available, in each tax year	£200,000***
Maximum estimated number of New Ordinary Shares to be issued by ProVen VCT based on the NAV per Ordinary Share as at the date of this document	30,551,181****
Maximum estimated number of New Ordinary Shares to be issued by PGI VCT based on the NAV per Ordinary Share as at the date of this document	36,777,251****
Maximum net proceeds for each Company, after issue costs	£19,400,000****
Maximum expenses of the Offer per Company	£1,100,000*****

\* Assuming the over allotment facility of up to £5,000,000 per Company is used in full.

\*\* Or such lower amount as the Directors may decide to accept.

\*\*\* There is no maximum size of Investment but tax reliefs are only available on investments in VCTs of up to a maximum of £200,000 per person per tax year.

\*\*\*\* Assuming the over allotment facility of up to £5,000,000 per Company is used in full and total aggregate fees, charges and commissions of 3.0%, are payable (not including Adviser Charges).

\*\*\*\*\* Assuming the over allotment facility of up to £5,000,000 per Company is used in full, and total aggregate fees, charges and commissions of 5.5% are payable (not including Adviser Charges).

# Letter from the Chairs

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ProVen VCT plc  
55 Drury Lane,  
London,  
WC2B 5SQ  
Registered no: 03911323

ProVen Growth and Income VCT plc  
55 Drury Lane,  
London,  
WC2B 5SQ  
Registered no: 04125326

16 January 2024

Dear Investor,

We are delighted to be able to introduce the latest share offer (the “Offer”) from ProVen VCT and PGI VCT (the “ProVen VCTs” or the “Companies”). The Offer, which seeks to raise up to £30 million (£15 million for each of the Companies) with an over-allotment facility of up to a further £10 million (£5 million for each of the Companies), provides the opportunity to invest in two of the UK’s largest and longest-standing Venture Capital Trusts (“VCTs”).

## Investing in growth companies

Since inception more than two decades ago, the ProVen VCTs have been managed by Beringea LLP (the “Manager”), an award-winning venture capital firm which has over 30 years’ experience of providing growth capital to unquoted companies.

As at 30 November 2023, the ProVen VCTs had combined net assets of £331.9 million and each of the Companies had a portfolio of over 50 companies spanning a wide range of sectors including consumer/ecommerce, SaaS, business services and healthcare. Examples of some recent investments made by the Companies can be found on pages 18 and 19 and a fuller description of some of our portfolio companies can be found on pages 27 and 30-31.

While recent years have been marked by significant economic turbulence, political upheaval and commercial disruption, the Manager has leveraged its longstanding experience in growth investing to access a resilient pipeline of investment opportunities. In the last five years, the ProVen VCTs have together deployed £109.8 million into 29 new portfolio companies and a further £63.0 million in follow-on investments. Investors in this Offer will be investing in the existing portfolios, as well as any future additions to the portfolios.

Given the steady rate of deployment that the Companies have delivered, the Boards have decided to raise more funds to ensure that the Companies can take full advantage of future opportunities and to support the growth of existing portfolio companies. As at the date of this document, the Directors of the ProVen VCTs, together with the partners and staff of the Manager, personally hold approximately £1 million by value in shares in the ProVen VCTs. In addition, the Directors and partners and staff of the Manager and their connected parties have indicated they are likely to subscribe over £100,000 under the current Offer, on the same terms as the Investors.

## Track record

ProVen VCT’s unaudited net asset value (“NAV”) total return since its launch is £188 for every £100 invested and its annual rate of return since launch, including initial income tax relief, is 9.4% p.a. PGI VCT’s unaudited NAV total return since its launch is £222 for every £100 invested and its annual rate of return since launch, including initial income tax relief, is 12.8% p.a. Further details of each of the Companies historic performance are given on pages 12 and 13.

Each of the Companies currently has a target of paying dividends of approximately 5% of the opening NAV each year. After taking into account the initial 30% income tax relief on subscription for shares, this equates to a tax-free yield of over 7%. Larger special dividends may be paid if there is a realisation or series of realisations from the portfolio which results in an exceptionally large profit.

In relation to the three financial years ended 28 February 2021, 28 February 2022 and 28 February 2023, ProVen VCT has paid tax free dividends per Ordinary Share of 3.50p, 5.25p and 3.75p respectively and PGI VCT has paid tax free dividends per Ordinary Share of 3.00p, 4.75p and 3.25p respectively. This is equivalent to an average dividend yield of 5.8% p.a. for ProVen VCT and 6.1% p.a. for PGI VCT on the relevant NAV at the beginning of the relevant financial year adjusted for the final dividend from the previous year (excluding the initial 30% income tax relief).

## Tax benefits

For qualifying investors, an investment in a VCT can provide attractive tax benefits including 30% initial income tax relief for VCT subscriptions up to £200,000 per tax year (provided shares are held for at least five years), tax-free dividends and no capital gains on realisation.



## Discounts for early application

A discount (in the form of additional New Ordinary Shares) of 1% off the normal subscription price will be given to existing Shareholders as at 15 January 2024 (and their spouses/civil partners) in one of the ProVen VCTs whose valid Application (including cleared funds) forms part of the first £5 million of valid Applications for each Company and is received by 3 p.m. on 16 February 2024.

All other Applicants whose valid Application (including cleared funds) forms part of the first £5 million of valid Applications for each Company and is received by 3 p.m. on 16 February 2024 will be entitled to additional New Ordinary Shares with an aggregate subscription price equivalent to 0.5% of the amount subscribed. The Additional Shares will be paid for by the Manager.

## Investing in the Offer

Applicants may apply to invest in either ProVen VCT or PGI VCT, or both, and may also choose to invest in the 2023/24 Offer or the 2024/25 Offer, or both.

The Offer opens on 16 January 2024, and will close not later than 3 p.m. on 4 April 2024 in respect of the 2023/2024 Offer and not later than 3 p.m. on 28 June 2024 in respect of the 2024/2025 Offer unless extended, or as soon as the Offer is fully subscribed. More details of the Offer are set out on the following pages. For information on how to invest and to complete an online Application Form, please visit the Companies' website at [www.proveninvestments.co.uk](http://www.proveninvestments.co.uk) or refer to the FAQs set out at page 61.

Please note that the Companies' Receiving Agent for the Offer is now City Partnership (UK) Limited and application procedures may differ from those used by the Companies in past offers for subscription. If you have any questions about the Offer or how to complete the Application Form, please call City Partnership on 01484 240 910 (Monday-Friday excluding public holidays, 9 a.m.-5:30 p.m.) or email [provenvcts@city.uk.com](mailto:provenvcts@city.uk.com). Alternatively, you can contact Beringea, the Manager, on 020 7845 7820 or [info@beringea.co.uk](mailto:info@beringea.co.uk). Please be aware, however, that neither the Manager nor the Receiving Agent are able to give personal financial or tax advice.

We look forward to welcoming new Investors to the Companies as well as existing Shareholders increasing their holdings.

Yours faithfully

**Neal Ransome, Chair**  
ProVen VCT plc

**Marc Vlessing OBE, Chair**  
ProVen Growth and Income VCT plc



# Why Invest in the Offer?

The Offer is targeting returns which are greater than those available from investing in a portfolio of quoted companies, through each Company's established strategy of investing in a portfolio of carefully selected small and medium sized private companies with the potential for rapid growth. For more information about the Companies' investment strategies and examples of the types of businesses in which they invest, please see the section of this document headed "Venture Capital Trusts: Investing In Growth" on page 16.

The returns generated by each Company's investment portfolio will be enhanced by several attractive tax benefits, including 30% income tax relief on the amount invested, tax-free dividends and tax free capital gains on sale of shares (subject to an Investor's personal circumstances).

Both Companies have been managed since inception by Beringea LLP (and its predecessor companies), a specialist, award winning, venture capital firm, which manages approximately £330 million of assets. Beringea LLP is part of an international fund management group which manages venture capital funds in the UK and US totalling \$900 million and includes Beringea LLC which is headquartered in Michigan and controls almost \$470 million of venture growth capital.

## Track record

Investments made by the ProVen VCTs are allocated between them according to a co-investment agreement (see page 23) which generally results in both Companies participating in all investments, but not necessarily in the same proportions. Consequently, the performance of the shares of the two ProVen VCTs may differ.

The tables below set out the (unaudited) Total Return (being the theoretical total return on Shareholders' funds per share, reflecting the change in value of the NAV per share assuming that dividends are paid to Shareholders and not re-invested) and average annual rate of return of each of the ProVen VCTs since launch and for the one, three, five and ten year periods to 30 November 2023.

### Performance of ProVen VCT – Since Launch<sup>1</sup>

Total Return per £1 invested	£1.88
Cumulative dividends per £1 invested included in Total Return	£1.55
Annual rate of return since launch <sup>2</sup>	9.4%

1 Rebased in respect of the share consolidation and conversion that took place on 30 October 2012.

2 Includes initial income tax relief of 20%, the amount applicable when ProVen VCT was launched. This is calculated assuming that dividends are not re-invested.

### Performance of PGI VCT – Since Launch<sup>1</sup>

Total Return per £1 invested	£2.22
Cumulative dividends per £1 invested included in Total Return	£1.89
Annual rate of return since launch <sup>2</sup>	12.8%

1 PGI VCT's original ordinary shares of 1p, first listed in May 2001, were converted into new Ordinary Shares on 26 October 2009 at the rate of 0.6167 new Ordinary Shares for each original ordinary share.

2 Includes initial income tax relief of 20%, the amount applicable when PGI VCT was launched. This is calculated assuming that dividends are not reinvested.

### Performance of ProVen VCT – Recent Returns

Time period	Total Return per £1 invested	Annualised return on initial £0.70 cost <sup>1</sup>
1 year	£1.04	48.1%
3 years	£1.09	15.8%
5 years	£1.01	7.6%
10 years	£1.37	7.0%

1 Assuming initial 30% tax relief.

### Performance of PGI VCT – Recent Returns

Time period	Total Return per £1 invested	Annualised return on initial £0.70 cost <sup>1</sup>
1 year	£1.04	47.9%
3 years	£1.11	16.6%
5 years	£1.03	8.0%
10 years	£1.24	5.9%

1 Assuming initial 30% tax relief.

**Past performance is not a guide to future performance.**





## Target Dividend Yield of 5% P.A. Tax-Free

Each Company currently has a target of paying dividends in relation to a financial year of approximately 5% of the opening NAV, after deducting the prior year's final dividend. This is equivalent to a gross dividend yield to Investors of 7.1% p.a., after taking into account the initial 30% income tax relief on subscription. As no tax is payable on VCT dividends, the effective gross dividend yield to a 40% taxpayer is 10.8% p.a. and 11.8% p.a. to an additional rate taxpayer (ignoring any tax-free dividend allowance). The objective of paying a dividend of approximately 5% of the opening NAV each year is a target and there is no guarantee that this will be achieved. New Ordinary Shares issued under the Offer will be eligible for any dividends declared and paid by the Companies following the allotment of such New Ordinary Shares.

<b>Target dividend yield (% of NAV)</b>	5.0%
<b>Tax-free yield after initial 30% tax relief<sup>1</sup></b>	7.1%
<b>Gross equivalent yield<sup>2</sup></b>	
40% taxpayer	10.8%
45% taxpayer	11.8%

1 Target dividend yield divided by 0.7 to allow for the 30% initial tax relief. The effective subscription price per New Ordinary Share paid by Investors will be higher than the NAV of Ordinary Shares at the date of allotment because of initial charges and/or fees paid to Financial Advisers.

2 Ignoring the tax-free dividend allowance introduced by HMRC from tax year 2016/17.

Either Company may pay a special dividend in addition to the target 5% yield in the event of there being a realisation or series of realisations from the portfolio which results in an exceptionally large gain.

The annual dividend yield for the previous five financial years for ProVen VCT is shown in the table below:

### Dividend Yield from ProVen VCT for the last five financial years (period to the end of February<sup>1</sup>)

ProVen VCT	2019	2020	2021	2022	2023
	28.5%	5.0%	5.1%	7.2%	5.1%

1 Dividend yield is calculated as the dividend per Ordinary Share paid in relation to the financial year, divided by the NAV per Ordinary Share at the start of the year, after deducting the prior financial year's final dividend. The NAV per Ordinary Share may fall over the course of the year as a result of the payment of dividends. No account is taken in the table above of the initial tax relief.

Dividend payments for the year to 28 February 2019 included a special interim dividend of 25.25p per Ordinary Share following the successful realisations of Watchfinder and Chargemaster.

Dividend payments for the year to 28 February 2022 included a special interim dividend of 1.5p per Ordinary Share relating to the partial disposal of Zoovu.

The annual dividend yield for the previous five financial years for PGI VCT is shown in the table below:

### Dividend Yield from PGI VCT for the last five financial years (period to the end of February<sup>1</sup>)

PGI VCT	2019	2020	2021	2022	2023
	9.3%	4.9%	5.3%	7.9%	5.1%

1 Dividend yield is calculated as the dividend per Ordinary Share paid in relation to the financial year, divided by the NAV per Ordinary Share at the start of the year, after deducting the prior year's final dividend. The NAV per Ordinary Share may fall over the course of the year as a result of the payment of dividends. No account is taken in the table above of the initial tax relief.

Dividend payments for the year to 28 February 2019 included a special interim dividend of 4.5p per Ordinary Share following the successful realisations of Watchfinder and Chargemaster.

Dividend payments for the year to 28 February 2022 included a special interim dividend of 1.75p per Ordinary Share relating to the partial disposal of Zoovu.

**The level of previous dividend payments is not a guide to future dividend payments, which will depend on there being sufficient distributable reserves and cash resources, and on VCT Rules. No forecast or projection is expressed or implied.**

**Investors should note that the New Ordinary Shares will not qualify to receive any dividends where the record date falls on or before the date on which such New Ordinary Shares are allotted to Investors under the Offer.**

## Dividend Reinvestment Scheme

Investors who would prefer a capital growth option can re-invest their dividends through each Company's dividend reinvestment scheme to obtain more shares in that Company. Any amounts reinvested should be eligible for income tax relief of 30%, subject to the usual VCT restrictions. Investors wishing to take advantage of this opportunity should read the rules of the dividend reinvestment scheme in Part 5 and tick the relevant box in Section 5 of the Application Form.

## Liquidity for Shareholders

Both Companies have a policy of buying back their own shares at a discount to NAV of 5%. A policy of buying back shares from all Shareholders who wish to sell, subject to an annual limit of 14.99% of the shares in issue, has been operated by both Companies continuously since July 2004. The buyback policy may be restricted if necessary to maintain an appropriate level of liquidity in either Company or if the Directors consider it otherwise necessary to do so.

Investors should note that if they sell their New Ordinary Shares less than 5 years from the date of allotment they will have to repay the initial tax relief.

## Established Portfolio

Investors in the Offer will gain immediate access to an established portfolio which as at the date of this document comprises 52 companies in the case of ProVen VCT and 52 companies in the case of PGI VCT. This has a number of benefits to Investors:

**Visibility of portfolio** – a proportion of each Investor's shareholding will comprise a share of a known portfolio of investments in high growth companies.

**Diversification** – each of the Companies' assets are currently spread over 52 companies in each of ProVen VCT and PGI VCT with the largest 20 investments (by value at 30 November 2023) in ProVen VCT and PGI VCT accounting for 50.6% and 55.1% respectively of the portfolio\* of each Company. The largest single investment (by value at 30 November 2023) in ProVen VCT accounts for 5.5% of the portfolio of ProVen VCT and the largest single investment of PGI VCT accounts for 5.9% of the portfolio of PGI VCT. Further details of the Companies' portfolios are given on pages 25 to 31.

**Maturity of investments** – a proportion of the Companies' Qualifying Investments have been in their portfolios for a number of years. The Manager would expect to exit from some of these companies within the next 1-2 years. Any significant profits made on these disposals may be available for distribution to Shareholders as tax-free dividends in line with each Company's dividend policy.

\* The term "portfolio" for the purposes of this paragraph includes the value of investments together with cash held by the Company.

Some examples of recent sales of successful investments from the Companies' portfolios are given in the following tables:

### Examples of recent sales by ProVen VCT

Year of Sale	Company	ProVen VCT Investment £'000	Sale Proceeds <sup>1</sup> £'000	Multiple of Investment	Sold to
2018	Watchfinder.co. uk Limited	2,629	23,652	9.0x	Richemont
2018	Chargemaster plc	2,421	7,778	3.2x	BP
2021	ContactEngine Limited	1,391	4,443	3.2x	NICE
2022	Zoovu Limited <sup>2</sup>	3,488	13,114	3.8x	FTV Capital
2022	Blis Global Ltd	919	5,909	6.4x	LDC
2023	Aistemos Limited	1,819	3,160	1.7x	RELX plc
2023	Monica Vinader Limited <sup>3</sup>	534	6,948	13.0x	Bridgepoint

1 Sales proceeds include interest / dividends received over the life of the investment and amounts held in escrow and/or earned proceeds where these are believed to be recoverable.

2 Partial divestment.

3 Sales proceeds and multiple figures relate to the final divestment in 2023. Including the partial exit in 2016, overall proceeds were £11.5m, representing a multiple of 7.7x of overall cost.

### Examples of recent sales by PGI VCT

Year of Sale	Company	PGI VCT Investment £'000	Sale Proceeds <sup>1</sup> £'000	Multiple of Investment	Sold to
2018	Watchfinder.co. uk Limited	551	4,961	9.0x	Richemont
2018	Chargemaster plc	1,079	3,466	3.2x	BP
2021	ContactEngine Limited	2,455	7,321	3.0x	NICE
2022	Zoovu Limited <sup>2</sup>	3,449	17,471	5.1x	FTV Capital
2022	Blis Global Ltd	1,176	7,616	6.5x	LDC
2023	Aistemos Limited	1,681	2,914	1.7x	RELX plc
2023	Monica Vinader Limited <sup>3</sup>	204	2,652	13.0x	Bridgepoint

1 Sales proceeds include interest/dividends received over the life of the investment and amounts held in escrow and/or earned proceeds where these are believed to be recoverable.

2 Partial divestment.

3 Sales proceeds and multiple figures relate to the final divestment in 2023. Including the partial exit in 2016, overall proceeds were £4.4m, representing a multiple of 7.7x of overall cost.

**The past performance of these investments is no guide to the future performance of other portfolio companies. Some investments have been written down to, or disposed of at, values below cost. The above investments are not representative of average returns.**



## Risk Management

The Manager has many years experience of investing in unquoted small and medium sized companies and its approach incorporates several features which are designed to manage the risk profile of each Company:

- creating a widely diversified portfolio of VCT Qualifying Investments;
- extensive investigation of potential investment opportunities;
- close monitoring of investments, including placing a member of the investment team on the board of most portfolio companies; and
- retaining a portion of the portfolio required for liquidity purposes in lower risk investments, including cash deposits and liquidity funds.

## Tax Benefits to VCT Investors

The returns generated by each Company's investment portfolio will be enhanced by several tax benefits including:

- income tax relief of 30% of the amount subscribed, providing that the shares are held for at least 5 years. Relief is restricted to the amount which reduces the Investor's income tax liability to nil and on investments up to a maximum of £200,000 per person per tax year;
- tax-free dividends; and
- capital gains tax exemption on disposal of shares.

## The Offer

Each Company is seeking to raise up to £15,000,000 through the Offer, with an over allotment facility of up to a further £5,000,000 for each Company. The minimum aggregate Investment per Investor is £5,000 (or such lower amount as the Directors may decide). Applicants may apply to invest in either ProVen VCT or PGI VCT, or both. Applicants who wish to invest in both ProVen VCT and PGI VCT may apply to invest different amounts in each VCT but in this case the minimum Application amount in each Company is £2,500 per tax year (or such lower amount as the Directors may decide). There is no maximum size of investment but tax reliefs are only available on investments in VCTs of up to a maximum of £200,000 per person per tax year. Details of the Pricing Formula which will determine the number of New Ordinary Shares to be allotted under the Offer are given on pages 36 and 37.

## How to Invest

Applications may be made online via the 'How to Invest' section of the ProVen website at [www.proveninvestments.co.uk](http://www.proveninvestments.co.uk). Alternatively, a PDF copy of the Application Form may be completed and submitted to the Receiving Agent, the City Partnership (UK) Limited, by email to [provenvcts@city.uk.com](mailto:provenvcts@city.uk.com) or by post to ProVen VCTs - Offers, The City Partnership (UK) Ltd, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH.

Hard copies of the Application Form can also be requested from Beringea LLP by calling 020 7845 7820 or emailing [info@beringea.co.uk](mailto:info@beringea.co.uk).

## Discount for early application

A discount (in the form of additional New Ordinary Shares) of 1% off the normal subscription price will be given to existing Shareholders (and their spouses/civil partners) in one of the ProVen VCTs on 15 January 2024 whose valid Application (including cleared funds) forms part of the first £5 million of valid Applications for each Company and is received by 3 p.m. on 16 February 2024. All other Applicants whose valid Application (including cleared funds) forms part of the first £5 million of valid Applications for each Company and is received by 3 p.m. on 16 February 2024 will be entitled to additional New Ordinary Shares with an aggregate subscription price equivalent to 0.5% of the amount subscribed. The Additional Shares will be paid for by the Manager.





