

Mobius Income
& Growth VCT plc
A Venture Capital Trust

Unaudited Half-Year Report
for the six months ended 30 June 2021



Mobeus Income & Growth VCT plc (“the Company”) is a Venture Capital Trust (“VCT”) listed on the London Stock Exchange. Its investment portfolio is advised by Mobeus Equity Partners LLP (“Mobeus”).

Company Objective

The Objective of the Company 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.

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YOUR PRIVACY

We are committed to protecting and respecting your privacy. To understand how we collect, use and otherwise process personal data relating to you, or that you provide to us, please read our privacy notice, which can be found at www.migvct.co.uk.

Financial Highlights

Results for the six months ended 30 June 2021

As at 30 June 2021:

Net assets: **£107.41 million**

Net asset value (“NAV”) per share: **85.56 pence**

- Net asset value (“NAV”) total return¹ per share was 27.6%.
- Share price total return¹ per share was 33.0%.
- The Board declared an interim dividend in respect of the current year of 5.00 pence per share, paid to Shareholders on 12 July 2021. Payment of this dividend has increased cumulative dividends paid¹ since inception in 2004 to 144.80 pence per share.
- The Company made four new investments totalling £3.15 million and four follow-on investments totalling £1.32 million.
- £22.35 million of unrealised gains were achieved in the period from strong portfolio performance.
- The Company realised investments totalling £6.61 million, a gain of £1.50 million for the six months over their valuation at 31 December 2020.

¹ Definitions of key terms and alternative performance measures (“APMs”) / Key performance indicators (“KPIs”) shown above and throughout this Report are shown in the Glossary of terms on pages 30 and 31.

Performance Summary

The table below shows the recent key data and cumulative performance since inception as at 30 June 2021 and for the previous year.

Reporting date	Net assets	NAV per Share	Share price ¹	Cumulative dividends paid per share	Cumulative total return per share to Shareholders ²		Dividends paid and proposed in respect of each period/year (p)
					(NAV basis)	(Share price basis)	
As at	(£m)	(p)	(p)	(p)	(p)	(p)	(p)
30 June 2021	107.41	85.56	76.50 ³	139.80	225.36	216.30	5.00 ⁴
31 December 2020	84.69	67.03	57.50	139.80	206.83	197.30	11.00
30 June 2020	74.71	58.86	50.50	134.80	193.66	185.30	6.00

¹ Source: Panmure Gordon (mid-price). Note that the Share price at 30 June 2021 is by reference to the last announced NAV per share at 31 March 2021 of 80.31 pence. Applying a c.5% discount to this figure, which is the basis on which the Company was willing to repurchase shares at that date, gives the share price of 76.50 pence per share.

² Cumulative total return per share comprises either the NAV per share (NAV basis) or the mid-market price per share (share price basis), plus cumulative dividends paid since launch in 2004.

³ The share price at 30 June 2021 has been adjusted to add back the dividend of 5.00 pence per share paid on 12 July 2021, as the listed share price was quoted ex this dividend at the period-end.

⁴ The Board declared an interim dividend of 5.00 pence per share in respect of the year ending 31 December 2021. The dividend was paid to Shareholders on 12 July 2021.

Dividends paid post period-end in respect of year ending 31 December 2021

An interim dividend of 5.00 pence per share was paid on 12 July 2021 to Shareholders on the Register on 21 May 2021.

Detailed performance data, including a table of dividends paid to date for all share classes and fundraising rounds, including former Matrix Income & Growth 3 VCT plc Shareholders, is shown in the Performance Data appendix on pages 28 and 29. The tables, which give information by allotment date on NAVs and dividends paid per share, are also available on the Company’s website at www.migvct.co.uk where they can be accessed by clicking on “table” under “Reviewing the performance of your investment” on the home page.

Chairman's Statement

I present the Company's Half-Year Report for the six months to 30 June 2021.

Overview

The first six months of the Company's financial year have been very satisfactory for Shareholders. The Company achieved two consecutive quarters of strong performance combining to a NAV total return per share of 27.6% for the period.

At the time of my last Statement in the Company's Annual Report for the year ended 31 December 2020, I reported on the resilience of the portfolio and the Company's strong recovery from the initial shock of COVID-19. I am pleased to say that this momentum has been sustained into the new financial year with a period of unprecedented value growth, driven fundamentally by strong trading performance across the portfolio coupled with a number of landmark transactions for the VCT. A record earnings figure of £23.29 million was achieved for the six months to 30 June 2021, but Shareholders should note that £22.35 million of this arises from increases in the valuation of investments. This element of profit cannot be distributed as dividends until the investments are sold.

This robust performance, despite initial teething issues following Brexit, is very encouraging. However, some indirect effects of COVID-19 are starting to be felt by portfolio businesses, for example, in the emergence of a broad range of supply-side shortages, from cardboard packaging through to electronic components and freight space. As restrictions are being further eased, there remains much uncertainty around these secondary and longer-term effects of the pandemic which will demand continued close monitoring going forward. Nevertheless, most of the investee companies in the portfolio have thus far proven their ability to adapt well in a rapidly changing environment and have avoided any significant direct impact of COVID-19 on their trading performance. Your Board has been encouraged by their adeptness in facing challenges by swiftly identifying new opportunities and capitalising on them. In particular, favourable trading conditions continue for a number of technology-related companies in the portfolio, particularly those businesses operating direct-to-consumer models.

During the period under review and despite considerable COVID-19 related restrictions, M&A activity has remained buoyant and the Investment Adviser continues to see a healthy deal flow. The Company added four new investments to its portfolio, deployed follow-on funding into four existing portfolio companies and supported the successful admission to AIM of a further two of its investments.

Finally, I would like to draw Shareholder's attention to a positive development in respect of the Company's Investment Adviser, Mobeus Equity Partners LLP. Please refer to 'Proposed change in management arrangements' later in my Statement.

Performance

The Company's NAV total return per share was 27.6% for the six months to 30 June 2021 (2020: 0.1%), and the share price total return was 33.0% (2020: a fall of 5.1%). This represents an exceptional uplift for the period and contrasts markedly with that recorded through the height of the COVID-19 pandemic for the same period last year.

The positive NAV total return for the period was principally the result of significant unrealised gains in the value of investments still held, as well as realised gains achieved via partial realisations of several portfolio companies.

The valuations at the half-year point reflect the continued beneficial impact of changes in UK consumer and business behaviour, brought on by the pandemic and lockdown restrictions. In the case of two direct-to-consumer portfolio companies (Virgin Wines and Parsley Box), whose shares were admitted to public trading on AIM in March 2021, the Company has benefited from the market's recognition of this rapidly developing channel, reflected in the substantial investor appetite for the offers of shares. Nonetheless, the Board remains vigilant in monitoring the lasting economic uncertainty and increased concentration of risk associated with holding a significant portion of the portfolio's value in a small number of public market investments, which accounted for 15.3% of NAV at 30 June 2021.

At the period-end, the Company was ranked 3rd out of 39 Generalist VCTs over five years and 3rd out of 30 Generalist VCTs over 10 years, in the Association of Investment Companies' analysis of NAV Cumulative Total Return. Shareholders should note that these rankings are based upon the Company's latest published NAV, at 31 March 2021.

Investment Portfolio

The portfolio has performed very strongly in the first six months of the Company's financial year. The overall value increased by £23.85 million (2020: a fall of £0.78 million), or 46.6% (2020: a fall of 1.5%) on a like-for-like basis, compared to the opening portfolio value at 1 January 2021 of £51.14 million. This increase comprised a net unrealised uplift in portfolio valuations of £22.35 million, and £1.50 million in net realised gains over the period.

At the period-end, the portfolio was valued at £72.85 million after taking account of investments purchased and partially realised in the period, together with the unrealised gains referred to above. Two notable events supported the overall £23.85 million increase in portfolio valuation during the period. The flotation of both Virgin Wines and Parsley Box on the AIM market in March 2021 resulted in significant uplifts in valuation. As part of the Virgin Wines transaction, the Company received repayment of its remaining loan stock, leaving Virgin Wines unencumbered. As part of the IPO of Parsley Box, the Company realised part of its equity holding, securing a 4.0x return on the cost of the shares sold. There were further substantial increases in

valuations from MyTutor, MPB and Vian Marketing (trading as Red Paddle), partially offset by modest valuation falls at Andersen EV and Kudos Innovations. Although a minority of companies remain disadvantaged by the COVID-19 pandemic, these have only had a modest impact on overall shareholder returns.

Within the net realised gains, the principal contributors were the partial exits of Parsley Box and MPB, realising gains of £0.69 million and £0.53 million respectively. Proceeds generated from these gains, combined with loan repayments and other capital receipts, totalled £6.61 million received by the Company in the period.

During the six months under review, the Company invested a total of £3.15 million into four new investments: an AI and Urban Traffic Control system (Vivacity Labs), a provider of UK leisure and experience breaks (Caledonian Leisure), a SaaS LegalTech software business (Legatics) and a veterinary clinics and pet food provider (Vet's Klinik).

In addition, four follow-on investments totalling £1.32 million were made into a provider of ambient ready meals targeting the over 60s (Parsley Box), a hair colourants brand (Bleach London), a regulatory and reporting requirement service provider (Arkk Consulting) and a Spanish restaurant chain (Tapas Revolution). We expect follow-on investments to continue to be a feature of the growth capital investments as they seek to achieve scale.

Since the period-end, the Company has also made one follow-on investment of £0.82 million into a digital tutoring marketplace (MyTutor). In the following days, the Company sold part of its original equity holding in MyTutor to a strategic investor generating proceeds of £0.82 million and a £0.60 million realised gain for the Company over the original cost of the equity shares sold. In isolation, the impact of this partial sale is a 0.08 pence uplift in NAV per share compared to the 30 June 2021 NAV per share contained within this Half Year Report.

Details of this investment activity and the performance of the portfolio are contained in the Investment Adviser's Review and the Investment Portfolio Summary on pages 5 to 12.

Revenue account

The results for the period are set out in the Unaudited Condensed Income Statement on pages 14 and 15 and show a revenue return (after tax) of 0.12 pence per share (2020: 1.54 pence per share). The revenue return for the period of £0.16 million has decreased from last year's figure of £1.92 million. This is mainly due to significant investment income received on the disposal of Auction Technology Group which inflated the prior year's figure. Shareholders should note that future income returns are expected to be lower than in prior years as the portfolio evolves to be comprised of a higher proportion of younger growth capital investments which are less likely to provide income to the VCT until they have achieved significant scale and/or are sold.

Dividends

The Board was pleased to declare an Interim dividend of 5.00 pence per share for the year ending 31 December 2021. This dividend was paid on 12 July 2021, to Shareholders on the Register on 21 May 2021, and brought cumulative dividends paid per share since inception in 2004 to 144.80 pence.

The Company's ongoing dividend target, first established almost a decade ago, of paying at least 4.00 pence per share in respect of each financial year has always been achieved and has often been exceeded.

Whilst the Board still believes this dividend target is attainable, it should be noted that the continued movement of the portfolio to a larger share of younger growth capital investments could lead to increased volatility, which may affect the return in any given year. As noted in my Overview, Shareholders should be aware that the majority of the NAV total return for the current year to date relates to the unrealised gains of the portfolio, which are not yet available for distribution as dividends.

To the extent that dividends are paid other than out of income or from gains on investments, for instance out of special distributable reserves, Shareholders should note this may result in a reduction in NAV.

