

Neeral Shah
FOUNDER & CEO
YARDLINK

Half-Yearly Report

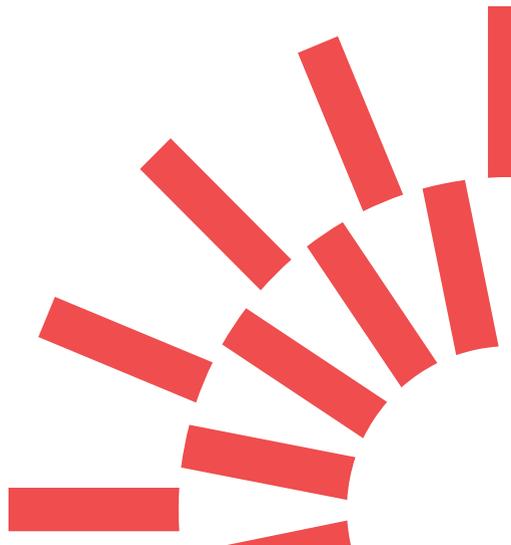
For the six months ended 31 August 2023



ProVen VCT

Contents

- 3 Fund Overview
- 4 Chair's Statement
- 8 Summary of Investment Portfolio
- 9 Summary of Investment Movements
- 10 Unaudited Condensed Income Statement
- 11 Unaudited Condensed Statement of Financial Position
- 12 Unaudited Condensed Statement of Changes in Equity
- 13 Unaudited Condensed Statement of Cash Flows
- 14 Notes to the Half-Yearly Report
- 20 Shareholder Information
- 21 Company Information



Fund Overview

Principal Investment Objective

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

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

Financial Summary

	31 August 2023	31 August 2022	28 February 2023
Net asset value per Ordinary Share	62.7p	67.6p	65.5p
Dividends paid since conversion/consolidation*	82.75p	79.00p	80.75p
Total return (net asset value plus dividends paid*)	145.45p	146.60p	146.25p
Net assets (£'000)	162,513	161,785	161,740

* Dividends paid represent dividends paid since the consolidation of 5p Ordinary Share into 10p Ordinary Shares on 30 October 2012. Prior to this date, the Company paid dividends totalling 113.95p on the 5p Ordinary Shares.

Chair's Statement

Introduction

I present the half year report for ProVen VCT plc (the "Company") for the six months ended 31 August 2023.

Net asset value

During the six-month period, the net asset value ("NAV") per share decreased from 65.5p to 62.7p at 31 August 2023, which after adjusting for the dividend paid of 2.0p per share in early August, results in a net decrease of 0.8p per share or 1.2% of the opening NAV. This decrease has been largely driven by a reduction in unrealised valuations predominantly due to falls in the trading multiples of comparable public companies and a softening in the performance of a small number of portfolio companies.

Portfolio activity and valuation

At 31 August 2023, the Company's investment portfolio comprised 52 investments at a valuation of £104.6 million.

During the six-month period, the Company invested £0.3 million into MOTH Drinks Ltd, a UK-based company that produces ready-to-drink cocktails made with premium spirits and ingredients. The Company also made a follow-on investment of £0.3 million into Archdesk.

In March 2023, the Company disposed of its holding in Monica Vinader for initial proceeds of £6.3 million, representing an 11.8x return on cost. Further proceeds are expected, £0.6 million of which are recognised in these accounts. A strong performer in the Company's portfolio for several years, Monica Vinader agreed a sale to a private equity fund, Bridgepoint Development Capital IV. Including the 60% of the Company's initial holding sold in February 2016, the total proceeds on the

whole investment have been £12.1 million, representing an overall multiple on cost of 7.7x.

The Company also disposed of its holding in Aistemos in March 2023, for total proceeds of £3.2 million, representing a multiple on cost of 1.7x.

Additional proceeds of £80,000 and £8,000 were also received during the period in relation to the sales of Firefly and Sealskinz respectively; portfolio companies that were sold in the prior year.

The unrealised portfolio continued to show resilience to ongoing macroeconomic challenges, with over 90% of the current portfolio showing revenue growth on a year-on-year basis. Notable valuation increases include Gorilla (£2.0 million) which has grown well since our initial investment in November 2022, buoyed by the high value placed on data analytics by the market as evidenced through the high trading multiples of its publicly-quoted comparables. MPB (£1.5 million), which has been a consistent performer for a number of years, successfully raised a further investment round at a premium to the previous round in the period.

In contrast, the valuations of Lumar and Zoovu saw significant decreases of £1.8 million and £1.0 million respectively in the six-month period. This was due to the combination of a softening in the trading performance of these companies and a continued downward trend in the comparable multiples used in deriving their valuations.

A summary of the top 20 venture capital investments, by value, is provided in the Summary of Investment Portfolio.

