

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT ABOUT WHAT ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO SEEK YOUR OWN FINANCIAL ADVICE IMMEDIATELY FROM YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000, AS AMENDED (FSMA).

This document constitutes a registration document (**Registration Document**) issued by Mobeus Income & Growth VCT plc (**MIG**), Mobeus Income & Growth 2 VCT plc (**MIG 2**), Mobeus Income & Growth 4 VCT plc (**MIG 4**) and The Income & Growth VCT plc (**I&G**) (together the **Companies** and each a **Company**) dated 25 October 2019.

This document has been prepared in compliance with the Prospectus Regulation Rules made under FSMA (**Prospectus Regulation Rules**), English law and the rules of the Financial Conduct Authority (**FCA**) and the information disclosed may not be the same as that which would be disclosed if this document had been prepared in accordance with the laws of a jurisdiction outside England. Additional information relating to the Companies is contained in a securities note issued by the Companies (**Securities Note**). A brief summary written in non-technical language conveying the essential characteristics of and risks associated with the Companies and ordinary shares of 1p each in the capital of each of the Companies which are being offered for subscription (**Offer Shares**) (the **Offers** and each an **Offer**), is contained in a summary issued by the Companies (**Summary**). The Securities Note, Registration Document and Summary have been prepared in accordance with Regulation (EU 2017/1129) and have been approved by the FCA as competent authority under Regulation (EU 2017/1129). The FCA only approves this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU 2017/1129) and such approval shall not be considered as an endorsement of the issuers that are the subject of this Registration Document.

This Registration Document, the Securities Note and the Summary together comprise a prospectus issued by the Companies dated 25 October 2019 (**Prospectus**). The Prospectus has been drawn up as part of a simplified prospectus in accordance with Article 14 of Regulation (EU 2017/1129), and has been filed with the FCA in accordance with the Prospectus Regulation Rules and you are advised to read the prospectus in full. Summary information on each Company is also contained in its key information document (**KID** and together the **KIDs**).

The Companies and the directors of the Companies (**Directors**) (whose names are set out on page 5) accept responsibility for the information contained in this Registration Document. To the best of the knowledge of the Companies and the Directors, the information contained in this Registration Document is in accordance with the facts and the Prospectus makes no omission likely to affect its import.

**Offers for subscription to raise, in aggregate, up to £38 million
with over-allotment facilities to raise, in aggregate, up to a further £20 million
through the issue of Offer Shares in each Company**

Mobeus Income & Growth VCT plc	Mobeus Income & Growth 2 VCT plc	Mobeus Income & Growth 4 VCT plc	The Income & Growth VCT plc
Registered in England & Wales under number 05153931 ISIN: GB00B01WL239	Registered in England & Wales under number 03946235 ISIN: GB00BOLKLZ05	Registered in England & Wales under number 03707697 ISIN: GB00B1FMDH51	Registered in England & Wales under number 04069483 ISIN: GB00B29BN198
Offer for subscription to raise up to £10 million, with an over-allotment facility to raise up to a further £5 million	Offer for subscription to raise up to £15 million, with an over-allotment facility to raise up to a further £5 million	Offer for subscription to raise up to £8 million, with an over-allotment facility to raise up to a further £5 million	Offer for subscription to raise up to £5 million, with an over-allotment facility to raise up to a further £5 million

In connection with the Offers, Howard Kennedy Corporate Services LLP, the sponsor to the Offers, and Mobeus Equity Partners LLP (Mobeus), the promoter to the Offers, are acting for the Companies and no one else and will not be responsible to anyone other than the Companies for providing the protections afforded to customers of Howard Kennedy Corporate Services LLP and Mobeus respectively (subject to the responsibilities and liabilities imposed by FSMA and the regulatory regime established thereunder) in providing advice in relation to the Offers. Howard Kennedy Corporate Services LLP and Mobeus are authorised and regulated in the United Kingdom by the FCA.

Shakespeare Martineau LLP, which is regulated in the United Kingdom by the Solicitors Regulation Authority, is acting as legal adviser to the Companies and no-one else and will not be responsible to anyone other than the Companies for the advice in connection with any matters referred to herein.

The attention of prospective investors in the Companies who are resident in, or citizens of, territories outside the United Kingdom is drawn to the information under the headings 'Overseas Investors' in Part I, II, III and IV of this document. None of the Offer Shares have been, nor will be, registered in the United States under the United States Securities Act of 1933, as amended, (the Securities Act) or under the securities laws of Canada, Australia, Japan or South Africa (each a Restricted Territory) and they may not be offered or sold directly or indirectly within the United States or any of the Restricted Territories or to, or for the account or benefit of US Persons (as defined in Regulation S made under the Securities Act) or any national, citizen or resident of the United States or any of the Restricted Territories. The Offers are not being made, directly or indirectly, in or into the United States or any of the Restricted Territories or in any other jurisdiction where to do so would be unlawful. In particular, prospective investors who are resident in the United States or any Restricted Territory should note that this document is being sent for information purposes only. The distribution of this document in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any of these restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities law of any such jurisdiction. An Application Form is not being and must not be forwarded to or transmitted in or into the United States or a Restricted Territory.

Application has been made to the FCA for the Offer Shares to be admitted to the premium segment of the Official List and to the London Stock Exchange plc for such Offer Shares to be admitted to trading on its main market for listed securities. It is expected that admission to the Official List will become effective and that dealings in the Offer Shares will commence three Business Days following allotment. The Companies' existing issued Shares are traded on the London Stock Exchange's main market for listed securities.

Copies of this Registration Document, the Securities Note and the Summary are available free of charge from the promoter of the Offers:

Mobeus Equity Partners LLP
30 Haymarket
London SW1Y 4EX

telephone: 020 7024 7600
download: www.mobeus.co.uk/investor-area
email: info@mobeus.co.uk

YOUR ATTENTION IS DRAWN TO THE RISK FACTORS ON PAGES 3 TO 4.

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RISK FACTORS

The following are those risk factors which are material to each Company and of which each Company's respective Directors are aware. Material risk factors relating to the Offer Shares are contained in the Securities Note. Additional factors which are not presently known to the Directors, or that the Directors currently deem immaterial, may also have an effect on their respective Company's business, financial condition or results of operations.

Investment Risks

The investment objective of the Companies is to achieve long-term investment returns and provide investors with a regular income stream. There can be no guarantee that the investment objective of a Company will be met. Meeting its objective is each Company's target, but the existence of such an objective should not be considered as an assurance or guarantee that it will be met (as this will depend on the performance of the investee companies within each Company's portfolio).

Investment in unquoted companies (including AIM and NEX Exchange traded companies), by its nature, involves a higher degree of risk than investment in companies listed on the Official List. In particular, small companies often have limited product lines, markets or financial resources and may be dependent for their management on a small number of key individuals. They may be more susceptible to political, exchange rate, taxation, economic and other regulatory changes and conditions. In addition, the market for securities in smaller companies may be less regulated and is usually less liquid than that for securities in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such securities. Proper information for determining their value or the risks to which they are exposed may also not be available. Investment returns will, therefore, be uncertain and involve a higher degree of risk than investments in companies listed on the Official List.

It can take a period of years for the underlying value or quality of smaller companies, such as those in which the Companies invest, to be fully reflected in their market values and their market values are often also materially affected by general market sentiment, which can be negative for prolonged periods. Furthermore, a Company's investments may be difficult, and take time, to realise. There may also be constraints imposed on the realisation of investments in order to maintain the VCT tax status of a Company.

VCTs are subject to investment restrictions, a summary of which are set out in Part Eight - Taxation Considerations of the Securities Note. This may have an impact on the number of qualifying investments the Companies can make and the returns achievable. Although Mobeus has seen a strong flow of new investment opportunities, there can be no guarantee that suitable investments will be identified in order to meet each Company's objectives. In addition, Mobeus is operating in a competitive market and there is no guarantee that it will find enough attractive deals within the investment timeframes required under VCT rules which may prejudice the tax status of a Company.

The investments may be difficult to realise. In the short to medium term the returns to Shareholders will be determined by the existing portfolios of the Companies, which largely consist of investments made prior to the VCT rules being amended from November 2015. The consequence of these amendments is that VCTs are now required to invest in earlier stage companies and VCT investment cannot be used to support management buy-outs. Over time, as the portfolios are re-balanced with new investments meeting the amended VCT rules, Shareholder returns and dividends payable by the Companies may take longer to generate and the levels of those returns may be more volatile due to the nature of investing in earlier stage companies.

VCT Risks

Whilst it is the intention of each Board that its Company will continue to be managed so as to qualify as a VCT, there can be no guarantee that a Company's VCT status will be maintained. Failure to continue to meet the qualifying requirements could result in Qualifying Investors losing the tax reliefs available for VCT shares, resulting in adverse tax consequences including, if the holding has not been held for the relevant holding period, a requirement to repay the upfront tax reliefs obtained. Furthermore, should a Company lose its VCT status, dividends and gains arising on the disposal of Shares would become subject to tax and the relevant Company would also lose its exemption from corporation tax on its capital gains.

As a result of the status of VCTs, their investments in investee companies are regarded as state-aided investments. Where the European Commission believes that state aid has been provided which is unlawful, in particular if not in accordance with the Risk Finance Guidelines, it may require that the UK Government recovers that state aid. Such recovery may be from the investee company, the VCT or the VCT's investors and this may have an adverse effect on Shareholder returns.

Changes in legislation concerning VCTs, in particular in relation to what constitutes qualifying holdings, qualifying trades and qualifying use of funds, may limit the number of qualifying investment opportunities, reduce the level of returns which would otherwise have been achievable or result in a Company not being able to meet its objectives.

Economic, Government and Political Risks

Any change of governmental, economic, fiscal, monetary or political policy, in particular government spending reviews, levels of unemployment, stock market volatility, consumer confidence, inflation and changes to the current level of interest rates could materially affect, directly or indirectly, the operation and performance of the Companies and/or investee companies and/or the performance of the Companies and the value of, and returns from, Shares and/or their ability to achieve or maintain VCT status.

Other Risks

The Articles provide the opportunity for Shareholders of a Company to vote on the continuation of that Company at the annual general meeting falling after the fifth anniversary of the earlier of the last allotment of Shares in that Company or the last continuation vote held. The allotment of Offer Shares in a Company pursuant to its Offer will, therefore, defer (in accordance with the Articles) the opportunity for Shareholders of the relevant Company to vote on the continuation of that Company for at least five years and, as a result, both new and existing Shareholders may have to wait longer to realise their holding in the relevant Company, if no trading in the market is possible.

The Companies each have a board of non-executive directors and have no employees and are, therefore, dependent on the skills of Mobeus to advise upon their investments. If Mobeus ceases to act as a Company's investment adviser or if key personnel cease to be employed by Mobeus (or be involved in the management of the Companies' investment portfolios), there is no assurance that suitable replacements will be found. Such circumstances may have an adverse effect on the performance of the relevant Company and the value of its Shares.

CORPORATE INFORMATION

Directors (Non-executive)

MIG

Clive Nicholas Boothman (Chairman)
Bridget Elisabeth Guérin
Catherine Alison Wall

MIG 2

Ian Marcel Blackburn (Chairman)
Sally Louise Duckworth
Adam Fletcher Downs Kingdon

MIG 4

Christopher Mark Moore (Chairman)
Helen Rachelle Sinclair
Graham Douglas Paterson

I&G

Jonathan Harry Cartwright (Chairman)
Helen Rachelle Sinclair

Investment Adviser, Promoter, Administrator and Company Secretary

Mobeus Equity Partners LLP
30 Haymarket
London SW1Y 4EX

Solicitors

Shakespeare Martineau LLP
60 Gracechurch Street
London EC3V 0HR

Corporate Broker

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

VCT Status Adviser

Philip Hare & Associates LLP
Hamilton House
1 Temple Avenue
London EC4Y 0HA

Registrars for MIG

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ
Telephone Number: 0370 707 1155**

Registered Office

30 Haymarket
London
SW1Y 4EX

Company Registration Numbers

MIG 05153931
MIG 2 03946235
MIG 4 03707697
I&G 04069483

Website*

www.migvct.co.uk
www.mig2vct.co.uk
www.mig4vct.co.uk
www.incomeandgrowthvct.co.uk

Telephone Number

020 7024 7600

Receiving Agent

The City Partnership (UK) Limited
110 George Street Edinburgh
EH2 4LH

Sponsors

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

Independent Auditors

BDO LLP
150 Aldersgate Street
London EC1A 4AB

Distributor

Portunus Investment Solutions Limited
Office 416
83 Victoria Street
London SW1H 0HW

Registrars for MIG 2, MIG 4 and I&G

Link Asset Services
34 Beckenham Road
Beckenham
Kent BR3 4TU
Telephone Number: 0371 664 0324**

* These websites do not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

** Further details on the costs of calls, opening hours and how to contact the Companies' registrars from abroad are detailed on their websites www.linkassetsservices.com/shareholders-and-investors and www.investorcentre.co.uk

Computershare's telephone number is open between 8.30 a.m. and 5.30 p.m. (GMT) Monday to Friday (except UK public holidays). Calls to Computershare's 0370 number are often free if included in your plan. If not included, calls will be charged at no more than dialling a STD code (about 2p per minute usually depending on your supplier). Calls to the helpline from outside of the UK will be charged at applicable international rates.

Link Asset Services' telephone number is open between 9.00 a.m. and 5.30 p.m. (GMT) Monday to Friday (except UK public holidays). If telephoning from outside of the UK dial +44 371 664 0324. Calls to Link Asset Services' helpline are charged at the standard geographic rate and will vary by provider. Calls from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones.

DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

AIFMD	the Alternative Investment Fund Managers Directive 2011/61/EU
AIM	the Alternative Investment Market
Allotment Formula	the formula to calculate the number of Offer Shares to be issued by each Company to each investor as set out in Part Three of the Securities Note
Applicant or investor	an applicant under the Offer
Application	a valid application by an Applicant for Offer Shares pursuant to one or more of the Offers
Articles	the articles of association of MIG and/or MIG 2 and/or MIG 4 and/or I&G, as the context permits
Boards	the board of directors of MIG and/or MIG 2 and/or MIG 4 and/or I&G, as the context permits (and each a Board)
Business Days	any day (other than a Saturday) on which clearing banks are open for normal banking business in sterling
CA 1985	the Companies Act 1985 (as amended)
CA 2006	the Companies Act 2006 (as amended)
Closing Date	the closing date of an Offer, expected to be 12.00 midnight on 31 March 2020, or earlier if fully subscribed or otherwise as so resolved by the relevant Board
Companies	MIG and/or MIG 2 and/or MIG 4 and/or I&G, as the context permits (and each a Company)
Companies Acts	CA 1985 and CA 2006
Directors	the directors of MIG and/or MIG 2 and/or MIG 4 and/or I&G from time to time, as the context permits (and each a Director)
EBITA	a company's earnings before the deduction of interest, tax and amortisation
FCA	the Financial Conduct Authority
FSMA	the Financial Services and Markets Act 2000 (as amended)
HMRC	Her Majesty's Revenue & Customs
Howard Kennedy	Howard Kennedy Corporate Services LLP, the sponsor to the Offers
I&G	The Income & Growth VCT plc
I&G Shares	ordinary shares of 1p each in the capital of I&G
Investment Amount	the monetary amount of an Application accepted
IPEVC Valuation Guidelines	the International Private Equity and Venture Capital Valuation Guidelines
Key Information Documents	the key information documents made available by the Companies (and each a KID)
Listing Rules	the Listing Rules of the FCA
London Stock Exchange	London Stock Exchange plc
Memorandum	the memorandum of association of MIG and/or MIG 2 and/or MIG 4 and/or I&G, as the context permits (and together the Memoranda)
MIG	Mobeus Income & Growth VCT plc
MIG Shares	ordinary shares of 1p each in the capital of MIG
MIG 2	Mobeus Income & Growth 2 VCT plc
MIG 2 Shares	ordinary shares of 1p each in the capital of MIG 2
MIG 3	Matrix Income & Growth 3 VCT plc

MIG 4	Mobeus Income & Growth 4 VCT plc
MIG 4 Shares	ordinary shares of 1p each in the capital of MIG 4
Mobeus	Mobeus Equity Partners LLP, the investment adviser, administrator, company secretary and promoter to the Companies and which is authorised and regulated by the FCA
Money Market Funds	money market funds, government securities or other low risk liquid assets
NAV or net asset value	the net asset value of a company or, as the case may be, share, calculated in accordance with that company's normal accounting policies
NEX Exchange	the NEX Exchange, a prescribed market for the purposes of section 118 of Financial Services and Markets Act 2000
Offers	the offers for subscription of Offer Shares in the Companies (including, if utilised, the over-allotment facilities) as described in the Prospectus (and each an Offer)
Offer Costs	as defined in the Securities Note
Offer Price	the price at which the Offer Shares will be allotted in each Company pursuant to the Offers, as determined by dividing the Investment Amount in a Company by the number of Shares to be issued by that Company (in accordance with the Allotment Formula)
Offer Shares	the MIG Shares, MIG 2 Shares, MIG 4 Shares and I&G Shares (as the context permits), being offered for subscription pursuant to the Offers (and each an Offer Share)
Official List	the official list of the FCA
Prospectus	together, this Registration Document, the Securities Note and the Summary
Prospectus Regulation	Regulation (EU 2017/1119) of the European Parliament and of the Council dated 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market
Prospectus Regulation Rules	the Prospectus Regulation Rules issued by the FCA and made under Part VI of FSMA and pursuant to the Prospectus Regulation
Qualifying Company	an unquoted (including an AIM-listed) company which satisfies the requirements of Chapter 4 of Part 6 of the Tax Act
Qualifying Investor	an individual aged 18 or over who is a tax-payer in the United Kingdom
Receiving Agent	The City Partnership (UK) Limited
Registrar	Link Asset Services or Computershare Investor Services PLC, as the context permits (together the Registrars)
Registration Document	this document
Regulations	the Uncertificated Securities Regulations 2001
RIS Announcements	regulatory announcements through one of the newswire services designated as a Regulatory Information Service by the FCA for the purposes of Appendix 3 of the Listing Rules (and each a RIS Announcement)
RPI	Retail Prices Index
Securities Note	the securities note issued by the Companies 25 October 2019 in connection with the Offers
Shareholder	a holder of Shares in one or more of the Companies (as the context permits)
Shares	MIG Shares and/or MIG 2 Shares and/or MIG 4 Shares and/or I&G Shares, as the context permits (and each a Share),
Summary	the summary issued by the Companies dated 25 October 2019 in connection with the Offers
Tax Act	the Income Tax Act 2007 (as amended)
United Kingdom or UK	the United Kingdom of Great Britain and Northern Ireland
United States or US	the United States of America, its states, territories and possessions (including

	the District of Columbia)
VCT Value	the value of an investment calculated in accordance with section 278 of the Tax Act
Venture Capital Trust or VCT	a venture capital trust as defined in section 259 of the Tax Act

THE DIRECTORS AND MOBEUS

As required by the Listing Rules, each of the Companies' Boards is independent of Mobeus. All Directors are non-executive and, except for Helen Sinclair, independent of Mobeus. Helen is a director of both I&G and MIG 4 and, as both are advised by Mobeus, is deemed not to be an independent director under the Listing Rules.

Each Company carries on business as a venture capital trust making investments primarily in a portfolio of early stage UK companies.

Each Board has substantial experience of venture capital businesses and has overall responsibility for its Company's affairs, including determining the investment policy of the relevant Company (subject to approval by its Shareholders where required) and making investment decisions on the advice of Mobeus. Each Board also retains responsibility for approving both the valuations of its portfolio and the net assets of its Company (on the advice of Mobeus).

Each Board considers its constitution, tenure and experience and keeps this under regular review. The MIG 4 Board and the I&G Board are progressing succession planning and, in particular, I&G has engaged in a recruitment process to appoint additional independent non-executive directors to its Board.

(A) THE DIRECTORS (ALL NON-EXECUTIVE)

Mobeus Income & Growth VCT plc

Clive Boothman – (independent chairman)

Clive has over 35 years' experience in the financial services industry, initially qualifying as a chartered accountant. He was with Schroders from 1983 for seventeen years during which time he was variously managing director of Schroder Unit Trusts Limited for ten years and managing director of their international Private Client Group for the final two years. Since leaving Schroders, he has been chief executive of the stockbroker Gerrard Limited (2000 – 2001) and the fund platform Cofunds Limited (2002 – 2003).

From 2004 - 2014 he helped establish and was non-executive chairman of Investment Funds Direct Limited, an investment platform. Since July 2014, he has been non-executive chairman of Platform One, another UK and international wrap platform. In July 2016 he joined the board of Professional Partners Administration Limited (PPAL), becoming non-executive chairman of this and its sister company, WAY Group, in 2017. WAY and PPAL are Dorset based companies providing a range of financial services. He is currently also treasurer of the Veteran Car Club of Great Britain.

Bridget Guérin – (independent director)

Bridget has over 30 years' experience in the financial services industry. She was managing director of Matrix Money Management Limited between June 1999 and March 2011 and sat on the Matrix Group board between 2000 and 2009.

Prior to joining Matrix, Bridget gained 14 years of retail investment fund experience at Schroder Unit Trusts Limited, Ivory & Sime and County NatWest. Bridget is currently a non-executive director of CCP Quantitative Fund, CCP Core Macro Fund, GAM Systematic Discovery Fund and the GAM Systemic Global Equities Fund, all of which are Cayman Funds, Schroder Income Growth Fund plc and Invesco Perpetual UK Smaller Companies Investment Trust, both of which are London listed investment trusts, and Charles Stanley Group plc. She is a director of York and Beverley Racecourses and is a trustee of the York Racecourse Pension Fund. Bridget was a director of MIG 3, which merged into MIG in May 2010.

Catherine Wall (independent director)

Catherine has 30 years' experience in the private equity industry, having worked for Barclays Private Equity (now called Equistone Partners Europe) from 1984 to 1989 and also from 1994 to 2013, and for 3i plc from 1989 to 1993. As a director of Barclays Private Equity she led and managed numerous investments in management buy-outs. She later became UK portfolio director of Equistone Partners Europe, supervising the management of all the firm's UK investments.

She held over 20 roles as non-executive director, non-executive chairman or shareholder representative on the boards of investee companies in which Barclays Private Equity/Equistone Partners Europe were invested; additionally, she was a non-executive director of Indigo Holdings Limited from August 2010 to December 2012 and served on the investment panel of the British Red Cross from 2004 to July 2014. From 2015 to July 2019, she was chairman of Signum Technology Limited, a private equity owned valve manufacturer, and is currently a non-executive director of Greenwood & Coope Limited and chairman of

WHC03 Limited (the holding company for the Kite Factory Limited, a media planning and buying agency). She is also a member of the investment panel for Westminster Abbey.

Mobeus Income & Growth 2 VCT plc

Ian Blackburn (independent chairman)

Ian is a FCA who specialised in corporate finance at KPMG before building and selling two listed food groups. He has extensive UK and European strategic, operations and finance experience as chief executive officer and finance director of Perkins Foods plc and Zetar plc. Currently, he is an active investor in a number of SMEs and is chairman of Mood Foods (manufacture of Ombar raw cocoa chocolate bars), Kinteract (education sector App) and Slimline Wine (SL'M sugar free wines). He is also a trustee and director of The Rutland Learning Trust.

Sally Duckworth (independent director)

Sally has worked in the financial services sector since 1990 and in the private equity industry since 2000. A qualified accountant (Price Waterhouse), former investment banker (J.P.Morgan) and early stage venture capitalist (Quester Capital Management, which ran several VCTs) she understands the investment process and reporting requirements of a VCT. She has been an active angel investor and has held various Board and C-suite roles. This has included chairing several start-ups and running SaaS businesses as chief operating and financial officer and chief executive officer so she understands the strategic and operational challenges of running early stage businesses. She is also chairman of Stormagic Limited, which enables hyper converged software and is advising a clean tech start up on all of its operations and finance.

Adam Kingdon (independent director)

Adam is the founder and chief executive officer of Utonomy Ltd, a supplier of smart grid technology for gas networks. Prior to that he was the founder and chief executive officer of i2O Water Ltd, a supplier of intelligent control for water networks. He also has more than 20 years' experience as a turnaround specialist, restoring companies to profitability. He has turned around more than ten loss-making engineering and technology companies in the UK, France, Germany, Holland and Belgium.

Mobeus Income & Growth 4 VCT plc

Christopher Moore (independent chairman)

Christopher has considerable experience of the venture capital industry. After completing a law degree and qualifying as a chartered accountant with Price Waterhouse, he worked for Robert Fleming Inc., Lazards, Jardine Fleming and then Robert Fleming, latterly as a main board director from 1986 to 1995. During this period he was involved in various unquoted and venture capital investments and remained chairman of Fleming Ventures Limited, an international venture capital fund, until the fund's final distribution in 2003. His roles have included acting as senior adviser to the chairman of Lloyds and chairing the successful turnaround of a public industrial group. Until May 2010, he was a director of MIG and until September 2010 he was a director of I&G. He was also a director of MIG 3 until it merged with MIG in 2010.

Graham Paterson (independent director)

Graham is an investment and financial services professional with over 20 years' experience in the private equity industry. A chartered accountant, Graham was one of the founding partners of SL Capital Partners LLP, (formerly Standard Life Investments (Private Equity) Limited) where he was a partner and board member until 2010. During his 13 years at SL Capital, he was one of the managers of Standard Life Private Equity Trust plc and was a member of the advisory boards to a number of leading private equity fund managers.

In 2013, Graham co-founded TopQ Software Limited, a technology company which develops software for the private equity industry. TopQ Software was acquired by eVestment Inc (now part of NASDAQ Inc) in 2015, where until early 2018, Graham was a director of their private markets data and analytics business. Graham is currently a non-executive director and chairman of the audit committee of Baillie Gifford US Growth Trust plc, chairman of Datactics Limited and a non-executive director of Invesco Perpetual UK Smaller Companies Trust plc.

Helen Sinclair (non-independent director)

Helen has extensive experience of investing in a wide range of small and medium sized businesses. She graduated in economics from Cambridge University and began her career in banking. After an MBA at

INSEAD business school, Helen worked from 1991 to 1998 at 3i plc, based in their London office. She was a founding director of Matrix Private Equity Limited when it was established in early 2000 and helped raise the initial funds for Mobeus Income & Growth 2 VCT plc (formerly Matrix e-Ventures VCT plc). She is a non-executive director of Gresham House Strategic plc and is chairman of British Smaller Companies VCT plc. Helen is a director of both I&G and MIG 4 and, as both are advised by Mobeus, is deemed not to be an independent director under the Listing Rules.

The Income & Growth VCT plc

Jonathan Cartwright (independent chairman)

Jonathan is a qualified chartered accountant. He has significant experience of the investment trust sector and of serving on the boards of both public and private companies in executive and non-executive roles. Jonathan joined Caledonia Investments plc in 1989, serving as finance director from 1991 to December 2009. Prior to this he was group financial controller at Hanson plc from 1984 to 1989. He was a non-executive director of Bristow Group Inc. (from 1996 to 2009) and of Serica Energy plc (from 2008 to 2012). He is non-executive chairman of BlackRock Income & Growth Investment Trust plc and a non-executive director of Tennants Consolidated Limited and British Smaller Companies VCT plc.

Helen Sinclair (non-independent director)

Please see above for MIG 4.