# Venture Capital Trusts: Investing in Growth

## Introduction

The UK Government estimates that SMEs – defined as any business with fewer than 250 employees – account for 61 per cent of employment nationwide and generate close to £2.4 trillion in turnover annually, almost equal to half of the revenues created by the private sector.<sup>1</sup>

Within this substantial SME population, there is a subset of companies – often defined as ‘scaleups’ – which drive an outsize proportion of economic impact. The strength of this segment of the economy lies in the ability of smaller, entrepreneurial companies to grow, innovate, create jobs, and drive productivity, and the ScaleUp Institute estimates that scaleups – businesses growing either headcount, revenues, or both by more than 20% annually – represent 50% of the total SME turnover output despite making up less than 0.6% of the SME population.<sup>2</sup>

We believe this growing population of scaleups is the engine of the economy, with the potential to build agile, innovative businesses that have an outsize impact on the economy, productivity and job creation. These businesses are, however, not without risk. As smaller companies without substantial assets or profits, businesses early in their growth may struggle to access bank finance or institutional funding, and they will typically not be able to list on public markets.

In order to address this funding gap, the UK Government offers tax incentives to encourage investment by private individuals into SMEs. Venture Capital Trusts (VCTs) are one of the longest-standing tax-advantage investment schemes. They are designed to channel capital into early-stage, high-growth businesses, providing substantial support for entrepreneurs and the UK economy, while enabling investors to make a tax-advantaged investment in an exciting sector of the UK economy which would otherwise be difficult for them to access.

Investors in VCTs benefit from 30% income tax relief on their initial investment (which will be forfeited if they sell their shares within 5 years) and no tax is payable on any dividends paid or capital gains made on the eventual sale of their investment (nor will any loss be an allowable loss for the purposes of capital gains tax). Investors in VCTs also gain access to a diversified portfolio of investments by pooling their investments in a public company listed on the Main Market of the London Stock Exchange. This diversification mitigates some of the risks of investing in early-stage businesses.

## The impact of VCTs

Typically, when securing an initial investment from VCTs, entrepreneurs will have managed to demonstrate early commercial traction, with a product or service – often enabled by technology – that has the potential to win market share, and to have built a leadership team with the experience or specialist expertise to grow the business.

Based on analysis of VCT-backed businesses by the Venture Capital Trust Association, a company at the point of its initial VCT investment would on average have 35 employees, be generating £2.35 million in annual revenues, and be approximately 6.2 years old. These businesses – small in comparison to listed companies – are generally nimble, agile and innovative, but relatively unproven and often loss-making.

One of the key reasons why some SMEs can achieve rapid growth is precisely the fact that they are relatively small at the point of investment. While still challenging, it is often much easier to achieve a ten-fold growth in the turnover of a company by increasing sales from £1 million to £10 million, than it is to increase sales from £100 million to £1 billion.

Another attraction of investing in growth companies is that, because they tend to focus on specific sectors or products, they are much less dependent than larger companies on the performance of the whole economy to generate growth. Some examples of the ProVen VCTs’ investee companies which have achieved this are given on the following pages.

Over one thousand innovative, entrepreneurial companies across the UK currently benefit from VCT funding, and almost all of them are looking to scale and grow at pace. The industry today manages in total more than £6 billion in funding. In 2022, members of the Venture Capital Trust Association, which represents managers of more than 90% of funds under management across the industry, deployed a total of £664 million of funding into early-stage growth companies, representing an increase of 8% year-on-year.

VCTs, therefore, play an important role in the UK economy. As well as providing a means for private investors to target capital growth and income, VCTs are a cornerstone of a diverse and continuous ecosystem of early-stage funding for companies, from angel investing, through to large-scale private equity and the public markets.

1 BEIS, Business Population Estimates, 2023, Table C

2 ScaleUp Annual Review 2022



## The ProVen VCTs' Strategy

The ProVen VCTs' investment strategy focuses on identifying SMEs across the UK that qualify for VCT investment and demonstrate the qualities that indicate the potential to take on funding, invest it successfully, and grow.

In return for investment, the ProVen VCTs take a shareholding in the business and the Manager will typically appoint one of its investment managers to the board of the investee company. This ensures that the Manager can work closely with the leadership teams, providing expertise and guidance, to deploy funding successfully, manage any risks, and drive growth. This growth plan often involves hiring new talent, building new products, entering new markets, or investing in sales and marketing.

If implemented successfully, these growth plans can make SMEs attractive acquisition targets for larger companies looking for ways to boost their own rate of growth. A sale to a larger business is, therefore, the most frequent means by which the Companies achieve profitable disposals of successful portfolio companies. Any profit made on an investment may then be available to be paid out to Shareholders as a dividend in line with each Company's dividend policy.

## Key characteristics of target companies

The Companies seek to make investments in VCT-qualifying companies with the following characteristics:

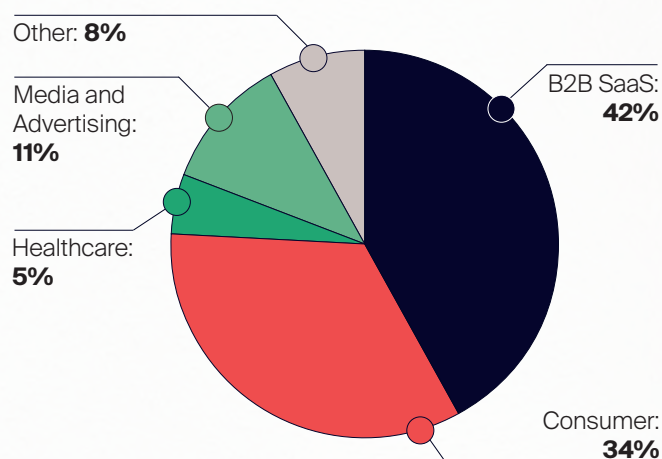
- a strong, balanced and well-motivated management team with a proven track record of achievement;
- a defensible market position;
- good growth potential;
- an attractive entry price for the Companies; and
- a clearly identified route for a profitable realisation within a four to six year period.

## Use of the funds invested by the Companies

The funds provided by the Companies will be deployed in accordance with their respective investment policies and typically used by a portfolio company for one, or a combination, of the following purposes:

- adding to the senior management team;
- sales and marketing initiatives;
- establishing new UK offices;
- international expansion; and
- development and launch of additional products or services.

In order to ensure that their investment portfolios are broadly diversified, the Companies invest in SMEs in a wide variety of sectors. The current sector breakdown across the two VCTs is shown on the right-hand side.





# Examples of Investments made by the Companies

A number of examples of investments made by the Companies are given below.

The past performance of these companies is not a guide to how they, or other companies in which the Companies invest, will perform in the future.



## MPB

**Status: Current**

### About

MPB is a leading platform for buying and selling pre-owned cameras, as well as photography and videography gear.

### Our investment

The ProVen VCTs have invested a total of £4m across two rounds of funding.

### US expansion

During the course of the ProVen VCTs' investment, MPB's revenues generated in the US have grown from \$10m to \$75m and the company opened its first physical office in the country in Brooklyn, New York, in 2017.



## CreativeX

**Status: Current**

### About

CreativeX is a platform that leverages artificial intelligence to provide detailed analytics on the performance of visual marketing assets.

### Initial investment

The ProVen VCTs first backed CreativeX with a £2.1m investment in 2019.

### Follow-on funding

Following two years of successful growth in the ProVen VCTs' portfolio, CreativeX raised an additional \$25m in funding led by Guggenheim Partners, an American private equity firm.



## Papier

**Status: Current**

### About

Papier is a direct-to-consumer stationery brand, known for its highly-visual, expertly-designed products, from greeting cards to notebooks.

### Initial investment

The ProVen VCTs first backed Papier with a £4.5m investment in 2019.

### Follow-on funding

In February 2022, Papier secured \$50m in its Series C funding round, led by Singular Ventures.



## Social Value Portal

**Status: Current**

### About

Social Value Portal is a platform for measuring, maximising, and tracking the social value delivered by public and private organisations.

### Our investment

The ProVen VCTs have invested a total of £5m into Social Value Portal across two rounds of investment.

### ESG and impact

Through its work, Social Value Portal is seeking to help its customers to deliver £100bn of social value by 2025. The company is also a certified B Corp, meaning it has been independently accredited for high levels of social and environmental performance.



MONICA VINADER



## Doctify

**Status:** Current

### About

One of the leading global platforms for patient reviews of health and social care.

### Our investment

The ProVen VCTs led Doctify's £8.1 million growth funding round in January 2023 with a £4m investment.

### Why the ProVen VCTs invested

Since its foundation in 2015 by Stephanie Eltz and Suman Saha, who met as trainee surgeons, Doctify has rapidly established itself as one of the world's leading platforms for collecting patient reviews. Its platform has today been used by more than 50 million patients across the UK, Germany, Austria, UAE, and Australia to find trusted information on clinicians, dentists, care homes, and healthcare practices.

## Monica Vinader

**Status:** Exited

### About

A leading jewellery brand that established the 'affordable luxury' category.

### Our investment

The ProVen VCTs invested £2.2m in total across three funding rounds.

### Growth

From the ProVen VCTs initial investment in 2010, Monica Vinader grew to sell its products across more than 70 countries with a team of more than 350 people worldwide. Between 2016 and 2023, the business quadrupled sales to approximately £100m.

### Exit

Following their partial exit in 2016, the ProVen VCTs sold their remaining stake in the business in 2023 as part of an investment by Bridgepoint, a private equity firm.

### Blended return

7.7x (across both exits)

## Blis

**Status:** Exited

### About

Blis is an advertising technology company that enables brands to understand their audiences without compromising personal data.

### Our investment

The ProVen VCTs invested a total of £2.1m across four rounds of funding.

### US expansion

Blis secured £5.1m in funding from Beringea's US funds to support its transatlantic growth, and it was delivering £14.6 million in US revenues by the time the ProVen VCTs exited their investment.

### Exit and returns

The ProVen VCTs exited their investment in 2022 as part of a significant round of funding by LDC, the private equity firm, delivering a 6.5x return.



# Beringea: Adding value to the ProVen VCTs' portfolio

In recent years, the Manager has invested significant resources in strengthening the support it is able to provide to portfolio companies of the ProVen VCTs.

Following investment from the ProVen VCTs, the Manager works alongside management teams with the aim of driving growth and profitability. Key initiatives will often be:

- New products: working with leadership to evaluate and deliver new products and services that can enhance a core offering and open new revenue streams.
- New markets: supporting the company as it expands internationally, often to the USA or European markets.
- Operational efficiencies: driving greater efficiency across marketing, sales, and product development as the company grows.
- Talent development: enhancing the skills and expertise of the management team to strengthen the overall profile of the company.

To run this programme, the Manager has a dedicated portfolio support team – led by Harry Thomas, Portfolio Director. This team leads on the creation and delivery of a package of resources that enables portfolio companies to overcome strategic challenges, harness growth opportunities, and drive greater efficiency.

Throughout the course of an investment, the Manager will, therefore, seek to provide portfolio companies with access to the following activities and resources.

## Resource hub

The Manager has a dedicated library of online content providing management teams with access to resources relevant to growing businesses. These include salary benchmarking, guides on strategic issues within start-ups, and advice on key commercial issues.

The resource hub also facilitates networking within the portfolio, and it provides a directory of key advisers and investors that may support the growth of the business.

## Advisory panel

The Manager has developed a panel of industry experts that provide ad-hoc support to members of the ProVen VCTs' portfolio.

Spanning operational, commercial, and investment experience, the panel includes: James Platt, former COO of Aon; Iain Jacob, former CEO of Publicis EMEA; Gabriela Vinader, co-founder of Monica Vinader; and Jessica Spence, President of North America at Beam Suntory.

These advisers will support management teams with key strategic decisions, and they have provided operational due diligence during transactions led by the Companies.

## Beringea Scale-Up Academy

The Manager runs an annual programme of events for the management teams of portfolio companies, which it calls the Beringea Scale-Up Academy.

These events are structured around either functional leads – for instance, providing a networking forum for CFOs, CEOs, or COOs – or key strategic challenges, such as fundraising, culture, hiring or international expansion.

These events are typically hosted online, and recent sessions have, for example, considered topics including the use of generative artificial intelligence within portfolio companies and the key regulatory, legislative and tax considerations for companies when exporting.





## International expansion

The Manager, which is part of an international venture capital group with offices in the United States of America, also actively supports members of the portfolio with expansion into the lucrative US market.

The presence, network and funds managed by Beringea US provide a significant level of support to portfolio companies of the ProVen VCTs, and – further supported by members of the Manager's investment team – businesses are supported through:

- Strategic insights: with a significant portfolio of investments in the US, the Manager may offer data and introductions to help with planning market entry.
- On-the-ground support: the Manager can facilitate introductions to lawyers, accountants, and other advisers to support with international expansion.
- Co-investment opportunities: the Manager's US funds have co-invested in portfolio companies of the Companies to support expansion into the US.
- Introductions to customers: the Manager's network of corporate leaders in the US has translated into commercial opportunities for the ProVen VCTs' portfolio.
- Raising funding from US investors: Beringea helps portfolio companies seeking to tap into the deeper capital markets of the US when raising follow-on funding.

## Positive impact

The Manager is co-founder of ESG\_VC, an industry initiative that provides early-stage companies and their investors with resources to measure and improve their ESG performance. It now counts more than 200 venture capital firms among its members.

These resources are structured around three main areas of activity:

- Measurement framework: ESG\_VC provides a free tool for benchmarking and tracking the ESG performance of start-ups.
- Events: ESG\_VC regularly hosts online events on specialist topics such as carbon accounting, diversity and inclusion, and corporate governance, which are freely available for members of the initiative and their portfolio companies.
- Resources: ESG\_VC publishes guides and research to help companies and investors to benchmark and improve their ESG performance.

Through building these resources within ESG\_VC, the Manager has now structured a comprehensive programme of support on ESG and sustainability for the portfolio, including annual assessment of ESG performance, setting of ESG objectives, and sustainability training.

This feeds into the wider objectives of the VCT scheme in the UK, which seeks to deliver positive impact on economy, the environment and society.

In total, current portfolio companies backed by the ProVen VCTs have created 1,210 jobs since securing initial investment, and they delivered £194.5m in total annual exports based on latest year-end data.



# PART 1 The Offer

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## Reasons for the Offer

The Directors believe that the Offer will benefit both new and existing Shareholders by enabling the Companies to:

- take full advantage of the strong flow of attractive investment opportunities currently being seen by the Manager;
- increase the diversification of the investment portfolio; and
- reduce the annual operating cost per Ordinary Share, by spreading the fixed operating costs of each Company over a larger asset base.

The net proceeds of the Offer will be applied in accordance with each Company's investment policy, which is set out below.

## Investment Policies

The Companies have identical investment policies, as described below.

### Investment objective

The Companies' investment objective is to achieve long term returns greater than those available from investing in portfolios of quoted companies, by investing in:

- portfolios of carefully selected Qualifying Investments in small and medium sized unquoted companies with excellent growth prospects;
- portfolios of non-Qualifying Investments permitted for liquidity management purposes; and
- within the conditions imposed on all VCTs, and to minimise the risk of each investment and the portfolios as a whole.

The investment policy covers several areas as follows:

### Qualifying investments

The Companies seek to make investments in VCT-qualifying companies with the following characteristics:

- a strong, balanced and well-motivated management team with a proven track record of achievement;
- a defensible market position;
- good growth potential;
- an attractive entry price for the Companies; and
- a clearly identified route for a profitable realisation within a four to six year period.

The Companies invest in companies at various stages of development, including those requiring capital for expansion, but not in start-ups or in management buy-outs or businesses seeking to use funding to acquire other businesses. Investments are spread across a range of different sectors.

### Other investments

Funds not invested in Qualifying Investments may be invested in non-Qualifying Investments permitted for liquidity management purposes, which include cash, alternative investment funds ("AIFs") and UCITS which may be redeemed on no more than 7 days' notice, or ordinary shares or securities in a company that are listed on a regulated market.

### Borrowings

It is not the Companies' intention to have any borrowings. Each Company does, however, have the ability to borrow a maximum amount equal to the nominal capital of the Company and its distributable and undistributable reserves.

### Maximum exposures

No investment will constitute more than 15% of that Company's portfolio by value at the time of investment.

Any material changes in investment policy would require Shareholders' approval in accordance with the Listing Rules.

## Asset Allocation Policy

The Companies must have invested at least 30% of all new funds that they have raised and allotted in Qualifying Investments within 12 months of the end of the accounting period in which the Company issued the shares. Over the three annual accounting periods following the Offer, a proportion of the funds raised will be progressively invested in Qualifying Investments with the objective that ultimately at least 82.5% of each Company's assets will be invested in Qualifying Investments by the end of the three annual accounting periods following the Offer and the 30% test will be satisfied. Initially, whilst suitable Qualifying Investments are being identified, the funds will be invested in permitted non-Qualifying Investments. This portfolio will be progressively realised in order to fund investments in Qualifying Investments. The portion of each Company's portfolio not invested in Qualifying Investments will be used to meet the annual running costs of that Company and to provide liquidity.

It is expected that after investing 82.5% of their assets in Qualifying Investments, the PGI VCT portfolio will have at least 52 investments (assuming full subscription) and the ProVen VCT portfolio will have at least 52 investments (assuming full subscription), to provide diversification and risk protection. Under current VCT legislation a Qualifying Company's gross assets may not exceed £15 million immediately before and £16 million immediately after the investment, and it must have fewer than 250 employees, prior to investment (500 in the case of a Knowledge Intensive Company ("KIC")). The Qualifying Company cannot receive more than £12 million (£20 million if the company is deemed to be a KIC) of Risk Finance State Aid (including from VCTs) over the company's lifetime and generally be no more than 7 years old (10 years for a KIC). Older companies may also be Qualifying Companies where previous Risk Finance State Aid was received by the company within 7 years (10 years for KICs) or where the company is entering a new market and a turnover test is satisfied. Funds received from an investment by a VCT

cannot be used to acquire another existing business or trade. No single investment will represent more than 15% of a Company's investments at the time the investment is made.

## Risk Management Policy

With many years' experience of managing the risks involved in investing in unquoted companies, Beringea has implemented a number of measures designed to manage risk to the extent possible given the investment strategy. Key risk management features include:

- **Broad portfolio of companies** – the Companies will invest in a broad portfolio of different companies, thereby reducing the potential impact of poor performance by any individual investment;
- **Stage of investment** – the Companies will invest mainly in established companies to provide capital for expansion;
- **Rigorous investment process** – Beringea has established rigorous procedures for reviewing and approving potential investments, as described below, aimed at ensuring a high standard of investment decision-making;
- **Close monitoring of investments/position on the board of the company** – Beringea will closely monitor the performance of all investments in order to identify any problems and to enable it to take swift corrective action, including in certain circumstances the replacement of under-performing managers. Generally, one of Beringea's investment managers will be appointed to the board of each investee company; and
- **Control over key decisions by investee companies** – Beringea will negotiate detailed legal agreements with each investee company, giving it significant influence over the development of the business.

## Consumer Duty

Each of the Boards is aware of the Manager's obligations to comply with the FCA's new Consumer Duty principle and rules that came into force on 31 July 2023. Firms subject to the Consumer Duty must ensure they are acting to deliver good outcomes and that this is reflected in their strategies, governance, leadership and policies. The Manager implemented its consumer duty requirements by 31 July 2023 and continues to monitor and assess the product, value, communications and consumer support outcomes to ensure the updated practices remain in line with Consumer Duty principles. The Companies are not directly affected by the Consumer Duty. However, the Boards each receive updates from the Manager as to how it is meeting its obligations under the Consumer Duty.

## Co-Investment Policy

In order to ensure that investment opportunities are apportioned fairly between the Companies, their allocation is governed by the terms of a co-investment agreement. This broadly provides that VCT Qualifying Investments which meet

the Companies' investment strategies will be apportioned to the Companies in the proportion of the amount which needs to be invested for compliance with the VCT Rules. The allocation will be impacted by a number of factors, including the chronological order in which funds were raised and disposals achieved from the portfolio. The amount which is apportioned to each VCT will be subject to certain restrictions in order to ensure good portfolio diversification.

## The Manager

The Companies are managed by Beringea, an award winning, specialist venture capital firm which manages approximately £330 million of VCT assets. Beringea has over 30 years' experience of managing investments in unquoted companies and has managed the Companies since they were launched, in 2000 in the case of ProVen VCT and in 2001 in the case of PGI VCT. Beringea is part of an international fund management group which manages venture capital funds in the UK and US of \$900 million (including the VCT assets). Further details of the investment management agreements (as amended) between Beringea and the Companies are set out in Part 6 of the Registration Document. On behalf of the Companies the Investment Manager will be pursuing an active investment strategy.

## Investment Process

Beringea has used the experience gained over its 30-plus year history to develop a rigorous investment process designed to ensure the highest standard of investment decision making. The first stage of this is to select a small proportion of the large number of investment opportunities received by Beringea for further investigation. All of these opportunities are then subjected to a thorough due diligence investigation, comprising a review of the company's management, the market in which the company operates, its competitive position within the market and the opportunities and risks facing the business. The due diligence process usually involves detailed market research, including interviews with customers and suppliers, as well as building and reviewing financial models. Beringea may also appoint specialist professional advisers, such as accountants and market research consultants, to assist it with its investigation.