Post period end portfolio activity

There are no material items to note since 31 August 2023.

Results and dividends

The total loss on ordinary activities for the six-month period to 31 August 2023 was £1.9 million.

During the six-month period, a final dividend of 2.0p per share was paid on 4 August 2023 to Shareholders on the register at 7 July 2023. This dividend was paid in respect of the year ended 28 February 2023.

The Board has declared an interim dividend of 1.5p per share which will be paid on 15 December 2023 to Shareholders on the register at 17 November 2023. The dividend represents a cash return of 2.4% on the opening NAV per share at 1 March 2023, adjusted for the August dividend of 2.0p per share. The payment of this interim dividend will result in an equivalent reduction in the Company's NAV per share.

Shareholders are reminded that the Company operates a Dividend Reinvestment Scheme ("DRIS") for Shareholders who wish to have their dividends reinvested in new shares and obtain further income tax relief on those shares, subject to the usual restrictions. If you are not currently registered for the DRIS and wish to have your dividends paid in the form of new shares, DRIS forms are available from the www.proveninvestments.co.uk website or by contacting Beringea on 020 7845 7820. Shareholders will need to be registered for the DRIS prior to 17 November 2023 to be eligible to receive the forthcoming dividend as new shares.

Fundraising and share issues

As detailed in the Annual Report and Accounts for the year ended 28 February 2023, the Company launched a combined Offer for Subscription with

ProVen Growth and Income VCT plc. The Offer closed to new applications on 28 July 2023 with £13.4 million of gross proceeds raised for the Company.





Chair's Statement (cont.)

In September 2023, the Company announced its intention to launch a new Offer for Subscription for tax years 2023/24 and 2024/25 in the coming months. A prospectus with full details of the proposed Offer will be published in due course.

During the period, the Company allotted 11,941,033 shares at an average price of 67.2p per share under the Company's Offer for Subscription. In the same period, the Company allotted a further 1,398,486 shares at 62.3p per share under the Company's DRIS in respect of the dividend paid on 4 August 2023.

Share buybacks

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

During the period, the Company completed purchases of 1,194,370 shares at an average price of 61.0p per share and for aggregate consideration (net of costs) of £728,286. This represented 0.48% of the shares in issue at the start of the period. The shares were subsequently cancelled.

Shareholder event

The Company's Annual Shareholder Event continues to be well received and provides an important opportunity for Shareholders to hear from the Investment Manager on topics such as performance and investment activity, to ask

questions of your Board, and to receive insights and updates from the portfolio companies.

During the COVID pandemic these events were conducted virtually. Last year the Investment Manager experimented with a hybrid event. The majority of Shareholders attending last year's event elected to do so virtually. Consequently, it has been decided that we will revert to hosting a fully virtual event in 2023. This will enable any Shareholder to join without the need for travel into central London, and will result in a cost saving for the Company. This has been scheduled for 10:30am to 12.30pm on Thursday, 16 November 2023 and I would encourage you to join us for the session. You can RSVP to events@beringea.co.uk.

Regulatory Developments

As mentioned in the last Annual Report, the Company continues to welcome the Government's commitment to extending the VCT scheme beyond 2025. In September 2023 HM Treasury reiterated its commitment to extending the scheme, and stated its intention to provide further details 'at a future fiscal event'. At the time of writing, there has been no further announcement on how this will be enacted, and the industry continues to press the Government to remove or extend the Sunset Clause as soon as possible.

I also highlighted in the last Annual Report the recent stricter interpretation of the Financial Health Test by HMRC. We are pleased that HMRC has since published additional guidance on this matter in

August 2023 which outlines that each prospective VCT investment will be assessed independently based on the specific financial circumstances of the potential investee company. At the time of writing, we do not yet have the details on how this will work in practice, but the Company welcomes the guidance and the increased flexibility it suggests.

Outlook

The environment for the early-stage companies in our portfolio and across the venture capital market generally remains challenging and the negative return for the period reflects this. Falls in quoted markets following the valuation highs of 2021 and early 2022 continue, placing downward pressure on private company valuations. However, your Board notes that the underlying performance of the portfolio has been broadly in line with expectations, and is particularly pleased with the strong growth shown by several companies, for example, MPB, Lucky Saint, Dash and Gorilla.

The six-month period saw a reduced level of investment activity, in line with the broader venture capital market. The number of early-stage companies raising funding rounds has decreased, as businesses increasingly focus on preserving cash and moving to profitability. The Manager has seen a recent uptick in the volume of new investment opportunities and expects to see a higher rate of investment in the second half of the year. Nonetheless, your Board expects the total investment for the year to be lower than in recent years.

