

Summary New Ordinary Share Offer

ProVen VCT plc

Summary

This Summary is derived from, and should be read as an introduction to, the full text of the Share Registration Document and the Securities Note which, together with this Summary, comprise a prospectus of ProVen VCT plc (the "Company") dated 8 December 2011 (the "Prospectus"). The Company is raising up to £15,000,000 by way of an issue of further new ordinary shares (the "New Ordinary Shares") at a price per New Ordinary Share (the "Offer Price") equal to the net asset value of an ordinary share most recently announced to the London Stock Exchange, divided by 0.945 (to allow for issue costs of 5.5%), rounded up to the nearest tenth of a penny (the "Offer").

Any decision to invest in the New Ordinary Shares should be based on consideration of the Prospectus as a whole. This Summary conveys the essential characteristics and risks associated with the Company and the Offer and should be read as an introduction to the Prospectus.

Where a claim relating to the information contained in a prospectus is brought before a court, the plaintiff investor might, under the national legislation of the EEA states, have to bear the costs of translating the prospectus before legal proceedings are initiated. Civil liability is attached to those persons who are responsible for this Summary, including any translation of this Summary, only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus.

An investment in the Company is only suitable for investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which might arise. Investors are advised to take appropriate financial advice on the consequences and suitability for them of investing in a VCT before doing so. In particular, investors' attention is drawn to the key risk factors on page 5 of this Summary.

Copies of the Prospectus have been submitted to the National Storage Mechanism and are available to the public for viewing online at the following web-site address: <http://www.hemscott.com/nsm.do>. and may be obtained, free of charge, from the Company's registered office or from Beringea LLP, 39 Earlam Street, London WC2H 9LT (telephone 020 7845 7820, email provenvcts@beringea.co.uk), or can be downloaded at www.provenvcts.co.uk.

Investment opportunity

The Offer gives Investors the opportunity to subscribe for New Ordinary Shares in ProVen VCT, which, since their original launch in 2000, have had one of the best performances of any VCT share and which have substantially outperformed the return on the Stock Market over the same period (see Track Record below).

This performance has been achieved by investing the funds raised by the issue of Ordinary Shares in a portfolio of privately owned small and medium sized companies carefully selected by the Manager as having the potential for rapid growth in value. These companies benefit not only from the capital invested by the Company, but also from the experience and active involvement of the Manager's investment team.

Strong pipeline of investment opportunities

The Manager is currently experiencing a strong flow of attractive investment opportunities, which it believes is driven by increasing confidence among entrepreneurs and the lack of availability of bank finance for smaller companies. The Directors have therefore decided to offer further Ordinary Shares for subscription, to ensure that the Company can take full advantage of these opportunities. The majority of the funds raised under the Offer will be invested, over the next three years, in a range of unquoted companies which the Manager believes have the potential for rapid growth.

Existing Portfolio of Investments

By subscribing for New Ordinary Shares under the Offer you will also gain access to the Company's existing portfolio of venture capital investments, valued at over £11 million. The Manager is aiming to realise a number of these investments within the next 1-2 years at a significant premium to their original cost. This will support the Company's objective of maintaining regular dividend payments to holders of Ordinary Shares.

Several recent sales of investments from the Ordinary Share portfolio were at valuations significantly higher than the values attributed to them 12 months before the disposal; in the case of the most recent disposal, Saffron Media, this premium was 280%. This is not, however, a guide to the likely increase in value of the investments in the current portfolio.

The Company's Ordinary Share and C Share classes and their respective investment portfolios are, in accordance with the Company's articles of association, scheduled to "merge" in October 2012, resulting in a more diversified Ordinary Share investment portfolio than at present.

Track Record

The performance of the original Ordinary Shares issued by ProVen VCT in 2000 is in the top ten of all VCT shares issues, of which there have been over 200 to date, as measured by the Total Return to Shareholders (latest net asset value per Share plus cumulative dividends paid). The Total Return from launch to 31 August 2011 (the latest date to which results have been announced to the London Stock Exchange) is 163.6p per £1 invested, comprising dividends paid to date of 107.7p and current net asset value per share of 55.9p.

