

Mobeus Income & Growth 4 VCT plc

A VENTURE CAPITAL TRUST

Unaudited Half-Year Report
for the six months ended 30 June 2017

Mobeus Income & Growth 4 VCT plc, (“MIG4”, the “Company”, or the “Fund”) is a Venture Capital Trust (“VCT”) advised by Mobeus Equity Partners LLP (“Mobeus”), investing primarily in established, unquoted companies.

Company Objective

The Objective of the Company is to provide investors with a regular income stream by way of tax-free dividends and to generate capital growth through portfolio realisations which can be distributed by way of additional tax-free dividends, while continuing at all times to qualify as a VCT.

Contents

Financial Highlights	1
Chairman’s Statement	2
Investment Policy	4
Summary of VCT legislation	4
Investment Review	5
Investment Portfolio Summary	7
Statement of Directors’ Responsibilities	9
Unaudited Condensed Financial Statements	10
Notes to the Unaudited Condensed Financial Statements	16
Shareholder Information	22
Corporate Information	24

Financial Highlights

Results for the six months ended 30 June 2017

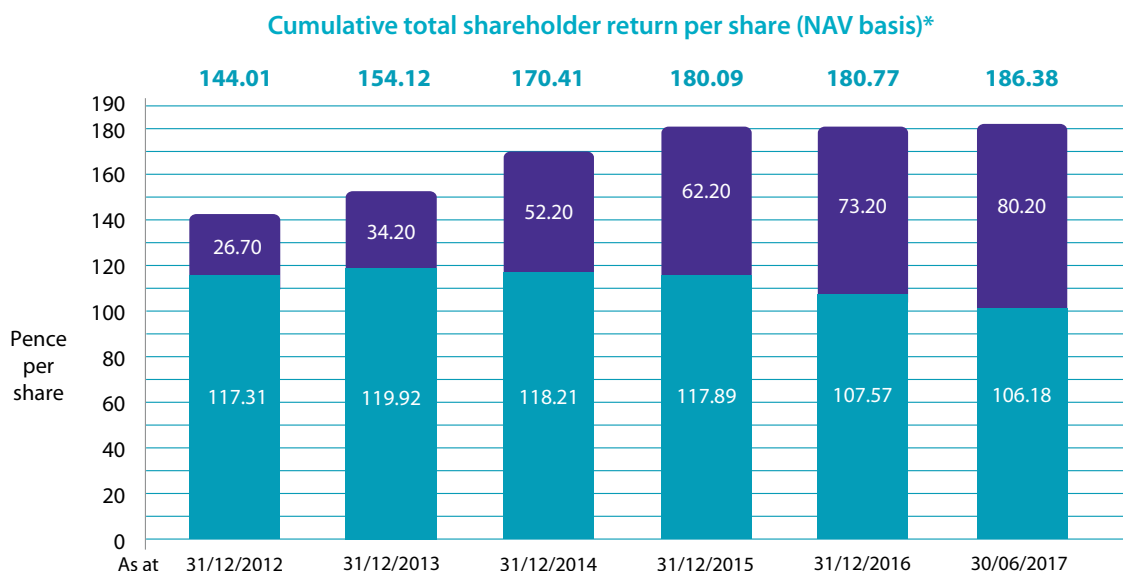
- Net Asset Value (“NAV”) Total Return per share of 5.2% for the half-year.
- The Company has declared an interim dividend of 18.00 pence per share, payable on 11 September 2017 to shareholders on the register on 18 August 2017, bringing total cumulative dividends paid to shareholders since inception to 98.20 pence per share.
- Investments totalling £1.65¹ million have been made into Tapas Revolution, Buster & Punch, MyTutor, and a follow on investment into BookingTek.
- The Company has realised its investment in Entanet after the period end in August 2017 for £4.89 million, contributing to a 2.5 multiple of cost over the life of the investment to date.
- The Board intends to raise up to £15 million under an Offer (£10 million plus £5 million via an over-allotment facility) alongside the other Mobeus VCTs, to be launched in September 2017.

¹ – includes £0.53 million previously held in a company preparing to trade.

Cumulative total shareholder return per share (NAV basis)*

The net asset value (NAV) per share as at 30 June 2017 was 106.18 pence.

The longer term trend of performance on this measure is shown in the chart below:-



*Cumulative total shareholder return (NAV basis) is net asset value plus cumulative dividends paid since 1999 to date.

The table above shows the recent past performance of the original funds raised in 1999. The original subscription price was 200p per share before the benefit of income tax relief. Subscription prices from subsequent fundraisings and historic performance data from 2008 are shown in the Investor Performance Appendix on the Company's website, www.mig4vct.co.uk, where they can be downloaded by clicking on "table" under "Reviewing the performance of your investment" on the home page.

On 31 July 2006, Mobeus became sole Investment Adviser to the Company. The cumulative NAV total return at this date was 122.51 pence.

Chairman's Statement

I am pleased to present this Half-Year Report for Mobeus Income & Growth 4 VCT plc covering the six months ended 30 June 2017.

Overview

Your Board has announced its intention to raise up to a further £15 million comprising £10 million with a possible further over-allotment facility of £5 million alongside three other Mobeus-advised VCTs before the end of the financial year. This seems sensible to finance the intended investment programme, particularly as it is possible that the rules governing VCT investment may not be as favourable in the future.

We also believe that there continues to be good appetite for further investment in the Company, following a very popular fundraising in the 2014/2015 tax year.

A general meeting was convened and held on 3 August 2017 at which shareholder approval was sought and obtained for authority to allot shares and dis-apply pre-emption rights in connection with the fundraising. The Offers for Subscription ("Offers") are expected to be launched in early September 2017, full details of which will be contained in the Prospectus that will be sent to all registered shareholders.

We very much hope that existing shareholders will add to their holdings and look forward to welcoming new investors in the Company.

The half-year has produced a good return for shareholders with a positive income return and an increase in the value of the portfolio. In particular, the Board is pleased to note the sale of the investment in Entanet just after the half-year end, which has contributed substantially to this good return for shareholders.

The level of new investment has been strong with four growth capital investments completed so far in 2017. Further details of these investments are included under 'Investment Portfolio' below. These investments reflect the revised focus on providing growth capital to younger and smaller companies in accordance with the revised Investment Policy approved by shareholders last year. By way of reminder, this revised Policy was required to comply with the new VCT measures introduced by the Finance (No 2) Act 2015 in November of that year. Since that change £7.12 million has been invested to date in nine such companies.

Although the VCT industry can no longer make investments to finance management buyouts ("MBOs") these MBO investments continue to represent 77% of the Company's portfolio. This portfolio has performed well in what is a time of political and economic uncertainty.

Performance

The Net Asset Value ("NAV") Total Return was 5.2% for the period (compared with 0.1% for the same period last year).

Interim dividend

The Board has declared an interim dividend of 18.00 pence per share, comprising 1.00 pence from income (2016: 1.00 pence) and 17.00 pence from capital (2016: 1.00 pence), of which 15.00 pence is payable from the Company's Special Distributable Reserve. Shareholders should not assume further payments from the Special Distributable Reserve in the foreseeable future. This quantum of dividend payments will increasingly depend on the success or otherwise of the current investment policy implemented as a result of regulatory changes.

The interim dividend will be paid on 11 September 2017 to shareholders on the Register on 18 August 2017 and will bring cumulative dividends paid per share since launch to 98.20 pence.

Investment portfolio

As noted above, the Company completed the divestment of Entanet Holdings Limited after the period end. Proceeds of £4.89 million have been received, while a further £0.50 million of deferred consideration is potentially payable over the next two years. This investment has achieved a return on original investment cost of 2.5 times to date, over the three and a half years that the investment was held, which is a very pleasing performance. The valuation of Entanet at the half-year reflects the full £4.89 million of cash proceeds received after the period-end.