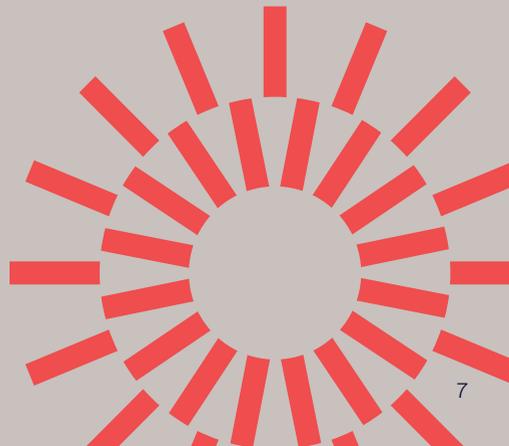
As was the case at the year-end, the political and economic landscape remains unpredictable. Inflation, while still high, has started to moderate. Since August 2023, the Bank of England has held the interest rate constant following fourteen consecutive hikes.

Your Board hopes that, notwithstanding the current tragic crisis in the Middle East, these initial positive signs allow some optimism for the medium-term. While our outlook remains one of caution, certainly over the short-term, we are confident that the Company's large and diverse portfolio has the resilience to withstand challenges as they arise and deliver gains in the future.

Neal Ransome

Chair

6 November 2023



Summary of Investment Portfolio

As at 31 August 2023

Top twenty venture capital investments (by value)	Cost £'000	Valuation £'000	Valuation movement in period £'000	% of portfolio by value
MPB Group Limited	1,684	8,259	1,521	5.1%
Luxury Promise Limited	5,680	8,236	355	5.1%
Infinity Reliance Limited (t/a My 1st Years)	4,731	6,222	84	3.8%
Picasso Labs, Inc. (t/a CreativeX)	2,729	4,955	(529)	3.1%
Gorillini NV (t/a Gorilla)	2,437	4,495	2,047	2.8%
Social Value Portal Ltd	2,458	4,402	(434)	2.7%
Utilis Israel Ltd (t/a Asterra)	1,809	3,934	236	2.4%
Access Systems, Inc.	3,737	3,782	(217)	2.3%
WS HoldCo, PBC. (t/a WiredScore)	3,733	3,667	(208)	2.3%
Cogora Group Limited**	2,643	3,349	(351)	2.1%
Lupa Foods Limited	694	3,148	361	1.9%
Dash Brands Ltd	2,718	3,069	351	1.9%
Dealroom.co BV.	2,707	3,014	(20)	1.9%
Not Another Beer Co Ltd (t/a Lucky Saint)	2,797	2,797	-	1.7%
Chattermill Analytics Limited	2,793	2,793	-	1.7%
Papier Ltd	2,770	2,770	-	1.7%
Litchfield Media Limited*	1,405	2,729	(143)	1.7%
Yardlink Ltd	2,680	2,680	-	1.7%
DeepCrawl Holding Company, Inc. (t/a Lumar)	3,827	2,372	(1,821)	1.5%
Doctify Limited	2,222	2,222	-	1.4%
Other venture capital investments	51,574	25,731	(2,323)	15.7%
Total venture capital investments	107,828	104,626	(1,091)	64.5%
Cash at bank and in hand		57,492		35.5%
Total investments		162,118		100.0%

Other venture capital investments at 31 August 2023 comprise: Andcrafted Ltd (t/a Plank Hardware), Arctic Shores Limited, Been There Done That Global Limited, Buckingham Gate Financial Services Limited, CG Hero Ltd, Commonplace Digital Limited, DeepStream Technologies Limited, Disposable Cubicle Curtains Limited (t/a Hygenic)**, EMS Operations Ltd (t/a Archdesk), Internships Limited (t/a Learnerly), Festicket Ltd, Honeycomb.TV Limited*, InContext Solutions, Inc., Lantum Limited (formerly Network Locum), Litta App Limited, Monmouth Holdings Limited†, Moonshot CVE Ltd, MOTH Drinks Ltd, NowVertical Group, Inc., Plu&m Limited (t/a Plum Guide), POQ Studio Ltd, Rapid Charge Grid Limited*, Sannpa Limited (t/a Fnatic), Second Nature Healthy Habits Ltd, Senselogix Limited, Simplestream Limited**, Skills Matter Limited, Stylescape Limited (t/a EDITED), Thread, Inc., Vigilant Applications Limited*, Whistle Sports, Inc., Zoovu Limited*.

* Non qualifying investment.

** Partially non qualifying investment.

† Investee company 100% owned by the Company but not consolidated as held exclusively for resale as part of an investment portfolio.

All venture capital investments are unquoted.

All of the above investments, with the exception of Monmouth Holdings Limited were also held by ProVen Growth and Income VCT plc, of which Beringea LLP is the investment manager.

