

Product

ProVen Estate Planning Service

Tax Status

Business Relief/IHT Efficient

Fund Group

Beringea LLP

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Note to the Tax Efficient Review of the ProVen Estate Planning Service
Issue No 618, May 2025

This independent review, conducted by Martin Churchill and Hugh Rogers, has been redacted by Beringea, the investment manager of the ProVen Estate Planning Service (PEPS), to obscure the names of the trading companies within the service.

The rationale behind this redaction is that PEPS operates as a true discretionary management service. We select the underlying investee companies for your client(s) portfolio and have therefore not included the full details of the trading companies in our documentation. Your client(s) will receive business relief (BR) qualifying investments tailored to their profile and objectives.

Given the structure of our service, qualifications should not be an issue. However, for those qualified to advise on securities or who are otherwise comfortable receiving details of the trading companies accessible through PEPS, additional information is available upon request.

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RISK WARNINGS AND DISCLAIMERS

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GENERAL RISK WARNINGS

Your attention is drawn to the following risk warnings which identify some of the risks associated with the investments which are mentioned in the Review:

Fluctuations in value of investments

The value of investments and the income from them can go down as well as up and you may not get back the amount invested.

Suitability

The investments may not be suitable for all investors and you should only invest if you understand the nature of and risks inherent in such investments and, if in doubt, you should seek professional advice before effecting any such investment.

Past performance

Past performance is not a guide to future performance.

Legislation

Changes in legislation may adversely affect the value of the investments.

Taxation

The levels and the bases of the reliefs from taxation may change in the future. You should seek your own professional advice on the taxation consequences of any investment.

ADDITIONAL RISK WARNINGS

Business Relief offerings:

- An investment in BR offerings may not be suitable for all investors
- The value of holdings, including partnership interests and income received from them, may go down as well as up and Investors may not receive back the full amount invested.
- No guarantee is given that the business undertaken will qualify, or continue to qualify, for business property relief.
- No guarantees can be given as to the investment performance or the level of return achieved from investments or that the overall objectives of the investee companies will be achieved.
- An investment in BR offerings is suitable only for well-informed investors and should be regarded as high risk and longterm in nature. Potential Investors are recommended to seek the advice of a financial adviser authorised under the Financial Services and Markets Act 2000 before applying.
- No guarantee can be given that HMRC will grant business property relief on the full amount of each investment. Loss of business property relief status could occur if, for example, such a business changes its business activities or is taken over by a quoted company or a company whose business is not a qualifying business for business property relief purposes.
- The past performance of investments should not be regarded as an indication of the future performance of an investment.
- There is no certainty that the market price of an investment will fully reflect the underlying net asset value or that Investors will be able to realise their investment or that dividends or profit distributions will be paid. An investment should be seen as a long term investment.
- The information, including tax rules, contained in this document is based on existing legislation. The tax rules or their interpretation and/or the rates of tax, or other statutory provisions may change during the life of the investment and such changes could be retrospective. The value of the tax reliefs will depend on the individual circumstances of an Investor.

Factsheet

Unquoted BR/IHT Efficient Offer

Name	ProVen Estate Planning Service
Manager	Beringea LLP
Size of AUM	£95m as at 31st December 2024
Custodian	Mainspring Fund Services
Focus of Trades	SME and infrastructure lending (), ownership of UK solar assets ()
Minimum investment	£25,000
Est. Liquidity Frequency	Monthly trading subject to 30 days' notice
Initial Costs	2%
Annual Costs	1.5% AMC plus 0.5% service charge and 0.5% monitoring fee.
2 Year Insurance Option	No

Summary

Table 1: Tax Efficient Review summary of offering Pros and Cons

PROs	CONS
The trading company has topped the performance table in this set of reviews by a considerable margin, and is also in the top quartile. However, they also possess some of the biggest variances in annual returns	Higher levels (although declining) of gearing present within the underlying trading companies. As at 31 December 2024 gearing for was 52% and for it was 67% (the gearing in is reflective of the high level (93%) of income derived from index linked government subsidies)
Within the renewable energy trades, there is only exposure to solar energy and there is no exposure to more esoteric trades such as Anaerobic Digestion, Hydro or Reserve Power	Whilst they say they are committed to reducing the gearing over time, it has not fallen particularly quickly. In the previous review of this offer in early 2024 the levels of gearing were 50% for and 74% for
Investors have the flexibility to select if they want 100% lending, 100% solar or a mixture of both within their application. Investors also have the option of a true income option delivered through distributions from income shares	The lending-based trading company within the Service, however, has fallen short of their target return by some margin, with only generating a 1.97% annualised return. The lending activity is a small part of the overall AUM which could be confusing for advisers

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Key Points of the 2025 BR Reviews

The start of 2025 sees pressures building up on funds flows in the BR space as a result of a number of factors which, if they resulted in large fund movements, could impact short-term liquidity:

1. The changes to Inheritance Tax legislation in the last Budget could see a movement of funds from AIM to non-AIM BR and some providers might encourage this by reducing or eliminating transfer fees
2. Changes to bringing pensions back within the Inheritance Tax calculations after April 2027 could increase the attractiveness of BR efficient offerings
3. The largest non-AIM BR provider, Octopus, saw a 5% reduction in its share price due to a £150m write-down in their residential fibre broadband holdings. This is a reminder that these offers do not always rise linearly in value

As a recap, in 2020 Tax Efficient Review started the first holistic review of the unquoted BR market. All the Offers were assessed and compared on underlying trades, debt/gearing levels, as well as performance and fees. In those first reviews we pointed out that the unquoted BR market had traded over the relatively benign economic period, and had yet to be tested by a period of economic uncertainty. Almost as soon as the reviews had been published, the first lockdowns of the COVID-19 pandemic hit and economies around the world experienced huge levels of disruption.

In the summer of 2021, the next holistic review of the unquoted market was undertaken, and the UK economy was still dealing with the furlough of many workers as well as periodic returns to lockdown.

Then in the reviews of 2022 and 2023 we saw economic disruptions appear which affected these offers in two main areas:

1. There was a large surge in energy prices caused by the start of the war in The Ukraine and increases in energy demand as economic activity picked up
2. Followed by a rapid increases in interest rates, which central banks used as they sought to tackle the increasing inflation which followed on from the large amounts of money deployed into the economy during the COVID-19 years

These changes impacted the unquoted BR market because the main bulk of the underlying trades were across renewable energy installations, and in making multiple short term loans mostly backed up by commercial or residential property.

Now, in 2025, (using performance data as at 31st December 2024), we can look back and say that the period since the previous reviews at the beginning of 2024 has actually been a relatively stable time. Energy prices have stabilised, inflation has fallen from the highs seen in 2023 and Bank of England base rates have also dropped slightly. So we can look towards seeing how these offers have performed without some of the economic shocks described above.

However, as mentioned above, there are some key points which need to be highlighted to financial advisers about the current market for the unquoted BR offers:

Unquoted BR Offer Annual Return Profile:

The rising Bank of England base rates, which peaked at 5.25% in 2023/2024 and, at the time of writing, are held at 4.5% interest rates will likely have an impact on the expectation of the returns generated by these unquoted BR offers.

When these offers were marketed to financial advisers between 2016 and 2020, the typical return profile of 3%-4% per annum for investors seemed perfectly reasonable. But inflation peaked at over 10% in 2023 and although it has dropped significantly since then, the effects of higher inflation are still being felt by all. Furthermore, banks are offering savings rates around 5% p.a.

So will the return profile of the unquoted BR offers will now come into question, as many of them are not currently keeping pace with inflation? Over time, an organic increase in returns could be expected. As new loans are deployed at higher interest rates and the increases in energy prices flows through once existing power purchase agreements are re-negotiated.

The managers of these offers may also point to the annual returns as not being the main reason why advisers are considering these offers, as inheritance tax planning is a key component in the decision making process. But they are also held for the long term and the current return profile is something which needs to be considered.

Fees

Following on the above point, an easy way to increase the return profile on the unquoted BR offers is for the managers to reduce the fees they take, thereby passing on more of the gross return to the investors.

There have been moves from some unquoted BR managers recently to reduce their fees for a period of time, or to restructure their fees so that the full set of fees are only taken once the investor has exited the offer and achieved a certain level of performance.