If there is a satisfactory outcome to the due diligence process, a formal proposal will be submitted to Beringea's investment committee for consideration. The investment committee has full discretion to make investment decisions on behalf of the Companies. The investment committee is made up of Malcolm Moss, Stuart Veale, Karen McCormick and Maria Wagner (further details of each member of the investment committee together with the wider investment team are set out on the next page). This combined experience aligns with the published investment policy of the Company.

## Post Investment Management

Once an investment has been made, Beringea uses the experience of its investment management team to add as much value as possible to the investee company. It also



monitors all investments closely to ensure that any problems are identified at an early stage, so that appropriate action can be taken swiftly if necessary. The key steps it takes to achieve this will normally include the following:

- appointing one of Beringea's investment team to the board of investee companies;
- attending regular board meetings, helping to develop strategy, sharing experience from a wide variety of different unquoted companies, making introductions to other portfolio companies in order to create business opportunities and advising in a variety of different areas;
- ensuring good corporate governance;
- reviewing regular management accounts in order to identify potential issues or opportunities;
- having the right to approve key strategic decisions, including the adoption of budgets, major investments and recruitment of senior personnel;
- having the right, in certain circumstances, to replace under-performing managers; and
- appointing an appropriate chair who can bring additional skills and experience to the board.

As an investment matures, Beringea is proactive about identifying opportunities for a profitable realisation in order to realise capital gains, which may be distributed to Shareholders in accordance with the Companies' dividend policies.

For more information on how the Manager supports portfolio companies, see the section of this document headed "Beringea: Adding value to the ProVen VCTs' portfolio" on page 20.

### **The Management Team**

The investment management team for both Companies comprises the following 10 executives, who have more than 100 years' combined experience of making equity and debt investments in SMEs. They are:

#### **Malcolm Moss**

Malcolm is a Founding Partner of Beringea LLP. Over the last 30 years he has been responsible for the growth, development and management of Beringea in both the UK and the USA. In addition to sitting on the boards of ProVen VCT plc and ProVen Growth and Income VCT plc, he sits on the investment committees of Beringea Group's US funds.

#### **Stuart Veale**

Stuart is Managing Partner of Beringea and has over 30 years of private equity investment experience. Prior to joining Beringea, Stuart was a Senior Director with LDC (the private equity arm of the Lloyds Banking Group) and head of their Thames Valley office. He started his career in venture capital with 3i. Stuart has an MA, and an MBA from the London Business School.

#### **Karen McCormick**

Karen is Chief Investment Officer at Beringea and has been a member of the team for over 16 years. She is responsible for making new investments and working with portfolio companies through to exit. Karen was previously with the Boston Consulting Group and ran the Watches division of Swiss Army/Wenger. She also has experience with start-ups as both a founder and adviser. Karen has lived and worked in the US, Europe, and Asia, and has an MBA from INSEAD and a BSBA from Boston University.

#### **Maria Wagner**

Maria is a Partner within the Investment Team, responsible for sourcing investments, executing deals and monitoring portfolio companies. She was previously Managing Director of Birchbox UK, a beauty ecommerce and subscription business. Prior to this, Maria was on the investment teams at Virgin Group and GMT Partners. Maria began her career as an analyst at Goldman Sachs and an Engagement Manager at McKinsey in New York. Maria has an MBA from Harvard Business School and a Bachelor's degree in Economics from MIT.

#### **Harry Thomas**

Harry joined Beringea in 2013 and has since been involved in both the raising and deployment of capital. He is now primarily responsible for portfolio management and working on relevant investment opportunities. Prior to joining Beringea, Harry worked for two start-ups and on a parliamentary campaign. He holds an M.A. in history from the University of St Andrews.

#### **Carrie Babcock**

Carrie serves on the boards of four portfolio companies and most recently led the ProVen VCTs' investment into healthcare review platform, Doctify, and procurement solution, DeepStream. Prior to Beringea, Carrie invested at the seed stage in deep tech and impact investing. She has lived and worked in the US and Europe and has an MBA from INSEAD and a BA from Barnard College, Columbia University.

#### **Luke Edis**

Luke joined Beringea in 2018 and manages the Companies' investments in Dash Water, Litta, Second Nature and Arctic Shores. Prior to this he has gained experience working at each stage of the startup lifecycle from different sides of the table. He was previously Head of Business Development at Fundstack – a business providing CRM software to companies in the financial sector, and worked at Passion Capital – a UK seed-stage VC, and Silverpeak – a UK boutique investment bank. Luke studied at Durham University and holds an MSc in Finance and a BSc in Physics.

## Emma Biasiolo

Emma is responsible for sourcing and analysing new deals, completing due diligence on potential investments, managing deal execution processes, monitoring and advising portfolio companies. Emma has led investments into Lucky Saint, the UK's leading independent non-alcoholic beer brand, and Plank Hardware, a D2C brand of design led hardware products. In addition to this, she has also worked on four early growth transactions across consumer and software verticals including Papier, EDITED, Luxury Promise and Dealroom.

In 2023, Emma spent a year working in Michigan with the Beringea US office supporting on investments across healthcare, advanced manufacturing, and software.

## Jodie Miller

Jodie is responsible for sourcing new investment opportunities and supporting the investment team with analysis and research and due diligence on investments. Prior to joining Beringea, Jodie was an investor at Charlie Oscar, a specialist group of digital native brands. Prior to this, Jodie worked in the New York and London offices of PwC Strategy&, as part of its private equity deals practice, where she focused on consumer and technology deals. Jodie has studied and worked in Australia, the US and the UK. She holds a BSc in Business from New York University's Stern School of Business.

## Piotr Bukanski

Piotr is responsible for sourcing and analysing new investment opportunities, due diligence on potential investments and monitoring and advising portfolio companies. He manages the ProVen VCTs' investment in Gorilla. Piotr was previously an Associate at Bank of America Merrill Lynch and has studied and worked in Poland, Sweden, Germany, Latvia and the UK. He holds a MSc in Finance from Stockholm School of Economics and Bachelor's degree in

Finance and Accounting from Cracow University of Economics.

The Manager also has an Investor Relations function and a Finance and Operations team to support the running of the business.

## Management Retention

The Companies have each agreed long-term performance incentive arrangements with the Manager, which are designed to enable it to attract and retain talented investment managers, by rewarding them for delivering outstanding investment performance. More details of the performance incentive arrangements are given on pages 34 and 35.

## Existing Portfolios

Following the Offer, part of each Investor's investment will be represented by a share of the current portfolio of the Company in which they invest, which at the date of this document included 52 companies in the case of both ProVen VCT and PGI VCT.

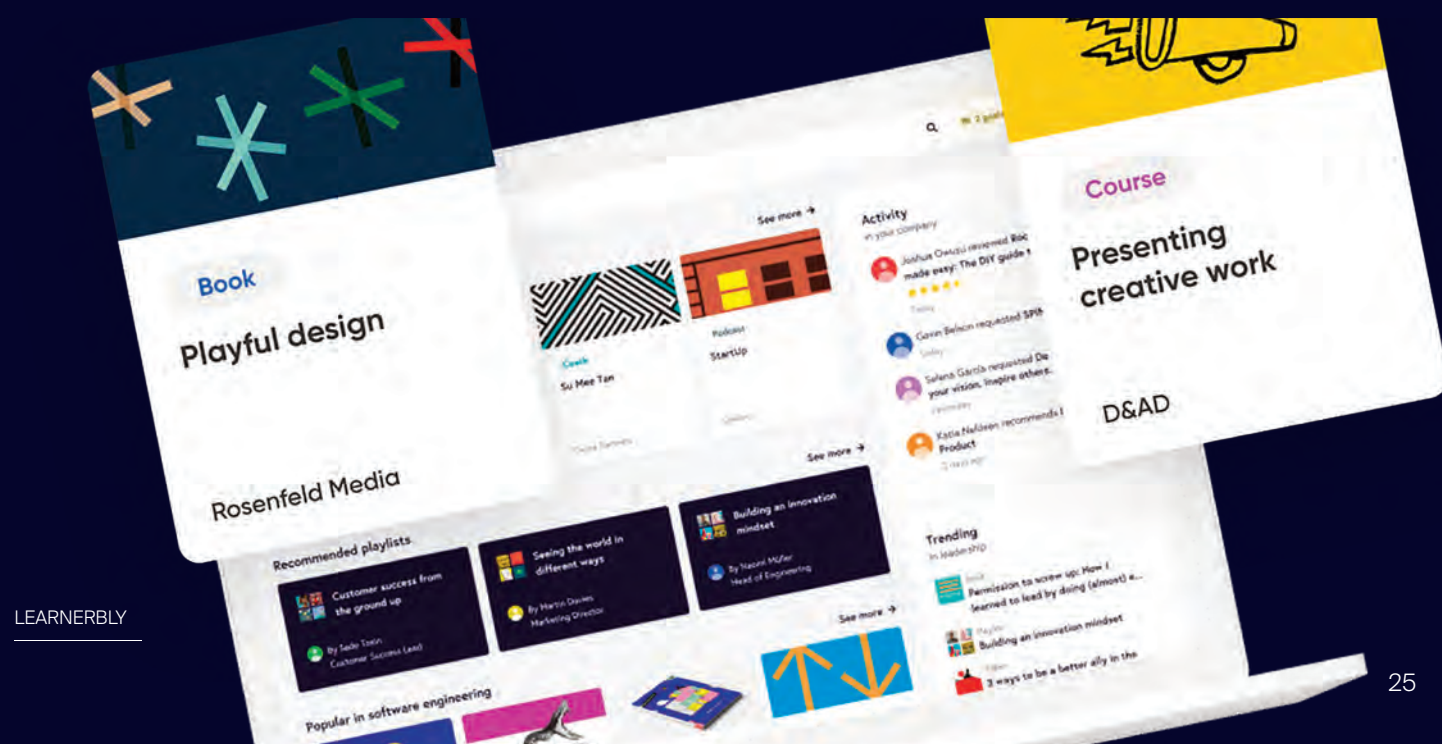
## ProVen VCT Portfolio

At 30 November 2023, ProVen VCT's portfolio comprised 52 venture capital investments with a cost of £107.9 million, a valuation of £110.5 million (unaudited) and cash and cash equivalents of £56.1 million. One of ProVen VCT's investments comprises assets admitted to trading on a regulated market.

Since 30 November 2023, ProVen VCT has made no equity investment additions or disposals.

## Dividends

An interim cash dividend of 1.5p per ProVen Share was declared on 7 November 2023 and was paid on 15 December 2023.



## Portfolio Companies

The list of active current investments (unaudited) in the ProVen VCT portfolio set out in the table below constitutes a comprehensive and meaningful analysis of ProVen VCT's portfolio as at the date of this document, representing approximately 50.6% by value of ProVen VCT's portfolio, including cash. The valuations are as at 30 November 2023, the latest date for which valuations have been announced, for investments in the portfolio at that date. All venture capital

investments are registered in England and Wales except for Access Systems, Inc. (t/a Access Pay), DeepCrawl Holding Company, Inc. (t/a Lumar), InContext Solutions, Inc., NowVertical Group, Inc., Picasso Labs Inc. (t/a CreativeX), Thread, Inc., Whistle Sports, Inc. and WS Holdco PBC., which are Delaware registered corporations in the United States of America, Utilis Israel Ltd (t/a Asterra), which is registered in Israel, Dealroom.co BV which is registered in the Netherlands, and Gorillini NV (t/a Gorilla), which is registered in Belgium.

## Summary of investments of ProVen VCT as at 30 November 2023

	Cost	Valuation (unaudited)	% of portfolio	Holding
Luxury Promise Limited	5,680	9,202	5.52%	Debt and shares
MPB Group Limited	1,684	8,259	4.96%	Shares
Infinity Reliance Limited (t/a My 1st Years)	4,731	6,987	4.19%	Shares
Gorillini NV (t/a Gorilla)	2,437	5,985	3.59%	Shares
Social Value Portal Ltd	2,458	4,787	2.87%	Shares
Picasso Labs, Inc. (t/a CreativeX)	2,729	4,618	2.77%	Shares
Access Systems, Inc. (t/a Access Pay)	3,737	4,121	2.47%	Shares
Utilis Israel Ltd (t/a Asterra)	1,809	4,023	2.41%	Shares
DeepCrawl Holding Company, Inc. (t/a Lumar)	3,827	3,959	2.38%	Shares
Dealroom.co B.V.	2,707	3,787	2.27%	Shares
WS HoldCo, PBC. (t/a WiredScore)	3,733	3,660	2.20%	Shares
Lupa Foods Limited	694	3,343	2.01%	Debt and shares
Dash Brands Ltd	2,718	3,247	1.95%	Shares
Not Another Beer Co Ltd (t/a Lucky Saint)	2,797	2,797	1.68%	Shares
Chattermill Analytics Limited	2,793	2,793	1.68%	Shares
Papier Ltd	2,770	2,770	1.66%	Shares
Litchfield Media Limited	1,405	2,739	1.64%	Debt and shares
Yardlink Ltd	2,680	2,680	1.61%	Shares
Moonshot CVE Ltd	1,388	2,385	1.43%	Shares
Doctify Limited	2,222	2,222	1.33%	Shares
Other venture capital investments	52,914	26,170	15.71%	Debt and Shares
<b>Total venture capital investments</b>	<b>107,913</b>	<b>110,534</b>	<b>66.33%</b>	
Cash and cash equivalents		56,085	33.67%	
<b>Total investments</b>		<b>166,619</b>	<b>100.00%</b>	



Further details of ProVen VCT's venture capital investments referred to in the table above are as follows:

### **Luxury Promise Limited**

Luxury Promise is a marketplace for pre-owned luxury handbags and accessories, with a range spanning the world's leading designer brands including Hermes, Van Cleef and Chanel.

### **MPB Group Limited**

MPB is a marketplace for buying and selling used photographic equipment.

### **Infinity Reliance Limited (t/a My 1st Years)**

My 1st Years is an e-commerce site for personalised items for babies and children, with products from their Royal Range having been worn by Prince George.

### **Gorillini NV (t/a Gorilla)**

Gorilla supplies energy data applications for pricing forecasting and portfolio analysis.

### **Social Value Portal Ltd**

Social Value Portal is a software platform for measuring, monitoring and maximising the social value created by public and private sector organisations.

### **Picasso Labs, Inc. (t/a CreativeX)**

CreativeX is a software platform used by global brands to analyse the performance and compliance of visual creative assets. It uses artificial intelligence to measure the efficiency, consistency and impact of marketing.

### **Access Systems, Inc. (t/a AccessPay)**

AccessPay is a BACS approved software provider aiming to simplify the payment processing system by offering a range of payment and cash management products such as Direct Debit, SEPA, Faster Payments and SWIFT.

### **Utilis Israel Ltd (t/a Asterra)**

Utilis is a company which uses satellite-based technology and a patented algorithm derived from techniques developed to search for water on Mars to detect drinking water pipeline leaks.

### **DeepCrawl Holding Company, Inc. (t/a Lumar)**

DeepCrawl is a marketing analytics and insights company whose web crawler and associated software provides brands with a comprehensive overview of their websites' technical health.

### **Dealroom.co B.V.**

Global data platform for intelligence on startups, innovation, high-growth companies, ecosystems and investment strategies.

### **WS HoldCo, PBC. (t/a WiredScore)**

WiredScore assesses, certifies and improves digital connectivity and smart technology in homes and offices on a global scale.

### **Lupa Foods Limited**

Lupa Foods is a BRCGS and Royal Warrant supplier of quality ingredients and products to the food industry since 1902.

### **Dash Brands Ltd**

Fruit infused water made with simple, natural ingredients so that there's no calories, no sugar and no sweetener.

### **Not Another Beer Co Ltd (t/a Lucky Saint)**

Lucky Saint is an award winning alcohol free lager.

### **Chattermill Analytics Limited**

Chattermill unifies and automatically analyses customer feedback data to give insights to understand the voice of customers.

### **Papier Ltd**

Papier is an online retailer of personalised stationery, with a range of products including notebooks, writing paper, invitations and prints.

### **Litchfield Media Limited**

Litchfield Media is a company that seeks to take advantage of investment opportunities across a range of sectors.

### **YardLink Ltd**

YardLink is a B2B procurement platform for the construction industry.

### **Moonshot CVE Ltd**

Moonshot harnesses the power of the internet for good, developing new technology and methodologies to identify threats online and protect communities.

### **Doctify Limited**

Doctify is an independent healthcare review platform. Healthcare providers pay a monthly subscription fee in order to use Doctify to collect and publish feedback from their patients.



## PGI VCT Portfolio

At 30 November 2023 PGI VCT's portfolio comprised 52 venture capital investments with a cost of £113.5 million and a valuation of £116.5 million (unaudited) and cash and cash equivalents of £46.7 million. One of PGI VCT's investments comprises assets admitted to trading on a regulated market.

Since 30 November 2023, PGI VCT has made no equity investment additions or disposals.

## Dividends

An interim cash dividend of 1.25p per PGI Share was declared on 7 November 2023 and was paid on 15 December 2023.

## Portfolio Companies

The list of active current investments (unaudited) in the PGI VCT portfolio set out in the following table constitutes a comprehensive and meaningful analysis of PGI VCT's portfolio as at the date of this document, representing

approximately 55.1% by value of PGI VCT's portfolio, including cash. The valuations are as at 30 November 2023, the latest date for which valuations have been announced, for investments in the portfolio at that date. All venture capital investments are registered in England and Wales except for Access Systems, Inc. (t/a Access Pay), DeepCrawl Holding Company, Inc. (t/a Lumar), InContext Solutions, Inc., NowVertical Group, Inc., Picasso Labs Inc. (t/a CreativeX), Thread, Inc., Whistle Sports, Inc. and WS Holdco PBC., which are Delaware registered corporations in the United States of America, Utilis Israel Ltd (t/a Asterra), which is registered in Israel, Dealroom.co BV which is registered in the Netherlands, and Gorillini NV (t/a Gorilla), which is registered in Belgium.

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## Summary of investments of PGI VCT as at 30 November 2023

	Cost	Valuation (unaudited)	% of portfolio	Holding
Luxury Promise Limited	6,020	9,646	5.91%	Debt and shares
Picasso Labs, Inc. (t/a CreativeX)	4,546	8,884	5.44%	Shares
Sannpa Limited (t/a Fnatic)	6,718	6,774	4.15%	Shares
MPB Group Limited	1,194	5,396	3.31%	Shares
Social Value Portal Ltd	2,542	4,896	3.00%	Shares
Gorillini NV (t/a Gorilla)	1,949	4,787	2.93%	Shares
Utilis Israel Ltd (t/a Asterra)	2,144	4,769	2.92%	Shares
Papier Ltd	4,703	4,703	2.88%	Shares
Infinity Reliance Limited (t/a My 1st Years)	2,769	4,701	2.88%	Shares
DeepCrawl Holding Company, Inc. (t/a Lumar)	4,033	4,029	2.47%	Shares
Been There Done That Global Limited	3,149	3,942	2.42%	Shares
Dash Brands Ltd	3,282	3,920	2.40%	Shares
Second Nature Healthy Habits Ltd	3,842	3,842	2.35%	Shares
WS HoldCo, PBC. (t/a WiredScore)	3,494	3,426	2.10%	Shares
Lupa Foods Limited	646	3,114	1.91%	Debt and shares
Arctic Shores Limited	2,909	2,928	1.79%	Shares
Dealroom.co B.V.	2,012	2,815	1.73%	Shares
Litchfield Media Limited	1,420	2,622	1.61%	Debt and shares
Litta App Limited	2,053	2,464	1.51%	Shares
Yardlink Ltd	2,319	2,319	1.42%	Shares
Other venture capital investments	51,731	26,541	16.27%	Debt and Shares
<b>Total venture capital investments</b>	<b>113,475</b>	<b>116,518</b>	<b>71.40%</b>	
Cash and cash equivalents		46,654	28.60%	
<b>Total investments</b>		<b>163,172</b>	<b>100.00%</b>	



Further details of all of PGI VCT's venture capital investments referred to in the table above are as follows:

#### **Luxury Promise Limited**

Luxury Promise is a marketplace for pre-owned luxury handbags and accessories, with a range spanning the world's leading designer brands including Hermes, Van Cleef and Chanel.

#### **Picasso Labs, Inc. (t/a CreativeX)**

CreativeX is a software platform used by global brands to analyse the performance and compliance of visual creative assets. It uses artificial intelligence to measure the efficiency, consistency and impact of marketing.

#### **Sannpa Limited (t/a Fnatic)**

Fnatic is an esports company that manages professional gaming teams, produces branded hardware and merchandise, and provides commercial sponsorship and partnership opportunities in esports.

#### **MPB Group Limited**

MPB is a marketplace for buying and selling used photographic equipment.

#### **Social Value Portal Ltd**

Social Value Portal is a software platform for measuring, monitoring and maximising the social value created by public and private sector organisations.