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

Summary of Investment Movements

For the six months ended 31 August 2023

Investment activity during the six months ended 31 August 2023 is summarised as follows:

Additions	Cost £'000
EMS Operations Ltd (t/a Archdesk)	363
MOTH Drinks Ltd	279
Total	642

Disposals	Cost £'000	Market value at 1 March 2023 £'000	Disposal proceeds £'000	Gain against cost £'000	Realised (loss)/ gain in period £'000
Monica Vinader Limited	534	7,037	6,948	6,414	(89)
Aistemos Limited	1,819	3,093	3,160	1,341	67
Firefly Learning Limited	-	-	80	80	80
Sealskinz Holdings Limited	-	-	8	8	8
Total	2,353	10,130	10,196	7,843	66

Disposals

Of the disposals above, Firefly Learning Limited and Sealskinz Holdings Limited were realised in a prior period, but proceeds were recognised in the current period in excess of the amounts previously accrued.

The total disposal proceeds outlined above differ to those recorded in the statement of cash flows as the cash flow figure represents total disposal proceeds received in cash in the six-month period to 31 August 2023, elements of which will have been accrued in prior periods. Furthermore, the disposal proceeds figure above includes accruals in excess of the amounts already received in cash.

Unaudited Condensed Income Statement

For the six months ended 31 August 2023

	(unaudited)			(unaudited)			(audited)
	Six months ended 31 Aug 2023			Six months ended 31 Aug 2022			Year ended 28 Feb 2023
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Total £'000
Income	1,330	-	1,330	92	-	92	405
Realised losses on investments	-	(162)	(162)	-	(3,211)	(3,211)	(10,125)
Unrealised losses on investments	-	(1,091)	(1,091)	-	(7,697)	(7,697)	(163)
Investment management fee	(405)	(1,216)	(1,621)	(432)	(1,298)	(1,730)	(3,299)
Other expenses	(384)	(5)	(389)	(362)	(1)	(363)	(649)
Return/(loss) on ordinary activities before taxation	541	(2,474)	(1,933)	(702)	(12,207)	(12,909)	(13,831)
Tax on ordinary activities	-	-	-	-	-	-	-
Return/(loss) attributable to equity shareholders	541	(2,474)	(1,933)	(702)	(12,207)	(12,909)	(13,831)
Basic and diluted return/(loss) per share	0.2p	(1.0p)	(0.8p)	(0.3p)	(5.2p)	(5.5p)	(5.9p)

All revenue and capital items in the above statement derive from continuing operations. The total column within this statement represents the Unaudited Condensed Income Statement of the Company.

The Company has no recognised gains or losses other than the results for the six-month period as set out above.

The accompanying notes form an integral part of this half-yearly report.

Unaudited Condensed Statement of Financial Position

As at 31 August 2023

	(unaudited) 31 Aug 2023 £'000	(unaudited) 31 Aug 2022 £'000	(audited) 28 Feb 2023 £'000
Fixed assets			
Investments	104,626	108,293	115,218
Current assets			
Debtors	1,065	492	740
Cash and cash equivalents	57,492	53,822	46,565
	58,557	54,314	47,305
Creditors: amounts falling due within one year	(670)	(822)	(783)
Net current assets	57,887	53,492	46,522
Net assets	162,513	161,785	161,740
Capital and reserves			
Called up share capital	25,927	23,934	24,711
Capital redemption reserve	48	1,229	1,373
Share premium account	–	104,895	110,123
Special reserve	127,756	20,090	14,818
Capital reserve – realised	3,555	8,535	(2,839)
Revaluation reserve	10,483	8,533	19,351
Revenue reserve	(5,256)	(5,431)	(5,797)
Total equity shareholders' funds	162,513	161,785	161,740
Basic and diluted net asset value per share	62.7p	67.6p	65.5p

The accompanying notes form an integral part of this half-yearly report.

Unaudited Condensed Statement of Changes in Equity

Six months ended 31 Aug 2023 (unaudited)	Called up share capital £'000	Capital redemption reserve £'000	Share premium account £'000	Special reserve £'000	Capital reserve – realised £'000	Revaluation reserve £'000	Revenue reserve £'000	Total £'000
At 1 March 2023	24,711	1,373	110,123	14,818	(2,839)	19,351	(5,797)	161,740
Issue of new shares	1,335	-	7,566	(315)	-	-	-	8,586
Total comprehensive income	-	-	-	-	(1,383)	(1,091)	541	(1,933)
Transfer of previously unrealised gains now realised	-	-	-	-	7,777	(7,777)	-	-
Share buybacks and cancellation	(119)	119	-	(732)	-	-	-	(732)
Cancellation of share premium account	-	-	(117,689)	117,689	-	-	-	-
Cancellation of capital redemption reserve	-	(1,444)	-	1,444	-	-	-	-
Dividends paid	-	-	-	(5,148)	-	-	-	(5,148)
At 31 August 2023	25,927	48	-	127,756	3,555	10,483	(5,256)	162,513