Tax Efficient Review expect to see more downward pressure on the fees associated with these offers over the coming year.

Changes to Inheritance Tax Legislation

The first Budget from the newly elected Labour government took place in October 2024 and the Chancellor, Rachel Reeves, announced the first real changes to inheritance tax for many years. Specifically, there were changes to the Business Relief legislation which directly affects the unquoted BR offers, as well as AIM IHT efficient portfolios.

From April 2026, AIM shares, as well as other shares designated as “not listed” will only attract Business Relief at a rate of 50%, down from the 100% of relief that it had been previously. However, for unquoted BR shares, there is an exemption planned and the first £1m of holdings will receive 100% relief. Any amounts above this £1m will be limited to 50% relief from inheritance tax.

Whether these changes lead towards transfers from AIM IHT portfolios towards unquoted BR offers remains to be seen? This is not a straightforward decision for independent financial advisers. The underlying investments/trades are markedly different and there is, as yet, no ruling

on any roll-over relief not re-starting the 2 year BR “clock”.

There were also further changes to Inheritance Tax, which, whilst not directly affecting Business Relief, could still have planning ramifications for this industry? Inheritance tax nil rate band and residence nil rate band thresholds are to remain frozen until April 2030, and also unused pensions could be subject to Inheritance Tax after April 2027.

Diversification of Trades

The past 5 years has seen a broadening of the underlying trading activities in some of the offers as fund inflows have increased. Historically, the unquoted BR offers focussed on two main areas of renewable energy installations and books of smaller, short term loans (often secured on property).

Within the renewable energy installations, these were primarily based on solar and wind farms, but over the years these have diversified into areas such as hydro, reserve power, gas peaking plants, anaerobic digestion and biomass generators.

In the loan book trades, these have also broadened out into areas such as SME loans and loans to infrastructure projects.

Beyond these two areas, there has been even more diversification into areas such as large scale fibre broadband installations projects. This diversification does not affect all the offers being reviewed, but it’s important for advisers to be aware that some of these newer trades are less tried and tested than the two main ones listed above.

This diversification of trades may help when it comes to BR qualification status, but as we have seen, they can bring more volatility compared with the more traditional trades.

HMRC

All IHT offerings face the possibility of challenge from HMRC when investors claim the 100% relief from IHT that unquoted trading businesses can provide. Relief will be refused if the business

consists “wholly or mainly” of one or more of the following:

1. dealing in securities, stocks or shares

2. dealing in land or buildings,
3. or making or holding investment

HMRC will use the “Badges of Trade” concept when applying the “trade” versus “investment” rule as described in the HMRC Business Income Manual. This is a complicated and difficult area and there is no pre-clearance that investors can request to try to settle this issue before investing.

In addition, the HMRC approach to lending and what constitutes a “trade” is not tested. The HMRC website does contain detail on their view of lending within the Close Companies Manager’s Manual. Although this page has recently been archived by HMRC the case law it references remains valid.

Tax Efficient Review does not give tax advice

Stamp Duty Reserve Tax (SDRT)

Stamp Duty Reserve Tax (SDRT) at 0.5% is paid on the paperless purchase of shares. It is different from Stamp Duty which applies to shares bought on a stock transfer form. SDRT is important as it can affect both the costs involved in a BR transaction and potentially the tax treatment of any gain.

An investor on entering a BR offering would pay no SDRT if they were allocated new shares but they would pay 0.5% SDRT in a “matched bargain” (a transaction in which a sale of a particular quantity of stock is matched with a purchase of the same quantity of the same stock usually with the BR provider being the purchaser and then the seller in order to facilitate the

transaction.)

On exit, in a matched bargain situation there would be no SDRT for the seller. However if they sold the shares to the company then the company would be liable for 0.5% SDRT.

So there are three possible ways any SDRT can be paid: by the investor, by the manager or by the company whose shares are being transacted and different BR offers approach this in a variety of ways: In our analysis of costs later on in the review we cover who pays the SDRT if any is payable.

Tax Efficient Review does not give tax advice.

Review based upon

TER always meet with the fund manager prior to a review. This review has been prepared using the product literature of the ProVen Estate Planning

Service and their marketing collateral, along with data provided by the Manager on their underlying trades.

Type of offer

The ProVen Estate Planning Service is a discretionary investment service.

TER Segmentation

We classify the current BR products on offer as follows:

1. those that trade through companies owning and operating yield producing assets (such as

solar or wind farms)

2. those having a trade of secured lending/leasing

3. hybrid offers combining both the above

Further we sub-divide each category into:

1. IHT services with less than £500m of IHT funds under management (excluding EIS)

2. IHT services with more than £500m of IHT funds under management (excluding EIS)

This produces six categories of IHT offers (based on current expectations of managers):

100% Yield producing assets focus	100% Secured lending/leasing focus	Hybrid offers
Products with less than £500m of IHT funds under management (excluding EIS)		
Deepbridge Guinness	Ingenious Puma Seneca	Blackfinch ProVen
Products with more than £500m of IHT funds under management (excluding EIS)		
	Triple Point	Downing Foresight Octopus TIME

The Offer

The unquoted BR service offered by Beringea under their ProVen brand (also used for the ProVen VCTs), was first launched in 2013. The Service comprises three different trading companies. Two of these focus on the renewable energy sector for their trading activity while the third is focused on secured lending to SMEs.

In previous reviews of the ProVen Estate Planning Service there was a fourth company which undertook secured lending as the trading activity. But since the previous review in early 2024 this company is no longer offered to investors.

When asked about this decision, the manager of the Service says:

"In June 2024, following a strategic decision by Armstrong to focus its activities in the renewables sector where it has specific industry expertise, it was

decided to remove [REDACTED] from the platform. The investments made via the Proven EPS platform were all transferred at the then current net asset value of [REDACTED] to [REDACTED], the other lending vehicle on the platform. As part of this strategic review, the Armstrong renewable energy asset management business was recently merged with Rivington Energy, a renewable development business founded by Armstrong in 2020, to create a fully vertically integrated renewable energy management platform. Rivington Energy is majority owned by Federated Hermes Limited."

The Service does not focus entirely on renewable energy, as there is still a small trading company called [REDACTED]. It has made £10m of SME based loans to date, of which £2.5m are outstanding. This is somewhat confusing in the overall AUM of the Service which currently stands at £95m as at 31st December 2024. Beringea tell

Table 2 (1 of 3): Breakdown of trades within trading company - [REDACTED]

Trade Type	Classification Equity or debt provision	Percentage	Amount 31 December 2024	Gross Target Return	Being considered for future trades?
Solar Power	Debt	36%	£1.25m	8.0%	Yes
Wind Power	Debt	5%	£0.15m	8.0%	Yes
Leasing	Debt	0%	N/A	N/A	Yes
SME Lending	Debt	40%	£1.11m	8-12%%	Yes
Cash	Non-trade	19%	£0.90m		-

Source: Proven 11/04/2025

Table 2 (2 of 3): Breakdown of trades within trading company - [REDACTED]

Trade Type	Classification Equity or debt provision	Percentage	Amount 31 December 2024	Gross Target Return	Being considered for future trades?
Solar Power	Equity	100%	£51.4m	6-8%	Yes
Wind Power	Equity	0%	-	7-9%	Yes
Other renewable energy	Equity	0%	-	7-10%	Yes
Cash	Non trade	N/A	-	-	-

Source: Proven 11/04/2025

Table 2 (3 of 3): Breakdown of trades within trading company - [REDACTED]

Trade Type	Classification Equity or debt provision	Percentage	Amount 31 December 2024	Gross Target Return	Being considered for future trades?
Solar Power	Equity	100%	£39.7m	6-8%	Yes
Wind Power	Equity	0%	-	7-9%	Yes
Other renewable energy	Equity	0%	-	7-10%	Yes
Cash	Non trade	N/A	-	-	-

Source: Proven 11/04/2025

us that *"This situation arose due to the different sizes of the trading businesses at the time the service was formed. However, most new investors to the service are allocated 50/50 between lending and solar, depending on investor preferences and suitability."*

Overall the Service aims to achieve capital growth of 4-5% annually over the medium term on a blend of its investment strategies. An income option is also available within the Service. This Service will raise funds to trade in two distinct sectors:

- Lending businesses via [REDACTED] (SME Lending)
- Solar Energy generation businesses via [REDACTED] (mostly Large-Scale Ground Mounted) and [REDACTED] (mostly Rooftop Solar)

The ProVen Estate Planning Service offers potential investors the choice of three different trading portfolios:

1. A portfolio focused on Solar trades only
2. A portfolio focused on Lending trades only
3. A portfolio made up of Solar and/or Lending as the Manager sees fit

The choice which is made by advisers/investors will then go on to determine which of three underlying trading companies they will be exposed to within the Service.