#### **Gorillini NV (t/a Gorilla)**

Gorilla supplies energy data applications for pricing forecasting and portfolio analysis.

#### **Utilis Israel Ltd (t/a Asterra)**

Utilis is a company which uses satellite-based technology and a patented algorithm derived from techniques developed to search for water on Mars to detect drinking water pipeline leaks.

#### **Papier Ltd**

Papier is an online retailer of personalised stationery, with a range of products including notebooks, writing paper, invitations and prints.

#### **Infinity Reliance Limited (t/a My 1st Years)**

My 1st Years is an e-commerce site for personalised items for babies and children, with products from their Royal Range having been worn by Prince George.

#### **DeepCrawl Holding Company, Inc. (t/a Lumar)**

DeepCrawl is a marketing analytics and insights company whose web crawler and associated software provides brands with a comprehensive overview of their websites' technical health.

#### **Been There Done That Global Limited**

Been There Done That is a network of around 200 advertising professionals. Bringing together expert planning and creative directors, the network offers clients immediate access to strategic insights on complex briefs.

#### **Dash Brands Ltd**

Fruit infused water made with simple, natural ingredients so that there's no calories, no sugar and no sweetener.

#### **Second Nature Healthy Habits Ltd**

Second Nature is a digital programme for weight-loss and diabetes management. It brings together expert nutritional advice and tracking technology to help people lose weight and maintain healthy habits.

#### **WS HoldCo, PBC. (t/a WiredScore)**

WiredScore assesses, certifies and improves digital connectivity and smart technology in homes and offices on a global scale.

#### **Lupa Foods Limited**

Lupa Foods is a business working in the import and distribution of ambient and fresh foods.



### Arctic Shores Limited

Arctic Shores provides software for psychometric assessments used by organisations to improve the quality and diversity of recruits.

### Dealroom.co B.V.

Global data platform for intelligence on startups, innovation, high-growth companies, ecosystems and investment strategies.

### Litchfield Media Limited

Litchfield Media is a company that seeks to take advantage of investment opportunities across a range of sectors.

### Litta App Limited

Litta operates a platform which provides consumers and businesses with on demand waste and rubbish clearance.

### YardLink Ltd

YardLink is a B2B procurement platform for the construction industry.

## The Directors

The Directors of each Company have overall responsibility for their Company's affairs, including monitoring the performance of the Manager and ensuring that the VCT status of their Company is maintained.

The Directors, all of whom are non-executive, have experience of corporate governance of listed companies. A majority of the Directors are independent of the Manager.

## ProVen VCT Directors

### Neal Ransome, Chair

Neal was formerly a corporate finance partner of PwC with extensive experience as a lead adviser on M&A activity in the pharmaceuticals and healthcare sectors. Neal is currently non-executive chairman of Octopus AIM VCT plc and a non executive director of Polar Capital Global Healthcare Trust plc.

### Barry Dean

Barry has over 30 years' experience in the venture capital industry, including 14 years as Managing Director of Dresdner Kleinwort Benson Private Equity Limited, a longstanding "mid-market" private equity fund manager. He is currently a director of Thames Ventures VCT 1 plc (formerly Downing One VCT plc) and previously served on the board of Molten Ventures VCT plc (formerly Draper Esprit VCT plc).

### Malcolm Moss

Malcolm is part of the Manager's investment management team. His biography is set out on page 24.

### Lorna Tilbian

Lorna was formerly an executive director of Numis Corporation plc and a director of WestLB Panmure Limited and S G Warburg Securities. She is currently chairman of Dowgate Capital Limited and a director of Dowgate Wealth

Limited. Lorna also serves as a non-executive director on the boards of FTSE 250 constituents Finsbury Growth and Income Trust plc and Premier Foods plc as well as FTSE 100 company Rightmove plc where she chairs the Remuneration Committee.

## PGI VCT Directors

### Marc Vlessing OBE, Chair

Marc started his career as a corporate financier with County NatWest in 1984. In 1991, he set up his own management consultancy specialising in the media sector. In 1997 he became Chief Executive of one of London's largest groups of theatres, cinemas and TV companies (Crescent Entertainment). Subsequently, he became Chief Executive of First Call International. He is co-founder and CEO of Pocket Living, the first private developer in London to specialise in helping hard-working city makers, on low to moderate incomes, own or rent their first home with backing from the Mayor of London and Related Companies in New York.

### Natasha Christie-Miller

Natasha was President/CEO of Ascential Intelligence for six years, a portfolio of digital intelligence brands including WGSN, the world's leading trend forecaster, Groundsure, the UK's top environmental data supplier for conveyancers, and the festival business Money20/20 at Ascential plc, the global information company. She started her career in sales and led the commercial teams on consumer brands such as Elle, Red and the EMAP parenting portfolio. Natasha has a long history of growing B2B businesses and selling them to strategic or private equity buyers. Natasha is the founder of NCM Excellence Ltd and is currently advising a number of businesses including TED Conferences, LLC, Walking On Earth (an early stage health tech), Bay Agency (an early stage marketing agency), and EDITED (retail data intelligence).

### Malcolm Moss

Malcolm is part of the Manager's investment management team. His biography is set out on page 24.

### Anna Kuriakose

Anna is a seasoned Tech industry executive with 25 years of experience building and scaling companies globally. She is currently Chief Product Officer at SumUp, a global fintech, and was previously Director of Product Management at Meta (formerly Facebook). She has held executive roles at both early-stage startups (Evrythng, AlertMe, Monitise) and mature companies (JustGiving, TotallyMoney). Anna is also the founder of ScaleUp Lean, an advisory business offering strategy consultancy to tech businesses.



## Shareholder Benefits

### Target return

The Companies aim to achieve long-term returns greater than those available from investing in a portfolio of quoted companies. The annual rate of return to investors in ProVen VCT's original ordinary share issue from launch in 2000 to 30 November 2023 (the latest date to which results have been announced) assuming initial income tax relief of 20% (the relief available at the time) was 9.4% p.a., although this is not a guide to future returns from an investment in ProVen VCT. The annual rate of return to investors in PGI VCT's original ordinary share issue from launch in 2001 to 30 November 2023 (the latest date to which results have been announced) assuming initial income tax relief of 20% (the relief available at the time) was 12.8% p.a., although this is not a guide to future returns from an investment in PGI VCT.

### Dividends

The Companies currently have a target of paying dividends each year which will equate to a yield of approximately 5% of opening NAV. The Companies may pay a special dividend in addition to the target 5% yield in the event of there being a realisation, or series of realisations, from the portfolio which results in an exceptionally large gain. Since the current dividend policy was adopted for the year ended 28 February 2013, the average annual dividend yield has been 8.1% for ProVen VCT and 7.2% for PGI VCT.

Dividend payments will, however, depend on the amount and timing of profits realised from the sale of investments, which cannot be guaranteed. There is no certainty that any dividends will be paid.

**Investors should note that the New Ordinary Shares will not qualify to receive any dividends with a record date on or before the date on which such New Ordinary Shares are allotted to Investors under the Offer.**

### Existing portfolio of investments

By investing under the Offer, Investors will immediately gain access to a more mature portfolio of investments than they would by investing in a new VCT share class. This increases the potential for early realisations from the portfolio, enhancing each Company's ability to pay dividends on the Ordinary Shares. It is worth noting that for some of the mature portfolio, value increases will be already reflected in the entry NAV per share.

### Tax benefits

Investors in a VCT are entitled to a range of significant tax benefits, including an income tax rebate of 30% of the amount invested. This means that someone who invests £10,000, for example, will be entitled to an income tax rebate of £3,000.

Another major tax benefit is that dividends paid by a VCT are not subject to income tax. This means that they are a particularly attractive source of income for higher rate tax payers. In addition, any gain made on the disposal of VCT shares will not be subject to capital gains tax (nor will any

losses be an allowable loss for the purposes of capital gains tax).

These tax benefits significantly enhance the value to Investors of the investment returns achieved by the Companies. Income tax relief is available on total VCT investments of up to £200,000 per person in each tax year and shares must be held for at least 5 years otherwise income tax relief will be repayable. The tax rebate cannot exceed the amount which reduces an Investor's tax liability to nil.

**Investors should note that tax relief is dependent on individual circumstances and based on current regulations, which may change including retrospectively.**

### Claiming the tax relief

Certificates to enable an Investor to claim tax relief on their investment will be sent via email within 3 Business Days of the New Ordinary Shares being allotted (or within 10 Business Days if sent by post). An Investor will then have two options for claiming the tax relief:

- writing to their HM Revenue & Customs office to ask for their PAYE tax code to be adjusted; or
- waiting until the end of the tax year and completing the appropriate section on the self-assessment form.

### Dividend Reinvestment Scheme

The Companies each operate a dividend reinvestment scheme which enables Shareholders, should they so wish, to reinvest any future cash dividends in Ordinary Shares. The rules of the dividend reinvestment scheme are set out in Part 5. If an Investor wishes to participate in this scheme, they should complete Section 5 of the Application Form. Dividend reinvestment enables Shareholders to increase their holding in a Company without incurring dealing costs, issue costs or stamp duty. Subject to the normal limits on tax relief for investment in VCTs, these Ordinary Shares should qualify for VCT tax reliefs that are applicable to subscription for new VCT shares.

### Communicating with Shareholders

The Directors and the Manager believe strongly in the importance of good communication with Shareholders, and provide information about the progress of the Companies in a number of different ways:

- the Annual Report and Accounts of each Company are made available to all of its Shareholders, normally in June each year;
- the half-year report of each Company is made available to all of its Shareholders, normally in October or November each year;
- e-mail updates, containing news about each Company and its portfolio companies, are sent to Shareholders on a regular basis. If an Investor would like to receive information by e-mail, they should indicate their preferences at the appropriate place on the Application Form; and

- information about the Companies is also made available on the ProVen VCTs' website ([www.proveninvestments.co.uk](http://www.proveninvestments.co.uk)) which is updated regularly.

All Shareholders are also invited to a Shareholder event each year, at which a number of portfolio companies are highlighted. These events allow Shareholders to ask questions of the Directors and members of the investment management team.

### Shareholder Rewards

From time to time some of the Companies' portfolio companies are able to make special offers or discounts available to Shareholders. Shareholders are invited to subscribe for update emails containing current details and codes. These offers are only available to current Shareholders in the Companies and may be changed or withdrawn at any time.

### Share Buyback Policy

The Directors intend to ensure that Shareholders who wish to sell their Ordinary Shares are able to do so, by operating a share buyback policy under which each Company will buy back its Ordinary Shares at a 5% discount to NAV. The Companies have operated a policy of buying back shares since July 2004. The number of Ordinary Shares that either Company will buy back in any year will be limited to 14.99% of the number of its Ordinary Shares in issue and may be restricted if necessary to maintain an appropriate level of liquidity in that Company or if the Directors consider it otherwise necessary to do so.

### Discounts for Early Application

Applicants (and their spouses/civil partners) who had an existing shareholding in one of the ProVen VCTs on 15 January 2024, and whose valid Application (including cleared funds) forms part of the first £5 million of valid Applications for each Company and is received by 3 p.m. on 16 February 2024 will be entitled to additional New Ordinary Shares with an aggregate subscription price equivalent to 1% of the amount subscribed.

All other Applicants whose valid Application (including cleared funds) forms part of the first £5 million of valid Applications for each Company and is received by 3 p.m. on 16 February 2024 will be entitled to additional New Ordinary Shares with an aggregate subscription price equivalent to 0.5% of the amount subscribed.

The subscription price of the Additional Shares will be met by the Manager.

### Offer Selection

The minimum aggregate Investment per Investor is £5,000 (or such lower amount as the Directors may decide). Applicants may apply to invest in either ProVen VCT or PGI VCT, or both. Applicants who wish to invest in both ProVen VCT and PGI VCT may apply to invest different amounts in each VCT but in this case the minimum Application amount in each Company is £2,500 (or such lower amount as the

Directors may decide). An Applicant can also choose whether, in the event that an Offer for which they have applied has closed at the point that their Application is processed, the relevant Application monies should be either reallocated to the Offer that remains open, or returned. The Application Form contains further details of the selection process and the options available for the return or reallocation of subscription monies.

## Fees and Expenses

### Annual Management Fee

The Manager is entitled to receive an annual management fee from each Company equal to 2% of the NAV of that Company, calculated on a quarterly basis and payable monthly in arrears.

The Manager may charge arrangement fees, in line with industry practice, to companies in which the Companies invests. It may also receive directors' fees or monitoring fees from investee companies.

### Administration and Advisory Arrangements

Beringea LLP provides certain administration, company secretarial and financial advisory services and services in connection with share repurchases by the Companies, for a current annual fee of £200,000 per Company (plus VAT if applicable) each.

### Annual Running Costs

The annual running costs of the Companies, being the Directors' fees, professional fees, the annual fees payable to the Manager and the costs incurred by the Company in the ordinary course of business (including irrecoverable VAT but excluding any performance related fees and trail commissions payable to intermediaries) are capped. The cap is 2.9% of net assets in each of ProVen VCT and PGI VCT. Any costs above this level are borne by the Manager, by way of a reduction in its fees.

CREATIVEX





The annual running costs of ProVen VCT for the year to 28 February 2023 were 2.36% of the average net assets of ProVen VCT over the year. The annual running costs of PGI VCT for the year to 28 February 2023 were 2.37% of the average net assets of PGI VCT over the year.

### Performance Fees

In line with normal VCT practice, the Manager is entitled to receive performance fees in relation to the Ordinary Shares in order to align the interests of the Manager as closely as possible with those of the Investors and to encourage and reward exceptional investment performance. The performance fee structure is designed to encourage significant payments to Investors by means of tax-free dividends, as well as capital growth. Further details of the performance fee structure for each Company are set out below.

The NAV used in the Pricing Formula for each allotment of New Ordinary Shares will include a provision for any potential performance fees payable by the relevant Company, calculated in accordance with each Company's accounting policies. However, as the performance fee will be calculated based on the audited results at the relevant financial year end, the actual performance fee paid may be different from the amount provided in the previously announced NAVs.

### ProVen VCT

The Manager is entitled to receive an annual performance incentive fee in respect of the shares in issue at 29 February 2012 (the "Original Offer") and each share offer made by ProVen since the Original Offer (each being a "Relevant Offer"), if the Performance Value<sup>1</sup> of the relevant Offer achieves a Hurdle Amount<sup>2</sup>.

For each Relevant Offer, if the Hurdle Amount is not met, no performance incentive fee will be payable. Once the Hurdle Amount has been met, the performance incentive fee payable in relation to a financial year is 20% of the amount by which the Performance Value exceeds the initial NAV of the Relevant Offer, less any performance fees paid previously. The performance fee is calculated on a per share basis and is subject to various caps, including one which ensures that cumulative performance fees paid to the Manager never exceed 20% of cumulative dividends paid to investors.

Further details on how the performance fee is calculated are set out on page 28 of the Registration Document.

The calculation of the fees (if any) to be paid under the performance incentive arrangements are reviewed by ProVen's Auditors and will be inclusive of VAT, if applicable.

1. The "Performance Value" is calculated on an annual basis based on the latest annual audited NAV, plus cumulative dividends and any previous performance fees paid in respect of the relevant offer since 29 February 2012.
2. The "Hurdle Amount" is represented by the higher of: (i) 1.25 times the initial share offer NAV; and (ii) the initial share offer NAV compounded by annual Bank of England base rate plus 1%. Please note the hurdle amount for the Original Offer is calculated differently but based on similar principles.







At 28 February 2023, the relevant performance hurdles were not met and, therefore, no performance fee was payable to Beringea by ProVen VCT in respect of the financial year ended 28 February 2023.

At the date of this Document, no performance fee has been accrued in respect of the financial year ending 29 February 2024. The actual performance fee, if any, will be calculated based on the audited results for the period ending 29 February 2024 and, therefore, the actual performance fee paid may be different from the amount that has been accrued to date.

### PGI VCT

The Manager is entitled to receive an annual performance incentive fee in respect of the shares in issue at the time of the Original Offer and each Relevant Offer, if the Performance Value<sup>1</sup> of the fund achieves a Hurdle Amount<sup>2</sup>.

For each Relevant Offer, if the Hurdle Amount is not met, no performance incentive fee will be payable. Once the Hurdle Amount has been met, the performance incentive fee payable in relation to a financial year is 20% of the amount by which the Performance Value exceeds the initial NAV of the Relevant Offer, less any performance fees paid previously. The performance fee is calculated on a per share basis and is subject to various caps including one which ensures that cumulative performance fees paid to the Manager never exceed 20% of cumulative dividends paid to investors.

Further details on how the performance fee is calculated are set out on page 33 of the Registration Document.

The calculation of the fees (if any) to be paid under the performance incentive arrangements are reviewed by PGI's Auditors and will be inclusive of VAT, if applicable.

At 28 February 2023, the relevant performance hurdles were not met and, therefore, no performance fee was payable to Beringea by PGI VCT in respect of the financial year ended 28 February 2023.

At the date of this Document, no performance fee has been accrued in respect of the financial year ending 29 February 2024. The actual performance fee, if any, will be calculated based on the audited results for the period ending 29 February 2024 and, therefore, the actual performance fee may be a different from the amount that has been accrued to date.

### Launch Costs

Intermediaries authorised by the FCA offering investment advice to their clients ("Financial Advisers") are not permitted to receive commission from providers of investment products. Remuneration for their services now has to come from fees charged to their clients. The Companies have agreed to facilitate the payment of initial fees to Financial Advisers, by accepting instructions from an Investor to pay the amount of the fee agreed by them to their Financial Adviser, together with any applicable VAT ("Adviser Charge") (up to a maximum of 4.5% of the Application amount), out of the amount a Company receives from the Investor. The

number of New Ordinary Shares issued to the Investor will depend on the amount of the fee to be facilitated by each Company, as per the Pricing Formula set out below. Investors who wish a Company to facilitate the payment of a fee in this manner should complete Section 8 of the Application Form. The amount payable to the Financial Adviser is inclusive of VAT, where applicable. Accordingly, Investors will indirectly bear the costs of the Offer through the application of the Pricing Formula which determines the number of New Ordinary Shares to be issued to each Investor and includes an allowance for a Promoter's Fee of 3.0% (less any discounts for early applications) and Adviser Charges (if any).

These rules do not apply to authorised intermediaries who do not offer advice to their clients ("Execution Only Brokers") or where a Financial Adviser has demonstrated that the Investor is a Professional Client, who continue to be able to receive commission from providers of investment products, subject to any future changes in the rules and regulations.

For Applications received through Execution Only Brokers or Financial Advisers in respect of a Professional Client, the Companies will pay the Manager a fee of 3.0% of the gross funds raised through these intermediaries, less any discount for early applications by new and existing Shareholders in the ProVen VCTs. The Companies will also pay an initial commission of up to 2.5% of the gross investment to the intermediaries, unless such commission is waived by the Execution Only Broker or professional client intermediary. Such intermediaries may agree to waive all or part of the initial commission in respect of an application. If this is the case, additional New Ordinary Shares will be allotted to the Investor and the waived commission will be used to satisfy the subscription price of such additional New Ordinary Shares. For the purposes of the Pricing Formula, any initial commission payable to a Financial Adviser in respect of an Applicant that is a Professional Client shall be treated in the same way as initial commission to an Execution Only Broker and, unless waived, shall be deducted from the amount subscribed.

For Applications received directly from Investors, the Companies will pay the Manager a fee of 3.5% of the gross funds raised, less any discounts for early applications by existing and new Shareholders in the ProVen VCTs. Investors may, therefore, pay lower initial fees in relation to their investment if they invest through a Financial Adviser or an Execution Only Broker than if they apply directly.

The Manager may agree to reduce its Promoter's Fee (in whole or in part) in respect of any specific Investors or group of Investors.

Investors should be able to claim initial tax relief on the full amount of their investment, subject to the normal rules on eligibility for tax relief.

Out of the Promoter's Fees the Manager will be responsible for paying all the costs of the Offer, including professional fees and marketing expenses. Any trail commission payable to Execution Only Brokers for the Offer will be paid by the Manager (for previous offers trail commission has been and will continue to be paid by the Companies). The Promoter's Fee will be reduced by the aggregate subscription amount for

the Additional Shares issued to existing Shareholders and new Investors whose valid Applications form part of the first £5 million of valid Applications for each Company and are received by 3 p.m. on 16 February 2024.

The maximum amount payable by each Company in respect of Offer costs will, therefore, be 5.5% of the gross proceeds of the Offer. The maximum net proceeds of the Offer for each Company will be £19,400,000 (assuming full subscription and Offer costs of £600,000 comprising a Promoter's Fee of 3.0% and no Adviser Charge or initial commission).

## Other Information

### The Offer

Each Company is seeking to raise up to £15,000,000, with an over allotment facility of up to a further £5,000,000 each through the issue of New Ordinary Shares, which will rank *pari passu* in all respects with the existing Ordinary Shares, including in respect of dividends.

### Pricing of the Offer

The number of New Ordinary Shares to be issued to each Investor will be calculated using the following Pricing Formula, which is consistent with the agreement with the Manager on launch costs set out above, and which ensures that there is no reduction in the net asset value of the existing Ordinary Shares as a result of the Offer:

Number of New Ordinary Shares = (amount subscribed, less: (i) Promoter's Fee and (ii) Adviser Charge (if any) or Execution Only Broker or Professional Client initial commission (unless waived)) divided by (latest published NAV\*) rounded down to the nearest whole number of New Ordinary Shares.

