



ProVen Legacy plc
39 Earlham Street
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22 March 2019

Dear Shareholder,

**Half Year report and accounts for the Period Ended 31 December 2018 (“Half Year Report”)
For ProVen Legacy plc (the “Company”)**

I am pleased to be able to write to you with the Company’s latest Half Year 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”). On 21 August 2018 the Company launched a further offer for up to £20 million (the “2018 Offer”) to continue the growth of the business. Under the 2018 Offer, the Company has raised a further £475,760 to 31 December 2018 and as of the date of this letter an additional £110,000 taking us to £2,468,760 in total which, as we said in previous correspondence, will open the Company up to a much larger market of advisors.

We have continued to be profitable with a profit before tax of £32,272 and our net asset value per Redeemable Growth Share and Redeemable Income Share is 101.4p as at 31 December 2018.

In line with the Company’s objective of making distributions to holders of Redeemable Income Shares by way of dividends paid out of the net profits of the Company, the Board on 22 March 2019 has declared an interim dividend of 1.0p per Redeemable Income Share which will be paid on 3 May 2019 to shareholders on the register at 4 April 2019.

Further to my last letter of 21 August 2018, I can report we have made the following further loan:

- Cogora - £125,000 drawn down in November 2018 repayable in six equal monthly payments together with a final payment of £53,350 on 31 May 2019.

And the following new loan:

- Donatantonio Group Limited - £500,000 drawn down on 14 December 2018 repayable in twenty four equal monthly payments together with a final payment on 1 December 2020

We can also report the first couple of exits from our portfolio:

- On 13 Sept 2018 Edesix Limited was sold to Vigilant Solutions Inc and they repaid their loan in full generating an early termination profit and combined IRR on both tranches of 24.0%
- On 1 November 2018 Think Limited was sold to Epam Systems Inc and they repaid their loan in full generating an early termination profit and combined IRR on both tranches of 12.2%

We have now advanced total loans of £2,750,000 and, as at 31 December 2018, all repayments have been received in full and on time or early totalling £1,654,792. 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, which will be funded from the proceeds of the 2018 Offer and repayments from the current loan portfolio.



I would like to invite you to write to me if you have any questions and I look forward to providing further updates to you as the business continues to develop.

Yours faithfully,

Jamie Perkins
Chairman
ProVen Legacy plc