Fundraising

The Board, with the Investment Adviser, continues to monitor the Company's liquidity levels and cashflow requirements in view of investment activity, market movements and regulatory obligations. With these in mind and under regular review, the Board comes to a decision with regards to future fundraising requirements and, in doing so, will notify Shareholders of any intention to raise further funds for the Company through an Offer for Subscription.

Liquidity

The Board continues to monitor credit risk in respect of its cash and near cash resources and to prioritise the security and protection of the Company's capital. Cash and liquidity fund balances as at 30 June 2021 amounted to £34.92 million representing 32.5% of net assets. After the period-end, following the payment of a 5.00 pence per share dividend, the pro-forma level of liquidity will be £28.60 million (28.3% of net assets).

Share buy-backs

During the six months to 30 June 2021, the Company bought back and cancelled 798,572 of its own shares, representing 0.6% (2020: 0.8%) of the shares in issue at the beginning of the period, at a total cost of £0.57 million (2020: £0.42 million), inclusive of expenses.

It is the Company's policy to cancel all shares bought back in this way. The Board regularly reviews its buyback policy, where its priority is to act prudently and in the interest of remaining Shareholders, whilst considering other factors, such as levels of liquidity and reserves, market conditions and applicable law and regulations. Under this policy, the

Company seeks to maintain the discount at which the Company's shares trade at approximately 5% below the latest published NAV.

Shareholder Communications

May I remind you that the Company has its own website which is available at: www.migvct.co.uk.

The Investment Adviser last held its annual Shareholder Event on behalf of all Mobeus-advised VCTs in February 2020. Last year's event was well received and the Investment Adviser plans to hold another event later in 2021. Further details will be circulated to Shareholders and shown on the Company's website in due course.

An update on the performance of the Company was provided at the Annual General Meeting held in May 2021. A recording of the AGM is still available on the website (using the link above) under Key Shareholder information/Shareholder meetings if you wish to refer to this.

Fraud Warning

We are aware of a number of cases where Shareholders are being fraudulently contacted or are being subjected to attempts of identity fraud. Shareholders should remain vigilant of all potential financial scams or requests for them to disclose personal data. The Board strongly recommends Shareholders take time to read the Company's Fraud warning section, including details of who to contact, contained within the Information for Shareholders section on pages 26 and 27.

Environmental, Social and Governance ("ESG")

Whilst the requirements under company law to detail ESG matters are not applicable to the Company at the current time, the Board is conscious of the Company's potential impact on the environment as well as its social and corporate governance responsibilities. The Investment Adviser has presented its ESG strategy to the Board and is providing regular updates regarding ESG developments.

Your Board would like to assure Shareholders that ESG matters form a key consideration in investment decisions. The future FCA reporting requirements consistent with the Task Force on Climate-related Financial Disclosures commencing from 1 January 2021 do not currently apply to the Company although will be kept under review in light of any recommended changes.

Proposed change in management arrangements

Shareholders will have received a letter or email explaining that the Investment Adviser to the Company, Mobeus Equity Partners LLP ("Mobeus") has agreed to a sale of its VCT and investment management business to a subsidiary of Gresham House plc. The Board, alongside the Boards of the other Mobeus-advised VCTs, have agreed to the novation of the investment advisory arrangements from Mobeus to Gresham House. Gresham House is a fast growing specialist fund group with a

long-term commitment to the VCT Industry and is the existing investment manager of the two Baronsmead VCTs. The entire core management, investment and operational teams involved with the Mobeus-advised VCTs will all transfer to Gresham House in connection with this transaction. This integration will create one of the largest teams in the sector with the coverage, experience and know-how to access more and higher quality investment opportunities. The Board is confident that the team will continue to build the Company's portfolio and enhance its value. The Board considers that this change is in the interests of Shareholders and looks forward to working with Gresham House to achieve a continued strong investment performance for the Mobeus-advised VCTs. The Board can confirm that no material changes are being made to the investment advisory arrangements. Shareholders can also be assured that the Board's track record of governance and independence will be maintained. Completion of these arrangements is expected to take effect on or around 1 October 2021. For further details, please refer to the Company's website, under 'Shareholder literature' at www.migvct.co.uk.

Outlook

Both the direct and indirect impacts of COVID-19 have and will continue to be wide reaching. Nevertheless, your Board considers that your Company is well positioned to continue to respond and adapt in most likely scenarios that can presently be foreseen. The strong liquidity arising from successful realisations and previous fundraisings has enabled the Company to support the existing portfolio, and should allow it to capitalise on new opportunities. New and further investment activity has been positive in the first six months of the year and the Board is confident in the Investment Adviser's ability to deliver new growth transactions but also to realise further profits from the existing portfolio.

COVID-19 uncertainties and, in particular, the emerging supply-side issues may cause continuing instability and fuel inflationary concerns going forward. UK and European businesses will also continue to operate in an uncertain trading environment for the near future as the new UK/EU trade agreement continues to bed down. However, the companies in the portfolio have been well prepared for a considerable time for the impact of Brexit and those preparations appear to be working well. Although there are signs that the UK's successful vaccination programme is beginning to bear fruit, there remains a risk of potential future restrictions. Even with continuing uncertainty, both the Investment Adviser and portfolio companies remain well positioned to not only respond but to prosper in the future.

I would like to take this opportunity once again to thank our Shareholders for their continued support.


Clive Boothman
Chairman
16 September 2021

Investment Policy

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

Investments

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

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

accordance with the requirements of prevailing VCT legislation.

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

Liquidity

The Company's cash and liquid funds are held in a portfolio of readily realisable interest-bearing investments,

deposit and current accounts, of varying maturities, subject to the overriding criterion that the risk of loss of capital be minimised.

Borrowing

The Company's Articles of Association permit borrowing of up to 10% of the adjusted capital and reserves (as defined therein). However, the Company has never borrowed and the Board would only consider doing so in exceptional circumstances.

Summary of VCT regulation

To assist Shareholders, the following table contains a summary of the most important rules that determine VCT approval.

- To maintain its status as a VCT, the Company must meet a number of conditions, the most important of which are that:
- the Company must hold at least 80%, by VCT tax value¹, of its total investments (shares, securities and liquidity) in VCT qualifying holdings, within approximately three years of a fundraising;
 - all qualifying investments made by VCTs after 5 April 2018, together with qualifying investments made by funds raised after 5 April 2011, are in aggregate required to comprise at least 70% by VCT tax value in "eligible shares", which carry no preferential rights (save as may be permitted under VCT rules);
 - no investment in a single company or group of companies may represent more than 15% (by VCT tax value) of the Company's total investments at the date of investment;
 - the Company must pay sufficient levels of income dividend from its revenue available for distribution so as not to retain more than 15% of its income from shares and securities in a year;
 - the Company's shares must be listed on a regulated European stock market;
 - non-qualifying investments can no longer be made, except for certain exemptions in managing the Company's short-term liquidity;
 - VCTs are now required to invest 30% of funds raised in an accounting period beginning on or after 6 April 2018 in qualifying holdings within 12 months of the end of that accounting period, and
 - the period for reinvestment of proceeds on disposal of qualifying investments is now 12 months, up from 6 months previously.

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

- which carry on a qualifying trade;
- which have no more than £15 million of gross assets at the time of investment and no more than £16 million immediately following investment from VCTs;
- whose maximum age is generally up to seven years (ten years for knowledge intensive businesses);
- that receive no more than an annual limit of £5 million and a lifetime limit of £12 million (for knowledge intensive companies the lifetime limit is £20 million, and the annual limit is £10 million), from VCTs and similar sources of State Aid funding;
- that use the funds received from VCTs for growth and development purposes.

In addition, VCTs may not:

- offer secured loans to investee companies, and any returns on loan capital above 10% must represent no more than a commercial return on the principal; and
- make investments that do not meet the 'risk to capital' condition (which requires a company, at the time of investment, to be an entrepreneurial company with the objective to grow and develop, and where there is a genuine risk of loss of capital).

¹ VCT tax value means as valued in accordance with prevailing VCT legislation. The calculation of VCT tax value is arrived at using tax values, based on the cost of the most recent purchase of an investment instrument in a particular company, which may differ from the actual cost of each investment shown in the Investment Portfolio Summary on pages 10 to 12.

Investment Adviser's Review

Portfolio Review

More than one year on from a low point in March 2020 marked by value reductions and market volatility, it is apparent that the overall portfolio has adapted well and generally remained robust. Having recovered from the COVID-19 related decline by the start of 2021, and with the economic uncertainty now dissipating to some extent, the portfolio has returned to a more stable and positive trajectory.

It should be noted that, whilst markets helped deliver a buoyant recovery in 2020, the main driver of value growth in 2021 has been a continuation of strong underlying trading performance across the portfolio. This has been bolstered by a small number of significant re-ratings resulting from flotations or sizeable fundraisings during the period.

Whilst there have been a few portfolio companies which have experienced disruption as a result of the ongoing UK lockdowns, a significant proportion have actually benefited from a structural change in consumer purchasing habits and are now trading above their pre COVID-19 levels.

Overall, the majority of the portfolio has demonstrated a high degree of resilience, with over 90% of companies by number showing revenue and/or earnings progression over the previous two years. Investments classified as Retailers now comprise over 48% of the portfolio by

value, all of which have a direct-to-consumer model, with only one retaining any shops at all. In the case of both Virgin Wines UK PLC and Parsley Box Group PLC, this strong performance led to successful AIM flotations in March 2021.

Whilst the exposure to Retailers is very well diversified across the most attractive business models, it is noted that 22.5% of the invested portfolio value is now concentrated in the above two recently AIM-listed investments. The AIM market has witnessed some volatility as of late, though the Company's investments retain their strong position and Mobeus remains confident in their prospects. In line with market practice, in both cases the Company's shareholdings are subject to lock-up arrangements normal for a transaction of this type.

Within the portfolio, software and other technology-enabled businesses have performed strongly, with MPB attracting a sizeable equity investment from a large private equity investor in a Series D funding round. A small number of companies have struggled, though they are in the minority and their impact on overall shareholder return is minimal. Furthermore, some of these companies, such as Media Business Insight and RDL, have seen a recent uplift in business which suggests a potentially more positive outlook, though it is still early days in their recovery.

Strong trading activity levels have created investment opportunities for the Company as portfolio companies sought to enhance their positions by building capability in light of demand. A number of further investments were therefore made into the portfolio during the period. Mobeus continues to review the opportunities for follow-on investments and is in a good position to capitalise on these due to the Company's strong liquidity. M&A sentiment also remained buoyant with a continuing stream of attractive realisations throughout the period. The outlook for both follow-on investment and realisations continues to be positive.

The Company made investments totalling £4.47 million (2020: £1.68 million), comprising £3.15 million (2020: £0.27 million) into four new investments and £1.32 million (2020: £1.41 million) into four existing investments. This level of new and follow-on investment is pleasing given the continued uncertainty and lockdown restrictions over the period under review.

Overall, it is reassuring to see that the traditional investments, as well as the growth investments, are continuing to make good progress. A strong track record for the growth investments is now emerging which validates the revised strategy arising from the change in VCT rules in 2015.

