

Mobius Income & Growth VCT plc

A Venture Capital Trust

Unaudited Half-Year Report
for the six months ended 30 June 2024

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 Gresham House Asset Management Limited (“Gresham House” or “Investment Adviser”).

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.

Merger with Mobeus Income & Growth 2 VCT plc

The Company merged with Mobeus Income & Growth 2 VCT plc (“MIG 2 VCT”) on 26 July 2024 and following the transfer of its assets and liabilities amounting to £57,709,937 to the Company, MIG 2 VCT was placed in members’ voluntary liquidation. As consideration on 26 July 2024 the Company issued 102,889,464 new ordinary 1 pence shares at a price of 56.09 pence per share to each MIG 2 VCT shareholder. Accordingly, each MIG 2 VCT shareholder received 1.065 shares in MIG VCT for each MIG 2 VCT share that they held at the date of the merger (rounded down to the nearest whole number).

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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 2024

As at 30 June 2024:
Net assets: **£91.38 million**
Net asset value per share: **56.26 pence**

- There was a positive Net asset value (“NAV”) total return¹ per share of 3.1%.
- The Board declared an interim dividend in respect of the current year of 4.00 pence per share, which was paid to Shareholders on 31 May 2024. Payment of this dividend increased cumulative dividends paid¹ since inception in 2004 to 170.30 pence per share.
- The Company made two new investments totalling £1.55 million and four follow-on investments of £2.48 million.
- Net unrealised gains in the period were £3.34 million.
- The Company received proceeds from investments totalling £3.49 million.

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 (“APM”).

Performance Summary

The table below shows the recent key data and cumulative performance since inception as at 30 June 2024 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 2024	91.38	56.26	52.00	170.30	226.56	222.30	4.00 ³
31 December 2023	95.99	58.43	55.00	166.30	224.73	221.30	9.50
30 June 2023	100.15	60.12	55.50	161.80	221.92	217.30	5.00

¹ Source: Panmure Liberum (mid-price). Note that the Share price and cumulative total return (share price basis) at 30 June 2024 is by reference to the last announced NAV per share at 31 March 2024 of 59.04 pence (adjusted for a 4.00 pence dividend paid on 31 May 2024) and does not yet reflect the increase in NAV per share at 30 June 2024.

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 Board declared an interim dividend of 4.00 pence per share in respect of the year ending 31 December 2024 which was paid on 31 May 2024. The year end of the Company has been subsequently changed to 30 September 2024.

Detailed performance data, including a table of dividends paid to date for all share classes and fundraising rounds, is shown in the Performance Data appendix on pages 28 and 29 of the Half Year Report. 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.

Chair’s Statement

I am pleased to present the Company’s Half-Year Report for the six months to 30 June 2024.

Overview

The first six months of the Company’s financial year have been set against a backdrop of challenging UK economic conditions although markets as a whole have delivered modest growth. Inflation has started to reduce but high interest rates continue to impact on consumer and business confidence and to affect trading performance in the portfolio companies. We have not yet seen the full effect of the June Bank of England (“BoE”) interest rate cut of 0.25% and there may be further interest rate cuts in the event inflation continues to meet the BoE’s 2% target. Meanwhile, the political uncertainty and distraction associated with the general election should subside.

Over the six months to 30 June 2024 there has been an increase in NAV total return of 3.1% (H1 2023: 1.7%). The portfolio remains well funded and diversified with investee companies having repositioned their cost bases in anticipation of any medium term challenges. The Company seeks to maintain strong liquidity to support the Investment Adviser’s team who are actively seeking opportunities within the existing portfolio together with new investments.

The Company continued to be an active investor in the period and provided investment finance to two new companies: SciLeads and OnSecurity, whilst in February 2024 delivered a highly successful exit of Master Removers Group (“MRG”) generating proceeds on completion of £3.49 million. Follow-on investments were also made into four existing portfolio companies: ActiveNav, MyTutor, Orri and Dayrize. Please see the ‘Investment portfolio’ section later in my Statement for further details. Post the period end, three further follow-on investments were made into Orri, Vivacity and Dayrize.

The extension of the ‘sunset clause’ by the European Commission beyond the end date of 5 April 2025 has now been confirmed to 5 April 2035 with no objections raised. A Treasury Order has been laid before Parliament for this to come into effect. The new Government

appears supportive of the role of VCTs to assist with their growth agenda.

Merger Update

The merger of the Company with Mobeus Income & Growth 2 VCT plc (“MIG 2 VCT”) as set out in the announcement on 18 June 2024, was approved by shareholders and completed on 18 July 2024 (“Merger”).

The assets and liabilities of MIG 2 VCT were transferred to the Company in consideration for shares being issued to the MIG 2 VCT Shareholders upon a relative net asset basis. The new share certificates were issued to the MIG 2 VCT shareholders on MIG 2 VCT entering voluntary liquidation following shareholder approval at the MIG 2 VCT second General Meeting on 26 July 2024 and were dispatched on 9 August 2024. We welcome those new shareholders to the Company.

The accounting reference date of the Company also changed on completion of the Merger from 31 December to 30 September in order to align with the year-end accounting period of The Income & Growth VCT plc and to deliver some of the cost benefits set out in the merger proposal.

Following the Merger, Bridget Guerin retired from the Board of Directors. We are immensely grateful to Bridget for her substantial contribution to the Company during her tenure as a Director. We have welcomed to the Board Ian Blackburn, previously the Chair of MIG 2 VCT, and Sarah Clark, previously the MIG 2 VCT Investment Committee Chair. Ian will assume the role of Senior Independent Director of the Company and Chair the Management Engagement and Nomination & Remuneration Committees and Sarah will Chair a new Investment Committee. Lucy Armstrong continues to Chair the Audit Committee of the Company. We look forward to working together on behalf of the Company’s shareholders.

Performance

After adding back the 4.00 pence per share dividend paid in May 2024, the Company’s NAV total return per share was 3.1% over the six months to 30 June 2024 (H1 2023: 1.7%) principally the result of positive valuation movements across the majority of the largest investments in the portfolio, in particular

Preservica, Active Navigation and MPB. Income generated from cash held awaiting investment was also higher due to increased interest rates.

Investment portfolio

Despite the uncertain macroeconomic conditions, a number of investee companies demonstrated positive revenue growth (in particular Preservica, Active Navigation and MPB) although some consumer facing businesses have found growth harder to deliver. The net result was positive, and the overall value in the period increased by a modest £3.30 million (H1 2023: £1.91 million), or 5.1% (H1 2023: 3.5%) on a like-for-like basis, compared to the opening portfolio value at 1 January 2024 of £64.14 million. This net increase was comprised of an unrealised increase in portfolio valuations of £3.34 million and net realised losses of £0.04 million.

At the period-end, the portfolio was valued at £67.98 million (31 December 2023: £64.14 million). The portfolio substantially comprises of growth capital investments, particularly of investments made since the VCT rule change in 2015 and, as Shareholders will be aware, these younger, less proven investments have a more variable return profile. Shareholders should note therefore that whilst the potential upside for the Company’s Shareholders of these type of investments may be higher, conversely the likelihood of investee company failures also increases. Over 50% of the portfolio’s value is comprised of the Company’s largest five assets by value, with Preservica accounting for 29.8%. Clearly the overall portfolio value is significantly influenced by the performance of these investments and these higher value assets are monitored closely by the Investment Adviser as part of its risk mitigation measures.

The VCT’s portfolio valuation methodology has continued to be applied consistently and in line with IPEV guidelines with four of the top ten largest valuations triangulated by an independent external valuation in the period.