Current and Past Directorships

The Directors are currently or have been within the last five years, a member of the administrative, management or supervisory bodies or partners of the companies and partnerships mentioned below:

	Current	Past Five Years
MIG		
Clive Boothman	Carbooth Storage Limited D. Napier & Son Ltd Investor Administration Solutions Limited LCT Pensions Limited Mobeus Income & Growth VCT plc Platform One Group Limited Platform One Limited Platform One Nominee Limited Plato Nominees Limited Professional Partners Administration Limited Veteran Car Company Limited Way Fund Managers Limited Way Group Limited	Fundsdirect Nominees Limited Fundsdirect ISA Nominees Limited IFDL Personal Pensions Limited Investment Funds Direct Group Limited Investment Funds Direct Holdings Limited Investment Funds Direct Limited Investment Sciences Limited Way Investment Services Limited Way Tax and Trustee Advisory Services Limited
Bridget Guérin	Beverly Race Company Limited (The) Cantab Capital (Cayman) Limited CCP Core Macro Master Fund CCP Quantitative Fund Charles Stanley & Co. Limited Charles Stanley Group plc GAM Systematic Global Equities (Cayman) Master Fund Limited Invesco Perpetual UK Smaller Companies Investment Trust plc Mobeus Income & Growth VCT plc Schroder Income Growth Fund plc York Racecourse Knavesmire LLP	Matrix Alternative Investment Strategies Fund Limited Matrix (Bermuda) Limited Matrix Structured Products Limited Cantab UCITS Fund plc Cantab Capital LTIP Limited

Catherine Wall	Greenwood & Coope Limited Mobeus Income & Growth VCT plc WHCO3 Limited	BRE Group Limited Copper Bidco Limited Copper Midco 1 Limited Copper Midco 2 Limited Filtration & Valves Limited Greenfinch Investment Services Limited (dissolved) Signum Technology Limited Vee Bee Filtration UK Limited Vee Bee Limited
MIG 2		
Ian Blackburn	Make It Plain Ltd Slimline Wine Limited Mobeus Income & Growth 2 VCT plc Mood Foods Ltd The Rutland Learning Trust	Freshly Cut Limited Zertus UK Holding Limited Zetar International Limited Zetar Limited
Sally Duckworth	Mobeus Income & Growth 2 VCT plc Motion Tracking Ltd Stormagic Limited Xanthic Limited	Beyond The Story Limited Superhit Ltd (dissolved) Youatwork Holdings Limited Youatwork Limited
Adam Kingdon	Mobeus Income & Growth 2 VCT plc Utonomy Ltd Warwill,Limited	I2O Water Limited I2O Water International Holdings Limited
MIG 4		
Christopher Moore	Mobeus Income & Growth 4 VCT plc	Bletchley Park Trust Limited
Graham Paterson	Baillie Gifford US Growth Trust plc Datactics Limited GDP 1 Limited Invesco Perpetual UK Smaller Companies Trust plc Mobeus Income & Growth 4 VCT plc	The IDCO. Limited Octopus 4 VCT plc (in liquidation) Topq Software Limited Whitekirk Community Company
Helen Sinclair	British Smaller Companies VCT plc Gresham House Strategic plc Hemstall Road Residents Co Limited Mobeus Income & Growth 4 VCT plc North East Finance (Holdco) Limited The Income & Growth VCT plc 16 Dennington Park Road Limited 39 Homer Street Management Limited	Downing ONE VCT plc Downing Income VCT 4 plc (dissolved) FTGS Holdco Limited OFT 2 Limited
I&G		
Jonathan Cartwright	Blackrock Income and Growth Investment Trust plc British Smaller Companies VCT plc Tennants Consolidated Limited The Income & Growth VCT plc Trustee of the Caledonia Pension Scheme	Aberforth Geared Income Trust plc (in liquidation) Aberforth Split Level Investment Trust plc Governor of Oundle School Oundle School Enterprises Limited (formerly Oundle School Services Company Limited) Trustee of the Old Oundelian Club Benevolent Fund Trustee of the Non-Teaching Staff Pension Scheme of Oundle School
Helen Sinclair	Please see above for MIG 4	Please see above for MIG 4

(B) MOBEUS

The Companies' investment adviser is Mobeus, a limited liability partnership incorporated on 27 June 2006 and registered in England and Wales under number OC320577 pursuant to the Limited Liability Partnerships Act 2000 (telephone number 020 7024 7600). Mobeus' registered office is 30 Haymarket, London SW1Y 4EX and its principal place of business is 30 Haymarket, London SW1Y 4EX. Mobeus is authorised and regulated by the Financial Conduct Authority to advise on investments, arrange deals in investments and to make arrangements with a view to transactions in investments. The principal legislation under which Mobeus operates is the Limited Liability Partnership Act 2000 and the applicable provisions of the Companies Acts (and regulations made thereunder). Mobeus is domiciled in England and its website is www.mobeus.co.uk (information on this website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus).

The origins of Mobeus date back to 1998 when its four founder partners began working together. Since 30 June 2012, Mobeus has been wholly owned by its executive partners.

The Mobeus team has now grown to 37 people, including 26 investment professionals. The Mobeus team focuses on advising and administering four Mobeus-advised VCTs and on managing an institutional limited partnership.

Mobeus entered the VCT industry advising two multi-adviser VCTs as one of three investment advisers each looking after a share of the assets. These VCTs, TriVen VCT plc and TriVest VCT plc, were launched in 1999 and 2000 respectively. Between 2004 and 2009, it became clear to the independent boards of each of those companies that Mobeus was achieving the best performance of the investment advisers and that Mobeus should be appointed as sole investment adviser. TriVen VCT was renamed Matrix Income & Growth 4 VCT plc in October 2006 and subsequently re-named Mobeus Income & Growth 4 VCT plc in June 2012. TriVest VCT plc was re-named The Income & Growth VCT plc in October 2007. These are two of the Companies in the Offers.

Matrix E-Ventures Fund plc was launched in 2000 and changed its name to Matrix Venture Fund VCT plc in 2001. In 2005, the Company changed its investment strategy and name to Matrix Income and Growth 2 VCT plc and launched a new C ordinary share fund. The C shares were subsequently merged with the ordinary shares on 10 September 2010. The Company changed its name to Mobeus Income & Growth 2 VCT plc in June 2012. This is the third Company in the Offers.

Matrix Income & Growth VCT plc and Matrix Income & Growth 3 VCT plc were launched with Mobeus as their sole investment adviser in 2004 and 2005 respectively. Matrix Income & Growth 3 VCT plc merged with Matrix Income & Growth VCT plc in 2010 and Matrix Income & Growth VCT plc changed its name to Mobeus Income & Growth VCT plc in June 2012. This is the fourth Company in the Offers.

ARTICLES

The material provisions of each of the Company's Articles are as detailed below. The provisions set out below apply to each Company unless otherwise stated. References in this section to 'the Company' mean the relevant Company and references to 'Directors' or 'Board' mean the directors or board respectively of the relevant Company from time to time.

Copies of the Companies' Articles will be available for inspection during usual business hours on weekdays, weekends and public holidays excepted, at the offices of Mobeus, 30 Haymarket, London SW1Y 4EX whilst the Offers are open.

1. Limited Liability

The liability of the members is limited to the amount, if any, unpaid on their shares.

2. General Meetings

2.1 Convening of General Meetings

The Board may convene a general meeting whenever it thinks fit.

2.2 Notice of General Meeting

- (a) An annual general meeting shall be convened by not less than 21 clear days' notice in writing. Other general meetings shall, subject to CA 2006, be convened by not less than 14 clear days' notice in writing.
- (b) Every notice convening a general meeting shall specify:
 - (i) whether the meeting is an annual general meeting;
 - (ii) the place, the day and the time of the meeting;
 - (iii) the general nature of the business to be transacted;
 - (iv) if the meeting is convened to consider a special resolution the text of the resolution and the intention to propose the resolution as such; and
 - (v) with reasonable prominence that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not also be a member.
- (c) The notice shall be given to the members other than any whom under the provisions of these Articles or of any restrictions imposed on any shares are not entitled to receive notice from the Company.

2.3 Omission to Send Notice

The accidental omission to send a notice of meeting or, in cases where it is intended that it be sent out with the notice, an instrument of proxy, to, or the non-receipt of either by, any person entitled to receive the same shall not invalidate the proceedings at that meeting.

3 Proceedings at General Meetings

3.1 Quorum

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business but the absence of a quorum shall not preclude the choice or appointment of a chairman which shall not be treated as part of the business of the Meeting. Subject to the provisions below, two persons entitled to attend and to vote on the business to be transacted, each being a member present in person or a proxy for a member or a duly authorised representative of a corporation which is a member, shall be a quorum.

3.2 If Quorum not Present

If within five minutes (or such longer interval as the Chairman in his absolute discretion thinks fit) from the time appointed for the holding of a general meeting a quorum is not present, or if during a meeting such a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved.

In any other case, the meeting shall stand adjourned to such day and at such time and place as the Chairman may determine, being not less than ten clear days nor more than 28 days thereafter at such adjourned meeting one member present in person or by proxy or (being a corporation) by a duly authorised representative shall be a quorum. If no such quorum is present or if during the adjourned meeting a quorum ceases to be present, the adjourned meeting shall be dissolved. The Company shall give at least seven clear days' notice of any meeting adjourned through lack of quorum.

4. Voting

4.1 Method of Voting

At any general meeting a resolution put to a vote of the meeting shall be decided on a show of hands unless (before or immediately after the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded. Subject to the provisions of CA 2006, a poll may be demanded by:

- (a) the chairman of the meeting; or
- (b) at least five members present in person or by proxy having the right to vote on the resolution; or
- (c) a member or members present in person or by proxy representing not less than one tenth of the voting rights of all the members having the right to vote on the resolution; or
- (d) a member or members present in person or by proxy holding shares conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up equal to not less than one tenth of the total sum paid up on all the shares conferring that right.

4.2 Chairman's Declaration Conclusive on Show of Hands

Unless a poll is duly demanded and the demand is not withdrawn a declaration by the Chairman of the meeting that a resolution has on a show of hands been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive, and an entry to that effect in the book containing the minutes of proceedings of the Company shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

5. Votes of Members

Subject to the provisions of the CA 2006 and to any special terms as to voting on which any shares may have been issued or may for the time being be held and to any suspension or abrogation of voting rights pursuant to the Articles, at any general meeting every member who is present in person or by proxy or (being a corporation) is present by a duly authorised representative shall on a show of hands have one vote and on a poll shall have one vote for each share of which he is the holder.

6. Variation of Class Rights

6.1 Sanction to Variation

- (a) Subject to the provisions of CA 2006, if at any time the share capital of the Company is divided into shares of different classes any of the rights for the time being attached to any share or class of shares in the Company (and notwithstanding that the Company may be or be about to be in liquidation) may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated in such manner (if any) as may be provided by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three quarters in nominal value of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of shares of the class duly convened and held as provided in these Articles (but not otherwise).
- (b) The foregoing provisions of this article shall apply also to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the separate rights of which are to be varied.

6.2 Class Meetings

All the provisions in the Articles as to general meetings shall mutatis mutandis apply to every meeting of the holders of any class of shares save that:

- (a) the quorum at every such meeting shall be not less than two persons holding or representing by proxy at least one third of the nominal amount paid up on the issued shares of the class;

- (b) every holder of shares of the class present in person or by proxy may demand a poll;
- (c) each such holder shall on a poll be entitled to one vote for every share of the class held by him; and
- (d) if at any adjourned meeting of such holders, such quorum as aforesaid is not present, not less than one person holding shares of the class who is present in person or by proxy shall be a quorum.

7. Consolidation and Subdivision

The Company in general meeting may from time to time by ordinary resolution:

- (a) consolidate and divide all or any of its share capital into shares of larger nominal amount than its existing shares; and
- (b) subject to the provisions of CA 2006, sub-divide its shares or any of them into shares of smaller nominal value and may by such resolution determine that as between the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights or be subject to any such restrictions as the Company has power to attach to new shares.

8. Transfer of Shares

8.1 Form of Transfer

Except as provided in paragraph 8.2 below, each member may transfer all or any of his shares by instrument of transfer in writing in any usual form or in any form approved by the Board. Such instrument shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect of it.

8.2 Right to Refuse Registration

- (a) The Board may in its absolute discretion and without giving any reason refuse to register any share transfer unless:
 - (i) it is in respect of a share which is fully paid up;
 - (ii) it is in respect of only one class of shares;
 - (iii) it is in favour of a single transferee or not more than four joint transferees;
 - (iv) it is duly stamped (if so required); and
 - (v) it is delivered for registration to the Office, or such other place as the Board may from time to time determine, accompanied (except in the case of a transfer by a recognised person where a certificate has not been issued) by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor and the due execution by him of the transfer or if the transfer is executed by some other person on his behalf, the authority of that person to do so, provided that such discretion may not be exercised in such a way as to prevent dealings in such shares from taking place on an open and proper basis.

9. Dividends and Other Payments

9.1 Declaration of Dividends

Subject to the provisions of CA 2006 and the Articles, the Company may by ordinary resolution declare that out of profits available for distribution dividends be paid to members according to their respective rights and interests in the profits of the Company available for distribution. However, no dividend shall exceed the amount recommended by the Board.

9.2 Entitlement to Dividends

- (a) Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up (otherwise than in advance of calls) on the shares on

which the dividend is paid. Subject as aforesaid, all dividends shall be apportioned and paid pro rata according to the amounts paid up or credited as paid up on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date it shall rank for or be entitled to dividends accordingly.

- (b) All dividends and interest shall be paid (subject to any lien of the Company) to those members whose names shall be on the register at the date at which such dividend shall be declared or at the date at which such interest shall be payable respectively, or at such other date as the Company by ordinary resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of shares.
- (c) The Board may pay the dividends or interest payable on shares in respect of which any person is by transmission entitled to be registered as holder to such person upon production of such certificate and evidence as would be required if such person desired to be registered as a member in respect of such shares.

9.2 Distribution of Assets on Liquidation

On a winding-up, any surplus assets will be divided amongst the holders of each class of shares in the Company according to the respective number of shares held by them, subject to the rights of any shares which may be issued with special rights and privileges, in accordance with the Articles and/or CA 2006.

10. Borrowing Powers

10.1 Subject as provided in the Articles, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present or future) and uncalled capital of the Company and, subject to the provisions of CA 2006, to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

10.2 The Board shall restrict the borrowings of the Company and exercise all voting and other rights and powers of control exercisable by the Company in respect of its subsidiaries so as to procure (as regards its subsidiaries in so far as it can procure by such exercise) that the aggregate principal amount at any one time outstanding in respect of moneys borrowed by the Group (exclusive of moneys borrowed by one Group (being the Company and its subsidiaries from time to time) company from another) shall not at any time without the previous sanction of an ordinary resolution of the Company exceed an amount equal to the Adjusted Capital (as defined below) and Reserves (as defined below). For the purposes of MIG 4, such amount is limited to 0.5 times the Adjusted Capital and Reserves.

10.3 For these purposes only:

- (a) the Adjusted Capital and Reserves means a sum equal to the aggregate from time to time of:
 - (i) the amount paid up (or credited as paid up) on the issued share capital of the Company (for the purposes of MIG 2, such amount shall be limited to 90% of the amount paid up (or credited as paid up) on its issued share capital); and
 - (ii) the amount standing to the credit of the capital and revenue reserves of the Group, whether or not distributable (including without limitation any share premium account, capital redemption reserve fund, and credit or debit balance on any other distributable reserve) after adding thereto or deducting therefrom any balance standing to the credit or debit of the profit and loss account,

all as shown in the latest audited balance sheet of the Group but after:
 - (iii) making such adjustments as may be appropriate to reflect any variation in the amount of the paid up share capital, the share premium account or the capital redemption reserve or any such reserves (other than the profit and loss account) since the date of the relevant balance sheet and so that if any issue or proposed allotment of shares by the Company for cash has been underwritten, then such shares shall be deemed to have been allotted and the amount of the subscription monies payable in respect of them shall be deemed to have been paid up to the extent so underwritten on the date when the issue of such shares was underwritten;
 - (iv) excluding (so far as not already excluded):

- (A) amounts attributable to the proportion of the issued equity share capital of any subsidiary which is not attributable directly or indirectly to the Company;
- (B) any sum set aside for taxation (including deferred taxation) other than for tax equalisation;
- (v) deducting:
 - (A) sums equivalent to the values of goodwill and other intangible assets shown in the relevant balance sheet; and
 - (B) the amount of any distribution declared, recommended or made by any Group company to a person other than a Group company out of profits accrued up to and including the date of (and not provided for in) the relevant balance sheet.
- (b) moneys borrowed includes:
 - (i) the nominal amount of any issued and paid up share capital and the principal amount of any debenture or borrowings of any person together with any fixed or minimum premium payable on redemption, the beneficial interest in which or right to repayment to which is not for the time being owned by a Group company but the payment or repayment of which is the subject of a guarantee or indemnity by a Group company or is secured on the assets of a Group company;
 - (ii) the principal amount raised by any Group company by acceptances or under any acceptance credit;
 - (iii) the principal amount of any debenture (whether secured or unsecured) of any Group company beneficially owned otherwise than by a Group company;
 - (iv) the principal amount of any share capital of any subsidiary (not being equity share capital) beneficially owned otherwise than by a Group company;

but do not include:

 - (v) moneys borrowed by any Group company for the purpose of repaying within 6 months of the whole or any part of any moneys borrowed and then outstanding (including any premium payable on final repayment) of that or any other Group company pending their application for such purpose within that period;
 - (vi) monies borrowed which would otherwise be included in the calculation more than once;
 - (vii) the proportion of moneys borrowed by a Group company (and not owing to another Group company) which is equal to the proportion of its issued equity share capital not attributable directly or indirectly to the Company;

10.4 All monies borrowed which fall to be repaid in a currency other than sterling shall be translated into sterling on the same basis as that adopted in the latest audited consolidated balance sheet of the Company or in the case of monies borrowed after the date of such balance sheet at the relevant rate of exchange ruling in London at the time the same was borrowed.

10.5 No debt incurred or security given in respect of moneys borrowed in excess of the limit imposed by this article shall be invalid or ineffectual unless to the lender or recipient of the security held at the time when the debt was incurred or security express notice that the limit had been or would thereby be exceeded but no lender or other person dealing with the Company shall be concerned to see or enquire whether such limit is observed.

10.6 In this paragraph 10, references to 'Group' mean the Company and its subsidiaries and subsidiary undertakings for the time being.

11. Directors – Number, Voting and Interests

11.1 Number and Voting

The number of directors shall not be less than two nor more than seven. The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed at any other number shall be two, provided that for the purposes of any meeting held to authorise a Director's conflict, if there is only one Director besides the Director concerned and Directors with similar interests, the quorum

shall be one. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote.

11.2 Conflicts of Interest Requiring Board Authorisation

The Board may, provided the quorum and voting requirements set out below are satisfied, authorise any matter that would otherwise involve a Director breaching his duty under CA 2006 to avoid conflicts of interest.

- (a) Any Director (including the Director concerned) may propose that the Director concerned be authorised in relation to any matter the subject of such a conflict. Such proposal and any authority given by the Board shall be effected in the same way that any other matter may be proposed to and resolved upon by the Board under the provisions of these Articles, except that the Director concerned and any other Director with a similar interest:
 - (i) shall not count towards the quorum at the meeting at which the conflict is considered;
 - (ii) may, if the other members of the Board so decide, be excluded from any Board meeting while the conflict is under consideration; and
 - (iii) shall not vote on any resolution authorising the conflict except that, if he does vote, the resolution will still be valid if it would have been agreed to if his vote had not been counted.
- (b) Where the Board gives authority in relation to such a conflict:
 - (i) the Board may (whether at the time of giving the authority or at any time or times subsequently) impose such terms upon the Director concerned and any other Director with a similar interest as it may determine, including, without limitation, the exclusion of that Director and any other Director with a similar interest from the receipt of information, or participation in discussion (whether at meetings of the Board or otherwise) related to the conflict;
 - (ii) the Director concerned and any other Director with a similar interest will be obliged to conduct himself in accordance with any terms imposed by the Board from time to time in relation to the conflict;
 - (iii) any authority given by the Board in relation to a conflict may also provide that where the Director concerned and any other Director with a similar interest obtains information that is confidential to a third party, the Director will not be obliged to disclose that information to the Company, or to use the information in relation to the Company's affairs, where to do so would amount to a breach of that confidence;
 - (iv) the authority may also provide that the Director concerned, or any other Director with a similar interest, shall not be accountable to the Company for any benefit he receives as a result of the conflict;
 - (v) the Board may withdraw such authority at any time.

11.3 Director may have Interests

Subject to the provisions of CA 2006 and the Articles and further provided that a Director has declared his interest, a Director, notwithstanding his office:

- (a) may be a party to or otherwise be interested in any transaction or arrangement with the Company or in which the Company is otherwise interested, either in regard to his tenure of any office or in place of profit or as vendor, purchaser or otherwise;
- (b) may hold any other office or place of profit under the Company (except that of Auditor (being the auditor of the Company from time to time) or of auditor of a subsidiary of the Company) in conjunction with the office of Director and may act by itself or through his firm in a professional capacity for the Company and in any such case on such terms as to remuneration and otherwise as the remuneration committee may arrange either in addition to or in lieu of any remuneration provided for by any other article;
- (c) may be a director or other officer, or employed by, or a party to any transaction or arrangement with or otherwise interested in, any body corporate promoted by or promoting the Company or in which the company is otherwise interested or as regards which the Company has any powers of

appointment; and

- (d) shall not, by reason of his office, be liable to account to the Company for any remuneration or benefit which he derives from any such office, employment, contract or from any interest in any such body corporate; and no such office, employment or contract, shall be avoided on the grounds of any such interest or benefit.

12. Untraced Members

12.1 Power of Sale

The Company shall be entitled to sell at the best price reasonably obtainable any share of a member or any share to which a person is entitled by transmission if and provided that:

- (a) during the period of 12 years no cheque, order or warrant sent by the Company in a manner authorised by these Articles has been cashed and during such period of 12 years at least three cash dividends have been paid and no dividend has been claimed;
- (b) on or after expiry of the said period of 12 years the Company has given notice of its intention to sell such share by advertisements in both a national daily newspaper published in the United Kingdom and in a newspaper circulating in the area in which the last known address of such member or person for the service of notices under these Articles appeared;
- (c) during the further period of three months following the date of publication of the said advertisements (or, if published on different dates the later or latest of them) and prior to the exercise of the power of sale so far as the Board is aware the Company has not received any communication in respect of such share from the member or person entitled by transmission; and
- (d) the Company has given notice to the UK Listing Authority of its intention to make such sale.

12.2 To give effect to any sale of shares pursuant to this article the Board may authorise some person to transfer the shares in question and may enter the name of the transferee in respect of the transferred shares in the register notwithstanding the absence of any share certificate being lodged in respect of it and may issue a new certificate to the transferee. An instrument of transfer or transfer instruction executed by that person shall be as effective as if it had been executed by the holder of, or the person entitled by transmission to, the shares. The purchaser shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

12.3 The net proceeds of sale shall belong to the Company which shall be indebted to the former holder or person entitled by transmission to an amount equal to such net proceeds.

13. Capitalisation of Reserves

- (a) The Board may with the authority of an ordinary resolution of the Company, subject as provided in this article, resolve to capitalise any profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of any reserve or fund of the Company which is available for distribution or standing to the credit of share premium account or capital redemption reserve or other undistributable reserve;
- (b) appropriate the sum resolved to be capitalised to the holders of Shares who would then be entitled to it if it were distributed by way of dividend and apply such sum on their behalf either in or towards paying up the amount, if any, for the time being unpaid on any share held by them respectively or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum and allot the shares or debentures credited as fully paid to those holders of Shares or as they may direct in those proportions or partly in one way and partly in the other provided that:
 - (i) the share premium account, the capital redemption reserve, any other undistributable reserve and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted to holders of Shares credited as fully paid; and
 - (ii) in a case where any sum is applied in paying amounts for the time being unpaid on any shares of the Company or in paying up in full debentures of the Company, the amount of the net assets of the Company at that time is not less than the aggregate of the called up share capital of the Company and its undistributable reserves as shown in the latest audited accounts of the Company or such other accounts as may be relevant and would

not be reduced below that aggregate by the payment of it;

- (c) resolve that any shares so allotted to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid, rank for dividends only to the extent that such partly paid shares rank for dividends;
- (d) make such provision by the issue of fractional certificates (or by ignoring fractions or by accruing the benefit of it to the Company rather than to the holders of Shares concerned) or by payment in cash or otherwise as it thinks fit in the case of shares or debentures becoming distributable in fractions;
- (e) authorise any person to enter on behalf of all the holders of Shares concerned into an agreement with the Company providing for either:
 - (i) the allotment to them respectively, credited as fully paid up, of any shares or debentures to which they may be entitled on such capitalisation; or
 - (ii) the payment up by the Company on behalf of such holders by the application to it of their respective proportions of the reserves or profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares,(any agreement made under such authority being effective and binding on all such holders); and
- (f) generally do all acts and things required to give effect to such resolution.

14. Distribution of Realised Capital Profits

At any time when the Company has given notice in the prescribed form (which has not been revoked) to the registrar of companies of its intention to carry on business as an investment company (a "Relevant Period") distribution of the Company's capital profits (within the meaning of section 833 of CA 2006) shall be prohibited.

The Board shall establish a reserve to be called the capital reserve. During a Relevant Period all surpluses arising from the realisation or revaluation of investments and all other monies realised on or derived from the realisation, payment off of or other dealing with any capital asset in excess of the book value thereof and all other monies which are considered by the Board to be in the nature of accretion to capital shall be credited to the capital reserve. Subject to CA 2006, the Board may determine whether any amount received by the Company is to be dealt with as income or capital or partly one way and partly the other. During a Relevant Period, any loss realised on the realisation or payment off of or other dealing with any investments or other capital assets and, subject to CA 2006, any expenses, loss or liability (or provision thereof) which the Board considers to relate to a capital item or which the Board otherwise considers appropriate to be debited to the capital reserve shall be carried to the debit of the capital reserve.

During a Relevant Period, all sums carried and standing to the credit of the capital reserve may be applied for any of the purposes for which sums standing to any revenue reserve are applicable except and provided that notwithstanding any other provision of these Articles during a Relevant Period no part of the capital reserve or any other money in the nature of accretion to capital shall be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution (as defined by section 829 of CA 2006) or be applied in paying dividends on any shares in the Company.

In periods other than a Relevant Period any amount standing to the credit of the capital reserve may be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution (as defined by section 474(2) of CA 2006) or be applied in paying dividends on any shares in the Company.

15. Winding Up

In order for the future of the Company to be considered by the members, the Board shall at the annual general meeting of the Company falling after the latter of the fifth anniversary of either (i) the last allotment of shares in the Company or (ii) the last continuation vote held, and thereafter at five year intervals, invite the members to consider and debate the future of the Company (including, without limitation, whether the Company should be wound up, sold or unitised) and as soon as practicable following that meeting shall convene a general meeting to propose such resolution as the members attending the annual general meeting may by ordinary resolution require.

16. Uncertificated Shares

The Board may make such arrangements as it sees fit, subject to CA 2006, to deal with the transfer, allotment and holding of shares in uncertificated form and related issues.

17. Indemnity and Insurance

The Company shall indemnify the directors to the extent permitted by law and may take out and maintain insurance for the benefit of the directors.

PART I - MIG

(A) GENERAL INFORMATION

1 Incorporation and registered office

- 1.1 The legal and commercial name of MIG is Mobeus Income & Growth VCT plc.
- 1.2 MIG was incorporated and registered in England and Wales as a public company with limited liability on 15 June 2004 registered number 05153931.
- 1.3 MIG was issued with a trading certificate under section 117 of CA 1985 (now section 761 of CA 2006) on 1 July 2004.
- 1.4 The principal legislation under which MIG operates is CA 2006 and regulations made thereunder.
- 1.5 MIG's registered office and principal place of business is at 30 Haymarket, London SW1Y 4EX. MIG is domiciled in England. MIG does not have, nor has it had since incorporation, any subsidiaries, or employees.
- 1.6 HMRC has granted approval of MIG as a VCT under section 259 of the Tax Act. The business of MIG has been, and it is intended will be, carried on so as to continue to comply with that section to maintain full VCT approval.
- 1.7 MIG revoked its status as an investment company under section 266 of CA 1985 (now section 833 of CA 2006) on 19 December 2007 for the purpose of paying capital dividends and does not intend to re-apply for such status.
- 1.8 MIG Shares are admitted to the Official List of the UK Listing Authority and to trading on the main market of the London Stock Exchange and have an International Securities Identification Number of GB00B01WL239. MIG's Legal Entity Identity number is 213800HKOSEVWS7YPH79.
- 1.9 MIG is not regulated by the FCA or an equivalent European Economic Area regulator but it is an alternative investment fund for the purposes of AIFMD, has registered itself as a small alternative investment fund manager with the FCA and is subject to the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773). In addition, as a premium listed entity on the main market of the London Stock Exchange, MIG is subject to the rules and regulations issued by the FCA from time to time and is also subject to regulation by HMRC under the VCT rules in order to qualify as a VCT. MIG is not otherwise regulated.

2. Share capital

- 2.1 The authorised share capital of MIG on incorporation was £50,000, divided into 50,000 ordinary shares of £1 each. On incorporation, two ordinary shares were issued fully paid to the subscribers to its Memorandum.
- 2.2 At an extraordinary general meeting held on 30 June 2004, the authorised share capital of MIG (issued and unissued) was subdivided into 5,000,000 MIG Shares of 1p each and the authorised share capital was increased to £500,000 by the creation of 40,000,000 MIG Shares of 1p each and 50,000 redeemable non-voting preference shares of £1 each.
- 2.3 To enable MIG to obtain a certificate under section 117 of CA 1985 (now section 761 of CA 2006), on 30 June 2004, 50,000 redeemable non-voting preference shares of £1 each were allotted by MIG at par for cash, paid up to one quarter of their nominal value. Such redeemable non-voting preference shares were paid up in full and redeemed in full out of the proceeds of the original offer for subscription on 5 October 2004. The authorised but unissued shares so arising were automatically redesignated as ordinary shares of 1p each and MIG's articles of association were amended by the deletion of all references to the redeemable non-voting shares and the rights attaching to them pursuant to a special resolution passed on 12 May 2010.
- 2.4 On 8 May 2019, MIG passed a resolution approving, subject to the sanction of the Court, the cancellation of the amount standing to the credit of the share premium account and the redemption reserve as at the date of cancellation (such cancellation being subsequently confirmed by the Court on 30 July 2019 and registered at Companies House on 30 July 2019).

