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MIDVEN ACHIEVES MULTIPLE RETURN ON INVESTMENT

Midven, a leading Midlands venture capital company, has realised its investment in Dynamic Change Ltd, in a deal that generates an eight times cash multiple return for its Advantage Growth Fund.

Staffordshire based Dynamic Change, a provider of regulatory compliance, corporate governance, risk and performance management software to the UK healthcare market, has been sold to Aim-listed Allocate Software for up to £9m.

Midven's Advantage Growth Fund, which provides venture capital to small and medium sized enterprises in the West Midlands, invested in Dynamic Change in 2003 at a time when the company had just two customers. The company has grown significantly since that time and now has 121 customers. If the full consideration is achieved the Fund's return will increase to 14 times the cash invested

Roger Wood, Director of Midven, said this is yet another example of how well-managed venture capital funds with a regional focus can make excellent returns for their investors from investing in early-stage technology businesses.

"This is the fourth highly profitable exit from the Advantage Fund, and the second in six months. This demonstrates that despite the economic environment, fast growing and profitable companies are still highly attractive acquisition targets. The West Midlands region is really proving itself to be a good home for such businesses and with significant new funds to invest we hope to help even more of them achieve similar success." he said.

Mil Milojevic and Hugh Ashley, founders and directors of Dynamic Change, said: "We have worked closely with Midven over the last ten years and their financial and strategic support has enabled us to grow the business significantly. The strategic fit between Allocate and Dynamic Change is excellent for both customers and staff and the timing is right for the company to move into the next stage of its growth strategy as part of a larger group."

Allocate Software is the leading workforce optimisation software applications provider for world-wide organisations with large, multi-skilled workforces. With a blue chip client base spanning the public and private sector, its key vertical

markets include: defence, maritime, healthcare, and government and Education.

Birmingham-based Midven, which recently announced the launch of the Exceed Advantage Fund for the West Midlands, manages five funds in total and aims to invest in innovative and entrepreneurial companies with strong growth prospects in the Midlands and beyond.

The shareholders of Dynamic Change were advised by international law firm Eversheds, led by corporate partner James Trevis and assisted by solicitor Jon Gill. James Trevis commented “Dynamic Change is a excellent local success story - an entrepreneurial business supported by Birmingham’s venture capital community that has gone on to great things and deliver value to all stakeholders. We were delighted to work with the team in achieving this impressive exit.” Corporate finance advice was also provided by Cobalt Corporate Finance.

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Editors’ Notes

About Midven Limited

Midven Limited www.midven.co.uk is a privately owned company with a successful track record of investing in small and medium-sized enterprises in the Midlands over 15 years. It manages a variety of funds and has invested in a wide range of sectors, including software, biotechnology, healthcare, engineering, manufacturing and distribution.

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