During the six months under review, the Company invested £1.55 million (H1 2023: £1.44 million) into the portfolio through two new investments:

SciLeads **£0.71 million** – Digital platform within the life science vertical

OnSecurity **£0.84 million** - B2B cybersecurity business providing independent third-party penetration testing services

The Company generated £3.49 million in proceeds from the realisation of Master Removers Group. Over the life of this investment, the Company has received total proceeds of £6.62 million which equates to a multiple on cost of 3.3x and an IRR of 26.0%. Additional potential proceeds may be received which could increase the multiple on cost to 3.4x. Disappointingly, shortly before the period-end, the Company was unable to support further investment required by Bleach Holdings Limited and was required to sell its holding for minimal proceeds. The Company had reduced its valuation of Bleach in previous periods such that a modest £0.04 million realised loss was incurred on disposal in the period.

I reported in the 2023 Annual Report on HMRC’s stricter interpretation of the Financial Health Test which, in some cases, had restricted follow-on investment. Encouragingly however, more recent updated guidance has increased flexibility in this area. Your Board, the AIC and Venture Capital Trust Association will continue to monitor developments.

During the period, the Company invested a further £2.48 million into four existing portfolio companies:

MyTutor **£0.54 million** – a digital marketplace connecting school pupils seeking one to one online tutoring

Orri **£0.07 million** - an intensive day care provider for adults with eating disorders

ActiveNAV **£1.79 million** - a global provider of file analysis software for information governance, security and compliance

Dayrize **£0.08 million** - a provider of a rapid sustainability impact assessment tool

Further details of this investment activity and the performance of the portfolio are contained in the Investment Adviser’s

Review and the Investment Portfolio Summary of this Half-Year Report on pages 6 to 11.

Revenue account

The results for the period are set out in the Unaudited Condensed Income Statement and show a revenue return (after tax) of 0.18 pence per share (H1 2023: 0.36 pence per share). The revenue return for the period of £0.30 million is lower than last year’s comparable figure of £0.60 million, primarily due to reduced income from lower liquidity fund balances and costs incurred in respect of the Merger. As detailed in the circular, it is anticipated that ongoing cost savings resulting from the merger transaction will recoup all merger costs incurred within 18 months. Shareholders will then continue to benefit from these cost savings.

Fundraising

The Company announced on 10 June 2024 that, subject to and conditional on the Merger being approved and implemented, the Company intended to launch an offer for subscription for new ordinary shares (the “Offers”) for the current 2024/25 tax year to raise up to £35 million as part of a Joint Offer of £70 million with The Income & Growth VCT plc and each VCT has in place an over-allotment facility of £10 million to utilise if necessary.

I am very pleased to confirm that the Merger was approved and therefore the fundraising opened to applications at **9.00am on 2 September 2024**. The Prospectus, supporting documents and the application form can be found on the following website: [VCT Fundraising for the 2024/25 tax year | Mobeus \(mobeusvcts.co.uk\)](https://www.vctfundraisingforthe2024/25taxyear|mobeus(mobeusvcts.co.uk)). Shareholders are encouraged to read the Prospectus before making an investment decision.

Liquidity

The Board continues to monitor credit risk in respect of its cash balances and to prioritise the security and protection of the Company’s capital. Cash and liquidity fund balances as at 30 June 2024 amounted to £23.71 million. This figure includes £23.31 million held in liquidity funds each with a AAA credit rating. The rises in the Bank of England base rate over the last year have

significantly increased the yield on these balances which has and will continue to help provide improved future returns to Shareholders.

Dividends

The Board continues to be committed to providing an attractive dividend stream to Shareholders and is pleased to have declared and paid an interim dividend of 4.00 pence per share for the year ending 31 December 2024 (year-end is now 30 September 2024). This dividend was paid on 31 May 2024, to Shareholders on the Register on 3 May 2024, and has increased cumulative dividends paid since inception to 170.30 pence per share.

The Company had a target, which it has met since established over 13 years ago, of paying a dividend of at least 4.00 pence per share in respect of each financial year. On 18 July 2024, following Shareholder approval of the Merger, the Company revised its Dividend Policy to being 7% of the opening NAV per share in respect of each financial year. The Board considers this commitment will facilitate regular dividend distributions at a rate that is attractive compared to the wider VCT market. Shareholders should note that a portfolio comprised mostly of small, higher risk but potentially higher growth investments may lead to increased volatility, affecting the return in any given year and the ability to maintain dividends.

Dividend Investment Scheme (“DIS”)

Further to the Merger and a review by the Board, the Company has now established a Dividend Investment Scheme to allow Shareholders to receive additional shares in the Company by re-investing their total dividend payment into new shares at the latest published NAV. Shareholders must register their whole shareholding in the DIS, a partial election is not permitted under the Rules of the DIS which can be found on the Company’s website: www.migvct.co.uk under the Dividend section along with the mandate form. The new shares are also eligible for Income Tax Relief.

Chair’s Statement

Share buybacks

During the six months ended 30 June 2024, the Company bought back and cancelled 1.88 million of its own shares, representing 1.1% (2023: 1.3%) of the shares in issue at the beginning of the period, at a total cost of £1.03 million (2023: £1.26 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 or around 5% below the latest published NAV.

Shareholder Communications

The Company has its own website which is available at: www.mobeusvcts.co.uk. The Company issues Interim Management Statements in the quarters between the release of the Annual and Half-Year Accounts to keep Shareholders informed. An update on the performance of the Company was given at the Annual General Meeting held in May 2024. A recording of the AGM is still available on the website under Key Shareholder information/ Shareholder meetings if you wish to view this.

Fraud Warning

Shareholders continue to be 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, claiming or appearing to be from a corporate finance firm offering to buy your shares at an inflated price.

Further information and fraud advice, plus details of who to contact, can be found in the Shareholder Information section on page 26.

Environmental, Social and Governance

The Board and the Investment Adviser believe that the consideration of environmental, social and corporate governance (“ESG”) factors throughout

the investment cycle will contribute towards enhanced shareholder value.

Gresham House has a dedicated sustainable investment team which conducts an annual survey of our unquoted portfolio companies to understand how they are responding to relevant ESG risks and opportunities. The results of the November 2023 survey of investee companies highlighted that the portfolio companies who participated were taking more action on implementing a range of sustainability initiatives within their businesses. Each portfolio company in the survey identified areas for improvement over the next 12 months which are being monitored by the Investment Adviser and their progress tracked throughout 2024.

The future FCA reporting requirements consistent with the Task Force on Climate-related Financial Disclosures, which commenced on 1 January 2021, do not currently apply to the Company but are kept under review, the Board being mindful of any recommended changes.

Consumer Duty

The Financial Conduct Authority’s (“FCA”) Consumer Duty regulation came into effect on 31 July 2023. The Consumer Duty is an advance on the previous concept of ‘treating customers fairly’ which sets higher and clearer standards of consumer protection across financial services and requires all firms to put their customers’ needs first.

As previously notified, the Company is not regulated by the FCA and therefore it does not directly fall into the scope of Consumer Duty. However, Gresham House as the Investment Adviser, and any IFAs or financial platforms used to distribute future fundraising offers, are subject to Consumer Duty.

The Board ensures that the principles behind Consumer Duty are upheld and has worked closely with the Investment Adviser on the information now available to assist consumers and their advisers to be able to discharge their obligations under Consumer Duty. Gresham House published its first Consumer Duty Report, approved by the Gresham House Limited Board, at the end of July 2024 which the Board have reviewed and were comfortable with the actions taken and to be taken as Consumer Duty progresses.

