

Invitation to ProVen Shareholder Event - Page 3

ProVen Health VCT joins the ProVen family

ProVen Health VCT became the latest member of the ProVen family of VCTs in February this year when Beringea, investment manager of ProVen VCT and ProVen Growth & Income VCT took over the management of the VCT previously known as Noble Health Fund VCT. Beringea is now implementing strategic changes designed to improve the VCT's performance and reduce the level of risk in the portfolio.

Investment Director, Dr Stéphane Méry commented "Over the last six months we have refocused our investment strategy onto later stage investments in order to balance some of our earlier-stage opportunities. We are now starting to see positive developments from the portfolio companies. For example, drug discovery companies Amura and Biovex are doing well – with positive data being generated from their research portfolios. Omnidental, Population Genetics and Altacor are also making real advances and we were pleased to make further investments in Altacor and Population Genetics. Organic baby food company Plum Baby has gone from strength to strength expanding its product range and distribution channels."

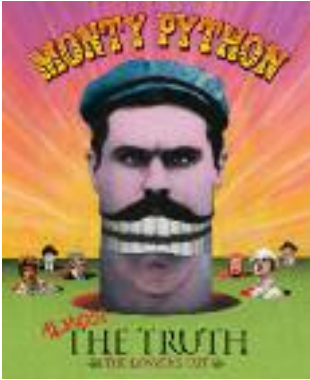
Dr Méry, who has a Doctorate in veterinary science and an MBA from INSEAD, moved to Beringea when the fund transferred in February. Previously Dr Méry was Director of Healthcare Investment at Noble and Fund Manager of the Bloomsbury Bioseed Fund and prior to this had been Associate Director at SmithKline Beecham and worked at the American consulting firm, ZS Associates, specialising in sales and marketing issues within the pharmaceutical industry. Dr Méry has also been involved in the start-up of a strategic



consulting company specialising in R&D and marketing strategy for the biotech and healthcare industry.

Beringea has previous experience of investing in the healthcare sector both in the UK and in the US, where it has managed a healthcare fund - InvestCare Partners – for the last ten years. Beringea's healthcare investment teams in the UK and the US are now working together on new investment opportunities.

Monty Python: Almost the Truth



Eagle Rock Entertainment has been appointed as worldwide DVD distributor for a new documentary that will retell the entire Monty Python phenomenon start to finish. The documentary will feature interviews with the surviving Python members, along with archive footage of the late Graham Chapman. The Pythons will

tell their life story and reveal deeper truths alongside the more tried and tested Python history lessons.

“This is the documentary I always hoped that would be made - something so complete and so faithful to the truth that I don’t need to watch it,” said Python Terry Jones.



www.eaglerockent.com

Plum Baby Wins Organic Food Award



www.plum-baby.co.uk

With reports that the current baby boom is pushing the number of people living in the UK above 61 million for the first time - it certainly looks like ProVen Health VCT portfolio company Plum Baby is going to be kept busy!

Luckily, the organic baby food company has already added a number of new products to its range and Plum Baby meals are now available on the menu at Pizza Express and IKEA.

Earlier this month, the company was also proud to

announce that The Soil Association Organic Food Awards 2009 awarded Plum Baby’s ‘Four grain super porridge’ as Highly Commended in the Baby, infant and children’s food category.

VCTs - An Attractive Alternative to Pensions?

By Shane Elliott

For several years now, many people have seen investing in a VCT as an attractive alternative to investing in a pension. Following the budget earlier this year the advantages of VCT investment as compared to pension investment are even more pronounced for people with taxable income of £150,000 or more.

Like pensions, VCTs entitle investors to income tax relief on their investment. For the last four tax years the VCT tax relief has been at the rate of 30% of the investment (up to a maximum investment of £200,000 per tax year), whereas tax relief on

pensions investment has been at investors’ marginal rate of tax – so higher rate tax payers could receive tax relief on pension contributions at 40%. From 6 April 2011, however, people with taxable income of £150,000 or more per annum will see the rate of tax relief on pension contributions taper downwards, so that once their income reaches £180,000, they will receive tax relief at a rate of only 20% (on their total contribution). Between 6 April 2009 and 5 April 2011 the so-called “anti-forestalling” provisions may restrict the amount of pension contributions

attracting tax relief at 40%, for people with taxable income of £150,000 or more per annum, to a maximum of £30,000 and in some cases only £20,000.

In circumstances where pension contributions will receive tax relief at only 20%, the 30% income tax relief on VCTs is an attractive alternative. In addition, VCTs have other benefits when compared to pensions. For example, dividends paid by VCTs are tax-free (on VCT investment of up to £200,000 per tax year), whereas income from a pension is taxed at the investor’s marginal rate of tax. In addition, income can be taken from a VCT from

the date of investment (subject to the VCT declaring dividends), whereas complex rules restrict the ability of investors to take income from a pension.

This is only a brief summary of the tax differences between VCTs and pensions. The detailed position is complex and will depend on investors’ own personal circumstances. If you are interested in using VCT investment as an alternative to investing in a pension, we strongly recommend that you consult an authorised financial adviser.

* All figures were correct at the time of publishing.

Welcome to the Autumn issue of ProVen News



Stuart Veale
Managing Partner

I would like to take this opportunity to welcome shareholders in ProVen Health VCT (formerly Noble Health Fund VCT). Beringea took over the management of this fund in February and we have a number of initiatives under way aimed at improving its performance.

I look forward to reporting on the outcome of these in future editions of this newsletter.

After the economic despair of the last few months, it looks as though we may be seeing the early stages of a recovery. We at Beringea have certainly seen an increase in the number of companies looking for funding to take advantage of opportunities for growth. Discussions with a number of these businesses are at an advanced stage and we hope

to be able to announce several new investments before the end of the year.

There have continued to be some positive developments from ProVen VCT and ProVen Growth and Income VCT over the last year, despite the turmoil in financial markets. A particular highlight was the dividend of 14p per share paid to PGI VCT Ordinary shareholders in July, bringing the total dividends paid on this fund since launch to 146.9p per share. July also saw the Tender Offer for PGI VCT C shares. Investors in the PGI VCT C shares who took up their basic entitlement in the Tender Offer have now had a total cash return of 65p on their initial £1 investment (including tax relief).

Changes to pensions legislation announced in the budget have highlighted the

attraction of investing in VCTs as an alternative or supplement to investing in a pension. There is a more detailed review of this subject in the article by Shane Elliott on page 2.

For investors who would like to top-up their VCT shareholdings, the ProVen D Share Linked Offer will be open for new investment until 30th October 2009.

Finally, I would like to invite all shareholders in the ProVen VCTs to our annual Shareholder Event on 13th October, which will give you an opportunity to hear presentations from some of the ProVen portfolio companies and to meet the investment managers. The full details are given in the invitation below. I hope to see you there.

ProVen

Shareholder Event

One Wimpole Street
London
W1G 0AE

For more information please contact
Anna Blacklock, Marketing Manager
0207 845 7820

ablacklock@beringea.co.uk

Tuesday 13th October
5.30pm - 8.30pm

www.onewimpolestreetlondon.co.uk



There will be presentations from a selection of portfolio companies. Refreshments will be served from 7.30pm offering an opportunity for you to meet the team and ask any questions you may have.



ProVen Shareholder Event

The Boards of ProVen VCT, ProVen Growth & Income VCT and ProVen Health VCT invite all shareholders to a special event on 13th October.

RSVP by October 10th using this pre paid card or by email to Anna Blacklock at ablacklock@beringea.co.uk.

I would like to attend the Shareholder Event 13th October 2009 ...

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