



The Ventus Funds

Presentation of Financial Year End 2016 Results

21 July 2016



TEMPORIS CAPITAL

SUSTAINABLE RETURNS

Authorised and Regulated by the Financial Conduct Authority

Disclaimer

The information in this presentation has been prepared by Temporis Capital LLP, in its capacity as the investment manager to each of Ventus VCT Plc and Ventus 2 VCT Plc (the Ventus Funds). The Presentation is being made at the Annual General Meeting of each of the respective Ventus Funds on Thursday 21 July 2016, in respect of the full year accounts to the financial year end of 29 February 2016.

The Presentation shall include these slides, the oral presentation of the slides including the answering of any questions following such presentation, hard copies of this document and any other materials distributed at, or relating to, the Presentation.

Temporis Capital LLP is authorised and regulated by the Financial Conduct Authority.

No information provided in this Presentation should be construed as advice to you on the suitability or otherwise of that product or investment for you or any other person, such suitability depending on all the circumstances of the person concerned. Nothing contained in this document constitutes investment, legal, tax or other advice nor is it to be relied on in making an investment or other decision. You should obtain relevant and specific professional advice before making any investment decision.

You should always bear in mind that:

- The value of any investment may go up as well as down and you may not get back all of your original investment.
- Past performance should not be seen as an indication of future performance.
- Forward-looking statements, including targeted dividends, involve known and unknown risks and there is no assurance that such returns will be realised.

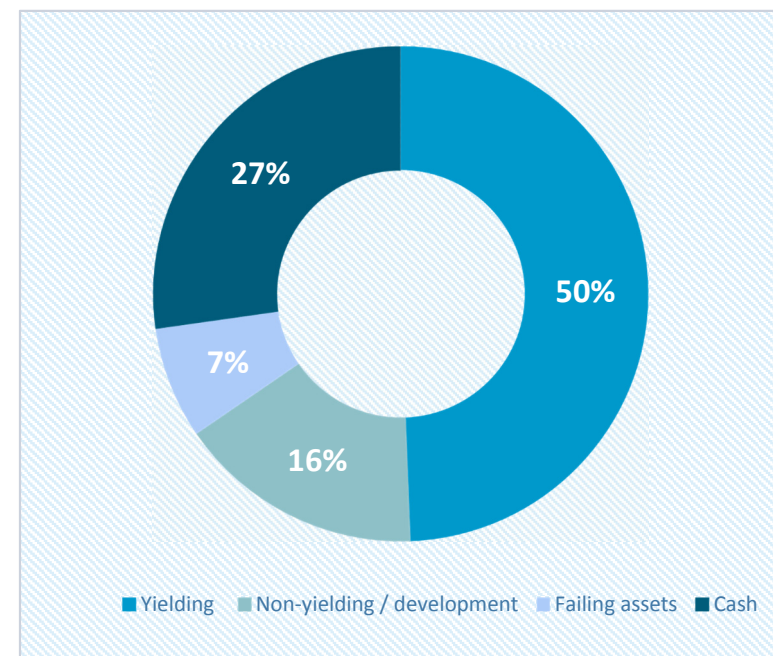
Shares in Ventus VCT Plc and Ventus 2 VCT Plc are listed on the London Stock Exchange. None of the information provided in this Presentation is intended to represent Inside Information. This presentation has been made available on the Ventus Funds website and has been released through the RNS system.

Temporis Restructuring of Ventus Funds (1)

TEMPORIS HAS RESTRUCTURED A COMPLEX AND FAILING BOOK OF ASSETS INTO A HIGH QUALITY PORTFOLIO OF GENERATING ASSETS

- In September 2011 the Boards of the Ventus Funds appointed Temporis Capital LLP to replace the existing Fund Manager
- The portfolio comprised 7 operational sites, a significant amount of uninvested capital, three failing biomass investments and a failed landfill gas investment
- Ventus VCT Ords / Ventus 2 VCT Ords had paid an annual dividend of 3.5p and 2.5p respectively for the prior year end, with no dividend for C shareholders
- Shares were trading at a discount of up to 40% to NAV
- On taking over as Manager, Temporis waived £530k of management fees, to assist with Ventus 2 VCT plc's liquidity