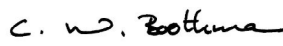
Outlook

The geopolitical and economic environment remains uncertain, with no end in sight to Russian aggression in Ukraine; rising tension in the South China Sea; the ongoing Middle East conflict and approximately 40% of the world’s population subject to general elections during this year. These conditions are challenging for any business to navigate but, with the guidance of the experienced Investment Adviser, the portfolio has delivered growth and positive returns during the first half of the year. The recent change in UK Government and the prospect of further interest rate reductions gives the Board some confidence that this portfolio performance will continue. This backdrop also provides opportunities for the Company to build strategic stakes in existing portfolio businesses and source new investments with good future growth prospects.

Notwithstanding the successful exit of Master Removers Group, the exit environment will likely remain subdued in comparison to recent years. However, with no fixed timescale associated with the Company’s investments, there is no imperative to force an exit and the Investment Adviser is able to choose the best time to sell to optimise value.

In summary, the Company has a large, well diversified portfolio, managed by a professional and experienced investment team and the Board is confident that the challenges which undoubtedly lie ahead can be navigated successfully.

I would like to take this opportunity once again to thank all Shareholders for your continued support and to extend a warm welcome to our new members of the Company.



Clive Boothman
Chair

19 September 2024

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 the LSE or a regulated European stock market;
- non-qualifying investments cannot be made, except for certain exemptions in managing the Company’s short-term liquidity;
- VCTs are 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 12 months.

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; and
- 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 and 11.

Investment Adviser's Review

Portfolio review

Markets delivered further modest growth over the six months to the end of June. Inflation and interest rates have reduced but concerns remain regarding increasing commodity costs, supply chain issues stemming from geo-political tensions in the Gulf and wage settlements. Consumer confidence and spending in the UK therefore remains subdued and whilst growth is still possible, it is under pressure, with many commentators reporting a halving of historic growth rates and missed budgets. Corporates are similarly affected, reducing non-essential spend, examining their cost bases and increasing purchasing cycles.

However, recent statistics show that the UK economy recorded growth in the first half of the year and the recent interest rate cut by the Bank of England is a welcome bid to encourage investment and stimulate further growth. The new Government, elected in July, appears to be prioritising growth policies and should begin to reinstate Government spending. Meanwhile, the direct impact of high interest rates on the Company's portfolio remains minimal as most portfolio companies do not have any significant third-party debt.

Against this background, it is encouraging to see that the majority of the portfolio companies recorded a further growth increase over the last six months. This steady positive progress belies the fact that the portfolio has many projects under consideration with several companies contemplating top up rounds to enable them to reach a delayed breakeven. This is a useful opportunity to build meaningful stakes as well as enhancing the Company's influence and protecting the VCTs' position. Over 65% of the portfolio recorded profit increases versus the previous year which is very encouraging and demonstrates the responsiveness and effectiveness of portfolio company boards in re-prioritising growth versus earnings and focusing on earlier paths to profitability.

The current macro-environment poses particular challenges for the smallest companies which are attempting to prove nascent business models. Most of the recent group of earlier stage investments are steadily building out their pipelines and capability as they balance investment with the rate of commercial development. At this stage of their development Gresham House is still hopeful that the majority will deliver the relevant commercial proof points, albeit it will take longer and probably

require additional capital earlier than had originally been envisioned. In some cases, this could be a positive by allowing the Company to amass more significant stakes on possibly more advantageous terms.

There are some specific highs in the portfolio such as Preservica and MPB which continue to see strong trading and Data Discovery Solutions (trading as ActiveNav) which is out-performing budget. By contrast, there were also some reductions, the largest were Dayrize and MyTutor.

The exit environment remains subdued, but the recent exit of Master Removers Group illustrates that for the right asset and the right acquirer, deals can still be done. This exit completed in February 2024 following a long running process which had to negotiate numerous economic and geo-political hurdles.

The Company maintains strong liquidity through regular fundraises and is well placed to support portfolio companies with follow-on funding where it is appropriate and can be structured on attractive terms. Strong liquidity will also provide the ability to capitalise on the attractive new investment environment for the Company and we are seeing a number of interesting investment propositions. The 2024/2025 fundraising will ensure that liquidity remains strong going forwards.

The portfolio movements in the period are summarised as follows:

	2024 £m	2023 £m
Opening portfolio value	64.14	54.69
New and follow-on investments	4.03	1.44
Disposal proceeds	(3.49)	(2.70)
Net realised (losses)/gains	(0.04)	0.39
Unrealised Valuation movements	3.34	1.52
Portfolio value at 30 June	67.98	55.34

Valuation changes of portfolio investments still held

The portfolio generated net unrealised gains of £3.34 million in the first half of its financial year. The total valuation increases were £5.00 million, with the main valuation increases being:

ActiveNav	£0.79 million
MPB Group	£0.63 million
Preservica	£0.45 million

ActiveNav has seen a step change in revenues through development of a managed service providing an immediate cyber-attack response. MPB continues to expand its revenues, customer base and engagement and Preservica is increasing its recurring revenues through additional client wins and new product introductions such as Preserve365 which is targeted at the Microsoft environment.

The total valuation decreases were £(1.66) million. The main valuation decreases were:

Dayrize	£(0.39) million
MyTutor	£(0.31) million
IPV	£(0.22) million

Dayrize has been successful in winning some new contracts and its offering is viewed very positively in the market, however, its growth has been behind expectations. MyTutor's revenues and trading metrics continue to be impacted by the cost pressures experienced by schools and consumers. Management is in the process of refining its operating model and introducing new AI based services to address this. IPV has been subject to a higher than usual churn of customers coupled with a slower rate of new business wins as budgets come under increasing scrutiny and sales lead times increase.

The portfolio's valuation changes in the period are summarised as follows:

Investment Portfolio Capital Movement	2024 £m	2023 £m
Increase in the value of unrealised investments	5.00	5.83
Decrease in the value of unrealised investments	(1.66)	(4.31)
Net increase in the value of unrealised investments	3.34	1.52
Realised gains	-	0.62
Realised losses	(0.04)	(0.23)
Net realised (losses)/gains in the period	(0.04)	0.39
Net investment portfolio movement in the period	3.30	1.91

New investments during the period

The Company made two new investments of £1.55 million during the period, as detailed below:

	Company	Business	Date of investment	Amount of new investment (£m)
	SciLeads	Digital platform within the science verticals	March 2024	0.71

SciLeads (<https://scileads.com>). Based in Belfast, SciLeads is a data and lead generation platform operating within life science verticals, allowing customers to identify, track and convert potential leads. SciLeads has grown ARR significantly and this investment will be used to accelerate new customer acquisition and professionalise the product and customer success functions to cross-sell opportunities within the existing customer base.

	OnSecurity	B2B cybersecurity business providing independent third-party penetration testing	June 2024	0.84
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OnSecurity (www.onsecurity.io). Based in Bristol, OnSecurity is a B2B cybersecurity business providing independent third-party penetration testing services, a type of ethical hacking that simulates a real-world attack on a computer system, network, or web application to identify and remediate vulnerabilities that could be exploited by malicious actors. OnSecurity is an agile and collaborative platform solution that provides high quality human pentesting with elements of automation to minimise low value, menial tasks.

Further investments during the period

A total of £2.48 million was invested into four existing portfolio companies during the period, as detailed below:

	Company	Business	Date of investment	Amount of further investment (£m)
	MyTutor	Digital marketplace for online tutoring	January 2024	0.54

MyTutorweb (trading as MyTutor) (<https://www.mytutor.co.uk/>) is a digital marketplace that connects school age pupils who are seeking private online tutoring with university students. The business is satisfying a growing demand from both schools and parents to improve pupils' exam results. This further investment will aim to drive changes in product and margin through operating business improvements and seek to expand its offering to school and channel partners.