The three trading companies are as follows:

1. [REDACTED] (Lending)
2. [REDACTED] (Ground and Roof Mounted Solar Installations)
3. [REDACTED] (Roof Top Mounted Solar Installations)

TER would like to point out that whilst the investor can choose between "solar" and "lending" for their split of trades, it is the investment manager who has the discretion as to which of the underlying companies they are ultimately shareholders in, unless the investor also selects an income option in which case the investment will be in a specific lending company or a specific solar company.

This also means that the investor may have more exposure to roof-top mounted solar installations than large-scale ground mounted solar operations. Or they may be in a small lending company which only lends to SMEs. However, Beringea tells us that *"most new investors to the service are allocated 50/50 between lending and solar, depending on investor preferences and suitability."*

A detailed look at the trading operations of each company is as follows:

- [REDACTED]
[REDACTED] was established in 2016 to provide loan facilities to UK based SMEs. It has made loans to ten businesses of which four are fully repaid. All loans are amortising and repayable over a range of periods up to 5 years. The total capital advanced to date is £10.5m and as at 31 December 2024 the amount outstanding is £2.5m. Interest on these loans is charged and paid either monthly or quarterly.

ProVen tell us that all loans are current with no arrears and there have been no historic bad debts. Based on an initial share price of £0.91 (£1.00 before issue costs) the share price as at 31 December 2024 is £1.14. Since inception, [REDACTED] has been advised on its lending activities by Beringea, who have extensive in-house knowledge of providing loans to SMEs. [REDACTED] has a board of three, two of whom are independent of Beringea and who have considerable experience in the alternative investment markets

- [REDACTED]
[REDACTED] was established by Armstrong in 2013 and continues to be managed by the same management team within Rivington Energy. The company previously raised £5m of EIS equity to build and operate a number of ground mounted solar farms in the UK. In 2019, the company merged with a number of other solar EIS companies with a view to expanding further, and has since made several solar acquisitions with a number of new solar opportunities (new and existing) in the pipeline.

The [REDACTED] portfolio currently comprises 8 large scale ROC/FIT accredited solar farms, and 513 rooftop systems, most of which are FIT accredited. In October 2019, the company secured a £22.5m long term loan from Aberdeen Standard Investments on favourable terms. In the autumn of 2022, the company secured additional senior long term loans of £6.6m from Triodos bank. Proceeds from the senior loans were used mostly to refinance more expensive short-term debt.

The company's solar assets have a net asset value of £21.6m as at the 31st of December 2024 and [REDACTED]'s share price is currently £3.07 per share from an original subscription price in 2013 of £1.92 (£2.00 before issue costs). [REDACTED] continues to benefit from volatile inflation, as most of its revenues are indexed to RPI. The company's share price is independently validated on an annual basis by Amberside Investments (see below) with respect to the company's projections

- [REDACTED]
[REDACTED] was established in 2013 and commenced trading in 2014. The company was established by Armstrong, as an income producing BR eligible company seeking to acquire and operate UK solar assets. [REDACTED] continues to be managed by the same management team within Rivington Energy.

In 2015, [REDACTED] acquired the majority of the solar companies in the Downing Low Carbon EIS funds comprising over 20 companies and more than 2,500 Feed-in Tariff (FiT) solar systems which were installed in 2011 and 2012, thereby attracting the highest tariffs over the longer 25-year term. The company's solar portfolio earns >93% of its income from government mandated payments schemes (mostly FiT payments) which are index linked, ensuring that [REDACTED] shares are well insulated from upward inflationary movements. Furthermore, the recent volatility in wholesale power prices had no impact on the [REDACTED] share price.

Shares in the company were first issued in 2014 and have risen from £1.00 to £1.29 which together with £0.55 of dividends (as at 31 December 2024) in the same period

provides a total return of £1.84 per £1.00 invested and an annualised return of over 8.4%. The company secured an inflation linked long term loan from Legal and General in 2015 to fund the acquisition of the Downing solar EIS companies and in the past seven years has met all lending covenant tests. The independent board of [REDACTED] combines business and energy markets experience. The company's share price is independently validated on an annual basis by Amberside Investments (see below)

Each solar company may invest up to 25% of NAV into other renewable or complementary energy sectors such as onshore wind and/or battery energy storage. Neither company has a mandate to invest into Anaerobic Digestion, Biomass, Combined Heat & Power or Flexible Generation using diesel or gas.

To deliver this service, ProVen have entered into a collaboration agreement with Rivington Energy to harness Armstrong's expertise in the solar energy market. Lending to SMEs and investment in solar assets are two sectors where ProVen and Rivington, working together, claim to have extensive experience.

As at 31 December 2024, the trades which are represented across the combined companies are detailed in Table 2.

The ProVen EPS is designed to have an unlimited life. Investors can withdraw some or all of their capital once a month at the latest value of the Service's assets, subject to 30 days' notice and liquidity. On an exit, in the event that there are no third-party purchasers, the redeemable shares in the trading companies are likely to be redeemed by the trading companies, which may result in any proceeds in excess of the cost of those Shares being subject to income tax.

The Service will aim to provide Investors with base growth over the medium term of 4%-5% per annum on their subscription amounts on a blended basis across the two investment strategies (this is a target only and is not guaranteed). The growth to achieve this level of return will primarily be from the income generated on the investments made. But as with all BR offers, returns will be lower in the event of unsuccessful investments. ProVen say that the underlying trading companies have a track record in terms of returns of up to 8 years. We cover this

in more detail in the track record section of this report where we note that the secured lending offer () has met the 4.5% target, although assuming the default setting of an equal allocation across the lending and solar strategies, ProVen say that the blended return over the five-year period to December 2024 exceeds the target return. It should also be noted that returns from a debt strategy are expected to be more modest (but possibly also less volatile) than from an equity investment strategy.

Investors should note that the intention is to use the next roughly £3.5m raised for () to be used to repay its remaining short term borrowings which is mostly from private lenders.

Solar Company Valuations

ProVen says that each of the solar focused companies undergoes an annual independent valuation review to give investors comfort that the basis of the valuation of their investment is robust and based on 3rd party scrutiny. The valuation reviews are undertaken by energy sector specialist Amberside Valuations who provide valuation services to infrastructure and energy investors across Europe. The valuation reviews, which are undertaken in the spring/summer of each year, involve both a detailed assessment of the accuracy and integrity of valuation financial models and associated calculations, as well as a review of the key assumptions that drive the valuation.

This assumptions review focuses on ensuring that subjective input assumptions such as market discount rates, are reasonable and in line with the rest of the UK Solar market. The valuation exercise also ensures that third party inputs, such as independent energy yield assessments, forward power price assumptions and lifecycle costs requirements are correctly applied. Each subsequent quarterly valuation is undertaken considering the set of key assumptions reviewed by Amberside.

Gearing

The lending company is ungeared with no plans to introduce any debt.

Both solar companies have secured debt investment from leading UK financial institutions, Aberdeen Standard Investments, Legal and General, and Triodos Bank, in the form of senior

debt finance. The index (RPI) linked nature of most of the senior debt reduces the companies' exposure to inflation and better matches the cash profile of revenues received to debt paid. Whilst this increases the financial risk profile for shareholders, the need to meet the operating requirements of these leading institutional investors provides a level of comfort to investors. Beringea, in response to this, say:

"The long-term loans are amortising, and are only secured against part of the existing solar portfolio in ()."