2011 Portfolio breakdown



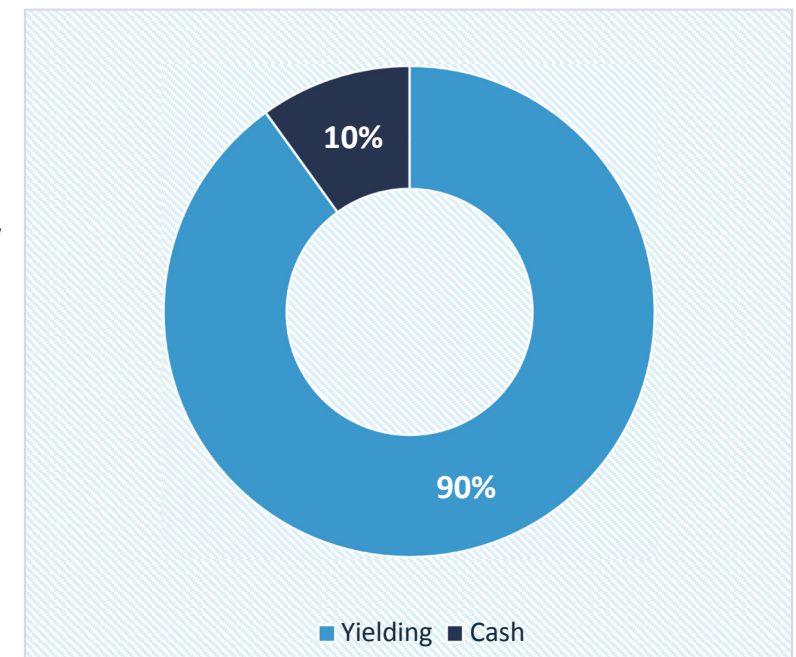
Temporis Restructuring of Ventus Funds (2)

TEMPORIS HAS RESTRUCTURED A COMPLEX AND FAILING BOOK OF ASSETS INTO A HIGH QUALITY PORTFOLIO OF GENERATING ASSETS

Since being appointed Temporis has:

- Closed down unsuccessful investments in over 10 companies
- Restructured complex development assets to unlock value
- Deployed the remaining capital, constructing 7 wind farms and 3 hydro schemes with over 74MW of new capacity
- Sold an asset to a strategic buyer for 3.12x cost to generate liquidity
- Delivered an attractive operational portfolio of generating assets paying a sustainable dividend
- Created over £27m of value for shareholders across NAV growth and dividends as well as enhanced share buyback
- From the lowest point increase in Ventus Ord share price of 52% and in Ventus 2 Ord shares of 83%*

2016 Portfolio breakdown



*Figure as at 18 July 2016

Overview – Operational Portfolio

THE VENTUS FUNDS COMPRISE A PORTFOLIO OF HIGH QUALITY GENERATING ASSETS STRUCTURED TO DELIVER A STABLE TAX-FREE YIELD

- The portfolio is now a diversified mix of operational energy generating assets
- Across the Ventus Funds there are 16 operational projects
- The gross generating capacity across investee companies is 116MW
- Investee companies produce enough electricity to power 63,000 homes annually
- Investee companies benefit from grandfathered long term incentive mechanics backed by the UK Government



Overview – Sustainable Yield

THE VENTUS FUNDS COMPRISE A PORTFOLIO OF HIGH QUALITY GENERATING ASSETS STRUCTURED TO DELIVER A STABLE TAX-FREE YIELD

- Each share class has a clear dividend objective, aimed at delivering a long term sustainable tax free yield to investors
- Dividend is supported by long term incentive payments to investee companies backed by UK Government
- Mitigation of power price exposure through fixed price electricity contracts
- Around 50% of portfolio has been operating for three years or more, demonstrating proven energy resources