	Orri	Specialists in eating disorder support	March 2024	0.07
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Orri Limited (<https://www.orri-uk.com/>) is an intensive day care provider for adults with eating disorders. Orri provides an alternative to expensive residential in-patient treatment and lighter-touch outpatient services by providing highly structured day and half day sessions either online or in-person at its clinic on Hallam Street, London. This additional funding represents a bridging round to provide sufficient funding to allow the business to break-even. Potential further funding will allow a targeted geographic roll out once the core business is proven.

	ActiveNav	A provider of enterprise-level file analysis software	May 2024	1.79
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Data Discovery Solutions, trading as ActiveNav (www.activenav.com), is a data analysis software solution which makes it easier for companies to clean up network drives, respond to new data protection laws and dispose of redundant and out dated documents. ActiveNav's solution is used by significant blue chip customers, particularly those in highly regulated industries such as energy and professional services, as well as government entities in the USA, Canada, Australia and the UK. This further funding will assist the development of ActiveNav's exciting new cyber breach response division 'Actfore', which was established in late 2022.

Investment Adviser’s Review

	Company	Business	Date of investment	Amount of further investment (£m)
	Dayrize	A provider of a rapid sustainability impact assessment tool	June 2024	0.08

Founded in 2020, Amsterdam-based Dayrize (www.Dayrize.io) has developed a rapid sustainability impact assessment tool that delivers product-level insights for consumer goods brands and retailers, enabling them to be leaders in sustainability. Its proprietary software platform and methodology bring together an array of data sources to provide a single holistic product-level sustainability score that is comparable across product categories in under two seconds. This funding round is to help refine its business plan, establish greater product-market fit and drive conversion of its customer pipeline.

Realisations during the period

The Company completed one exit during the period, as detailed below:

	Company	Business	Period of investment	Total cash proceeds over the life of the investment/ Multiple over cost
	Master Removers Group	A specialist logistics, storage and removals business	December 2014 to February 2024	£6.62 million 3.3x cost

The Company sold its investment in Master Removers Group (2019) Limited (“MRG”) to Elanders AB and alongside this, sold its shares in MRG’s domestic removals business to management. The Company received £3.49 million from the sale. Further sale and contingent proceeds of up to £0.66 million are receivable at a later date under the terms of the transaction. Total proceeds received to date over the life of the investment are £6.62 million compared to an original investment cost of £2.03 million, representing a multiple on cost of 3.3x and an IRR of 26%. This may increase to 3.4x as further proceeds are received.

The Company also realised its investment in Bleach Holdings Limited (“Bleach”) during the period. The Company had invested £1.24 million into Bleach since 2019, but Bleach had significantly underperformed in the face of issues such as Covid-19 and the subsequent consumer downturn. Despite a restructuring in 2023, against a challenging backdrop across the retail sector, Bleach required further funding to support its scaling which the VCTs could not provide under current VCT rules. A well-known hair-care provider agreed to acquire the business and safeguard important jobs but disappointingly only at a level that generated a minimal return for the VCTs. The Company had reduced its valuation of Bleach materially in previous periods such that upon realisation a modest loss of just £0.04 million was recognised in the period.

Investments made after the period-end

The Company made three follow-on investments of £1.09 million after the period-end, as detailed below:

	Company	Business	Date of investment	Amount of further investment (£m)
	Orri	Specialists in eating disorder support	July 2024	0.15

Orri Limited (www.orri-uk.com) is an intensive day care provider for adults with eating disorders. Orri provides an alternative to expensive residential in-patient treatment and lighter-touch outpatient services by providing highly structured day and half day sessions either online or in-person at its clinic on Hallam Street, London. This further funding represents a bridging round to provide sufficient funding to allow the business to break-even. Potential further funding will allow a targeted geographic roll out once the core business is proven.

Investments made post the merger by the new enlarged Company:

	Company	Business	Date of investment	Amount of further investment (£m)
	Vivacity	Provider of artificial intelligence & urban traffic control systems	August 2024	0.88

Vivacity (www.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. This further investment will enable Vivacity to launch new products and scale in their key US market.

	Company	Business	Date of investment	Amount of further investment (£m)
	Dayrize	A provider of a rapid sustainability impact assessment tool	September 2024	0.07

Founded in 2020, Amsterdam-based Dayrize (www.Dayrize.io) has developed a rapid sustainability impact assessment tool that delivers product-level insights for consumer goods brands and retailers, enabling them to be leaders in sustainability. Its proprietary software platform and methodology bring together an array of data sources to provide a single holistic product-level sustainability score that is comparable across product categories in under two seconds. This further funding round is to help refine its business plan, establish greater product-market fit and drive conversion of its customer pipeline.

Investment portfolio yield

In the period under review, the Company received the following amounts in income from its portfolio companies:

Investment Portfolio Yield	2024 £m	2023 £m
Loan Interest	0.29	0.28
Dividends	0.02	0.05
OEIC and bank interest	0.74	0.96
Total portfolio income in the period ¹	1.05	1.29
Net Asset Value at 30 June	91.38	100.15
Portfolio Income Yield (Income as a % of Net Asset Value at 30 June)	1.15%	1.29%

¹ Total portfolio income in the period is generated solely from investee companies within the portfolio.

Environmental, Social, Governance considerations

The Board and the Investment Adviser believe that the consideration of environmental, social and corporate governance factors throughout the investment cycle should contribute towards enhanced shareholder value. The Investment Adviser has a dedicated team which is focused on sustainability as well as the Investment Adviser’s Sustainability Executive Committee who provide oversight and accountability for the Investment Adviser’s approach to sustainability across its operations and investment practices. This is viewed as an opportunity to enhance the Company’s existing protocols and procedures through the adoption of the highest industry standards. Each investment executive is responsible for setting and achieving their own individual ESG objectives in support of the wider overarching ESG goals of the Investment Adviser.

The Investment Adviser’s Private Equity division has its own Sustainable Investment Policy, in which it commits to:

- Ensure its team understands the imperative for effective ESG management and is equipped to carry this out through management support and training.

- Incorporate ESG into the monitoring processes of the unquoted portfolio companies.
- Engage with the dedicated sustainable investment team and conduct regular monitoring of ESG risks, sustainability initiatives and performance in its investments.

Outlook

Geo-political flux and economic uncertainty are likely to persist throughout 2024; this will impact all sectors and businesses to varying degrees. However, it should also present attractive opportunities for your Company which, as a selective investor, has the advantage of being able to take a longer-term view of both new and portfolio follow-on investments. The economic backdrop will also impact our existing portfolio companies which could depress short term growth to a degree but, as mentioned, also produce attractive further investment opportunities.

The experience of seasoned investment managers/advisers will be increasingly important for the foreseeable future as they seek to support their portfolio management teams in times of uncertain markets. In this respect, Gresham House is well placed by having one of the largest and most experienced portfolio

teams in the industry with an average of over 18 years’ relevant industry experience.

Overall, the portfolio has demonstrated its robustness over the past half-year in delivering growth against a challenging backdrop. These conditions can create attractive opportunities, and we continue to believe that our strategy of investing through the cycle can lead to superior returns. With a robustly funded and well diversified portfolio and a fund raising designed to provide liquidity for both new and follow-on investments, we believe your Company is very well placed for the future.

