



ProVen Legacy plc
39 Earlham Street
London
WC2H 9LT

Tel: 020 7845 7820

20 September 2019

Dear Shareholder,

**Annual report and accounts for the Year Ended 30 June 2019 (“Annual Report”)
For ProVen Legacy plc (the “Company”)**

I am pleased to be able to write to you with the Company’s third Annual Report and Accounts.

The Company raised gross proceeds of £1,883,000 from the offer for subscription dated 7 August 2017 (the “2017 Offer”) and the offer for subscription dated 3 June 2016 (the “2016 Offer”). Under the offer for subscription dated 21 August 2018 (the “2018 Offer”), the Company raised and allotted a further £1,085,760. With an additional £217,000 raised at the date of this letter, combined proceeds of the three offers totalled £3,185,760. On 17 September 2019, in order to continue the growth of the business, the Company launched another offer for up to £20 million (the “2019 Offer”).

We have continued to be profitable in our second full year of trading with a profit before tax of £52,892. Our net asset value in each share class has also increased. The net asset value per Redeemable Growth Share and per Redeemable Income Share is 101.9p and 101.0p respectively at 30 June 2019. The difference in Net Asset Value increase between the two share classes is primarily a result of the 1.0p per share dividend which, I am pleased to report, the Company paid to Income Shareholders on 3 May 2019.

Following the payment of this interim dividend, and in continuance with the Company’s objective of making distributions to Redeemable Income Shareholders by way of dividends paid out of the net profits of the Company, the Board is proposing a final dividend for the year ended 30 June 2019 of 0.4p. This is to be paid on 1 November 2019 to Income Shareholders on the register at 10 October 2019.

Further to my last letter of 22 March 2019, I can report we have made the following further loan:

- Premier Employer Solutions Limited - a loan facility of £500,000 was signed in April 2019 and was available to draw down in two tranches. The first tranche of £250,000 was drawn down in April 2019 and is repayable over two years. The remaining amount is expected to be drawn down in October 2019 subject to certain conditions being met.

Furthermore, a restructure was agreed with Cogora Group Limited. At 31 March 2019 the outstanding tranches were consolidated into one new balance of £429,637. Included in this carried-forward balance was March interest of £3,621 due on the original loan balances as well as £5,033 profit on restructure due to ProVen Legacy plc.

I can also report that Celoxica Limited repaid their loan in full in March 2019. This was the very first loan facility of £250,000 which was signed in March 2017, repayable over two years. It generated an IRR of 9%.

We have now advanced thirteen loans to six borrowers totalling £3,000,000. Of these, a total of £1,250,000 has been fully repaid. Of the remaining balance, total outstanding balances amounted to £978,904 at 30 June 2019 with all repayments having been received in full and either on time or early. All facility interest rates have been comfortably above the target of 8.0% we had originally set ourselves and our lending adviser, Beringea, continues to have a strong pipeline of loan prospects for us.

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Finally, I would like to invite you to the Company's AGM which will be held on Tuesday 22 October 2019 at 2.30 p.m. at 39 Earham Street, London, WC2H 9LT and I very much look forward to being in touch with you as the business continues to develop.

Yours faithfully,



Jamie Perkins
Chairman
ProVen Legacy plc