The portfolio's valuation changes in the six month period under review are summarised as follows:

Investment Portfolio Capital Movement	2021 £m	2020 £m
Increase in the value of unrealised investments	22.76	4.59
Decrease in the value of unrealised investments	(0.41)	(7.36)
Net increase/(decrease) in the value of unrealised investments	22.35	(2.77)
Realised gains	1.57	2.05
Realised losses	(0.07)	(0.06)
Net realised gains in the period	1.50	1.99
Net investment portfolio movement in the period	23.85	(0.78)


The portfolio movements in the six month period are summarised as follows:

	2021 £m	2020 £m
Opening portfolio value	51.14	51.70
New and follow-on investments	4.47	1.68
Disposal proceeds	(6.61)	(9.35)
Net realised gains	1.50	1.99
Unrealised valuation movements	22.35	(2.77)
Portfolio value at 30 June	72.85	43.25

Investment Adviser's Review

New investments during the period

The Company made four new investments totalling £3.15 million during the period, as detailed below:

	Company	Business	Date of investment	Amount of new investment (£m)
	Vivacity	Artificial intelligence & urban traffic control system	February 2021	1.16


Vivacity (vivacitylabs.com) develops camera sensors with on-board video analytics software that enables real-time anonymised data gathering of road transport system usage. It offers city transport authorities the ability to manage their road infrastructure more effectively, enabling more efficient monitoring of congestion and pollution levels as well as planning for other issues, such as the changing nature of road usage (e.g. the increasing number of cyclists). The technology and software represent a significant leap forward for local planning authorities which have traditionally relied upon manual data collection methods. The growth capital funding will allow the management team to achieve deeper penetration of the UK transport management sector, explore opportunities internationally and commercialise its new Smart Junction offering. Revenues have grown 350% over the last three years and it has exceeded its most recent year's budget despite the onset of the COVID-19 pandemic. In April 2021, Vivacity won the Queen's Award for Enterprise: Innovation 2021.

	Caledonian Leisure	UK leisure and experience breaks	March/April/May 2021	0.41
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Caledonian Leisure works with accommodation providers, coach businesses and other experienced providers (such as entertainment destinations and theme parks) to deliver to its customers UK-based leisure and experience breaks. It comprises two brands, Caledonian Travel (caledoniantravel.com) and UK Breakaways (ukbreakaways.com). The very difficult impact that COVID-19 had on UK travel created an opportunity to invest in a business that is well positioned to expand as lockdown and travel restrictions are eased. The series of planned investment tranches will help the company prepare for and capitalise on what is expected to be strong demand for UK holidays.

	Legatics	SaaS LegalTech software business	June 2021	0.82
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Legatics (legatics.com) transforms legal transactions by enabling deal teams to collaborate on and close deals in an interactive online environment. Designed by lawyers to improve legacy working methods and solve practical transactional issues, the legal transaction management platform increases collaboration, efficiency and transparency. As a result, Legatics has been used by around 1,500 companies, and has been procured by more than half of the top global banking and finance law firms, spanning 50 countries. With this new funding round, Legatics will be looking to double the size of its team over the next 18 months and further develop its technology to deliver new features and use cases for a wider range of practice areas within new and existing customers.

	Vet's Klinik	Veterinary clinics	June 2021	0.76
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Pets' Kitchen (trading as Vet's Klinik) is an established and profitable veterinary clinic providing veterinary services (vetsklinik.co.uk) as well as a premium pet food provider (vetskitchen.co.uk). Its primary Swindon 'super clinic' is a first opinion veterinary practice where pet owners can schedule consultations online and obtain real time feedback of in-patient care through its own technology platform. Without compromising on quality of care, this model enables a significantly higher transaction per vet compared to the industry average. This new investment will be used to roll out its unique clinic model to other sites along the M4 corridor.

Further investments during the period

The Company made four further investments into existing portfolio companies in the period, totalling £1.32 million, as detailed below:

	Company	Business	Date of investment	Amount of further investment (£m)
	Parsley Box	Ambient ready meals targeting the over 60s	January/ March 2021	0.35


Parsley Box (parsleybox.com) is a UK direct to consumer supplier of home delivered, ambient ready meals for the over 60s. Founded in 2017, Parsley Box has grown rapidly and has developed a unique meal delivery solution for its customers. The company supplies a diverse range of ambient meals via next day delivery which are easy to store and aim to contribute to a more independent and healthier lifestyle. The company has seen a strong benefit from the COVID-19 pandemic with revenues nearly eight times that at the time of the original VCT investment. This further investment will scale the company's marketing strategy, enable it to process larger order volumes and continue to build out its team. The company's shares were admitted to trading on AIM on 31 March 2021.

	Bleach London	Hair colourants brand	February 2021	0.14
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Bleach London Holdings ("Bleach") (bleachlondon.com) is an established branded, fast growing business which manufactures a range of haircare and colouring products. Bleach has made sound commercial progress since the VCTs invested in 2019 with its direct-to-consumer channels benefiting greatly from the COVID-19 pandemic. Revenues have grown over 90% ahead of the previous year. This further investment, along with strong support from existing investors, will be used to invest in marketing and infrastructure to enable the business to accelerate its direct-to-consumer channel.

	Arkk Consulting	Regulatory and reporting requirement service provider	February 2021	0.62
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Arkk Consulting (trading as Arkk Solutions) (arkksolutions.com) provides services and software to enable organisations to remain compliant with regulatory reporting requirements. Arkk was established in 2009 and currently has over 800 clients across 20 countries. These include more than 80 of the FTSE 350, and half of the largest 20 accountancy firms in the UK. This further investment is to enable continued development of its software in order to capitalise on HMRC's 'Making Tax Digital' campaign. The company has incorporated artificial intelligence into its product and recurring revenues are now over 50% higher than at the point of the original investment in May 2019.

	Tapas	Spanish restaurant chain	March/June 2021	0.21
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Spanish Restaurant Group (trading as Tapas Revolution) (tapasrevolution.com) is a leading Spanish restaurant chain in the casual dining sector. At initial investment in January 2017, it was operating five sites and, subsequent to a further investment round in March 2018, had grown to 12 sites. Tapas was trading well and had a strong outlook up until the onset of COVID-19 which mandated the closure of much of its estate during the course of 2020 in response to the varying patterns of government restrictions. Costs have been controlled well under the circumstances and this further investment is to provide financial headroom through the remaining lockdown period and to capitalise on new site acquisition opportunities as restrictions are eased.

Portfolio valuation movements

The portfolio generated significant net unrealised gains of £22.35 million in the first half of its financial year. The scale of the valuation increases was underpinned by the Company's growth portfolio, many of which have direct-to-consumer business models which, as mentioned previously, have thrived in the remote working conditions necessitated by COVID-19. This boost in trading performance will likely tail off as the world returns to normal, but a permanent change to some aspects in the way business is done is anticipated thereby entrenching some of the portfolio on a higher operating plane. Over this period, some MBO portfolio companies with similar business practices have also

benefited. A few companies have struggled in this environment, and while there remains a possibility such businesses could fail, their value has already been reduced to modest levels, reducing the risk to shareholder value.

Net unrealised gains of £22.35 million were made up of valuation increases of £22.76 million partially offset by valuation decreases of £(0.41) million. The main valuation increases were:

- Virgin Wines - £7.85 million
- MyTutor - £2.73 million
- MPB Group - £2.36 million
- Vian Marketing (trading as Red Paddle) - £2.34 million
- EOTH (Equip) - £1.92 million

Virgin Wines, MyTutor, MPB and Vian Marketing (trading as Red Paddle) have generated record revenues and earnings over the lockdown periods and beyond. They have all significantly increased their customer base and each have strong growth prospects. EOTH experienced a very strong end to its financial year, fully recovering to pre-COVID-19 levels of profitability and has strong visibility over future orders.

The main valuation decreases were:

- Andersen EV - £(0.23) million
- Kudos Innovations - £(0.10) million

Andersen EV has been operating in a fast-developing industry beset with regulatory hurdles that have challenged

Investment Adviser's Review

its progress over the period, whilst Kudos Innovations has been impacted by contract delays.

The majority of the increase in portfolio value lies in the top ten companies which represent over 70% of the portfolio by value. Year-on-year growth by either revenues or earnings has been seen in all of the top ten companies and it is pleasing to note that eight of these are from the younger, growth portfolio made after the VCT rule change in 2015.

Growth capital investing involves companies which often have not achieved profitability and, as a result, have to be measured on other metrics. The table in the next column shows the proportion of the portfolio that is represented by growing yet to be profitable companies (often valued by reference to revenue or gross profit multiple), compared with more mature, established companies with a history of profitability and which can therefore be valued on an earnings multiple:

Valuation methodology	30 June 2021 £m	30 June 2020 £m
Revenue multiple	30.67	19.84
Earnings multiple	23.29	20.34
Bid price	16.40	-
Recent investment price	1.99	0.27
Other	0.50	1.48
Gross Profit multiple	-	1.32
	72.85	43.25

Note: See Glossary of terms on pages 30 and 31 for definitions of the financial performance terms in the above table

Loan stock repayments and other gains/(losses) in the period

During the half-year and following the admission of its shares to AIM, the Company received £1.59 million from the partial realisation of its holding in Parsley Box, generating a realised gain of £0.69

million. Over the two years to date that this investment has been held, this partial sale generated a multiple of cost of 4.0x on the cost of the shares sold. The Company also received £1.62 million from the partial realisation of MPB Group, generating a realised gain of £0.53 million. This partial realisation generated a 7.8x multiple of cost on the shares sold and was the result of a large private equity investor taking a sizeable equity investment in the company.

Proceeds of £3.12 million were received via loan repayments from Virgin Wines, MPB Group and Vian Marketing (trading as Red Paddle). Finally, deferred consideration totalling £0.35 million in realised gains was received in respect of Blaze Signs and Vectair, both investments realised in a previous year. A small realised loss of £(0.07) million was also recognised in respect of transaction costs for Virgin Wines due to stamp duty paid upon the admission of shares to listing on AIM.

Portfolio income and yield

In the period under review, the Company received the following amounts in loan interest and dividend income:

Investment Portfolio Yield	2021 £m	2020 £m
Interest received in the period	0.54	2.39
Dividends received in the period	0.08	0.30
Total portfolio income in the period¹	0.62	2.69
Portfolio Value at 30 June	72.85	43.25
Portfolio Income Yield (Income as a % of Portfolio value at 30 June)	0.9%	6.2%

¹ Total portfolio income in the period is generated solely from investee companies within the portfolio. The fall in interest received is due to a significant interest receipt from the realisation of Auction Technology Group in 2020.

Further investments made after the period-end

The Company made one further investment into the existing portfolio of £0.82 million after the period-end, as detailed below:

Company	Business	Date of investment	Amount of further investment (£m)
 MyTutor	Digital marketplace connecting school pupils seeking one-to-one tutoring	August 2021	0.82

MyTutorweb (trading as MyTutor) is a digital marketplace that connects school pupils who are seeking private one-to-one tutoring with university students. The business is satisfying a growing demand from both schools and parents to improve pupils' exam results. This further investment, combined with a subsequent large investment from a listed strategic investor, seeks to build upon the structural shift to online tutoring accelerated by the COVID-19 pandemic whilst looking to grow its retention rates and unit economics. In 2020, the company was chosen as a Tutoring Partner for the National Tuition Programme where they will directly support 30,000 students in catching up on lost learning because of the COVID-19 pandemic.

Following the period-end, the Company sold part of its original equity investment in MyTutor made in 2017 to a large strategic investor, generating a £0.60 million realised gain compared to an original equity investment cost of £0.22 million.

Environmental, Social and Governance considerations

The Investment Adviser believes that the consideration of environmental, social and corporate governance ("ESG") factors throughout the investment cycle will contribute towards enhanced Shareholder value.

Each potential new investment is subject to a comprehensive due diligence process that encompasses commercial, financial and ESG principles. This process helps in the formulation and agreement of strategic objectives at the stage of business planning and investment. The Investment Adviser then continues to work closely with each portfolio company board to support them in addressing their particular ESG challenges and opportunities, which are diverse across the entire portfolio.