The equivalent annual return, before any tax benefits are taken into account, is shown in the following table, which also shows the return on the FTSE All Share Index over the same period:

Annual returns on ProVen VCT Ordinary Shares since launch¹

	Annual return
ProVen VCT initial Ordinary Share issue, before tax relief is taken into account	6.0%
FTSE All Share Index (with dividends reinvested)	2.7%

¹The returns are shown from 10 April 2000, the initial launch date of the Ordinary Shares, to 31 August 2011, the latest date to which results have been announced to the London Stock Exchange.

The past performance of the Ordinary Shares is not, however, a guide to how these Shares will perform in the future.

Investment returns enhanced by a range of tax benefits

The underlying returns from the investment portfolio will be enhanced by the significant tax benefits available to investors in a VCT. The two main tax benefits are as follows:

Income tax relief of 30p per £ invested. This means that if you invest £10,000, for example, you will be entitled to receive income tax relief of £3,000, making the net cost of your investment only £7,000. This provides you with an initial investment uplift (after issue costs) of 35%, as illustrated in the table below:

Initial investment	£10,000
Less: issue costs	(£550)
Initial value after issue costs	£9,450
Net cost after tax relief	£7,000
Initial value uplift	£2,450
Initial return	35%

The initial return cannot be realised immediately, however, as the initial income tax relief will be forfeited if the New Ordinary Shares are sold within 5 years.

The initial tax relief significantly enhances the potential returns to Investors. This is illustrated in the table below, which shows the annual return to investors in the original Ordinary Share issue both before taking into account the initial tax relief and, on a pro forma basis, assuming 30% initial tax relief on the investment:

Annual returns on ProVen VCT Ordinary Shares since launch¹

	Annual return
Before tax relief is taken into account	6.0%
Assuming 30% tax relief on initial investment (pro-forma ²)	10.6%

¹The returns are shown from 10 April 2000, the initial launch date of the Ordinary Shares, to 31 August 2011, the latest date to which results have been announced to the London Stock Exchange.

²The tax reliefs available to Investors in the initial Ordinary Share issue were income tax relief of 20% and deferral of capital gains. The pro-forma calculation assumes that 30% income tax relief was obtained by the investor six months after the investment was made.

The past performance of the Ordinary Shares is not, however, a guide to how these Shares will perform in the future.

Dividends are tax free. This makes the income from a VCT very attractive, particularly if you are a higher rate tax payer, as explained in more detail below.

These tax benefits are available on total VCT investments of up to £200,000 per person in each tax year. The initial income tax relief cannot exceed the amount which reduces your tax liability to nil.

Dividends

ProVen VCT has a history of paying significant dividends to holders of Ordinary Shares, as shown in the table below:

Average annual dividends on ProVen VCT Ordinary Shares

Average annual Ordinary Share dividend paid since launch	9.4p
Average annual Ordinary Share dividend paid over the last five years ¹	17.1p

¹To the date of the Prospectus

The average annual dividend payments since launch, and over the past five years, are the 5th highest of any VCT share class.

As noted above, a significant benefit of an investment in a VCT is that dividends are tax free. The table below shows the effective gross yield to higher rate tax payers of a dividend of 4p per New Ordinary Share, which is equivalent to 7.8% of the Initial Offer Price.

Illustrative impact of VCT tax benefits in enhancing the effective income for Investors

Dividend	4p
Initial Offer Price ¹	51.5p ¹
Net cost per New Ordinary Share after initial tax relief	36.1p

Tax-free yield on net cost per New Ordinary Share	11.1%
Equivalent gross yield to a 40% income tax payer ²	14.8%
Equivalent gross yield to a 50% income tax payer ²	17.4%

¹ Subject to adjustment by the Pricing Formula

² The equivalent gross yield reflects the tax paid on non-VCT dividends received by UK taxpayers. It is calculated by dividing the tax-free yield on the net cost of the investment by 75% and 63.9% for 40% and 50% taxpayers respectively.

The information in the above table is given for the purposes of illustration only and is not intended to be a forecast.