Overview – Tax Efficient Wrapper

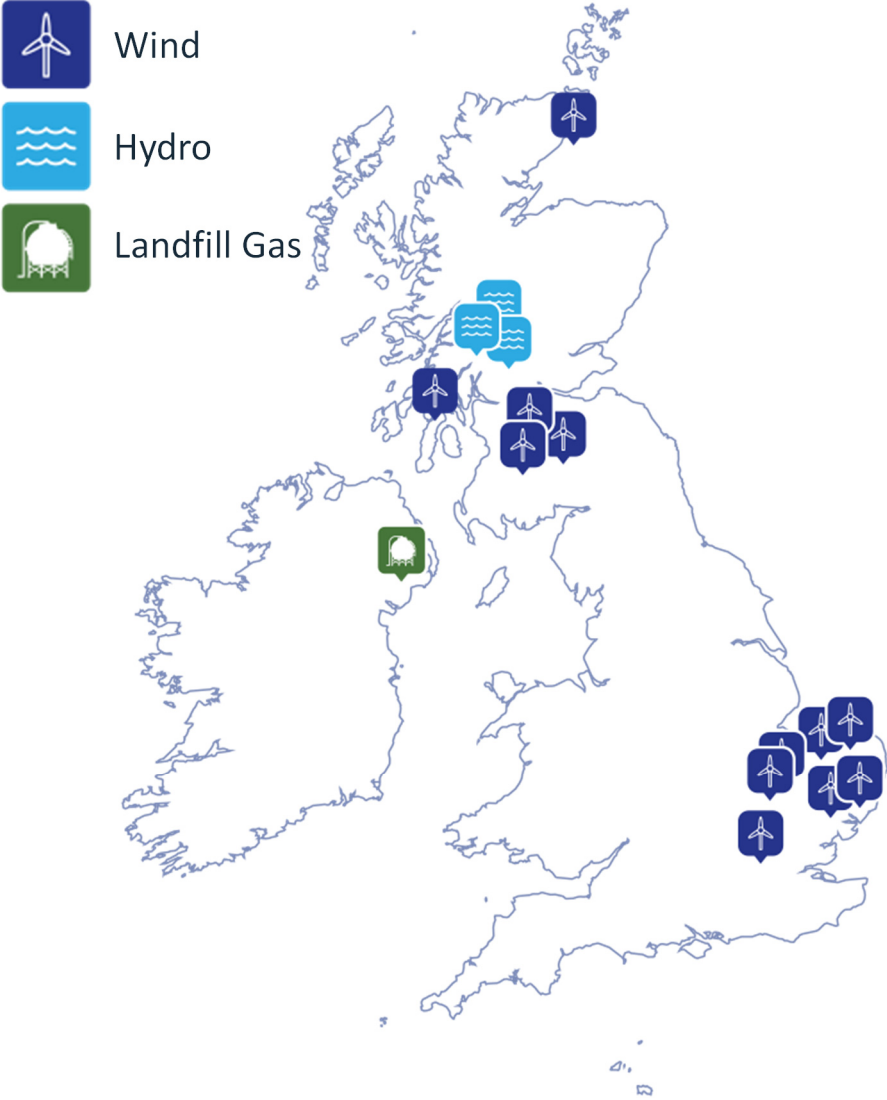
THE VENTUS FUNDS COMPRISE A PORTFOLIO OF HIGH QUALITY GENERATING ASSETS STRUCTURED TO DELIVER A STABLE TAX-FREE YIELD

- The Ventus Funds are exempt from tax on dividends and capital gains received from investee companies
- Dividends to shareholders are income tax exempt, enhancing net yield to shareholders
- The sale of shares is capital gains tax exempt
- Unique value combination of yielding assets and tax benefits available to retail investors