Mobeus Equity Partners LLP is a signatory of the United Nations Principles of Responsible Investment ("PRI"), considered to be the world's leading proponent of responsible investing. As a signatory, it must report to the PRI on an annual basis and is held accountable to worldwide ESG standards. As such, the Investment Adviser continues to develop its policies and procedures with the professional advice of specialist ESG consultants and keeps the Board regularly updated.

Proposed change in management arrangements

As Shareholders' may be aware, Mobeus has recently agreed to the sale of its VCT investment advisory business to Gresham House. The entire investment and operations teams at Mobeus will be joining Gresham House with the integration forming one of the largest and most experienced teams in the VCT sector which should lead to enhanced prospects for shareholders. The existing team at Gresham House is culturally aligned with Mobeus and has a similar investment philosophy. It is expected that this combined investment team will be a major force in the supply of capital to the VCT sector and it is expected that the team's enhanced market position should attract strong deal flow in order to produce attractive investment returns.

Outlook

The growth strategy implemented in 2015 is clearly showing signs of bearing fruit with many companies beginning to achieve significant scale and attract the interest of public markets and larger secondary investors. The portfolio is in a healthy position with many companies trading well throughout the lockdowns, and several at record levels. It continues to evolve, offering a balance of fast-growing and more stable investments at various stages of maturity and scale across a range of diverse market sectors. There is a significant exposure to businesses operating a direct-to-consumer business model which has underpinned performance during the period. This also gives confidence about the future strength of the portfolio and

its ability to cope with the challenges and opportunities associated with Brexit, the macro-economic outlook and the ongoing impact of COVID-19. The new investment pipeline is recovering to levels seen pre-COVID-19 and the prospects for capital deployment are encouraging.

There have been some strong portfolio uplifts underpinned by some large equity transactions, flotations and trading. The exceptional performance experienced since the impact of COVID-19 in March 2020 is likely to moderate over the next 12 months as the level of activity normalises. There remains much uncertainty around the wider impact of the pandemic on the economy going forward. However, the portfolio is in good shape and the investment activity levels are promising. Mobeus is therefore cautiously optimistic for the future.

Mobeus Equity Partners LLP

Mobeus Equity Partners LLP
Investment Adviser

16 September 2021

Investment Portfolio Summary

as at 30 June 2021

Qualifying investments	Market sector	Date of investment	Total book cost £'000	Valuation £'000	Like for like valuation increase/ (decrease) over period ¹	% value of net assets
Unquoted investments						
Virgin Wines UK plc (formerly Virgin Wines Holding Company Limited)² Online wine retailer	Retailers	Nov-13	58	13,446	97.5%	12.5%
MPB Group Limited Online marketplace for used photographic and video equipment	Retailers	Jun-16	1,404	6,137	54.6%	5.7%
My Tutorweb Limited (trading as MyTutor) Digital marketplace connecting school pupils seeking one-to-one online tutoring	Industrial support services	May-17	2,374	5,640	94.1%	5.3%
Preservica Limited Seller of proprietary digital archiving software	Software & computer services	Dec-15	2,849	5,420	13.4%	5.0%
EOTH Limited (trading as Equip Outdoor Technologies) Branded outdoor equipment and clothing (including the RAB and Lowe Alpine brands)	Retailers	Oct-11	1,000	4,870	58.6%	4.5%
Vian Marketing Limited (trading as Red Paddle Co) Design, manufacture and sale of stand-up paddleboards and windsurfing sails	Leisure goods	Jul-15	825	3,967	120.8%	3.7%
End Ordinary Group Limited (trading as Buster and Punch) Industrial inspired lighting and interiors retailer	Retailers	Mar-17	1,885	3,670	10.1%	3.4%
Parsley Box Group plc (formerly Parsley Box Limited)³ Supplier of home delivered ambient ready meals targeting the over 60s	Retailers	May-19	807	2,952	69.4%	2.7%
Data Discovery Solutions Limited (trading as Active Navigation) Provider of global market leading file analysis software for information governance, security and compliance	Software & computer services	Nov-19	1,413	2,826	-	2.6%
Proactive Group Holdings Inc Provider of media services and investor conferences for companies primarily listed on secondary public markets	Media	Jan-18	927	2,331	-	2.2%
Master Removers Group 2019 Limited (trading as Anthony Ward Thomas, Bishopsgate and Aussie Man & Van) A specialist logistics, storage and removals business	Industrial support services	Dec-14	418	2,213	76.4%	2.1%

¹ - This percentage change in 'like for like' valuations is a comparison of the 30 June 2021 valuations with the 31 December 2020 valuations (or where a new investment has been made in the year, the investment amount), having adjusted for partial disposals, loan stock repayments or new investments in the period.

² - Admitted to AIM during the period. Ahead of the Admission to AIM of Virgin Wines on 2 March 2021, the Company's equity investment in Virgin Wines Holding Company Ltd ("VWHCL") had been exchanged for an equity investment in Rapunzel Newco Limited ("RNL"), a company owned by the four Mobeus advised VCTs pro rata to each VCT's share of its investment in Virgin Wines. Immediately prior to Admission, RNL exchanged its equity investment in VWHCL for an equity investment in Virgin Wines UK plc ("VWUK"). The Company is beneficially interested in VWUK, through its holding in RNL. RNL is the legal owner of the shares in VWUK, but each VCT is the beneficial holder. As part of Virgin Wines' admission to AIM, the Company received repayment of its loan stock generating proceeds of £2.38 million.

³ - Admitted to AIM during the period. On 7 January 2021, a £0.33 million follow-on investment was made into Parsley Box Limited. The enlarged shareholding was admitted to AIM on 31 March 2021. Ahead of the admission to AIM, the Company's equity investment in Parsley Box Limited had been exchanged for an equity investment in Parsley Box Group plc. Upon admission to AIM, the Company invested a further £0.01 million and realised proceeds of £1.59 million.

Blue Investment made prior to 2015 VCT rule change

Green Investment made after 2015 VCT rule change

Qualifying investments	Market sector	Date of investment	Total book cost £'000	Valuation £'000	Like for like valuation increase/ (decrease) over period ¹	% value of net assets
Manufacturing Services Investment Limited (trading as Wetsuit Outlet) Online retailer in the water sports market	Retailers	Jul-17	2,174	2,172	0.0%	2.0%
Arkk Consulting Limited (trading as Arkk Solutions) Provider of services and software to enable organisations to remain compliant with regulatory reporting requirements	Software & computer services	May-19	2,069	2,150	0.2%	1.9%
Media Business Insight Holdings Limited A publishing and events business focused on the creative production industries	Media	Jan-15	2,517	1,899	118.0%	1.8%
Tharstern Group Limited Software based management information systems	Software & computer services	Jul-14	1,377	1,630	24.6%	1.5%
Connect Childcare Group Limited Nursery management software provider	Software & computer services	Dec-20	1,168	1,421	21.7%	1.3%
Vivacity Labs Limited Provider of artificial intelligence & urban traffic control systems	Technology, hardware & equipment	Feb-21	1,158	1,158	New investment	1.1%
Bleach London Holdings Limited Hair colourants brand	Retailers	Dec-19	816	1,153	(6.4)%	1.1%
Rota Geek Limited Workforce management software	Software & computer services	Aug-18	1,142	1,017	7.2%	0.9%
IPV Limited Provider of media asset software	Software & computer services	Nov-19	890	890	-	0.8%
Legatics Limited SaaS LegalTech software provider	Software & computer services	Jun-21	822	822	New investment	0.8%
Pets' Kitchen Limited (trading as Vet's Klinik) Veterinary clinics	Consumer services	Jun-21	763	763	New investment	0.7%
CGI Creative Graphics International Limited Vinyl graphics to global automotive, recreational vehicle and aerospace markets	General industrials	Jun-14	1,808	713	46.3%	0.7%
RDL Corporation Limited Recruitment consultants for the pharmaceutical, business intelligence and IT industries	Industrial support services	Oct-10	1,558	495	109.7%	0.5%
Northern Bloc Ice Cream Limited Supplier of premium vegan ice cream	Food producers	Dec-20	420	435	3.6%	0.4%
Caledonian Leisure Limited Provider of UK leisure and experience breaks	Travel & leisure	Mar-21	409	409	New investment	0.4%
Spanish Restaurant Group Limited (trading as Tapas Revolution) Spanish restaurant chain	Travel & Leisure	Jan-17	1,453	369	(2.8)%	0.3%
Kudos Innovations Limited Online platform that provides and promotes academic research dissemination	Software & computer services	Nov-18	421	92	(52.8)%	0.1%
Muller EV Limited (trading as Andersen EV) Provider of premium electric vehicle (EV) chargers	Technology, hardware & equipment	Jun-20	270	67	(77.6)%	0.1%

¹ - This percentage change in 'like for like' valuations is a comparison of the 30 June 2021 valuations with the 31 December 2020 valuations (or where a new investment has been made in the year, the investment amount), having adjusted for partial disposals, loan stock repayments or new investments in the period.

Blue Investment made prior to 2015 VCT rule change

Green Investment made after 2015 VCT rule change

Investment Portfolio Summary

as at 30 June 2021

	Market sector	Date of investment	Total book cost £'000	Valuation £'000	Like for like valuation increase/ (decrease) over period ¹	% value of net assets
Jablite Holdings Limited (in members' voluntary liquidation) Manufacturer of expanded polystyrene products	Construction and materials	Apr-15	502	66	-	0.1%
Veritek Global Holdings Limited Maintenance of imaging equipment	Industrial support services	Jul-13	2,045	2	-	0.0%
Racoon International Group Limited Supplier of hair extensions, hair care products and training	Personal goods	Dec-06	1,213	-	-	0.0%
BookingTek Limited Direct booking software for hotel groups	Software & computer services	Oct-16	688	-	-	0.0%
Oakheath Limited (trading as Super Carers) (in members' voluntary liquidation) Online platform that connects people seeking home care from experienced independent carers	Industrial support services	Mar-18	580	-	-	0.0%
CB Imports Group Limited (trading as Country Baskets) (in members' voluntary liquidation) Importer and distributor of artificial flowers and floral sundries	Retailers	Dec-09	350	-	-	0.0%
Total qualifying investments			40,573	71,195		66.2%
Non-qualifying investments						
Media Business Insight Limited A publishing and events business focused on the creative production industries	Media	Jan-15	765	765	7.1%	0.7%
Manufacturing Services Investment Limited (trading as Wetsuit Outlet) Online retailer in the water sports market	Retailers	Jul-17	571	571	-	0.5%
EOTH Limited (trading as Equip Outdoor Technologies) Branded outdoor equipment and clothing (including the RAB and Lowe Alpine brands)	Retailers	Oct-11	298	324	(0.1)%	0.3%
Total non-qualifying investments			1,634	1,660		1.5%
Total investment portfolio			42,207	72,855		67.7%
Current asset investments and Cash at bank and in hand ²			31,774	34,915		32.5%
Total investments			73,981	107,770		100.2%
Other assets				180		0.3%
Current liabilities				(542)		(0.5)%
Net assets				107,408		100.0%
Portfolio split by type						
Investments made prior to 2015 VCT rule change			14,736	30,389		41.7%
Investments made after 2015 VCT rule change			27,471	42,466		58.3%
Total Investment Portfolio			42,207	72,855		100.0%

¹ - This percentage change in 'like for like' valuations is a comparison of the 30 June 2021 valuations with the 31 December 2020 valuations (or where a new investment has been made in the year, the investment amount), having adjusted for partial disposals, loan stock repayments or new investments in the period.