Aberdeen Standard Investments, Legal and General, and Triodos Bank, impose strict requirements on the way that the solar assets are operated and managed. This includes, for example, a requirement to review and approve the power sale strategy of the securitised companies in quickly falling power markets, to ensure all operating counterparties have strong financial standing, and to have independent legal and technical advisor review of all operating contracts to ensure they meet industry best practice.

The lenders require the key financial assumptions such as lifecycle costs and technology specific power price forecasts to be produced by third parties rather than derived in house. More broadly, the lenders, as part of their investment process, conducted detailed due diligence on the companies and concluded that the assets are investment grade. The impact of institutional project finance debt reduces the operating risk profile of the assets, whilst increasing the financial risk profile, albeit this will be mitigated through paying down debt.

As the solar companies raise new equity, the level of gearing is expected to reduce over time and the target level of gearing will be a maximum of 50%. As at 31 December 2024, gearing for () was 52% and for () it was 67%. This represents an improvement on leverage levels over the past few years. It should be noted that 93% of ()'s revenues are index linked government subsidies. However, ProVen tell us that it is still their intention to reduce this to 50% subject to new investment.

Overall, this is still a relatively high level of gearing for a relatively small unquoted BR offer.

We accept the points that the manager makes that the installations the gearing is based in have subsidised energy generation assets, and they are trying to get this level of gearing paid down. But this is something which they have been saying for

several years now, and the level of gearing does not seem to be dropping as quickly as one would like, as in the last review it was 50% for [REDACTED] and 74% for [REDACTED].

Track Record

In previous reviews of this market TER have looked at two main questions when analysing the track record of these offers:

- How much money would an investor actually have made over the 5 years from an investment of £100 into these offers?
- How much would have been levied in fees by the providers of these services over the 5 years?

In this set of reviews, TER have expanded the scope of this analysis to include comparisons of how each offer has performed against their predicted/estimated target annual return.

Table 3 is the main source for comparing the track record of these offers and comprises the following columns:

- Target return of the Offer
- Actual return on net amount invested (£100 less initial charges) as a percentage
- Actual return on gross amount invested (£100) as a percentage
- Total 5 year for £100 invested
- Return ranking of the Offer
- Total Fees levied by each Offer over 5 years

TER have asked the product providers for this information as at 31st December 2024. This does not mean that the highest returning and lowest charging offers will necessarily get the highest score, as there are additional factors such as the level of funds under management, diversification of underlying trades and degrees of underlying risk which also need to be considered. The aim of the table is to provide a useful comparison of the market now that it has reached this level of maturity. However, performance of IHT offers

is difficult to compare as fees and charges are levied at different times (on investment, during holding period and at exit) and different places in the structure (in the service and in the underlying investee companies).

A word of explanation is needed at this point: the “target” figures given by all the providers will not include any exit fees or deferred AMCs (PEPS does not defer any AMCs). This is because the providers are just measuring the return achieved within the BR companies whereas the TER figures in Table 3 columns 3 & 4 do include these fees as TER are looking to measure the return over a defined five-year period where the investor totally exited and so has suffered any exit/deferred fees.

We asked all the other providers with a 5-year track record, for a calculation of the outcome for an investor entering the product on 1 January 2020 and exiting 31 December 2024, net of all fees and charges. The responses are in Table 3 and show that over the 5-year period to 31 December 2024 the three trading companies within the ProVen Estate Planning Service would have returned the following amounts on £100 invested on 1st January 2020:

- [REDACTED] (Lending): £108.04
- [REDACTED] (Ground Mounted Solar Installations): £117.25
- [REDACTED] (Roof Top Mounted Solar Installations): £135.96

As can be seen in Table 3, there is a wide discrepancy between the different companies, which is as it should be, and reflects the different trades they undertake.

The [REDACTED] and the [REDACTED] companies have managed to achieve their annual target growth on both a net and a gross basis. In fact, [REDACTED] has topped the

Table 3: Tax Efficient Review BR offers actual five year returns and simulated fees comparison table

- The returns information in this table is based on the 5 year returns information provided by the fund management groups
- The 'target' figures given by all the providers will not usually include any exit fees or deferred AMCs. This is because the providers are just measuring the return achieved within the BR companies whereas the TER figures in columns 3 & 4 do include exit/deferred fees as TER are looking to measure the return over a defined five year period where the investor totally exited and so has suffered any exit/deferred fees
- Where an offer charges an initial or annual fee to the underlying company/ies we have treated that as equivalent to an AMC charged to the investor
- Column 4 figures are lower than column 3 as they measure performance from a higher starting point
- Past returns are not a reliable indicator of future performance, and past returns may have been enhanced by the fund manager not charging certain fees
- The trading operations used to generate these returns are subject to changes over time and the levels of fees charged by the fund manager, which impact net investor returns, can be subject to change without prior notification
- The five year fees data is simulated and is based upon the current charges regimes which are subject to change. Where the AMC is contingent then we have assumed that the target return has been met and the full AMC is taken

Product Provider	Offer target Annual Return based on the net investment made into qualifying companies (ie after initial fees have been deducted) but excluding any exit/deferred fees	5 year Actual Annual Return on net amount invested 1 January 2020 and exited 31 December 2024 (ie IRR with initial and exit fees accounted for)	5 year Actual Annual Return on gross £100 invested 1 January 2020 and exited 31 December 2024 (ie IRR with initial and exit fees accounted for)	5 year Actual Total Return per £100 invested 1 January 2020 and exited 31 December 2024	Return Position (based on 5-year actual return in preceding column)	Total 5 year simulated fees paid per £100 invested (from Tables 5 & 6)
Red cells indicate that the offer has failed to meet its net or gross investment target over the five years to 31 December 2024 (ie column 2 is greater than columns 3 or 4)						
ProVen)	4.5%	6.76%	6.33%	£135.96	1st	£15.50
Foresight ITS	3%-4.5%	4.42%	3.89%	£121.03	2nd	£14.50
Downing Energy (Bagnall)	3%-4.5%	3.85%	3.44%	£118.41	3rd	£16.05
Triple Point Navigator (Note 2)	4%-5%	3.94%	3.31%	£117.69	4th	£16.20
ProVen)	4.5%	3.65%	3.23%	£117.25	5th	£15.50
Seneca IHT Service Growth	4%	3.77%	3.21%	£117.10	6th	£21.90
Ingenious Private Real Estate	3%-5%	3.50%	2.98%	£115.82	7th	£10.53
Seneca IHT Service Income	4%	3.50%	2.94%	£115.61	8th	£21.90
Downing Asset Backed (Pulford)	3%-4.5%	3.11%	2.69%	£114.21	9th	£17.95
Guinness SEP5 (Note 1)	3%-5%	3.09%	2.67%	£114.10	10th	£13.84
Time Advance BR Service	3%-4.5%	3.29%	2.56%	£113.50	11th	£15.13
Puma Heritage	3%	2.99%	2.47%	£112.97	12th	£22.56
Deepbridge Estate Planning Service	4%	3.47%	2.42%	£112.69	13th	£18.80
Octopus ITS	3%	2.79%	2.17%	£111.35	14th	£23.12
Triple Point Generations (Note 3)	1.5%-2.5%	2.23%	1.62%	£108.36	15th	£15.83
ProVen)	4.5%	1.97%	1.56%	£108.04	16th	£15.50

Note 1: New charges regime started September 2022. The 5 year return if the new charges had been in force would have been £115.30

Note 2: Triple Point Navigator - AMC charged at 1%, going forward it will be 0.5%. Triple Point charge investee companies up to 1.9%pa to cover corporate running costs incurred by Triple Point and expect all VAT to be fully recoverable

Note 3: Triple Point Generations - AMC charged at 1%, going forward it will be 0.5%. Triple Point charge investee companies up to 1.9%pa to cover corporate running costs incurred by Triple Point and expect all VAT to be fully recoverable

Source: Providers Report produced 13/05/2025 14:18:47

Table 4: Annual performance before and after fees

Period	Actual growth achieved after fees paid to the provider by the investee company (there are no annual fees paid by investors)		
	BERINGEA	DOWNING	FORESIGHT
01/01/2020 - 31/12/2020	8.80%	-13.40%	0.90%
01/01/2021 - 31/12/2021	6.40%	14.10%	3.00%
01/01/2022 - 31/12/2022	-5.10%	11.95%	1.40%
01/01/2023 - 31/12/2023	22.90%	6.05%	2.30%
01/01/2024 - 31/12/2024	5.06%	3.02%	3.30%

Source: ProVen 11/04/2025

performance table by a considerable margin. But [REDACTED] has fallen short of the blended target return and only generated a 1.97% annualised return.