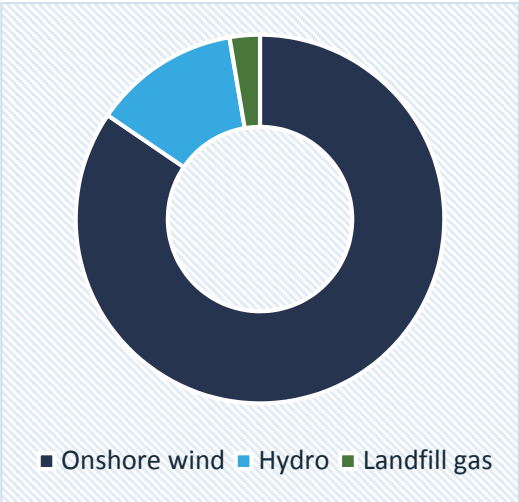


Overview – Portfolio

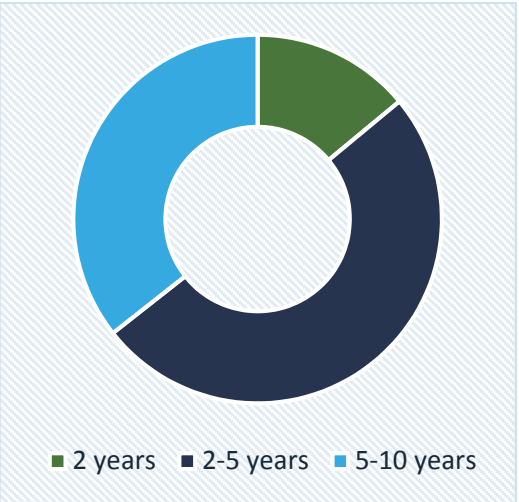
- 16 operational sites across wind, hydro electricity and landfill gas
- Gross generating capacity of 116MW, powering up to 63,000 homes annually and displacing the production of 113,000 tonnes of CO2 per annum
- Average asset age of 4 years across portfolio