² - Disclosed as Current Asset Investments and Cash at bank and in hand within Current assets in the Balance Sheet on page 16.

Blue Investment made prior to 2015 VCT rule change

Green Investment made after 2015 VCT rule change

Statement of the Directors' Responsibilities

Responsibility statement

In accordance with Disclosure and Transparency Rule (DTR) 4.2.10, Clive Boothman (Chairman), Bridget Guérin (Chairman of the Nominations and Remuneration and Management Engagement Committees), and Catherine Wall (Chairman of the Audit Committee), being the Directors of the Company, confirm that, to the best of their knowledge:

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

Principal risks and uncertainties

In accordance with DTR 4.2.7, the Board confirms that the principal risks and uncertainties facing the Company have not changed materially since the publication of the Annual Report and Financial Statements for the year ended 31 December 2020 and no changes are anticipated for the remaining six months of the year. The Board acknowledges that there is regulatory risk and continues to manage the Company's affairs in such a manner as to comply with section 274 of the Income Tax Act 2007. The principal risks faced by the Company are:

- Economic;
- Loss of approval as a Venture Capital Trust;
- Investment and strategic;
- Regulatory;
- Financial and operating;
- Valuations and stock market;
- Asset liquidity;
- Market liquidity;
- Counterparty;
- Key staff; and
- Environmental, Social and Governance Emerging Risk.

A detailed explanation of these risks can be found in the Strategic Report on pages 30 and 31 and in Note 15 on pages 67 to 72 of the Annual Report and Financial Statements for the year ended 31 December 2020, copies of which can be viewed or downloaded from the Company's website: www.migvct.co.uk

Going concern

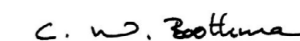
The Board has assessed the Company's operation as a going concern. The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Half-Year Management Report. The Directors have satisfied themselves that the Company's cash position is adequate to enable the Company to continue as a going concern under any plausible stress scenario. The portfolio taken as a whole remains resilient and well-diversified although the impact of the COVID-19 pandemic is still being experienced. The major cash outflows of the Company (namely investments, share buy-backs and dividends) are within the Company's control.

The Board's assessment of liquidity risk and details of the Company's policies for managing its capital and financial risks are shown in Notes 15 and 16 on pages 62 - 72 of the Annual Report and Financial Statements for the year ended 31 December 2020. Accordingly, the Directors continue to adopt the going concern basis of accounting in preparing the Half-Year Report and Annual Financial Statements.

Cautionary statement

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

For and on behalf of the Board:



Clive Boothman
Chairman

16 September 2021

Unaudited Condensed Income Statement

for the six months ended 30 June 2021

	Notes	Six months ended 30 June 2021 (unaudited)			Six months ended 30 June 2020 (unaudited)			Year ended 31 December 2020 (audited)		
		Revenue £	Capital £	Total £	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Net investment portfolio gains/(losses)	9	-	23,845,396	23,845,396	-	(787,177)	(787,177)	-	14,811,634	14,811,634
Income	4	629,731	-	629,731	2,770,006	-	2,770,006	4,754,700	-	4,754,700
Investment Adviser's fees	5	(241,546)	(724,638)	(966,184)	(214,035)	(642,106)	(856,141)	(423,839)	(1,271,516)	(1,695,355)
Other expenses		(215,240)	-	(215,240)	(253,172)	-	(253,172)	(424,396)	-	(424,396)
Profit/(loss) on ordinary activities before taxation		172,945	23,120,758	23,293,703	2,302,799	(1,429,283)	873,516	3,906,465	13,540,118	17,446,583
Tax on profit/(loss) on ordinary activities	6	(16,823)	16,823	-	(380,390)	122,000	(258,390)	(432,618)	241,588	(191,030)
Profit/(loss) and total comprehensive income		156,122	23,137,581	23,293,703	1,922,409	(1,307,283)	615,126	3,473,847	13,781,706	17,255,553
Basic and diluted earnings per share	7	0.12p	18.33p	18.45p	1.54p	(1.05)p	0.49p	2.76p	10.97p	13.73p

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

The total column is the Statement of Total Comprehensive Income of the Company prepared in accordance with Financial Reporting Standards ("FRS"). In order to better reflect the activities of a VCT and in accordance with the 2014 Statement of Recommended Practice ("SORP") updated in April 2021 by the Association of Investment Companies ("AIC"), supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented alongside the Income Statement. The revenue column of profit attributable to equity shareholders is the measure the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in Section 274 Income Tax Act 2007.

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

The notes on pages 20 to 25 form part of these Half-Year Financial Statements.

Unaudited Condensed Balance Sheet

as at 30 June 2021

Company registration number: 05153931

	Notes	30 June 2021 (unaudited) £	30 June 2020 (unaudited) £	31 December 2020 (audited) £
Fixed assets				
Investments at fair value	9	72,855,045	43,248,661	51,144,184
Current assets				
Debtors and prepayments		179,615	249,195	517,277
Current asset investments	10	30,561,479	28,570,843	30,371,198
Cash at bank	10	4,353,638	3,203,047	3,120,539
		35,094,732	32,023,085	34,009,014
Creditors: amounts falling due within one year		(541,724)	(561,945)	(464,682)
Net current assets		34,553,008	31,461,140	33,544,332
Net assets		107,408,053	74,709,801	84,688,516
Capital and reserves				
Called up share capital		1,255,380	1,269,191	1,263,366
Capital redemption reserve		33,522	19,711	25,536
Share premium reserve		14,397,509	14,397,509	14,397,509
Revaluation reserve		33,226,958	3,767,953	12,498,006
Special distributable reserve		26,133,899	31,759,150	27,415,880
Realised capital reserve		30,044,190	19,722,344	26,927,746
Revenue reserve		2,316,595	3,773,943	2,160,473
Equity Shareholders' funds		107,408,053	74,709,801	84,688,516
Basic and diluted net asset value per share	11	85.56p	58.86p	67.03p

The financial information for the six months ended 30 June 2021 and the six months ended 30 June 2020 has not been audited.

The notes on pages 20 to 25 form part of these unaudited Half-Year Financial Statements.

Unaudited Condensed Statement of Changes in Equity

for the six months ended 30 June 2021

	Notes	Non-distributable reserves				Distributable reserves			Total £
		Called up share capital £	Capital redemption reserve £	Share premium reserve £	Revaluation reserve £	Special distributable reserve (Note a) £	Realised capital reserve (Note b) £	Revenue reserve (Note b) £	
At 1 January 2021		1,263,366	25,536	14,397,509	12,498,006	27,415,880	26,927,746	2,160,473	84,688,516
Comprehensive income for the period									
Profit for the period		-	-	-	22,351,169	-	786,412	156,122	23,293,703
Total comprehensive income for the period		-	-	-	22,351,169	-	786,412	156,122	23,293,703
Contributions by and distributions to owners									
Shares bought back (Note c)		(7,986)	7,986	-	-	(574,166)	-	-	(574,166)
Dividends paid	8	-	-	-	-	-	-	-	-
Total contributions by and distributions to owners		(7,986)	7,986	-	-	(574,166)	-	-	(574,166)
Other movements									
Realised losses transferred to special reserve (Note a)		-	-	-	-	(707,815)	707,815	-	-
Realisation of previously unrealised gains		-	-	-	(1,622,217)	-	1,622,217	-	-
Total other movements		-	-	-	(1,622,217)	(707,815)	2,330,032	-	-
At 30 June 2021		1,255,380	33,522	14,397,509	33,226,958	26,133,899	30,044,190	2,316,595	107,408,053

Note a: The purpose of this reserve is to fund market purchases of the Company's own shares, to write off existing and future losses and for any other corporate purpose. The transfer of £707,815 to the special reserve from the realised capital reserve above is the total of realised losses incurred by the Company in the period. As at 30 June 2021, the Company has a special reserve of £26,133,899, £18,320,994 of which arises from shares issued more than three years after the end of the financial year in which they were issued. Reserves originating from share issues are not distributable under VCT rules if they arise from share issues that are within three years of the end of an accounting period in which shares were issued.

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

Note c: During the period, the Company repurchased 798,572 of its own shares at the prevailing market price for a total cost of £574,166, which were subsequently cancelled. This figure is greater than that shown in the Unaudited Statement of Cash flows of £541,719 by £32,447. This difference arises from a creditor held at the period-end of £76,561, partially offset by a creditor held at the previous year-end of £44,114, which was settled during the period.

The notes on pages 20 to 25 form part of these unaudited Half-Year Financial Statements.

Unaudited Condensed Statement of Changes in Equity for the six months ended 30 June 2020

Notes	Non-distributable reserves				Distributable reserves			Total £
	Called up share capital £	Capital redemption reserve £	Share premium reserve £	Revaluation reserve £	Special distributable reserve £	Realised capital reserve £	Revenue reserve £	
At 1 January 2020	1,045,265	11,304	-	8,719,606	45,731,919	14,528,747	1,851,534	71,888,375
Comprehensive income for the period (Loss)/profit for the period	-	-	-	(2,777,454)	-	1,470,171	1,922,409	615,126
Total comprehensive income for the period	-	-	-	(2,777,454)	-	1,470,171	1,922,409	615,126
Contributions by and distributions to owners								
Shares issued under Offer for Subscription	232,333	-	14,767,667	-	-	-	-	15,000,000
Issue costs and facilitation fees on Offer for Subscription	-	-	(370,158)	-	(152,153)	-	-	(522,311)
Shares bought back	(8,407)	8,407	-	-	(424,741)	-	-	(424,741)
Dividends paid	8	-	-	-	(11,846,648)	-	-	(11,846,648)
Total contributions by and distributions to owners	223,926	8,407	14,397,509	-	(12,423,542)	-	-	2,206,300
Other movements								
Realised losses transferred to special reserve	-	-	-	-	(1,549,227)	1,549,227	-	-
Realisation of previously unrealised gains	-	-	-	(2,174,199)	-	2,174,199	-	-
Total other movements	-	-	-	(2,174,199)	(1,549,227)	3,723,426	-	-
At 30 June 2020	1,269,191	19,711	14,397,509	3,767,953	31,759,150	19,722,344	3,773,943	74,709,801

The composition of each of these reserves is explained below:

Called up share capital - The nominal value of shares originally issued increased for subsequent share issues either via an Offer for Subscription or reduced due to shares bought back by the Company.

Capital redemption reserve - The nominal value of shares bought back and cancelled is held in this reserve, so that the Company's capital is maintained.

Share premium reserve - This reserve contains the excess of gross proceeds less issue costs over the nominal value of shares allotted under recent Offers for Subscription.

Revaluation reserve - Increases and decreases in the valuation of investments held at the period-end are accounted for in this reserve, except to the extent that the diminution is deemed permanent.

In accordance with stating all investments at fair value through profit and loss, all such movements through both revaluation and realised capital reserves are shown within the Income Statement for the period.

Special distributable reserve - This reserve is created from cancellations of the balances upon the Share premium reserve, which are transferred to this reserve from time to time. The cost of share buybacks and any realised losses on the sale or impairment of investments (excluding transaction costs) are charged to this reserve. 75% of the Investment Adviser fee expense, and the related tax effect, that are charged to the realised capital reserve are transferred to this reserve. This reserve will also be charged any facilitation fee payments to financial advisers, which arose as part of the Offer for Subscription.

Realised capital reserve - The following are accounted for in this reserve:

- Gains and losses on realisation of investments;
- Permanent diminution in value of investments;
- Transaction costs incurred in the acquisition and disposal of investments;
- 75% of the Investment Adviser fee expense and 100% of any performance incentive fee payable, together with the related tax effect to this reserve in accordance with the policies; and
- Capital dividends paid.