- 2.5 As at 30 June 2019, the date to which the last unaudited half-year financial statements for MIG have been published, the issued share capital of MIG was 105,656,926 MIG shares (all fully paid-up).
- 2.6 The issued share capital history of MIG since 31 December 2015 is as follows:
- During the financial year ended 31 December 2016, MIG issued no MIG Shares and bought back 375,480 MIG Shares. As at 31 December 2016, the issued share capital of MIG comprised 75,597,471 MIG Shares, none of which were held in treasury.
 - During the financial year ended 31 December 2017, MIG issued 22,388,196 MIG Shares and bought back 559,948 MIG Shares. As at 31 December 2017, the issued share capital of MIG comprised 97,425,719 MIG Shares, none of which were held in treasury.
 - During the financial year ended 31 December 2018, MIG issued 11,155,262 MIG Shares and bought back 1,715,113 MIG Shares. As at 31 December 2018, the issued share capital of MIG comprised 106,865,868 MIG Shares, none of which were held in treasury.
 - During the current period to 24 October 2019 (being the latest practicable date prior to the publication of this document) MIG issued 36,295 MIG Shares and bought back 1,988,193 MIG Shares.
- 2.7 At the date of this document, MIG had 104,913,970 MIG Shares in issue (all fully paid up).
- 2.8 The following resolutions of MIG were passed at the annual general meeting of MIG held on 8 May 2019:
- (a) That, in substitution for any existing authorities, the MIG Directors were generally and unconditionally authorised pursuant to section 551 of CA 2006, to exercise all the powers of MIG to allot MIG Shares and to grant rights to subscribe for, or to convert any security into, MIG Shares up to an aggregate nominal amount of £356,219, provided that this authority shall (unless renewed, varied, or revoked by MIG in a general meeting) expire on the date falling fifteen months after the passing of the resolution, or, if earlier, at the conclusion of the annual general meeting of MIG to be held in 2020, but so that this authority shall allow MIG to make before such expiry of the authority offers or agreements which would or might require MIG Shares to be allotted or rights to be granted after such expiry and the MIG Directors are entitled to allot MIG Shares or grant rights pursuant to any such offers or agreements as if the authority conferred had not expired.
- (b) That, in substitution for any existing authorities, MIG Directors were empowered in accordance with sections 570 and 573 of CA 2006 to allot or make offers or agreements to allot equity securities (as defined in section 560(1) of CA 2006) for cash, pursuant to the authority given in accordance with section 551 of CA 2006 by paragraph (a) above, or by way of a sale of treasury shares, as if section 561(1) of CA 2006 did not apply to any such sale or allotment, provided that the power conferred shall be limited to the allotment of equity securities:
- (i) with an aggregate nominal value of up to but not exceeding £140,000 in connection with offer(s) for subscription;
 - (ii) otherwise than pursuant to sub-paragraph (i) above of equity securities with an aggregate nominal value of up to, but not exceeding 5% of the issued MIG Share capital from time to time,
- in each case where the proceeds of the allotment may be used, in whole or in part, to purchase MIG Shares in the market and provided that this authority shall (unless renewed, varied or revoked by MIG in general meeting) expire on the date falling fifteen months after the passing of the resolution, or, if earlier, at the conclusion of the annual general meeting of MIG to be held in 2020, except that MIG may, before such expiry of the authority, make offers or agreements which would or might require equity securities to be allotted after such expiry and the MIG Directors may allot equity securities in pursuance of such offers or agreements as if the authority conferred thereby had not expired.
- 2.9 The following resolution of MIG was passed at the general meeting of MIG held on 11 October 2019:

That, in addition to existing authorities:

(a) *Authority to allot shares*

the MIG Directors were generally and unconditionally authorised in accordance with section 551 of CA 2006, to exercise all the powers of MIG to allot MIG Shares and to grant rights to subscribe for, or to convert any security into, MIG Shares (Rights) up to an aggregate nominal value of £280,000, provided that this authority shall (unless renewed, revoked or varied by MIG in general meeting) expire on the date falling fifteen months after the passing of this resolution, but so that this authority shall allow MIG to make before the expiry of this authority offers or agreements which would or might require MIG Shares to be allotted or Rights to be granted after such expiry and the MIG Directors shall be entitled to allot MIG Shares or grant Rights pursuant to any such offers or agreements as if this authority had not expired); and

(b) *Disapplication of pre-emption rights*

the MIG Directors were empowered pursuant to sections 570 and 573 of CA 2006 to allot or make offers or agreement to allot equity securities (as defined in section 560(1) of CA 2006) for cash, pursuant to the authority conferred by paragraph (i) of this resolution as if section 561(1) of CA 2006 did not apply to any such allotment, provided that the power conferred by this authority shall be limited to the allotment of equity securities with an aggregate nominal value of up to but not exceeding £280,000 in connection with offer(s) for subscription (where the proceeds may be used, in whole or in part, to purchase MIG Shares), such authority to (unless renewed, revoked or varied by MIG in general meeting) expire on the date falling fifteen months after the passing of this resolution, but so that this authority shall allow MIG to make before the expiry of such authority offers or agreements which would or might require equity securities to be allotted after such expiry and the MIG Directors shall be entitled to allot equity securities in pursuance of such offers or agreements as if the authority conferred hereunder had not expired).

2.10 There are no other shares or loan capital in MIG in issue or under option or agreed conditionally or unconditionally to be put under option nor does MIG hold shares in treasury.

2.11 Following the issue of MIG Shares pursuant to the MIG Offer (assuming the maximum 28 million MIG Shares are allotted pursuant to the MIG Offer, including in connection with, if utilised, the over-allotment facility) the issued share capital of MIG is expected to be as follows:

	Issued	
	Number	£
MIG Shares	132,913,970	1,329,139.70

2.12 The MIG Shares are/will be in registered form and no temporary documents of title will be issued. MIG is registered with CREST, a paperless settlement system, and those Shareholders who wish to hold their MIG Shares in electronic form may do so.

2.13 MIG will be subject to the continuing obligations of the Listing Rules with regard to the issue of securities for cash and the provisions of section 561 of CA 2006 (which, confers on shareholders rights of pre-emption in respect of the allotment of equity securities which are or are to be paid in cash) will apply to the balance of the share capital of MIG which is not subject to the disapplication referred to in paragraphs 2.8 and 2.9 above.

2.14 As at 24 October 2019 (this being the latest practicable date prior to publication of this document), MIG is not aware of any person who, immediately following the issue of the Offer Shares, directly or indirectly, has or will have an interest in the capital of MIG or voting rights which is notifiable under UK law (under which, pursuant to CA 2006 and the Listing Rules and Disclosure and Transparency Rules of the FCA, a holding of 3% or more must be notified to MIG).

3. **Directors' and other interests**

3.1 The Board of MIG comprises three non-executive directors, all of whom are independent of Mobeus. The Board of MIG has substantial experience of venture capital businesses and has overall responsibility for MIG's affairs, including its investment policy. Mobeus is the investment adviser.

- 3.2 As at 24 October 2019 (this being the latest practicable date prior to publication of this document), the interests of the MIG Directors' (and their immediate families) in the issued share capital of MIG were as follows:

	MIG Shares	% of Issued MIG Share capital
Clive Boothman	81,983	0.1%
Bridget Guérin	204,673*	0.2%
Catherine Wall	53,386	0.1%

*This includes shares held by connected persons of Bridget Guérin

- 3.3 Save as set out above, no MIG Director, family member or any person connected with any MIG Director (within the meaning of section 252 of CA 2006) has an interest in the capital of MIG which is or would, immediately following the MIG Offer, be required to be notified pursuant to section 809 of CA 2006 or which is or would be required to be entered in the register maintained under section 809 of CA 2006.
- 3.4 Clive Boothman was appointed as a director of MIG on 1 August 2015 under a letter of appointment, which may be terminated on three months' notice. Bridget Guérin was appointed as a director of MIG on 1 July 2004 under a letter of appointment, which may be terminated on three months' notice. Catherine Wall was appointed as a director of MIG on 1 July 2014 under a letter of appointment dated 7 May 2014. The MIG Directors' appointments do not confer any right to hold office for any period nor any right to compensation if they cease to be directors. The total annual remuneration receivable by Clive Boothman as a director and as chairman of MIG is £40,000 (plus, if applicable, VAT and employers National Insurance Contributions). The total annual remuneration receivable by Catherine Wall as a director and chairman of the Audit Committee is £35,000, while that receivable by Bridget Guérin is £30,000 as a director and chairman of the Nomination and Remuneration and Management Engagement Committees (in each case plus, if applicable, VAT and employers National Insurance Contributions). The office of a non-executive director of MIG is not pensionable and no retirement or similar benefits are provided to the MIG Directors. Aggregate MIG Directors' emoluments in respect of qualifying services for the year ended 31 December 2018 amounted to £105,000 (being £40,000 for Clive Boothman, £35,000 for Catherine Wall and £30,000 for Bridget Guérin) plus, if applicable, VAT and employers National Insurance Contributions. Aggregate emoluments for the current financial year are expected to be £105,000 (plus, if applicable, VAT and employers National Insurance Contributions).
- 3.5 There are no potential conflicts of interest of any MIG Directors between their duties carried out on behalf of MIG and their private interests and/or other duties.
- 3.6 No MIG Director is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of MIG and which was effected by MIG in the years ended 31 December 2016, 2017 and 2018 or to the date of this document in the current financial year and remains in any respect outstanding or unperformed.
- 3.7 No loan or guarantee has been granted or provided by MIG to or for the benefit of any of the MIG Directors.
- 3.8 MIG has taken out directors' and officers' liability insurance for the benefit of its directors, which is renewable on an annual basis.
- 3.9 The MIG Directors are currently or have been within the last five years, a member of the administrative, management or supervisory bodies or partners of the companies and partnerships as set out on pages 11 to 12.
- 3.10 No MIG Director has any convictions in relation to fraudulent offences during the previous five years.
- 3.11 Save as disclosed in this paragraph, in the five years prior to the publication of this document, there were no bankruptcies, receiverships, liquidations or administrations, of any companies or partnership where any of the MIG Directors were acting as (i) a member of the administrative, management or supervisory body, (ii) a partner with unlimited liability, in the case of a limited partnership with a share capital, (iii) a founder where the company had been established for fewer than five years nor (iv) a senior manager, during the previous five years:

- (a) Catherine Wall was a director of Greenfinch Investment Services Limited, which never traded and was voluntarily struck off the Register of Companies.
 - (b) Catherine Wall was also a director of Carrs Paper Limited (as nominee for Barclays Private Equity) until her resignation on 23 July 2003. An administrator was appointed to the company on 10 May 2004 following which the company entered into compulsory liquidation on 17 October 2005 before its dissolution on 5 September 2006. Following a period of litigation, the company was conditionally restored to the Register of Companies on 4 May 2012. Compulsory strike-off action was subsequently commenced and following strike off on 8 December 2015, the company was once again restored to the Register of Companies on 10 March 2016 to continue in creditors' voluntary liquidation.
- 3.12 There has been no official public incrimination and/or sanction of any MIG Director by statutory or regulatory authorities (including designated professional bodies) and no MIG Director has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company during the previous five years or convicted of a fraudulent offence during the previous five years.

4. **Management and administration**

- 4.1 The MIG Directors, advised by Mobeus, are responsible for the determination of the investment policy, subject to approval by MIG Shareholders for any material changes and have overall responsibility for its affairs. The MIG Directors also retain responsibility for approving both the valuations of the portfolio and the net asset value of MIG. Mobeus has been appointed as investment adviser, providing investment advisory, administrative and company secretarial services to MIG on the terms set out at paragraphs 5.1 and 5.2 below. The existing management agreement set out at paragraph 5.1 below will automatically cover the management fees in relation to the new funds raised by MIG pursuant to the MIG Offer and the performance incentive arrangements set out in paragraph 5.2 will also automatically extend to such funds.
- 4.2 As is customary in the private equity industry, Mobeus may retain for its own benefit and without liability to account to MIG, subject to full disclosure having been made to the MIG Directors, arrangement fees which it receives in connection with any unquoted investment made by MIG. It may also receive all monitoring fees or directors' fees charged to investee companies. Costs incurred on abortive investment proposals will be the responsibility of Mobeus.
- 4.3 Mobeus undertakes the determination and calculation of MIG's net asset value, which is prepared quarterly for approval by MIG Directors. All unquoted investments are valued in accordance with IPEVC Valuation Guidelines under which investments are held at fair value. Any AIM or other quoted investment will be valued at the bid price of its shares as derived from the Daily Official List of the London Stock Exchange, in accordance with general accepted accounting practice. MIG's net asset value will be calculated quarterly and published on an appropriate regulatory information service.

If, at any time, MIG's VCT status is lost, dealing in its shares and valuation of MIG's net asset value will normally be suspended, which will be communicated to shareholders on an appropriate regulatory information service until such time as proposals to continue as a VCT or to be wound up have been further announced. The MIG Directors do not anticipate any other circumstance under which valuations may be suspended.

- 4.4 MIG expects to co-invest with the other VCT funds advised by Mobeus, participating in equity investments up to £5 million in aggregate, as long as the business has not received funds from any state-aided risk capital in the 12 months prior to the date of investment.

Where more than one of the funds advised by Mobeus wishes to participate in an investment opportunity, allocations will generally be made in proportion to the latest announced net asset value, adjusted for subsequent buybacks and dividends paid, of each fund at the date each investment proposal is forwarded to each Board. When one of the funds advised by Mobeus is in its fund raising period, its net funds raised, for the purpose of allocation, will be assumed to be the value of shares allotted at the time the allocation calculation is made. Implementation of this policy will be subject to the availability of funds to make the investment and other portfolio considerations such as sector exposure and the requirement to achieve or maintain the required level of VCT qualifying holdings in respect of a particular Company's portfolio. This may mean that MIG may receive a greater or lesser allocation than would otherwise be the case under the normal co-investment policy.

When MIG has insufficient funds available to satisfy its allocation or declines an investment, the

balance left shall be offered to one or more of the other VCT funds advised by Mobeus who have funds available for new investments pro rata as between themselves.

Any variation from this co-investment policy, insofar as it affects MIG or where MIG makes any investment not at the same time and on the same terms as that made by other funds advised by Mobeus, may only be made with the prior approval of the MIG Directors.

Save for the above, there are no material potential conflicts of interest which Mobeus may have as between its duty to MIG and duties owed by them to third parties and their interests.

- 4.5 Philip Hare & Associates LLP receives an annual fee of £7,500 plus VAT for providing advice and assistance in relation to the maintenance of the VCT status of MIG and receives usual hourly rates in connection with all other VCT tax advice and assistance. Philip Hare & Associates LLP review prospective investments to ensure that they are qualifying investments and carry out reviews of the investment portfolio of MIG to ensure continuing compliance. Reviews of prospective investments are otherwise carried out by advisers assisting on the relevant investment transaction.
- 4.6 MIG has and will continue to have custody of its own assets:
- MIG's monetary assets will be held in bank accounts and/or money market accounts in MIG's own name; and
 - MIG's investments in both quoted and unquoted investments and the corresponding share certificates will also be held in MIG's own name.
- 4.7 A maximum of 75% of MIG's management expenses will be charged against capital with the balance to be met from income.
- 4.8 The members of the audit committee of MIG are Catherine Wall (chairman), Clive Boothman and Bridget Guérin. The audit committee members are considered to have sufficient recent and relevant financial experience to discharge the role, and will meet at least twice a year, amongst other things to, consider the following:
- monitoring the integrity of the financial statements of MIG;
 - reviewing MIG's internal control and risk management systems;
 - making recommendations to the MIG Directors in relation to the appointment of the external auditor;
 - reviewing and monitoring the external auditor's independence;
 - implementing and reviewing MIG's policies on the engagement of the external auditor to supply non-audit services; and
 - reviewing and assessing the external audit process.
- 4.9 Bridget Guérin has been appointed as the senior independent director of the Company. Shareholders may contact the senior independent director if they have concerns which contact through the Chairman or Mobeus has failed to resolve or for which such contact is inappropriate.
- 4.10 The members of the nomination and remuneration committee of MIG are Bridget Guérin (chairman), Clive Boothman and Catherine Wall. The nomination and remuneration committee members (who have responsibility for reviewing the remuneration of the MIG directors) will meet at least annually to consider the levels of remuneration of the MIG directors, specifically reflecting the time commitment and responsibilities of the role. The committee will also undertake comparisons and reviews to ensure that the levels of remuneration paid are broadly in line with industry standards. The nomination and remuneration committee also meets at least annually to consider the composition and balance of skills, knowledge and experience of the MIG directors and would make nominations to the MIG directors in the event of a vacancy. New MIG directors are required to resign at the annual general meeting following appointment and then thereafter every three years. New directors are provided with an induction pack and an induction session is arranged in conjunction with the Board and Mobeus.
- 4.11 The members of the management engagement committee of MIG are Bridget Guérin (chairman), Clive Boothman and Catherine Wall. The management engagement committee members will

meet at least annually to review MIG's contracts with its service providers and at other times when necessary, and makes recommendations to the MIG Board.

- 4.12 The Financial Conduct Authority requires all listed companies to disclose how they have applied the principles and complied with the provisions of the UK Corporate Governance Code (formerly the Combined Code) issued by the Financial Reporting Council.

The MIG Board has also considered the principles and recommendations of the AIC Code of Corporate Governance (AIC Code) by reference to the AIC Corporate Governance Guide for Investment Companies (AIC Guide). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to MIG.

The Financial Reporting Council has confirmed that in complying with the AIC Code, MIG meets its obligations in relation to the UK Corporate Governance Code and the Listing Rules. The MIG Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the UK Corporate Governance Code), will provide better information to shareholders.

For the year ended 31 December 2018 and as at the date of this document, MIG has complied with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except where noted below. There are certain areas of the UK Corporate Governance Code that the AIC does not consider relevant to investment companies and with which MIG does not specifically comply, from which the AIC Code provides dispensation. The areas and reasons for non-compliance are as follows:

- in light of the responsibilities retained by the MIG Board and its committees and of the responsibilities delegated to Mobeus, MIG has not appointed a chief executive officer or executive directors; and
- due to the systems and procedures of Mobeus, the provision of VCT tax monitoring services by Philip Hare & Associates LLP, as well as the size of MIG's operations, the MIG Board believe that an internal audit function is not appropriate.

MIG has not, therefore, reported further in respect of these provisions.

In July 2018, the Financial Reporting Council published a new UK Code which will apply to accounting periods beginning on or after 1 January 2019. MIG will, therefore, report against the new UK Code and the recently published 2019 AIC Code for its financial year ending 31 December 2019.

5 Material contracts

Set out below is a summary of all contracts (not being contracts entered into in the ordinary course of business) entered into by MIG in the last two years that are material and all other contracts (not being contracts entered into in the ordinary course of business) that contain any provision under which MIG has an obligation or entitlement which is material to MIG as at the date of the document.

- 5.1 An investment management agreement dated 20 May 2010 (as amended and restated on 9 November 2016) between MIG (1) and Mobeus (2), pursuant to which Mobeus provides certain advisory investment management and administrative services to MIG for a fee payable quarterly in advance of an amount equal to 2% per annum of net assets (inclusive of VAT, if any) plus an annual fixed fee of £120,000 (inclusive of VAT, if any) subject to increase in the Retail Price Index. In 2013, Mobeus agreed to waive such further increases until otherwise agreed with the MIG Board. If such annual increases were reinstated, the base annual fee to which such percentage increases would apply would be £134,168 (inclusive of VAT).

The above fees are subject to an annual expenses cap of 3.6% of the net assets of MIG by way of a reduction of fees due to Mobeus in the following accounting period(s). For these purposes annual expenses include the normal running costs of MIG (excluding irrecoverable VAT and exceptional items but including annual trail commission). The amount of the excess is borne in full by Mobeus.

Mobeus may (subject to due disclosure to the MIG Board) retain, for its own benefit, arrangement or syndication fees, placing commissions, monitoring fees, directors' fees and/or similar sums which it receives in connection with any investment made by MIG, provided that the maximum

amount of such fees and/or similar sums (other than directors' fees and monitoring fees) shall not exceed 2.5% of the funds provided for each such investment.

The agreement is terminable by either party on 12 months' notice by any party subject to earlier termination by any party in the event of, inter alia, a party having a receiver, administrator or liquidator appointed or committing a material breach of the agreement or by MIG if it fails to become, or ceases to be, a VCT for tax purposes or where Mobeus ceases to be authorised by the FCA or if there is a change in control of Mobeus.

The agreement contains provisions indemnifying Mobeus against any liability not due to its default, gross negligence, fraud or breach of FSMA.

- 5.2 A performance incentive agreement dated 9 July 2004 between MIG (1) and Matrix Private Equity Partners Limited (2), which was novated to Mobeus (then Matrix Private Equity Partners LLP) pursuant to a novation agreement dated 20 October 2006 and as amended by a deed of variation dated 20 May 2010 and supplemented by a side letter dated 10 December 2014, pursuant to which Mobeus is entitled to receive performance related incentive fees subject to achieving certain defined targets.

Mobeus is entitled to receive an annual performance-related incentive fee of 20% of the dividends paid in a year in excess of a 'Target Rate' comprising firstly, an annual dividend paid in a year target which started at 6p per MIG Share on launch (indexed each year for RPI) and secondly a requirement that any shortfall of cumulative dividends paid in each year beneath the cumulative annual dividend target is carried forward and added to the Target Rate for the next accounting period. Any excess of cumulative dividends paid above the cumulative annual dividend target is not carried forward, whether an incentive fee is payable for that year or not. Payment of a fee is also conditional upon the daily weighted average NAV per MIG Share throughout such year equaling or exceeding the daily weighted average base NAV per MIG Share throughout the same year. The performance fee is payable annually.

The agreement will terminate automatically if MIG enters into liquidation or if a receiver or administrator is appointed or if a resolution is passed that MIG is voluntarily wound up in accordance with the MIG Articles.

- 5.3 A letter of engagement dated 15 August 2019 from Howard Kennedy pursuant to which Howard Kennedy has been appointed as sponsor to the Companies in connection with the Offers. The Companies have agreed to indemnify Howard Kennedy for any loss suffered in respect of its role as sponsor which is a customary provision in an agreement of this nature. The Companies' liability under this indemnity is unlimited.
- 5.4 An offers agreement dated 25 October 2019 between MIG (1), MIG 2 (2), MIG 4 (3), I&G (4), the Directors (5), Howard Kennedy (6) and Mobeus (7) whereby Mobeus has agreed to act as promoter in connection with the MIG Offer and Howard Kennedy has agreed to act as sponsor in connection with the MIG Offer. The agreement contains warranties given by MIG and the MIG Directors and an indemnity given by MIG to Mobeus and Howard Kennedy. The indemnities relate to any loss suffered by Mobeus or Howard Kennedy in respect of their roles as promoter and sponsor which is customary in an agreement of this nature. MIG has agreed to pay Mobeus a fee of an amount representing 3.00% of the Investment Amounts in respect of applications accepted under the MIG Offer, less (i) an amount equal to 0.5% of the Investment Amount in respect of investors who receive advice from a financial adviser (and the Application Form is completed by the financial adviser on this basis), less (ii) an amount equal to any 'execution only' initial commission waived by 'execution only' intermediaries in respect of such applications, and less (iii) an amount equal to any further amounts by which Mobeus agrees (at its discretion, but subject to not reducing Offer Costs to nil) to reduce its fees in respect of such applications, such amount being inclusive of VAT. Where a Company utilises its over-allotment facility under its Offer, Mobeus has further agreed to cap the amount payable by that Company to 2.5% of the gross amount raised under its Offer (and rebate any amounts paid in excess of this amount to the relevant Company), such amount being inclusive of VAT. In consideration of this fee, Mobeus will meet all costs, charges and expenses of or incidental to the Offers (other than trail commission and any amounts due from the Companies to the investor in connection with the facilitation of initial financial adviser charges).
- 5.5 A side letter dated 25 October 2019 from Mobeus to MIG pursuant to which Mobeus has agreed, in the event that MIG utilises its over-allotment facility, to waive its management fees payable for the 12 month period commencing on the start of the first calendar quarter following the close of the MIG Offer under the agreement referred to at paragraph 5.1 above by an amount equal to 1% of any net funds raised by MIG under its over-allotment facility.

6 Objective and investment policy

6.1 Objective

The objective of MIG is to provide investors with a regular income stream, by way of tax-free dividends generated from income and capital returns, while continuing at all times to qualify as a VCT.

6.2 Investment policy

MIG's policy is to invest 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 and part equity in order to receive 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 MIG and which may change from time to time. MIG 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 MIG makes, are determined in part by the requirements of prevailing VCT legislation. No single investment may represent more than 15% (by VCT tax value) of MIG's total investments at the date of investment.

Liquidity

MIG'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

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

6.3 It is the intention of the MIG Directors that MIG will pay dividends or make distributions from revenue profits and capital profits realised from the sale of investments.

6.4 MIG is subject to the investment restrictions relating to a venture capital trust in the Tax Act, as more particularly detailed in Part Eight of the Securities Note, and in the Listing Rules which specify that (i) MIG must, at all times, invest and manage its assets in a way which is consistent with its object of spreading investment risk and in accordance with its published investment policy as set out in paragraph 6.2 above; (ii) MIG must not conduct any trading activity which is significant in the context of its group as a whole; and (iii) MIG may not invest more than 10%, in aggregate, of the value of the total assets of the issuer at the time an investment is made in other listed closed-ended investment funds. Any material change to the investment policy of MIG will require the approval of MIG Shareholders pursuant to the Listing Rules. MIG intends to direct its affairs in respect of each of its accounting periods so as to qualify as a venture capital trust and accordingly:

- (a) MIG's income is intended to be derived wholly or mainly from shares or other securities, as this phrase is interpreted by HMRC;
- (b) MIG will not control the companies in which it invests in such a way as to render them subsidiary undertakings;
- (c) none of the investments at the time of acquisition will represent more than 15% by VCT Value of MIG's investments; and
- (d) not more than 20% of MIG's gross assets will at any time be invested in the securities of property companies.

6.5 Mobeus has and will have sufficient and satisfactory relevant experience in advising on investments of the size and type which MIG proposes to make. The MIG Directors will also

ensure that the board of MIG and any additional or replacement investment advisers have and will have sufficient and satisfactory experience in advising on such investments.

- 6.6 In the event of a breach of the investment restrictions which apply to MIG as described in paragraph 6.4 above, Shareholders of MIG will be informed by means of the half-year and/or the annual report or through a RIS Announcement.
- 6.7 The MIG Directors act and will continue to act independently of Mobeus. No majority of the MIG Directors will be directors or employees of, or former directors or employees of, or professional advisers to, Mobeus or any other company in the same group as Mobeus.
- 6.8 The investment policy as set out in this paragraph 6, in the absence of unforeseen circumstances, will be adhered to by MIG for at least three years following the date of close of the MIG Offer. Any material change to MIG's investment policy in any event will only be made with the approval of the Shareholders of MIG by ordinary resolution.

7 Related party disclosures

Save for the entering into of the offer agreement and the side letter as set out in paragraphs 5.4 and 5.5 above, MIG has not entered into any related party transactions within the meaning of IFRS or UK GAAP since 1 January 2019.

8 Overseas investors

The issue of Offer Shares to persons resident in or citizens of jurisdictions outside the UK may be affected by the laws of the relevant jurisdiction. Such investors should inform themselves about and observe any legal requirements, in particular:

- 8.1 none of the Offer Shares have been or will be registered under the United States Securities Act 1933, as amended, (the Securities Act) or qualify under applicable United States state statute and the relevant clearances have not been, and will not be, obtained from the securities commission of any province of Canada, Australia, Japan, South Africa or New Zealand;
- 8.2 the Companies are not registered under the United States Investment Company Act of 1940, as amended and investors are not entitled to the benefits of that Act; and
- 8.3 no offer is being made, directly, under the MIG Offer, in or into or by the use of emails, or by means of instrumentality (including, without limitation, facsimile, transmission, telex or telephone) or interstate or foreign commerce, or of any facility in a national securities exchange, of the United States, Canada, Australia, Japan, South Africa or New Zealand. It is the responsibility of investors with registered addresses outside the UK to satisfy themselves as to the observance of the laws of the relevant jurisdiction in connection with the issue of Offer Shares, including the obtaining of any government or exchange control or other consents which may be required, the compliance with any other necessary formalities which need to be observed and the payment of any issue, transfer or other taxes or duties due in such jurisdiction.

9 Taxation

The following paragraphs, which are intended as a general guide only and are based on current legislation and HMRC practice, summarise advice received by the MIG Directors as to the position of the Companies' Shareholders who hold MIG Shares other than for trading purposes. Any person who is in any doubt as to his taxation position or is subject to taxation in any jurisdiction other than the United Kingdom should consult his professional advisers.

- 9.1 Taxation of dividends - under current law, no tax will be withheld by MIG when it pays a dividend.
- 9.2 Stamp duty and stamp duty reserve tax - MIG has been advised that no stamp duty or stamp duty reserve tax will be payable on the issue of the MIG Shares. MIG has been advised that the transfer of MIG Shares will, subject to any applicable exemptions, be liable to ad valorem stamp duty at the rate of 0.5% of the consideration paid. An unconditional agreement to transfer such shares if not completed by a duly stamped stock transfer will be subject to stamp duty reserve tax generally at the rate of 50p per £100 (or part thereof) of the consideration paid.
- 9.3 Close company - the MIG Directors believe that MIG is not, and expect that following completion of the MIG Offer will not be, a close company within the meaning of the Tax Act. If MIG were a close company in any accounting period, approval as a Venture Capital Trust would be withdrawn.