Technology by value

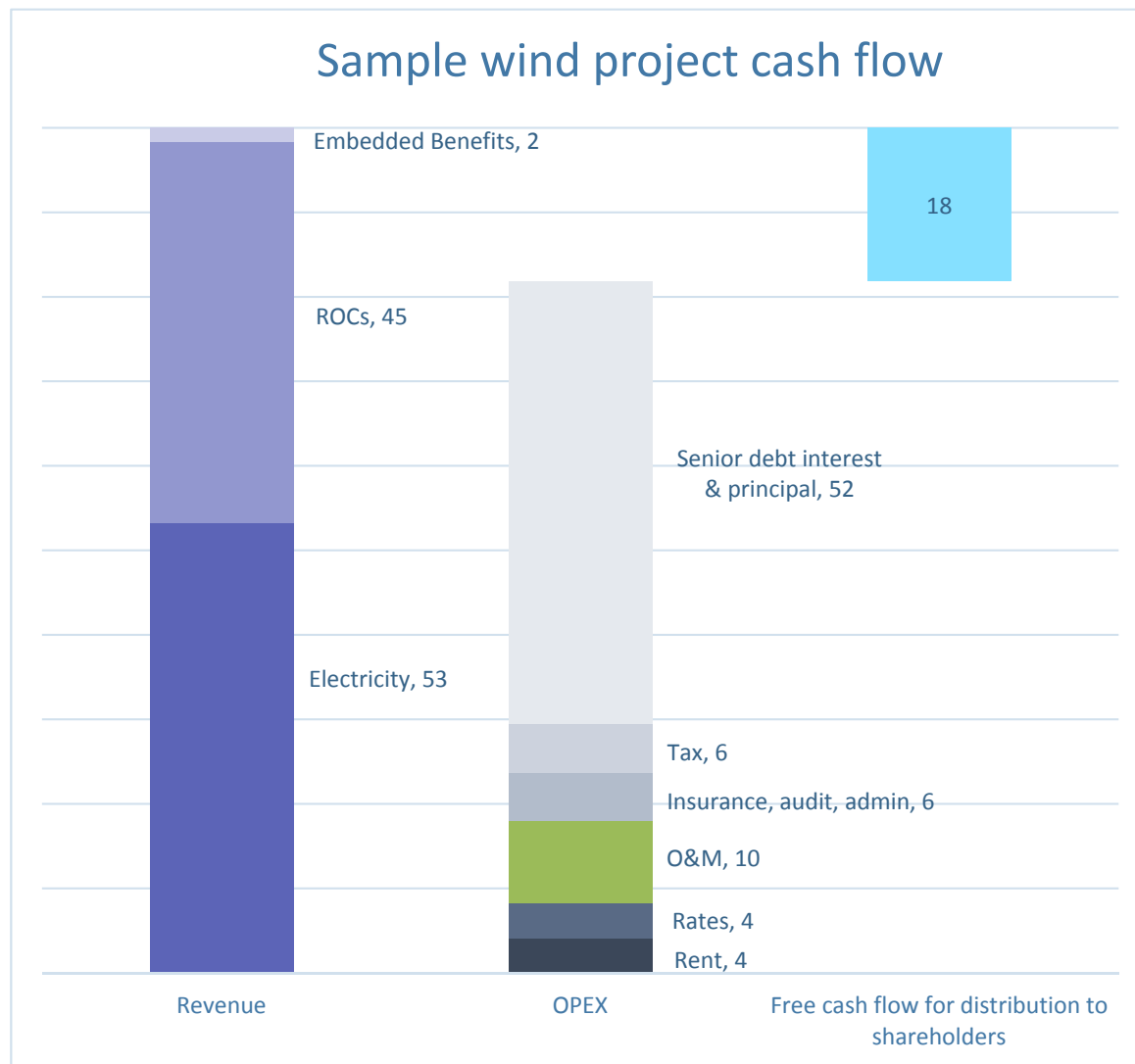


Asset age by value



Overview – Sample Asset Cash Flows

- Revenues split across UK Government backed ROCs, market electricity prices, fixed contract electricity prices and embedded benefits
- The adjacent chart shows a sample wind farm cash flow, including revenue and cost components
- All investee company debt is amortising, and so potential for additional free cash flow as debt is repaid



2016 Year End Results

- Attractive total return in all share classes for the year
- Dividends across all share classes have increased and are at a sustainable level
- Proceeds of strategic sale realised, giving special dividend of 12p per Ventus VCT plc Ordinary Share and increased liquidity within the Ventus and Ventus 2 funds
- Overall generation performance at expected levels

Share Class	Increase in NAV FYE 29/02/16	Final dividend FYE 29/02/16	Total return FYE 29/02/16	Dividend yield FYE 29/02/16*	Equivalent yield of a taxable investment**
Ventus Ordinary shares	-0.41p	15.50p	15.09p	12.76%	18.90%
Ventus C shares	-0.45p	8.00p	7.55p	6.54%	9.68%
Ventus D	34.38p	4.00p	38.38p	4.26%	6.30%
Ventus 2 Ordinary shares	2.81p	5.25p	8.06p	6.93%	10.26%
Ventus 2 C shares	-0.38p	8.00p	7.62p	6.49%	9.61%
Ventus 2 D	34.61p	4.00p	38.61p	4.25%	6.29%