Six months ended 31 Aug 2022 (unaudited)	Called up share capital £'000	Capital redemption reserve £'000	Share premium account £'000	Special reserve £'000	Capital reserve – realised £'000	Revaluation reserve £'000	Revenue reserve £'000	Total £'000
At 1 March 2022	19,238	1,066	71,018	31,716	4,482	24,793	(4,729)	147,584
Issue of new shares	4,859	-	33,877	(1,671)	-	-	-	37,065
Total comprehensive income	-	-	-	-	(4,510)	(7,697)	(702)	(12,909)
Transfer of previously unrealised gains now realised	-	-	-	-	8,563	(8,563)	-	-
Share buybacks and cancellation	(163)	163	-	(1,169)	-	-	-	(1,169)
Dividends paid	-	-	-	(8,786)	-	-	-	(8,786)
At 31 August 2022	23,934	1,229	104,895	20,090	8,535	8,533	(5,431)	161,785

The special reserve, capital reserve – realised and revenue reserve are distributable reserves. Reserves available for distribution therefore amount to £126,055,000 (2022: £23,194,000).

The accompanying notes form an integral part of this half-yearly report.

Unaudited Condensed Statement of Cash Flows

For the six months ended 31 August 2023

	Note	(unaudited)	(unaudited)	(audited)
		Six months ended 31 Aug 2023 £'000	Six months ended 31 Aug 2022 £'000	Year ended 28 Feb 2023 £'000
Net cash used in operating activities	A	(743)	(2,800)	(4,601)
Cash flows from investing activities				
Purchase of investments		(629)	(13,622)	(22,862)
Sale of investments		9,808	19,203	22,044
Net cash from/(used in) investing activities		9,179	5,581	(818)
Cash flows from financing activities				
Proceeds from share issues		8,029	37,253	42,673
Share issue costs		(502)	(1,564)	(1,672)
Purchase of own shares		(759)	(841)	(1,754)
Equity dividends paid		(4,277)	(7,304)	(10,760)
Net cash from financing activities		2,491	27,544	28,487
Increase in cash and cash equivalents	B	10,927	30,325	23,068

Notes to the cash flow statement:

A Cash used in operating activities

Loss on ordinary activities before taxation	(1,933)	(12,909)	(13,831)
Loss on investments	1,253	10,908	10,288
(Increase)/decrease in prepayments, accrued income and other debtors	(166)	139	(9)
Increase/(decrease) in accruals and other creditors	103	(938)	(1,049)
Net cash used in operating activities	(743)	(2,800)	(4,601)

B Analysis of net funds

Beginning of period/year	46,565	23,497	23,497
Net cash inflows	10,927	30,325	23,068
End of period/year	57,492	53,822	46,565

The accompanying notes form an integral part of this half-yearly report.

Notes to the Half-Yearly Report

For the six months ended 31 August 2023

1. Accounting policies

Basis of accounting

The Company has prepared its financial statements under Financial Reporting Standard 104 (“FRS104”) and in accordance with the Statement of Recommended Practice ‘Financial Statements of Investment Trust Companies and Venture Capital Trusts’ (the “SORP”) issued by the Association of Investment Companies (“AIC”), which was updated in July 2022.

The following accounting policies have been applied consistently throughout the period. Further details of principal accounting policies were disclosed in the Annual Report and Accounts for the year ended 28 February 2023. There has been no change to the accounting policies from those disclosed in the financial statements for the year ended 28 February 2023, except for cash and cash equivalents on the balance sheet, which now include cash in current accounts and in instant access liquidity funds with a maturity of less than three months opened in the period.

The unaudited financial statements set out herein have not been subject to review by the auditor and do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The figures for the year ended 28 February 2023 have been extracted from the financial statements for that period, which have been delivered to the Registrar of Companies; the Auditor’s report on those financial statements was unqualified.

Presentation of Income Statement

In order to better reflect the activities of an investment company and, in accordance with guidance issued by the AIC, supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented alongside the Income Statement.

The revenue return attributable to equity shareholders is the measure the Directors believe appropriate in assessing the Company’s compliance with certain requirements set out in Part 6 of the Income Tax Act 2007.

Investments

Investments, comprising equity and loan stock, are recognised at their trade date and measured at “fair value through profit or loss” due to investments being managed and performance evaluated on a fair value basis. A financial asset is designated within this category if it is both acquired and managed, with a view to selling after a period of time, in accordance with the Company’s documented investment policy. The fair value of an investment upon acquisition is deemed to be cost. Thereafter investments are measured at fair value in accordance with International Private Equity and Venture Capital Valuation Guidelines (“IPEV Guidelines”) updated in December 2022, together with Sections 11 and 12 of FRS102.