Overall the performance of the investment portfolio has been pleasing. The portfolio achieved a gain of £2.45 million (6.3% of the opening value during the first half of the year and was valued at £37.93 million at the period-end (30 June 2016: £37.45 million). The six month period experienced notable increases in the valuations of Entanet and Access IS. The portfolio also saw valuation declines over the period for Fullfield (Motorclean), CGI Creative Graphics and Media Business Insight.

During the period three new investments and one follow on were completed at a total cost of £1.65 million (analysed on page 5 and explained within Note 10).

These new investments were:

- Ibericos Etc. Limited (trading as Tapas Revolution) – a leading Spanish restaurant chain in the casual dining sector.
- Chatfield Services Limited (trading as Buster & Punch) – a London-based interiors brand.
- MyTutorweb Limited – a digital marketplace that connects school pupils who are seeking private one-to-one tutoring with university students.

Shortly after the period end, a further new investment of £2.33 million was made in Wetsuit Outlet, a leading online retailer in the water sports market. This investment utilised £1.56 million previously held in a company preparing to trade.

The company received cash proceeds of £4.57 million during the period, including £4.40 million of loan stock repayments.

Further information on the portfolio can be found under the Investment Adviser's Review on pages 5 - 8.

Revenue account

There was an increase in net revenue return for the period, being £0.76 million compared to £0.61 million recorded this time last year. Income has increased due to a strong stream of dividends, as well as improved loan interest receipts due to new investments and some portfolio companies resuming loan interest payments as their trading improved. Running costs have fallen due to lower Investment Adviser fees arising from lower net assets.

Industry and regulatory developments

The Patient Capital Review, announced in November 2016, is now in its consultation phase ahead of the Autumn Budget 2017. Led by HM Treasury, its objective is to assess what amendments to Government policy, if any, are needed to support the expansion in provision of long-term capital for growing innovative firms. The Board is firmly of the view that the government should use this review to make a renewed public commitment to the positive role that VCTs play in providing development

capital to the small business sector, as well as affirming the long-term future of the scheme.

Liquidity

The present level of cash or near cash resources held by the Company as at 30 June 2017, including the liquidity held by companies preparing to trade, was £18.25 million or 35% of net assets. After the period end, following the investment in Wetsuit Outlet, the realisation of Entanet Holdings, and the payment of the interim dividend in September 2017, the level of liquidity will be £11.86 million or 27% of net assets.

The VCT continues to hold its cash in a selection of money market funds with AAA credit ratings and in a number of deposit accounts diversified among well-known financial institutions across a range of maturities.

Investment in qualifying holdings

The Company is required to meet the threshold set by HM Revenue & Customs ("HMRC") of investing 70% of the funds raised in qualifying unquoted and AIM quoted companies. The Company complied with this limit (based on VCT cost as defined in tax legislation, which differs from the actual cost given in the Investment Portfolio Summary on pages 7 - 8) throughout the period. The balance of the portfolio continues to be held in non-qualifying investments and cash.

Share buybacks

We are pleased to note that currently there is relatively little demand for share buybacks. There were no share buybacks during the six months ended 30 June 2017. 10,000 Ordinary shares were bought back following the period end at a price of 90.86 pence per share (including costs). These were bought back at approximately a 10% discount to the Company's latest announced NAV, in accordance with its Buyback policy.

All of the shares bought-back after the period-end were subsequently cancelled by the Company. Continuing shareholders benefit from the difference between NAV per share and the price per share at which the shares are bought back and cancelled.

Dividend Investment Scheme

The Company's Dividend Investment Scheme ("the Scheme") is a convenient,

easy and cost effective way for shareholders to build up their shareholding in the Company. Instead of receiving cash dividends they can elect to receive new shares in the Company.

A total of 706,138 new Ordinary shares were issued under the Scheme during the period at a price of 90.00 pence each.

Further information on the Scheme, including details of where to obtain an application form, can be found in Shareholder Information on pages 22 - 23.

Shareholder communications

The Investment Adviser held its seventh annual shareholder event on 24 January 2017. The event was well attended and we were pleased to hear from the Investment Adviser that it received positive feedback from shareholders. The next event is to be held on Tuesday, 30 January 2018, again at the Royal Institute of British Architects in Central London. The programme will again include presentations on the investment activity and performance of the Mobeus VCTs as well as an update on the recent regulatory changes and talks from investee companies. Shareholders have been sent further details, and an invitation to the event, with the shareholder newsletter sent last week.

Outlook

The UK economy continues to be subject to the uncertainties arising both out of the ability of the UK government to negotiate a satisfactory exit from the European Union and from the recent UK election result. Nevertheless the demand from small UK businesses for development capital remains strong and there continues to be a healthy market to purchase quality smaller companies at attractive prices.

Both the Board and the Investment Adviser continue to have a positive outlook about the Company's future prospects. The small and medium-sized enterprises (SME) segment is a dynamic target universe for new investment, where the Investment Adviser is reviewing many promising opportunities. The Investment Adviser continues to expand its team and capabilities and has adapted well to the requirements of the new Investment Policy.

The existing portfolio continues to comprise predominantly established, profitable companies that have been conservatively financed, but over time the growth capital investments will represent

a growing proportion. The latter will tend to be younger, and may not always be profitable at the time of investment. They will typically exhibit more volatility in returns and generate less income as they tend to re-invest profits during their growth phase, but may offer the prospect of higher capital returns.

Finally, I would like to thank shareholders for their continuing support.

Christopher Moore
Chairman

8 August 2017

Investment Policy

The investment policy is designed to meet the Company's objective.

Investments

The Company invests primarily in a diverse portfolio of UK unquoted companies. Investments are made selectively across a number of sectors, principally in established companies. Investments are usually structured as part loan stock and part equity in order to produce a regular income stream and to generate capital gains from realisations.

There are a number of conditions within the VCT legislation which need to be met by the Company and which may change from time to time. The Company will seek to make investments in accordance with the requirements of prevailing VCT legislation.

Asset allocation and risk diversification policies, including the size and type of investments the Company makes, are determined in part by the requirements of prevailing VCT legislation. No single investment may represent more than 15 per cent. (by VCT tax value) of the Company's total investments at the date of investment.

Liquidity

The Company's cash and liquid funds are held in a portfolio of readily realisable interest bearing investments, deposit and current accounts, of varying maturities, subject to the overriding criterion that the risk of loss of capital be minimised.

Borrowing

The Company's articles of association permit borrowings of amounts up to 10 per cent. of the adjusted capital and reserves (as defined therein). However, the Company has never borrowed and the Board would only consider doing so in exceptional circumstances.

Summary of VCT Regulation

To maintain its status as a VCT, the Company must meet a number of conditions, the most important of which are that:-

- The Company must hold at least 70%, by VCT tax value*, of its total investments (shares, securities and liquidity) in VCT qualifying holdings, within approximately three years of a fundraising;
- Of these qualifying holdings, an overall minimum of 30% by VCT tax value* (70% for funds raised on or after 6 April 2011) must be in ordinary shares which carry no preferential rights (save as may be permitted under VCT rules);
- No investment in a single company or group of companies may represent more than 15% (by VCT tax value*) of the Company's total investments at the date of investment;
- The Company must pay sufficient levels of income dividend from its revenue available for distribution so as not to retain more than 15% of its income from shares and securities in a year;
- The Company's shares must be listed on a regulated European stock market; and
- Non-qualifying investments can no longer be made, except for certain exemptions in managing the Company's short term liquidity.