Gresham House Asset Management Limited
Investment Adviser

19 September 2024

Investment Portfolio Summary

as at 30 June 2024

	Market sector	Date of investment	Total book cost £'000	Valuation £'000	Like for like valuation increase/ (decrease) over period ¹	% value of net assets
Gresham House portfolio of investments						
Preservica Limited Seller of proprietary digital archiving software	Software & computer services	Dec-15	4,498	20,239	2.3%	22.2%
MPB Group Limited Online marketplace for used photographic and video equipment	Retailers	Jun-16	1,405	9,397	7.2%	10.4%
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	3,595	5,424	277%	6.0%
Ark 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	2,710	9.5%	3.0%
Virgin Wines UK plc (AIM quoted) ² Online wine retailer	Retailers	Nov-13	58	2,572	15.8%	2.8%
My Tutorweb Limited (trading as Mytutor) Digital marketplace connecting school pupils seeking one-to-one online tutoring	Industrial support services	May-17	3,439	2,496	(13.8)%	2.7%
End Ordinary Group Limited (trading as Buster and Punch) Industrial inspired lighting and interiors retailer	Retailers	Mar-17	1,885	2,300	(7.9)%	2.5%
Rota Geek Limited Workforce management software	Software & computer services	Aug-18	1,642	2,052	23.0%	2.2%
Vivacity Labs Limited Provider of artificial intelligence & urban traffic control systems	Technology, hardware & equipment	Feb-21	1,938	1,639	(8.7)%	1.8%
Ozone Financial Technology Limited Open banking software developer	Software & computer services	Dec-23	1,282	1,619	New Investment	1.8%
Caledonian Leisure Limited Provider of UK leisure and experience breaks	Travel & leisure	Mar-21	681	1,490	19.7%	1.6%
Legatics Holdings Limited SaaS LegalTech software provider	Software & computer services	Jun-21	1,233	1,409	12.9%	1.5%
EOTH Limited (trading as Equip Outdoor Technologies) Branded outdoor equipment and clothing (including the RAB and Lowe Alpine brands)	Retailers	Oct-11	1,297	1,270	-	1.4%
Orri Limited An intensive day care provider for adults with eating disorders	Healthcare	Sep-22	751	1,034	12.2%	1.1%
Veritek Global Holdings Limited Maintenance of imaging equipment	Industrial support services	Jul-13	1,122	1,031	35.6%	1.1%
OnSecurity Technology Limited Cybersecurity services business	Software & computer services	Jun-24	838	1,028	New Investment	1.1%

Blue Investment made prior to 2015 VCT rule change

Green Investment made after 2015 VCT rule change

	Market sector	Date of investment	Total book cost £'000	Valuation £'000	Like for like valuation increase/ (decrease) over period ¹	% value of net assets
Gresham House portfolio of investments						
Connect Childcare Group Limited Nursery management software provider	Software & computer services	Dec-20	1,168	1,014	73.6%	1.1%
CGI Creative Graphics International Limited Vinyl graphics to global automotive, recreational vehicle and aerospace markets	General industrials	Jun-14	1,808	823	8.7%	0.9%
Manufacturing Services Investment Limited (trading as Wetsuit Outlet) Online retailer in the water sports market	Retailers	Jul-17	2,745	765	(7.1)%	0.8%
FocalPoint Positioning Limited A positioning technology company	Software & computer services	Sep-22	751	751	-	0.8%
Other investments made prior to 2015 VCT rule change outside Top 20 ³			1,530	422		0.5%
Other investments made after 2015 VCT rule change outside Top 20 ⁴			11,221	6,499		7.1%
Total investments			46,956	67,984		74.4%
Total investment portfolio			46,956	67,984		74.4%
Current asset investments and Cash at bank and in hand ⁵			23,708	23,708		25.9%
Total investments			70,664	91,692		100.3%
Other assets				139		0.2%
Current liabilities				(453)		(0.5)%
Net assets				91,378		100.0%
Portfolio split by type						
Investment made prior to 2015 VCT rule change			5,815	6,118		9.0%
Investment made after to 2015 VCT rule change			41,141	61,866		91.0%
Total Investment Portfolio			46,956	67,984		100.0%

¹ This percentage change in 'like for like' valuations is a comparison of the 30 June 2024 valuations with the 31 December 2023 valuations (or where a new investment has been made in the period, the investment amount), having adjusted for partial disposals, loan stock repayments or new investments in the period.

² The Company's holding in Virgin Wines UK plc is held via a beneficial holding in Rapunzel Newco Limited.

³ Other investments made prior to the 2015 VCT rule change comprise: Master Removers Group 2019 Limited (trading as Anthony Ward Thomas, Bishopsgate and Aussie Man & Van), Racoon International Group Limited, and SEC Group Limited.

⁴ Other investments made after the 2015 VCT rule change comprise: Proximity Insight Holdings Limited, Scileads Limited, IPV Limited, Huddl Mobility Limited (trading as CitySwift), Branchspace Limited, Cognassist UK Limited, Lads Store Limited (trading as Bidnamic), Pets' Kitchen Limited (trading as Vet's Klinik), Mable Therapy Ltd, Azarc.io, Dayrize B.V., Connect Earth Limited, Parsley Box Group Limited (formerly Parsley Box Plc), Northern Bloc Ice Cream Limited, Spanish Restaurant Group Limited (trading as Tapas Revolution)(in administration), BookingTek Limited, and Kudos Innovations Limited.

⁵ 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 (Chair), Ian Blackburn (SID, Chair of the Nominations and Remuneration, and Management Engagement Committees), Lucy Armstrong (Chair of the Audit Committee), and Sarah Clark (Chair of the Investment Committee) being the Directors of the Company, confirm that, to the best of their knowledge:

- a) the condensed set of financial statements, which has been prepared in accordance with Financial Reporting Standard 104 “Interim Financial Reporting” gives a true and fair view of the assets, liabilities, financial position and profit of the Company, as required by DTR 4.2.10;
- b) the Half-Year Management Report which comprises the Chair’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;
- c) a description of the principal risks and uncertainties facing the Company for the remaining six months is set out below, in accordance with DTR 4.2.7; and
- d) there were no related party transactions in the first six months of the current financial year that are required to be disclosed in accordance with DTR 4.2.8.

Principal risks and uncertainties

In accordance with DTR 4.2.7, the Board confirms that the principal risks and uncertainties facing the Company have not changed materially since the publication of the Annual Report and Financial Statements for the year ended 31 December 2023 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; and
- Key staff.

A detailed explanation of these risks can be found in the Strategic Report and in Note 15 on pages 69 to 76 of the Annual Report and Financial Statements for the year ended 31 December 2023, 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 supply chain constraints and inflationary pressures are beginning to impact. 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 69 to 76 of the Annual Report and Financial Statements for the year ended 31 December 2023. 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:

C. Boothman

Clive Boothman
Chair

19 September 2024

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Unaudited Condensed Income Statement

for the six months ended 30 June 2024

	Notes	Six months ended 30 June 2024 (unaudited)			Six months ended 30 June 2023 (unaudited)			Year ended 31 December 2023 (audited)		
		Revenue £	Capital £	Total £	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Net investment portfolio gains/(losses)	9	-	3,300,171	3,300,171	-	1,910,263	1,910,263	-	6,428,051	6,428,051
Income	4	1,054,538	-	1,054,538	1,288,825	-	1,288,825	2,655,018	-	2,655,018
Investment Adviser's fees	5	(252,528)	(757,583)	(1,010,111)	(284,057)	(852,163)	(1,136,220)	(547,279)	(1,641,827)	(2,189,106)
Other expenses		(311,704)	-	(311,704)	(278,860)	-	(278,860)	(541,369)	-	(541,369)
Merger costs	13	(100,830)	-	(100,830)	-	-	-	-	-	-
Profit on ordinary activities before taxation		389,476	2,542,588	2,932,064	725,908	1,058,100	1,784,008	1,566,370	4,786,224	6,352,594
Tax on profit/(loss) on ordinary activities	6	(92,259)	92,259	-	(129,239)	129,239	-	(350,248)	350,248	-
Profit and total comprehensive income		297,217	2,634,847	2,932,064	596,669	1,187,339	1,784,008	1,216,122	5,136,472	6,352,594
Basic and diluted earnings per share	7	0.18p	1.61p	1.79p	0.36p	0.72p	1.08p	0.73p	3.11p	3.84p

The revenue column of the Income Statement includes all income and expenses. The capital column accounts for the net investment portfolio gains (net unrealised and net realised gains/(losses) 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 July 2022 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 to the unaudited financial statements on pages 20 to 25 form part of these Half-Year Financial Statements.