The Promoter's Fee is:

- i) for Applications received through Financial Advisers or Execution Only Brokers, 3.0% of the investment amount less any discounts for early applications; and
- ii) for Applications received direct from Investors, 3.5% of the investment amount less any discounts for early applications.

Investors may, therefore, pay lower initial fees in relation to their investment if they invest through a Financial Adviser or an Execution Only Broker than if they apply directly.

Through the Pricing Formula, each Applicant pays their own costs, so the Offer Price per New Ordinary Share will vary per Applicant. The Offer Price per New Ordinary Share is determined by dividing the applicant's per Company subscription amount (including all fees such as the Promoter's Fee or any Adviser Charges that may be facilitated by the Companies) by the number of New Ordinary Shares allotted to the applicant under each Company's Offer (as applicable).

The Manager may agree to reduce its Promoter's Fee (in whole or in part) in respect of any specific Investors or group of Investors. Discounts for early applications by existing and

\* The NAV used in the calculation of the number of New Ordinary Shares to be issued by each Company will be each Company's NAV most recently announced to the London Stock Exchange, less the amount of any dividend to be paid for which the record date is prior to the relevant allotment date.



new Shareholders in the ProVen VCTs are described on page 11 of this document.

Investors should be able to claim initial tax relief on the full amount of their investment (i.e. including fees such as the Promoter Fee or any Adviser Charges that may be facilitated by the Companies), subject to the normal rules on eligibility for tax relief.

### Illustrative examples of the application of the Pricing Formulae

For the purposes of the following illustrative examples of the application of the Pricing Formula in various scenarios, the (unaudited) NAVs as at the date of this document have been used, being £0.635 per ProVen Share and £0.5275 per PGI Share. These represent the respective NAVs for each Company as at 30 November 2023, adjusted for the dividends paid by each Company on 15 December 2023 of

1.5p and 1.25p respectively. The actual NAV that will be applied in the Pricing Formula to each Application under the Offer will be the last published NAV per Share of the relevant Company at the time of allotment which may be higher or lower than those used in the illustration.

A new NAV for either Company may be announced to the London Stock Exchange during the Offer. The Companies normally announce their latest NAV on a quarterly basis, although they may announce new NAVs between the normal quarterly dates if there is a material movement. The next NAV announcements following the date of this document are expected to be in June 2024. Such announcements may result in an upwards or downwards movement in either NAV and, therefore, in the denominator of each Pricing Formula. Each NAV may change between the date on which an Investor's Application Form is submitted or posted and the date on which New Ordinary Shares in respect of that

### ProVen VCT

	Direct	Financial Adviser, no facilitated fee	Financial Adviser, 3% facilitated fee	Execution Only Broker, 2.5% initial commission waived	Execution Only Broker, 2.5% initial commission not waived
<b>Amount subscribed</b>	£10,000	£10,000	£10,000	£10,000	£10,000
Promoter Fee <sup>1</sup>	(£350)	£(300)	£(300)	£(300)	£(300)
Adviser Charge	–	–	£(300)	–	–
Initial commission	–	–	–	–	£(250)
<b>Number of PVN Shares:</b>					
Without discount for early application	15,196	15,275	14,803	15,275	14,881
With discount for early application					
- existing shareholder	15,354	15,433	14,960	15,433	15,039
- new shareholder	15,275	15,354	14,881	15,354	14,960

### PGI VCT

	Direct	Financial Adviser, no facilitated fee	Financial Adviser, 3% facilitated fee	Execution Only Broker, 2.5% initial commission waived	Execution Only Broker, 2.5% initial commission not waived
<b>Amount subscribed</b>	£10,000	£10,000	£10,000	£10,000	£10,000
Promoter Fee <sup>1</sup>	(£350)	(£300)	(£300)	(£300)	(£300)
Adviser Charge	–	–	(£300)	–	–
Initial commission	–	–	–	–	(£250)
<b>Number of PGI Shares:</b>					
Without discount for early application	18,293	18,388	17,819	18,388	17,914
With discount for early application					
- existing shareholder	18,483	18,578	18,009	18,578	18,104
- new shareholder	18,388	18,483	17,914	18,483	18,009

<sup>1</sup>Assumes no discount for early application. The Promoter's Fee will be reduced by 1% of the amount subscribed for existing shareholders and 0.5% of the amount subscribed for new shareholders if a discount for early application applies (see page 8 for further information).

Application Form are allotted. New Ordinary Shares are expected to be allotted and issued in respect of valid applications received for the 2023/2024 Offer on various dates on or prior to 5 April 2024 on which the Directors decide, with the first allotment expected during March 2024, and for the 2024/2025 Offer on 26 April 2024 and any other dates prior to the close of the Offer on which the Directors decide, but not later than 31 December 2024.

### Listing on the London Stock Exchange

Applications will be made to the Financial Conduct Authority for the New Ordinary Shares issued under the Offer to be admitted to the premium segment on the Official List and to the London Stock Exchange for those New Ordinary Shares to be admitted to trading on its main market for listed securities.

### Applications for New Ordinary Shares

Applications for the New Ordinary Shares will be payable in full by cheque, bankers draft or BACS transfer on application. Post-dated cheques will not be accepted and will be destroyed. Applications under the Offer will be accepted on a first come, first served basis, subject always to the discretion of the relevant Board. Where payment is made by BACS transfer the application will not be treated as being received until funds are received in full by the Receiving Agent. Multiple subscriptions by Investors are permitted. The Offer is not underwritten.

The subscription list for the Offer will open on 16 January 2024 and close at 3.00 pm on 4 April 2024 for the 2023/2024 Offer and at 3.00 pm on 28 June 2024 for the 2024/2025 Offer (or on any earlier date on which the Offer is fully subscribed), save that the Directors reserve the right to bring forward or extend the closing date of the 2024/2025 Offer to a date no later than 31 December 2024. The results of the Offer will be announced to the London Stock Exchange through a Regulatory Information Service provider authorised by the Financial Conduct Authority. There is no minimum subscription for the Offer to proceed.

In the event that applications are received in excess of the maximum subscription under the Offer, the Directors reserve the right to use their absolute discretion in the allocation of successful applications.

New Ordinary Shares are expected to be allotted and issued in respect of valid applications received for the 2023/2024 Offer on various dates on or prior to 5 April 2024 on which the Directors decide, and for the 2024/2025 Offer on 26 April

2024, and any other dates prior to the close of the Offer on which the Directors decide, but not later than 31 December 2024. Details of such allotments will be announced through a Regulatory Information Service provider by no later than the business day following the allotment. The Receiving Agent will email allotment notifications and instructions on how to download income tax relief certificates from their online tracking service, within 3 business days of each allotment (within 10 business days if by post). The Registrar will post share certificates (where applicable) to Shareholders within 15 business days of each allotment. Dealings may commence before such announcement is made.

The New Ordinary Shares will be issued on a fully paid up basis in registered form and evidence of title will be through possession of a share certificate in the Shareholder's name; alternatively, New Ordinary Shares may be held in an account through the CREST system. Each Company will apply for the New Ordinary Shares to be admitted to CREST and it is expected that the New Ordinary Shares will be so admitted, and accordingly enabled for settlement in CREST as soon as practicable after Admission has occurred. Therefore, settlement of transactions in the New Ordinary Shares following Admission may take place within the CREST system if Shareholders wish.

The Offer may not be withdrawn after dealings in the New Ordinary Shares have commenced. In the event of any requirement for either Company to publish a supplementary prospectus, subscribers who have yet to be entered into the Companies' registers of members will be given two business days to withdraw their subscription. Investors should note, however, that in respect of New Ordinary Shares that have been unconditionally allotted, such withdrawal rights are a matter of law that is yet to be tested in the courts of England and Wales and Investors should, therefore, rely on their own legal advice in this regard. Notification of withdrawal may be given by e-mail to [info@beringea.co.uk](mailto:info@beringea.co.uk).

Investors wishing to subscribe for New Ordinary Shares may do so by completing the Application Form either online via the 'How to Invest' section at [www.proveninvestments.co.uk](http://www.proveninvestments.co.uk) or a hard copy Application Form may be requested from Beringea.

### Investor Profile

A typical Investor will be a UK taxpayer who is aged 18 or over, with an investment range between £5,000 and £200,000 who is attracted by the expected income tax relief available for a VCT investment. Investors in ProVen VCTs will generally



be informed investors with either experience in investing in VCTs or with a knowledge and understanding of the risk factors set out at the front of this document and be willing to retain the investment for at least five years.

Before deciding whether to apply for New Ordinary Shares it is recommended that potential Investors consult an authorised Financial Adviser.

### Minimum and Maximum Investment

The minimum aggregate Investment per Investor is £5,000 (or such lower amount as the Directors may decide). Applicants may apply to invest in either ProVen VCT or PGI VCT, or both. Applicants who wish to invest in both ProVen VCT and PGI VCT may apply to invest different amounts in each VCT but in this case the minimum Application amount in each Company is £2,500 (or such lower amount as the Directors may decide). There is no maximum investment although tax reliefs are only available on a maximum investment of £200,000 per individual in all VCTs in any one tax year. A husband and wife can each invest up to £200,000 in any one tax year with each enjoying the tax reliefs.

### Commission for Execution Only Brokers or Financial Advisers who are advising Professional Clients

Execution Only Brokers and Financial Advisers who are advising Professional Clients will be paid an initial commission by the Companies of up to 2.5% on the amount invested by their clients. Additionally, provided that the Execution Only Broker continues to act for the client and the client continues to be the beneficial owner of the New Ordinary Shares, the Manager<sup>1</sup> will pay annual trail commission to Execution Only Brokers, normally at the rate of 0.5% of the amount invested by the client, for up to 5 years, subject to any future changes in the rules and regulations. Trail commission will not be paid to Financial Advisers of Professional Clients. The first payment of trail commission in respect of the New Ordinary Shares is expected to be in September 2025 in respect of the financial year to 28 February 2025.

Execution Only Brokers, or Financial Advisers who are advising Professional Clients, may agree to waive all or part of the initial commission in respect of an application. If this is the case, additional New Ordinary Shares will be allotted to the Investor and the waived commission will be used to satisfy the subscription price of such additional New Ordinary Shares. Execution Only Brokers and relevant Financial Advisers must indicate in Section 8 of the Application Form their preferred commission structure.

1. Trail commission for New Ordinary Shares allotted under this Offer will be paid for by the Manager. For Ordinary Shares allotted pursuant to previous offers, the Companies have and will continue to pay trail commission.





# PART 2 Tax Considerations for Investors

## Tax Position of Investors

The following is only a summary of the law concerning the tax position of individual investors in VCTs. Potential Investors who are in any doubt about the taxation consequences of investing in a VCT are recommended to consult an appropriate professional adviser. The tax legislation of an Investor's member state and of the Companies' country of incorporation may have an impact on the income received from the New Ordinary Shares.

## Tax Reliefs

The tax reliefs set out below are available to individuals aged 18 or over who subscribe for New Ordinary Shares under the Offer. Whilst there is no specific limit on the amount of an individual's acquisition of shares in a VCT, tax reliefs will only be given to the extent that the total of an individual's subscriptions or other acquisitions of shares in VCTs in any tax year do not exceed £200,000. Investors who intend to invest more than £200,000 in VCTs in any one tax year should seek professional advice.

### (a) Income tax

#### (i) Relief from income tax on investment

Income tax relief at the rate of 30% will be available on subscriptions for up to a maximum of £200,000 in any tax year. This relief is limited to the amount which reduces the Investor's income tax liability to nil.

The effect of this relief for an Investor subscribing £10,000 for New Ordinary Shares is shown below:

	No VCT tax relief	30% income tax relief
Initial investment	£10,000	£10,000
30% income tax relief		(£3,000)
Effective investment cost	£10,000	£7,000

Tax relief on subscriptions for shares in a VCT is restricted where, within six months (before or after) of that subscription, the investor had disposed of shares in the same VCT or in a VCT which at any time is known to be seeking a merger with that VCT. Investments to be used as security for or financed by loans may not qualify for relief, depending on the circumstances.

#### (ii) Dividend relief

An Investor who acquires VCT shares in a given tax year with a value of up to £200,000 will not be liable to income tax on dividends paid by the VCT on those shares.

#### (iii) Purchasers in the market

An individual purchaser of existing VCT shares in the market will be entitled to claim dividend relief (as described in paragraph (a) (ii) above) but not relief from income tax on investment (as described in paragraph (a) (i) above).

#### (iv) Withdrawal of relief

Relief from income tax on a subscription for VCT shares will be withdrawn if the VCT shares are disposed of (other than between spouses) within five years of issue or if the VCT loses its approval within this period.

### (b) Capital gains tax

#### (i) Relief from capital gains tax on the disposal of shares

A disposal by an Investor of their New Ordinary Shares will give rise to neither a chargeable gain nor an allowable loss for the purposes of UK capital gains tax. The relief is limited to the disposal of VCT shares acquired within the limit of £200,000 for any tax year.

#### (ii) Purchasers in the market

An individual purchaser of New Ordinary Shares in the market will be entitled to claim relief from capital gains tax on disposal (as described in paragraph (b)(i) above).

## Obtaining Tax Reliefs

The Company will provide to each Investor a certificate which the Investor may use to claim income tax relief, either by obtaining from HMRC an adjustment to their tax coding under the PAYE system or by waiting until the end of the tax year and using their tax return to claim relief.

## Investors not Resident in the UK

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

## Withholding Taxation

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

## Withdrawal of Approval

If a company which has been granted approval as a VCT subsequently fails to comply with the conditions for approval, approval as a VCT may be withdrawn or treated as never having been given. In these circumstances, relief from income tax on the initial investment is repayable unless loss of approval occurs more than five years after the issue of the relevant VCT shares. In addition, relief ceases to be available on any dividend paid in respect of profits or gains in any accounting period ending when VCT status has been lost and any gains on the VCT shares up to the date from which loss of VCT status is treated as taking effect will be exempt, but gains thereafter will be taxable.

VCT status will be withdrawn if, in respect of shares issued on or after 6 April 2014, a dividend is paid (or other forms of distribution or payments are made to investors) from the capital received by the VCT from that issue within three accounting periods of the end of the accounting period in which shares were issued to investors.

# PART 3 Conditions to be met by Venture Capital Trusts

## Qualification as a VCT

To qualify as a VCT, a company must be approved as such by HMRC. To obtain such approval it must:

- not be a close company;
- have each class of its ordinary share capital quoted on the main market of the London Stock Exchange or a regulated market in the EU or European Economic Area;
- derive its income wholly or mainly from shares or securities;
- have at least 80% by value of its investments in shares or securities in Qualifying Investments;
- invest at least 30% of all new funds raised and allotted in accounting periods beginning after 5 April 2018 in Qualifying Investments within 12 months of the end of the accounting period in which the shares were allotted;
- have at least 70% by value of Qualifying Investments in "eligible shares" carrying no preferential rights to assets on a winding up, or any rights to redemption, but which may have certain preferential rights to dividends (investments made before 6 April 2018 from funds raised prior to 6 April 2011 are excluded);
- have at least 10% by value of its Qualifying Investments in any single company or group in "eligible shares" as defined in (f) above;
- not have more than 15% by value of its investments in a single company (other than a VCT or a company which would, if its shares were listed, qualify as a VCT);
- not retain more than 15% of its income derived from shares and securities in any accounting period;
- not make an investment in a company which causes that company to receive more than £5 million of Risk Finance State Aid (including from VCTs) in the twelve months ending on the date of the investment (£10 million if the company is deemed to be a KIC), or a total of more than £12 million (£20 million if the company is deemed to be a KIC) of Risk Finance State Aid (including from VCTs) over the company's lifetime. A subsequent acquisition by the company of another company that has previously received Risk Finance State Aid can cause the lifetime limit to be exceeded;
- not make an investment in a company whose first commercial sale was more than 7 years prior to date of investment, except where previous Risk Finance State Aid was received by the company within 7 years (10 years for a KIC) or where the company is raising funds to enter a new market and a turnover test is satisfied;
- no funds received from an investment into a company can be used to acquire another existing business or trade;
- not make a prohibited non-qualifying investment; and

- in relation to shares issued by a VCT on or after 6 April 2014, not return to shareholders any of the capital received by the VCT in relation to those shares issued before the third anniversary of the end of the accounting period during which the subscription for those shares occurs.

## Qualifying Investments

A Qualifying Investment consists of shares or securities first issued to the VCT (and held by it ever since) by a company satisfying certain conditions. The conditions are detailed but include that the company must be a Qualifying Company, satisfy a financial health requirement, have gross assets not exceeding £15 million immediately before and £16 million immediately after the investment, apply the money raised for the purposes of a Qualifying Trade within certain time periods and not be controlled by another company. In any twelve month period the company can receive no more than £5 million of Risk Finance State Aid including from VCTs and the Enterprise Investment Scheme (£10 million if the company is deemed to be a KIC). The company must have fewer than 250 full time (or equivalent) employees at the time of making the investment (500 in the case of a KIC). The company cannot receive more than £12 million (£20 million if the company is deemed to be a KIC) of Risk Finance State Aid (including from VCTs) over the company's lifetime and generally be no more than 7 years old (10 years for a KIC). Older companies may also be Qualifying Companies where previous Risk Finance State Aid was received by the company within 7 years (10 years for KICs) or where the company is entering a new market and a turnover test is satisfied. Funds received from an investment by a VCT cannot be used to acquire another existing business or trade. In certain circumstances, an investment in a company by a VCT can be split into part Qualifying Investment and part non-qualifying investment. Investments made on or after 15 March 2018 need to meet the risk-to-capital condition, which requires that the company has a long term growth plan, and that the investment made by the VCT is at risk.

## Qualifying Companies

A Qualifying Company must be unquoted (for VCT purposes this includes companies whose shares are traded on the Acquis Stock Exchange and the Alternative Investment Market), meet a financial health condition and must carry on a Qualifying Trade. For this purpose certain activities are excluded (such as dealing in land or shares or providing financial services). The Qualifying Trade must either be carried on by, or be intended to be carried on by, the Qualifying Company or by a Relevant Qualifying Subsidiary (see below) at the time of the issue of shares or securities to the VCT (and at all times thereafter). Qualifying Companies need not be UK resident but must have a permanent establishment in the UK. A company intending to carry on a Qualifying Trade must begin to trade within two years of the issue of shares or securities to the VCT and continue it thereafter.

A Qualifying Company may have no subsidiaries other than Qualifying Subsidiaries which must be more than 50% owned.

A Relevant Qualifying Subsidiary can be a 90% directly held subsidiary of the company invested in, its wholly owned subsidiary, or a 90% held subsidiary of a wholly owned subsidiary.

### Approval as a VCT

A VCT must be approved at all times by HMRC. Approval has effect from the time specified in the approval.

A VCT cannot be approved unless the tests detailed above are met throughout the most recent complete accounting period of the VCT and HMRC is satisfied that they will be met in relation to the accounting period of the VCT which is current when the application is made. However, in order to facilitate the launch of a VCT, HMRC may approve a VCT notwithstanding that certain of the tests are not met at the time of application, provided HMRC is satisfied that the tests will be met within certain time limits. In particular, in the case of the tests described at (d) and (f) under the heading "Qualification as a VCT" above, approval may be given if HMRC is satisfied that these will be met throughout an accounting period of the VCT beginning no more than three years after the date on which approval takes effect.

The Directors intend to conduct the affairs of the Company so that it satisfies the conditions for approval as a VCT and that such approval will be maintained. HMRC has granted the Company approval under section 274 ITA as a VCT. The Company intends to comply with section 274 ITA and has retained Philip Hare and Associates LLP to advise it on VCT taxation matters.

### Withdrawal of Approval

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

The above is only a summary of the conditions to be satisfied for a company to be treated as a VCT.



## PART 4 Other Information Relating to the Companies

### Incorporation of the Companies

ProVen VCT plc was incorporated in England and Wales as a public company with limited liability on 18 January 2000. The principal legislation under which the Company operates and under which the New Ordinary Shares will be created is the 2006 Act and regulations made thereunder. The existing Ordinary Shares are admitted to the premium segment of the Official List and are traded on the London Stock Exchange's main market for listed securities.

ProVen Growth and Income VCT plc was incorporated in England and Wales as a public company with limited liability on 14 December 2000 with the name of Wisemanor plc and with registered number 04125326 and changed its name to ProVen Media VCT plc on 2 February 2001 and to ProVen Growth and Income VCT plc on 5 July 2005. The principal legislation under which the Company operates and under which the New Ordinary Shares will be created is the 2006 Act and regulations made thereunder. The existing Ordinary Shares are admitted to the premium segment of the Official List and are traded on the London Stock Exchange's main market for listed securities.

### Duration of the Companies

It is not intended that the Companies should have a limited life.

### Capitalisation and Indebtedness

The following table shows the capitalisation of ProVen VCT as at 31 August 2023.