ProVen VCT has a policy of distributing profits realised on the sale of investments, with the objective, where possible, of maintaining a regular dividend payment to Shareholders, subject to maintaining the net asset value per share at an appropriate level. The amount and timing of profits realised from the sale of investments cannot be guaranteed, however, and there may be fluctuations in the amount of dividends paid each year. The dividends paid on the Ordinary Shares, or by other VCTs managed by Beringea, in the past is not a guide to the dividends that will be paid on the Ordinary Shares in the future.

Experienced, Award-Winning Manager

ProVen VCT is managed by Beringea. The Beringea Group has specialised in managing investments in unquoted companies for over 25 years and has managed VCTs since 1996. Total venture capital funds under management by the Beringea Group are over £225 million.

Beringea also manages ProVen Growth & Income VCT, ProVen Health VCT and ProVen Planned Exit VCT. Investors in the original ordinary share issue by ProVen Growth & Income VCT in 2001, have achieved a Total Return of over £2 for each £1 invested, making the original ProVen Growth & Income VCT share issue one of only two VCT share issues to have achieved this milestone.

The Manager's investment team has accumulated many years experience of investing in unquoted companies, which is crucial in identifying, investigating and selecting good investment opportunities. The Manager also usually appoints one of its experienced investment managers to the board of each new portfolio company, who takes an active role in helping the company to grow rapidly and in realising the maximum value for the investment.

Beringea has won several awards for its management of VCTs, including VCT Fund Manager of the Year at the Growth Company Awards.

Risk Management

The Manager has many years experience of managing the risks involved in investing in unquoted companies and its investment approach incorporates a number of features designed to reduce risk as much as possible. These include investing in later stage investments, utilising loan notes and preference shares and having an active involvement in the investee company.

Share Buy-Back Policy

The Directors intend to ensure that all Shareholders who wish to sell their Shares are able to do so, by operating a share buy-back policy under which the Company will buy back Ordinary Shares at a 10% discount to net asset value. The Company has operated a policy of buying back Ordinary Shares at a discount of 10% continuously since July 2004. The number of Ordinary Shares that the Company will buy back in any year will be limited to 10% of the number of Ordinary Shares in issue and may be restricted if necessary to maintain an appropriate level of liquidity in the Company.

Additional shares for Early Investment

Applicants (and their spouses) who had an existing shareholding in one of the ProVen VCTs on 8 December 2011, and whose Application Form is received by 31 January 2012, will be entitled to additional New Ordinary Shares with an aggregate subscription price equivalent to 2% of the amount subscribed. All other Applicants whose Application Form is received by 31 January 2012 will be entitled to additional New Ordinary Shares with an aggregate subscription price equivalent to 1% of the amount subscribed. The subscription price of the Additional Shares will be met by the Manager.

The Offer

The Company is seeking to raise up to £15 million under the Offer, through the issue of New Ordinary Shares. The Offer Price at which the Shares will be allotted will be the net asset value of an Ordinary Share, divided by 0.945 (to allow for issue costs of 5.5%), rounded up to the nearest tenth of a penny. The net asset value per Ordinary Share used in the calculation of the Offer Price will be the net asset value 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 and any associated performance incentive payment. The Initial Offer Price will be 51.5p.

Key Risk Factors

Prospective investors should be aware that the value of New Ordinary Shares can fluctuate and that they may not get back the amount they invest. Investment in the Company should be viewed as a longer-term investment. The past performance of the Manager or of the Ordinary Shares is no indication of the future performance of the Ordinary Shares.

Investments will be made in unquoted companies, which can offer good investment returns but carry a higher degree of risk than quoted companies. There can be no guarantees that the Company will meet its objectives or that suitable investment opportunities will be identified. As a minority investor the Company will not control the boards of directors of investee companies and may not be in a position to fully protect its interests.

Whilst it is the intention that the Company will be managed so as to qualify as a VCT, there can be no guarantee that such status will be maintained. Investors should be aware that the sale of Shares within five years of their subscription will require the repayment of the 30% income tax relief obtained on the subscription for these shares. Levels and bases of, and relief from, taxation are subject to change.

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. In addition, the market value of the New Ordinary Shares may not fully reflect the underlying net asset value of such Shares.

8 December 2011