Revenue reserve - Income and expenses that are revenue in nature are accounted for in this reserve, as well as 25% of the Investment Adviser fee, together with the related tax effect, as well as income dividends paid that are classified as revenue in nature.

The notes on pages 20 to 25 form part of these unaudited Half-Year Financial Statements.

Unaudited Condensed Statement of Cash Flows for the six months ended 30 June 2021

Notes	Six months ended 30 June 2021 (unaudited) £	Six months ended 30 June 2020 (unaudited) £	Year ended 31 December 2020 (audited) £
Cash flows from operating activities			
Profit after tax for the financial period	23,293,703	615,126	17,255,553
Adjustments for:			
Net investment portfolio (gains)/losses	(23,845,396)	787,177	(14,811,634)
Tax charge for current period	6	258,390	191,030
Decrease/(increase) in debtors	337,663	(23,667)	(291,749)
Increase in creditors and accruals	44,594	44,458	75,198
Net cash (outflow)/inflow from operations	(169,436)	1,681,484	2,418,398
Corporation tax refunded/(paid)	-	175	(61,716)
Net cash (outflow)/inflow from operating activities	(169,436)	1,681,659	2,356,682
Cash flows from investing activities			
Purchases of investments	9	(1,680,145)	(5,433,357)
Disposals of investments	9	6,607,116	20,803,968
Decrease in bank deposits with a maturity over three months		385	384
Net cash inflow from investing activities	2,134,920	7,668,092	15,370,995
Cash flows from financing activities			
Shares issued as part of Offer for subscription	-	15,000,000	15,000,000
Issue costs and facilitation fees as part of Offer for subscription	-	(522,311)	(522,311)
Equity dividends paid	8	(11,846,648)	(18,176,464)
Share capital bought back		(381,875)	(712,523)
		(541,719)	(712,523)
Net cash (outflow)/inflow from financing activities	(541,719)	2,249,166	(4,411,298)
Net increase in cash and cash equivalents	1,423,765	11,598,917	13,316,379
Cash and cash equivalents at start of period	32,486,439	19,170,060	19,170,060
Cash and cash equivalents at end of period	33,910,204	30,768,977	32,486,439
Cash and cash equivalents comprise:			
Cash at bank and in hand	10	4,353,638	3,203,047
Cash equivalents	10	29,556,566	27,565,930

The notes on pages 20 to 25 form part of these unaudited Half-Year Financial Statements.

Notes to the Unaudited Condensed Financial Statements

for the six months ended 30 June 2021

1. Company information

Mobeus Income and Growth VCT plc is a public limited company incorporated in England, registration number 5153931. The registered office is 30 Haymarket, London, SW1Y 4EX.

2. Basis of preparation of the Financial Statements

These Financial Statements are prepared in accordance with accounting policies consistent with Financial Reporting Standard 102 ("FRS 102"), Financial Reporting Standard 104 ("FRS 104") - Interim Financial Reporting, with the Companies Act 2006 and the 2014 Statement of Recommended Practice, 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ('the SORP') (updated in April 2021) issued by the Association of Investment Companies ("AIC").

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

3. Principal accounting policies

The accounting policies have been applied consistently throughout the period. Full details of principal accounting policies will be disclosed in the Annual Report, while the policy in respect of investments is included within an outlined box at the top of Note 9 on investments.

4. Income

	Six months ended 30 June 2021 (unaudited) £	Six months ended 30 June 2020 (unaudited) £	Year ended 31 December 2020 (audited) £
Dividends	84,401	300,003	1,628,784
Money-market funds	1,033	61,670	70,175
Loan stock interest	541,228	2,393,778	2,967,870
Bank deposit interest	3,064	10,974	14,334
Interest on preference share dividend arrears	-	726	64,840
Other income	5	2,855	8,697
Total Income	629,731	2,770,006	4,754,700

5. Investment Adviser's fees

In accordance with the policy statement published under "Management and Administration" in the Company's prospectus dated 9 July 2004, the Directors have charged 75% of the Investment Adviser's fees to the capital reserve. This is in line with the Board's expectation of the long-term split of returns from the investment portfolio of the Company. For further details, see note 4a on page 57 of the 2020 Annual Report.

	Six months ended 30 June 2021 (unaudited) £	Six months ended 30 June 2020 (unaudited) £	Year ended 31 December 2020 (audited) £
Allocated to revenue return: Investment Adviser's fees	241,546	214,035	423,839
Allocated to capital return: Investment Adviser's fees	724,638	642,106	1,271,516
Total Investment Adviser's fees	966,184	856,141	1,695,355

Between 1 July 2020 and 30 June 2021, the Investment Adviser's fee upon the net funds raised from the use of the over-allotment facility of £5.00 million under the 2019/20 Offer for Subscription was reduced to 1% from 2% per annum, for one year.

6. Taxation

There is no charge for the period as the Company has deductible expenses in excess of taxable income.

	Six months ended 30 June 2021 (unaudited)			Six months ended 30 June 2020 (unaudited)			Year ended 31 December 2020 (audited)		
	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
a) Analysis of tax charge:									
UK Corporation tax on profit for the period	16,823	(16,823)	-	380,390	(122,000)	258,390	432,618	(241,588)	191,030
Total current tax charge/(credit)	16,823	(16,823)	-	380,390	(122,000)	258,390	432,618	(241,588)	191,030
Corporation tax is based on a rate of 19.0% (2020: 19.0%)									
b) Profit on ordinary activities before tax	172,945	23,120,758	23,293,703	2,302,799	(1,429,283)	873,516	3,906,465	13,540,118	17,446,583
Profit on ordinary activities multiplied by rate of corporation tax in the UK of 19.0% (2020: 19.0%)	32,859	4,392,944	4,425,803	437,532	(271,564)	165,968	742,228	2,572,622	3,314,850
Effect of:									
UK dividends	(16,036)	-	(16,036)	(57,001)	-	(57,001)	(309,469)	-	(309,469)
Net investment portfolio (gains)/ losses not (taxable)/allowable	-	(4,530,625)	(4,530,625)	-	149,564	149,564	-	(2,814,210)	(2,814,210)
Losses not utilised	-	120,858	120,858	-	-	-	-	-	-
Under provision in prior period	-	-	-	(141)	-	(141)	(141)	-	(141)
Actual current tax charge	16,823	(16,823)	-	380,390	(122,000)	258,390	432,618	(241,588)	191,030

7. Basic and diluted earnings per share

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

	Six months ended 30 June 2021 (unaudited) £	Six months ended 30 June 2020 (unaudited) £	Year ended 31 December 2020 (audited) £
i) Total earnings after taxation	23,293,703	615,126	17,255,553
Basic and diluted earnings per share (Note a)	18.45p	0.49p	13.73p
ii) Revenue earnings from ordinary activities after taxation	156,122	1,922,409	3,473,847
Basic and diluted revenue earnings per share (Note b)	0.12p	1.54p	2.76p
Net investment portfolio gains/(losses)	23,845,396	(787,177)	14,811,634
Capital Investment Adviser's fees less taxation	(707,815)	(520,106)	(1,029,928)
iii) Total capital earnings	23,137,581	(1,307,283)	13,781,706
Basic and diluted capital earnings per share (Note c)	18.33p	(1.05)p	10.97p
iv) Weighted average number of shares in issue in the period	126,244,156	124,645,269	125,685,147

Notes:

a) Basic earnings per share is total earnings after taxation divided by the weighted average number of shares in issue.

b) Basic revenue earnings per share is the revenue earnings after taxation divided by the weighted average number of shares in issue.

c) Basic capital earnings per share is the total capital earnings after taxation divided by the weighted average number of shares in issue.

Notes to the Unaudited Condensed Financial Statements

for the six months ended 30 June 2021

8. Dividends paid

Dividend	Type	For the year ended 31 December	Pence per share	Date paid	Six months ended 30 June 2021 (unaudited) £	Six months ended 30 June 2020 (unaudited) £	Year ended 31 December 2020 (audited) £
Interim	Capital	2019	4.00p*	8 January 2020	-	4,181,060	4,183,502
Interim	Capital	2020	6.00p*	7 May 2020	-	7,665,588	7,665,588
Interim	Income	2020	2.50p	17 December 2020	-	-	3,164,908
Interim	Capital	2020	2.50p*	17 December 2020	-	-	3,164,908
Dividends refunded in the year					-	-	(2,442)
					-	11,846,648	18,176,464

* These dividends were paid out of the Company's special distributable reserve.

The Board declared an interim dividend in respect of the year ending 31 December 2021 of 5.00 pence per share which was paid to Shareholders on 12 July 2021.

9. Summary of movement on investments during the period

The most critical estimates, assumptions and judgements relate to the determination of the carrying value of investments at "fair value through profit and loss" (FVTPL). All investments held by the Company are classified as FVTPL and measured in accordance with the International Private Equity and Venture Capital Valuation ("IPEV") guidelines, as updated in December 2018 (as updated by Special Valuation guidance issued in March 2020). This classification is followed as the Company's business is to invest in financial assets with a view to profiting from their total return in the form of capital growth and income.

Purchases and sales of unlisted investments are recognised when the contract for acquisition or sale becomes unconditional. For investments actively traded on organised financial markets, fair value is generally determined by reference to Stock Exchange market quoted bid prices at the close of business on the balance sheet date. Purchases and sales of quoted investments are recognised on the trade date where a contract of sale exists whose terms require delivery within a time frame determined by the relevant market. Where the terms of a disposal state that consideration may be received at some future date and, subject to the conditionality and materiality of the amount of deferred consideration, an estimate of the fair value discounted for the time value of money may be recognised through the Income Statement. In other cases, the proceeds will only be recognised once the right to receive payment is established and there is no reasonable doubt that payment will be received.

Unquoted investments are stated at fair value by the Directors at each measurement date in accordance with appropriate valuation techniques, which are consistent with the IPEV guidelines:-

(i) Each investment is considered as a whole on a 'unit of account' basis, i.e. that the value of each portfolio company is considered as a whole, alongside consideration of:-

The price of new or follow-on investments made, if deemed to be made as part of an orderly transaction, are considered to be at fair value at the date of the transaction. The inputs that derived the investment price are calibrated within individual valuation models and at subsequent quarterly measurement dates are reconsidered for any changes in light of more recent events or changes in the market performance of the investee company. The valuation bases used are the following:

- a multiple basis. The enterprise value of the investment may be determined by applying a suitable price-earnings ratio, revenue or gross profit multiple to that company's historic, current or forecast post-tax earnings before interest, depreciation and amortisation, or revenue, or gross profit (the ratio used being based on a comparable sector but the resulting value being adjusted to reflect points of difference identified by the Investment Adviser compared to the sector including, inter alia, scale and liquidity).

or:-

- where a company's underperformance against plan indicates a diminution in the value of the investment, a provision against the price of a new investment is made, as appropriate.

(ii) Premiums, to the extent that they are considered capital in nature, and that they will be received upon repayment of loan stock investments, are accrued at fair value when the Company receives the right to the premium and when considered recoverable.

(iii) Where a multiple or the price of recent investment less impairment basis is not appropriate and overriding factors apply, a discounted cash flow, net asset valuation, realisation proceeds or a weighted average of these bases may be applied.

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

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

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

Accounting standards classify methods of fair value measurement as Levels 1, 2 and 3. This hierarchy is based upon the reliability of information used to determine the valuation. All of the unquoted investments are Level 3, i.e. fair value is measured using techniques and inputs that are not based on observable market data.