To be a VCT qualifying holding, new investments must be in companies:-

- which carry on a qualifying trade;
- which have no more than £15 million of gross assets at the time of investment and £16 million immediately following investment from VCTs;
- whose maximum age is generally up to seven years (ten years for knowledge intensive businesses);
- that receive no more than an annual limit of £5 million and a lifetime limit of £12 million (£20 million for knowledge intensive companies), from VCTs and similar sources of State Aid funding;
- that use the funds received from VCTs for growth and development purposes.

*VCT tax value means as valued in accordance with prevailing VCT legislation, which may not be the actual cost or fair value of the Investment Portfolio Summary on pages 7-8.

The above takes into account legislation up to the Finance Act 2016 but effective from 6 April 2016.

Investment Review

New investments in the Half-Year


A total of £1.65 million was invested into three new companies during the six months under review plus one existing portfolio company. This comprised new investments into Tapas Revolution, Buster & Punch, MyTutor and a follow on investment in BookingTek. One further investment in Wetsuit Outlet was completed after the period end.

	Company	Business	Date of investment	Amount of new investment (£m)
	Tapas Revolution	Restaurant	January 2017	0.58

Based in London, Ibericos Etc. Limited (which trades as Tapas Revolution) is a leading Spanish restaurant chain in the casual dining sector focusing on shopping centre sites with high footfall. Having opened its first restaurant in Shepherd's Bush Westfield, the business has since opened a further six restaurants. The investment provided growth capital to a high-calibre team with significant restaurant rollout experience which has spent the past five years building and refining its offer and is now well placed to capitalise on a strong pipeline of new sites. The company's latest accounts for the year ended 25 October 2016 show a turnover of £4.25 million and loss before interest, tax and amortisation of goodwill of £0.25 million.

	Buster & Punch	Retailer	March 2017	0.53
---	----------------	----------	------------	------

Chatfield Services Limited (trading as Buster & Punch) is a London-based interiors brand founded in 2012 by architect and industrial designer Massimo Buster Minale. Buster & Punch (www.busterandpunch.com) started in a small garage in East London, where it built the "world's first designer LED light bulb" (the Buster Bulb) and made its name with its industrial-inspired lighting. Its products are now sold in over 50 countries, both directly to end-consumers, designers and architects, and through well-known retailers including John Lewis, Harvey Nichols and Harrods. The investment will support the business's international expansion plans and the broadening of its product range. The company's latest accounts for the year ended 31 March 2016 show turnover of £1.98 million and profit before interest, tax and amortisation of goodwill of £0.47 million.

	MyTutor	Online tutoring	May 2017	0.47
---	---------	-----------------	----------	------

My Tutorweb Limited is a digital marketplace that connects school pupils who are seeking private one-to-one tutoring with university students. The business is satisfying a growing demand from both schools and parents to improve pupils' exam results to enhance their academic and career prospects. This investment represents an opportunity to consolidate the sizeable £2bn UK tutoring market, build My Tutor's market presence and will also be used to drive technological development. The company's latest accounts for the year ended 31 December 2016 show a turnover of £0.21 million and a loss before interest, tax and amortisation of goodwill of £0.79 million.

A further small loan investment of £0.07 million was made into BookingTek Limited (which provides direct booking software for hotel groups), to fund an opportunity for US expansion.

New investment post period-end


	Company	Business	Month	Amount of new investment (£m)
	Wetsuit Outlet	Retailer	July 2017	2.33

B2C Holdings Limited (trading as Wetsuit Outlet) has established itself as a leading online retailer in the water sports market, stocking an impressive brand portfolio including Musto, Billabong, Rip Curl, O'Neill, Red Paddle (an existing Mobeus investment) and Gul. The investment is to fund working capital and growth in the existing activity and enter two new markets. Established in 2005, the company has developed into a successful and profitable business with revenues of £11.51 million and £1.77 million NPBIT&A in the financial year ended 31 March 2017.

Investment Review

Realisations in the Period

There were no realisations during the period under review, although there was one substantial realisation shortly after the period end (Entanet Holdings Limited) as set out below:

Company	Business	Period of investment	Total cash proceeds over the life of the investment / Multiple over cost
 Entanet	Wholesale voice and data communications provider	February 2014 to August 2017	£5.53 million 2.5 times cost

The VCT has just sold this investment to AIM quoted CityFibre Infrastructure Holdings PLC for £4.89 million. Between December 2014 and December 2016, Entanet's revenues increased by 39% to £35.75 million. Deferred consideration of up to £0.50 million is potentially payable over the next 24 months. Excluding this deferred consideration, the company has so far realised a gain of £2.72 million, being 5.48 pence per share, and has returned an IRR of 39% to date, an excellent outcome.

Loan stock repayments

Loan stock repayments totalled £4.40 million. These proceeds are summarised below:-

Company	Business	Month	Amount (£000s)
Backhouse Management	Company preparing to trade	January	907
Creasy Marketing	Company preparing to trade	March	907
McGrigor Management	Company preparing to trade	January, February	907
Hollydale Management	Company preparing to trade	March	657
Chatfield Services	Company subsequently used to invest in Buster & Punch	March	523
Barham Consulting	Company preparing to trade	March	454
TPSFF Holdings	Building finishing services	April	42
BG Training	Technical training	January	4
Total			4,401

Mobeus Equity Partners LLP

Investment Adviser

8 August 2017

Investment Portfolio Summary

at 30 June 2017

Mobeus Equity Partners LLP	Total cost at 30 June 2017 £	Total valuation at 31 December 2016 £	Total valuation at 30 June 2017 £	% of equity held	% of portfolio by value
Entanet Holdings Limited¹ Wholesale voice and data communications provider	2,167,662	2,254,135	4,892,454	13.1%	13.0%
Tovey Management Limited (trading as Access IS) Provider of data capture and scanning hardware	2,469,013	2,601,197	2,932,773	10.1%	7.7%
Virgin Wines Holding Company Limited Online wine retailer	1,930,813	2,685,675	2,531,929	9.7%	6.7%
ASL Technology Holdings Limited Printer and photocopier services	1,933,591	2,082,980	2,031,383	9.5%	5.4%
Manufacturing Services Investment Limited Company subsequently used to invest in WetSuit Outlet after the period end.	2,016,900	2,016,900	2,016,900	11.4%	5.3%
Media Business Insight Holdings Limited A publishing and events business focused on the creative production industries	2,722,760	2,218,152	1,991,494	15.7%	5.3%
Turner Topco Limited (trading as ATG Media) Publisher and online auction platform operator	1,529,075	1,330,326	1,359,196	3.7%	3.6%
Vian Marketing Limited (trading as Red Paddle Co) Design, manufacture and sale of stand-up paddleboards and windsurfing sails	899,074	1,188,439	1,330,996	7.1%	3.5%
Gro-Group Holdings Limited Baby sleep products	1,577,977	1,361,293	1,260,805	10.7%	3.3%
Tharstern Group Limited Software based management information systems to the print sector	1,091,886	1,217,396	1,247,456	12.2%	3.3%
Veritek Global Holdings Limited Maintenance of imaging equipment	1,620,086	1,283,041	1,225,723	10.3%	3.2%
EOTH Limited (trading as Equip Outdoor Technologies) Branded outdoor equipment and clothing	951,471	1,197,945	1,188,932	1.7%	3.1%
Fullfield Limited (trading as Motorclean) Vehicle cleaning and valet services	1,131,444	1,459,525	1,147,117	9.8%	3.0%
CGI Creative Graphics International Limited Vinyl graphics to global automotive, recreation vehicle and aerospace markets	1,449,746	1,311,572	1,080,299	6.6%	2.8%
TPSFF Holdings Limited (formerly The Plastic Surgeon Holdings Limited) Supplier of snagging and finishing services to the domestic and commercial property markets	424,235	902,329	986,808	8.7%	2.7%
Redline Worldwide Limited Provider of security services to the aviation industry and other sectors	838,377	838,377	971,656	6.7%	2.6%
RDL Corporation Limited Recruitment consultants within the pharmaceutical, business intelligence and IT industries	1,000,000	926,025	966,274	9.1%	2.5%
Master Removers Group Limited (formerly Leap New Co Limited (trading as Anthony Ward Thomas, Bishopsgate and Aussie Man & Van)) A specialist logistics, storage and removals business	511,855	734,387	957,783	4.3%	2.5%
Bourn Bioscience Limited Management of In-vitro fertilisation clinics	1,132,521	864,082	777,161	7.7%	2.0%
Preservica Limited Seller of proprietary digital archiving software	679,617	679,617	679,617	4.6%	1.8%
MPB Group Limited Online marketplace for photographic and video equipment	471,216	471,216	677,890	5.3%	1.8%
Pattern Analytics Limited (trading as Biosite) Workforce management and security services for the construction industry	640,171	640,171	640,171	4.8%	1.7%

1 - Entanet Holdings Limited was realised after the period end. The valuation at 30 June 2017 reflects the actual proceeds received.