Publicly traded investments are measured using bid prices in accordance with the IPEV Guidelines.

Key judgements

The valuation methodologies used by the Directors for estimating the fair value of unquoted investments are in accordance with the IPEV guidelines and as follows:

- where a company is in the early stage of development, the estimate of fair value is calculated based on market data and assumptions as to the potential outcomes, benchmarked against alternative valuation methodologies during this time;
- where a company is well established after an appropriate period, the investment may be valued by applying a suitable earnings or

revenue multiple to that company's maintainable earnings or revenue. The multiple used is based on comparable listed companies or a sector but discounted to reflect factors such as the different sizes of the comparable businesses, different growth rates and the lack of marketability of unquoted shares;

- where a value is indicated by a material arm's-length transaction by a third party in the shares of the company, the valuation will normally be based on this;
- where alternative methods of valuation, such as net assets of the business, are more appropriate then such methods may be used; and
- where repayment of the equity is not probable, redemption premiums will be recognised.

The methodology applied takes account of the nature, facts and circumstances of the individual investment and uses reasonable data, market inputs, assumptions and estimates in order to ascertain fair value. Methodologies are applied consistently from year to year except where a change results in a better estimate of fair value.

Where an investee company has gone into receivership or liquidation, or the loss in value below cost is considered to be permanent, or there is little likelihood of a recovery from a company in administration, the loss on the investment, although not physically disposed of, is treated as being realised.

All investee companies are held as part of an investment portfolio and measured at fair value. Therefore, it is not the policy for investee companies to be consolidated and any gains or losses arising from changes in fair value are included in the Unaudited Condensed Income Statement for the period as a capital item.

Gains and losses arising from changes in fair value are included in the Unaudited Condensed Income Statement for the period as a capital item and transaction costs on acquisition or disposal of the investment are expensed.

Investments are derecognised when the contractual rights to the cash flows from the asset expire or the Company transfers the asset and substantially all the risks and rewards of ownership of the asset to another entity.

Key estimates

The key estimates involved in determining the fair value of a company can include:

- identifying a relevant basket of market comparables;
 - deducing the discount to take on those market comparables;
 - determining reoccurring revenue;
 - determining reoccurring earnings; or
 - identifying surplus cash.
2. All revenue and capital items in the Unaudited Condensed Income Statement derive from continuing operations.
 3. There are no other items of comprehensive income other than those disclosed in the Unaudited Condensed Income Statement.
 4. The Company has only one operating segment as reported to the Board of Directors in their capacity as chief operating decision makers and derives its income from investments made in shares, securities and bank deposits.
 5. The comparative figures are in respect of the year ended 28 February 2023 and the six-month period ended 31 August 2022.

Notes to the Half-Yearly Report (cont.)

- 6.** Basic and diluted return per share for the period has been calculated on 242,924,078 shares, being the weighted average number of shares in issue during the period.
- 7.** Basic and diluted NAV per share for the period has been calculated on 259,258,564 shares, being the number of shares in issue at the period end.

8. Dividends

	Pence	(unaudited)			(unaudited)			(audited)
		Six months ended 31-Aug-23			Six months ended 31-Aug-22			Year ended 28-Feb-23
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Total £'000
2022 Final	2.25	-	-	-	-	5,272	5,272	5,272
2022 Special	1.50	-	-	-	-	3,514	3,514	3,514
2023 Interim	1.75	-	-	-	-	-	-	4,185
2023 Final	2.00	-	5,148	5,148	-	-	-	-
Total dividends paid		-	5,148	5,148	-	8,786	8,786	12,971

9. Contingent liabilities, guarantees and financial commitments

Based on the NAV per share at 31 August 2023, before any performance fee accrual, and cumulative dividends paid and payable ahead of 29 February 2024, no performance fee is currently payable. The performance fee structure contains certain restrictions to ensure that hurdles continue to be met after the payment of a performance fee and to encourage the payment of tax-free dividends. After applying these restrictions, no accrual has been made at 31 August 2023.

A performance incentive fee, if any, will only be payable once the full year results have been finalised.

The Company has no other contingent liabilities, guarantees or financial commitments at 31 August 2023.

10. Called up share capital

During the period, the Company issued 11,941,033 Ordinary Shares for an aggregate consideration of £8.0 million under the combined offer for subscription with ProVen Growth and Income VCT plc which launched on 19 October 2022. Share issue costs thereon amounted to £314,658.

In the same period, the Company allotted a further 1,398,486 shares at 62.3p per share under the Company's DRIS in respect of the dividend paid on 4 August 2023.

During the period, the Company completed purchases of 1,194,370 shares at an average price of 60.98p per share and for aggregate consideration (net of costs) of £728,286. This represented 0.48% of the shares in issue at the start of the period. The shares were subsequently cancelled.