As [REDACTED] has a trade of lending (and itself is unlevered), it is expected that it will generate a lower return than the solar companies which own solar assets and are expected to generate an equity return.

So, clearly the renewable energy trading companies are the ones which subscribers to this Service would have wanted to have been exposed to, but these companies undertake very different trades.

But absolute return is not the complete picture. Table 4 below breaks down the individual annual returns of the three trading companies within the Service. Here we can see that the lending company ([REDACTED]) had the most stable level of returns on a year by year basis.

But there are far wider variations in the annual returns generated by the renewable energy trading companies. These range from negative returns to highly positive returns. In fact, these are the widest variations which have been seen in the current set of unquoted BR reviews.

ProVen, along with most of the unquoted BR peer group, has reported increases in the values of their renewable energy installations on the back of the large increases in energy prices seen around the world since the beginning of 2022.

The table below shows how the valuation of the solar assets across the different unquoted BR managers (with solar assets) have moved in the past year. As can be seen below, Beringea/ProVen have not seen the largest of increases in the past year compared with other managers.

SOLAR ASSETS	Percentage total return (movement in asset value including income return net of tax, interest and fees) generated by the 31 December 2024 portfolio (ie excluding any additions since 1 January 2024) between 1 January 2024 and 31 December 2024
BERINGEA [REDACTED] (Ground and Roof Mounted Solar Installations)	3.0%
BERINGEA [REDACTED] (Roof Top Mounted)	5.6%
DOWNING	12.5%
FORESIGHT	11.5%
GUINNESS	2.5%
OCTOPUS	-10.3%
TIME	-3.8%

Source Providers 08/05/25

It should be noted that there are so many variables when it comes to valuing energy assets that comparing providers and how they have moved their valuations is very complex and includes the following variables:

- Asset mix (solar/wind/hydro/AD)
- Debt involved

- Percentages in subsidy regimes (where inflation will up the return)
- Percentages in merchant projects that sell energy output into a wholesale power market
- Ongoing long-term PPAs (that may be at rates lower than current spot)
- Provider's use of power curves from different sources
- Different discount rates

The returns which ProVen's [REDACTED] has generated over the past 5 years is significantly higher than the next nearest offering. The ProVen [REDACTED] offer is also 4th in the ranked list of managers.

If we look at why the two solar energy companies are such an outlier in this series of unquoted BR reviews, there are two main reasons. Firstly, the solar returns are stripped out in these two companies, in that this is all they do as a trade. Whereas comparing the returns to other offers which also have exposure to solar energy such as Octopus, Foresight and TIME, they are invariably part of a much larger trading entities which carry out other trades as well.

When TER put the reason for the solar companies' performance over the past year to December 2024 to ProVen, they said:

"Although discount rates across the industry have increased whilst electricity prices decrease, the solar companies have continued to benefit from sound asset management from Rivington Energy. This has allowed the solar companies (together) to still achieve their target annual returns. The benefit of this asset management is being passed on to the investor and not being reduced by additional performance fees for the benefit of the manager. [REDACTED] has virtually no exposure to merchant electricity prices, so it has not experienced the impact of falling electricity prices in the same way that [REDACTED] has. The government mandated payments that the solar companies benefit from are linked to RPI, so the solar companies continue to provide a low-risk hedge against inflation."

When TER put the question of why [REDACTED] was withdrawn from the service to ProVen, they said:

"Armstrong undertook a review of its strengths as a business and has decided to focus on the management of renewable energy companies rather

than the management of lending companies. This review culminated in the merger of Armstrong's renewable asset management business with Rivington Energy, under which name the business now trades. As Beringea has a strong track record in the management of lending companies, it made sense to consolidate the PEPS investors in [REDACTED], while [REDACTED] is wound down. None of the PEPS investors suffered any loss in value due to the transfer of their investments from [REDACTED] to [REDACTED]."

We define direct lending as the BR provider offering loans directly to borrowers/property developers and having responsibility for charging additional interest or enforcing on the security in the event of a default. We define third party lending as the process of the BR provider offering a lump sum, either directly or via an SPV, to a financial institution who then deploy the loans, liaise with borrowers directly and enforce security.

In the event of default, we see the potential to enforce any remedies as being more problematic in the case of third party lending (where any claim would involve a floating charge at a company level) versus direct lending (which should involve direct access to the underlying property), we asked Beringea the further following questions:

1. What % of your loan book by value is third party lending?

Beringea reply was: Nil

2. What % of your loan book by value has security ringfenced on individual properties by direct security charge?

Beringea reply was: N/A as assets do not include property

3. On your third party lending, are there any other parties or lenders with prior recoupment positions?

Beringea reply was: N/A

In summary, there is disparate picture to the track record generated by the three ProVen trading companies. [REDACTED] is the top performer over five years, but [REDACTED] is one of the lowest in the performance table. [REDACTED] has seen a highly significant swing in the annualised returns it has generated

each year, but [REDACTED] is one of the most stable on a year to year basis.

These differences certainly reflect the different

underlying trading strategies of the companies. But advisers would no doubt like to see more steady and stable returns for how they would intend to use these offers.

The Manager

The Manager of the ProVen Estate Planning Service is Beringea LLP. Beringea is authorised and regulated by the FCA and is a long-established venture capital firm. Beringea manages more than £350 million of VCT assets and is part of an international fund management group with offices in London and the US, which together manage more than \$800 million of venture capital and loan assets. Beringea has 27 UK based employees.

The founding partner of Beringea is Malcolm Moss. Over the last 28 years he has been responsible for the growth, development and management of the private equity business of ProVen in both the UK and the USA. In addition to sitting on the boards of ProVen VCT and PGI VCT, he sits on the investment committees of ProVen Group's US venture capital funds. Malcolm has a BA and an MBA. Malcolm is also a director of [REDACTED].

The other principal members of the Beringea team are listed below:

- **Stuart Veale** is Managing Partner of Beringea and has 30+ years of private equity investment experience. Prior to joining Beringea in 2002, Stuart was a senior director with LDC (the private equity arm of the Lloyds Banking Group) and head of their Thames Valley office. He started his career in venture capital with 3i. Stuart has an MA from Oxford University and an MBA from the London Business School.
- **Andrew Webster** leads ProVen's Growth Finance team where he is responsible for sourcing and analysing opportunities to provide debt-based finance to fast growing companies. Andrew has more than 30 years' experience in financial services and lending. Originally a corporate banker with Kleinwort Benson, Andrew held a senior position in the asset finance division at ING. After two years with Noble, the venture finance provider, he co-founded Boost&Co, a private debt

lender to UK SMEs. Andrew has recently held roles as a partner at Cameron Barney and an operational role as interim CFO at Cube.Global, a fintech software platform providing compliance and regulatory support to financial services customers.

The Adviser

ProVen is working in collaboration with Rivington Energy which specialises in the management of funding into UK based solar projects and other energy businesses. Rivington Energy oversees all of the IHT Companies' solar trading activities. The Armstrong asset management business (now Rivington Energy) was established in 2013 and has raised over £300m of capital for UK solar projects. Rivington Energy's capabilities include origination, development and execution of all types of UK solar opportunities, project management and financial and technical asset management. Rivington Energy employ more than 35 professionals across its renewable management businesses.

The principal members of the Armstrong team are listed below:

- **Michael Hughes** is a co-founder and CEO of Rivington Energy and previously joined Armstrong as a Director in 2018. Prior to this, Michael was a Partner at Downing LLP focusing on investments in the energy, leisure and lending sectors and was an integral part of the team responsible for growing funds under management at Downing from £200 million to £1 billion. Michael led Downing into the renewable energy sector in 2010 where he originated and led more than £250 million of clean tech investments across Downing's VCT, EIS and IHT funds. Prior to joining Downing in 2009, Michael was a Divisional Director at Close Investments (part of Close Brother Group plc), where he focused on the management of leisure and media EIS and IHT funds. Michael is a chartered certified accountant.
- **Chris Carlson** is an Investment Director at

Rivington Energy with a primary focus on investing equity into renewable power assets, primarily solar. Prior to joining Rivington Energy, Chris was an Investment Director at Octopus Renewables, evaluating investments in energy infrastructure assets including solar, storage and flexible generation. Chris has over 20 years of financial and professional services experience, mainly in the real estate and energy industries. Chris graduated with a Bachelor of Commerce from the University of British Columbia, is a Chartered Accountant (Canada), and holds the Chartered Financial Analyst designation.