10 Miscellaneous

- 10.1 There has been no significant change in the financial position, operations and principal activities of MIG since 30 June 2019, the date to which the last unaudited half-year financial statements for MIG have been published.
- 10.2 Mobeus is the promoter of the MIG Offer and, save as disclosed in paragraph 5 above, no amount of cash, securities or benefits has been paid, issued or given to the promoter and none is intended to be paid, issued or given.
- 10.3 There are no governmental, legal or arbitration proceedings of MIG (including any such proceedings which are or were pending or threatened of which MIG is aware) during the 12 months prior to the dates of this Registration Document which may have or had in the recent past significant effects on MIG's financial position or profitability.
- 10.4 Save for the risks set out under 'Economic, Government and Political Risks' in the Risk Factors on page 4 of this document, there are no governmental, economic, monetary, political or fiscal policies and factors which have or could affect MIG's operations.
- 10.5 Assuming that the MIG Offer is fully subscribed (utilising the over-allotment facility and taking into account the cap on the Mobeus fee referred to in paragraph 5.4 above) the maximum expenses and the minimum net proceeds will (excluding any annual trail commission and any amounts due from MIG to investors in connection with the facilitation of financial adviser initial adviser charges) be £375,000 and £14,625,000 respectively. The issue premium on a MIG Share issued pursuant to the MIG Offer will be the difference between the issue price of that share and the nominal value thereof of 1p.
- 10.6 MIG's capital resources are restricted insofar as they may only be used in putting into effect the investment policy described in paragraph 6.2 above.
- 10.7 MIG does not have any major Shareholders notifiable under company law and no Shareholders have different voting rights. To the best of the knowledge and belief of the MIG Directors, MIG is not directly controlled by any other party and at the date of the Prospectus, there are no arrangements in place that may, at a subsequent date, result in a change of control of MIG.
- 10.8 MIG and its Shareholders are subject to the provisions of the City Code on Takeovers and Mergers and CA 2006, which require shares to be acquired/transferred in certain circumstances.
- 10.9 The typical investor for whom investment in MIG is designed is a retail investor who is a UK taxpayer, aged 18 or over and who already has a portfolio of VCT and non-VCT investments (such as unit trusts, OEICs, investment trusts and direct shareholdings in listed and non-listed companies). The investor should be comfortable with the risk factors set out at the beginning of this document and be willing to retain the investment for at least five years.
- 10.10 BDO LLP acts as auditor to MIG. BDO LLP is registered to carry on audit work by the Institute of Chartered Accountants in England and Wales.
- 10.11 Howard Kennedy has given and not withdrawn its written consent to the issue of the Prospectus and the inclusion of its name and the references to it in the Prospectus in the form and context in which they appear.
- 10.12 The MIG Board intends to continue with a policy of maximising the stream of dividend distributions to its shareholders, from the income and capital gains generated by its investment portfolio, or from other distributable reserves. MIG normally pays income dividends each year. Subject to fulfilling certain regulatory requirements, MIG also seeks to pay capital dividends following portfolio realisations. The ability to pay a dividend is considered at each quarterly MIG Board meeting. MIG has a current annual target dividend of 4p per MIG Share.

(B) ANALYSIS OF THE INVESTMENT PORTFOLIO

All of MIG's investments as at the date of this document, which are analysed below, are in the UK and are valued in sterling.

Sector	% by cost	% by value
Support Services	20.8	20.4
Media	13.5	12.8
General retailers	23.8	25.7
Software and computer services	17.0	17.7
Construction and materials	1.2	0.3
Healthcare Equipment & Services	0.0	0.0
Leisure goods	2.8	4.1
Electronics and Electrical Equipment	7.6	8.1
Personal goods	3.9	0.0
Automobiles and parts	0.1	0.0
General Financial	2.2	4.8
Travel and Leisure	2.9	2.4
Industrial Engineering	0.0	0.0
General Industrials	4.2	3.7

Type	% by cost	% by value
Unlisted ordinary shares	30.4	35.5
Unlisted loan stock and preference shares	33.4	31.5
Cash/liquidity	36.2	33.0

Save for (i) a further investment of £576,000 into MPB Group Limited, (ii) deferred consideration from Entanet Holdings Limited and Master Removers Group Limited of £314,000 and £64,000 respectively and (iii) the voluntary striking off of Backhouse Management Limited, Barham Consulting Limited, Creasy Marketing Services Limited, Hollydale Management Limited and McGrigor Management Limited, there has been no material change to the valuations used to prepare the above analysis (30 June 2019 being the date on which those unaudited valuations were undertaken).

(C) FINANCIAL INFORMATION

MIG has produced annual statutory accounts for the financial year ended 31 December 2018 and a half-year report for the six month period ended 30 June 2019. The auditors, BDO LLP, in respect of the financial year ended 31 December 2018 have reported on the annual statutory accounts without qualification and without statements under sections 495 to 497A of CA 2006.

The annual report referred to above was prepared in accordance with UK generally accepted accounting practice (GAAP), the fair value rules of the Companies Acts and the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'. The annual report contains a description of MIG's financial condition, changes in financial condition and results of operation and, together with the half-year report for the six month period ended 30 June 2019, is being incorporated by reference and can be accessed at the following website:

www.migvct.co.uk

Where these documents make reference to other documents, such other documents are not incorporated into and do not form part of this Prospectus. The two tables below comprise a cross-referenced list of information incorporated by reference. The parts of these documents which are not being incorporated by reference are either not relevant for an investor or are covered elsewhere in the Prospectus.

Description	2018 Annual Report	2019 Half-Year Report
Balance Sheet	Page 45	Page 14
Income Statement (or equivalent)	Page 44	Pages 12 to 13
Statement showing all changes in equity (or equivalent note)	Pages 46 to 47	Pages 15 to 16
Cash Flow Statement	Page 48	Page 17
Accounting Policies and Notes	Pages 49 to 67	Pages 18 to 23
Auditor's Report	Pages 40 to 43	N/A

This information has been prepared in a form consistent with that which will be adopted in MIG's next published annual financial statements having regard to accounting standards and policies and legislation applicable to those financial statements.

Such information also includes operating/financial reviews as follows:

Description	2018 Annual Report	2019 Half-Year Report
Objective	Page 18	Index Page
Performance Summary	Page 1	Page 1
Results & Dividend	Page 2	Page 2
Investment Policy	Page 23	Page 4
Chairman's Statement	Pages 2 to 3	Pages 2 to 3
Investment Review	Pages 4 to 8	Pages 5 to 7
Portfolio Summary	Pages 14 to 17	Pages 8 to 10
Valuation Policy	Page 55	Page 21

Certain financial information of MIG is also set out below:

	Year ended 31 December 2018 (audited)	Six month period ended 30 June 2019 (unaudited)
Investment income	£3,219,294	£1,561,649
Profit/(loss) on ordinary activities before taxation	£3,937,230	£8,146,472
Earnings per MIG Share	3.60p	7.61p
Dividends paid per MIG Share (in the period)	7.00p	4.00p
Dividends paid per MIG Share (in respect of the period)	5.00p	5.00p
Total assets	£75,480,794	£77,516,084
NAV per MIG Share	70.25p	73.00p

As at 30 June 2019, the date to which the most recent unaudited half-year financial statements on MIG were published, MIG had unaudited net assets of £77.1 million.

The following material investment has been made by MIG since 30 June 2019:

- Further investment of £576,000 in MPB Group Limited.

Save as set out above, there have been no material investments made by MIG since 30 June 2019. In the ordinary course, there are a number of potential investments which are in progress, but no firm commitments have been made in respect of these.

PART II – MIG 2

(A) GENERAL INFORMATION

1 Incorporation and registered office

- 1.1 The legal and commercial name of MIG 2 is Mobeus Income & Growth 2 VCT plc.
- 1.2 MIG 2 was incorporated and registered in England and Wales as a public company with limited liability on 8 March 2000 registered number 03946235.
- 1.3 MIG 2 was issued with a trading certificate under section 117 of CA 1985 (now section 761 of CA 2006) on 14 April 2000.
- 1.4 The principal legislation under which MIG 2 operates is CA 2006 and regulations made thereunder.
- 1.5 MIG 2's registered office and principal place of business is at 30 Haymarket, London SW1Y 4EX. MIG 2 is domiciled in England. MIG 2 does not have, nor has it had since incorporation, any subsidiaries or employees.
- 1.6 HMRC has granted approval of MIG 2 as a VCT under section 259 of the Tax Act. The business of MIG 2 has been, and it is intended will be, carried on so as to continue to comply with that section to maintain full VCT approval.
- 1.7 MIG 2 revoked status as an investment company under section 266 of CA 1985 (now section 833 of CA 2006) on 22 June 2005 for the purposes of paying a capital dividend and does not intend to re-apply for such status.
- 1.8 MIG 2 Shares are admitted to the Official List of the UK Listing Authority and to trading on the main market of the London Stock Exchange and have an International Securities Identification Number of GB00BOLKLZ05. MIG 2's Legal Entity Identity number is 213800LY62XLI1B4VX35.
- 1.9 MIG 2 is not regulated by the FCA or an equivalent European Economic Area regulator but it is an alternative investment fund for the purposes of AIFMD, has registered itself as a small alternative investment fund manager with the FCA and is subject to the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773). In addition, as a premium listed entity on the main market of the London Stock Exchange, MIG 2 is subject to the rules and regulations issued by the FCA from time to time and is also subject to regulation by HMRC under the VCT rules in order to qualify as a VCT. MIG 2 is not otherwise regulated.

2. Share capital

- 2.1 The authorised share capital of MIG 2 on incorporation was £50,000, divided into 50,000 ordinary shares of £1 each. On incorporation, two ordinary shares were issued fully paid to the subscribers to its Memorandum.
- 2.2 At an extraordinary general meeting held on 14 April 2000, the authorised share capital of MIG 2 was increased to £350,000 by the creation of 300,000 ordinary shares of £1 each. The increased authorised share capital of MIG 2 (issued and unissued) of £350,000 was then subsequently subdivided into 30,000,000 MIG 2 ordinary shares of 1p each and 50,000 redeemable non-voting preference shares of £1 each.
- 2.3 To enable MIG 2 to obtain a certificate under section 117 of CA 1985 (now section 761 of CA 2006), on 14 April 2000, 50,000 redeemable non-voting preference shares of £1 each were allotted by MIG 2 at par for cash, paid up to one quarter of their nominal value. Such redeemable non-voting preference shares were paid up in full and redeemed in full out of the proceeds of the original offer for subscription. The authorised but unissued shares so arising were automatically redesignated as ordinary shares of 1p each and MIG 2's articles of association were amended by the deletion of all references to the redeemable non-voting shares and the rights attaching to them.
- 2.4 On 11 September 2019, MIG 2 passed a resolution approving, subject to the sanction of the Court, the cancellation of the amount standing to the credit of the share premium account and the redemption reserve as at the date of cancellation (such cancellation expected to be confirmed by the Court and registered at Companies House in November 2019).

- 2.5 As at 31 March 2019, the date to which the last audited annual financial statements for MIG 2 have been published, the issued share capital of MIG 2 was 48,925,130 MIG 2 shares (all fully paid-up).
- 2.6 The issued share capital history of MIG 2 since 31 March 2016 is as follows:
- During the financial year ended 31 March 2017, MIG 2 issued nil MIG 2 Shares and bought back 396,076 MIG 2 Shares. As at 31 March 2017, the issued share capital of MIG 2 comprised 35,672,387 MIG 2 Shares, none of which were held in treasury.
 - During the financial year ended 31 March 2018, MIG 2 issued 14,303,289 MIG 2 Shares and bought back 671,517 MIG 2 Shares. As at 31 March 2018, the issued share capital of MIG 2 comprised 49,304,159 MIG 2 Shares, none of which were held in treasury.
 - During the financial year ended 31 March 2019, MIG 2 issued nil MIG 2 Shares and bought back 379,029 MIG 2 Shares. As at 31 March 2019, the issued share capital of MIG 2 comprised 48,925,130 MIG 2 Shares, none of which were held in treasury.
 - During the current period to 24 October 2019 (being the latest practicable date prior to the publication of this document) MIG 2 issued no MIG 2 Shares and bought back 612,876 MIG 2 Shares.
- 2.7 At the date of this document, MIG 2 had 48,312,254 MIG 2 Shares in issue (all fully paid up).
- 2.8 The following resolutions of MIG 2 were passed at the annual general meeting of MIG 2 held on 11 September 2019:
- (a) That, in substitution for any existing authorities, the MIG 2 Directors were generally and unconditionally authorised in accordance with section 551 of the CA 2006, to exercise all the powers of MIG 2 to allot MIG 2 Shares and to grant rights to subscribe for, or to convert any security into, MIG 2 Shares (Rights) up to an aggregate nominal value of £146,775, provided that the authority conferred by this resolution shall (unless renewed, varied or revoked by MIG 2 in general meeting) expire on the date falling fifteen months after the passing of this resolution or, if earlier, at the conclusion of the annual general meeting of MIG 2 to be held in 2020, but so that this authority shall allow MIG 2 to make offers or agreements before the expiry of such authority which would or might require MIG 2 Shares to be allotted or Rights to be granted after such expiry and the MIG 2 Directors shall be entitled to allot MIG 2 Shares or grant Rights pursuant to any such offers or agreements as if the authority conferred by this resolution had not expired.
 - (b) That, in substitution for any existing authorities, the MIG 2 Directors were empowered in accordance with sections 570 and 573 of CA 2006 to allot or make offers or agreements to allot equity securities (as defined in section 560(1) of CA 2006) for cash, pursuant to the authority conferred by paragraph (a) above, or by way of a sale of treasury shares as if section 561(1) of CA 2006 did not apply to any such sale or allotment, provided that the authority conferred by this resolution shall be limited to the allotment of equity securities:
 - (i) with an aggregate nominal value of up to, but not exceeding, 5% of the issued share capital of MIG 2 from time to time in connection with offer(s) for subscription; and
 - (ii) otherwise than pursuant to sub-paragraph (i) above, of equity securities with an aggregate nominal value of up to, but not exceeding, 5% of the issued share capital of MIG 2 from time to time,

in each case where the proceeds of the allotment may be used, in whole or in part, to purchase MIG 2 Shares in the market and provided that this authority shall (unless renewed, varied or revoked by MIG 2 in general meeting) expire on the date falling fifteen months after the passing of this resolution or, if earlier, at the conclusion of the annual general meeting of MIG 2 to be held in 2020, except that MIG 2 shall be entitled to make offers or agreements before the expiry of such authority which would or might require equity securities to be allotted after such expiry and the MIG 2 Directors shall be entitled to allot equity securities in pursuance of such offers or agreements as if the authority conferred by this resolution had not expired.

- 2.9 The following resolution of MIG 2 was passed at the general meeting of MIG 2 held on 11 October 2019:

That, in addition to existing authorities:

(a) *Authority to allot shares*

the MIG 2 Directors were generally and unconditionally authorised in accordance with section 551 of CA 2006, to exercise all the powers of MIG 2 to allot MIG 2 Shares and to grant rights to subscribe for, or to convert any security into, MIG 2 Shares (Rights) up to an aggregate nominal value of £300,000, provided that this authority shall (unless renewed, revoked or varied by MIG 2 in general meeting) expire on the date falling fifteen months after the passing of this resolution, but so that this authority shall allow MIG 2 to make before the expiry of this authority offers or agreements which would or might require MIG 2 Shares to be allotted or Rights to be granted after such expiry and the MIG 2 Directors shall be entitled to allot MIG 2 Shares or grant Rights pursuant to any such offers or agreements as if this authority had not expired); and

(b) *Disapplication of pre-emption rights*

the MIG 2 Directors were empowered pursuant to sections 570 and 573 of CA 2006 to allot or make offers or agreement to allot equity securities (as defined in section 560(1) of CA 2006) for cash, pursuant to the authority conferred by paragraph (i) of this resolution as if section 561(1) of CA 2006 did not apply to any such allotment, provided that the power conferred by this authority shall be limited to the allotment of equity securities with an aggregate nominal value of up to but not exceeding £300,000 in connection with offer(s) for subscription (where the proceeds may be used, in whole or in part, to purchase MIG 2 Shares), such authority to (unless renewed, revoked or varied by MIG 2 in general meeting) expire on the date falling fifteen months after the passing of this resolution, but so that this authority shall allow MIG 2 to make before the expiry of such authority offers or agreements which would or might require equity securities to be allotted after such expiry and the MIG 2 Directors shall be entitled to allot equity securities in pursuance of such offers or agreements as if the authority conferred hereunder had not expired).

- 2.10 There are no other shares or loan capital in MIG 2 in issue or under option or agreed conditionally or unconditionally to be put under option nor does MIG hold shares in treasury.
- 2.11 Following the issue of MIG 2 Shares pursuant to the MIG 2 Offer (assuming the maximum 30 million MIG 2 Shares are allotted pursuant to the MIG 2 Offer, including in connection with, if utilised, the over-allotment facility) the issued share capital of MIG 2 is expected to be as follows:

	Issued	
	Number	£
MIG 2 Shares	78,312,254	783,122.54

- 2.12 The MIG 2 Shares are/will be in registered form and no temporary documents of title will be issued. MIG is registered with CREST, a paperless settlement system, and those Shareholders who wish to hold their MIG Shares in electronic form may do so.
- 2.13 MIG 2 will be subject to the continuing obligations of the Listing Rules with regard to the issue of securities for cash and the provisions of section 561 of CA 2006 (which, confers on shareholders rights of pre-emption in respect of the allotment of equity securities which are or are to be paid in cash) will apply to the balance of the share capital of MIG 2 which is not subject to the disapplication referred to in paragraphs 2.8 and 2.9 above.
- 2.14 As at 24 October 2019 (this being the latest practicable date prior to publication of this document), MIG 2 is not aware of any person who, immediately following the issue of the Offer Shares, directly or indirectly, has or will have an interest in the capital of MIG 2 or voting rights which is notifiable under UK law (under which, pursuant to CA 2006 and the Listing Rules and Disclosure and Transparency Rules of the FCA, a holding of 3% or more must be notified to MIG 2).

3. **Directors' and other interests**

- 3.1 The Board of MIG 2 currently comprises three non-executive directors, all of whom are independent of Mobeus. The Board of MIG 2 has substantial experience of venture capital businesses and has overall responsibility for MIG 2's affairs, including its investment policy. Mobeus is the investment adviser.

- 3.2 As at 24 October 2019 (this being the latest practicable date prior to publication of this document), the interests of the MIG 2 Directors (and their immediate families) in the issued share capital of MIG 2 were as follows:

	MIG 2 Shares	% of Issued MIG 2 Share capital
Ian Blackburn	48,463	0.1%
Sally Duckworth	-	-
Adam Kingdon	5,709	0.1%

- 3.3 Save as set out above, no MIG 2 Director, family member or any person connected with any MIG 2 Director (within the meaning of section 252 of CA 2006) has an interest in the capital of MIG 2 which is or would, immediately following the MIG 2 Offer, be required to be notified pursuant to section 809 of CA 2006 or which is or would be required to be entered in the register maintained under section 809 of CA 2006.
- 3.4 Adam Kingdon and Sally Duckworth were appointed as directors of MIG 2 on 29 September 2006 and 1 January 2007, respectively, under letters of appointment dated 22 September 2006 and 10 January 2007, which may be terminated on three months' notice. Ian Blackburn was appointed as a director of MIG 2 on 1 July 2017 under a letter of appointment dated 2 June 2017, which may be terminated on three months' notice. The MIG 2 Directors' appointments do not confer any right to hold office for any period nor any right to compensation if they cease to be directors. The total annual remuneration receivable by Ian Blackburn as a director and as chairman of MIG 2 is £36,000 (plus, if applicable, VAT and employers National Insurance Contributions). The annual remuneration receivable by Adam Kingdon and Sally Duckworth as directors is £30,000 each (in each case plus, if applicable, VAT and employers National Insurance Contributions). The office of a non-executive director of MIG 2 is not pensionable and no retirement or similar benefits are provided to the MIG 2 Directors. Aggregate MIG 2 Directors' emoluments in respect of qualifying services for the year ended 31 March 2019 amounted to £94,422 (being £29,641 for Ian Blackburn, £26,500 for Adam Kingdon, £26,500 for Sally Duckworth and £11,781 paid to Nigel Melville during the year who retired as a director on 12 September 2018) plus, if applicable, VAT and employers National Insurance Contributions. Aggregate emoluments for the current financial year are expected to be £96,000 (plus, if applicable, VAT and employers National Insurance Contributions).
- 3.5 There are no potential conflicts of interest of any MIG 2 Directors between their duties carried out on behalf of MIG 2 and their private interests and/or other duties.
- 3.6 No MIG 2 Director is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of MIG 2 and which was effected by MIG 2 in the years ended 31 March 2017, 2018 and 2019 or to the date of this document in the current financial year or and remains in any respect outstanding or unperformed.
- 3.7 No loan or guarantee has been granted or provided by MIG 2 to or for the benefit of any of the MIG 2 Directors.
- 3.8 MIG 2 has taken out directors' and officers' liability insurance for the benefit of its directors, which is renewable on an annual basis.
- 3.9 The MIG 2 Directors are currently or have been within the last five years, a member of the administrative, management or supervisory bodies or partners of the companies and partnerships as set out on page 12.
- 3.10 No MIG 2 Director has any convictions in relation to fraudulent offences during the previous five years.
- 3.11 Save as disclosed in this paragraph, in the five years prior to the publication of this document, there were, receiverships, liquidations or administrations of any companies or partnership where any of the MIG 2 Directors were acting as (i) a member of the administrative, management or supervisory body, (ii) a partner with unlimited liability, in the case of a limited partnership with a share capital, (iii) a founder where the company had been established for fewer than five years nor (iv) a senior manager, during the previous five years.
- (a) Sally Duckworth was a director of Superhit Ltd which has been voluntarily struck off the Register of Companies. Superhit Ltd was neither insolvent nor owed any amounts to creditors at the date of this document.

- 3.12 There has been no official public incrimination and/or sanction of any MIG 2 Director by statutory or regulatory authorities (including designated professional bodies) and no MIG 2 Director has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company during the previous five years or convicted of a fraudulent offence during the previous five years.

4. **Management and administration**

- 4.1 The MIG 2 Directors, advised by Mobeus, are responsible for the determination of the investment policy, subject to approval by MIG 2 Shareholders for any material changes, and have overall responsibility for its affairs. The MIG 2 Directors also retain responsibility for approving both the valuations of the portfolio and the net asset value of MIG 2. Mobeus has been appointed as investment adviser, providing investment advisory, administrative and company secretarial services to MIG 2 on the terms set out at paragraphs 5.1 and 5.2 below. The existing management agreement set out at paragraph 5.1 below will automatically cover the management and fees in relation to the new funds raised by MIG 2 pursuant to the MIG 2 Offer and the performance incentive arrangements set out in paragraph 5.2 will also automatically extend to such funds.

- 4.2 As is customary in the private equity industry, Mobeus may retain for its own benefit and without liability to account to MIG 2, subject to full disclosure having been made to the MIG 2 Directors, arrangement fees which it receives in connection with any unquoted investment made by MIG 2. It may also receive all monitoring fees or directors' fees charged to investee companies. Costs incurred on abortive investment proposals will be the responsibility of Mobeus.

- 4.3 Mobeus undertakes the determination and calculation of MIG 2's net asset value, which is prepared quarterly for approval by MIG 2 Directors. All unquoted investments are valued in accordance with IPEVC Valuation Guidelines under which investments are held at fair value. Any AIM or other quoted investment will be valued at the bid price of its shares as derived from the Daily Official List of the London Stock Exchange, in accordance with general accepted accounting practice. MIG 2's net asset value will be calculated quarterly and published on an appropriate regulatory information service.

If, at any time, MIG 2's VCT status is lost, dealing in its shares and valuation of MIG 2's net asset value will normally be suspended, which will be communicated to shareholders on an appropriate regulatory information service until such time as proposals to continue as a VCT or to be wound up have been further announced. The MIG 2 Directors do not anticipate any other circumstance under which valuations may be suspended.

- 4.4 MIG 2 expects to co-invest with the other VCT funds advised by Mobeus, participating in equity investments up to £5 million in aggregate, as long as the business has not received funds from any state-aided risk capital in the 12 months prior to the date of investment.

Where more than one of the funds advised by Mobeus wishes to participate in an investment opportunity, allocations will generally be made in proportion to the latest announced net asset value of each fund, adjusted for subsequent buybacks and dividends paid, at the date each investment proposal is forwarded to each Board. When one of the funds advised by Mobeus is in its fund raising period, its net funds raised, for the purpose of allocation, will be assumed to be the value of shares allotted at the time the allocation calculation is made. Implementation of this policy will be subject to the availability of funds to make the investment and other portfolio considerations such as sector exposure and the requirement to achieve maintain the required level of VCT qualifying holdings in respect of a particular Company's portfolio. This may mean that MIG 2 may receive a greater or lesser allocation than would otherwise be the case under the normal co-investment policy

When MIG 2 has insufficient funds available to satisfy its allocation or declines an investment, the balance left shall be offered to one or more of the other VCT funds advised by Mobeus who have funds available for new investments pro rata as between themselves.

Any variation from this co-investment policy, insofar as it affects MIG 2 or where MIG 2 makes any investment not at the same time and on the same terms as that made by other funds advised by Mobeus, may only be made with the prior approval of the MIG 2 Directors.

Save for the above, there are no material potential conflicts of interest which Mobeus may have as between its duty to MIG 2 and duties owed by them to third parties and their interests.

- 4.5 Philip Hare & Associates LLP receives an annual fee of up to £7,000 plus VAT for providing advice and assistance in relation to the maintenance of the VCT status of MIG 2 and receives usual hourly rates in connection with all other VCT tax advice and assistance. If requested by MIG 2, Philip Hare & Associates LLP review prospective investments to ensure that they are qualifying investments and carry out reviews of the investment portfolio of MIG 2 to ensure continuing compliance. Reviews of prospective investments are otherwise carried out by advisers assisting on the relevant investment transaction.
- 4.6 MIG 2 has and will continue to have custody of its own assets:
- MIG 2's monetary assets will be held in bank accounts and/or money market accounts in MIG 2's own name; and
 - MIG 2's investments in both quoted and unquoted investments and the corresponding share certificates will also be held in MIG 2's own name.
- 4.7 A maximum of 75% of MIG 2's management expenses will be charged against capital with the balance to be met from income.
- 4.8 All of the MIG 2 Directors are members of the audit committee of MIG 2 with Adam Kingdon acting as chairman. The audit committee members are considered to have sufficient recent and relevant financial experience to discharge the role, and will meet at least twice a year, amongst other things to, consider the following:
- monitoring the integrity of the financial statements of MIG 2;
 - reviewing MIG 2's internal control and risk management systems;
 - making recommendations to the MIG 2 Directors in relation to the appointment of the external auditor;
 - reviewing and monitoring the external auditor's independence;
 - implementing and reviewing MIG 2's policies on the engagement of the external auditor to supply non-audit services and
 - reviewing and assessing the external audit process.
- 4.9 The MIG 2 Board has not appointed a senior independent director as it does not believe that such appointment is necessary since the MIG 2 Board is composed solely of non-executive directors. This role is fulfilled, as appropriate, by the chairman of the audit committee. He is available to shareholders if they have concerns which they have been unable to resolve through the normal channels of communication.
- 4.10 All of the MIG 2 Directors are members of the nomination and remuneration committee with Ian Blackburn being chairman. This committee, which has the responsibility for reviewing the remuneration of the MIG 2 directors, will meet at least annually to consider the levels of remuneration of the MIG 2 directors, specifically reflecting the time commitment and responsibilities of the role. The committee will also undertake comparisons and reviews to ensure that the levels of remuneration paid are broadly in line with industry standards. The nomination and remuneration committee also meets annually to consider the composition and balance of skills, knowledge and experience of the MIG 2 directors and would make nominations to the MIG 2 directors in the event of a vacancy. New MIG 2 directors are required to resign at the annual general meeting following appointment and then thereafter every three years. A formal induction programme for MIG 2 directors has not been required to date. New MIG 2 directors will be provided with an induction pack and an induction session will be arranged in conjunction with the Board and Mobeus.
- 4.11 The Financial Conduct Authority requires all listed companies to disclose how they have applied the principles and complied with the provisions of the UK Corporate Governance Code (formerly the Combined Code) issued by the Financial Reporting Council.

The MIG 2 Board has also considered the principles and recommendations of the AIC Code of Corporate Governance (AIC Code) by reference to the AIC Corporate Governance Guide for Investment Companies (AIC Guide). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to MIG 2.

The Financial Reporting Council has confirmed that in complying with the AIC Code, MIG 2 meets its obligations in relation to the UK Corporate Governance Code and the Listing Rules. The MIG 2 Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the UK Corporate Governance Code), will provide better information to shareholders.

For the year ended 31 March 2019 and as at the date of this document, MIG 2 has complied with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except where noted below. There are certain areas of the UK Corporate Governance Code that the AIC does not consider relevant to investment companies and with which MIG 2 does not specifically comply, from which the AIC Code provides dispensation. The areas and reasons for non-compliance are as follows:

- in light of the responsibilities retained by the MIG 2 Board and its committees and of the responsibilities delegated to Mobeus, MIG 2 has not appointed a chief executive officer or executive directors; and
- due to the systems and procedures of Mobeus, the provision of VCT tax monitoring services by Philip Hare & Associates LLP, as well as the size of MIG 2's operations, the MIG 2 Board believe that an internal audit function is not appropriate.

MIG 2 has not, therefore, reported further in respect of these provisions.

In July 2018, the Financial Reporting Council published a new UK Code which will apply to accounting periods beginning on or after 1 January 2019. MIG 2 will, therefore, report against the new UK Code and the recently published 2019 AIC Code for its financial year ending 31 March 2020.