11. Financial instruments

Investments are valued at fair value as determined using the measurement policies described in note 1.

The Company has categorised its financial instruments that are measured subsequent to initial recognition at fair value, using the fair value hierarchy as follows:

Level 1 Reflects instruments quoted in an active market.

Level 2 Reflects financial instruments that have been valued using inputs, other than quoted prices, that are observable.

Level 3 Reflects financial instruments that have been valued using valuation techniques with unobservable inputs.

	(unaudited)				(audited)			
	31 Aug 2023				28 Feb 2023			
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
AIM quoted	14	-	-	14	-	-	-	-
Loan notes	-	-	9,009	9,009	-	-	8,646	8,646
Unquoted investments	-	-	95,603	95,063	-	-	106,572	106,572
Total	14	-	104,612	104,626	-	-	115,218	115,218

There have been no transfers between the three levels outlined above.

12. Controlling party and related party transactions

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

Malcolm Moss, a Director of the Company, is also a Partner of Beringea LLP. Beringea LLP was the Company's Investment Manager during the period. During the six months ended 31 August 2023, £1,621,000 (2022: £1,730,000) was payable to Beringea LLP in respect of these services. At the period end the Company owed Beringea LLP £nil (2022: £nil).

Beringea LLP was also the Company's Administration Manager during the period. Fees paid to Beringea in its capacity as Administration

Manager for the six months ended 31 August 2023 amounted to £40,000 (2022: £35,000) of which £nil (2022: £nil) remained outstanding at the period end.

As the Company's investment manager, Beringea LLP is also entitled to receive a performance incentive fee based on the Company's performance for each financial year to 28 February. The performance incentive fee arrangements are set out, in detail, in the Annual Report and Accounts. In respect of the year ending 29 February 2024, no performance incentive fee has been accrued. The actual performance incentive fee, if any, will only be payable once the full year results have been finalised.

Notes to the Half-Yearly Report (cont.)

Beringea LLP may charge arrangement fees, in line with industry practice, to companies in which it invests. It may also receive directors' fees or monitoring fees from investee companies. These costs are borne by the investee company not the Company. In the six-month period to 31 August 2023, £13,000 (2022: £90,000) was payable to Beringea LLP for arrangement fees under such arrangements. Directors' and monitoring fees payable to Beringea LLP in the six-month period to 31 August 2023 amounted to £273,000 (2022: £234,000).

During the six months to 31 August 2023, an amount of £71,000 (2022: £66,000) was payable to the Directors of the Company as remuneration for services provided to the Company. No amount was outstanding at the period end.

As part of the combined offer for subscription with ProVen Growth and Income VCT plc launched on 19 October 2022, Beringea LLP received £208,168 in promoter's fees. Out of this promoter fee, the Manager is responsible for paying all the costs on the offer, including professional fees and marketing expenses. The £208,168 above formed part of the £314,658 offer issue costs referenced elsewhere in these financial statements. The remainder of this amount was paid to financial advisers, as agreed between them and their respective clients. All offer allotments are made net of fees. The fees outlined above do not therefore impact the NAV of the Company.

13. The Directors confirm that, to the best of their knowledge, the half-yearly financial statements have been prepared in accordance with Financial Reporting Standard 104 issued by the Financial Reporting Council and the half-yearly financial report includes a fair review of the information required by:

a. DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during

the first six months of the financial year and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the year; and

b. DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period, and any changes in the related party transactions described in the last annual report that could do so.

14. Risk and uncertainties

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

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

- (i) investment risk associated with investing in small and immature businesses;
- (ii) investment risk arising from volatile stock market conditions and their potential effect on the value of the Company's venture capital investments and the exit opportunity for those investments; and
- (iii) breach of VCT regulations.

In the case of (i), the Board is satisfied with the Company's approach. The Investment Manager follows a rigorous process in vetting and careful structuring of new investments and, after an investment is made, close monitoring of the business. In respect of (ii), the Company seeks to hold a diversified portfolio. However, the Company's

ability to manage this risk is quite limited, primarily due to the restrictions arising from the VCT regulations.

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

15. Going concern

The Directors have reviewed the Company's financial resources at the period end and concluded that the Company is well placed to manage its business risks.

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

Shareholders will be notified of the release of these unaudited half yearly results via their preferred method of communication. Copies can be obtained from the Company's registered office and will be available for download from www.proveninvestments.co.uk.

16. Post balance sheet events

There were no material items to report on from the 31 August 2023 and the date of this report.



Shareholder Information

Share price

The Company's share prices can be found on various financial websites, including the London Stock Exchange (www.londonstockexchange.com) with the following TIDM/EPIC codes:

TIDM/EPIC code	PVN
Latest share price 3 November 2023	59.5p

A link to the share price is also available on Beringea's dedicated VCT website (www.proveninvestments.co.uk).