- **Helen Robinson** heads the technical asset management team at Rivington Energy responsible for the management of solar assets. Helen has over 10 years' experience working in the solar industry and brings with her expertise in both project management and operations. Helen began her career installing residential and commercial roof-top systems before moving into operation and maintenance, and prior to joining Rivington Energy, Helen was Senior Operations Manager for BayWa r.e. Operation Services UK. Here she led a team of project managers responsible for operating and maintaining a portfolio of over 800MW of utility-scale ground mounted solar.

The independent directors of the underlying trading companies are as follows:

Paul Beynon is a non-executive director of both [REDACTED] and [REDACTED]. Paul has had a career in the UK energy sector, where he was previously head of power and cross commodities at RWE with a focus on asset and generation optimisation. Prior to this Paul was head of gas trading at Duke Energy Corporation. Paul is also a director of Fulcrum Power Limited which owns a standby flexible generation power plant in Somerset.

Barry Green is a non-executive director of [REDACTED]. Barry is a chartered accountant and was previously a partner at KPMG in their Frankfurt office. Barry has held a number of senior executive roles in his career, including CFO of UK investment firm Man Group and German confectioner August Storck KG. Barry is currently a non-executive director of a German private equity fund.

Samuel Gompels has been a non-executive director on the [REDACTED] board since its formation in 2014. Sam is the owner and managing director of Gompels Healthcare, a supplier of specialist consumables to the UK care industry, including care homes and children's nurseries. Sam was previously a managing consultant for Produce Studies. Sam has a degree in Agriculture from Reading University and holds a strong interest in alternative technologies. Sam is also a shareholder in [REDACTED], having invested when the company was established in 2014.

Jamie Perkins is the non executive chairman of [REDACTED]. Jamie is a partner at Westminster Wealth management LLP ("Westminster Wealth"), a FCA regulated independent financial planning firm looking after private clients. Jamie heads up the tax efficient investment division, which provides the research, due diligence, investment oversight and advice in this area for private clients. Having filled this role for 10 years, Jamie has reviewed and monitored a significant number of tax advantaged funds and strategies. He also sits on the Westminster Wealth investment committee helping to direct the investment strategy of the group and helps to select discretionary investment solutions for private clients.

Robin Chamberlayne is a non executive director of [REDACTED]. Robin is the founding partner of Progressive Strategic Solutions LLP and was a co-founder of Armstrong Energy a successful company managing energy infrastructure assets in the UK and India. Armstrong managed assets for major institutions and private clients.

Fees

The fees for the ProVen Estate Planning Service are as follows:

- **Initial fees:** Initial cost is fixed at 1.5% of funds invested for advised sales plus a 0.5%

administration fee.

- **Annual fee:** The annual management charge is up to 1.5% of the value of the IHT companies. In addition, ProVen will also charge a service

administration fee of 0.5% per annum. Both of these are charged to the investee companies.

- **Other fees:** ProVen may also charge each underlying business an arrangement fee of up to 1.0% (of the amount invested through the Service) plus an annual monitoring fee of up to 0.5% p.a. per business.

Any additional services are typically outsourced by the underlying businesses but where it is considered to be in investors' interests, may be undertaken by Rivington Energy and charged at market rates through Rivington Energy's asset management division.

- **Exit fee:** On redemption, investors will be charged a 1% redemption fee to cover the costs of redemption and any SDRT that is due.
- **Stamp Duty Reserve Tax (SDRT):** As shares are redeemable, redeeming shareholders will have their shares redeemed and cancelled, subject to sufficient distributable reserves.

The total fees charged per £100 invested over 5 years are £15.50 for each of the four trading companies. This puts the ProVen Estate Planning Service in the mid range of the unquoted BR offers in this set of reviews, which range from £13.84 per £100 to £23.49 per £100.

In addition to those listed in Tables 5 & 6, we asked Beringea to supply details of any fees or costs earned by the manager or any companies or individuals associated with or under common

ownership of the manager from:

1. The investor (for example but not limited to initial fees, dealing fees, exit fees, AMC)

Provider response: *NONE*

2. The portfolio company (where the investors hold the shares, for example but not limited to initial fees, service fees, AMC, custodian, monitoring, transaction, arrangement fees.)

Provider response: *NONE*

3. The investee company (trading businesses, for example but not limited to arrangement, monitoring, transaction, service fees)

Provider response: *NONE*

4. Borrowers or other third parties in relation to the trade (for example but not limited to arrangement/transaction/monitoring/financing fees)

Provider response: *NONE*

Conclusion

The ProVen Estate Planning Service offers advisers and their clients three different trading companies to choose from:

1. [REDACTED] (Lending)
2. [REDACTED] (Ground and Roof Top Mounted Solar Installations)
3. [REDACTED] (Roof Top Mounted Solar Installations)

It is possible to choose between three options, all solar, all lending or a combination of the two. But whilst the investor can choose between “solar” and “lending” for their split of trades, it is the investment manager (ProVen) who ultimately has the discretion on allocating shareholders into the underlying companies (unless the investor also selects an income option in which case the investment will be in a specific lending company or a specific solar company).

The lending trade is much smaller in terms of AUM compared with the solar energy trading companies. Recently the lending operations were consolidated into one company and the returns for this trade ([REDACTED]) have been relatively low at 2%-3% a year, but they have also shown good levels of stability, as one would expect.

The complete opposite can be said for the [REDACTED] trading company. This has topped the performance table in this current set of reviews by a considerable margin. ProVen say this level of performance has been achieved via operational cost reductions of their sites, that nearly all of them are based in the south of England for better conditions and also improved life expectancy on the back of reduced rates of degradation. Yet Table 4 in this review shows the individual returns on a year by year basis. It has one of the widest variations in returns of any of the unquoted BR offers in this set of reviews. [REDACTED] has also performed well, but similarly it has also experienced wide variations in annual returns over the past five years.

Clearly these performances reflect the marked differences between the growth trajectories of the two types of trading companies. [REDACTED] has missed the blended performance target, but ProVen would point out that the blended return of a lending trading company with a solar energy trading company would reach the target return.

In previous reviews of this offer, Tax Efficient Review have highlighted the high level of gearing associated with the solar installations within this offer. ProVen say that significant progress has been made in reducing gearing within the solar companies, although there is still work to do to get to the target gearing levels. As at 31 December 2024, gearing for [REDACTED] was 52% and for [REDACTED] it was 67%. ProVen would point out that [REDACTED] revenues are 93% index linked government subsidies, and, as such, it can sustain a higher level of gearing.

In summary, there is good flexibility and choice associated with this offer for financial advisers and the performance of the solar energy trades has been strong. Yet financial advisers often do not select which unquoted BR offer to use for their clients on a performance basis. Tax Efficient Review would like to see the gearing levels come down further and hopefully some more stability in the returns.