5 Material contracts

Set out below is a summary of all contracts (not being contracts entered into in the ordinary course of business) entered into by MIG 2 in the last two years that are material and all other contracts (not being contracts entered into in the ordinary course of business) that contain any provision under which MIG 2 has an obligation or entitlement which is material to MIG 2 as at the date of the document.

- 5.1 An investment management agreement dated 10 September 2010 (as amended and restated on 15 September 2016) between MIG 2 (1) and Mobeus (2), pursuant to which Mobeus provides certain advisory investment management and administrative services to MIG 2 for a fee payable quarterly in advance of an amount equal to 2% per annum of net assets (exclusive of VAT, if any) plus an annual fixed fee of £104,432 (inclusive of VAT, if any) subject to increase in the Retail Price Index. In 2013, Mobeus agreed to waive such further increases until otherwise agreed with the MIG 2 Board. If such annual increases were reinstated, the base annual fee to which such percentage increases would apply would be £113,589 (inclusive of VAT).

The above fees are subject to an annual expenses cap of 3.6% of the net assets of MIG 2 by way of a reduction of fees due to Mobeus in the following accounting period(s). For these purposes annual expenses include the normal running costs of MIG 2 (excluding irrecoverable VAT and exceptional items but including annual trail commission). The amount of the excess is borne in full by Mobeus.

Mobeus may (subject to due disclosure to the MIG 2 Board) retain, for its own benefit, arrangement or syndication fees, placing commissions, monitoring fees, directors' fees and/or similar sums which it receives in connection with any investment made by MIG 2, provided that the maximum amount of such fees and/or similar sums (other than directors' fees and monitoring fees) shall not exceed 2.5% of the funds provided for each such investment.

The agreement is terminable by either party on 12 months' notice by any party subject to earlier termination by any party in the event of, inter alia, a party having a receiver, administrator or liquidator appointed or committing a material breach of the agreement or by MIG 2 where Mobeus ceases to be authorised by the FCA or if there is a change in control of Mobeus.

The agreement contains provisions indemnifying Mobeus against any liability not due to its default, gross negligence, fraud or breach of FSMA.

- 5.2 A performance incentive agreement dated 20 September 2005 between MIG 2 (1) and Mobeus (2), pursuant to which Mobeus is entitled to receive performance related incentive fees subject to achieving certain defined targets.

Mobeus is entitled to receive a performance incentive fee calculated as an amount equivalent to 20% of the excess of a 'Target Rate' comprising an annual dividend target of 6p (indexed each year for RPI) per MIG 2 Share as at March 2019, and a requirement that any cumulative shortfalls below the annual dividend target from previous years must be made up in the relevant year in question. Any excess is not carried forward, whether a fee is payable for that year or not.

Payment of a fee is also conditional upon the average NAV per MIG 2 Share for the relevant year equaling or exceeding the average 'Base NAV' per MIG 2 share for that year. Base NAV commenced at 100p per MIG 2 Share when the C ordinary shares (C Shares), which are now constituted within the MIG 2 Shares class, were first issued in 2005, with this further being adjusted for subsequent MIG 2 Shares issued and bought back.

Any performance fee will be payable annually. It will be reduced to the proportion which the number of 'Incentive Fee Shares' represent of the total number of MIG 2 Shares in issue at any calculation date. Incentive Fee Shares are the only MIG 2 Shares upon which an incentive fee is payable. These are the number of C Shares in issue just before the merger of the two former share classes on 10 September 2010 (the merged share class then subsequently became the current class of MIG 2 Shares) plus MIG 2 Shares issued under new fundraisings since the merger. This total is then reduced by an estimated proportion of the MIG Shares bought back by MIG 2 since the merger that are attributable to the Incentive Fee Shares.

The agreement will terminate automatically if MIG 2 enters into liquidation or if a receiver or administrator is appointed or if a resolution is passed that MIG 2 is voluntarily wound up in accordance with the MIG 2 Articles.

- 5.3 A letter of engagement dated 15 August 2019 from Howard Kennedy pursuant to which Howard Kennedy has been appointed as sponsor to the Companies in connection with the Offers. The Companies have agreed to indemnify Howard Kennedy for any loss suffered in respect of its role as sponsor which is a customary provision in an agreement of this nature. The Companies' liability under this indemnity is unlimited.
- 5.4 An offers agreement dated 25 October 2019 between MIG (1), MIG 2 (2), MIG 4 (3), I&G (4), the Directors (5), Howard Kennedy (6) and Mobeus (7) whereby Mobeus has agreed to act as promoter in connection with the MIG 2 Offer and Howard Kennedy has agreed to act as sponsor in connection with the MIG 2 Offer. The agreement contains warranties given by MIG 2 and the MIG 2 Directors and an indemnity given by MIG 2 to Mobeus and Howard Kennedy. The indemnities relate to any loss suffered by Mobeus or Howard Kennedy in respect of their roles as promoter and sponsor which is customary in an agreement of this nature. MIG 2 has agreed to pay Mobeus a fee of an amount representing 3.00% of the Investment Amounts in respect of applications accepted under the MIG 2 Offer, less (i) an amount equal to 0.5% of the Investment Amount in respect of investors who receive advice from a financial adviser (and the Application Form is completed by the financial adviser on this basis), less (ii) an amount equal to any 'execution only' initial commission waived by 'execution only' intermediaries in respect of such applications, and less (iii) an amount equal to any further amounts by which Mobeus agrees (at its discretion, but subject to not reducing Offer Costs to nil) to reduce its fees in respect of such applications, such amount being inclusive of VAT. Where a Company utilises its over-allotment facility under its Offer, Mobeus has further agreed to cap the amount payable by that Company to 2.5% of the gross amount raised under its Offer (and rebate any amounts paid in excess of this amount to the relevant Company), such amount being inclusive of VAT. In consideration of this fee, Mobeus will meet all costs, charges and expenses of or incidental to the Offers (other than trail commission and any amounts due from the Companies to the investor in connection with the facilitation of initial financial adviser charges).
- 5.5 A side letter dated 25 October 2019 from Mobeus to MIG 2 pursuant to which Mobeus has agreed, in the event that MIG 2 utilises its over-allotment facility, to waive its management fees payable for the 12 month period commencing on the start of the first calendar quarter following the close of the MIG 2 Offer under the agreement referred to at paragraph 5.1 above by an amount equal to 1% of any net funds raised by MIG 2 under its over-allotment facility.

6 Objective and investment policy

6.1 Objective

The objective of MIG 2 is to provide investors with a regular income stream, arising both from the income generated by the companies selected for the portfolio and from realising any growth in capital, while continuing at all times to qualify as a VCT.

6.2 Investment policy

MIG 2's policy is to invest 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 receive 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 MIG 2 and which may change from time to time. MIG 2 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 MIG 2 makes, are determined in part by the requirements of prevailing VCT legislation. No single investment may represent more than 15% (by VCT tax value) of MIG 2's total investments at the date of investment.

Liquidity

MIG 2'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

MIG 2's articles of association permit borrowings of amounts up to 10% of the adjusted capital and reserves (as defined therein). However, MIG 2 has never borrowed and the MIG 2 Board would only consider doing so in exceptional circumstances.

6.3 It is the intention of the MIG 2 Directors that MIG 2 will pay dividends or make distributions from revenue profits and capital profits realised from the sale of investments.

6.4 MIG 2 is subject to the investment restrictions relating to a venture capital trust in the Tax Act, as more particularly detailed in Part Eight of the Securities Note, and in the Listing Rules which specify that (i) MIG 2 must, at all times, invest and manage its assets in a way which is consistent with its object of spreading investment risk and in accordance with its published investment policy as set out in paragraph 6.2 above; (ii) MIG 2 must not conduct any trading activity which is significant in the context of its group as a whole; and (iii) MIG 2 may not invest more than 10%, in aggregate, of the value of the total assets of the issuer at the time an investment is made in other listed closed-ended investment funds. Any material change to the investment policy of MIG 2 will require the approval of MIG 2 Shareholders pursuant to the Listing Rules. MIG 2 intends to direct its affairs in respect of each of its accounting periods so as to qualify as a venture capital trust and accordingly:

- (a) MIG 2's income is intended to be derived wholly or mainly from shares or other securities, as this phrase is interpreted by HMRC;
- (b) MIG 2 will not control the companies in which it invests in such a way as to render them subsidiary undertakings;
- (c) none of the investments at the time of acquisition will represent more than 15% by VCT Value of MIG 2's investments; and
- (d) not more than 20% of MIG 2's gross assets will at any time be invested in the securities of property companies.

6.5 Mobeus has and will have sufficient and satisfactory relevant experience in advising on investments of the size and type which MIG 2 proposes to make. The MIG 2 Directors will also

ensure that the board of MIG 2 and any additional or replacement investment advisers have and will have sufficient and satisfactory experience in advising on such investments.

- 6.6 In the event of a breach of the investment restrictions which apply to MIG 2 as described in paragraph 6.4 above, Shareholders of MIG 2 will be informed by means of the half-year and/or the annual report or through a RIS Announcement.
- 6.7 The MIG 2 Directors act and will continue to act independently of Mobeus. No majority of the MIG 2 Directors will be directors or employees of, or former directors or employees of, or professional advisers to, Mobeus or any other company in the same group as Mobeus.
- 6.8 The investment policy as set out in this paragraph 6, in the absence of unforeseen circumstances, will be adhered to by MIG 2 for at least three years following the date of close of the MIG 2 Offer. Any material change to MIG 2's investment policy in any event will only be made with the approval of the Shareholders of MIG 2 by ordinary resolution.

7 Related party disclosures

Save for the entering into of the offer agreement and the side letter as set out in paragraphs 5.4 and 5.5 above, MIG 2 has not entered into any related party transactions within the meaning of IFRS or UK GAAP since 31 March 2019.

8 Overseas investors

The issue of Offer Shares to persons resident in or citizens of jurisdictions outside the UK may be affected by the laws of the relevant jurisdiction. Such investors should inform themselves about and observe any legal requirements, in particular:

- 8.1 none of the Offer Shares have been or will be registered under the United States Securities Act 1933, as amended, or qualify under applicable United States state statute and the relevant clearances have not been, and will not be, obtained from the securities commission of any province of Canada, Australia, Japan, South Africa or New Zealand;
- 8.2 the Companies are not registered under the United States Investment Company Act of 1940, as amended and investors are not entitled to the benefits of that Act; and
- 8.3 no offer is being made, directly, under the MIG 2 Offer, in or into or by the use of emails, or by means of instrumentality (including, without limitation, facsimile, transmission, telex or telephone) or interstate or foreign commerce, or of any facility in a national securities exchange, of the United States, Canada, Australia, Japan, South Africa or New Zealand. It is the responsibility of investors with registered addresses outside the UK to satisfy themselves as to the observance of the laws of the relevant jurisdiction in connection with the issue of Offer Shares, including the obtaining of any government or exchange control or other consents which may be required, the compliance with any other necessary formalities which need to be observed and the payment of any issue, transfer or other taxes or duties due in such jurisdiction.

9 Taxation

The following paragraphs, which are intended as a general guide only and are based on current legislation and HMRC practice, summarise advice received by the MIG 2 Directors as to the position of the Companies' Shareholders who hold MIG 2 Shares other than for trading purposes. Any person who is in any doubt as to his taxation position or is subject to taxation in any jurisdiction other than the United Kingdom should consult his professional advisers.

- 9.1 Taxation of dividends - under current law, no tax will be withheld by MIG 2 when it pays a dividend.
- 9.2 Stamp duty and stamp duty reserve tax - MIG 2 has been advised that no stamp duty or stamp duty reserve tax will be payable on the issue of the MIG 2 Shares. MIG 2 has been advised that the transfer of MIG 2 Shares will, subject to any applicable exemptions, be liable to ad valorem stamp duty at the rate of 0.5% of the consideration paid. An unconditional agreement to transfer such shares if not completed by a duly stamped stock transfer will be subject to stamp duty reserve tax generally at the rate of 50p per £100 (or part thereof) of the consideration paid.
- 9.3 Close company - the MIG 2 Directors believe that MIG 2 is not, and expect that following completion of the MIG 2 Offer will not be, a close company within the meaning of the Tax Act. If

MIG 2 were a close company in any accounting period, approval as a Venture Capital Trust would be withdrawn.

10 Miscellaneous

- 10.1 Save for the increase in the NAV per MIG 2 Share from 99.6p (audited) as at 31 March 2019 to 105.2p (unaudited) as at 30 June 2019, there has been no significant change in the financial position, operations and principal activities of MIG 2 since 31 March 2019, the date to which the last annual audited financial statements for MIG 2 have been published.
- 10.2 Mobeus is the promoter of the MIG 2 Offer and, save as disclosed in paragraph 5 above, no amount of cash, securities or benefits has been paid, issued or given to the promoter and none is intended to be paid, issued or given.
- 10.3 There are no governmental, legal or arbitration proceedings of MIG 2 (including any such proceedings which are or were pending or threatened of which MIG is aware) during the 12 months prior to the date of this Registration Document which may have or had in the recent past significant effects on MIG 2's financial position or profitability.
- 10.4 Save for the risks set out under 'Economic, Government and Political Risks' in the Risk Factors on page 4 of this document, there are no governmental, economic, monetary, political or fiscal policies and factors which have or could affect MIG 2's operations.
- 10.5 Assuming that the MIG 2 Offer is fully subscribed (utilising the over-allotment facility and taking into account the cap on the Mobeus fee referred to in paragraph 5.4 above) the maximum expenses and the minimum net proceeds will (excluding any annual trail commission and any amounts due from MIG 2 to investors in connection with the facilitation of financial adviser initial adviser charges) be £500,000 and £19,500,000 respectively. The issue premium on a MIG 2 Share issued pursuant to the MIG 2 Offer will be the difference between the issue price of that share and the nominal value thereof of 1p.
- 10.6 MIG 2's capital resources are restricted insofar as they may be used only in putting into effect the investment policy described in paragraph 6 above.
- 10.7 MIG 2 does not have any major Shareholders notifiable under company law and no Shareholders have different voting rights. To the best of the knowledge and belief of the MIG 2 Directors, MIG 2 is not directly controlled by any other party and at the date of the Prospectus, there are no arrangements in place that may, at a subsequent date, result in a change of control of MIG 2.
- 10.8 MIG 2 and its Shareholders are subject to the provisions of the City Code on Takeovers and Mergers and CA 2006, which require shares to be acquired/transferred in certain circumstances.
- 10.9 The typical investor for whom investment in MIG 2 is designed is a retail investor who is a UK taxpayer, aged 18 or over and who already has a portfolio of VCT and non-VCT investments (such as unit trusts, OEICs, investment trusts and direct shareholdings in listed and non-listed companies). The investor should be comfortable with the risk factors set out at the beginning of this document and be willing to retain the investment for at least five years.
- 10.10 BDO LLP acts as auditors to MIG 2. BDO LLP is registered to carry on audit work by the Institute of Chartered Accountants in England and Wales.
- 10.11 Howard Kennedy has given and not withdrawn its written consent to the issue of the Prospectus and the inclusion of its name and the references to it in the Prospectus in the form and context in which they appear.
- 10.12 The MIG 2 Board intends to continue with a policy of maximising the stream of dividend distributions to its shareholders, from the income and capital gains generated by its investment portfolio, or from other distributable reserves. MIG 2 normally pays income dividends each year. Subject to fulfilling certain regulatory requirements, MIG 2 also seeks to pay capital dividends following portfolio realisations. The ability to pay a dividend is considered at each quarterly MIG 2 Board meeting. MIG 2 has a current annual target dividend of 5p per MIG 2 Share.

(B) ANALYSIS OF THE INVESTMENT PORTFOLIO

All of MIG 2's investments as at today's date, which are analysed below, are in the UK and are valued in sterling.

Sector	% by cost	% by value
Support Services	20.3	19.9
Media	12.5	11.8
General retailers	22.5	26.0
Software and computer services	16.5	17.6
Construction and materials	1.1	0.3
Healthcare Equipment and Services	2.8	0.6
Leisure goods	2.7	4.1
Electronics & Electrical Equipment	8.3	8.1
Personal goods	3.9	0.0
Automobiles and parts	0.1	0.0
General Financial	2.4	5.5
Travel and Leisure	3.1	2.7
General Industrials	3.8	3.4

Type	% by cost	% by value
Unlisted ordinary shares	31.4	35.4
Unlisted loan stock and preference shares	33.0	31.2
Cash/liquidity	35.6	33.4

Save for (i) a further investment of £356,000 into MPB Group Limited, (ii) deferred consideration from Entanet Holdings Limited and Master Removers Group Limited of £167,000 and £38,000 respectively and (iii) the voluntary striking off of Backhouse Management Limited, Barham Consulting Limited, Creasy Marketing Services Limited, Hollydale Management Limited and McGrigor Management Limited, there has been no material change to the valuations used to prepare the above analysis (30 June 2019 being the date on which those unaudited valuations were undertaken).

(C) FINANCIAL INFORMATION

MIG 2 has produced annual statutory accounts for the financial year ended 31 March 2019. The auditors, BDO LLP, in respect of the financial year ended 31 March 2019 have reported on the annual statutory accounts without qualification and without statements under sections 495 to 497A of CA 2006.

The annual report referred to above was prepared in accordance with UK generally accepted accounting practice (GAAP), the fair value rules of the Companies Acts and the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'. The annual report contains a description of MIG 2's financial condition, changes in financial condition and results of operation and is being incorporated by reference and can be accessed at the following website:

www.mig2vct.co.uk

Where the annual report makes reference to other documents, such other documents are not incorporated into and do not form part of this Prospectus. The two tables overleaf comprise a cross-referenced list of information incorporated by reference. The parts of the annual report which are not being incorporated by reference are either not relevant for an investor or are covered elsewhere in the Prospectus.

Description	2019 Annual Report
Balance Sheet	Page 47
Income Statement (or equivalent)	Page 46
Statement showing all changes in equity (or equivalent note)	Pages 48 to 49
Cash Flow Statement	Page 50
Accounting Policies and Notes	Pages 51 to 68
Auditor's Report	Pages 41 to 45

This information has been prepared in a form consistent with that which will be adopted in MIG 2's next published annual financial statements having regard to accounting standards and policies and legislation applicable to those financial statements.

Such information also includes operating/financial reviews as follows:

Description	2019 Annual Report
Objective	Inside front cover
Performance Summary	Page 1
Results & Dividend	Page 2
Investment Policy	Page 24
Chairman's Statement	Pages 2 to 4
Manager's Review	Pages 11 to 15
Portfolio Summary	Pages 21 to 23
Valuation Policy	Page 57

Certain financial information of MIG 2 is also set out below:

	Year ended 31 March 2019 (audited)
Investment income	£2,189,574
Profit/(loss) on ordinary activities before taxation	£3,969,749
Earnings per MIG 2 Share	7.93p
Dividends paid per MIG 2 Share (in the period)	5.00p
Dividends paid per MIG 2 Share (in respect of the period)	Nil
Total assets	£48,931,111
NAV per MIG 2 Share	99.60p

As at 31 March 2019, the date to which the most recent audited year financial statements on MIG 2 were published, MIG 2 had audited net assets of £48.7 million. As at 30 June 2019, MIG 2 had unaudited net assets of £51.0 million (105.2p per MIG 2 Share).

The following material investments have been made by MIG 2 since 31 March 2019:

- A new investment of £910,000 in Arkk Consulting Limited.
- A new investment of £551,000 in Parsley Box Limited
- Further investment of £356,000 in MPB Group Limited.

Save as set out above, there have been no material investments made by MIG 2 since 31 March 2019. In the ordinary course, there are a number of potential investments which are in progress, but no firm commitments have been made in respect of these.

PART III - MIG 4

(A) GENERAL INFORMATION

1 Incorporation and registered office

- 1.1 The legal and commercial name of MIG 4 is Mobeus Income & Growth 4 VCT plc.
- 1.2 MIG 4 was incorporated and registered in England and Wales as a public company with limited liability on 29 January 1999 registered number 03707697, under the name TriVen VCT plc.
- 1.3 MIG 4 was issued with a trading certificate under section 117 of CA 1985 (now section 761 of CA 2006) on 3 February 1999.
- 1.4 The principal legislation under which MIG 4 operates is CA 2006 and regulations made thereunder.
- 1.5 MIG 4's registered office and principal place of business is at 30 Haymarket, London SW1Y 4EX. MIG 4 is domiciled in England. MIG 4 does not have, nor has it had since incorporation, any subsidiaries or employees.
- 1.6 HMRC has granted approval of MIG 4 as a VCT under section 259 of the Tax Act. The business of MIG 4 has been, and it is intended will be, carried on so as to continue to comply with that section to maintain full VCT approval.
- 1.7 MIG 4 revoked its status as an investment company under section 266 of CA 1985 (now section 833 of CA 2006) on 28 July 2008 for the purposes of paying a capital dividend and does not intend to re-apply for such status.
- 1.8 MIG 4 Shares are admitted to the Official List of the UK Listing Authority and to trading on the main market of the London Stock Exchange and have an International Securities Identification Number of GB00B1FMDH51. MIG 4's Legal Entity Identity number is 213800IFNJ65R8AQW943.
- 1.9 MIG 4 is not regulated by the FCA or an equivalent European Economic Area regulator but it is an alternative investment fund for the purposes of AIFMD, has registered itself as a small alternative investment fund manager with the FCA and is subject to the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773). In addition, as a premium listed entity on the main market of the London Stock Exchange, MIG 4 is subject to the rules and regulations issued by the FCA from time to time and is also subject to regulation by HMRC under the VCT rules in order to qualify as a VCT. MIG 4 is not otherwise regulated.

2. Share capital

- 2.1 The authorised share capital of MIG 4 on incorporation was £4,000,000, divided into 79,000,000 ordinary shares of 5p each and 1,000,000 redeemable shares of 5p each. On incorporation 200 ordinary shares were issued fully paid to the subscribers to its Memorandum.
- 2.2 To enable MIG 4 to obtain a certificate under section 117 of CA 1985, on 1 February 1999, 1,000,000 redeemable shares were allotted by MIG 4 to Matrix-Securities Limited at par for cash, paid up as to one quarter paid of their nominal value. Such redeemable shares were paid up in full and redeemed in full out of the proceeds of the original offer for subscription on 1 April 1999. The redeemable shares were automatically redesignated as ordinary shares of 1p each and MIG 4's articles of association were amended by the deletion of all references to the redeemable shares and the rights attaching to them pursuant to a special resolution passed on 9 October 2007.
- 2.3 On 10 May 2019, MIG 4 passed a resolution approving, subject to the sanction of the Court, the cancellation of the amount standing to the credit of the share premium account and the redemption reserve as at the date of cancellation (such cancellation being subsequently confirmed by the Court on 30 July 2019 and registered at Companies House on 30 July 2019).
- 2.4 As at 30 June 2019, the date to which the last unaudited half-year financial statements for MIG 4 have been published, the issued share capital of MIG 4 was 67,604,732 MIG 4 Shares (all fully paid-up).
- 2.5 The issued share capital history of MIG 4 since 31 December 2015 is as follows:

- During the financial year ended 31 December 2016, MIG 4 issued 938,291 MIG 4 Shares and bought back 251,468 MIG 4 Shares. As at 31 December 2016, the issued share capital of MIG 4 comprised 49,043,033 MIG 4 Shares, none of which were held in treasury.
- During the financial year ended 31 December 2017, MIG 4 issued 18,956,783 MIG 4 Shares and bought back 524,730 MIG 4 Shares. As at 31 December 2017, the issued share capital of MIG 4 comprised 67,475,086 MIG 4 Shares, none of which were held in treasury.
- During the financial year ended 31 December 2018, MIG 4 issued 1,974,756 MIG 4 Shares and bought back 1,166,848 MIG 4 Shares. As at 31 December 2018, the issued share capital of MIG 4 comprised 68,282,994 MIG 4 Shares, none of which were held in treasury.
- During the current period to 24 October 2019 (being the latest practicable date prior to the publication of this document) MIG 4 issued no MIG 4 Shares and bought back 1,205,195 MIG 4 Shares.

2.6 At the date of this document, 67,077,799 MIG 4 Shares are in issue (all fully paid-up).

2.7 The following resolutions of MIG 4 were passed at the annual general meeting of MIG 4 held on 10 May 2019:

- (a) That, in substitution for any existing authorities, the MIG 4 Directors were generally and unconditionally authorised pursuant to section 551 of CA 2006 to exercise all the powers of MIG 4 to allot MIG 4 Shares and to grant rights to subscribe for, or convert any security into, MIG 4 Shares (Rights) up to an aggregate nominal value of £227,610 provided that the authority conferred by this resolution shall (unless renewed, varied, or revoked by MIG 4 in a general meeting) expire on the date falling fifteen months after the passing of this resolution or, if earlier, at the conclusion of the annual general meeting of MIG 4 to be held in 2020, but so that this authority shall allow MIG 4 to make before the expiry of this authority offers or agreements which would or might require MIG 4 Shares to be allotted or Rights to be granted after such expiry and the MIG 4 Directors be entitled to allot MIG 4 Shares or grant Rights pursuant to any such offers or agreements as if the authority conferred by this resolution had not expired.
- (b) That, in substitution for any existing authorities, the MIG 4 Directors were empowered in accordance with sections 570 and 573 of CA 2006 to allot or make offers or agreements to allot equity securities (as defined in section 560(1) of CA 2006) for cash, pursuant to the authority conferred upon them by the resolution in paragraph (a) above or by way of a sale of treasury shares as if section 561(1) of CA 2006 did not apply to any such sale or allotment, provided that the power conferred by this resolution shall be limited to the allotment of equity securities:
- (i) with an aggregate nominal value of up to, but not exceeding, 5% of the issued MIG 4 Share capital from time to time pursuant to any dividend investment scheme operated by MIG 4 at a subscription price per MIG 4 Share which may be less than the net asset value per MIG 4 Share; and
 - (ii) otherwise than pursuant to sub-paragraph (i) above, of equity securities with an aggregate nominal value of up to, but not exceeding, 5% of the issued MIG 4 Share capital from time to time,

in each case where the proceeds of the allotment may be used, in whole or in part, to purchase MIG 4 Shares in the market and provided that such authority shall (unless renewed, varied or revoked by MIG 4 in general meeting) expire on the date falling fifteen months after the passing of this resolution or, if earlier, on the conclusion of the annual general meeting of MIG 4 to be held in 2020, except that MIG 4 may, before the expiry of this authority, make offers or agreements which would or might require equity securities to be allotted after such expiry and the MIG 4 Directors may allot equity securities in pursuance of such offers or agreements as if the authority conferred by this resolution had not expired.

2.8 The following resolutions of MIG 4 were passed at the general meeting of MIG 4 held on 11 October 2019:

That, in addition to existing authorities:

- (a) *Authority to allot shares*

the MIG 4 Directors were generally and unconditionally authorised in accordance with section 551 of CA 2006, to exercise all the powers of MIG 4 to allot MIG 4 Shares and to

grant rights to subscribe for, or to convert any security into, MIG 4 Shares (Rights) up to an aggregate nominal value of £220,000, provided that this authority shall (unless renewed, revoked or varied by MIG in general meeting) expire on the date falling fifteen months after the passing of this resolution, but so that this authority shall allow MIG 4 to make before the expiry of this authority offers or agreements which would or might require MIG 4 Shares to be allotted or Rights to be granted after such expiry and the MIG 4 Directors shall be entitled to allot MIG 4 Shares or grant Rights pursuant to any such offers or agreements as if this authority had not expired); and

(b) *Disapplication of pre-emption rights*

the MIG 4 Directors were empowered pursuant to sections 570 and 573 of CA 2006 to allot or make offers or agreement to allot equity securities (as defined in section 560(1) of CA 2006) for cash, pursuant to the authority conferred by paragraph (i) of this resolution as if section 561(1) of CA 2006 did not apply to any such allotment, provided that the power conferred by this authority shall be limited to the allotment of equity securities with an aggregate nominal value of up to but not exceeding £220,000 in connection with offer(s) for subscription (where the proceeds may be used, in whole or in part, to purchase MIG Shares), such authority to (unless renewed, revoked or varied by MIG 4 in general meeting) expire on the date falling fifteen months after the passing of this resolution, but so that this authority shall allow MIG 4 to make before the expiry of such authority offers or agreements which would or might require equity securities to be allotted after such expiry and the MIG 4 Directors shall be entitled to allot equity securities in pursuance of such offers or agreements as if the authority conferred hereunder had not expired).

2.9 There are no other shares or loan capital in MIG 4 in issue or under option or agreed conditionally or unconditionally to be put under option nor does MIG 4 hold shares in treasury.

2.10 Following the issue of MIG 4 Shares pursuant to the MIG 4 Offer (assuming the maximum 22 million MIG 4 Shares are allotted pursuant to the MIG 4 Offer, including in connection with, if utilised, the over-allotment facility) the issued share capital of MIG 4 is expected to be as follows:

	Issued	
	Number	£
MIG 4 Shares	89,077,799	890,777.99

2.11 The MIG 4 Shares are/will be in registered form and no temporary documents of title will be issued. MIG 4 is registered with CREST, a paperless settlement system and those Shareholders who wish to hold their MIG 4 Shares in electronic form may do so.

2.12 MIG 4 will be subject to the continuing obligations of the Listing Rules with regard to the issue of securities for cash and the provisions of section 561 of CA 2006 (which confers on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash) will apply to the balance of the share capital of MIG 4 which is not subject to the disapplication referred to in paragraphs 2.7 and 2.8 above.