Dividends

Dividends are paid by the registrar on behalf of the Company. Shareholders who wish to have dividends paid directly into their bank account rather than by cheque to their registered address can complete a mandate form for this purpose. Queries relating to dividends and requests for mandate forms should therefore be directed to the Company's registrar, Link Group, by calling 0371 664 0324 (calls are charged at the standard geographic rate and will vary by provider), or by writing to them at Link Group, 10th Floor, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL.

Buying and selling shares

The Company's shares can be bought and sold in the same way as those of any other company listed on the London Stock Exchange via a stockbroker. Shareholders are advised to seek advice from their tax adviser, before selling shares.

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

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

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

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

Unsolicited communication with shareholders

We are aware of cases in previous years of Shareholders in VCTs having received unsolicited telephone calls, e-mails or correspondence concerning investment matters. Please note that it is very unlikely that the Company, Beringea or the Company Registrar, Link Asset Services, would make unsolicited telephone calls, or send e-mails, to Shareholders. Shareholders can, however, expect official documentation in connection with the Company and may receive details of investment activity and new VCT offers from the Investment Manager. Furthermore, please be assured that the Company limits access to the Company's share register by third parties to the maximum extent permissible under the Companies Act 2006. If you receive either an unexpected telephone call or correspondence about which you have concerns, please contact Beringea LLP, the Company Secretary, on 020 7845 7820.

Notification of change of address

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

Websites

Latest financial information, including information on recent investment transactions, newsletters and electronic copies of Annual Reports and Half-Yearly Reports can be found on the Investment Manager's website: www.proveninvestments.co.uk. Shareholders can also check details of their shareholdings using Link Asset Services' website www.signalshares.com. Please note that to access this facility investors will need to quote the reference number shown on their share/dividend certificate.

Company Information

Company number
03911323

Directors

Neal Ransome (Chair)

Barry Dean

Malcolm Moss

Lorna Tilbian

All of

Charter House
55 Drury Lane
London
WC2B 5SQ

**Company Secretary
and Administration Manager**

Beringea LLP

Charter House
55 Drury Lane
London
WC2B 5SQ
Tel: 020 7845 7820

Investment Manager

Beringea LLP

Charter House
55 Drury Lane
London
WC2B 5SQ
Tel: 020 7845 7820
www.proveninvestments.co.uk

Auditors

BDO LLP

55 Baker Street
London
W1U 7EU

Registrar

Link Group

10th Floor Central Square
29 Wellington Street
Leeds
LS1 4DL
Tel: 0371 664 0324

(calls are charged at the standard geographic rate and will vary by provider) www.linkgroup.eu

Bankers

Royal Bank of Scotland

London Victoria Branch
119/121 Victoria Street
London SW1E 6RA

VCT Status Adviser

Philip Hare & Associates LLP

1 Temple Avenue
London EC4Y 0HA

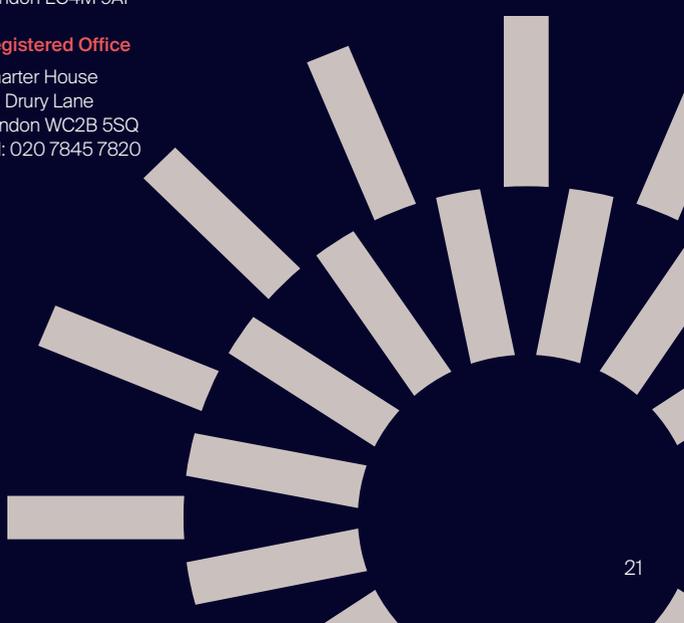
Corporate Broker

Panmure Gordon (UK) Limited

One New Change
London EC4M 9AF

Registered Office

Charter House
55 Drury Lane
London WC2B 5SQ
Tel: 020 7845 7820





ProVenVCTs

Beringea LLP
55 Drury Lane
London
WC2B 5SQ

T. 020 7845 7820
E. info@beringea.co.uk
www.beringea.co.uk

Managed by

BERINGEA