Investment Portfolio Summary

at 30 June 2017

	Total cost at 30 June 2017 £	Total valuation at 31 December 2016 £	Total valuation at 30 June 2017 £	% of equity held	% of portfolio by value
Mobeus Equity Partners LLP					
BookingTek Limited Direct booking software for hotels	581,974	512,137	581,974	3.4%	1.5%
Ibericos Etc. Limited (trading as Tapas Revolution) Spanish restaurant chain	580,469	-	580,469	5.8%	1.5%
Chatfield Services Limited (trading as Buster & Punch)¹ Industrial inspired lighting and interiors retailer	530,392	1,134,000	530,392	4.5%	1.4%
My TutorWeb Limited Digital marketplace connecting school pupils seeking one to one online tutoring	466,639	-	466,639	4.5%	1.2%
Jablite Holdings Limited Manufacturer of expanded polystyrene products	376,083	606,998	448,343	9.1%	1.2%
Hollydale Management Limited Company seeking to carry on a business in the food industry	701,120	1,095,500	438,200	11.0%	1.2%
Omega Diagnostics Group plc In-vitro diagnostics for food intolerance, auto-immune diseases and infectious diseases	200,028	291,682	312,516	1.5%	0.8%
Backhouse Management Limited Company seeking to carry on a business in the motor sector	589,680	1,134,000	226,800	11.3%	0.6%
Barham Consulting Limited Company seeking to carry on a business in the catering sector	589,680	680,400	226,800	11.3%	0.6%
Creasy Marketing Services Limited Company seeking to carry on a business in the textile sector	589,680	1,134,000	226,800	11.3%	0.6%
McGrigor Management Limited Company seeking to carry on a business in the pharmaceutical sector	589,680	1,134,000	226,800	11.3%	0.6%
Blaze Signs Holdings Limited Manufacturer and installer of signs	190,631	280,944	213,131	5.7%	0.6%
Vectair Holdings Limited Designer and distributor of washroom products	24,732	183,729	160,769	2.1%	0.4%
Lightworks Software Limited Provider of software for CAD and CAM vendors	9,329	34,926	31,444	4.2%	0.1%
BG Training Limited City-based provider of specialist technical training	10,625	14,167	5,313	0.0%	0.0%
Racoon International Holdings Limited Supplier of hair extensions, hair care products and training	484,347	38,771	-	10.5%	0.0%
CB Imports Group Limited (trading as Country Baskets) Importer and distributor of artificial flowers, floral sundries and home decor products	175,000	-	-	5.8%	0.0%
Newquay Helicopters (2013) Limited (in creditors' voluntary liquidation) Helicopter service operator	7,617	-	-	2.5%	0.0%
Watchgate Limited Holding company	1,000	-	-	33.3%	0.0%
Total	35,888,196	38,540,034	37,571,207		99.1%
Former Elderstreet Private Equity Limited Portfolio					
Cashfac Limited Provider of virtual banking application software solutions to corporate customers	260,101	288,932	300,988	2.9%	0.8%
Sparesfinder Limited Supplier of industrial spare parts online	250,854	64,067	53,025	2.0%	0.1%
Sift Group Limited Developer of business-to-business internet communities	135,391	33,401	-	1.3%	0.0%
Total	646,346	386,400	354,013		0.9%
Total Investment Portfolio	36,534,542	38,926,434	37,925,220		100.0%

1 - £1,134,000 invested in Chatfield Services Limited, a company preparing to trade, was used for the investment into Buster & Punch. This resulted in a net repayment to the company of £603,608.

Statement of the Directors' Responsibilities

Responsibility statement

In accordance with Disclosure and Transparency Rule (DTR) 4.2.10, Christopher Moore (Chairman), Andrew Robson (Chairman of the Audit Committee and Nomination and Remuneration Committee) and Helen Sinclair (Chairman of the Investment Committee), being the Directors of the Company confirm that to the best of their knowledge:

- (a) the condensed set of financial statements, which has been prepared in accordance with Financial Reporting Standard 104 "Interim Financial Reporting" gives a true and fair view of the assets, liabilities, financial position and profit of the Company, as required by DTR 4.2.10;
- (b) the Half-Year Management Report which comprises the Chairman's Statement, Investment Policy, Investment Review and the Investment Portfolio Summary includes a fair review of the information required by DTR 4.2.7, being an indication of the important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements;
- (c) a description of the principal risks and uncertainties facing the Company for the remaining six months is set out below, in accordance with DTR 4.2.7; and
- (d) there were no related party transactions in the first six months of the current financial year that are required to be disclosed, in accordance with DTR 4.2.8.

Principal Risks and Uncertainties

In accordance with DTR 4.2.7, the Board confirms that the principal risks and uncertainties facing the Company have not materially changed from those identified in the Annual Report and Accounts for the year ended 31 December 2016 ("the Annual Report").

The principal risks faced by the Company are:

- economic risk;
- loss of approval as a Venture Capital Trust;
- investment risk;
- regulatory risk;
- financial and operating risk;
- market risk;
- asset liquidity risk;
- market liquidity risk; and
- counterparty risk.

A detailed explanation of the principal risks can be found in the Annual Report on page 19 and in Note 15 on pages 54 – 60 of the Annual Report and Accounts for the year ended 31 December 2016, copies of which are available on the Investment Adviser's website, www.mobeusequity.co.uk or by going directly to the VCT's website, www.mig4vct.co.uk.

Going Concern

The Board has assessed the Company's operation as a going concern. The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Half-Year Management Report. The Directors have satisfied

themselves that the Company continues to maintain a significant cash position but does intend to raise funds from an offer for subscription to be launched later this year. The majority of companies in the portfolio continue to trade profitably and the portfolio taken as a whole remains resilient and well-diversified. The major cash outflows of the Company (namely investments, buybacks and dividends) are within the Company's control.

The Board's assessment of liquidity risk and details of the Company's policies for managing its capital and financial risks are shown in Notes 15 and 16 on pages 54 – 61 of the Annual Report and Accounts for the year ended 31 December 2016. Accordingly, the Directors continue to adopt the going concern basis of accounting in preparing the half-year report and annual financial statements.

Cautionary Statement

This report may contain forward looking statements with regards to the financial condition and results of the Company, which are made in the light of current economic and business circumstances. Nothing in this report should be construed as a profit forecast.