	£'000
<b>Total current debt</b>	<b>670</b>
Guaranteed	-
Secured	-
Unguaranteed/unsecured	670
<b>Total non-current debt</b>	<b>-</b>
Guaranteed Secured	-
Secured	-
Unguaranteed/unsecured	-
<b>Shareholders' equity</b>	<b>162,513</b>
Share capital	25,927
Share premium	-
Other reserves	136,586
<b>Total debt and Shareholders' equity</b>	<b>163,183</b>

Since 31 August 2023 ProVen VCT has allotted further ordinary shares in the capital of the Company as follows:

Number of Ordinary Shares	Date of Allotment
1,075,458	15 December 2023

Since 31 August 2023 ProVen VCT has bought back ordinary shares in the capital of the Company as follows:

Number of Ordinary Shares	Date of Repurchase
1,143,648	21 November 2023

The following table shows ProVen VCT's net indebtedness as at 31 August 2023.

	£'000
A Cash	57,492
B Cash equivalent	-
C Trading securities	-
<b>D Liquidity (A+B+C)</b>	<b>57,492</b>
<b>E Current financial receivables</b>	<b>1,065</b>
F Current bank debt	-
G Current position on non-current debt	-
H Other current financial debt	-
<b>I Current financial debt (F+G+H)</b>	<b>-</b>
<b>J Net current financial indebtedness (I-E-D)</b>	<b>(58,557)</b>
K Non-current bank loans	-
L Bonds issued	-
M Other non-current loans	-
<b>N Non-current financial indebtedness (K+L+M)</b>	<b>-</b>
<b>O Net financial indebtedness (J+N)</b>	<b>(58,557)</b>

Since 31 August 2023, there has been no material change to the indebtedness of ProVen VCT.

The following table shows the capitalisation of PGI VCT as at 31 August 2023.

	£'000
<b>Total current debt</b>	<b>998</b>
Guaranteed	–
Secured	–
Unguaranteed/unsecured	998
<b>Total non-current debt</b>	<b>–</b>
Guaranteed	–
Secured	–
Unguaranteed/unsecured	–
<b>Shareholders' equity</b>	<b>157,453</b>
Share capital	4,959
Share premium	–
Other reserves	152,494
<b>Total debt and Shareholders' equity</b>	<b>158,451</b>

Since 31 August 2023 PGI VCT has allotted further ordinary shares in the capital of the Company as follows:

Number of Ordinary Shares	Date of Allotment
1,145,081	15 December 2023

Since 31 August 2023 PGI VCT has bought back ordinary shares in the capital of the Company as follows:

Number of Ordinary Shares	Date of Repurchase
2,654,971	21 November 2023

The following table shows PGI VCT's net indebtedness as at 31 August 2023.

	£'000
A Cash	48,836
B Cash equivalent	–
C Trading securities	–
<b>D Liquidity (A+B+C)</b>	<b>48,836</b>
<b>E Current financial receivables</b>	<b>586</b>
F Current bank debt	–
G Current position on non-current debt	–
H Other current financial debt	–
<b>I Current financial debt (F+G+H)</b>	<b>–</b>
<b>J Net current financial indebtedness (I-E-D)</b>	<b>(49,422)</b>
K Non-current bank loans	–
L Bonds issued	–
M Other non-current loans	–
<b>N Non-current financial indebtedness (K+L+M)</b>	<b>–</b>
<b>O Net financial indebtedness (J+N)</b>	<b>(49,422)</b>

Since 31 August 2023, there has been no material change to the indebtedness of PGI VCT.

## NAV per Share

As at the date of this document, the unaudited NAV per Ordinary Share of ProVen VCT is 63.5p, being the NAV per Ordinary Share at 30 November 2023, adjusted for the 1.5p dividend paid on 15 December 2023.

As at the date of this document, the unaudited NAV per Ordinary Share of PGI VCT is 52.8p, being the NAV per Ordinary Share at 30 November 2023, adjusted for the 1.25p dividend paid on 15 December 2023.

## Working Capital Statement

In the opinion of ProVen VCT, the working capital available to ProVen VCT is sufficient for its present requirements, that is for at least 12 months from the date of this document.

In the opinion of PGI VCT, the working capital available to PGI VCT is sufficient for its present requirements, that is for at least 12 months from the date of this document.

When calculating the working capital available to it, the Companies have assessed whether they are able to access cash and other available liquid resources in order to meet their liabilities as they fall due. No account has been taken of



the proceeds of the Offer in calculating the working capital available to the Companies. When calculating its present requirements, the Companies have taken into account the terms of their investment strategies and investment policies.

## Shareholder Authorities

The resolutions passed by ProVen VCT at the annual general meeting held on 8 July 2023 and by PGI VCT at the annual general meeting held on 8 July 2023 included authority to allot the New Ordinary Shares.

## Maximum number of shares

The maximum number of New Ordinary Shares to be issued under the Offer is restricted to the maximum amount that each Company is authorised to allot, being 190,347,012 in the case of ProVen VCT and 227,274,246 in the case of PGI VCT.

The maximum estimated number of New Ordinary Shares each Company expects to issue under the Offer based on the NAV per Ordinary Share as at the date of this document, assuming the over allotment facility is used in full, a Promoters Fee of 3.0% and no Adviser Charge, is 30,551,181 in the case of ProVen VCT and 36,777,251 in the case of PGI VCT.

## Share Rights

The rights and restrictions attaching to the New Ordinary Shares are as follows:

### Voting Rights

Each Company has one class of shares: Ordinary Shares.

Subject to any disenfranchisement provided for in the Articles and subject to any special terms as to voting on which any shares may be issued, on a show of hands every holder of Ordinary Shares present in person or by proxy (or, being a corporation present by a duly authorised representative) shall have one vote and, on a poll, every such holder present in person or by proxy shall have one vote for every Ordinary Share of which he or she is the holder.

### Dividends and other distributions

Subject to the provisions of the Articles, the Ordinary Shares entitle their holders to receive such dividends as the Directors may resolve to pay pro rata to their respective holdings of Ordinary Shares.

### Rights as to capital

Subject to the provisions of the Articles, on a winding up or other return of capital, the net assets of the Company (including any income and/or revenue arising from or relating to such assets) less the Company's liabilities, including fees and expenses of liquidation or return of capital, shall be divided amongst the holders of Ordinary Shares pro rata according to their holdings of Ordinary Shares.

## Alteration of share capital

Each Company may from time to time by ordinary resolution:

- increase its share capital by such sum to be divided into shares of such amounts as the resolution shall prescribe;
- consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares; or
- diminish the amount of its capital by the nominal amount of the shares so cancelled.

Subject to the provisions of the 2006 Act, each Company may by special resolution:

- purchase any of its own shares (including any redeemable shares);
- reduce its share capital or any capital redemption reserve, share premium account or other undistributable reserve in any manner; or
- sub-divide its shares, or any of them, into shares of a smaller nominal amount (subject, nevertheless, to the provisions of the 2006 Act) and by the same resolution may confer special rights on any of the shares resulting from the sub-division.

## Issue of shares

The provisions of Section 561(l) of the 2006 Act (which, to the extent not disapplied pursuant to Section 570(l) of the 2006 Act, confer on Shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash) apply to the share capital of each Company, except to the extent disapplied by each Company in general meeting. Subject to the provisions of the 2006 Act relating to authority, pre-emption rights and otherwise and of any resolution of each Company in general meeting passed pursuant thereto, all unissued shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation) grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.

## Transfer of shares

The shares are in registered form and are freely transferable. All transfers of shares must be effected by a transfer in writing in any usual form or any other form approved by the Directors. The instrument of transfer of a share shall be executed by or on behalf of the transferor and, in the case of a partly paid share, by or on behalf of the transferee. The Directors may refuse to register any transfer of a partly paid share, provided that such refusal does not prevent dealings taking place on an open and proper basis, and may also refuse to register any instrument of transfer unless:

- it is duly stamped (if so required), is lodged with each Company's registrar or at such other place as the Directors may appoint and is accompanied by the certificate for the shares to which it relates and such

other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

- it is in respect of only one class of share;
- the transferees do not exceed four in number; and
- it does not relate to any shares in respect of which each Company has a lien.

### **Mandatory bids, squeeze-out and sell-out rules relating to the shares.**

The City Code on Takeovers and Mergers (the City Code) applies to each Company. Under Rule 9 of the City Code, if:

- a person acquires an interest in shares in a company which, when taken together with shares already held by him or persons acting in concert with him, carry 30% or more of the voting rights in the company; or
- a person who, together with persons acting in concert with him, is interested in not less than 30% and not more than 50% of the voting rights in the company acquires additional interests in shares which increase the percentage of shares carrying voting rights in which that person is interested, the acquirer and, depending on the circumstances, his concert parties, would be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer for the outstanding shares in the relevant company at a price not less than the highest price paid for any interests in its shares by the acquirer or his concert parties during the previous 12 months. Under sections 974 – 991 of the CA 2006, if an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90% of the shares (in value and by voting rights) to which such offer relates it may then compulsorily acquire the outstanding shares not assented to the offer. It would do so by sending a notice to holders of outstanding shares telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the company, which would hold the consideration on trust for the holders of outstanding shares. The consideration offered to the holders whose shares are compulsorily acquired under the CA 2006 must, in general, be the same as the consideration that was available under the takeover offer.

In addition, pursuant to section 983 of the CA 2006, if an offeror acquires or agrees to acquire not less than 90% of the shares (in value and by voting rights) to which the offer relates, any holder of shares to which the offer relates who has not accepted the offer may require the offeror to acquire his shares on the same terms as the takeover offer. The offeror would be required to give any holder of shares notice of his right to be bought out within one month of that right arising. Sell-out rights cannot be exercised after the end of the period of three months from the last date on which the

offer can be accepted or, if later, three months from the date on which the notice is served on the holder of shares notifying them of their sell-out rights. If a holder of shares exercises his/her rights, the offeror is bound to acquire.

### **Material Interests**

The Manager will be paid an annual investment management fee equal to 2% per annum of the aggregate net asset value of each Company. In line with normal VCT practice, the Manager will also be entitled to receive a performance incentive fee from each Company in order to align the interests of the Manager as closely as possible with those of the Investors and to encourage and reward exceptional performance. Further details of these arrangements are set out on pages 33 and 34 of this document. In addition, the Manager will receive aggregate initial fees of between 3.0% and 3.5% of the gross proceeds of the Offer, as set out on page 36. Out of these fees Beringea will be responsible for paying all the costs of the Offer.

Beringea LLP provides certain administration services, financial advisory services and services in connection with share repurchases to the Company, for a current annual fee of £200,000 (plus VAT, if applicable) for each of PVN VCT and PGI VCT. The fees are increased annually in line with the lower of the Retail Prices Index or the Consumer Prices Index.





Further details of the administration agreement (and variations thereto) between Beringea LLP and the Company are set out in Part 6 of the Registration Document.

Malcolm Moss is a partner in Beringea and a member of Beringea's ultimate holding company, Beringea LLC, and Beringea is a party to the material contracts set out in paragraphs 1, 2, 5, 6, 7, 8, 9, 10, 11 and 12 of Part 6 of the Registration Document.

## Dilution

Assuming a full subscription, and full utilisation of the over-allotment facility, issue costs of 3% of gross funds raised and a NAV of 63.5p (NAV at 30 November 2023, adjusted for the 1.5p dividend paid on 15 December 2023) for the purpose of the Pricing Formula, the existing Ordinary Shares of ProVen VCT at 15 January 2024 will be diluted by a maximum of 10.5%, as a result of the Offer.

Assuming a full subscription and full utilisation of the over-allotment facility, issue costs of 3% of gross funds raised and a NAV of 52.8p (NAV at 30 November 2023, adjusted for the 1.25p dividend paid on 15 December 2023) for the purpose of the Pricing Formula, the existing Ordinary Shares of PGI VCT at 15 January 2024 will be diluted by a maximum of 10.8%, as a result of the Offer.

## Sources

Information in this document sourced from third parties has been accurately reproduced and, so far as the Companies are aware and are able to ascertain from information published by the relevant third parties, no facts have been omitted which would render such information inaccurate or misleading.

## Overseas Investors

No person receiving a copy of this document in any territory other than the UK may treat the same as constituting an offer or invitation to him to subscribe for or purchase New Ordinary Shares unless, in such territory, such offer or invitation could lawfully be made. It is the responsibility of any persons outside the UK wishing to make an application to satisfy themselves as to the full observance of the laws of the relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory. No action has been taken to permit the distribution of this document in any jurisdiction outside the UK where such action is required to be taken. All applicants under the Offer will be required to warrant that they are not a US person as defined under the United States Securities Act 1933, nor a resident of Canada.

## Taxes withheld at source

No income from the Ordinary Shares is withheld at source.

## Consent for Prospectus to be used by Financial Intermediaries

The Companies and the Directors consent to the use of the Prospectus, and accept responsibility for the content of the Prospectus also with respect to the subsequent resale or final placement of securities by financial intermediaries. Such consent is given for the period from the date of this Prospectus until the close of the Offer. The offer period upon which subsequent resale or final placement of the securities by financial intermediaries can be made commences on the date of this Prospectus and ends on the close of the Offer. The Offer is expected to close not later than 3.00 pm on 28 June 2024 in respect of the 2024/2025 Offer, unless previously extended by the Directors to a date no later than 31 December 2024. Financial intermediaries may use the Prospectus only in the UK. There are no conditions attaching to this consent.

**In the event of an offer being made by a financial intermediary, the financial intermediary will provide information to investors on the terms and conditions of the Offer at the time that the offer is made. Any financial intermediary using the Prospectus must state on its website that it is using the Prospectus in accordance with the consent set out in the paragraph above.**

## No significant change

There has been no significant change to ProVen VCT's trading or financial position since 31 August 2023, the latest date to which results have been announced to the London Stock Exchange.

There has been no significant change to PGI VCT's trading or financial position since 31 August 2023, the latest date to which results have been announced to the London Stock Exchange.

## Documents Available for Inspection and Availability of Prospectus

Copies of the Articles of Association of each of the Companies are available for inspection at the Companies' registered office and at the offices of Howard Kennedy LLP at No.1 London Bridge, London SE1 9BG during normal business hours on any weekday (public holidays excepted) from the date of this document until the closing date of the Offer.

Copies of the Prospectus may be obtained, free of charge, whilst the Offer remains open, from the Companies' registered office or from Beringea, 55 Drury Lane, London, England WC2B 5SQ (telephone 020 7845 7820, email [info@beringea.co.uk](mailto:info@beringea.co.uk)), or can be downloaded at [www.proveninvestments.co.uk](http://www.proveninvestments.co.uk). In addition, a copy of the Prospectus has been submitted to the National Storage Mechanism and is available to the public for viewing online at the following web-site address:

<https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

16 January 2024

## PART 5 Rules of the Dividend Reinvestment Schemes

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1. Shareholders on the register of members at the close of business on the relevant record date may elect to receive Shares, credited as fully paid, instead of receiving the dividend in cash for the relevant financial period ("the full cash dividend"). The election may only be made by Shareholders in respect of the whole (and not part only) of their shareholdings and shall, subject to Condition 7, operate as a mandate in respect of all future dividends unless and until the Shareholder gives notice to terminate his or her participation in the Scheme in accordance with the terms of the Scheme.
2. Shareholders may only join the Scheme in respect of any class of Shares if all dividends on all Shares in the Company (which, for the purposes of these rules shall mean either or both of the Companies, as the context permits) registered in their name are mandated to the Scheme. The number of Shares held by such Shareholder (a "Participating Shareholder") which are mandated to the Scheme shall be altered immediately following any change to the number of Shares in respect of which such Shareholder is the registered holder as entered onto the register of members of the Company from time to time.
3. The Company shall invest the monies held within the Scheme (being dividends paid on Shares by, or on behalf of, Participating Shareholders) in the subscription of Shares of the same class in the Company. The Company shall not have the discretion to vary such investments and Shareholders may not instruct the Company or the Scheme Administrator to make any other investments.
4. (a) On or as soon as practicable after a day on which any dividend is paid to Shareholders (a "Reinvestment Day"), the funds held by the Company on behalf of each Participating Shareholder shall be applied on behalf of that Shareholder in the subscription for the maximum number of Shares as can be acquired with those funds.  
(b) The number of Shares issued to a Participating Shareholder pursuant to condition 4(a) above shall be calculated by dividing the aggregate value of the dividends paid on the Shares to which the Participating Shareholder is entitled by the greater of (i) the most recently announced net asset value per Share; less the amount of the dividend and any performance incentive (unless accounted for in the most recently announced net asset value per Share); and (ii) the nominal value per Share.  
(c) No fractions of Shares will be issued under the Scheme and subject to condition 4(d) below the election may only be made by Shareholders in respect of the whole and not part of their shareholdings. Any balance of cash remaining with the Company after the subscription shall be held by the Company on behalf of the Participating Shareholder to whom it relates and added to the cash available in respect of that Shareholder for the subscription of the relevant class of Shares on the next relevant Reinvestment Day. No interest shall accrue or be payable by the Company in favour of any Shareholder on any such cash balances.
- (d) The Scheme involves the reinvestment of the whole dividend paid on each shareholding each time a dividend is paid by the Company, together with any cash residue brought forward from the previous dividend. Partial reinvestment of dividends is only permitted by nominees, who need to lodge a Mandate Form for each Reinvestment Day quoting the number of Shares in respect of which their election is made. Shareholders will remain in the Scheme so that all future dividends will be reinvested in the same way, until they give notice in writing to the Scheme Administrator that they wish to terminate their participation in the Scheme.
5. The Scheme Administrator shall on the relevant Reinvestment Day take all necessary steps to ensure that the Participating Shareholders are entered onto the share register of the Company as the registered holders of the Shares issued to them under the Scheme, and that share certificates in respect of such shares issued are posted to the Participating Shareholders at their own risk as soon as is reasonably practical, unless such shares are to be uncertificated.
6. To assist Participating Shareholders with their tax returns, the Scheme Administrator will attach to the new share certificates a Statement of Entitlement, or if shares are held in uncertificated form, a Statement of Entitlement will be sent to a Participating Shareholder separately, detailing the following: (i) the total dividend payable; (ii) the subscription price per Share; (iii) the number of Shares allotted to a Participating Shareholder; (iv) the residual cash balance (if any) representing an entitlement to a fraction of a Share to be carried forward to the next dividend; and (v) the cash equivalent of the Shares issued, together with any such other information as shall be required under the Listing Rules of the Financial Conduct Authority.
7. Application to join the Scheme can be made at any time by returning a completed Mandate Form. However, Mandate Forms need to have been received by the Scheme Administrator, Link Group, by the record date relevant to the payment of a dividend which is to be reinvested. Mandate Forms received after that date shall be effective in relation to any future dividends in respect of which the Directors offer a dividend reinvestment alternative.
8. If, prior to the day on which the Shares became ex-dividend, a Shareholder has sold all or some of his or her holdings in Shares, the Shareholder should consult his or her stockbroker or agent without delay.



9. An application will be made to the Financial Conduct Authority for admission of the Shares issued under the Scheme to the Official List and to the London Stock Exchange plc for admission to trading on the London Stock Exchange plc's main market for listed securities (together "Admission"). On issue, the Shares will rank *pari passu* in all respects with the existing issued Shares of that class and will rank for future dividends. Subject to Admission, definitive share certificates for the Shares will be posted as soon as practicable following Admission at the risk of the persons entitled to them. Where Shares are issued as uncertificated shares, as soon as practicable following Admission the Company will arrange for the relevant Participating Shareholders' stock accounts in CREST to be credited with their entitlement to Shares and a Statement of Entitlement will be posted to them. Shares will be allotted as and when the Directors determine it appropriate, with Admission and Dealings expected within 10 Business Days of allotment. Share certificates will not be issued and CREST accounts will not be credited until Admission becomes effective.
10. In the event that Admission does not become effective, Mandate Forms will be disregarded in respect of the dividend and the full cash dividend will be paid as soon as possible in the usual way.
11. Further copies of this document and/or Mandate Forms may be obtained from the Company's website or by contacting Link Group at the address on page 60 or by telephone on 0371 664 0324. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.
12. All costs and expenses incurred by the Scheme Administrator in administering the Scheme will be borne by the Company.
13. Each Shareholder applying to participate in the Scheme will be deemed to warrant to the Scheme Administrator and the Company in the Mandate Form that (i) save in the case of a Shareholder holding his Shares as nominee, during the continuance of his or her participation in the Scheme he or she will remain the sole beneficial owner of the Shares mandated to the Scheme free from encumbrances or security interests; and (ii) all information set out in the Mandate Form is correct and, to the extent any of the information changes, he or she will notify the changes to the Scheme Administrator.
14. Each Participating Shareholder acknowledges that none of the Company, the Scheme Administrator nor Beringea LLP is providing a discretionary manager service. Neither the Scheme Administrator, Beringea LLP nor the Company shall be responsible for any loss or damage to Participating Shareholders as a result of their participation in the Scheme unless due to the negligence or default of the Scheme Administrator or the Company (respectively), its servants or agents.
15. The financial calendar and procedure for future dividends both as to any final and/or interim dividend will be notified in writing to Shareholders and/or published through an RIS.
16. The Participating Shareholder may at any time, by notice of not less than 20 Business Days prior to the relevant Reinvestment Day to the Scheme Administrator, terminate his or her participation in this Scheme. If a Participating Shareholder shall at any time cease to hold any Shares of a particular class in the Company, he or she shall be deemed to have served such a notice in respect of his or her participation in the Scheme in respect of that class of Shares.
17. The Company and the Scheme Administrator shall be entitled, at any time and from time to time, to suspend the operation of the Scheme in whole or in part and/or to terminate the Scheme without notice to the Participating Shareholders. Circumstances under which the Directors might suspend or terminate the Scheme include, but are not limited to changes in legislation governing VCTs (including changes in available tax reliefs) and adverse market conditions in the public markets.
18. All notices and instructions to be given to the Scheme Administrator shall be in writing and delivered or posted to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. Applications to participate in the Scheme will be made by way of Mandate Form in the prescribed form as provided by Beringea LLP or the Scheme Administrator.
19. Subject to the prior agreement of the Scheme Administrator, the Directors shall be entitled to amend the Scheme terms and conditions on giving one month's notice in writing to all Participating Shareholders. If such amendments have arisen as a result of any change in statutory or other regulatory requirements, notice of such amendment will not be given to Participating Shareholders unless, in the Scheme Administrator's opinion, the change materially affects the interests of Participating Shareholders. Amendments to the Scheme Terms and Conditions which are of a formal, minor or technical nature, or made to correct a manifest error and which do not adversely affect the interests of Participating Shareholders, may be effected without notice.
20. By completing and delivering the Mandate Form provided by the Scheme Administrator, the Participating Shareholder will (i) agree to provide the Company with any information which it may request in connection with such application and to comply with legislation relating to



VCTs or other relevant legislation (as the same may be amended from time to time); and (ii) declare that no loan has been made to the Participating Shareholder or any associate, which would not have been made, or not have been made on the same terms but for the Participating Shareholder offering to subscribe for, or acquiring, Shares, and that the Shares are being acquired for bona fide commercial purposes and not as part of a scheme or arrangement, the main purpose of which is the avoidance of tax.