Notes to the Unaudited Condensed Financial Statements

for the six months ended 30 June 2021

	Traded on AIM Level 1 £	Unquoted equity shares Level 3 £	Unquoted preference shares Level 3 £	Unquoted loan stock Level 3 £	Total £
Valuation at 1 January 2021	-	37,824,511	1,267,882	12,051,791	51,144,184
Purchases at cost	-	3,242,486	-	1,230,095	4,472,581
Sales - proceeds	(1,520,105)	(1,730,768)	(231,381)	(3,124,862)	(6,607,116)
Net realised gains (Note a)	620,987	642,008	231,232	-	1,494,227
Reclassification at valuation (Note b)	8,419,354	(8,419,354)	-	-	-
Net unrealised gains on investments (Note a)	8,878,193	12,232,877	41,089	1,199,010	22,351,169
Valuation at 30 June 2021	16,398,429	43,791,760	1,308,822	11,356,034	72,855,045
Book cost at 30 June 2021	864,604	25,460,427	1,184,890	14,696,964	42,206,885
Permanent impairment in value of investments	-	(2,578,496)	(302)	-	(2,578,798)
Unrealised gains/(losses) at 30 June 2021	15,533,825	20,909,829	124,234	(3,340,930)	33,226,958
Valuation at 30 June 2021	16,398,429	43,791,760	1,308,822	11,356,034	72,855,045
Gains on investments					
Net realised gains based on historical cost	1,123,927	1,523,793	231,232	237,492	3,116,444
Less amounts recognised as unrealised gains in previous years	(502,940)	(881,785)	-	(237,492)	(1,622,217)
Net realised gains based on carrying value at 31 December 2020	620,987	642,008	231,232	-	1,494,227
Net movement in unrealised gains in the period	8,878,193	12,232,877	41,089	1,199,010	22,351,169
Net investment portfolio gains for the period ended 30 June 2021	9,499,180	12,874,885	272,321	1,199,010	23,845,396

Note a) Net realised gains on investments of £1,494,227 together with net unrealised gains of £22,351,169 equal net investment portfolio gains of £23,845,396 as disclosed in the Income Statement.

Note b) The Company's equity investments in Virgin Wines and Parsley Box were admitted to AIM during the period. The amount transferred from Level 3 to Level 1 of £8,419,354 reflects the combined equity value held at the start of the period.

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

	As at 30 June 2021 (unaudited) £	As at 30 June 2020 (unaudited) £	As at 31 December 2020 (audited) £
Multiple of earnings, revenue, or gross margin, as appropriate	53,960,080	41,503,626	49,051,716
Net asset value	368,852	1,409,041	438,033
Recent investment price	1,994,040	269,800	1,588,241
Estimated realisation proceeds	66,194	66,194	66,194
Recent investment price (reviewed for impairment)	67,450	-	-
Total	56,456,616	43,248,661	51,144,184

10. Current asset investments and cash at bank

	As at 30 June 2021 (unaudited) £	As at 30 June 2020 (unaudited) £	As at 31 December 2020 (audited) £
OEIC Money market funds	29,556,566	27,565,930	29,365,900
Cash equivalents per Statement of Cash Flows	29,556,566	27,565,930	29,365,900
Bank deposits that mature after three months	1,004,913	1,004,913	1,005,298
Current asset investments	30,561,479	28,570,843	30,371,198
Cash at bank	4,353,638	3,203,047	3,120,539

11. Basic and diluted net asset value per share

	As at 30 June 2021 (unaudited)	As at 30 June 2020 (unaudited)	As at 31 December 2020 (audited)
Net assets	£107,408,053	£74,709,801	£84,688,516
Number of shares in issue	125,538,048	126,919,084	126,336,620
Basic and diluted net asset value per share (pence)	85.56p	58.86p	67.03p

12. Post balance sheet events

On 11 May 2021, the Board declared an interim dividend of 5.00 pence per share for the year ending 31 December 2021, which was paid to shareholders on the register on 21 May 2021, on 12 July 2021.

On 5 August 2021, the Company made a further £0.82 million new equity investment into MyTutor.

On 6 August 2021, the Company partially sold its equity holding in MyTutor to a large strategic investor generating proceeds of £0.82 million and a gain of £0.60 million over the cost of the original investment made in 2017 of £0.22 million.

13. Financial statements for the period ended 30 June 2021

The information for the six months ended 30 June 2021 does not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. The Financial Statements for the year ended 31 December 2020 have been filed with the Registrar of Companies. The auditor has reported on these Financial Statements and that report was unqualified and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

14. Half-Year Report

This Half-Year Report will shortly be made available on our website: www.migvct.co.uk and will be circulated by post to those Shareholders who have requested copies of the Report. Further copies are available free of charge from the Company's registered office, 30 Haymarket, London, SW1Y 4EX or can be downloaded via the website.

Shareholder Information

Communication with Shareholders

We aim to communicate regularly with our Shareholders. The May annual general meeting provides a useful platform for the Board and Investment Adviser to update Shareholders on the performance of the company and, when it can be held as a physical meeting, to meet Shareholders and exchange views. Your Board welcomes your attendance at general meetings, if practicable and circumstances allow, to give you the opportunity to meet your Directors and representatives of the Investment Adviser. Alternatively, an online meeting, as held earlier this year, still allows Shareholders to question the Board and the Investment Adviser who Shareholders can see on the screen. The Company releases Interim Management Statements in respect of those quarters where it does not publish half or full year accounts.

The Investment Adviser holds an annual shareholder event. The last event was held in February 2020 with a virtual event being planned for the late autumn. Details will be notified to Shareholders and will also be shown on the Company's website.

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

Shareholder enquiries:

For any changes to your personal information, the Registrar can be contacted via their website www.investorcentre.co.uk, by post or by phone at: Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, tel: 0370 707 1155.

To contact the Chairman or any member of the Board, please contact the Company Secretary, Mobeus Equity Partners LLP, in the first instance on 020 7024 7600 or by e-mail to vcts@mobeus.co.uk.

Financial calendar

September 2021	Announcement of the Company's Half-Year results and circulation of the Half-Year Report for the six months ended 30 June 2021 to Shareholders.
31 December 2021	Year-end.
March 2022	Announcement of the Company's annual results and circulation of Annual Report and Financial Statements for the year ended 31 December 2021 to Shareholders.
May 2022	Annual General Meeting.

Selling your shares

The Company's Shares are listed on the London Stock Exchange and as such they can be sold in the same way as any other quoted company through a stockbroker. Shareholders are also advised to discuss their individual tax position with their financial advisor before deciding to sell their shares.

The Company is unable to buy back shares direct from Shareholders, so you will need to use a stockbroker to sell your shares. If you are considering selling your shares or trading in the secondary market, please contact the Company's Corporate Broker, Panmure Gordon (UK) Limited ("Panmure"). Panmure is able to provide details of close periods (when the Company is prohibited from buying in shares) and details of the price at which the Company has bought in shares.

Panmure can be contacted as follows:

Chris Lloyd 0207 886 2716 chris.lloyd@panmure.com	Paul Nolan 0207 886 2717 paul.nolan@panmure.com
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Dividends

Shareholders who wish to have dividends paid directly into their bank account rather than sent by cheque to their registered address can complete a mandate for this purpose. Mandates can be updated online by visiting www.investorcentre.co.uk or, alternatively, they can be obtained by contacting the Company's Registrar, Computershare Investor Services PLC at the address given in the Corporate Information at the end of the report.

Shareholders are encouraged to ensure that the Registrar has the correct and up-to-date details for their accounts and to check whether they have received all dividends payments. This is particularly important if a Shareholder has recently changed address or changed their bank. We are aware that a number of dividends remain unclaimed by Shareholders and whilst we will endeavour to contact them if this is the case, we cannot guarantee that we will be able to do so if the Registrar does not have an up-to-date postal or email address. You can update your contact details and view any unclaimed dividend payments on the Computershare Investor Centre at www.investorcentre.co.uk.

Common Reporting Standard and Foreign Account Tax Compliance Act ("FATCA")

Tax legislation was introduced with effect from 1 January 2016 under the Organisation for Economic Co-operation and Development Common Reporting Standard for Automatic Exchange of Financial Account Information. The legislation requires investment trust companies to provide personal and financial account information to HMRC on certain investors who purchase their shares including details of their shareholding and income from the shares. As an affected entity, the Company has to provide information annually to HMRC relating to a number of non-UK based certificated Shareholders who are deemed to be resident for tax purposes in any of the 90 plus countries who have joined CRS. All new Shareholders, excluding those shares are held in CREST, who are entered onto the share register from 1 January 2016 will be asked to provide the relevant information. Additionally, HMRC changed its policy position on FATCA in June 2016. We understand that this means, as a result of the restricted secondary market in VCT shares, the Company's shares will not be considered to be "regularly traded". This means the Company is also an affected entity for the purposes of this legislation and as such will have to provide information annually to HMRC relating to Shareholders who are resident for tax purposes in the United States.

For further information, please see HMRC's Quick Guide: Automatic Exchange of Information – information for account holders: <https://www.gov.uk/government/publications/exchange-of-information-account-holders>.

Fraud Warning

Boiler Room fraud and unsolicited communications to Shareholders

We have been made aware of an increase in the number of Shareholders being contacted in connection with sophisticated but fraudulent financial scams which purport to come from the Company or to be authorised by it. This is often by a phone call or an email usually originating from outside of the UK, often claiming or appearing to be from a corporate finance firm offering to buy your VCT shares at an inflated price.

Further information on boiler room scams and fraud advice plus who to contact, can be found first in the answer to a question "What should I do if I receive an unsolicited offer for my shares?" within the VCT Investor area of the Investment Adviser's website in the A Guide to VCTs section: www.mobeus.co.uk/investor-area and secondly, in a link to the FCA's ScamSmart site: www.fca.org.uk/scamsmart

We strongly recommend that you seek financial advice before taking any action if you remain in any doubt. You can also contact the Investment Adviser on 0207 024 7600, or email info@mobeus.co.uk to check whether any claims made by a caller are genuine.

Shareholders are also encouraged to ensure their personal data is always held securely and that data held by the Registrar of the Company is up to date, to avoid cases of identity fraud.

Performance Data at 30 June 2021

The following table shows, for all investors in Mobeus Income & Growth VCT plc and the former Matrix Income & Growth 3 VCT plc, how their investment has performed since they were originally allotted shares in each fundraising.

Total return data, which includes cumulative dividends paid to date, is shown on both a share price and a NAV basis as at 30 June 2021. The NAV basis enables shareholders to evaluate more clearly the performance of the Investment Adviser, as it reflects the underlying value of the portfolio at the reporting date. This is the most widely used measure of performance in the VCT sector.