[REDACTED] Tax Efficient Review rating: 86 out of 100 (for product with less than £500m of IHT funds under management (excluding EIS))

[REDACTED] / [REDACTED]: Tax Efficient Review rating: 88 out of 100 (for product with less than £500m of IHT funds under management (excluding EIS))

Table 5: Simulated 5 year total fees charged to investors by the provider per £100 invested (initial, annual, performance and exit) assuming that provider meets any AMC target required for AMC to be paid

Initial	Dealing in	Annual AMC	Performance fee	Dealing out fee	TOTAL
Deepbridge Estate Planning Service					
Fees charged to trading company, excluding exit dealing fee.					
£0	£0	Paid by investee Co	£0	£0.65	£0.65
Downing Asset Backed (Pulford)					
Assumed target 4% is met, 0.6% (inc VAT) AMC paid in sliding scale between 3% and 4%					
£2.00	£0	£3.00	£0	£0	£5.00
Downing Energy (Bagnall)					
Assumed target 4% is met, 0.5% (no VAT) AMC paid in sliding scale between 3% and 4%					
£2.00	£0	£2.50	£0	£0	£4.50
Foresight ITS					
Assumes growth of 3.0% net of all-inclusive fee of 2.4% (incl VAT). No AMC is charged for this product.					
£2.50	£0	£0	£0	£0	£2.50
Guinness SEPS					
2.0% (+VAT) Initial fee. Assumed average target 4.0% is met, 1.0% (+ VAT) exit fee paid. Initial Fee & AMC paid by investee companies					
£2.40	£0	£0	£0	£1.44	£3.84
Ingenious Private Real Estate					
Assumed target 3% is met. Initial fee and dealing in/out fees are VAT exempt. AMC paid by investee company					
£1.50	£1.00	£0	£0	£0.58	£3.08
Octopus ITS					
Assumed target 3.6% is met, 0.6% (inc VAT) AMC deferred to exit and paid after 3% is reached					
£2.00	£0.60	£6.33	£0	£1.19	£10.12
[REDACTED] (ProVen)					
Only Initial fee charged to investor. All other fees paid by investee company(ies)					
£2.00	£0	£0	£0	£0	£2.00
Puma Heritage					
Assumed target 3.6% is met, 0.6% (inc VAT)					
£1.50	£0.99	£3.00	£0	£1.13	£9.96
Seneca IHT Service Growth					
Initial fee and exit fee charged to investor. Dealing out fee also includes the Withdrawal Fee. All other fees paid by investee company(ies)					
£2.10	£0.60	£0	£0	£1.20	£3.90
Seneca IHT Service Income					
Initial fee and exit fee charged to investor. Dealing out fee also includes the Withdrawal Fee. All other fees paid by investee company(ies)					
£2.10	£0.60	£0	£0	£1.20	£3.90
[REDACTED] (ProVen)					
Only Initial fee charged to investor. All other fees paid by investee company(ies)					
£2.00	£0	£0	£0	£0	£2.00
[REDACTED] (ProVen)					
Only Initial fee charged to investor. All other fees paid by investee company(ies)					
£2.00	£0.98	£0	£0	£0	£2.00
Time Advance BR Service					
Assumed target 4% is met, 0.5% (inc VAT) AMC deferred to exit and paid after 3.5% p.a. is reached					
£2.50	£0.98	£2.50	£0	£1.15	£7.13
Triple Point Navigator					
Assumed target 5% is met, 0.5% (all VAT recoverable) AMC paid after 4% is reached					
£2.00	£0.98	£2.81	£0	£1.19	£6.98
Triple Point Generations					
Assumed target 2.5% is met, 0.5% (all VAT recoverable) AMC paid after 1.5% is reached					

Table 6: Simulated 5 year total fees paid by investee companies to the provider or third party service providers per £100 invested

BR product (alphabetical order)	Five year simulated charges (Note 1)	Calculation detail
Deepbridge Estate Planning Service	£18.15	Initial arrangement cost 2.5% + other fees 2.5% + 0.65% dealing in fee + 5*(Service fee 2%, custody fee 0.5%)
Downing Asset Backed	£12.95	5* (Arrangement/monitoring fees Avg 0.79% in 2020, Service Charge 1.8%)
Downing Energy	£11.55	5* (Arrangement/monitoring fees 0.81% in 2020, Service Charge 1.5% (no VAT))
Foresight ITS	£12.00	5* (admin fee of 2.40% annually inc VAT)
Guinness SEPS	£10.00	5* (An Annual Management Charge of 2.0% (excluding custodian, no VAT as recoverable) of the Net Asset Value is expected to be paid by the Investee Companies)
Ingenious Private Real Estate	£7.45	5* (AMC 1%+VAT and admin 0.25%+VAT)
Octopus ITS	£13.00	5* (Service fee 2.5%+VAT up to £3bn AUM & reduces by 0.25% for each incremental £500m plus 0.1% irrecoverable VAT on lending activity)
██████████ (Proven)	£13.50	Transaction arrangement fee up to 1.0% plus 5* (Annual Advisory Charge of 1.5% inc VAT plus Annual Administration charges and support costs fee of up to 1.0% inc VAT)
Puma	£12.60	5* (Admin 0.48%, Bus Support Fee 1.08%, Monitoring fee on drawn loans 0.96%)*
Seneca IHT Service Growth	£18.00	5* (An Annual Management Charge of 1.2% (inc VAT) of the Net Asset Value and 2.4% (inc VAT) support costs is paid by the Investee Companies)
Seneca IHT Service Income	£18.00	5* (An Annual Management Charge of 1.2% (inc VAT) of the Net Asset Value and 2.4% (inc VAT) support costs is paid by the Investee Companies)
██████████ (Proven)	£13.50	Transaction arrangement fee up to 1.0% plus 5* (Annual Advisory Charge of 1.5% inc VAT plus Annual Administration charges and support costs fee of up to 1.0% inc VAT)
██████████ (Proven)	£13.50	Transaction arrangement fee up to 1.0% plus 5* (Annual Advisory Charge of 1.5% inc VAT plus Annual Administration charges and support costs fee of up to 1.0% inc VAT)
TIME Advance BR Service	£8.00	5* (Service fee 1.6% including irrecoverable VAT)
Triple Point Navigator	£9.22	5* (Corporate running costs of up to 1.9%)
Triple Point Generations	£9.22	5* (Corporate running costs of up to 1.9%)

Note 1: Simulation assumes no growth in the amount initially invested in the service net of initial fee and dealing in fee. Some providers have higher annual costs to reflect the more extensive levels of in-house management and administration of their BR trading activities

Source Product providers Report created 13/05/2025

Table 7: **Headline Lending Portfolio Information for PROVEN**

Headline Lending Portfolio Information		Notes (data is weighted by loan size)
Total Number of Loans	11	
Total Loan Book Size (£)	£2,505,281	
Average Size of Loans (Net)	£227,753	
Average Interest Rate	10.40%	
Average Loan Term (Days)	1226	
Manager Lending fees (to cover any charges paid by the borrower or lender to the manager)		
Average Arrangement Fee	0.91%	
Average Exit Fee		
Average Other Manager Fees (Including Charge Backs, Non utilisation fees)	-	
Average Total Manager Fees	0.91%	
Average Annualised Total Manager Fees	0.27%	
Investor Lending fees (Fees that are charged to the borrower but benefit the investor)		
Average Arrangement Fee		
Average Exit Fee	0.55%	
Average Other Investor Fees (Including Non utilisation fees)		
Average Total Investor Fees	0.55%	
Average Annualised Total Manager Fees	0.16%	
3rd Party Broker/Manager Fees		
Average 3rd Party Broker/Manager Fee	-	
Average Annualised Broker/Manager Fee	-	
Total Fee Breakdown		
Average Total Fees	1.46%	
Average Annualised Total fees	0.43%	
Total Annualised Lending Cost		
Average Annualised Total Fees + Interest Rate	10.83%	
Security Quality (LTVs)		
Average Weighted Net LTV (total capital and fees advanced)	21%	
Average Weighted Gross LTV (total capital and fees advanced + Accrued Interest)	21%	
Security Quality (Charge Basis)		
Number of 1st Charge Loans	11	
Total Value of 1st Charge loans	£2,505,281	
% of First Charge Loans	100%	
Number of 2nd Charge Loans	-	
Total Value of 2nd Charge loans	£0	
% of Second Charge loans	0%	
Number of 3rd Charge or Higher Loans	-	
Total Value of 3rd Charge loans	£0	
% of Third charge or Higher loans	0%	
Report created 08/05/2025 Data as at 31/12/2024 Source PROVEN		