2.13 As at 24 October 2019 (this being the latest practicable date prior to publication of this document), MIG 4 is not aware of any person who, immediately following the issue of the Offer Shares, directly or indirectly, has or will have an interest in the capital of MIG 4 or voting rights which is notifiable under UK law (under which, pursuant to CA 2006 and the Listing Rules and Disclosure and Transparency Rules of the FCA, a holding of 3% or more must be notified to MIG 4).

3. Directors' and other interests

3.1 The Board of MIG 4 comprises three non-executive directors, all of whom are independent of Mobeus except for Helen Sinclair (by virtue of her serving on the Board of I&G). The Board of MIG 4 has substantial experience of venture capital businesses and has overall responsibility for MIG 4's affairs, including its investment policy. Mobeus acts as investment adviser.

3.2 As at 24 October 2019 (this being the latest practicable date prior to publication of this document), the interests of the MIG 4 Directors' (and their immediate families) in the issued share capital of MIG 4 were as follows:

	MIG 4 Shares	% of issued MIG 4 Share capital
Christopher Moore	52,529	0.1%
Helen Sinclair	14,862	0.02%
Graham Paterson	-	-

- 3.3 Save as set out above, no MIG 4 Director, family member or any person connected with any MIG 4 Director (within the meaning of section 252 of CA 2006 has any interest in the capital of MIG 4 which is or would, immediately following the MIG 4 Offer, be required to be notified pursuant to section 809 of the CA 2006 or which is or would be required to be entered in the register maintained under section 809 of CA 2006.
- 3.4 The MIG 4 Directors were appointed as directors of MIG 4 on 1 April 2002 (in respect of Christopher Moore), 1 February 2003 (in respect of Helen Sinclair) and 10 May 2019 (in respect of Graham Paterson) which may be terminated on three months' notice. The MIG 4 Directors' appointments do not confer any right to hold office for any period nor any right to compensation if they cease to be directors. The total annual remuneration receivable by Christopher Moore as a director and as chairman of MIG 4 is £38,000 (plus, if applicable, VAT and employers National Insurance Contributions). The total annual remuneration receivable by Helen Sinclair and Graham Paterson as directors is £32,000 each (in each case plus, if applicable, VAT and employers National Insurance Contributions). The office of non-executive director of MIG 4 is not pensionable and no retirement or similar benefits are provided to the MIG 4 Directors. Aggregate MIG 4 Directors' emoluments in respect of qualifying services for the year ended 31 December 2018 amounted to £96,250 (being £35,750 for Christopher Moore, £30,250 for Andrew Robson (who resigned as a director on 10 May 2019) and £30,250 for Helen Sinclair) plus, if applicable, VAT and employers National Insurance Contributions. Aggregate emoluments for the current financial year to 31 December 2019 are expected to be £102,328 (plus, if applicable, VAT and employers National Insurance Contributions).
- 3.5 Save for Helen Sinclair in respect of her directorships of I&G, British Smaller Companies VCT plc and Gresham House Strategic plc (previously Spark Ventures plc), which have all been approved by the MIG 4 Board, there are no other potential conflicts of interest of any MIG 4 Directors between their duties carried out on behalf of MIG 4 and their private interests and/or other duties.
- 3.6 No MIG 4 Director is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of MIG 4 and which was effected by MIG 4 in the years ended 31 December 2016, 2017 and 2018 or to the date of this document in the current financial year or and remains in any respect outstanding or unperformed.
- 3.7 No loan or guarantee has been granted or provided by MIG 4 to or for the benefit of any of the MIG 4 Directors.
- 3.8 MIG 4 has taken out directors' and officers' liability insurance for the benefit of its directors, which is renewable on an annual basis.
- 3.9 The MIG 4 Directors are currently or have been within the last five years, a member of the administrative, management or supervisory bodies or partners of the companies and partnerships as set out on page 12.
- 3.10 No MIG 4 Director has any convictions in relation to fraudulent offences during the previous five years.
- 3.11 Save as disclosed in this paragraph, in the five years prior to the publication of this document, there were no bankruptcies, receiverships, liquidations or administrations of any companies or partnership where any of the MIG 4 Directors were acting as (i) a member of the administrative, management or supervisory body, (ii) a partner with unlimited liability, in the case of a limited partnership with a share capital, (iii) a founder where the company had been established for fewer than five years nor (iv) a senior manager, during the previous five years.
- (a) Helen Sinclair was a director of Octopus Eclipse VCT 3 plc which was placed into members' voluntary liquidation on 31 October 2012 pursuant to a section 110 Insolvency Act 1986 scheme of reconstruction with Octopus Eclipse VCT plc. Octopus Eclipse VCT 3 plc was neither insolvent nor owed any amounts to creditors at the time of its dissolution in April 2014. Helen Sinclair was also a director of Downing Income VCT 4 plc which was placed into members' voluntary liquidation on 12 November 2013 pursuant to a section 110 Insolvency Act 1986 scheme of reconstruction with Downing Distribution VCT 1 plc.

Downing Income VCT 4 plc was neither insolvent nor owed any amounts to creditors at the date of its dissolution in April 2015.

- (b) Graham Paterson was a director of Octopus 4 VCT plc which was placed into members' voluntary liquidation on 20 September 2018 and a declaration of solvency was sworn on 31 August 2018.

- 3.12 There has been no official public incrimination and/or sanction of any MIG 4 Director by statutory or regulatory authorities (including designated professional bodies) and no MIG 4 Director has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company during the previous five years or convicted of a fraudulent offence during the previous five years.
- 3.13 The MIG 4 Directors have individually entered into deeds of indemnity with MIG 4 which indemnifies each MIG 4 Director, subject to the provisions of CA 2006 and the limitations set out in each deed, against any liability arising out of any claim made against him or her in relation to the performance of their duties as MIG 4 Directors. Copies of each deed of indemnity entered into by MIG 4 for the MIG 4 Directors are available at the registered office of MIG 4.

4. **Management and administration**

- 4.1 The MIG 4 Directors are responsible for the determination of the investment policy, subject to approval by MIG 4 Shareholders for any material changes, and have overall responsibility for its affairs. The MIG 4 Directors also retain responsibility for approving both the valuations of the portfolio and the net asset value of MIG 4. Mobeus has been appointed as investment adviser, providing investment advisory, administrative and company secretarial services to MIG 4 on the terms set out at paragraphs 5.1 and 5.2 below. The existing management agreement set out at paragraph 5.1 below will automatically cover the management and fees in relation to the new funds raised by MIG 4 pursuant to the MIG 4 Offer and the performance incentive arrangements set out in paragraph 5.2 will also automatically extend to such funds.
- 4.2 As is customary in the private equity industry, Mobeus may retain for its own benefit and without liability to account to MIG 4, subject to full disclosure having been made to the MIG 4 Directors, arrangement fees which it receives in connection with any unquoted investment made by MIG 4. It may also receive all monitoring fees or directors' fees charged to investee companies. Costs incurred on abortive investment proposals will be the responsibility of Mobeus.
- 4.3 Mobeus undertakes the determination and calculation of MIG 4's net asset value, which is prepared quarterly for approval by the MIG 4 Directors. All unquoted investments are valued in accordance with IPEVC Valuation Guidelines under which investments are held at fair value. Any AIM or other quoted investment will be valued at the bid price of its shares as derived from the Daily Official List of the London Stock Exchange, in accordance with general accepted accounting practice. MIG 4's net asset value will be calculated quarterly and published on an appropriate regulatory information service.

If, at any time, MIG 4's VCT status is lost, dealing in its shares and valuation of MIG 4's net asset value will normally be suspended, which will be communicated to shareholders on an appropriate regulatory information service until such time as proposals to continue as a VCT or to be wound up have been further announced. The MIG 4 Directors do not anticipate any other circumstance under which valuations may be suspended.

- 4.4 MIG 4 expects to co-invest with the other VCT funds advised by Mobeus, participating in equity investments up to £5 million in aggregate, as long as the business has not received funds from any state-aided risk capital in the 12 months prior to the date of investment.

Where more than one of the funds advised by Mobeus wishes to participate in an investment opportunity, allocations will generally be made in proportion to the latest announced net asset value, adjusted for subsequent buybacks and dividends paid, of each fund at the date each investment proposal is forwarded to each Board. When one of the funds advised by Mobeus is in its fund raising period, its net funds raised, for the purpose of allocation, will be assumed to be the value of shares allotted at the time the allocation calculation is made. Implementation of this policy will be subject to the availability of funds to make the investment and other portfolio considerations such as sector exposure and the requirement to achieve or maintain the required level of VCT qualifying holdings in respect of a particular Company's portfolio. This may mean that MIG 4 may receive a greater or lesser allocation than would otherwise be the case under the normal co-investment policy.

When MIG 4 has insufficient funds available to satisfy its allocation or declines an investment, the balance left shall be offered to one or more of the other VCT funds advised by Mobeus who have funds available for new investments pro rata as between themselves.

Any variation from this co-investment policy, insofar as it affects MIG 4 or where MIG 4 makes any investment not at the same time and on the same terms as that made by other funds advised by Mobeus, may only be made with the prior approval of the MIG 4 Directors who are independent of Mobeus.

Save for the above, there are no material potential conflicts of interest which Mobeus may have as between its duty to MIG 4 and duties owed by them to third parties and their interests.

- 4.5 Philip Hare & Associates LLP receives an annual fee of £8,000 plus VAT for providing advice and assistance in relation to the maintenance of the VCT status of MIG 4 and receives usual hourly rates in connection with all other VCT tax advice and assistance. If requested by MIG 4, Philip Hare & Associates LLP review prospective investments to ensure that they are qualifying investments and carry out reviews of the investment portfolio of MIG 4 to ensure continuing compliance. Reviews of prospective investments are otherwise carried out by advisers assisting on the relevant investment transaction.
- 4.6 MIG 4 has and will continue to have custody of its own assets:
- MIG 4's monetary assets will be held in bank accounts and/or money market accounts in MIG 4's own name; and
 - MIG 4's investments in both quoted and unquoted investments and the corresponding share certificates will also be held in MIG 4's own name.
- 4.7 A maximum of 75% of MIG 4's management expenses will be charged against capital with the balance to be met from income.
- 4.8 The members of the audit committee of MIG 4 are Graham Paterson (chairman), Christopher Moore and Helen Sinclair. The audit committee members are considered to have sufficient recent and relevant financial experience to discharge the role, and will meet at least twice a year, amongst other things to, consider the following:
- monitoring the integrity of the financial statements of MIG 4;
 - reviewing MIG 4's internal control and risk management systems;
 - making recommendations to the MIG 4 Directors in relation to the appointment of the external auditor;
 - reviewing and monitoring the external auditor's independence;
 - implementing and reviewing MIG 4's policies on the engagement of the external auditor to supply non-audit services; and
 - reviewing and assessing the external audit process.
- 4.9 The members of the nomination and remuneration committee of MIG 4 are Graham Paterson (chairman), Christopher Moore and Helen Sinclair. The nomination and remuneration committee members (who have responsibility for reviewing the remuneration of the MIG 4 Directors) will meet at least annually to consider the levels of remuneration of the MIG 4 Directors, specifically reflecting the time commitment and responsibilities of the role. The committee will also undertake comparisons and reviews to ensure that the levels of remuneration paid are broadly in line with industry standards. The nomination and remuneration committee also meets annually to consider the composition and balance of skills, knowledge and experience of the MIG 4 Directors and would make nominations to the MIG 4 Directors in the event of a vacancy. New MIG 4 Directors are required to resign at the annual general meeting following appointment and then thereafter every three years. New directors will be provided with an induction pack and an induction session will be arranged in conjunction with the Board and Mobeus.
- 4.10 The Financial Conduct Authority requires all listed companies to disclose how they have applied the principles and complied with the provisions of the UK Corporate Governance Code (formerly the Combined Code) issued by the Financial Reporting Council.

The MIG 4 Board has also considered the principles and recommendations of the AIC Code of Corporate Governance (AIC Code) by reference to the AIC Corporate Governance Guide for Investment Companies (AIC Guide). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to MIG 4.

The Financial Reporting Council has confirmed that in complying with the AIC Code, MIG 4 meets its obligations in relation to the UK Corporate Governance Code and the Listing Rules. The MIG 4 Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the UK Corporate Governance Code), will provide better information to shareholders.

For the year ended 31 December 2018 and as at the date of this document, MIG 4 has complied with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except where noted below. There are certain areas of the UK Corporate Governance Code that the AIC does not consider relevant to investment companies and with which MIG 4 does not specifically comply, from which the AIC Code provides dispensation. The areas and reasons for non-compliance are as follows:

- in light of the responsibilities retained by the MIG 4 Board and its committees and of the responsibilities delegated to Mobeus, MIG 4 has not appointed a chief executive officer or executive directors;
- due to the size of the MIG 4 Board, the size of the business and its lack of complexity, the MIG 4 Board have decided that it is inappropriate for the time being to appoint a senior independent director or deputy chairman; and
- due to the systems and procedures of Mobeus, the provision of VCT tax monitoring services by Philip Hare & Associates LLP, as well as the size of MIG 4's operations, the MIG 4 Board believe that an internal audit function is not appropriate.

MIG 4 has not, therefore, reported further in respect of these provisions.

In July 2018, the Financial Reporting Council published a new UK Code which will apply to accounting periods beginning on or after 1 January 2019. MIG 4 will, therefore, report against the new UK Code and the recently published 2019 AIC Code for its financial year ending 31 December 2019.

5 Material contracts

Set out below is a summary of all contracts (not being contracts entered into in the ordinary course of business) entered into by MIG 4 in the last two years that are material and all other contracts (not being contracts entered into in the ordinary course of business) that contain any provision under which MIG 4 has an obligation or entitlement which is material to MIG 4 as at the date of the document.

- 5.1 An investment management agreement dated 12 November 2010 (as amended and restated on 10 November 2016) between MIG 4 (1) and Mobeus (2) pursuant to which Mobeus provides certain advisory investment management and administrative services to MIG 4.

Mobeus is entitled to an annual management fee of an amount equal to 2% of the net asset value per annum of MIG 4 plus an annual fixed fee of £107,827 subject to annual RPI uplift, payable quarterly in advance (exclusive of VAT, if any). In 2013, Mobeus agreed to waive such further uplift until otherwise agreed with the MIG 4 Board. If such annual increases were reinstated, the base annual fee to which such percentage increases would apply would be £115,440 (exclusive of VAT).

The above fees are subject to an annual expenses cap of 3.4% of the net assets of MIG 4 by way of a reduction of fees due to Mobeus in the following accounting period(s). For these purposes annual expenses include the normal running costs of MIG 4 (excluding irrecoverable VAT and exceptional items but including annual trail commission). The amount of the excess is borne in full by Mobeus.

Mobeus may (subject to due disclosure to the MIG 4 Board) retain, for its own benefit, arrangement or syndication fees, placing commissions, monitoring fees, directors' fees and/or similar sums which it receives in connection with any investment made by MIG 4, provided that

the maximum amount of such fees and/or similar sums (other than directors' fees and monitoring fees) shall not exceed 2.5% of the funds provided for each such investment.

The agreement is terminable by either party by 12 months' notice by any party subject to earlier termination by any party in the event of, inter alia, a party having a receiver, administrator or liquidator appointed or committing a material breach of the agreement or by MIG 4 where Mobeus ceases to be authorised by the FCA or if there is a change in control of Mobeus.

The agreement contains provisions indemnifying Mobeus against any liability not due to its default, gross negligence, fraud or breach of FSMA.

- 5.2 A performance incentive agreement dated 1 November 2006 between MIG 4 (1), Mobeus (2) and Matrix Group Limited (in liquidation) (3), pursuant to which Mobeus is entitled to receive performance related incentive fees subject to achieving certain defined targets.

Mobeus is entitled to receive a performance incentive fee of an amount equal to 20% of excess annual dividends paid in an accounting period to the holders of MIG 4 Shares in excess of an annual dividend target return of 8.95p (subject to further RPI increases) per MIG 4 Share, subject to MIG 4 maintaining an average NAV per MIG 4 Share above or equal to an average 'Base NAV' per MIG 4 Share.

The performance incentive fee is payable annually and any cumulative shortfalls against the annual dividend target return from previous years have to be made up in the year in question before any entitlement arises.

The agreement will terminate automatically if MIG 4 enters into liquidation or if a receiver or administrator is appointed or if a resolution is passed that MIG 4 is voluntarily wound up in accordance with the MIG 4 Articles.

- 5.3 A letter of engagement dated 15 August 2019 from Howard Kennedy pursuant to which Howard Kennedy has been appointed as sponsor to the Companies in connection with the Offer. The Companies have agreed to indemnify Howard Kennedy for any loss suffered in respect of its role as sponsor which is a customary provision in an agreement of this nature. The Companies' liability under this indemnity is unlimited.

- 5.4 An offers agreement dated 25 October 2019 between MIG (1), MIG 2 (2), MIG 4 (3), I&G (4), the Directors (5), Howard Kennedy (6) and Mobeus (7) whereby Mobeus has agreed to act as promoter in connection with the MIG 4 Offer and Howard Kennedy has agreed to act as sponsor in connection with the MIG 4 Offer. The agreement contains warranties given by MIG 4 and the MIG 4 Directors and an indemnity by MIG 4 to Mobeus and Howard Kennedy. The indemnities relate to any loss suffered by Mobeus or Howard Kennedy in respect of their roles as promoter and sponsor which is customary in an agreement of this nature. MIG 4 has agreed to pay Mobeus a fee of an amount representing 3.00% of the Investment Amounts in respect of applications accepted under the MIG 4 Offer, less (i) an amount equal to 0.5% of the Investment Amount in respect of investors who receive advice from a financial adviser (and the Application Form is completed by the financial adviser on this basis), less (ii) an amount equal to any 'execution only' initial commission waived by 'execution only' intermediaries in respect of such applications, and less (iii) an amount equal to any further amounts by which Mobeus agrees (at its discretion, but subject to not reducing Offer Costs to nil) to reduce its fees in respect of such applications, such amount being inclusive of VAT. Where a Company utilises its over-allotment facility under its Offer, Mobeus has further agreed to cap the amount payable by that Company to 2.5% of the gross amount raised under its Offer (and rebate any amounts paid in excess of this amount to the relevant Company), such amount being inclusive of VAT. In consideration of this fee, Mobeus will meet all costs, charges and expenses of or incidental to the Offers (other than trail commission and any amounts due from the Companies to the investor in connection with the facilitation of initial financial adviser charges).

- 5.5 A side letter dated 25 October 2019 from Mobeus to MIG 4 pursuant to which Mobeus has agreed, in the event that MIG 4 utilises its over-allotment facility, to waive its management fees payable for the 12 month period commencing on the start of the first calendar quarter following the close of the MIG 4 Offer under the agreement referred to at paragraph 5.1 above by an amount equal to 1% of any net funds raised by MIG 4 under its over-allotment facility.

6 Objective and investment policy

6.1 Objective

The objective of MIG 4 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.

6.2 Investment policy

MIG 4's policy is to invest 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 receive 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 MIG 4 and which may change from time to time. MIG 4 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 MIG 4 makes, are determined in part by the requirements of prevailing VCT legislation. No single investment may represent more than 15% (by VCT tax value) of MIG 4's total investments at the date of investment.

Liquidity

MIG 4'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

MIG 4's articles of association permit borrowings of amounts up to 10% of the adjusted capital and reserves (as defined therein). However, the Company has never borrowed and the MIG 4 Board would only consider doing so in exceptional circumstances.

6.3 It is the intention of the MIG 4 Directors that MIG 4 will pay dividends or make distributions from revenue profits and capital profits realised from the sale of investments.

6.4 MIG 4 is subject to the investment restrictions relating to a venture capital trust in the Tax Act, as more particularly detailed in Part Eight of the Securities Note, and in the Listing Rules which specify that (i) MIG 4 must, at all times, invest and manage its assets in a way which is consistent with its object of spreading investment risk and in accordance with its published investment policy as set out in paragraph 6.2 above; (ii) MIG 4 must not conduct any trading activity which is significant in the context of its group as a whole; and (iii) MIG 4 may not invest more than 10%, in aggregate, of the value of the total assets of the issuer at the time an investment is made in other listed closed-ended investment funds. Any material change to the investment policy of MIG 4 will require the approval of MIG 4 Shareholders pursuant to the Listing Rules. MIG 4 intends to direct its affairs in respect of each of its accounting periods so as to qualify as a venture capital trust and accordingly:

- (a) MIG 4's income is intended to be derived wholly or mainly from shares or other securities, as this phrase is interpreted by HMRC;
- (b) MIG 4 will not control the companies in which it invests in such a way as to render them subsidiary undertakings;
- (c) none of the investments at the time of acquisition will represent more than 15% by VCT value of MIG 4's investments; and
- (d) not more than 20% of MIG 4's gross assets will at any time be invested in the securities of property companies.

6.5 Mobeus has and will have sufficient and satisfactory relevant experience in advising on investments of the size and type which MIG 4 proposes to make. The MIG 4 Directors will also

ensure that the board of MIG 4 and any additional or replacement investment advisers have and will have sufficient and satisfactory experience in advising on such investments.

- 6.6 In the event of a breach of the investment restrictions which apply to MIG 4 as described in paragraph 6.4 above, Shareholders of MIG 4 will be informed by means of the half-year and/or the annual report or through a RIS Announcement.
- 6.7 The MIG 4 Directors act and will continue to act independently of Mobeus. No majority of the MIG 4 Directors will be directors or employees of, or former directors or employees of, or professional advisers to, Mobeus or any other company in the same group as Mobeus.
- 6.8 The investment policy as set out in this paragraph 6, in the absence of unforeseen circumstances, will be adhered to by MIG 4 for at least three years following the date of close of the MIG 4 Offer. Any material change to MIG 4's investment policy in any event will only be made with the approval of the shareholders of MIG 4 by ordinary resolution.

7 Related party disclosures

Save for the entering into of the offer agreement and the side letter as set out in paragraphs 5.4 and 5.5 above, MIG 4 has not entered into any related party transactions within the meaning of IFRS or UK GAAP since 31 December 2018.

8 Overseas investors

The issue of Offer Shares to persons resident in or citizens of jurisdictions outside the UK may be affected by the laws of the relevant jurisdiction. Such investors should inform themselves about and observe any legal requirements, in particular:

- 8.1 none of the Offer Shares have been or will be registered under the United States Securities Act 1933, as amended, or qualify under applicable United States state statute and the relevant clearances have not been, and will not be, obtained from the securities commission of any province of Canada, Australia, Japan, South Africa or New Zealand;
- 8.2 the Companies are not registered under the United States Investment Company Act of 1940, as amended and investors are not entitled to the benefits of that Act; and
- 8.3 no offer is being made, directly, under the MIG 4 Offer, in or into or by the use of emails, or by means of instrumentality (including, without limitation, facsimile, transmission, telex or telephone) or interstate or foreign commerce, or of any facility in a national securities exchange, of the United States, Canada, Australia, Japan, South Africa or New Zealand. It is the responsibility of investors with registered addresses outside the UK to satisfy themselves as to the observance of the laws of the relevant jurisdiction in connection with the issue of Offer Shares, including the obtaining of any government or exchange control or other consents which may be required, the compliance with any other necessary formalities which need to be observed and the payment of any issue, transfer or other taxes or duties due in such jurisdiction.

9 Taxation

The following paragraphs, which are intended as a general guide only and are based on current legislation and HMRC practice, summarise advice received by the MIG 4 Directors as to the position of the Companies' Shareholders who hold MIG 4 Shares other than for trading purposes. Any person who is in any doubt as to his taxation position or is subject to taxation in any jurisdiction other than the United Kingdom should consult his professional advisers.

- 9.1 Taxation of dividends - under current law, no tax will be withheld by MIG 4 when it pays a dividend.
- 9.2 Stamp duty and stamp duty reserve tax - MIG 4 has been advised that no stamp duty or stamp duty reserve tax will be payable on the issue of the MIG 4 Shares. MIG 4 has been advised that the transfer of MIG 4 Shares will, subject to any applicable exemptions, be liable to ad valorem stamp duty at the rate of 0.5% of the consideration paid. An unconditional agreement to transfer such shares if not completed by a duly stamped stock transfer will be subject to stamp duty reserve tax generally at the rate of 50p per £100 (or part thereof) of the consideration paid.
- 9.3 Close company - the MIG 4 Directors believe that MIG 4 is not, and expect that following completion of the MIG 4 Offer will not be, a close company within the meaning of the Tax Act. If

MIG 4 were a close company in any accounting period, approval as a Venture Capital Trust would be withdrawn.

10 Miscellaneous

- 10.1 There has been no significant change in the financial position, operations and principal activity of MIG 4 since 30 June 2019, the date to which the most recent unaudited half-year financial statements for MIG 4 have been published.
- 10.2 Mobeus is the promoter of the MIG 4 Offer and, save as disclosed in paragraph 5 above, no amount of cash, securities or benefits has been paid, issued or given to the promoter and none is intended to be paid, issued or given.
- 10.3 There are no governmental, legal or arbitration proceedings (including any such proceedings which are or were pending or threatened of which MIG 4 is aware) during the 12 months prior to the date of this Registration Document which may have or had in the recent past significant effects on MIG 4's financial position or profitability.
- 10.4 Save for the risks set out under 'Economic, Government and Political Risks' in the Risk Factors on page 4 of this document, there are no governmental, economic, monetary, political or fiscal policies and factors which have or could affect MIG 4's operations.
- 10.5 Assuming that the MIG 4 Offer is fully subscribed (utilising the over-allotment facility and taking into account the cap on the Mobeus fee referred to in paragraph 5.4 above) the maximum expenses and the minimum net proceeds will (excluding any annual trail commission and any amounts due from MIG 4 to investors in connection with the facilitation of financial adviser initial adviser charges) be £325,000 and £12,675,000 respectively. The issue premium on a MIG 4 Share issued pursuant to the MIG 4 Offer will be the difference between the issue price of that share and the nominal value thereof of 1p.
- 10.6 MIG 4's capital resources are restricted insofar as they may be used only in putting into effect the investment policy described in paragraph 6 above.
- 10.7 MIG 4 does not have any major shareholders notifiable under company law and no shareholders have different voting rights. To the best of the knowledge and belief of the MIG 4 Directors, MIG 4 is not directly controlled by any other party and at the date of the Prospectus, there are no arrangements in place that may, at a subsequent date, result in a change of control of MIG 4.
- 10.8 MIG 4 and its Shareholders are subject to the provisions of the City Code on Takeovers and Mergers and CA 2006, which require shares to be acquired/transferred in certain circumstances.
- 10.9 The typical investor for whom investment in MIG 4 is designed is a retail investor who is a UK taxpayer, aged 18 or over and who already has a portfolio of VCT and non-VCT investments (such as unit trusts, OEICs, investment trusts and direct shareholdings in listed and non-listed companies). The investor should be comfortable with the risk factors set out at the beginning of this document and be willing to retain the investment for at least five years.
- 10.10 BDO LLP acts as auditors to MIG 4. BDO LLP is registered to carry on audit work by the Institute of Chartered Accountants in England and Wales.
- 10.11 Howard Kennedy has given and not withdrawn its written consent to the issue of the Prospectus and the inclusion of its name and the references to it in the Prospectus in the form and context in which they appear.
- 10.12 The MIG 4 Board intends to continue with a policy of maximising the stream of dividend distributions to its shareholders, from the income and capital gains generated by its investment portfolio, or from other distributable reserves. MIG 4 normally pays income dividends each year. Subject to fulfilling certain regulatory requirements, MIG 4 also seeks to pay capital dividends following portfolio realisations. The ability to pay a dividend is considered at each quarterly MIG 4 Board meeting. MIG 4 has a current annual target dividend of 4p per MIG 4 Share.

(B) ANALYSIS OF THE INVESTMENT PORTFOLIO

All of MIG 4's investments as at today's date, which are analysed below, are in the UK and are valued in sterling.

Sector	% by cost	% by value
Media	12.9	11.9
General retailers	23.8	26.9
Software and computer services	17.8	19.4
Leisure goods	2.6	4.1
Healthcare Equipment & Services	3.9	1.1
Construction and materials	1.1	0.3
Support Services	19.5	16.3
Travel and Leisure	3.1	2.7
Electronics & Electrical Equipment	7.3	8.2
Personal goods	1.4	0.0
Automobiles and parts	0.1	0.0
General Financial	2.2	5.2
General Industrials	4.3	3.9

Type	% by cost	% by value
Unlisted ordinary shares	33.0	36.5
Unlisted loan stock and preference shares	37.1	35.2
Listed ordinary shares	0.4	0.3
Cash/liquidity	29.5	28.0

Save for (i) the further investments of £449,000 into MPB Group Limited, (ii) deferred consideration from Entanet Holdings Limited and Master Removers Group Limited of £251,000 and £53,000 respectively and (iii) the voluntary striking off of Backhouse Management Limited, Barham Consulting Limited, Creasy Marketing Services Limited, Hollydale Management Limited and McGrigor Management Limited, there has been no material change to the valuations used to prepare the above analysis (30 June 2019 being the date on which those unaudited valuations were undertaken).