Unaudited Condensed Balance Sheet

as at 30 June 2024

Company registration number: 05153931

	Notes	30 June 2024 (unaudited) £	30 June 2023 (unaudited) £	31 December 2023 (audited) £
Fixed assets				
Investments at fair value	9	67,983,931	55,340,573	64,143,695
Current assets				
Debtors and prepayments		138,901	584,073	172,465
Current asset investments	10	23,308,820	44,050,436	31,141,939
Cash at bank	10	399,090	471,966	847,342
		23,846,811	45,106,475	32,161,746
Creditors: amounts falling due within one year		(452,438)	(297,036)	(311,630)
Net current assets		23,394,373	44,809,439	31,850,116
Net assets		91,378,304	100,150,012	95,993,811
Capital and reserves				
Called up share capital		1,624,071	1,665,904	1,642,852
Capital redemption reserve		48,402	6,569	29,621
Revaluation reserve		24,806,247	18,549,588	23,361,271
Special distributable reserve		35,957,130	46,450,274	44,587,476
Realised capital reserve		27,246,876	31,884,882	24,159,893
Revenue reserve		1,695,578	1,592,795	2,212,698
Equity Shareholders' funds		91,378,304	100,150,012	95,993,811
Basic and diluted net asset value per share	11	56.26p	60.12p	58.43p

The financial information for the six months ended 30 June 2024 and the six months ended 30 June 2023 has not been audited.

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

The Half-Year Report was approved and authorised for issue by the Board of Directors on 19 September 2024 and was signed on its behalf by:

C. W. Boothman

Clive Boothman
Chair

Unaudited Condensed Statement of Changes in Equity

for the six months ended 30 June 2024

	Notes	Called up share capital £	Non-distributable reserves Capital redemption reserve £	Share premium reserve £	Revaluation reserve £	Distributable reserves Special distributable reserve (Note a) £	Realised capital reserve (Note b) £	Revenue reserve (Note b) £	Total £
At 1 January 2024		1,642,852	29,621	-	23,361,271	44,587,476	24,159,893	2,212,698	95,993,811
Comprehensive income for the period									
Profit/(loss) for the period		-	-	-	3,339,761	-	(704,914)	297,217	2,932,064
Total comprehensive income for the period		-	-	-	3,339,761	-	(704,914)	297,217	2,932,064
Contributions by and distributions to owners									
Shares bought back (Note c)		(18,781)	18,781	-	-	(1,032,867)	-	-	(1,032,867)
Dividends paid	8	-	-	-	-	(5,700,367)	-	(814,337)	(6,514,704)
Total contributions by and distributions to owners		(18,781)	18,781	-	-	(6,733,234)	-	(814,337)	(7,547,571)
Other movements									
Realised losses transferred to special reserve (Note a)		-	-	-	-	(1,897,112)	1,897,112	-	-
Realisation of previously unrealised losses		-	-	-	(1,894,785)	-	1,894,785	-	-
Total other movements		-	-	-	(1,894,785)	(1,897,112)	3,791,897	-	-
At 30 June 2024		1,624,071	48,402	-	24,806,247	35,957,130	27,246,876	1,695,578	91,378,304

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 £1,897,112 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 2024, the Company had a special reserve of £35,957,130, £6,267,992 of which arises from shares issued more than three years after the end of the financial year in which they 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 1,878,131 of its own shares at the prevailing market price for a total cost of £1,032,867, which were subsequently cancelled.

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 2023

	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 2023	1,567,186	54,763	37,467,699	15,194,553	3,338,271	40,442,486	2,250,931	100,315,889
Comprehensive income for the period								
Profit/(loss) for the period	-	-	-	1,516,101	-	(328,762)	596,669	1,784,008
Total comprehensive income for the period	-	-	-	1,516,101	-	(328,762)	596,669	1,784,008
Contributions by and distributions to owners								
Shares issued via Offer for Subscription	119,798	-	7,845,211	-	-	-	-	7,965,009
Issue costs and facilitation fees on Offer for Subscription	-	-	(201,626)	-	(94,789)	-	-	(296,415)
Shares bought back	(21,080)	21,080	-	-	(1,256,113)	-	-	(1,256,113)
Dividends paid	-	-	-	-	2,999	(7,110,560)	(1,254,805)	(8,362,366)
Total contributions by and distributions to owners	98,718	21,080	7,643,585	-	(1,347,903)	(7,110,560)	(1,254,805)	(1,949,885)
Other movements								
Realised losses transferred to special reserve	-	-	-	-	(720,652)	720,652	-	-
Realisation of previously unrealised losses	-	-	-	1,838,934	-	(1,838,934)	-	-
Cancellation of share premium account	-	(69,274)	(45,111,284)	-	45,180,558	-	-	-
Total other movements	-	(69,274)	(45,111,284)	1,838,934	44,459,906	(1,118,282)	-	-
At 30 June 2023	1,665,904	6,569	-	18,549,588	46,450,274	31,884,882	1,592,795	100,150,012

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 to the unaudited financial statements on pages 20 to 25 form part of these Half-Year Financial Statements.

Unaudited Condensed Statement of Cash Flows
for the six months ended 30 June 2024

	Notes	Six months ended 30 June 2024 (unaudited) £	Six months ended 30 June 2023 (unaudited) £	Year ended 31 December 2023 (audited) £
Cash flows from operating activities				
Profit after tax for the financial period		2,932,064	1,784,008	6,352,594
Adjustments for:				
Net investment portfolio gains		(3,300,171)	(1,910,263)	(6,428,051)
Dividend income		(20,439)	(45,703)	(91,406)
Interest income		(1,034,099)	(1,243,122)	(2,521,018)
Decrease/(increase) in debtors		10,329	(331,842)	26,183
Increase/(decrease) in creditors and accruals		140,808	(6,401)	8,193
Net cash outflow from operating activities		(1,271,508)	(1,753,323)	(2,653,505)
Cash flows from investing activities				
Purchases of investments	9	(4,031,260)	(1,436,623)	(5,721,958)
Disposals of investments	9	3,491,195	2,696,391	2,696,392
Dividend received		20,439	45,703	91,407
Interest received		1,057,334	1,198,726	2,530,204
Increase/(decrease) in bank deposits with a maturity over three months		-	1,372	(2,046)
Net cash inflow/(outflow) from investing activities		537,708	2,505,569	(406,001)
Cash flows from financing activities				
Shares issued as part of Offer for subscription		-	7,965,009	7,965,009
Issue costs and facilitation fees as part of Offer for subscription		-	(296,415)	(296,415)
Equity dividends paid	8	(6,514,704)	(8,362,366)	(15,796,009)
Share capital bought back		(1,032,867)	(1,256,113)	(2,547,257)
Net cash outflow from financing activities		(7,547,571)	(1,949,885)	(10,674,672)
Net decrease in cash and cash equivalents		(8,281,371)	(1,197,639)	(13,734,178)
Cash and cash equivalents at start of period		30,980,954	44,715,132	44,715,132
Cash and cash equivalents at end of period		22,699,583	43,517,493	30,980,954
Cash and cash equivalents comprise:				
Cash at bank and in hand	10	399,090	471,966	30,133,612
Cash equivalents	10	22,300,493	43,045,527	847,342

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

Notes to the Unaudited Condensed Financial Statements

for the six months ended 30 June 2024

1. Company information

Mobeus Income and Growth VCT plc is a public limited company incorporated in England, registration number 5153931. The registered office is 5 New Street Square, London, EC4A 3TW.