On behalf of the Board

Christopher Moore
Chairman

8 August 2017

Unaudited Condensed Income Statement

for the six months ended 30 June 2017

	Notes	Six months ended 30 June 2017 (unaudited)		
		Revenue £	Capital £	Total £
Unrealised gains/(losses) on investments held at fair value	10	-	2,363,132	2,363,132
Realised gains on investments held at fair value	10	-	87,628	87,628
Income	4	1,244,177	-	1,244,177
Investment Adviser's fees	5	(142,763)	(428,288)	(571,051)
Other expenses		(189,358)	-	(189,358)
Profit/(loss) on ordinary activities before taxation		912,056	2,022,472	2,934,528
Tax on profit/(loss) on ordinary activities	6	(150,244)	82,446	(67,798)
Profit/(loss) and total comprehensive income		761,812	2,104,918	2,866,730
Basic and diluted earnings per ordinary share	7	1.54p	4.26p	5.80p

The revenue column of the Income Statement includes all income and expenses. The capital column accounts for the unrealised gains/(losses) and realised gains on investments and the proportion of the Investment Adviser's fee charged to capital.

The total column is the Statement of Total Comprehensive Income of the Company prepared in accordance with UK GAAP, including Financial Reporting Standard 102. In order to better reflect the activities of a VCT and in accordance with the 2014 Statement of Recommended Practice ("SORP") updated in January 2017 by the Association of Investment Companies ("AIC"), supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented alongside the Income Statement. The revenue column of profit attributable to equity shareholders is the measure the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in Section 274 Income Tax Act 2007.

All the items in the above statement derive from continuing operations of the Company. No operations were acquired or discontinued in the period.

The notes on pages 16 – 21 form part of these Half-Year Financial Statements.

Six months ended 30 June 2016 (unaudited)			Year ended 31 December 2016 (audited)		
Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
-	(479,479)	(479,479)	-	(377,677)	(377,677)
-	381,087	381,087	-	381,087	381,087
1,054,766	-	1,054,766	2,019,579	-	2,019,579
(156,674)	(470,021)	(626,695)	(304,628)	(913,884)	(1,218,512)
(187,868)	-	(187,868)	(370,899)	-	(370,899)
710,224	(568,413)	141,811	1,344,052	(910,474)	433,578
(101,479)	94,004	(7,475)	(212,864)	182,776	(30,088)
608,745	(474,409)	134,336	1,131,188	(727,698)	403,490
1.26p	(0.98)p	0.28p	2.32p	(1.49)p	0.83p

Unaudited Condensed Balance Sheet

as at 30 June 2017

	Notes	30 June 2017 (unaudited) £	30 June 2016 (unaudited) £	31 December 2016 (audited) £
Fixed assets				
Investments at fair value	10	37,925,220	37,450,507	38,926,434
Current assets				
Debtors and prepayments		250,771	227,399	860,011
Current asset investments	11	12,193,267	13,308,457	9,511,810
Cash at bank	11	2,690,122	2,596,622	3,662,074
		15,134,160	16,132,478	14,033,895
Creditors: amounts falling due within one year				
		(235,006)	(167,128)	(205,173)
Net current assets				
		14,899,154	15,965,350	13,828,722
Net assets				
		52,824,374	53,415,857	52,755,156
Capital and reserves				
Called up share capital		497,492	489,909	490,430
Share premium reserve		14,169,354	13,364,351	13,540,891
Capital redemption reserve		9,342	8,012	9,342
Revaluation reserve		3,512,924	1,050,205	1,152,007
Special distributable reserve		28,357,894	32,129,885	31,646,338
Realised capital reserve		4,792,400	5,192,452	4,702,557
Revenue reserve		1,484,968	1,181,043	1,213,591
Equity shareholders' funds				
		52,824,374	53,415,857	52,755,156
Basic and diluted net asset value per share				
	9	106.18p	109.03p	107.57p

The Notes on pages 16 - 21 form part of these Half-Year Financial Statements.

Unaudited Condensed Statement of Changes in Equity

for the six months ended 30 June 2017

	Non-distributable reserves				Distributable reserves			Total
	Called up share capital	Share premium reserve	Capital redemption reserve	Revaluation reserve	Special distributable reserve (Note a)	Realised capital reserve (Note b)	Revenue reserve (Note b)	
	£	£	£	£	£	£	£	£
At 1 January 2017	490,430	13,540,891	9,342	1,152,007	31,646,338	4,702,557	1,213,591	52,755,156
Comprehensive income for the period								
Profit/(loss) for the period	-	-	-	2,363,132	-	(258,214)	761,812	2,866,730
Total comprehensive income for the period	-	-	-	2,363,132	-	(258,214)	761,812	2,866,730
Contributions by and distributions to owners								
Issue of shares under Dividend Investment Scheme	7,062	628,463	-	-	-	-	-	635,525
Shares bought back	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	(2,942,602)	-	(490,435)	(3,433,037)
Total contributions by and distributions to owners	7,062	628,463	-	-	(2,942,602)	-	(490,435)	(2,797,512)
Other movements								
Realised losses transferred to special reserve (note a)	-	-	-	-	(345,842)	345,842	-	-
Realisation of previously unrealised appreciation	-	-	-	(2,215)	-	2,215	-	-
Total other movements	-	-	-	(2,215)	(345,842)	348,057	-	-
At 30 June 2017	497,492	14,169,354	9,342	3,512,924	28,357,894	4,792,400	1,484,968	52,824,374

Notes

a): The cancellation of the share premium reserve and capital redemption reserve in past years has increased the Company's special distributable reserve. The purpose of this reserve is to fund market purchases of the Company's own shares, write off any existing and future losses and for any other corporate purpose. All of this reserve arose from shares issued before 5 April 2014.

b): The Realised capital reserve and the Revenue reserve together comprise the Profit and Loss Account of the Company.

The Notes on pages 16 - 21 form part of these Half-Year Financial Statements.

Unaudited Condensed Statement of Changes in Equity

for the six months ended 30 June 2016

	Non-distributable reserves				Distributable reserves			Total £
	Called up share capital £	Share premium reserve £	Capital redemption reserve £	Revaluation reserve £	Special distributable reserve £	Realised capital reserve £	Revenue reserve £	
At 1 January 2016	483,562	12,629,944	6,827	1,545,364	32,622,021	8,422,420	1,297,644	57,007,782
Comprehensive income for the period								
(Loss)/profit for the period	-	-	-	(479,479)	-	5,070	608,745	134,336
Total comprehensive income for the period	-	-	-	(479,479)	-	5,070	608,745	134,336
Contributions by and distributions to owners								
Issue of shares								
under Dividend								
Investment Scheme	7,532	734,407	-	-	-	-	-	741,939
Shares bought back	(1,185)	-	1,185	-	(116,119)	-	-	(116,119)
Dividends paid	-	-	-	-	-	(3,626,735)	(725,346)	(4,352,081)
Total contributions by and distributions to owners	6,347	734,407	1,185	-	(116,119)	(3,626,735)	(725,346)	(3,726,261)
Other movements								
Realised losses transferred to special reserve	-	-	-	-	(376,017)	376,017	-	-
Realisation of previously unrealised appreciation	-	-	-	(15,680)	-	15,680	-	-
Total other movements	-	-	-	(15,680)	(376,017)	391,697	-	-
At 30 June 2016	489,909	13,364,351	8,012	1,050,205	32,129,885	5,192,452	1,181,043	53,415,857

The Notes on pages 16 - 21 form part of these Half-Year Financial Statements.