*Based upon opening NAV balance

**Assuming dividends taxed at 32.5% rate, excluding £5,000 dividend tax exemption

Dividend Objectives

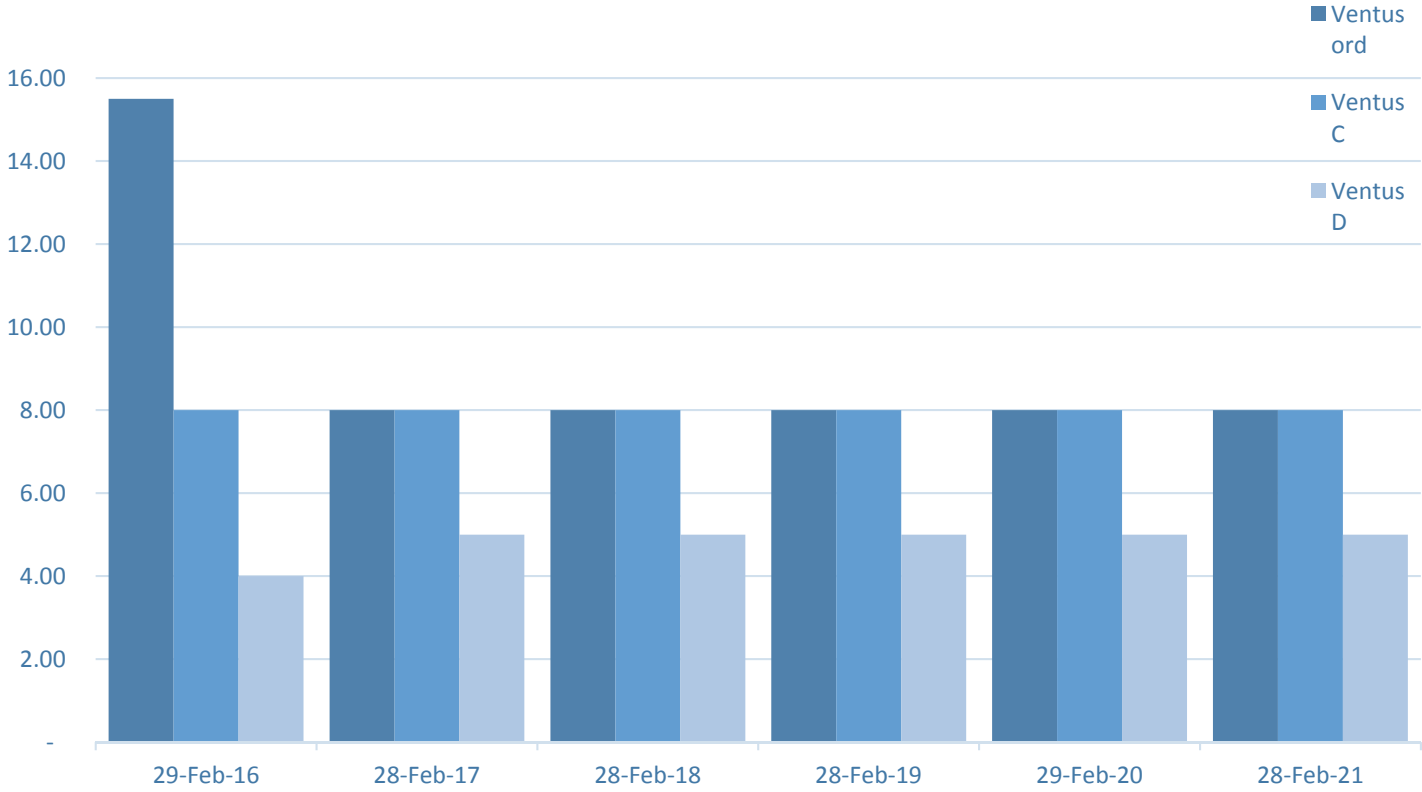
- The Boards have set clear dividend objectives* for the Ventus Funds
- The manager is tasked, by the board, with optimising the portfolio's performance and longevity to enhance long term yield
- As investee company debt amortises over time free cash flow will increase and the Directors will consider whether it is appropriate to revise the dividend targets