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 July 2022) 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 2024 (unaudited) £	Six months ended 30 June 2023 (unaudited) £	Year ended 31 December 2023 (audited) £
Dividends	20,439	45,703	91,406
Money-market funds	714,766	948,684	1,983,432
Loan stock interest	290,836	284,121	537,586
Bank deposit interest	28,497	10,317	42,594
Total Income	1,054,538	1,288,825	2,655,018

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.

	Six months ended 30 June 2024 (unaudited) £	Six months ended 30 June 2023 (unaudited) £	Year ended 31 December 2023 (audited) £
Allocated to revenue return: Investment Adviser's fees	252,528	284,057	547,279
Allocated to capital return: Investment Adviser's fees	757,583	852,163	1,641,827
Total	1,010,111	1,136,220	2,189,106

6. Taxation

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

	Six months ended 30 June 2024 (unaudited)			Six months ended 30 June 2023 (unaudited)			Year ended 31 December 2023 (audited)		
	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
a) Analysis of tax charge:									
UK Corporation tax on profit for the period	92,259	(92,259)	-	129,239	(129,239)	-	350,248	(350,248)	-
Total current tax charge/(credit)	92,259	(92,259)	-	129,239	(129,239)	-	350,248	(350,248)	-
Corporation tax is based on a rate of 25.0% (2023: 19.0%)									
b) Profit/(loss) on ordinary activities before tax	389,476	2,542,588	2,932,064	725,908	1,058,100	1,784,008	1,566,370	4,786,224	6,352,594
Profit on ordinary activities multiplied by rate of corporation tax in the UK of 25.0% (2023: 19.0%)	97,369	635,647	733,016	137,922	201,039	338,961	368,097	1,124,763	1,492,860
Effect of:									
UK dividends	(5,110)	-	(5,110)	(8,683)	-	(8,683)	(21,481)	-	(21,481)
Net investment portfolio (gains)/ losses not (taxable)/allowable	-	(825,043)	(825,043)	-	(362,950)	(362,950)	-	(1,510,592)	(1,510,592)
Losses not utilised	-	97,137	97,137	-	32,672	32,672	-	35,581	35,581
Expenses not deductible		-	-		-	-	3,632	-	3,632
Actual current tax charge	92,259	(92,259)	-	129,239	(129,239)	-	350,248	(350,248)	-

7. Basic and diluted earnings per share

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

	Six months ended 30 June 2024 (unaudited) £	Six months ended 30 June 2023 (unaudited) £	Year ended 31 December 2023 (audited) £
i) Total earnings after taxation	2,932,064	1,784,008	6,352,594
Basic and diluted earnings per share	1.79p	1.08p	3.84p
ii) Revenue earnings from ordinary activities after taxation	297,217	596,669	1,216,122
Basic and diluted revenue earnings per share	0.18p	0.36p	0.73p
Net investment portfolio gains/(losses)	3,300,171	1,910,263	6,428,051
Capital Investment Adviser's fees less taxation	(665,324)	(722,924)	(1,291,579)
iii) Total capital earnings	2,634,847	1,187,339	5,136,472
Basic and diluted capital earnings per share	1.61p	0.72p	3.11p
iv) Weighted average number of shares in issue in the period	163,677,523	165,150,778	165,507,623

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 2024

8. Dividends paid

Dividend	Type	For the year ended 31 December	Pence per share	Date paid	Six months ended 30 June 2024 (unaudited) £	Six months ended 30 June 2023 (unaudited) £	Year ended 31 December 2023 (audited) £
Interim	Income	2023	0.50p	26 May 2023	-	1,254,805	1,254,805
Interim	Capital	2023	4.50p	26 May 2023	-	7,110,560	7,110,559
Interim	Capital	2023	4.50p*	8 November 2023	-	-	7,455,343
Interim	Income	2024	1.50p	31 May 2024	814,337	-	-
Interim	Income	2024	2.50p*	31 May 2024	5,700,367	-	-
Dividends refunded in the year**						(2,999)	(24,698)
					6,514,704	8,362,366	15,796,009

* This dividend was paid out of the Company’s special distributable reserve.
** Dividends refunded in the period/year relate to dividends paid on shares that were bought back by the Company and unrepresented/uncleared dividend payments returned by the registrars arising from the MIG3 VCT which was merged into the Company in 2010.

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 2022. 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) 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 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:-

b) where a company’s underperformance against plan indicates a diminution in the value of the investment, 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 figures are shown net of any applicable transaction costs incurred by the Company.

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 using inputs that are not based on observable market data.- Level 3 – Fair value is measured using valuation techniques using inputs that are not based on observable market data.

Notes to the Unaudited Condensed Financial Statements

for the six months ended 30 June 2024

	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 2024	2,221,555	52,073,747	3,037,084	6,811,309	64,143,695
Purchases at cost	-	2,226,010	-	1,805,250	4,031,260
Sales - proceeds	-	(3,491,195)	-	-	(3,491,195)
Net realised losses (Note a)	-	(39,590)	-	-	(39,590)
Reclassification at value (Note b)	-	-	150,200	(150,200)	-
Net unrealised gains on investments (Note a)	350,772	1,146,581	796,307	1,046,101	3,339,761
Valuation at 30 June 2024	2,572,327	51,915,553	3,983,591	9,512,460	67,983,931
Book cost at 30 June 2024	58,008	32,982,153	2,668,752	11,246,765	46,955,678
Permanent impairment in value of investments	-	(2,807,415)	(1,779)	(968,800)	(3,777,994)
Unrealised gains/(losses) at 30 June 2024	2,514,319	21,740,815	1,316,618	(765,505)	24,806,247
Valuation at 30 June 2024	2,572,327	51,915,553	3,983,591	9,512,460	67,983,931
Gains/(losses) on investments					
Net realised gains based on historical cost	-	1,855,207	(12)	-	1,855,195
Less amounts recognised as unrealised gains in previous years	-	(1,894,797)	12	-	(1,894,785)
Net realised losses based on carrying value at 30 June 2024	-	(39,590)	-	-	(39,590)
Net movement in unrealised gains in the period	350,772	1,146,581	796,307	1,046,101	3,339,761
Net investment portfolio gains for the period ended 30 June 2024	350,772	1,106,991	796,307	1,046,101	3,300,171

Note a) Net realised losses on investments of £39,590 together with net unrealised gains of £3,339,761 equal net investment portfolio gains of £3,300,171 as disclosed in the Income Statement.

Note b) The Company's loan stock investment in Orri Limited was exchanged for preference shares during the period.