Unaudited Condensed Statement of Cash Flows

for the six months ended 30 June 2017

Notes	Six months ended 30 June 2017 (unaudited) £	Six months ended 30 June 2016 (unaudited) £	Year ended 31 December 2016 (audited) £
Cash flows from operating activities			
Profit for the financial period	2,866,730	134,336	403,490
Adjustments for:			
Unrealised (gains)/losses on investments	(2,363,132)	479,479	377,677
Realised gains on investments	(87,628)	(381,087)	(381,087)
Tax charge for the current year	67,798	-	30,088
Decrease/(increase) in debtors	28,771	29,330	(22,813)
Decrease in creditors and accruals	(37,965)	(110,131)	(102,175)
Net cash inflow from operating activities	474,574	151,927	305,180
Cash flows from investing activities			
Sale of investments	10 4,568,919	1,944,207	2,402,008
Purchase of investments	10 (536,476)	(471,216)	(2,883,610)
(Increase)/decrease in bank deposits with a maturity over three months	-	(621,023)	85,130
Net cash inflow/(outflow) from investing activities	4,032,443	851,968	(396,472)
Cash flows from financing activities			
Equity dividends paid	8 (2,797,512)	(3,610,142)	(4,411,541)
Purchase of own shares	-	(115,539)	(243,995)
Net cash outflow from financing activities	(2,797,512)	(3,725,681)	(4,655,536)
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at start of period	1,709,505	(2,721,786)	(4,746,828)
Cash and cash equivalents at end of period	12,883,389	13,198,926	11,173,884
Cash and cash equivalents comprise:			
Cash at bank and in hand	11 2,690,122	2,596,622	3,662,074
Cash equivalents	11 10,193,267	10,602,304	7,511,810

The Notes on pages 16 - 21 form part of these Half-Year Financial Statements.

Notes to the Unaudited Condensed Financial Statements for the six months ended 30 June 2017

1. Company information

Mobeus Income and Growth 4 VCT plc is a public limited company incorporated in England, registration number 3707697. The registered office is 30 Haymarket, London, SW1Y 4EX.

2. Basis of preparation of the financial statements

These Financial Statements prepared in accordance with accounting policies consistent with Financial Reporting Standard 102 ("FRS102"), Financial Reporting Standard 104 ("FRS104") - Interim Financial Reporting, with the Companies Act 2006 and the 2014 Statement of Recommended practice, 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ('the SORP') issued by the Association of Investment Companies (updated in January 2017).

The Half-Year Report has not been audited, nor has it been reviewed by the auditor pursuant to the Financial Reporting Council's (FRC) guidance on Review of Interim Financial Information.

3. Principal accounting policies

The accounting policies have been applied consistently throughout the period. Full details of principal accounting policies will be disclosed in the Annual Report, while the policy in respect of investments is included within an outlined box at the top of note 10 on investments.

4. Income

	Six months ended 30 June 2017 (unaudited) £	Six months ended 30 June 2016 (unaudited) £	Year ended 31 December 2016 (audited) £
Income from investments			
Dividends	131,569	29,140	106,043
Loan stock interest	1,087,313	967,555	1,817,393
Money-market funds	10,591	29,864	47,986
Bank deposit interest	14,704	28,207	48,157
Total Income	1,244,177	1,054,766	2,019,579

5. Investment Adviser's fees and performance fees

25% of the Investment Adviser's fees are charged to the revenue column of the Income Statement, while 75% is charged against the capital column of the Income Statement. This is in line with the Board's expected long-term split of returns from the investment portfolio of the Company. 100% of any performance incentive fee payable for the year would be charged against the capital column of the Income Statement, as it is based upon the achievement of capital growth.

	Six months ended 30 June 2017 (unaudited) Total £	Six months ended 30 June 2016 (unaudited) Total £	Year ended 31 December 2016 (audited) Total £
Allocated to revenue return: Investment Adviser's fees	142,763	156,674	304,628
Allocated to capital return: Investment Adviser's fees	428,288	470,021	913,884
Total	571,051	626,695	1,218,512

6. Taxation

	Six months ended 30 June 2017 (unaudited)			Six months ended 30 June 2016 (unaudited)			Year ended 31 December 2016 (audited)		
	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
a) Analysis of tax charge:									
UK Corporation tax on profits/(losses) for the period	150,244	(82,446)	67,798	101,479	(94,004)	7,475	212,864	(182,776)	30,088
Total current tax charge/(credit)	150,244	(82,446)	67,798	101,479	(94,004)	7,475	212,864	(182,776)	30,088
Corporation tax is based on a rate of 19.3% (2016: 20.0%)									
b) Profit/(loss) on ordinary activities before tax	912,056	2,022,472	2,934,528	710,224	(568,413)	141,811	1,344,052	(910,474)	433,578
Profit/(loss) on ordinary activities multiplied by rate of corporation tax in the UK of 19.3% (2016: 20.0%)	175,571	389,326	564,897	142,045	(113,683)	28,362	268,810	(182,095)	86,715
Effect of:									
UK dividends	(25,327)	-	(25,327)	(5,828)	-	(5,828)	(21,209)	-	(21,209)
Unrealised (gains)/losses not taxable/allowable	-	(454,904)	(454,904)	-	95,896	95,896	-	75,535	75,535
Realised gains not taxable	-	(16,868)	(16,868)	-	(76,217)	(76,217)	-	(76,216)	(76,216)
Losses brought forward	-	-	-	(34,738)	-	(34,738)	(34,737)	-	(34,737)
Actual current tax charge	150,244	(82,446)	67,798	101,479	(94,004)	7,475	212,864	(182,776)	30,088

7. Basic and diluted earnings per share

The basic earnings, revenue return and capital return per share shown below for each period are respectively based on numerators i)-iii), each divided by the weighted average number of shares in issue in the period - see iv) below:

	Six months ended 30 June 2017 (unaudited) £	Six months ended 30 June 2016 (unaudited) £	Year ended 31 December 2016 (audited) £
i) Total earnings after taxation	2,866,730	134,336	403,490
Basic and diluted earnings per share (pence)	5.80p	0.28p	0.83p
ii) Revenue earnings from ordinary activities after taxation	761,812	608,745	1,131,188
Basic and diluted revenue earnings per share (pence)	1.54p	1.26p	2.32p
Net unrealised capital gains/(losses) on investments	2,363,132	(479,479)	(377,677)
Net realised capital gains on investments	87,628	381,087	381,087
Capital Investment Adviser's fees less taxation	(345,842)	(376,017)	(731,108)
iii) Capital earnings	2,104,918	(474,409)	(727,698)
Basic and diluted capital earnings per share (pence)	4.26p	(0.98)p	(1.49)p
iv) Weighted average number of shares in issue in the period	49,452,671	48,504,551	48,793,978

Notes to the Unaudited Condensed Financial Statements for the six months ended 30 June 2017

8. Dividends paid

Dividend	Type	For the year ended 31 December	Pence per share	Date paid	Six months ended 30 June 2017 (unaudited) £	Six months ended 30 June 2016 (unaudited) £	Year ended 31 December 2016 (audited) £
Final	Income	2015	1.50p	25 May 2016	-	725,346	725,346
Final	Capital	2015	7.50p	25 May 2016	-	3,626,735	3,626,735
Interim	Income	2016	1.00p	8 September 2016	-	-	489,895
Interim	Capital	2016	1.00p	8 September 2016	-	-	489,895
Second Interim	Income	2016	1.00p	17 March 2017	490,435	-	-
Second Interim	Capital	2016	6.00p	17 March 2017	2,942,602 ¹	-	-
Total Dividends Paid *					3,433,037	4,352,081	5,331,871

¹ - This dividend was paid out of the Company's special distributable reserve.

* - £3,433,037 (30 June 2016: £4,352,081; 31 December 2016: £5,331,871) disclosed above differs to that shown in the Condensed Statement of Cash Flows of £2,797,512 (30 June 2016: £3,610,142; 31 December 2016: £4,411,541) due to £635,525 (30 June 2016: £741,939; 31 December 2016: £920,330) of new shares issued under the Company's Dividend Investment Scheme.