*Not intended to be a profit forecast, dividend objectives are intentions only

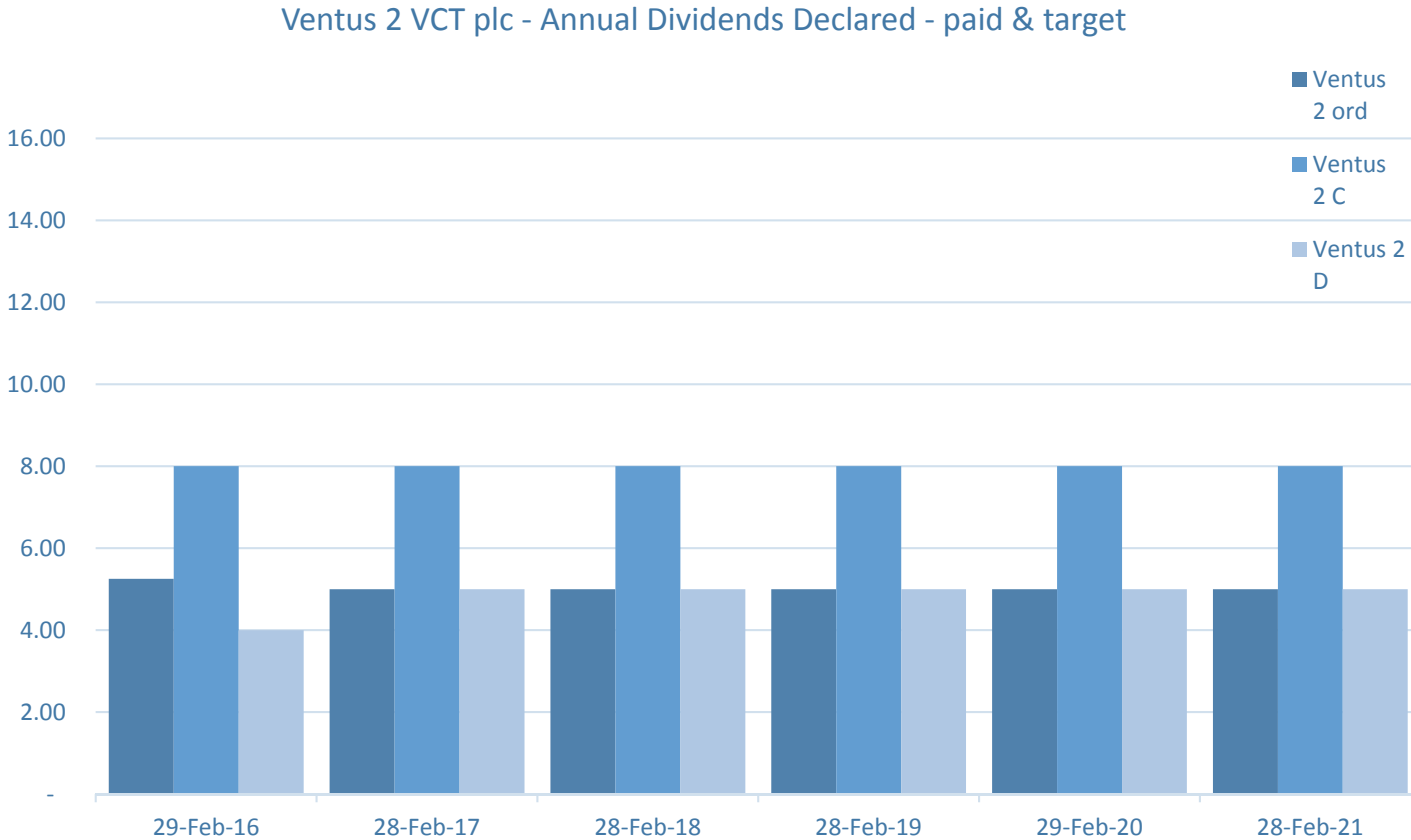


Dividends – Ventus VCT plc

Ventus VCT plc - Annual Dividends Declared - paid & target



Dividends – Ventus 2 VCT plc



Portfolio Optimisation

MANAGER FOCUSED ON VALUE ADDED THROUGH ACTIVE ASSET MANAGEMENT

1. Operational optimisation
 - i. O&M reviews
 - ii. Downtime management
 - iii. Wind optimisation
2. Financial optimisation
 - i. Refinancing
 - ii. PPA strategy
3. Repowering, asset life extension and use of grid capacity



Contact



Temporis Capital LLP
Berger House
36-38 Berkeley Square
London W1J 5AE
United Kingdom

david.watson@temporiscapital.com
matthew.ridley@temporiscapital.com