Table 8: Tax Efficient Review Loan Comparison Table

	Downing	Foresight	Ingenious	Octopus	Puma		Seneca Income	Seneca Growth	Time	Triple Point Navigator
Data as at	31/12/24	31/12/24	31/12/24	31/12/24	31/12/24	31/12/24	31/12/24	31/12/24	31/12/2024	31/12/24
Loan Book Size (m)	£220.63	£294.41	£296.60	£456.23	£345.60	£2.51	£2.45	£37.70	£305.11	£166.98
Number of Loans	82	7	25	243	59	11	68	952	29	92
Average Duration (days)	959	850	771	582	930	1226	688	759	1204	713
Average Interest Rate (%)	10.69%	7.77%	8.90%	8.60%	9.14%	10.40%	9.41%	9.37%	8.96%	10.12%
Average Loan Size (m)	£2.69	£42.06	£11.86	£1.88	£5.86	£0.23	£0.04	£0.04	£10.52	£1.81
Weighted Gross LTV % (total capital and fees advanced + Accrued Interest)		44%	67%		62%	21%			44%	66%
Fees accruing to investors and other parties										
Average Arrangement Fees (%)	1.00%	-	4.00%	2.01%	1.42%	0.91%	-	-	1.00%	1.00%
Average Exit Fees (%)	-	-	1.00%	1.41%	1.17%	0.55%	-	-	1.00%	1.00%
Average Total Fees (%)	1%	0%	4%	5%	3%	1%	0%	0%	2%	2%
Average Total Annualised Fees and Interest (%)	11.07%	7.77%	10.79%	11.48%	10.16%	10.83%	9.41%	9.37%	9.57%	11.14%
Security quality										
We describe third party lending as involving making large loans to lenders. In the event of default, we see the potential to enforce any remedies as being more problematic in the case of third party lending (where any claim would involve a floating charge at a company level) versus direct lending (which should involve direct access to the underlying property), we asked providers the further following questions (further details can be found in reach review)										
What % of your loan book by value is third party lending	4% of the DEPS portfolio is wholesale lending and 22% of the lending portfolio	100%	Nil	Nil	0%	Nil	40%	38%	0%	29%
What % of your loan book by value has security ngtenced on individual properties by direct security charge	100%	See review	100%	100%	100%	N/A as assets do not include property	80%	62%	100%	32%
On your third party lending, are there any other parties or lenders with prior recoupment positions	No	None	None	N/A	N/A	N/A	No	No	N/A	None

Source Providers Report created May 13, 2025 3:07 PM

Table 10: ProVen answers to energy questions for solar

PROVIDER NAME: Proven Estate Planning Service

	PORTFOLIO	PORTFOLIO
Data as at (date)	31/12/2024	
Valuation of portfolio as at 31 December 2024 (£m)	21.57	13.3
Number of installations in portfolio as at 31/12/2024	552	2328
Valuation of 1 January 2024 portfolio as at 31 December 2024 (£m) (ie excluding any additions since 1 January 2024)	20.9377	12.07
Percentage movement in valuation in 1 April 2022 portfolio (ie excluding any additions since 1 April 2021)	3.0%	5.6% total return including dividends
Percentage income return (net of tax, interest and fees) generated by the 1 January 2024 portfolio (ie excluding any additions since 1 January 2024) between 1 January 2024 and 31 December 2024	.0%	3.2%
Percentage total return generated by the 1 January 2024 portfolio (ie excluding any additions since 1 January 2024) between 1 January 2024 and 31 December 2024	3.0%	5.6%
Valuation of total portfolio as at 31 December 2023 (£m)	22.582	12.07
Number of installations in portfolio as at 31 December 2024	55	2729
How have your assets performed against expectations?	Year to date revenue is 2% higher than budget, YTD operating profit is 8% above budget & YTD EBITDA is 7% above budget.	The company was budgeted to make a small loss over the year, but instead made a small profit. The company has focussed on delevering over the year, reducing its LTV from 74% to 67%.
What valuation methodology has been used? (NPV, EBITDA x etc.)	NPV	
When and where were your market price curves obtained? (E.g. 2020 Poyry / Baringa curve)	Taking average of the latest 6 Aurora curves (Aurora Dec-24, Sep-24, Jun-24, Mar-24, Dec-23, & Sep 23)	The Portfolio does not have any material market power price exposure as all assets have the Feed in Tariff
What discount rate / multiplier are you using?	Weighted average post-tax, equity discount rate of 7.1% across the [REDACTED] group, as recommended by Amberside	Weighted average post-tax, equity discount rate of 6.85% across the [REDACTED] to reflect very high levels of subsidies, as recommended by Amberside
What date of valuation are you using?	31/12/2024	
What energy generation assumptions are you using? (P50, P90 etc.)	P50	
Who provides your valuations for your assets in this asset class and how often?	The Armstrong Capital Management team provides the asset valuations on a quarterly basis based a valuation model constructed by Amberside Valuations, a 3rd party consultancy. Every year the valuation is reviewed by Amberside, including a review of all subjective assumptions such as discount rates, to ensure the valuation is reasonable. In Sept 2024 the ACM house valuation was verified and confirmed by Amberside.	The Armstrong Capital Management team provides the asset valuations on a quarterly basis based a valuation model constructed by Amberside Valuations, a 3rd party consultancy. Every year the valuation is reviewed by Amberside, including a review of all subjective assumptions such as discount rates, to ensure the valuation is reasonable. In June 2024 the ACM house valuation was verified and confirmed by Amberside.
If internal, how do you ensure that the correct market valuation is ascertained	See above- 3rd party verified model and assumptions	
If internal, how do you ensure that conflicts of interest are managed	Amberside provide independent valuation review annually	

Table 10 (continued): ProVen answers to energy questions for solar

	PORTFOLIO	PORTFOLIO
What is the effective level of leverage across your portfolio for your assets in this asset class ?	0.52	Leverage at 31 December 2024 is 67%, which also includes the short term debt. Once the short term loan notes are repaid over the course of next few years, the gearing level in the company is expected to be 51%-55%
Provide a list of the counterparties that your power is sold to and the % of the total that each comprises?	a) Engie 53% b) EDF 30% c) Various long-term corporate PPAs 13% d) Good energy 4%	a) Good Energy, 84% b) Eon Energy Solutions, 2% c) Opus Energy, 3% d) Other (Various Counterparties), 11%
Provide a list of your assets managers and O&M providers, and the % of the total portfolio that each comprises	The portfolio is asset managed by Armstrong Capital Management, with below contracted 3rd party O&M providers a) Stern, 84% b) Aniron, 8% c) Eden Sustainable / EGen, 8%	The portfolio is asset managed by Armstrong Capital Management, with below contracted 3rd party O&M providers: a) REN Energy, 25% b) Freetricity, 66% c) Aniron, 9%
Please indicate any equity or debt investment held by the Investment Manager in any asset manager or O&M provider for assets in this asset class	Armstrong Capital Management is the investment manager, and ACM's in house technical team manages the assets. O&M is outsourced to 3rd parties	
What % of the predicted renewable energy revenue for your assets in this asset class for 2023-24 is comprised of a) UK subsidised, b) UK merchant' power sales, c) Non-UK subsidised and d) Non-UK 'merchant' power sales	a) UK subsidised, 53% b) UK merchant' power sales, 47%	93% of the revenues are UK subsidised FIT based payments, and the balance are either Export sales or based on long-term PPAs within the UK. There are no international revenues
How is currency risk hedged across your portfolio of assets in this asset class ?	There is no currency risk as all the assets are in the UK.	
How do you factor into the share price any price movements relating to movements on currency or interest rate hedges?	The interest rate on £20m of institutional debt is RPI linked. The balance of debt is fixed interest rate.	The interest rate on £22.3m of institutional debt is RPI linked. The balance of debt is fixed interest rate.
How long does your forecast assume your assets in this asset class will last operationally	The average asset life remaining is 17 years	The forecasts assume 25 year life for the portfolio. The remaining asset life for 98% of the portfolio is c.14 years
Are there any extension options in place? Do all of them have Planning Permission?	We have lease extension options for two of our sites & they have full planning permissions for the extension	Government backed subsidies end after 25 years. There is potential upside by lease extension and PPA negotiations which has not been factored in forecasts yet.
What decommissioning assumptions do you have?	We assume the residual value of the assets can fully cover the decommissioning cost. Some sites have decommissioning bonds and provisions in accordance with their leases.	We assume that the residual value of the assets can fully cover the decommissioning costs.

Source ProVen - Report created 10/05/2025 09:50:07