9. Net asset value per share

	As at 30 June 2017 (unaudited)	As at 30 June 2016 (unaudited)	As at 31 December 2016 (audited)
Net assets	£52,824,374	£53,415,857	£52,755,156
Number of shares in issue	49,749,171	48,990,948	49,043,033
Net asset value per share (pence)	106.18p	109.03p	107.57p

10. Summary of movement on investments during the period

The most critical estimates, assumptions and judgements relate to the determination of the carrying value of investments at 'fair value through profit and loss' ("FVTPL"). All investments held by the Company are classified as FVTPL, and measured in accordance with the International Private Equity and Venture Capital Valuation ("IPEV") guidelines, as updated in December 2015. This classification is followed as the Company's business is to invest in financial assets with a view to profiting from their total return in the form of capital growth and income.

For investments actively traded in organised financial markets, fair value is generally determined by reference to Stock Exchange market quoted bid prices at the close of business on the balance sheet date. Purchases and sales of quoted investments are recognised on the trade date where a contract of sale exists whose terms require delivery within a time frame determined by the relevant market. Purchases and sales of unlisted investments are recognised when the contract for acquisition or sale becomes unconditional.

Unquoted investments are stated at fair value by the Directors in accordance with the following rules, which are consistent with the IPEV guidelines:

All investments are held at the price of a recent investment for an appropriate period where there is considered to have been no change in fair value. Where such a basis is no longer considered appropriate, each investment is considered as a whole on a 'unit of account' basis alongside consideration of:

- (i) Where a value is indicated by a material arms-length transaction by an independent third party in the shares of a company, this value will be used.
- (ii) In the absence of i), and depending upon both the subsequent trading performance and investment structure of an investee company, the valuation basis will usually move to either:-
 - a) a multiple basis. The shares may be valued by applying a suitable price-earnings ratio or revenue multiple to that company's historic, current or forecast post-tax earnings before interest and amortisation or revenue (the ratio used being based on a comparable sector but the resulting value being adjusted to reflect points of difference identified by the Investment Adviser compared to the sector including, inter alia, a lack of marketability).
- or:-
 - b) where a company's underperformance against plan indicates a diminution in the value of the investment, provision against cost is made, as appropriate.
- (iii) Premiums, to the extent they are considered capital in nature, and that will be received upon repayment of loan stock investments, are accrued at fair value when the Company receives the right to the premium and when considered recoverable.
- (vi) Where an earnings or revenue multiple or cost less impairment basis is not appropriate and overriding factors apply, a discounted cash flow, net asset valuation, or realisation proceeds basis may be applied.

Capital gains and losses on investments, whether realised or unrealised, are dealt with in the profit and loss and revaluation reserves and movements in the period are shown in the Income Statement.

All investments are initially recognised and subsequently measured at fair value. Changes in fair value are recognised in the Income Statement.

A key judgement made in applying the above accounting policy relates to investments that are permanently impaired. Where the value of an investment has fallen permanently below cost, the loss is treated as a permanent impairment and as a realised loss, even though the investment is still held. The Board assesses the portfolio for such investments and, after agreement with the Investment Adviser, will agree the values that represent the extent to which an investment has become realised. This is based upon an assessment of objective evidence of that investment's future prospects, to determine whether there is potential for the investment to recover in value

All investments are initially recognised and subsequently measured at fair value. Changes in fair value are recognised in the Income Statement.

The methods of fair value measurement are classified in to hierarchy based on the reliability of the information used to determine the valuation.

- Level 1 - Fair value is measured based on quoted prices in an active market.
- Level 2 - Fair value is measured based on directly observable current market prices or indirectly being derived from market prices.
- Level 3 - Fair value is measured using valuation techniques using inputs that are not based on observable market data.

Notes to the Unaudited Condensed Financial Statements for the six months ended 30 June 2017

10. Summary of movement on investments during the period (continued)

	Traded on AIM Level 1 £	Unquoted equity shares Level 3 £	Unquoted preference shares Level 3 £	Unquoted Loan Stock Level 3 £	Total £
Valuation at 31 December 2016	291,682	10,204,887	12,767	28,417,098	38,926,434
Purchases at cost	-	814,908	-	302,037	1,116,945
Reclassification at value	-	(98)	98	-	-
Sales - proceeds	-	(168,156)	-	(4,400,763)	(4,568,919)
- realised (losses)/gains	-	(1,445,372)	-	1,533,000	87,628
Unrealised gains/(losses) on investments in the period	20,834	2,220,983	442,365	(321,050)	2,363,132
Valuation at 30 June 2017	312,516	11,627,152	455,230	25,530,322	37,925,220
Book cost at 30 June 2017	200,028	13,841,556	15,242	22,477,716	36,534,542
Unrealised gains/(losses) at 30 June 2017	112,488	(376,920)	440,569	3,336,787	3,512,924
Permanent impairment of investments	-	(1,837,484)	(581)	(284,181)	(2,122,246)
Valuation at 30 June 2017	312,516	11,627,152	455,230	25,530,322	37,925,220
(Losses)/gains on investments	-	(1,450,097)	-	1,539,940	89,843
Less amounts recognised as unrealised losses/(gains) in previous years	-	4,725	-	(6,940)	(2,215)
Realised (losses)/gains based on carrying value at 31 December 2016	-	(1,445,372)	-	1,533,000	87,628
Net movement in unrealised appreciation/ (depreciation) in the period	20,834	2,220,983	442,365	(321,050)	2,363,132
Gains on investments for the six months ended 30 June 2017	20,834	775,611	442,365	1,211,950	2,450,760

Purchases of investments above of £1,116,945 are more than that shown in the Condensed Statement of Cash Flows of £536,476 by £580,469. This amount represents funds remitted in December 2016, for the investment in Ibericos Etc. Limited (trading as Tapas Revolution), which completed in this Half-Year period. Purchases of investments referred to in the Chairman's Statement of £1,647,337 are higher than that shown above by £530,392. This amount represents funds previously held in Chatfield Services Limited, a company preparing to trade, utilised for the investment into Buster & Punch, as referred to in the Investment Adviser's Review on page 5.

There has been no significant change in the risk analysis as disclosed in Note 15 of the financial statements in the Company's Annual Report. The decrease in unrealised valuations of the loan stock investments above reflect the changes in the entitlement to loan premiums, and/or in the underlying enterprise value of the investee company. The decrease does not arise from assessments of credit or market risk upon these instruments.

Level 3 unquoted equity and loan investments are valued in accordance with IPEV guidelines as follows:

	as at 30 June 2017 (unaudited) £	as at 30 June 2016 (unaudited) £	as at 31 December 2016 (audited) £
Valuation methodology			
Estimated realisation proceeds	4,897,767	14,167	14,167
Cost (reviewed for impairment)	-	-	38,771
Recent investment price	6,841,561	12,638,548	11,470,318
Price earnings or revenue multiple	25,873,376	24,531,112	27,111,496
	37,612,704	37,183,827	38,634,752

11. Current asset investments and cash at bank

	as at 30 June 2017 (unaudited) £	as at 30 June 2016 (unaudited) £	as at 31 December 2016 (audited) £
OEIC Money market funds	10,193,267	10,597,771	7,511,810
Bank deposits that mature within three months but are not immediately repayable	-	4,533	-
Cash equivalents per Statement of Cash Flows	10,193,267	10,602,304	7,511,810
Bank deposits that mature after three months	2,000,000	2,706,153	2,000,000
Current asset investments	12,193,267	13,308,457	9,511,810
Cash at Bank	2,690,122	2,596,622	3,662,074

12. Post balance sheet events

On 5 July 2017, an investment of £2.33 million was made in Wetsuit Outlet Limited, comprising £0.77 million of funds from the Company and £1.56 million from one of the Company's investments, Manufacturing Services Investment Limited, a company preparing to trade.

On 1 August 2017, the Company realised its entire holding in Entanet Holdings Limited for proceeds of £4.89 million, realising a gain over original cost of £2.72 million, or 5.48 pence per share to date. These proceeds have been fully reflected in the valuation of the company at 30 June 2017, as the Board consider the transaction was sufficiently progressed at 30 June to justify a valuation reflecting the full cash proceeds.