(C) FINANCIAL INFORMATION

MIG 4 has produced annual statutory accounts for the financial year ended 31 December 2018 and a half-year report for the six month period ended 30 June 2019. The auditors BDO LLP, in respect of the financial year ended 31 December 2018 have reported on the annual statutory accounts without qualification and without statements under sections 495 to 497A of CA 2006.

The annual report referred to above was prepared in accordance with UK generally accepted accounting practice (GAAP), the fair value rules of the Companies Acts and the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'. The annual report contains a description of MIG 4's financial condition, changes in financial condition and results of operation and, together with the half-year report for the six month period ended 30 June 2019 are being incorporated by reference and can be accessed at the following website:

www.mig4vct.co.uk

Where these documents make reference to other documents, such other documents are not incorporated into and do not form part of this Prospectus. The two tables below comprise a cross-referenced list of information incorporated by reference. The parts of these documents which are not being incorporated by reference are either not relevant for an investor or are covered elsewhere in the Prospectus.

Description	2018 Annual Report	2019 Half-Year Report
Balance Sheet	Page 48	Page 14
Income Statement (or equivalent)	Page 47	Pages 12 to 13
Statement showing all changes in equity (or equivalent note)	Pages 49 to 50	Pages 15 to 16
Cash Flow Statement	Page 51	Page 17
Accounting Policies and Notes	Pages 52 to 70	Pages 18 to 23
Auditor's Report	Pages 43 to 46	N/A

This information has been prepared in a form consistent with that which will be adopted in MIG 4's next published annual financial statements having regard to accounting standards and policies and legislation applicable to those financial statements.

Such information also includes operating/financial reviews as follows:

Description	2018 Annual Report	2019 Half-Year Report
Objective	Inside front cover	Inside front cover
Performance Summary	Pages 5 to 8	Page 1
Results & Dividend	Page 2	Page 2
Investment Policy	Page 24	Page 4
Chairman's Statement	Pages 2 to 3	Pages 2 to 3
Investment Review	Pages 9 to 13	Pages 5 to 7
Portfolio Summary	Pages 18 to 23	Pages 8 to 10
Valuation Policy	Page 57	Page 21

Certain financial information of MIG 4 is also set out below:

Description	Year ended 31 December 2018 (audited)	Six month period ended 30 June 2019 (unaudited)
Investment income	£2,263,918	£1,110,499
Profit/(loss) on ordinary activities before taxation	£1,571,619	£4,871,037
Earnings per MIG 4 Share	2.20p	7.10p
Dividends paid per MIG 4 Share (in the period)	4.00p	4.00p
Dividends paid per MIG 4 Share (in respect of the period)	8.00p	13.00p
Total assets	£58,199,297	£59,838,216
NAV per MIG 4 Share	84.79p	88.02p

As at 30 June 2019, the date to which the most recent unaudited half-year financial statements on MIG 4 were published, MIG 4 had unaudited net assets of £59.5 million.

The following material investment has been made by MIG 4 since 30 June 2019:

- Further investment of £449,000 in MPB Group Limited.

Save as set out above, there have been no material investments made by MIG 4 since 30 June 2019. In the ordinary course, there are a number of potential investments which are in progress, but no firm commitments have been made in respect of these.

PART IV - I&G

(A) GENERAL INFORMATION

1. Incorporation and registered office

- 1.1 The legal and commercial name of I&G is The Income & Growth VCT plc.
- 1.2 I&G was incorporated and registered in England and Wales as a public company with limited liability on 6 September 2000 with registered number 04069483, under the name TriVest VCT plc. The company name was changed to The Income & Growth VCT plc on 9 October 2007.
- 1.3 I&G was issued with a trading certificate under section 117 of CA 1985 (now section 761 of CA 2006) on 28 September 2000.
- 1.4 The principal legislation under which I&G operates is CA 2006 and regulations made thereunder.
- 1.5 I&G's registered office and principal place of business is at 30 Haymarket, London SW1Y 4EX. I&G is domiciled in England. I&G does not have, nor has it had since incorporation, any subsidiaries or employees.
- 1.6 HMRC has granted approval of I&G as a VCT under section 259 of the Tax Act. The business of I&G has been, and it is intended will be, carried on so as to continue to comply with that section to maintain full VCT approval.
- 1.7 I&G revoked its status as an investment company under section 266 of CA 1985 on 30 November 2005 for the purposes of paying a capital dividend and does not intend to re-apply for such status. I&G is not authorised and/or regulated by the FCA or an equivalent overseas regulator.
- 1.8 I&G Shares are admitted to the Official List of the UK Listing Authority to trading on the main market of the London Stock Exchange and have an International Securities Identification Number of GB00B29BN198. I&G's Legal Entity Identity number is 213800FPC15FNM74YD92.
- 1.9 I&G is not regulated by the FCA or an equivalent European Economic Area regulator but it is subject to regulation by HMRC under the VCT rules in order to qualify as a VCT. I&G is, however, an alternative investment fund for the purposes of AIFMD, has registered itself as a small alternative investment fund manager with the FCA and is subject to the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773). In addition, as a premium listed entity on the main market of the London Stock Exchange, I&G is subject to the rules and regulations issued by the FCA from time to time. I&G is not otherwise regulated.

2. Share capital

- 2.1 The authorised share capital of I&G on incorporation was £850,000, divided into 80,000,000 ordinary shares of 1p each and 5,000,000 redeemable non-voting shares of 1p each. On incorporation, twenty ordinary shares of 1p each in the capital of I&G were issued nil paid to the subscribers to its Memorandum. These shares have subsequently been paid up in full in cash.
- 2.2 To enable I&G to obtain a certificate under section 117 of CA 1985 (now section 761 of CA 2006), on 28 September 2000, 5,000,000 redeemable non-voting shares of 1p each were allotted by I&G at par for cash, paid up as to one quarter of their nominal value. Such redeemable non-voting shares were paid up in full and redeemed in full out of the proceeds of the original offer for subscription on 2 November 2000. The authorised but unissued shares so arising were automatically redesignated as ordinary shares of 1p each and I&G's articles of association were amended by the deletion of all references to the redeemable non-voting shares and the rights attaching to them pursuant to a special resolution passed on 9 October 2007.
- 2.3 On 6 February 2019, I&G passed a resolution approving, subject to the sanction of the Court, the cancellation of the amount standing to the credit of the share premium account and the redemption reserve as at the date of cancellation (such cancellation being subsequently confirmed by the Court on 30 July 2019 and registered at Companies House on 30 July 2019).
- 2.4 As at 31 March 2019, the date to which the last unaudited half-year financial statements for I&G have been published, the issued share capital of I&G was 104,363,865 I&G Shares (all fully paid up).
- 2.5 The issued share capital history of I&G since 30 September 2015 is as follows:

- During the financial year ended 30 September 2016, I&G issued 1,490,729 I&G Shares and bought back 269,713 I&G Shares. As at 30 September 2016, the issued share capital of I&G comprised 71,914,023 I&G Shares, none of which were held in treasury.
- During the financial year ended 30 September 2017, I&G issued 7,493,565 I&G Shares and bought back 202,886 I&G Shares. As at 30 September 2017, the issued share capital of I&G comprised 79,204,702 I&G Shares, none of which were held in treasury.
- During the financial year ended 30 September 2018, I&G issued 28,181,306 I&G Shares and bought back 1,947,624 I&G Shares. As at 30 September 2018, the issued share capital of I&G comprised 105,438,384 I&G Shares, none of which were held in treasury.
- During the current period to 24 October 2019 (being the latest practicable date prior to the publication of this document) I&G issued no I&G Shares and bought back 2,135,527 I&G Shares.

2.6 At the date of this document, I&G had 103,302,857 Shares in issue (all fully paid up).

2.7 The following resolutions of I&G were passed at the annual general meeting of I&G held on 6 February 2019:

- That, in substitution for any existing authorities, the I&G Directors were generally and unconditionally authorised pursuant to section 551 of CA 2006 to exercise all the powers of I&G to allot I&G Shares and to grant rights to subscribe for, or convert, any security into I&G Shares (Rights) up to an aggregate nominal value of £351,461, provided that the authority conferred by this resolution shall (unless renewed, varied or revoked by I&G in general meeting) expire on the date falling fifteen months after the passing of this resolution, or, if earlier, at the conclusion of the annual general meeting of I&G to be held in 2020 but so that this authority shall allow I&G to make before the expiry of this authority offers or agreements which would or might require I&G Shares to be allotted or Rights to be granted after such expiry and the I&G Directors shall be entitled to allot I&G Shares or grant Rights pursuant to any such offers or agreements as if the authority conferred by this resolution had not expired.
- That, in substitution for any existing authorities, the I&G Directors were empowered in accordance with sections 570 and 573 of CA 2006 to allot or make offers or agreements to allot equity securities (as defined in section 560(1) of CA 2006) for cash, pursuant to the authority conferred upon them by the resolution set out in paragraph (a) above, or by way of a sale of treasury shares, as if section 561(1) of CA 2006 did not apply to any such sale or allotment, provided that the power conferred by this resolution shall be limited to the allotment of equity securities:
 - with an aggregate nominal value of up to, but not exceeding, £165,400 in connection with offer(s) for subscription;
 - with an aggregate nominal value of up to, but not exceeding, 5% of the issued I&G Share capital from time to time pursuant to any dividend investment scheme operated by I&G at a subscription price per I&G Share which is less than the net asset value per I&G Share; and
 - otherwise than pursuant to sub-paragraphs (i) and (ii) above, with an aggregate nominal value of up to, but not exceeding, 5% of the issued I&G Share capital from time to time,

in each case where the proceeds of the allotment may be used in whole or in part, to purchase I&G Shares in the market and provided that this authority shall (unless renewed, varied or revoked by I&G in general meeting) expire on the date falling fifteen months after the passing of this resolution, or, if earlier, on the conclusion of the annual general meeting of I&G to be held in 2020, except that I&G may, before the expiry of this authority, make offers or agreements which would or might require equity securities to be allotted after such expiry and the I&G Directors may allot equity securities in pursuance of such offers or agreements as if the authority conferred by this resolution had not expired.

2.8 There are no other shares or loan capital in I&G in issue or under option or agreed conditionally or unconditionally to be put under option nor does I&G hold shares in treasury.

- 2.9 Following the issue of I&G Shares pursuant to the I&G Offer (assuming the maximum 16 million I&G Shares are allotted pursuant to the I&G Offer, including, if utilised, the over-allotment facility) the issued share capital of I&G is expected to be as follows:

	Issued	
	Number	£
I&G Shares	119,302,857	1,193,028.57

- 2.10 The I&G Shares are/will be in registered form and no temporary documents of title will be issued. I&G is registered with CREST, a paperless settlement system, and those Shareholders who wish to hold their I&G Shares in electronic form may do so.
- 2.11 I&G will be subject to the continuing obligations of the Listing Rules with regard to the issue of securities for cash and the provisions of section 561 of CA 2006 (which confers on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash) will apply to the balance of the share capital of I&G which is not subject to the disapplication referred to in paragraphs 2.7 above.
- 2.12 As at 24 October 2019 (this being the latest practicable date prior to publication of this document), I&G is not aware of any person who, immediately following the issue of the Offer Shares, directly or indirectly, has or will have an interest in the capital of I&G or voting rights which is notifiable under UK law (under which, pursuant to CA 2006 and the Listing Rules and Disclosure and Transparency Rules of the FCA, a holding of 3% or more must be notified to I&G).

3. Directors' and other interests

- 3.1 The Board of I&G comprises two non-executive directors. Jonathan Cartwright is independent of Mobeus. Helen Sinclair is not independent of Mobeus (by virtue of her serving on the Board of MIG 4). The Board of I&G has substantial experience of venture capital businesses and has overall responsibility for I&G's affairs, including its investment policy. Mobeus acts as investment adviser.
- 3.2 As at 24 October 2019 (this being the latest practicable date prior to publication of this document), the interests of the I&G Directors (and their immediate families) in the issued share capital of I&G were as follows:

	I&G Shares	% of issued I&G Share capital
Jonathan Cartwright	25,597	0.02%
Helen Sinclair	20,018	0.02%

- 3.3 Save as set out above, no I&G Director, family member or any person connected with any I&G Director (within the meaning of section 252 of CA 2006) has any interest in the capital of I&G which is or would, immediately following the I&G Offer, be required to be notified pursuant to section 809 of CA 2006 or which is or would be required to be entered in the register maintained under section 809 of CA 2006.
- 3.4 Jonathan Cartwright was appointed under a letter of appointment dated 16 July 2010. Helen Sinclair was appointed under a letter of appointment dated 14 January 2003. Neither of the I&G Directors have a service contract and their appointments are both subject to a three months' notice period. Both I&G Directors are subject to retirement by rotation. Their appointment does not confer any right to hold office for any period nor any right to compensation if they cease to be directors. The total annual remuneration receivable by Jonathan Cartwright as a director and as chairman of I&G is £46,000 (plus, if applicable, VAT and employers National Insurance Contributions). The total annual remuneration receivable by Helen Sinclair as a director is £36,000 (plus, if applicable, VAT and employers National Insurance Contributions). The office of non-executive director of I&G is not pensionable and no retirement or similar benefits are provided to the I&G Directors. Aggregate I&G Directors' emoluments in respect of qualifying services for the period ended 30 September 2019 amounted to £118,000 (being £46,000 for Colin Hook (who was a director and chairman of I&G during the period ended 30 September 2019 and stepped down from the Board on 18 October 2019), £36,000 for Helen Sinclair and £36,000 for Jonathan Cartwright) plus, if applicable, VAT and National Insurance Contributions. Aggregate emoluments for the current financial year (taking into account fees paid/payable to Colin Hook prior to him stepping down from the I&G Board and potential fees payable to additional non-executive independent directors expected to be appointed prior to the end of the current financial year) are expected to be £117,000 (plus, if applicable, VAT and National Insurance).

- 3.5 Save for Helen Sinclair in respect of her directorships of MIG 4, British Smaller Companies VCT plc and Gresham House Strategic plc (previously Spark Ventures plc), which have all been approved by the I&G Board, there are no potential conflicts of interest of any I&G Directors between their duties carried out on behalf of I&G and their private interests and/or other duties.
- 3.6 No I&G Director is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of I&G and which was effected by I&G in the years ended 30 September 2016, 2017 and 2018 or to the date of this document in the current financial year or and remains in any respect outstanding or unperformed.
- 3.7 No loan or guarantee has been granted or provided by I&G to or for the benefit of any of the I&G Directors.
- 3.8 I&G has taken out directors' and officers' liability insurance for the benefit of its directors, which is renewable on an annual basis.
- 3.9 The I&G Directors are currently or have been within the last five years, a member of the administrative, management or supervisory bodies or partners of the companies and partnerships as set out on page 12.
- 3.10 No I&G Director has any convictions in relation to fraudulent offences during the previous five years.
- 3.11 Save as disclosed in this paragraph, in the five years prior to the publication of this document, there were no bankruptcies, receiverships or liquidations of any companies or partnership where any of the I&G Directors were acting as (i) a member of the administrative, management or supervisory body, (ii) a partner with unlimited liability, in the case of a limited partnership with a share capital, (iii) a founder where the company had been established for fewer than five years nor (iv) a senior manager, during the previous five years:
- (a) Jonathan Cartwright was a director of Aberforth Geared Income Trust plc which was placed into members' voluntary liquidation on 30 June 2017 and a declaration of solvency was sworn on 15 June 2017. He was also a director of The Edinburgh Crystal Glass Company Limited which was put into administration in July 2006.
- (b) Helen Sinclair was a director of Octopus Eclipse VCT 3 plc which was placed into members' voluntary liquidation on 31 October 2012 pursuant to a section 110 Insolvency Act 1986 scheme of reconstruction with Octopus Eclipse VCT plc. Octopus Eclipse VCT 3 plc was neither insolvent nor owed any amounts to creditors at the time of its dissolution in April 2014. Helen Sinclair is also a director of Downing Income VCT 4 plc which was placed into members' voluntary liquidation on 12 November 2013 pursuant to a section 110 Insolvency Act 1986 scheme of reconstruction with Downing Distribution VCT 1 plc. Downing Income VCT 4 plc was neither insolvent nor owed any amounts to creditors at the date of its dissolution in April 2015.
- 3.12 There has been no official public incrimination and/or sanction of any I&G Director by statutory or regulatory authorities (including designated professional bodies) and no I&G Director has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company during the previous five years or convicted of a fraudulent offence during the previous five years.
- 3.13 The I&G Directors have individually entered into deeds of indemnity with I&G which indemnifies each I&G Director, subject to the provisions of CA 2006 and the limitations set out in each deed, against any liability arising out of any claim made against him or her in relation to the performance of their duties as I&G Directors. Copies of each deed of indemnity entered into by I&G for the I&G Directors are available at the registered office of I&G.

4. Management and administration

- 4.1 The I&G Directors are responsible for the determination of the investment policy, subject to approval by I&G Shareholders for any material changes, and have overall responsibility for its affairs. The I&G Directors also retain responsibility for approving both the valuations of the portfolio and the net asset value of I&G. Mobeus has been appointed as investment adviser providing investment advisory, administrative and company secretarial services to I&G on the terms set out at paragraphs 5.1 and 5.2 below. The existing management agreement set out at paragraph 5.1 below will automatically cover the management and fees in relation to the new

funds raised by I&G pursuant to the I&G Offer and the performance incentive arrangements set out in paragraph 5.2 will also automatically extend to such funds

4.2 As is customary in the private equity industry, Mobeus may retain for its own benefit and without liability to account to I&G, subject to full disclosure having been made to the I&G Directors, arrangement fees which it receives in connection with any unquoted investment made by I&G. It may also receive all monitoring fees or directors' fees charged to investee companies. Costs incurred on abortive investment proposals will be the responsibility of Mobeus.

4.3 Mobeus undertakes the determination and calculation of I&G's net asset value, which is prepared quarterly for approval by the I&G Directors. All unquoted investments are valued in accordance with IPEVC Valuation Guidelines under which investments are held at fair value. Any AIM or other quoted investment will be valued at the bid price of its shares as derived from the Daily Official List of the London Stock Exchange, in accordance with general accepted accounting practice. I&G's net asset value will be calculated quarterly and published on an appropriate regulatory information service.

If, at any time, I&G's VCT status is lost, dealing in its shares and valuation of I&G's net asset value will normally be suspended, which will be communicated to shareholders on an appropriate regulatory information service until such time as proposals to continue as a VCT or to be wound up have been further announced. The I&G Directors do not anticipate any other circumstance under which valuations may be suspended.

4.4 I&G expects to co-invest with the other VCT funds advised by Mobeus, participating in equity investments up to £5 million in aggregate, as long as the business has not received funds from any state-aided risk capital in the 12 months prior to the date of investment.

Where more than one of the funds advised by Mobeus wishes to participate in an investment opportunity, allocations will generally be made in proportion to the latest announced net asset value of each fund, adjusted for subsequent buybacks and dividends paid, at the date each investment proposal is forwarded to each Board. When one of the funds advised by Mobeus is in its fund raising period, its net funds raised, for the purpose of allocation, will be assumed to be the value of shares allotted at the time the allocation calculation is made. Implementation of this policy will be subject to the availability of funds to make the investment and other portfolio considerations such as sector exposure and the requirement to achieve or maintain the required level of VCT qualifying holdings in respect of a particular Company's portfolio. This may mean that I&G may receive a greater or lesser allocation than would otherwise be the case under the normal co-investment policy.

When I&G has insufficient funds available to satisfy its allocation or declines an investment, the balance left shall be offered to one or more of the other VCT funds advised by Mobeus who have funds available for new investments pro rata as between themselves.

Any variation from this co-investment policy, insofar as it affects I&G or where I&G makes any investment not at the same time and on the same terms as that made by other funds advised by Mobeus, may only be made with the prior approval of the I&G Directors who are independent of Mobeus.

Save for the above, there are no material potential conflicts of interest which Mobeus may have as between its duty to I&G and duties owed by them to third parties and their interests.

4.5 Philip Hare & Associates LLP receives an annual fee of £9,000 plus VAT for providing advice and assistance in relation to the maintenance of the VCT status of I&G and receives usual hourly rates in connection with all other VCT tax advice and assistance. If requested by I&G, Philip Hare & Associates LLP review prospective investments to ensure that they are qualifying investments and carry out reviews of the investment portfolio of I&G to ensure continuing compliance. Reviews of prospective investments are otherwise carried out by advisers assisting on the relevant investment transaction.

4.6 I&G has and will continue to have custody of its own assets:

- I&G's monetary assets are and will be held in bank accounts and/or money market accounts in I&G's own name; and
- I&G's investments in both quoted and unquoted investments and the corresponding share certificates are and will also be held in I&G's own name.

- 4.7 A maximum of 75% of I&G's management expenses will be charged against capital with the balance to be met from income.
- 4.8 Both of the I&G Directors are members of the audit committee with Jonathan Cartwright acting as chairman. The audit committee members are considered to have sufficient recent and relevant financial experience to discharge the role, and will meet at least twice a year, amongst other things to, consider the following:
- review the half-yearly and annual financial statements before submission to the I&G Directors, including meeting with the auditors;
 - making recommendations to the I&G Directors in relation to the appointment, re-appointment and removal of the external auditor;
 - monitoring the effectiveness of I&G's internal control systems;
 - reviewing the scope and the results of the audit and ensuring its cost effectiveness; and
 - reviewing and assessing the external audit process.
- 4.9 Both of the I&G Directors are also members of the nomination and remuneration committee with Jonathan Cartwright acting as Chairman. The nomination and remuneration committee members (who have responsibility for reviewing the remuneration of the I&G Directors) meet at least annually to consider the levels of remuneration of the I&G Directors, specifically reflecting the time commitment and responsibilities of the role. The committee also undertakes comparisons and reviews to ensure that the levels of remuneration paid are broadly in line with industry standards. The nomination and remuneration committee also meets annually to consider the composition and balance of skills, knowledge and experience of the I&G Directors and would make nominations to the I&G Directors in the event of a vacancy. New I&G Directors are required to resign at the annual general meeting following appointment and then thereafter every three years. New directors are provided with an induction pack and an induction session is arranged in conjunction with the Board and Mobeus.
- 4.10 The Financial Conduct Authority requires all listed companies to disclose how they have applied the principles and complied with the provisions of the UK Corporate Governance Code (formerly the Combined Code) issued by the Financial Reporting Council.

The I&G Board has also considered the principles and recommendations of the AIC Code of Corporate Governance (AIC Code) by reference to the AIC Corporate Governance Guide for Investment Companies (AIC Guide). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to I&G.

The Financial Reporting Council has confirmed that in complying with the AIC Code, I&G meets its obligations in relation to the UK Corporate Governance Code and the Listing Rules. The I&G Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the UK Corporate Governance Code), will provide better information to shareholders.

For the year ended 30 September 2018 and as at the date of this document, I&G has complied with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except where noted below. There are certain areas of the UK Corporate Governance Code that the AIC does not consider relevant to investment companies and with which I&G does not specifically comply, from which the AIC Code provides dispensation. The areas and reasons for non-compliance are as follows:

- in light of the responsibilities retained by the I&G Board and its committees and of the responsibilities delegated to Mobeus, I&G has not appointed a chief executive officer or executive directors;
- due to the systems and procedures of Mobeus, the provision of VCT tax monitoring services by Philip Hare & Associates LLP, as well as the size of I&G's operations, the I&G Board believe that an internal audit function is not appropriate; and
- from 18 October 2019, following Colin Hook stepping down as chairman and a director of I&G, Jonathan Cartwright took over as chairman whilst also remaining chairman of the

audit committee (this being an interim position pending an additional independent director being appointed to the I&G Board).

I&G has not, therefore, reported further in respect of these provisions.

In July 2018, the Financial Reporting Council published a new UK Code which will apply to accounting periods beginning on or after 1 January 2019. I&G is not therefore required to report against the new UK Code, or the recently published 2019 AIC Code until its financial year ending 30 September 2020. Nevertheless, the I&G Board have agreed to follow the recommendations of provisions 18 and 19 of the new UK Code regarding annual re-election of directors and the independence requirements as they apply to the chairman of the I&G Board in particular, in advance of the requirement.

5 Material contracts

Set out below is a summary of all contracts (not being contracts entered into in the ordinary course of business) entered into by I&G in the last two years that are material and all other contracts (not being contracts entered into in the ordinary course of business) that contain any provision under which I&G has an obligation or entitlement which is material to I&G as at the date of the document.

- 5.1 An investment management agreement dated 29 March 2010 (as amended and restated on 14 September 2016) between I&G (1) and Mobeus (2) pursuant to which Mobeus provides certain advisory investment management and administrative services to I&G.

Mobeus is entitled to an annual management fee of an amount equal to 2.4% of the net asset value per annum (0.4% of such fee being subject to a minimum of £150,000 and a maximum of £170,000 the remainder of such fee not being subject to any cap) of I&G, payable quarterly in advance (inclusive of VAT, if any).

The above fees are subject to an annual expenses cap of 3.25% of the net assets of I&G by way of a reduction of fees due to Mobeus in the following accounting period(s). For these purposes annual expenses include the normal running costs of I&G (including irrecoverable VAT but excluding exceptional items, annual trail commission and performance incentive payments). The amount of the excess is borne in full by Mobeus.

Mobeus may (subject to due disclosure to the I&G Board) retain, for its own benefit, arrangement or syndication fees, placing commissions, monitoring fees, directors' fees and/or similar sums which it receives in connection with any investment made by I&G, provided that the maximum amount of such fees and/or similar sums (other than directors' fees and monitoring fees) shall not exceed 2.5% of the funds provided for each such investment.

The agreement is terminable by either party by 12 months' notice by any party subject to earlier termination by any party in the event of, inter alia, a party having a receiver, administrator or liquidator appointed or committing a material breach of the agreement or by I&G where Mobeus ceases to be authorised by the FCA or if there is a change in control of Mobeus.

The agreement contains provisions indemnifying Mobeus against any liability not due to its default, gross negligence, fraud or breach of FSMA.

- 5.2 A performance incentive agreement dated 30 September 2014 (effective from 1 October 2013 between I&G (1) and Mobeus (2) pursuant to which Mobeus will receive a payment of amount equal to 15% of net realised gains for each year, payable in cash. It is payable only if cumulative NAV total return per I&G Share (this being the closing NAV per I&G Share as at a year end plus cumulative dividends paid per I&G Share to that year end, since 1 October 2013) exceeds a 'Target Return'. The Target Return is the greater of either:

- (i) compound growth of 6% per annum (but 5% per annum for the year ended 30 September 2014 only, in cumulative NAV total return per I&G Share; or
- (ii) the cumulative percentage change in the Consumer Prices Index since 1 October 2013 to the relevant financial year end, the resultant figure then being multiplied by $(100+A)/100$, where A is the number of full 12 month periods (or part thereof) that have passed between 1 October 2013 and the relevant financial year end (the result being that the cumulative increase in inflation is further uplifted to include a 1% above inflation increase per annum in the Target Return).

Both measures of Target Return are applied to the same opening base, being NAV per I&G Share as at 30 September 2013 of 113.90p. The objective of this Target Return is to enable I&G Shareholders to benefit from a cumulative NAV return of at least 6% per annum (5% in the financial year ended 30 September 2014), before any incentive fee is payable. Once a payment has been made, cumulative NAV total return is calculated after deducting past years' incentive fees paid and payable

Under this agreement, any fee payments to Mobeus are subject to an annual cap of an amount equal to 2% of the net assets of I&G as at the immediately preceding year end. Any excess over 2% remains payable to Mobeus in the following year(s), subject again to the 2% annual cap in each subsequent year and after any payment in respect of such subsequent year(s).

- 5.3 A letter of engagement dated 15 August 2019 from Howard Kennedy pursuant to which Howard Kennedy has been appointed as sponsor to the Companies in connection with the Offer. The Companies have agreed to indemnify Howard Kennedy for any loss suffered in respect of its role as sponsor which is a customary provision in an agreement of this nature. The Companies' liability under this indemnity is unlimited.
- 5.4 An offers agreement dated 25 October 2019 between MIG (1), MIG 2 (2), MIG 4 (3), I&G (4), the Directors (5), Howard Kennedy (6) and Mobeus (7) whereby Mobeus has agreed to act as promoter in connection with the I&G Offer and Howard Kennedy has agreed to act as sponsor in connection with the I&G Offer. The agreement contains warranties given by I&G and the I&G Directors and an indemnity given by I&G to Mobeus and Howard Kennedy. The indemnities relate to any loss suffered by Mobeus or Howard Kennedy in respect of their roles as promoter and sponsor which is customary in an agreement of this nature. I&G has agreed to pay Mobeus a fee of an amount representing 3.00% of the Investment Amounts in respect of applications accepted under the I&G Offer, less (i) an amount equal to 0.5% of the Investment Amount in respect of investors who receive advice from a financial adviser (and the Application Form is completed by the financial adviser on this basis), less (ii) an amount equal to any 'execution only' initial commission waived by 'execution only' intermediaries in respect of such applications, and less (iii) an amount equal to any further amounts by which Mobeus agrees (at its discretion, but subject to not reducing Offer Costs to nil) to reduce its fees in respect of such applications, such amount being inclusive of VAT. Where a Company utilises its over-allotment facility under its Offer, Mobeus has further agreed to cap the amount payable by that Company to 2.5% of the gross amount raised under its Offer (and rebate any amounts paid in excess of this amount to the relevant Company), such amount being inclusive of VAT. In consideration of this fee, Mobeus will meet all costs, charges and expenses of or incidental to the Offers (other than trail commission and any amounts due from the Companies to the investor in connection with the facilitation of initial financial adviser charges).
- 5.5 A side letter dated 25 October 2019 from Mobeus to I&G pursuant to which Mobeus has agreed, in the event that I&G utilises its over-allotment facility, to waive its management fees payable for the 12 month period commencing on the start of the first calendar quarter following the close of the I&G Offer under the agreement referred to at paragraph 5.1 above by an amount equal to 1% of any net funds raised by I&G under its over-allotment facility.