21. Subscriptions for VCT shares only attract tax reliefs if in any tax year subscriptions to all VCTs do not exceed £200,000 (including subscriptions pursuant to dividend reinvestment schemes). Participating Shareholders under the Scheme are responsible for ascertaining their own tax status and liabilities and neither the Scheme Administrator nor the Company can accept any liability in the event they do not receive any VCT tax reliefs, or such reliefs are reduced or restricted in any way.
22. Dividends on Shares acquired in excess of £200,000 in any tax year will not be exempted from income tax in the same way as Shares acquired within this limit, therefore Participating Shareholders will generally be liable to tax on such dividends.
23. The election to receive Shares in place of the cash dividend is not being offered to, or for the benefit of, any citizen of the United States, Canada or Australia, any corporation, partnership or other entity created or organised in, or under the laws of the United States, Canada or Australia or any political sub-division thereof or with a registered office in any of these countries or any estate or trust, the income of which is subject to United States Federal, or Canadian, or Australian income

taxation regardless of its source. "United States" means United States of America (including the District of Columbia). References to the United States, Canada and Australia include their territories, possessions and all areas subject to their jurisdiction.

24. No person receiving a copy of the Prospectus and/or Mandate Form in any territory other than the United Kingdom may treat it as constituting an invitation to him unless in the relevant territory such an invitation could lawfully be made to him without complying with any registration or other legal requirements. It is the responsibility of potential Investors outside the United Kingdom wishing to elect to receive Shares to satisfy themselves as to the full observance of the laws of the relevant territory in connection with the offer, including obtaining any governmental or other consents which may be necessary and observing any other formalities requiring to be observed in such territory.
25. The Company shall not be required to issue Shares hereunder if the Directors so decide in their absolute discretion. If the Directors decide not to issue Shares hereunder, the full cash dividend will be paid as soon as possible in the usual way.
26. These Scheme terms and conditions shall be governed by, and construed in accordance with, English law and each Participating Shareholder submits to the jurisdiction of the English courts and agrees that nothing shall limit the right of the Company to bring any action, suit or proceeding arising out of or in connection with the Scheme in any other manner permitted by law or in any court of competent jurisdiction.

**Shareholders in any doubt about their tax position should consult an appropriate independent adviser.**

#### COMMONPLACE





# PART 6 Terms and Conditions of Application

1. In these terms and conditions which apply to the Offer, "Applicant" means a person whose name appears in an Application Form, "Application" means the offer by an Applicant completing an Application Form and submitting it online at [www.proveninvestments.co.uk/how-to-invest](http://www.proveninvestments.co.uk/how-to-invest), or sending a completed Application Form either by email to [provenvcts@city.uk.com](mailto:provenvcts@city.uk.com) or posted (or delivered by hand during normal business hours) to The City Partnership (UK) Limited, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH (the "Receiving Agent") and "Company" means either or both of ProVen VCT and PGI VCT, or as otherwise indicated in this document or the Prospectus. Save where the context otherwise requires, words and expressions defined in this document have the same meanings when used in an Application Form and explanatory notes in relation thereto.
2. The contract created by the acceptance of an Application under the Offer will be conditional on:
  - a) Admission becoming effective; and
  - b) the offer agreement between the Companies, the Directors, Beringea, Beringea LLC and Howard Kennedy becoming unconditional in all respects, and not being terminated in accordance with its terms before Admission becomes effective.
3. You may pay for your application for Shares by cheque submitted with the Application Form, or by way of electronic bank transfer. Post-dated cheques will not be accepted and will be destroyed. Please reference your payment, whether by bank transfer or cheque, using your initials and telephone number (alphanumeric, no spaces) as provided in Section 2 of the Application Form. The Company may treat Applications as valid and binding even if not made in all respects in accordance with the prescribed instructions and the Company may, at its discretion, accept an Application in respect of which payment is not received by the Company prior to the closing of the Offer. Payments in respect of Applications for the 2023/24 Offer that are received after 31 March 2024 must be made by electronic bank transfer, as there is no guarantee that cheques received after this date will clear in time for Applications to be processed by the tax year end. If any Application is not accepted in full or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance thereof will be returned (without interest) by BACS transfer or in the case of a cheque that has not been submitted for clearing returning each relevant Applicant's cheque or banker's draft through the post at the risk of the person(s) entitled thereto. Where payment in respect of an Application has been made by BACS transfer, any amount to be returned (without interest) to an Applicant will be returned to the bank account from which the application monies were sent.
 

Applications under each Offer will, as far as practically possible (and subject always to the discretion of the Boards in consultation with the Sponsor), be accepted on a first come, first served basis. For these purposes 'first-come, first-served' shall be assessed based on the date and time of receipt of a fully completed Application Form,

subject to receipt of Application monies (in full) in cleared funds by the earlier of an Offers deadline or within five Business Days from receipt of the Application Form to retain the Applicant's position of priority. If Application monies are not received within such time, the relevant date and time shall be when the Applicant's monies are received in cleared funds. An Application may not be considered as 'complete' until the completion of identity verification and/or, where relevant, information or supporting evidence required for the Application remains outstanding. Applicant's are encouraged to submit their Application Form and the associated Application monies early in order to be confident that their application will be successful. Multiple applications under the Offers from the same Applicant will be processed in order of receipt.
4. By completing and submitting or delivering an Application Form, you:
  - i) offer to subscribe the amount of money specified in your Application Form or such lesser amount for which your Application is accepted, which shall be applied to purchase New Ordinary Shares as determined by the Pricing Formula set out below, on the terms of and subject to the conditions contained in this document, including these terms and conditions, and subject to the memorandum and articles of association of the Company.

## Pricing of the Offer

**Number of New Ordinary Shares = (amount subscribed, less: (i) Promoter's Fee and (ii) Adviser Charge (if any) or Execution Only Broker or Professional Client initial commission (unless waived)) divided by (latest published NAV\*) rounded down to the nearest whole number of New Ordinary Shares.**

The Promoter's Fee is:

- a) for Applications received through Financial Advisers and Execution Only Brokers, 3.0% of the investment amount less any discounts for early applications by existing and new Shareholders in the ProVen VCTs as described on page 11 of this document; and
- b) for Applications received direct from Investors, 3.5% of the investment amount less any discounts for early applications by existing and new Shareholders in the ProVen VCTs.

Investors may, therefore, pay lower initial fees in relation to their investment if they invest through a Financial Adviser or an Execution Only Broker than if they apply directly.

The Manager may agree to reduce its Promoter's Fee (in whole or in part) in respect of any specific Investors or group of Investors.

\*The NAV used in the calculation of the number of New Ordinary Shares to be issued by each Company will be the Company's NAV most recently announced to the London Stock Exchange, less the amount of any dividend to be paid for which the record date is prior to the relevant allotment date

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- ii) agree that, in consideration of the Company agreeing that it will not on or prior to the Offer closing issue or allot any New Ordinary Shares to any person other than by means of the procedures referred to in this document (including under the dividend re-investment scheme set out in Part 5 of this Securities Note), your Application may not be revoked and that this paragraph shall constitute a collateral contract between you and the Company which will become binding upon submission online, or upon dispatch by post or delivery of your duly completed Application Form to the Company;
  - iii) agree and warrant that your cheque or banker's draft may be presented for payment on receipt and will be honoured on first presentation and agree that if it is not so honoured, or if you fail to remit funds in full or in part with your Application, no New Ordinary Shares may be issued or allotted to you, you will not be entitled to receive a certificate in respect of the New Ordinary Shares until you make payment in cleared funds for such New Ordinary Shares and such payment is accepted by the Company in its absolute discretion (which acceptance shall be on the basis that you indemnify it, the Sponsor, Beringea and the Receiving Agent against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of your remittance to be honoured on first presentation) and you agree that, at any time prior to the unconditional acceptance by the Company of such late payment, the Company may (without prejudice to its other rights) avoid the agreement to subscribe for such New Ordinary Shares and may issue or allot such New Ordinary Shares to some other person, in which case you will not be entitled to any payment in respect of such New Ordinary Shares, other than the refund to you, at your risk, of the proceeds (if any) of the cheque or banker's draft or other remittance accompanying your Application, without interest;
  - iv) agree that if, following the issue of all or any New Ordinary Shares applied for pursuant to the Offer, your remittance is not honoured on first presentation or you have failed to provide satisfactory evidence of your identity or your Application is otherwise deemed invalid, the New Ordinary Shares may, forthwith upon payment by the relevant Company (or any person it shall nominate) of the offer price of the New Ordinary Shares to the Company, be transferred to the relevant Company (or any person it shall nominate) at the relevant offer price per New Ordinary Share and any Director of the relevant Company is hereby irrevocably appointed and instructed to complete and execute all or any form(s) of transfer and/or any other documents in relation to the transfer of New Ordinary Shares to the relevant Company (or any person it shall nominate) or such other person as the relevant Company may direct and to do all such other acts and things as may be necessary or expedient, for the purpose of or in connection with, transferring title to the New Ordinary Shares to the relevant Company, or such other person, in which case you will not be entitled to any payment in respect of such New Ordinary Shares.
  - v) agree that, in respect of those New Ordinary Shares for which your Application has been received and is not rejected, your Application may be accepted at the election of the Company either by notification to the London Stock Exchange of the basis of allocation or by notification of acceptance thereof to Beringea;
  - vi) agree that any monies refundable to you may be retained by or on behalf of the Company in the Receiving Agent's segregated bank account pending clearance of your remittance and any verification of identity which is, or which the Company, Beringea or the Receiving Agent may consider to be, required for the purposes of the Money Laundering Regulations and that such monies will not bear interest;
  - vii) authorise the Registrar to send share certificate(s), or have shares allotted to your CREST account (as the case may be), in respect of the number of New Ordinary Shares for which your Application is accepted and to procure that your name is placed on the register of members of the Company in respect of such New Ordinary Shares;
  - viii) where payment in respect of an Application has been made by BACS transfer or cheque, authorise the Company to transfer any amount to be returned to you to the bank account from which the application monies were sent;
  - ix) agree that all Applications, acceptances of Applications and contracts resulting therefrom shall be governed in accordance with English law, and that you submit to the jurisdiction of the English courts and agree that nothing shall limit the right of the Company or the Sponsor to bring any action, suit or proceeding arising out of or in connection with any such Applications, acceptances of Applications and contracts in any other manner permitted by law or any court of competent jurisdiction;
  - x) confirm that, in making such Application, you are not relying on any information or representation in relation to the Company other than the information contained in this document or the other parts of the Prospectus announced by the Company or filed with the Registrar of Companies (or any supplementary prospectus so announced or filed)



and accordingly you agree that no person responsible solely or jointly for this document, or any part thereof, or involved in the preparation thereof, shall have any liability for such information or representation;

- xi) irrevocably authorise Beringea, the Receiving Agent, the Registrars and/or the Sponsor or any person authorised by either of them, as your agent, to do all things necessary to effect registration of any New Ordinary Shares subscribed by or issued to you into your name and authorise any representative of Beringea, the Receiving Agent, the Registrar or the Sponsor to execute any document required therefor;
- xii) agree that, having had the opportunity to read this document and the other documents which together form the Prospectus, you shall be deemed to have had notice of all information and statements concerning the Company and the New Ordinary Shares contained therein;
- xiii) confirm that you have reviewed the restrictions contained in paragraph 6 below and warrant that you are not a "US Person" as defined in the United States Securities Act of 1933 ("Securities Act") (as amended), nor a resident of Canada and that you are not applying for any New Ordinary Shares with a view to their offer, sale or delivery to or for the benefit of any US Person or a resident of Canada;
- xiv) confirm and warrant that you are not currently targeted by any form of UK, US or EU sanctions or restrictive measures including blocking; asset freezes; restrictions on dealings, issuing, or trading in debt, equity, derivatives, or other securities; or any other prohibition or restriction on exercising any rights or performing any obligations you may have in connection with any third party and that you will inform the Company and Receiving Agent/Registrar immediately of any circumstances or changes whilst you are an applicant or a Shareholder that could impact this warranty;
- xv) declare that you are an individual aged 18 or over;
- xvi) agree that all documents and cheques sent by post to, by or on behalf of the Company, the Registrars, Beringea or the Receiving Agent will be sent at the risk of the Applicant;
- xvii) agree, on request by the Company, or the Sponsor on behalf of the Company, to disclose promptly in writing to the Company, any information which the Company or the Sponsor may reasonably request in connection with your Application including, without limitation, satisfactory evidence of identity to ensure compliance with the Money Laundering Regulations and authorise the Company and the Sponsor to

disclose any information relating to your Application as they consider appropriate;

- xviii) agree that Beringea and the Sponsor will not treat you as their customer by virtue of your Application being accepted or owe you any duties or responsibilities concerning the price of the New Ordinary Shares or the suitability for you of New Ordinary Shares or be responsible to you for providing the protections afforded to their customers;
  - xix) where applicable, authorise the Company to make on your behalf any claim to relief from income tax in respect of any dividends paid by the Company;
  - xx) declare that the Application Form has been completed to the best of your knowledge;
  - xxi) undertake that you will notify the Company if you are not or cease to be either a Qualifying Subscriber or beneficially entitled to the New Ordinary Shares;
  - xxii) declare that a loan has not been made to you or any associate, which would not have been made, or not have been made on the same terms, but for you offering to subscribe for, or acquiring, New Ordinary Shares and that the New Ordinary Shares are being acquired for bona fide commercial purposes and not as part of a scheme or arrangement the main purpose of which is the avoidance of tax; and
  - xxiii) accept that no liability shall attach to the relevant Company, its directors, agents or advisers, if, for whatever reason, including, without limitation, any delay in processing your Application, you are unable to claim all or any of the tax reliefs under the VCT Rules, or are unable to claim such tax reliefs in any particular tax year.
5. No person receiving a copy of this document or an Application Form in any territory other than the UK may treat the same as constituting an invitation or offer to him, nor should he in any event use such Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to him or such Application Form could lawfully be used without contravention of any regulations or other legal requirements. It is the responsibility of any persons outside the UK wishing to make an Application to satisfy themselves as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid by such territory.
  6. The New Ordinary Shares have not been and will not be registered under the Securities Act, as amended, and may not be offered or sold in the United States of America, its territories or possessions or other areas

subject to its jurisdiction (the “USA”). In addition, the Company has not been and will not be registered under the United States Investment Company Act of 1940, as amended. The Manager will not be registered under the United States Investment Advisers Act of 1940, as amended. No application will be accepted if it bears an address in the USA.

7. The basis of allocation will be determined by the Company in its absolute discretion after consultation with the Sponsor. The right is reserved to reject in whole or in part and/or scale down and/or ballot any Application or any part thereof including, without limitation, Applications in respect of which any verification of identity which the Company, the Registrar, the Receiving Agent or Beringea consider may be required for the purposes of the Money Laundering Regulations has not been satisfactorily supplied. Dealings prior to the issue of certificates for New Ordinary Shares will be at the risk of Applicants. A person so dealing must recognise the risk that an Application may not have been accepted to the extent anticipated or at all. The Offer will not be withdrawn after dealings in the New Ordinary Shares have commenced. Multiple applications are permitted.
8. Save where the context requires otherwise, the terms defined in this document bear the same meaning when used in these Terms and Conditions of Application.
9. Execution Only Brokers and intermediaries advising Professional Clients who, acting on behalf of their clients, return valid Application Forms signed by an authorised signatory and bearing their FCA number will normally be paid commission, if permissible, of up to 2.5% of the amount invested by their client.

In addition, Execution Only Brokers will normally be paid an annual trail commission, usually of 0.5% per annum of the amount invested by their client. The trail commission in respect of applications for New Ordinary Shares is expected to be paid first in September 2025 and annually thereafter (provided that the Execution Only Broker continues to act for the client and the client continues to hold the New Ordinary Shares) normally for up to 5 years, subject to any future changes in the rules and regulations. It will cease to be payable if the relevant Company is wound up or the Manager ceases to be the manager of the relevant Company. Trail commission is not available on investment platform services.

Beringea will maintain a register of Execution Only Brokers and intermediaries advising Professional Clients entitled to trail commission. Execution Only Brokers and intermediaries advising Professional Clients should keep a record of Application Forms submitted bearing their stamp to substantiate any claim for trail commission.

The Receiving Agent will collate the Application Forms bearing the Execution Only Brokers' stamps and calculate the initial commission payable, which will be paid within 5 business days of each allotment.

Execution Only Brokers and intermediaries advising Professional Clients may agree to waive initial commission in respect of an Application. If this is the case, then the amount used to subscribe for New Ordinary Shares will be increased by an amount equivalent to the amount of the commission waived in accordance with the Pricing Formula in paragraph 4(i) above.

10. The Company has agreed to facilitate the payment of fees to Financial Advisers (up to a maximum of 4.5% of the Application Amount), who provide advice to their clients, by accepting instructions from an Investor to pay the amount of the fee agreed by them to their adviser, together with any applicable VAT, out of the amount the Company receives from the Investor. Investors who wish the Company to facilitate the payment of a fee in this manner should complete Section 8 on the Application Form. Investors should be able to claim initial tax relief on the full amount of their investment, subject to the normal rules on eligibility for tax relief.
11. The Receiving Agent will pay Adviser Charges to be facilitated by or on behalf of the Companies following an allotment. The charging of VAT on an Adviser Charge is the sole responsibility of the Adviser. Should any facilitated Adviser Charge exclude the payment of any such VAT, the Investor is solely responsible for making up the VAT deficit, if any, to the Adviser.
12. Applicants (and their spouses/civil partners) who had an existing shareholding in one of the ProVen VCTs on 15 January 2024, and whose valid Application (including cleared funds) forms part of the first £5 million of valid Applications for each Company and is received by 3 p.m. on 16 February 2024 will be entitled to additional New Ordinary Shares with an aggregate subscription price equivalent to 1% of the amount subscribed.

All other Applicants whose valid Application (including cleared funds) forms part of the first £5 million of valid Applications for each Company and is received by 3 p.m. on 16 February 2024 will be entitled to additional New Ordinary Shares with an aggregate subscription price equivalent to 0.5% of the amount subscribed.

The subscription price of the Additional Shares will be met by the Manager.

13. Money Laundering Regulations

Under the Money Laundering Regulations, the Manager is required to check the identity of any Applicants who invest over the sterling equivalent of €15,000 (approximately £13,000 (as at 11 January 2024)) or who invest using third party cheques). Applicant's bank transfers or cheques must be drawn in pounds sterling from an account with a UK-regulated credit or e-money institution, which is in their sole or joint name, and must bear, if a cheque, the appropriate sort code in the top right-hand corner. It is Beringea's policy to undertake an electronic search with Smartcredit Limited (trading as



Smartsearch) for the purpose of verifying your identity for all Applicants. To do so Smartcredit Limited may check the details you supply against any particulars on any database (public or otherwise) to which they have access. They may also use your details in the future to assist other companies for verification purposes. A record of the search will be retained for as long as necessary to fulfil the Beringea's legal obligations under the Money Laundering Regulations. In the event that Beringea cannot verify your identity it may ask for a recent, original utility bill and an original HMRC Tax Notification or a copy of your passport certified by a bank, solicitor or accountant from you or from your Financial Adviser. Failure to provide the necessary evidence of identity may result in the Application being treated as invalid or in delay in confirming the Application.