13. The financial information for the period ended 30 June 2017 does not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. The financial statements for the year ended 31 December 2016 have been filed with the Registrar of Companies. The auditor has reported on the financial statements for the year ended 31 December 2016 and that report was unqualified and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.
14. This Half-Year Report will shortly be made available on our website: www.mig4vct.co.uk and will be circulated by post to those shareholders who have requested copies of the Report. Further copies are available free of charge from the Company's registered office, 30 Haymarket, London SW1Y 4EX or can be downloaded via the website.

Shareholder Information

Communication with shareholders

We aim to communicate regularly with our shareholders. In addition to the Half-Year and Annual Reports, shareholders receive a twice-yearly VCT newsletter from the Investment Adviser, approved by the Board. The May annual general meetings provide a useful platform for the Board to meet shareholders and exchange views. Your Board welcomes your attendance at general meetings to give you the opportunity to meet your Directors and representatives of the Investment Adviser. The Company releases Interim Management Statements, in respect of those quarters when it does not publish full or half-year accounts.

The Investment Adviser holds an annual shareholder event. The next event will be held on Tuesday, 30 January 2018 at the Royal Institute of British Architects in Central London. Shareholders were sent further details and an invitation to the event with their copy of the Mobeus VCT Newsletter last week.

Shareholders wishing to follow the Company's development can also visit the Company website at www.mig4vct.co.uk. The website includes up-to-date information on fund performance, including the most recent NAV, and dividends paid as well as publicly available information on the Company's portfolio of investments and copies of company reports. There is also a link to the London Stock Exchange's website at: www.londonstockexchange.com where shareholders can obtain details of the share price and latest NAV announcements etc.

Financial calendar

August 2017	Half-Year Report for the six months ended 30 June 2017 announced and circulated to shareholders.
11 September 2017	Payment date for an interim dividend of 18.00 pence per share.
31 December 2017	Year-end.
30 January 2018	Shareholder event.
May 2018	Annual General Meeting.

Dividends

Shareholders who wish to have dividends paid directly into their bank account rather than having them sent by cheque to their registered address, can complete a mandate for this purpose. Mandates can be obtained by contacting the Company's Registrars, Capita Asset Services ("Capita") at the address given on page 24.

Shareholders are encouraged to ensure that the Registrars maintain up-to-date details for yourselves and to check whether you have received all dividends payable to you. This is particularly important if you have recently moved house or changed your bank. We are aware that a number of dividends remain unclaimed by shareholders and whilst we will endeavour to contact you if this is the case we cannot guarantee that we will be able to do so if the Registrars do not have an up-to-date postal or email address for you.

Dividend Investment Scheme

The Scheme is a convenient, easy and cost effective way to build up your shareholding in the Company. Instead of receiving cash dividends, you can elect to receive new shares in the Company. By opting to receive your dividend in this manner, there are three benefits available to shareholders by opting to receive you dividend in this manner:

- The dividend is tax free to you;
- Shareholders are allotted new shares which will, subject to your particular circumstances, attract VCT tax relief applicable for the tax year in which the shares are allotted. The tax relief currently available to investors in new VCT shares is 30% for the 2017/18 tax year for investments up to £200,000 in any one tax year; and
- The Scheme also has one other, particular advantage. Under its terms, a member is able to re-invest at an advantageous price, being the average market price of the shares for the five business days prior to the dividend being paid. This price is likely to be at a discount of 10% to the underlying net asset value (provided that this is greater than 70% of the latest published net asset value per share).

Should you wish to join the Scheme, please contact the Scheme Administrator, Capita Asset Services at the address given on page 24 or download an application form from the Dividends page on the Company's website.

Selling your shares

The Company's shares are listed on the London Stock Exchange and as such they can be sold in the same way as any other quoted company through a stockbroker. **However, to ensure that you obtain the best price, you are strongly advised to contact the Company's stockbroker, Panmure Gordon, by telephoning 020 7886 2717 before agreeing a price with your stockbroker.** Shareholders are also advised to discuss their individual tax position with their financial adviser before deciding to sell their shares.

Common Reporting Standard (“CRS”) and Foreign Account Tax Compliance Act (“FATCA”)

Tax legislation was introduced with effect from 1st January 2016 under the Organisation for Economic Co-operation and Development Common Reporting Standard for Automatic Exchange of Financial Account Information. The legislation requires investment trust companies to provide personal information to HMRC on certain investors who purchase shares. As an affected entity, the Company has provided information annually to HMRC relating to a number of non-UK based certificated shareholders who are deemed to be resident for tax purposes in any of the 90 plus countries who have joined CRS. All new shareholders, excluding those whose shares are held in CREST, entered onto the share register from 1 January 2016 will be asked to provide the relevant information. Additionally, HMRC’s policy on FATCA now means that, as a result of the restricted secondary market in VCT shares, the Company’s shares are not considered to be “regularly traded”. The Company is therefore also an affected entity for the purposes of this legislation and so has to provide information annually to HMRC relating to shareholders who are resident for tax purposes in the United States.

For further information, please see HMRC’s Quick Guide:

Automatic Exchange of Information – information for account holders

<https://www.gov.uk/government/publications/exchange-of-information-account-holders>.

Details on what to do to combat boiler room fraud can be found on the Company’s website.

Managing your shareholding online

For details on your individual shareholding and to manage your account online, shareholders may log into or register with the Capita Shareholder Portal at: www.signalshares.com. You can use the Portal to update your preferences including changing your address details, checking your holding balance and transactions, view the dividends you have received, add and amend your bank details and managing how you receive your dividends and communications from the Company.

Shareholder enquiries

For enquiries concerning the investment portfolio of the Company in general, please contact the Investment Adviser, Mobeus Equity Partners. To contact the Chairman or any member of the Board, please contact the Company Secretary, also at Mobeus Equity Partners, in the first instance.

The Registrars, Capita Asset Services, may be contacted via their Shareholder Portal, post or telephone for queries relating to your shareholding including dividend payments, dividend mandate forms, change of address, etc.

Full contact details for each of Mobeus and Capita are included under Corporate Information on page 24.

Corporate Information

Directors (Non-executive)

Christopher Moore (Chairman)
Andrew Robson
Helen Sinclair

Secretary

Mobeus Equity Partners LLP
30 Haymarket
London SW1Y 4EX

Company's Registered Office and Head Office

30 Haymarket
London SW1Y 4EX

Company Registration Number

03707697

Investment Adviser, Promoter and Administrator

Mobeus Equity Partners LLP
30 Haymarket
London SW1Y 4EX
Telephone: 020 7024 7600
www.mobeusequity.co.uk

Website

www.mig4vct.co.uk

E-mail

vcts@mobeusequity.co.uk

Independent Auditor

BDO LLP
55 Baker Street
London
W1U 7EU

Receiving Agent

The City Partnership (UK) Limited
Thistle House
21 Thistle Street
Edinburgh
EH2 1DF

Sponsor

Howard Kennedy Corporate Services LLP
1 London Bridge Walk
London
SE1 9BG

Solicitor

Shakespeare Martineau LLP
No 1 Colmore Square
Birmingham
B4 6AA

Registrar

Capita Asset Services
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU

Shareholder portal:

www.signalshares.com

Tel: +44 (0)371 644 0324

Corporate Broker

Panmure Gordon (UK) Limited
1 New Change
London
EC4M 9AF

VCT Status Adviser

Philip Hare & Associates LLP
4-6 Staple Inn
High Holborn
London
WC1V 7QH

Banker

National Westminster Bank plc
City of London Office
PO Box 12258
1 Princes Street
London
EC2R 8PA

Mobius Equity Partners LLP
30 Haymarket
London SW1Y 4EX

020 7024 7600
www.mig4vct.co.uk