6 Objective and investment policy

6.1 Objective

The investment objective of I&G is to provide investors with an attractive return, by maximising the stream of tax-free dividend distributions from the income and capital gains generated by a diverse and carefully selected portfolio of investments, while continuing at all times to qualify as a VCT.

6.2 Investment policy

I&G's policy is to invest primarily in a diverse portfolio of UK unquoted companies.

Asset Mix and Diversification

I&G will seek to make investments in UK unquoted companies in accordance with the requirements of prevailing VCT legislation. Investments are made selectively across a wide variety of sectors, principally in established companies.

Investments are generally structured as part loan and part equity in order to receive regular income and to generate capital gain from realisations.

There are a number of conditions within the VCT legislation which need to be met by I&G and which may change from time to time.

No single investment may represent more than 15% (by VCT tax value) of I&G's total investments at the date of investment.

Save as set out above, I&G's other investments are held in cash and liquid funds.

Liquidity

I&G'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

I&G's articles of association permit borrowing of up to 10% of the adjusted capital and reserves (as defined therein). However, I&G has never borrowed and the I&G Board would only consider doing so in exceptional circumstances.

- 6.3 It is the intention of the I&G Directors that I&G will pay dividends or make distributions from revenue profits and capital profits realised from the sale of investments.
- 6.4 I&G is subject to the investment restrictions relating to a venture capital trust in the Tax Act, as more particularly detailed in Part Eight of the Securities Note, and in the Listing Rules which specify that (i) I&G must, at all times, invest and manage its assets in a way which is consistent with its object of spreading investment risk and in accordance with its published investment policy as set out in paragraph 6.2 above; (ii) I&G must not conduct any trading activity which is significant in the context of its group as a whole; and (iii) I&G may not invest more than 10%, in aggregate, of the value of the total assets of the issuer at the time an investment is made in other listed closed-ended investment funds. Any material change to the investment policy of I&G will require the approval of I&G Shareholders pursuant to the Listing Rules. I&G intends to direct its affairs in respect of each of its accounting periods so as to qualify as a venture capital trust and accordingly:
- (a) I&G's income is intended to be derived wholly or mainly from shares or other securities, as this phrase is interpreted by HMRC;
 - (b) I&G will not control the companies in which it invests in such a way as to render them subsidiary undertakings;
 - (c) none of the investments at the time of acquisition will represent more than 15% by VCT Value of I&G's investments; and
 - (d) not more than 20% of I&G's gross assets will at any time be invested in the securities of property companies.
- 6.5 Mobeus has and will have sufficient and satisfactory relevant experience in advising on investments of the size and type which I&G proposes to make. The I&G Directors will also ensure that the board of I&G and any additional or replacement investment advisers have and will have sufficient and satisfactory experience in advising on such investments.
- 6.6 In the event of a breach of the investment restrictions which apply to I&G as described in paragraph 6.4 above, Shareholders of I&G will be informed by means of the half-year and/or the annual report or through a RIS Announcement.
- 6.7 The I&G Directors act and will continue to act independently of Mobeus. No majority of the I&G Directors will be directors or employees of, or former directors or employees of, or professional advisers to, Mobeus or any other company in the same group as Mobeus.
- 6.8 The investment policy as set out in this paragraph 6, in the absence of unforeseen circumstances, will be adhered to by I&G for at least three years following the date of close of the I&G Offer. Any material change to I&G's investment policy in any event will only be made with the approval of the shareholders of I&G by ordinary resolution.

7 Related party disclosures

Save for the offer agreement and the side letter as set out in paragraphs 5.4 and 5.5 above, I&G has not entered into any related party transactions within the meaning of IFRS or UK GAAP since 30 September 2018.

8 Overseas investors

The issue of Offer Shares to persons resident in or citizens of jurisdictions outside the UK may be affected by the laws of the relevant jurisdiction. Such investors should inform themselves about and observe any legal requirements, in particular:

- 8.1 none of the Offer Shares have been or will be registered under the United States Securities Act 1933, as amended, or qualify under applicable United States state statute and the relevant clearances have not been, and will not be, obtained from the securities commission of any province of Canada, Australia, Japan, South Africa or New Zealand;
- 8.2 the Companies are not registered under the United States Investment Company Act of 1940, as amended and investors are not entitled to the benefits of that Act; and
- 8.3 no offer is being made, directly, under the I&G Offer, in or into or by the use of emails, or by means of instrumentality (including, without limitation, facsimile, transmission, telex or telephone) or interstate or foreign commerce, or of any facility in a national securities exchange, of the United States, Canada, Australia, Japan, South Africa or New Zealand. It is the responsibility of investors with registered addresses outside the UK to satisfy themselves as to the observance of the laws of the relevant jurisdiction in connection with the issue of Offer Shares, including the obtaining of any government or exchange control or other consents which may be required, the compliance with any other necessary formalities which need to be observed and the payment of any issue, transfer or other taxes or duties due in such jurisdiction.

9 Taxation

The following paragraphs, which are intended as a general guide only and are based on current legislation and HMRC practice, summarise advice received by the I&G Directors as to the position of shareholders who hold I&G Shares other than for trading purposes. Any person who is in any doubt as to his taxation position or is subject to taxation in any jurisdiction other than the United Kingdom should consult his professional advisers.

- 9.1 Taxation of dividends - under current law, no tax will be withheld by I&G when it pays a dividend.
- 9.2 Stamp duty and stamp duty reserve tax - I&G has been advised that no stamp duty or stamp duty reserve tax will be payable on the issue of the I&G Shares. I&G has been advised that the transfer of I&G Shares will, subject to any applicable exemptions, be liable to ad valorem stamp duty at the rate of 0.5% of the consideration paid. An unconditional agreement to transfer such shares if not completed by a duly stamped stock transfer will be subject to stamp duty reserve tax generally at the rate of 50p per £100 (or part thereof) of the consideration paid.
- 9.3 Close company - the I&G Directors believe that I&G is not, and expect that following completion of the I&G Offer will not be, a close company within the meaning of the Tax Act. If I&G were a close company in any accounting period, approval as a Venture Capital Trust would be withdrawn.

10 Miscellaneous

- 10.1 There has been no significant change in the financial position, operations and principal activities of I&G since 31 March 2019, the date to which the last unaudited half-year financial statements for I&G have been published.
- 10.2 Mobeus is the promoter of the I&G Offer and, save as disclosed in paragraph 5 above, no amount of cash, securities or benefits has been paid, issued or given to the promoter and none is intended to be paid, issued or given.
- 10.3 There are no governmental, legal or arbitration proceedings (including any such proceedings which are or were pending or threatened of which I&G is aware) during the 12 months prior to the

date of this Registration Document of I&G which may have or had in the recent past significant effects on I&G's financial position or profitability.

- 10.4 Save for the risks set out under 'Economic, Government and Political Risks' in the Risk Factors on page 4 of this document, there are no governmental, economic, monetary, political or fiscal policies and factors which have or could affect I&G's operations.
- 10.5 Assuming that the I&G Offer is fully subscribed (utilising the over-allotment facility and taking into account the cap on the Mobeus fee referred to in paragraph 5.4 above) the maximum expenses and the minimum net proceeds will be (excluding any annual trail commission and any amounts due from I&G to investors in connection with the facilitation of financial adviser initial adviser charges) £250,000 and £9,750,000 respectively. The issue premium on an I&G Share issued pursuant to the I&G Offer will be the difference between the issue price of that share and the nominal value thereof of 1p.
- 10.6 I&G's capital resources are restricted insofar as they may be used only in putting into effect the investment policy described in paragraph 6 above.
- 10.7 I&G does not have any major Shareholders notifiable under company law and no Shareholders have different voting rights. To the best of the knowledge and belief of the I&G Directors, I&G is not directly controlled by any other party and at the date of the Prospectus, there are no arrangements in place that may, at a subsequent date, result in a change of control of I&G.
- 10.8 I&G and its shareholders are subject to the provisions of the City Code on Takeovers and Mergers and CA 2006, which require shares to be acquired/transferred in certain circumstances.
- 10.9 The typical investor for whom investment in I&G is designed is a retail investor who is a UK taxpayer, aged 18 or over and who already has a portfolio of VCT and non-VCT investments (such as unit trusts, OEICs, investment trusts and direct shareholdings in listed and non-listed companies). The investor should be comfortable with the risk factors set out at the beginning of this document and be willing to retain the investment for at least five years.
- 10.10 BDO LLP act as auditors to I&G. BDO LLP is registered to carry on audit work by the Institute of Chartered Accountants in England and Wales.
- 10.11 Howard Kennedy has given and not withdrawn its written consent to the issue of the Prospectus and the inclusion of its name and the references to it in the Prospectus in the form and context in which they appear.
- 10.12 The I&G Board intends to continue with a policy of maximising the stream of dividend distributions to its Shareholders, from the income and capital gains generated by its investment portfolio, or from other distributable reserves. I&G normally pays income dividends each year. Subject to fulfilling certain regulatory requirements, I&G also seeks to pay capital dividends following portfolio realisations. The ability to pay a dividend is considered at each quarterly I&G Board meeting. I&G has a current annual target dividend of 6p per I&G Share.

(B) ANALYSIS OF THE INVESTMENT PORTFOLIO

All of I&G investments as at today's date, which are analysed below, are in the UK and are valued in sterling.

Sector	% by cost	% by value
Media	10.4	9.8
General retailers	22.5	26.9
Software and computer services	17.8	21.0
Electronics & Electrical Equipment	6.6	7.8
Healthcare Equipment & Services	4.1	1.1
Leisure goods	2.4	4.0
Construction and materials	1.0	0.3
Industrial Engineering	1.3	0.6
Support Services	23.8	17.2
Automobiles and parts	0.1	0.0
General Financial	2.0	4.9
Travel and Leisure	2.8	2.6
General Industrials	3.9	3.8
Personal goods	1.3	0.0

Type	% by cost	% by value
Unlisted ordinary shares	32.1	32.1
Unlisted loan stock and preference shares	31.4	30.7
Listed ordinary shares	1.7	2.9
Cash/liquidity	34.8	34.3

Save for (i) the further investment of £619,000 into MPB Group Limited, (ii) deferred consideration from Entanet Holdings Limited and Master Removers Group Limited of £368,000 and £71,000 respectively and (iii) the voluntary striking off of Backhouse Management Limited, Barham Consulting Limited, Creasy Marketing Services Limited, Hollydale Management Limited and McGrigor Management Limited, there has been no material change to the valuations used to prepare the above analysis (30 June 2019 being the date on which those unaudited valuations were undertaken).

(C) FINANCIAL INFORMATION

I&G has produced annual statutory accounts for the financial year ended 30 September 2018 and a half-year report for the six month period ended 31 March 2019. The auditors, BDO LLP, in respect of the financial year ended 30 September 2018 have reported on the annual statutory accounts without qualification and without statements under sections 495 to 497 of CA 2006.

The annual report referred to above was prepared in accordance with UK generally accepted accounting practice (GAAP), the fair value rules of the Companies Acts and the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'. The annual report contains a description of I&G's financial condition, changes in financial condition and results of operation and, together with the half-year report for the six month period ended 31 March 2019, are being incorporated by reference and can be accessed at the following website:

www.incomeandgrowthvct.co.uk

Where these documents make reference to other documents, such other documents are not incorporated into and do not form part of this Prospectus. The two tables below comprise a cross-referenced list of information incorporated by reference. The parts of these documents which are not being incorporated by reference are either not relevant for an investor or are covered elsewhere in the Prospectus.

Description	2018 Annual Report	2019 Half-Year Report
Balance Sheet	Page 49	Page 14
Income Statement (or equivalent)	Page 48	Pages 12 to 13
Statement showing all changes in equity (or equivalent note)	Pages 50 to 51	Pages 15 to 16
Cash Flow Statement	Page 52	Page 17
Accounting Policies and Notes	Pages 53 to 73	Pages 18 to 23
Auditor's Report	Pages 43 to 47	N/A

Such information also includes operating/financial reviews as follows:

Description	2018 Annual Report	2019 Half-Year Report
Objective	Page 4	Contents page/Inside front cover
Performance Summary	Pages 6 to 9	Page 1
Results & Dividend	Page 2	Page 2
Investment Policy	Page 26	Page 4
Chairman's Statement	Pages 2 to 3	Pages 2 to 3
Manager's Review	Pages 10 to 15	Pages 5 to 7
Portfolio Summary	Pages 20 to 25	Pages 8 to 9
Valuation Policy	Page 59	Page 21

This information has been prepared in a form consistent with that which will be adopted in I&G's next published annual financial statements having regard to accounting standards and policies and legislation applicable to those financial statements.

Certain financial information of I&G is also set out below:

	Year ended 30 September 2018 (audited)	Six month period ended 31 March 2019 (unaudited)
Investment income	£3,093,838	£1,783,886
Profit/(loss) on ordinary activities before taxation	£2,607,124	£3,263,623
Earnings per I&G share	2.62p	3.10p
Dividends paid per I&G Share (in the period)	5.50p	3.50p
Dividends paid per I&G Share (in respect of the period)	6.00p	1.50p
Total assets	£82,767,440	£81,663,165
NAV per I&G share	78.32p	78.03p

As at 31 March 2019, the date to which the most recent unaudited half-year financial statements on I&G were published, I&G had unaudited net assets of £81.4 million. As at 30 June 2019, I&G had unaudited net assets of £84.2 million (81.1p per I&G Share).

The following material investments have been made by I&G since 31 March 2019:

- A new investment of £1.53 million in Arkk Consulting Limited.
- A new investment of £926,000 in Parsley Box Limited
- Further investment of £619,000 in MPB Group Limited.

Save as set out above, there have been no material investments made by I&G since 31 March 2019. In the ordinary course, there are a number of potential investments which are in progress, but no firm commitments have been made in respect of these.

PART V - THE COMPANIES' INVESTMENTS

Ten Largest Investments

The investments set out below represent the Companies' ten largest investments, comprising approximately 40.0% of the aggregate investment portfolios (investments, plus cash and liquidity funds) of the Companies by value.

Tovey Management Limited (trading as Access IS)

Original MBO investment in October 2015

Total cost: £11.0 million

Total valuation: £13.3 million



	MIG	MIG 2	MIG 4	I&G	Year ended 31 December 2018 ¹ (£ million)	
Current cost (£ million)	3.3	1.9	2.5	3.3	Sales	16.6
Valuation (£ million)	3.9	2.4	3.0	4.0	EBITA	0.7
Valuation methodology	Earnings multiple				Profit/(loss) before tax	(0.8)
Equity/voting rights	12.9%	7.7%	9.7%	13.1%	Retained profit/(loss)	(0.3)
Percentage of investment portfolio by value	5.4%	5.4%	5.9%	5.1%	Net assets	(0.7)

Activity: Provider of data capture and scanning hardware

Location: Reading

The information on sales, profits and losses and net assets shown in the table above has been sourced from the latest audited financial year end accounts published by Tovey Management Limited

MPB Group Limited

Original Growth Capital investment in June 2016

Total cost: £6.6 million

Total valuation: £12.2 million



	MIG	MIG 2	MIG 4	I&G	Year ended 31 March 2019 ¹ (£ million)	
Current cost (£ million)	1.9	1.2	1.5	2.0	Sales	31.9
Valuation (£ million)	3.5	2.2	2.7	3.8	EBITA	(1.7)
Valuation methodology	Revenue multiple				Profit/(loss) before tax	(2.4)
Equity/voting rights	6.8%	4.2%	5.3%	7.3%	Retained profit/(loss)	(2.3)
Percentage of investment portfolio by value	4.8%	5.0%	5.4%	4.9%	Net assets	2.5

Activity: Online marketplace for used photographic and video equipment.

Location: Brighton

The information on sales, profits and losses and net assets shown in the table above has been sourced from the latest audited financial year end accounts published by MPB Group Limited

Turner Topco Limited (trading as Auction Technology Group)

Original MBO investment in October 2008



Total cost: £6.9 million
Total valuation: £10.5 million

	MIG	MIG 2	MIG 4	I&G	Year ended 30 September 2018 ¹ (£ million)	
Current cost (£ million)	2.5	1.4	1.5	1.5	Sales	22.2
Valuation (£ million)	3.9	2.0	2.3	2.3	EBITA	3.7
Valuation methodology	Earnings multiple				Profit/(loss) before tax	(7.2)
Equity/voting rights	6.2%	3.3%	3.8%	3.8%	Retained profit/(loss)	(7.6)
Percentage of investment portfolio by value	5.2%	4.6%	4.6%	3.0%	Net assets	(33.1)

Activity: SaaS based online auction marketplace platform

Location: London

The information on sales, profits and losses and net assets shown in the table above has been sourced from the latest audited financial year end accounts published by Turner Topco Limited

Preservica Limited

Original Growth Capital investment in December 2015



Total cost: £7.0 million
Total valuation: £10.4 million

	MIG	MIG 2	MIG 4	I&G	Year ended 31 March 2019 ¹ (£ million)	
Current cost (£ million)	2.1	1.1	1.6	2.2	Sales	3.6
Valuation (£ million)	3.1	1.7	2.4	3.2	EBITA	(2.2)
Valuation methodology	Revenue multiple				Profit/(loss) before tax	(2.3)
Equity/voting rights	14.5%	7.8%	11.0%	15.1%	Retained profit/(loss)	(1.9)
Percentage of investment portfolio by value	4.3%	3.8%	4.7%	4.2%	Net assets	1.0

Activity: Seller of proprietary digital archiving software.

Location: Abingdon, Oxfordshire

The information on sales, profits and losses and net assets shown in the table above has been sourced from the latest audited financial year end accounts published by Preservica Limited.

Virgin Wines Holding Company Limited

Original MBO investment in November 2013



Total cost: £8.4 million

Total valuation: £9.6 million

	MIG	MIG 2	MIG 4	I&G	Year ended 30 June 2018 ¹ (£ million)	
Current cost (£ million)	2.4	1.3	1.9	2.8	Sales	39.9
Valuation (£ million)	2.8	1.5	2.2	3.1	EBITA	1.3
Valuation methodology	Earnings multiple				Profit/(loss) before tax	(0.6)
Equity/voting rights	12.2%	6.4%	9.7%	13.7%	Retained profit/(loss)	(0.6)
Percentage of investment portfolio by value	3.8%	3.3%	4.4%	4.0%	Net assets	2.6

Activity: Online wine retailer.

Location: Norwich.

The information on sales, profits and losses and net assets shown in the table above has been sourced from the latest audited financial year end accounts published by Virgin Wines Holding Company Limited

EOTH Limited

Original MBO investment in October 2011



Total cost: £4.5 million

Total valuation: £9.6 million

	MIG	MIG 2	MIG 4	I&G	Year ended 31 January 2019 ¹ (£ million)	
Current cost (£ million)	1.3	0.8	1.0	1.4	Sales	60.6
Valuation (£ million)	2.8	1.8	2.0	3.0	EBITA	14.1
Valuation methodology	Earnings multiple				Profit/(loss) before tax	12.7
Equity/voting rights	2.3%	1.5%	1.7%	2.5%	Retained profit/(loss)	10.1
Percentage of investment portfolio by value	3.8%	4.0%	4.0%	3.8%	Net assets	26.3

Activity: Distributor of branded outdoor equipment and clothing (Rab and Lowe Alpine).

Location: Alfreton, Derbyshire.

The information on sales, profits and losses and net assets shown in the table above has been sourced from the latest audited financial year end accounts published by EOTH Limited

Pattern Analytics Limited (trading as Biosite)

Original Growth Capital investment in November 2016



Total cost: £5.8 million

Total valuation: £8.8 million

	MIG	MIG 2	MIG 4	I&G	Year ended 31 July 2018 ¹ (£ million)	
Current cost (£ million)	1.6	1.1	1.3	1.8	Sales	9.8
Valuation (£ million)	2.4	1.6	2.0	2.8	EBITA	(0.6)
Valuation methodology	Gross profit multiple				Profit/(loss) before tax	(0.7)
Equity/voting rights	6.6%	4.3%	5.6%	7.4%	Retained profit/(loss)	(0.5)
Percentage of investment portfolio by value	3.3%	3.6%	4.1%	3.5%	Net assets	1.8

Activity: Workforce management and security services for the construction industry.

Location: Solihull.

The information on sales, profits and losses and net assets shown in the table above has been sourced from the latest audited financial year end accounts published by Pattern Analytics Limited

Media Business Insight Holdings Limited

Original MBO investment in January 2015



Total cost: £11.7 million

Total valuation: £8.6 million

	MIG	MIG 2	MIG 4	I&G	Year ended 31 December 2018 ¹ (£ million)	
Current cost (£ million)	3.3	2.0	2.7	3.7	Sales	11.4
Valuation (£ million)	2.4	1.5	2.0	2.7	EBITA	1.5
Valuation methodology	Earnings multiple				Profit/(loss) before tax	(0.8)
Equity/voting rights	19.0%	11.6%	15.7%	21.2%	Retained profit/(loss)	(0.7)
Percentage of investment portfolio by value	3.3%	3.4%	3.9%	3.5%	Net assets	(0.9)

Activity: A publishing and events business focused on the creative production industries.

Location: London.

The information on sales, profits and losses and net assets shown in the table above has been sourced from the latest audited financial year end accounts published by Media Business Insight Holdings Limited

Proactive Group Holdings Inc

Original Growth Capital investment in January 2018



Total cost: £3.3 million

Total valuation: £8.3 million

	MIG	MIG 2	MIG 4	I&G	Year ended 30 June 2018 ¹ (£ million)	
Current cost (£ million)	0.9	0.6	0.8	1.0	Sales	4.8
Valuation (£ million)	2.3	1.6	1.9	2.5	EBITA	(0.3)
Valuation methodology	Revenue multiple				Profit/(loss) before tax	(0.7)
Equity/voting rights	3.2%	2.2%	2.6%	3.4%	Retained profit/(loss)	(0.7)
Percentage of investment portfolio by value	3.2%	3.6%	3.7%	3.2%	Net assets	(1.4)

Activity: Provider of media services and investor conferences for companies primarily listed on secondary public markets.

Location: London (trading subsidiary).

The information on sales, profits and losses and net assets shown in the table above has been sourced from the latest consolidated unaudited financial year end accounts provided by Proactive Group Holdings Inc.

Vian Marketing Limited (trading as Red Paddle Co)

Original MBO investment in July 2015



Total cost: £4.0 million

Total valuation: £6.7 million

	MIG	MIG 2	MIG 4	I&G	Year ended 28 February 2018 ¹ (£ million)	
Current cost (£ million)	1.2	0.7	0.9	1.2	Sales	13.6
Valuation (£ million)	2.0	1.2	1.5	2.0	EBITA	1.6
Valuation methodology	Earnings multiple				Profit/(loss) before tax	0.6
Equity/voting rights	9.3%	5.6%	7.1%	9.5%	Retained profit/(loss)	0.4
Percentage of investment portfolio by value	2.7%	2.7%	3.0%	2.6%	Net assets	2.7

Activity: Design, manufacture and sale of stand-up paddleboards and windsurfing sails.

Location: Totnes, Devon.

The information on sales, profits and losses and net assets shown in the table above has been sourced from the latest audited financial year end accounts published by Vian Marketing Limited

¹ – The information on investee companies' sales, profits and losses and net assets shown in the tables above has been sourced from the latest financial year end accounts published (unless stated otherwise) by those investee companies, not all of which is audited (Third Party Information). The Third Party Information has been accurately reproduced and, as far as the Companies are aware and are able to ascertain from information published by the investee companies, no facts have been omitted which would render the reproduced information inaccurate or misleading. The 'Retained profit/(loss)' figures are in respect of the stated financial year for the relevant investee company as opposed to a cumulative amount (that would have included profits or losses carried forward from previous financial years).

Full investment Portfolio

The following is a summary of the Companies' full investment portfolios:

	MIG Valuation £m	MIG 2 Valuation £m	MIG 4 Valuation £m	I&G Valuation £m	Total Valuation £m	Total Investment Portfolios %
Total of ten largest investments in the portfolio set out above	29.1	17.5	22.0	29.4	98.0	40.0
<u>Other investments in the portfolio:</u>						
CGI Creative Graphics International Limited	1.8	1.1	1.4	1.9	6.2	2.5
Master Removers Group 2019 Limited (trading as Ward Thomas)	1.6	0.9	1.3	1.8	5.6	2.3
My Tutorweb Limited	1.5	1.0	1.3	1.8	5.6	2.3
Manufacturing Services Investment Limited (trading as Wetsuit Outlet)	1.5	0.9	1.3	1.8	5.5	2.2
Tharstern Group Limited	1.5	0.8	1.2	1.5	5.0	2.0
Arkk Consulting Limited	1.5	0.9	1.1	1.5	5.0	2.0
Vectair Holdings Limited	2.4	1.0	0.4	0.9	4.7	1.9
Ibericos Etc. Limited (trading as Tapas Revolution)	1.2	0.8	1.0	1.3	4.3	1.8
Buster and Punch Holdings Limited	1.1	0.6	0.9	1.2	3.8	1.5
RotaGeek Limited	0.9	0.6	0.7	1.0	3.2	1.3
Kudos Innovations Limited	0.8	0.6	0.7	0.9	3.0	1.2
Parsley Box Limited	0.9	0.5	0.7	0.9	3.0	1.2
RDL Corporation Limited	0.9	0.6	0.6	0.8	2.9	1.2
Blaze Signs Holdings Limited	1.0	0.7	0.3	0.6	2.6	1.1
Redline Worldwide Limited	0.5	0.3	0.4	0.6	1.8	0.7
IDOX plc - AIM quoted	n/a	n/a	n/a	1.4	1.4	0.6
Bourn Bioscience Limited	n/a	0.1	0.3	0.4	0.8	0.4
BookingTek Limited	0.2	0.1	0.2	0.2	0.7	0.3
Veritek Global Holdings Limited	0.2	0.1	0.1	0.2	0.6	0.2
Jablite Holdings Limited	0.1	0.1	0.1	0.2	0.5	0.2
Super Carers Limited	0.1	0.1	0.1	0.2	0.5	0.2
Omega Diagnostics Group plc - AIM quoted	n/a	n/a	0.2	0.2	0.4	0.2
Aquasium Technology Limited	n/a	n/a	n/a	0.3	0.3	0.1
Cashfac Limited	n/a	n/a	0.2	n/a	0.2	0.1
Total of other investments in the portfolio	19.7	11.8	14.5	21.6	67.6	27.5
Total Investments	48.8	29.3	36.5	51.0	165.6	67.5
Liquidity funds/cash balances	24.0	14.7	14.2	26.7	79.6	32.5
Total Investment Portfolios	72.8	44.0	50.7	77.7	245.2	100.0

See notes to this table below.

Notes

Investment and portfolio information contained in this Part V has been extracted from the Companies' accounting records (taken from the MIG Half-Year Report and MIG 4 Half-Year Report (in each case to 30 June 2019, unaudited) and from the unaudited management accounts to 30 June 2019 for MIG 2 and I&G), save for the following adjustments:

- (i) The following movements have occurred since 1 July 2019 across the Companies:
 - a) Further investments by the Companies in MPB Group Limited totalling £2.0 million (MIG: £576,000, MIG 2: £356,000, MIG 4: £449,000, I&G: £619,000).
 - b) Deferred consideration received by the Companies from Entanet Holdings Limited totalling £1.1 million (MIG: £314,000, MIG 2: £167,000, MIG 4: £251,000, I&G: £368,000).
 - c) Deferred consideration received by the Companies from Master Removers Group Limited totalling £226,000 (MIG: £64,000, MIG 2: £38,000, MIG 4: £53,000, I&G: £71,000).
 - d) The following investee companies have been voluntarily struck off: Backhouse Management Limited, Barham Consulting Limited, Creasy Marketing Services Limited, Hollydale Management Limited and McGrigor Management Limited (which had no effect on the net assets of the Companies).
- (ii) Balances in cash and liquidity funds are as at 30 June 2019, as adjusted for the transactions above, as well as dividends paid after 30 June 2019, namely MIG (4.0p per MIG Share), MIG 2 (15.0p per MIG 2 Share), MIG 4 (13.0p per MIG 4 Share) and I&G (6.0p per I&G Share), and the buyback of Shares by each Company on 26 September 2019, namely MIG (742,956 MIG Shares at 64.54p per MIG Share), MIG 2 (181,671 MIG 2 Shares at 84.55p per MIG 2 Share), MIG 4 (526,933 MIG 4 Shares at 70.11p per MIG 4 Share) and I&G (524,523 I&G Shares at 70.08p per I&G Share). The estimated percentage of total investment portfolios (investments, cash and liquidity funds) held in cash and liquidity funds, adjusting for the cash transactions above, are MIG: 33.0%, MIG 2: 33.4%, MIG 4: 28.0%, and I&G: 34.3%.

As at the date of this document, save as set out above, there has been no material change in the valuations of investments set out in this Part V since 30 June 2019 in respect of all four Companies.