The completion by an authorised financial intermediary of Section 7 of the Application Form confirms that the requirements of the Money Laundering Regulations for the identification and verification of the Applicant have been complied with by the intermediary but additional evidence and/or copy documentation may still be required.

14. Existing Shareholders of the Company have passed a resolution to allow the Company to use its website to publish statutory documents and communications to Shareholders, such as the annual report and accounts, as its default method of publication. In addition to this resolution, company law requires that shareholders are individually asked to consent to this method of publication. The Company has previously requested this consent from existing Shareholders and so, in order to ensure that new Investors are given the same opportunity, the Application Form makes provision for requesting consent from new Investors. An existing

Shareholder's previous elections will prevail unless the shareholder changes their preference on a subsequent application form, or via the Registrar. In which case, new instructions will override any existing preferences.

It is the Company's intention in the future to provide, as far as possible, all Shareholder communications via the Company's website ([www.proveninvestments.co.uk](http://www.proveninvestments.co.uk)) to all Shareholders who have not specifically elected to receive the information in hard copy (i.e. paper) form. This will reduce the number of communications sent by post and will result in cost savings to the Company. It will also reduce the impact that the unnecessary printing and distribution of reports has on the environment. Shareholders will be notified, either by email or post, each time the Company places communications on the website.

If you wish to receive postal notification of publication of the Company's shareholder communications on the Company's website then you do not need to do anything.

If you wish to receive email notification of publication of the Company's shareholder communications on the Company's website, or hard copies of the Company's shareholder communications, then please ensure the relevant box is ticked in Section 5 of the Application Form.

Should you subsequently wish to change your election, you can do so at any time by contacting the Registrar, Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL or alternatively at <https://www.signalshares.com>. Notwithstanding any election, the Company may in its sole discretion send any notification or information to Shareholders in paper form.



# PART 7 Data Protection

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The Companies have measures in place to ensure that any personal details obtained from Shareholders and Applicants for New Ordinary Shares are processed and maintained in accordance with accepted principles of good information handling and in accordance with the General Data Protection Regulation (GDPR), including by adhering to the ProVen VCTs' privacy notice at <http://www.proveninvestments.co.uk/legal>.

## Collecting your Information

The information we collect on the Application Form, which includes your personal details, bank account details, and, where relevant, identity details, information about source of funds and details of your financial adviser, will be used to process your Application (including for the purpose of verification of identity as required by the Money Laundering Regulations). Where this is accepted, the information you have provided will be used to allot shares to you and to issue your share certificate, as well as to update your financial adviser, where applicable.

## Keeping your Information

Once New Ordinary Shares are allotted, the Registrar will retain the Companies' share registers as required by law. These registers will contain your personal and contact details and information about your shareholding, this includes the information that you provided in your Application and any subsequent changes. The Companies use your information to send you routine shareholder communications (including the issue of Annual or Interim Reports and shareholding meeting details, or notifications of their publication), information on the Companies' performance, status of the portfolio and future offers and for their own internal administrative purposes. The Companies use the information that you provide for the purposes for which it was collected unless they reasonably consider that they need to use it for another purpose which is compatible with the original purpose.

## Third Parties

The Companies will need to share your information with Beringea where it acts as the administrator for the Companies or as Company Secretary. The Companies will also need to share your information with third parties that provide services to the Companies, Beringea or to Shareholders on their behalf, for example the Registrar, the Receiving Agent, Smartcredit Limited and companies that manage shareholder mailings. We may also share information with your financial adviser (or companies that provide investor reporting services to your financial adviser) if requested by them. The Companies will also disclose your information to a regulator where required to do so, for example HMRC or the Financial Conduct Authority.

Where you have indicated that you are happy for Beringea to send you information about the other ProVen VCTs or other investment products and services, the Companies will share your information with Beringea so that they can contact you for these purposes. Please read Beringea's privacy notice at <https://www.beringea.com/privacy-notice/> for details of how

they process your personal information and how you can withdraw your consent to receiving these communications.

The third parties that receive your information from the Companies may need to share your information with other third parties. For example, the Registrar may need to share your information with third parties to protect against fraud and reduce payment risks, and with credit reference agencies to check your identity and to make other financial crime checks. Other than as detailed above, the Companies do not sell or share your personal information to third parties for third party direct marketing purposes.

The Companies may transfer your information outside of the European Economic Area and to jurisdictions that may not be subject to an adequacy decision of the European Commission. The Companies shall put in place appropriate safeguards to transfer personal information outside of the EEA lawfully.

Where the Companies share your information with third parties that are separate Controllers of personal data, the third parties are required by law to provide you with details of how they hold and process your information. Please ensure that you read the details provided to you.

## Retention Periods

The Companies will retain your information for as long as necessary to fulfil the purposes for which it was collected and processed.

## Your Rights

You have rights in relation to our use of your information as follows:

- access to, corrections to, and deletion of your personal data if we no longer have a compelling reason to keep it;
- transfer of your data (data portability);
- restriction of processing of your data (for example if you think your information is inaccurate, you may restrict our use of it until this has been corrected); and
- objection to our processing of your data (although note that we cannot process your application without doing so).

If you have any questions about the use of your information, or wish to exercise any of the above rights, please contact ProVen VCTs, c/o Beringea LLP, 55 Drury Lane, London, WC2B 5SQ or by email at [info@beringea.co.uk](mailto:info@beringea.co.uk) or by telephone on 020 7845 7820. You also have the right to complain to the Information Commissioners Office if you think there is a problem with how we are handling your personal data ([www.ico.org.uk/concerns/handling](http://www.ico.org.uk/concerns/handling); 0303 123 1113).



# Definitions

The following definitions are used throughout this document and, except where the context requires otherwise, have the following meanings.

<b>2006 Act</b>	Companies Act 2006, as amended from time to time
<b>2023/2024 Offer</b>	each Company's offer for subscription in respect of the 2023/2024 tax year as described in the Prospectus
<b>2024/2025 Offer</b>	each Company's offer for subscription in respect of the 2024/2025 tax year as described in the Prospectus
<b>Additional Shares</b>	additional New Ordinary Shares issued to early Investors under the Offer whose valid Application forms part of the first £5 million of valid Applications for each Company and is received by 3 p.m. on 16 February 2024
<b>Admission</b>	admission of the New Ordinary Shares to the premium segment on the Official List and to trading on the London Stock Exchange's main market for listed securities
<b>Adviser Charge</b>	the amount an Investor agrees to pay a Financial Adviser in respect of the Offer
<b>Applicant</b>	a person whose name appears in an Application Form
<b>Application</b>	the offer by an Applicant completing an Application Form and submitting it online, via email or posting (or delivering) it to the Receiving Agent
<b>Application Form</b>	the application form for use in respect of the Offer which is available online at <a href="http://www.proveninvestments.co.uk/how-to-invest">www.proveninvestments.co.uk/how-to-invest</a> or available in PDF or hard copy from the Receiving Agent or Manager
<b>Articles</b>	the articles of association of each Company, as amended from time to time
<b>Base Rate</b>	the Bank of England base rate
<b>Beringea Group</b>	Beringea LLC and its subsidiaries (including Beringea)
<b>Companies</b>	ProVen VCT and PGI VCT (each being a "Company")
<b>CREST</b>	the computerised settlement system to facilitate the transfer of title to securities in uncertificated form operated by Euroclear UK & Ireland Limited
<b>DGTR</b>	the disclosure guidance and transparency rules, being the rules published by the FCA from time to time and relating to the disclosure of information in respect of financial instruments
<b>Directors or Board</b>	the directors of each Company from time to time (as the context permits)
<b>Execution Only Broker</b>	an intermediary, authorised by the Financial Conduct Authority, which does not provide advice to its clients
<b>Financial Adviser</b>	an intermediary, authorised by the Financial Conduct Authority, which provides investment advice to its clients
<b>HMRC</b>	His Majesty's Revenue and Customs
<b>Howard Kennedy or Sponsor</b>	Howard Kennedy Corporate Services LLP
<b>Investor</b>	an individual aged 18 or over who is resident in the United Kingdom who subscribes for New Ordinary Shares under the Offer
<b>Investment</b>	the total amount subscribed by an Investor in relation to their Application under the Offer (including any amounts deducted under the Pricing Formulae for fees, Commissions and charges)
<b>ITA</b>	Income Tax Act 2007 (as amended)
<b>Knowledge Intensive Company or KIC</b>	a Knowledge Intensive Company as defined by s331A ITA
<b>Listing Rules</b>	the listing rules made by the FCA under section 74 of FSMA
<b>London Stock Exchange</b>	London Stock Exchange plc

<b>Manager or Beringea</b>	Beringea LLP
<b>Money Laundering Regulations</b>	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended)
<b>NAV</b>	the net asset value of the Ordinary Shares
<b>New Ordinary Shares</b>	ProVen VCT Ordinary Shares to be issued under the Offer and/or PGI VCT Ordinary Shares to be issued under the Offer, as the context permits (each a New Share)
<b>Offer</b>	the offer for subscription of New Ordinary Shares described in this document, comprising the 2023/2024 Offer and the 2024/2025 Offer
<b>Offer Price</b>	the price at which the New Ordinary Shares will be allotted in each Company pursuant to the Offer, as determined by dividing the Application amount in a Company by the number of New Ordinary Shares to be issued by that Company in accordance with the Pricing Formula
<b>Official List</b>	the Official List of the Financial Conduct Authority
<b>Ordinary Shares or Shares</b>	the ordinary shares of 10p each of ProVen VCT (ISIN number GB00B8GH9P84), including New Ordinary Shares where the context permits and/or the ordinary shares of 1.6187p each of PGI VCT (ISIN number GB00B5B7YS03), including New Ordinary Shares where the context permits
<b>PGI Ordinary Shares or PGI Shares</b>	ordinary shares of 1.6187p each in the capital of PGI VCT
<b>PGI VCT</b>	ProVen Growth and Income VCT plc
<b>Pricing Formula</b>	the formula used to calculate the number of New Ordinary Shares to be issued to an Investor, as set out on page 36
<b>Professional Client</b>	a client of a Financial Adviser who has been categorised by the Financial Adviser under COBS rule 3 of the FCA's Handbook of rules and guidance as a professional client
<b>Promoter's Fee</b>	the fees payable to the Manager by the Companies for promoting the Offer in accordance with the terms of an offer agreement entered into on the date of this Prospectus between the Companies, the Manager, the Directors, and the Sponsor, further details of which are set out in the Registration Document
<b>Prospectus Regulation Rules</b>	the prospectus regulation rules of the FCA and made under Part VI of FSMA and pursuant to the UK Prospectus Regulation
<b>Prospectus Regulations or Regulation (EU 2017/1119)</b>	Regulation (EU 2017/1119) of the European Parliament and of the Council dated 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market
<b>ProVen Ordinary Shares or ProVen Shares</b>	ordinary shares of 10p each in the capital of ProVen VCT
<b>ProVen VCT</b>	ProVen VCT plc
<b>ProVen VCTs</b>	PGI VCT and ProVen VCT
<b>Prospectus</b>	together, this document, the Registration Document and the Summary
<b>Qualifying Company</b>	a company satisfying the conditions as described in Part 3 of this document
<b>Qualifying Investment</b>	an investment satisfying the conditions as described in Part 3 of this document
<b>Qualifying Investor</b>	an individual who subscribes for New Ordinary Shares and is aged 18 or over and satisfies the conditions of eligibility for tax relief available to investors in a VCT
<b>Qualifying Subsidiary</b>	a subsidiary company which falls within the definition of Qualifying Subsidiary contained in section 302 ITA, as described in Part 3 of this document
<b>Qualifying Trade</b>	a trade complying with the requirements of Chapter 4 of Part 6 ITA
<b>Receiving Agent</b>	The City Partnership (UK) Limited



<b>Registrar or Scheme Administrator</b>	Link Group
<b>Registration Document</b>	the share registration document that, together with this document and the Summary, constitutes the Prospectus
<b>RIS</b>	Regulated Information Service
<b>Risk Finance State Aid</b>	State aid received by a company as defined in Section 280B (4) of ITA
<b>Shareholder</b>	a holder of Ordinary Shares
<b>Summary</b>	the summary that, together with this document and the Registration Document, constitutes the Prospectus
<b>Total Return</b>	net asset value per Ordinary Share plus cumulative dividends paid per Ordinary Share over the period for which Total Return is being measured
<b>UK MiFID Laws</b>	(i) the Financial Services and Markets Act 2000 (Markets in Financial Instruments) Regulations 2017 (SI 2017/701), The Data Reporting Services Regulations 2017 (SI 2017/699) and the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2017 (SI 2017/488), and any other implementing measure which operated to transpose EU MiFID II in to UK law before 31 January 2020 (as amended and supplemented from time to time including by: (1) Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018; (2) The Financial Regulators' Powers (Technical Standards etc.) and Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2019 (SI 2019/576); (3) The Financial Services (Miscellaneous) (Amendment) (EU Exit) Regulations 2019; and (4) The Financial Services (Electronic Money, Payment Services and Miscellaneous Amendments) (EU Exit) Regulations 2019; and (ii) the UK version of Regulation (EU) No 600/2014 of the European Parliament, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time including by: (a) Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018; (b) The Financial Regulators' Powers (Technical Standards etc.) and Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2019 (SI 2019/576); (c) The Financial Services (Miscellaneous) (Amendment) (EU Exit) Regulations 2019; and (d) The Financial Services (Electronic Money, Payment Services and Miscellaneous Amendments) (EU Exit) Regulations 2019
<b>UK PRIIPs Laws</b>	The UK version of the EU Packaged Retail Investment and Insurance Products Regulations which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time including by the Packaged Retail and Insurance-based Investment Products (Amendment) (EU Exit) Regulations 2019 (February 2019) and the Cross-Border Distribution of Funds, Proxy Advisors, Prospectus and Gibraltar (Amendment) (EU Exit) Regulations 2019
<b>UK Prospectus Regulation</b>	the UK version of Regulation (EU) 2017/1129 as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018
<b>VCT Rules</b>	Part 6 ITA 2007 and every other statute (including any orders, regulations or other subordinate legislation made under them) for the time being in force concerning VCTs
<b>Venture Capital Trust or VCT</b>	a venture capital trust as defined by section 259 ITA

# Corporate Information

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## Directors of ProVen VCT

Neal John Ransome (Chair) (Non-executive)  
Barry Malcolm Dean  
Malcolm Kennedy Hunt Moss  
Lorna Mona Tilbian

## Directors of PGI VCT

Marc Ferdinand Vlessing OBE (Chair) (Non-executive)  
Natasha Isobel Christie-Miller  
Malcolm Kennedy Hunt Moss  
Anna Rinse Kuriakose

## Company Secretary to the Company

Beringea LLP  
55 Drury Lane  
London WC2B 5SQ

## Registered Office of the Company

55 Drury Lane  
London WC2B 5SQ

## Investment Manager

Beringea LLP  
55 Drury Lane  
London WC2B 5SQ

## Administrator

Beringea LLP  
55 Drury Lane  
London WC2B 5SQ

## Sponsor to the Company and the Offer

Howard Kennedy Corporate Services LLP  
No.1 London Bridge  
London SE1 9BG

## Solicitors to the Company and the Offer

Howard Kennedy LLP  
No.1 London Bridge  
London SE1 9BG

## Registered Auditors

BDO LLP  
55 Baker Street  
London W1U 7EU

## Bankers

Royal Bank of Scotland  
London Victoria Branch  
119/121 Victoria Street  
London SW1E 6RA

## Receiving Agent

The City Partnership (UK) Limited  
The Mending Rooms  
Park Valley Mills  
Meltham Road  
Huddersfield HD4 7BH

## VCT Tax Advisers

Philip Hare & Associates LLP  
6 Snow Hill  
London EC1A 2AY

## Registrar and Scheme Administrator

Link Group  
10th Floor  
Central Square  
29 Wellington Street  
Leeds LS1 4DL





# Frequently Asked Questions

## Q: How do I apply?

A: Applications may be made online via the 'How to Invest' section of the ProVen website at [www.proveninvestments.co.uk](http://www.proveninvestments.co.uk). Alternatively, a PDF copy of the Application Form may be completed and submitted to the Receiving Agent, The City Partnership (UK) Limited, by email to [provenvcts@city.uk.com](mailto:provenvcts@city.uk.com) or by post to ProVen VCTs - Offers, The City Partnership (UK) Ltd, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH. Hard copies of the Application Form can also be requested from Beringea LLP by calling 020 7845 7820 or emailing [info@beringea.co.uk](mailto:info@beringea.co.uk).

It is recommended that you use Royal Mail Special Delivery or Tracked mail and allow at least two working days for delivery. If you submit a soft copy, please do NOT send a hard copy in the post.

## Q: What is the minimum investment?

A: The minimum aggregate Investment per Investor is £5,000 (or such lower amount as the Directors may decide). Applicants may apply to invest in either ProVen VCT or PGI VCT, or both. Applicants may also apply for the 2023/24 Offer or 2024/25 Offer, or both.

Applicants who wish to invest in both ProVen VCT and PGI VCT may apply to invest a different amount in each VCT but the minimum application amount in each

Company is £2,500 per tax year (or such lower amount as the Directors may decide).

## Q: May I pay by BACS transfer?

A: Yes. The application monies should be transferred to the relevant account, as follows:

Bank : Bank of Scotland  
Account Number: 25909568  
Sort Code: 80-22-60  
Account Name: City-Proven VCTs-Segregated

Please **reference your transfer(s) using your initials and telephone number** (alphanumeric, no spaces) as provided in Section 2 of the Application Form. Such a reference will allow the Receiving Agent, The City Partnership (UK) Limited, to match your payment with your Application Form more easily.

## Q: May I pay by cheque?

A: Yes. Cheques should be made payable to "City-Proven VCTs-Segregated".

Please reference the reverse of your cheque using your initials and telephone number (alphanumeric, no spaces) as provided in Section 2 of the Application Form. Please note post dated cheques will not be accepted and will be destroyed.

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Payments for the 2023/24 Offer, made from 31 March 2024, will need to be submitted by bank transfer, as there is no guarantee that cheques received after this date will clear in time for Applications to be processed by the tax year end.

**Q: If I apply through a Financial Adviser and the Company facilitates the payment of an adviser fee (up to 4.5% of my total application amount) to that Financial Adviser, will I be able to claim tax relief on the full amount of my subscription?**

A: Yes, subject to the normal rules on eligibility for tax relief.

**Q: What happens after I invest?**

A: In addition to email/post communications from the Receiving Agent, The City Partnership (UK) Limited, concerning receipt of your Application and associated monies, you may use the Receiving Agent's online tracking service to track the status of your Application Form and download a PDF copy.

This online tracking service is at <https://cityora.uk.com/offers/prvn-2324/tracking>. To access the service, you need to provide; (i) your unique Application reference number (starting "PRVN-2324-"), which will be noted on the Receiving Agent's correspondence to you; (ii) your date of birth; and (iii) your National Insurance number or Unique Taxpayer Reference, as provided in your Application Form.

**Q: When will the New Ordinary Shares be allotted?**

A: The first allotment of New Ordinary Shares is expected to occur in respect of valid applications received for the 2023/2024 Offer in March 2024 (with additional allotments occurring on such other dates as the Directors may decide, on or prior to 5 April 2024 as required) and for the 2024/2025 Offer on or around 26 April 2024 (with additional allotments occurring on

such other dates as the Directors prior to the close of the Offer as required, but not later than 31 December 2024).

**Q: How many New Ordinary Shares will I receive?**

A: The number of New Ordinary Shares allotted to you will depend on a number of factors, including the NAV per Ordinary Share at the date of allotment, whether you apply through an Execution Only Broker, directly to the Company or through a Financial Adviser and whether you are entitled to any discount as an early Investor. Please see the Pricing Formula on page 36 of this document for further details.

**Q: When can I expect to receive the share and tax certificates?**

A: The Company's Registrar, Link Group, will send share certificates (where applicable) within 15 business days of New Ordinary Shares being allotted. Allotments will be announced through an RIS service. Within 3 business days of the allotment, the Receiving Agent will issue (by email) an allotment notification and instructions on how to download income tax relief certificate(s) from their online tracking service. These will be sent to all investors and their associated financial intermediary (if any). Postal confirmations will be issued within 10 business days of the allotment to applicants and intermediaries who did not provide their email addresses on their Application Form.

**Q: Whom should I contact if I have any questions concerning an Application?**

A: Please contact the Receiving Agent, The City Partnership (UK) Limited, on 01484 240 910 (Mon-Fri excl. public holidays, 9am-5:30pm) or at [provenvcts@city.uk.com](mailto:provenvcts@city.uk.com). Alternatively, you can contact Beringea, the Manager, on 020 7845 7820 or [info@beringea.co.uk](mailto:info@beringea.co.uk). It should be noted that the Receiving Agent and Manager will only be able to deal with the practicalities of application and are not permitted to provide any investment, financial or tax advice in connection with any investment in the Companies under the Offers.







# ProVenVCTs

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WC2B 5SQ

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[www.beringea.co.uk](http://www.beringea.co.uk)

Managed by

**BERINGEA**