MIG VCT Fundraisings

Share price as at 30 June 2021 **76.50p¹**

NAV per share as at 30 June 2021 **85.56p**

Allotment date(s)	Allotment price (p)	Net allotment price ² (p)	Cumulative dividends paid per share ³ (p)	Total return per share to Shareholders since allotment (Share price basis) (p)	(NAV basis) (p)
Funds raised 2004/05					
Between 5 October 2004 and 29 June 2005	100.00	60.00	139.80	216.30	225.36
Funds raised 2011 (Linked offer)					
21 January 2011	98.00	68.60	118.50	195.00	204.06
28 February 2011	102.30	71.61	118.50	195.00	204.06
22 March 2011	102.30	71.61	118.50	195.00	204.06
01 April 2011	102.30	71.61	118.50	195.00	204.06
05 April 2011	102.30	71.61	118.50	195.00	204.06
10 May 2011	100.60	70.42	118.50	195.00	204.06
06 July 2011	95.30	66.71	113.50	190.00	199.06
Funds raised 2012 (Linked offer)					
08 March 2012	101.20	70.84	113.00	189.50	198.56
04 April 2012	101.20	70.84	113.00	189.50	198.56
05 April 2012	101.20	70.84	113.00	189.50	198.56
10 May 2012	101.20	70.84	113.00	189.50	198.56
10 July 2012	95.50	66.85	106.75	183.25	192.31
Funds raised 2013 (Linked offer)					
14 January 2013	94.60	66.22	101.75	178.25	187.31
28 March 2013	97.40	68.18	101.75	178.25	187.31
04 April 2013	97.40	68.18	101.75	178.25	187.31
05 April 2013	97.40	68.18	101.75	178.25	187.31
10 April 2013 pre RDR ⁴	99.80	69.86	101.75	178.25	187.31
10 April 2013 post RDR ⁴	97.40	68.18	101.75	178.25	187.31
07 May 2013	95.40	66.78	99.75	176.25	185.31
Funds raised 2014 (Linked offer)					
09 January 2014	100.01 ⁵	70.01	95.75	172.25	181.31
11 February 2014	100.28 ⁵	70.20	95.75	172.25	181.31
31 March 2014	106.71 ⁵	74.70	95.75	172.25	181.31
03 April 2014	107.19 ⁵	75.03	95.75	172.25	181.31
04 April 2014	106.54 ⁵	74.58	95.75	172.25	181.31
06 June 2014	108.50 ⁵	75.95	92.50	169.00	178.06
Funds raised 2015 (Joint offer)					
14 January 2015	96.90 ⁵	67.83	75.50	152.00	161.06
17 February 2015	98.37 ⁵	68.86	75.50	152.00	161.06
10 March 2015	99.40 ⁵	69.58	75.50	152.00	161.06
Funds raised 2017 (Joint offer)					
28 September 2017	74.70 ⁵	52.29	35.00	111.50	120.56
20 October 2017	74.89 ⁵	52.42	35.00	111.50	120.56
9 November 2017	75.82 ⁵	53.07	35.00	111.50	120.56
20 November 2017	76.98 ⁵	53.89	35.00	111.50	120.56
21 November 2017	76.90 ⁵	53.83	35.00	111.50	120.56
24 January 2018	72.68 ⁵	50.88	31.00	107.50	116.56
13 March 2018	72.64 ⁵	50.85	31.00	107.50	116.56
Funds raised 2020 (Joint offer)					
08 January 2020	65.20 ⁵	45.64	11.00	87.50	96.56
02 April 2020	61.25 ⁵	42.88	11.00	87.50	96.56

¹ - Source: Panmure Gordon & Co (mid-price basis), when the latest announced NAV was 80.31p. The share price of 76.50 pence has been adjusted for a 5.00 pence dividend paid after the period-end on 12 July 2021, which was ex-div at 30 June 2021.

² - Net allotment price is the allotment price less applicable income tax relief. Income tax relief was 40% from 6 April 2004 to 5 April 2006, and 30% thereafter.

³ - For derivation, see table on page 29.

⁴ - RDR means the date of implementation of the Retail Distribution Review on 31 December 2012, which affected the level of charges in the allotment price for applications received before and after that date.

⁵ - Average effective offer price. Shares were allotted pursuant to the 2013/14, 2014/15, 2017/18 and 2019/20 Offers at individual prices for each investor in accordance with the allotment formula as set out in each Offer's Securities Note.

MIG 3 VCT Fundraising

Share price as at 30 June 2021 **81.51p¹**

NAV per share as at 30 June 2021 **91.16p**

Shareholders in the former Matrix Income & Growth 3 VCT plc received approximately 1.0655 shares in the Company for each MIG 3 VCT share that they held on 20 May 2010, when the two VCTs merged. Both the share price and the NAV per share shown above have been adjusted using this merger ratio.

Allotment date(s)	Allotment price (p)	Net allotment price ² (p)	Cumulative dividends paid per share ³ (p)	Total return per share to Shareholders since allotment (Share price basis) (p)	(NAV basis) (p)
Funds raised 2006					
Between 24 January 2006 and 5 April 2006	100.00	60.00	135.81	217.32	226.97

¹ - Source: Panmure Gordon & Co (mid-price basis), as adjusted for the merger ratio.

² - Net allotment price is the allotment price less applicable income tax relief. Income tax relief was 40% from 6 April 2004 to 5 April 2006, and 30% thereafter.

³ - For derivation, see table below.

Cumulative dividends paid

Payment date	2004 (MIG VCT) (p)	2006 (MIG 3 VCT) (p)	2011 (Linked offer) (p)	2012 (Linked offer) (p)	2013 (Linked offer) (p)	2014 (Linked offer) (p)	2015 (Joint offer) (p)	2017 (Joint offer) (p)	2020 (Joint offer) (p)	
27 September 2005	0.30									
16 May 2006	0.70									
14 September 2006	0.80									
18 May 2007	1.40	1.25								
20 September 2007	1.00	1.00								
21 May 2008	7.80	1.50								
11 September 2008	3.30	1.00								
15 May 2009	1.00	0.80								
21 April 2010	5.00	4.00								
20 May 2010 Merger of MIG VCT and MIG 3 VCT										
27 May 2011	5.00	5.33 ¹	5.00							
15 September 2011	0.50	0.53 ¹	0.50							
22 May 2012	6.25	6.66 ¹	6.25	6.25						
20 September 2012	5.00	5.33 ¹	5.00	5.00						
15 May 2013	2.00	2.13 ¹	2.00	2.00	2.00					
18 September 2013	4.00	4.26 ¹	4.00	4.00	4.00					
14 May 2014	3.25	3.46 ¹	3.25	3.25	3.25	3.25				
17 September 2014	17.00	18.11 ¹	17.00	17.00	17.00	17.00				
30 April 2015	7.00	7.46 ¹	7.00	7.00	7.00	7.00	7.00			
17 September 2015	3.00	3.20 ¹	3.00	3.00	3.00	3.00	3.00			
31 May 2016	7.00	7.46 ¹	7.00	7.00	7.00	7.00	7.00			
20 September 2016	8.50	9.06 ¹	8.50	8.50	8.50	8.50	8.50			
31 March 2017	6.00	6.39 ¹	6.00	6.00	6.00	6.00	6.00			
13 September 2017	9.00	9.59 ¹	9.00	9.00	9.00	9.00	9.00			
08 December 2017	4.00	4.26 ¹	4.00	4.00	4.00	4.00	4.00	4.00		
17 May 2018	3.00	3.20 ¹	3.00	3.00	3.00	3.00	3.00	3.00		
21 September 2018	2.00	2.13 ¹	2.00	2.00	2.00	2.00	2.00	2.00		
17 May 2019	5.00	5.33 ¹	5.00	5.00	5.00	5.00	5.00	5.00		
20 September 2019	4.00	4.26 ¹	4.00	4.00	4.00	4.00	4.00	4.00		
06 December 2019	2.00	2.13 ¹	2.00	2.00	2.00	2.00	2.00	2.00		
08 January 2020	4.00	4.26 ¹	4.00	4.00	4.00	4.00	4.00	4.00		
07 May 2020	6.00	6.39 ¹	6.00	6.00	6.00	6.00	6.00	6.00	6.00	
17 December 2020	5.00	5.33 ¹	5.00	5.00	5.00	5.00	5.00	5.00	5.00	
Total dividends paid²	139.80	135.81	118.50	113.00	101.75	95.75	75.50	35.00	11.00	

¹ - The dividends paid after the merger, on the Company's shareholdings arising from former MIG 3 VCT shareholdings, have been restated for the merger conversion ratio.

² - The above data relates to an investor in the first allotment of each fundraising. The precise amount of dividends paid to Shareholders by date of allotment is shown on page 28 and above.

Glossary of terms

Alternative performance measure (“APM”)

A financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the Company’s financial reporting framework. These APMs tend to be industry specific terms which help Shareholders to understand and assess the Company’s progress. A number of terms contained within this Glossary have been identified as APMs.

Cumulative dividends paid (APM)

The total amount of dividend distributions by the Company over the time period specified. A list of all dividends paid since launch of the Company is shown as part of the Performance data appendix on pages 28 and 29. Dividends paid in the period/year and dividends paid in respect of a year are shown in Note 8 of the 2020 Annual Report.

Cumulative total return (APM)

Cumulative total return per share comprises the NAV per share (NAV basis) or the mid-market price per share (Share price basis) both at the end date of a period under review, plus cumulative dividends paid up to that end date since launch in October 2004.

EBITDA

Earnings before interest, tax, depreciation and amortisation. It can be seen as a proxy for the level of cash flow generated by a business.

Gross Profit

The profit a company makes after deducting the costs associated with making and selling its products, or the costs associated with providing its services.

Internal Rate of Return (“IRR”) (APM)

The internal rate of return is the annual discount rate that equates the original investment cost with the value of subsequent cash flows (such as receipts/dividends or further investment) and the latest valuation/exit proceeds. Generally speaking, the higher an investment’s IRR, the more successful it is.

Net asset value or NAV

The value of the Company’s total assets less its total liabilities. It is equal to the total equity Shareholders’ funds.

Net asset value per share or NAV per share

The net asset value per share is calculated as total equity Shareholders’ funds divided by the number of Ordinary shares in issue at the period-end/year-end.

NAV Total Return (APM)

This measure combines two types of returns received by Shareholders. Firstly, as income in the form of dividends and secondly, as capital movements (net asset value) of the value of the Company.

It is a performance measure that adjusts for dividends that have been paid in a period or year. This allows Shareholders to assess the returns they have received both in terms of the performance of the Company but also including dividends they have received from the Company which no longer form part of the Company’s assets.

It is calculated as the percentage return achieved after taking the closing NAV per share and adding dividends paid in the period/year and dividing the total by the opening NAV per share. The Directors believe that this is the most meaningful method for Shareholders to assess the investment performance of the Company.

To aid comparison with the wider Investment Trust market, the Annual Report also contains a Total Return performance measure which assumes dividends are reinvested. This assumes that dividends paid are reinvested at the date of payment at a price equivalent to the latest announced NAV at the ex-div date. Where this is referred to it will be specified in the Notes.

Ongoing charges ratio (APM)

This figure, calculated using the AIC recommended methodology, shows Shareholders the annual percentage reduction in shareholder returns as a result of recurring operational expenses, assuming markets remain static and the portfolio is not traded. Although the Ongoing Charges figure primarily is based upon historic information, it provides Shareholders with an indication of the likely level of costs that will be incurred in managing the Company in the future.

Realised gain/(losses) in the period/year

This is the profit or loss that arises following the full or partial disposal of a holding in a portfolio company. It is calculated by deducting the value of the holding as at the previous year-end from the proceeds received in respect of such disposal.

Revenue

The total amount of income generated by the sale of goods or services related to a company’s primary operations.

Share price Total Return (APM)

As NAV Total Return, but the Company’s mid-market share price (source: Panmure Gordon & Co) is used in place of NAV. This measure more closely reflects the actual return a Shareholder will have earned, were they to sell their shares at the year/period’s end date. It includes the impact of any discounts or premiums at which the share price trades compared to the underlying net asset value of the Company. If the shares trade at a discount, the returns could be less than the NAV Total Return, but if trading at a premium, returns could be higher than the NAV Total Return.

Corporate Information

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