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

	As at 30 June 2024 (unaudited) £	As at 30 June 2023 (unaudited) £	As at 31 December 2023 (audited) £
Multiple of earnings, revenue, or gross margin, as appropriate	55,684,905	50,040,861	53,898,596
Net asset value	2,035,549	2,114,701	2,094,063
Recent investment price (subsequently calculated as appropriate)	6,714,691	1,445,735	4,881,656
Cost less impairment	530,887	137,451	1,024,474
Average share price	23,351	23,351	23,351
Estimated realisation proceeds	422,221	-	-
Total	65,411,604	53,762,099	61,922,140

10. Current asset investments and cash at bank

	As at 30 June 2024 (unaudited) £	As at 30 June 2023 (unaudited) £	As at 31 December 2023 (audited) £
OEIC Money market funds	22,300,493	43,045,527	30,133,612
Cash equivalents per Statement of Cash Flows	22,300,493	43,045,527	30,133,612
Bank deposits that mature after three months	1,008,327	1,004,909	1,008,327
Current asset investments	23,308,820	44,050,436	31,141,939
Cash at bank	399,090	471,966	847,342

11. Basic and diluted net asset value per ordinary share

	As at 30 June 2024 (unaudited)	As at 30 June 2023 (unaudited)	As at 31 December 2023 (audited)
Net assets	£91,378,304	£100,150,012	£95,993,811
Number of shares in issue	162,407,099	166,590,441	164,285,230
Basic and diluted net asset value per share (pence)	56.26p	60.12p	58.43p

12. Post balance sheet events

On 11 July 2024, a further investment of £0.15 million was made into Orri Limited.

On 12 August 2024, a further investment of £0.88 million was made into Vivacity Labs Limited.

On 19 September 2024, a further investment of £0.07 million was made into Dayrize BV.

13. Acquisition of assets and liabilities of Mobeus Income & Growth 2 VCT plc

On 26 July 2024, the assets and liabilities of Mobeus Income & Growth 2 VCT plc were transferred to the Company in exchange for the issue of a further 102,889,464 Ordinary Shares in the Company, at a total value of £57,709,937. Subsequently and on the same day, Mobeus Income & Growth 2 VCT plc was placed into members' voluntary liquidation pursuant to a scheme of reconstruction under section 110 of the Insolvency Act 1986.

The net asset values per share of each VCT used for the purposes of conversion at the calculation date of 26 July 2024, and the resultant conversion ratios into Ordinary Shares were:

	NAV per share (pence)	Conversion ratio applied to MIG 2 VCT Ordinary Shares to obtain new number of Ordinary Shares in the Company
Mobeus Income & Growth VCT plc	56.08925784	-
Mobeus Income & Growth 2 VCT plc	59.72771366	1.06486903

Share certificates reflecting the new shareholdings totalling 102,889,464 Ordinary Shares in Mobeus Income & Growth VCT plc were sent to Shareholders on 9 August 2024.

14. Financial statements for the period ended 30 June 2024

The information for the six months ended 30 June 2024 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 2023 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.

15. Half-Year Report

Copies of this Report are being sent to all Shareholders who elected to receive a paper copy otherwise Shareholders are being notified that a copy is available on the Company's website. Further copies are available free of charge from the Company's registered office, 5 New Street Square, London, EC4A 3TW, or can be downloaded via the Company's website at www.migvct.co.uk.

Shareholder Information

Communication with Shareholders

We aim to communicate regularly with our Shareholders. The annual general meeting provides a useful platform for the Board to meet Shareholders and exchange views. Your Board welcomes your attendance at general meetings, to give you the opportunity to meet your Directors and representatives of the Investment Adviser. We were pleased to see an increased number of Shareholders in attendance this year. 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 as a virtual event on 1 March 2024 and it is expected another event will be held in 2025.

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 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 portal at: <https://gresham-house-vcts.cityhub.uk.com/>, or by email: registrars@city.uk.com or by post/telephone: The City Partnership (UK) Limited, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH. Tel: 01484 240910.

For enquiries concerning the investment portfolio or the Company in general, please contact the Investment Adviser, Gresham House. To contact the Chair or any member of the Board, please contact the Company Secretary, also Gresham House, in the first instance on 020 7382 0999 or by e-mail to mobeusvcts@greshamhouse.com or info@greshamhouse.com.

Financial calendar

September 2024	Announcement of the Company's Half-Year results and circulation of the Half-Year Report for the six months ended 30 June 2024 to Shareholders.
30 September 2024	Year-end.
January 2025	Announcement of the Company's annual results and circulation of Annual Report and Financial Statements for the year ending 30 September 2024 to Shareholders.
March 2025	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 do not have a broker already, the following links may be useful to help you identify a suitable broker: [Find a Broker I London](#) or [Unbiased](#). You can check that they are FCA registered on the FCA website at: www.fca.org.uk.

If you are considering selling your shares or trading in the secondary market, please contact the Company's Corporate Broker, Panmure Liberum ("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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Further details on how to sell your shares can be found here: <https://greshamhouse.com/how-to-sell-baronsmead-and-mobeusvct-shares/>

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, City Partnership, 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 dividend 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 Registrars do not have an up-to-date postal or email address.

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 a 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.mobeusvcts.co.uk 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@greshamhouse.com 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 2024

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 2024. 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 202452.00p¹

NAV per share as at 30 June 202456.26p

Allotment date(s)	Allotment price (p)	Net allotment price² (p)	Cumulative dividends paid per share³ (p)	Total return per share to Shareholders since allotment (Share price basis)¹ (p)	(NAV basis) (p)
Funds raised 2004/05					
Between 5 October 2004 and 29 June 2005	100.00	60.00	170.30	222.30	226.56
Funds raised 2011 (Linked offer)					
21 January 2011	98.00	68.60	149.00	201.00	205.26
28 February 2011	102.30	71.61	149.00	201.00	205.26
22 March 2011	102.30	71.61	149.00	201.00	205.26
01 April 2011	102.30	71.61	149.00	201.00	205.26
05 April 2011	102.30	71.61	149.00	201.00	205.26
10 May 2011	100.60	70.42	149.00	201.00	205.26
06 July 2011	95.30	66.71	144.00	196.00	200.26
Funds raised 2012 (Linked offer)					
08 March 2012	101.20	70.84	143.50	195.50	199.76
04 April 2012	101.20	70.84	143.50	195.50	199.76
05 April 2012	101.20	70.84	143.50	195.50	199.76
10 May 2012	101.20	70.84	143.50	195.50	199.76
10 July 2012	95.50	66.85	137.25	189.25	193.51
Funds raised 2013 (Linked offer)					
14 January 2013	94.60	66.22	132.25	184.25	188.51
28 March 2013	97.40	68.18	132.25	184.25	188.51
04 April 2013	97.40	68.18	132.25	184.25	188.51
05 April 2013	97.40	68.18	132.25	184.25	188.51
10 April 2013 pre RDR⁴	99.80	69.86	132.25	184.25	188.51
10 April 2013 post RDR⁴	97.40	68.18	132.25	184.25	188.51
07 May 2013	95.40	66.78	130.25	182.25	186.51
Funds raised 2014 (Linked offer)					
09 January 14	100.01⁵	70.01	126.25	178.25	182.51
11 February 14	100.28⁵	70.20	126.25	178.25	182.51
31 March 14	106.71⁵	74.70	126.25	178.25	182.51
03 April 14	107.19⁵	75.03	126.25	178.25	182.51
04 April 14	106.54⁵	74.58	126.25	178.25	182.51
06 June 14	108.50⁵	75.95	123.00	175.00	179.26
Funds raised 2015 (Joint offer)					
14 January 2015	96.90⁵	67.83	106.00	158.00	162.26
17 February 2015	98.37⁵	68.86	106.00	158.00	162.26
10 March 2015	99.40⁵	69.58	106.00	158.00	162.26
Funds raised 2017 (Joint offer)					
28 September 2017	74.70⁵	52.29	65.50	117.50	121.76
20 October 2017	74.89⁵	52.42	65.50	117.50	121.76
09 November 2017	75.82⁵	53.07	65.50	117.50	121.76
20 November 2017	76.98⁵	53.89	65.50	117.50	121.76
21 November 2017	76.90⁵	53.83	65.50	117.50	121.76
24 January 2018	72.68⁵	50.88	61.50	113.50	117.76
13 March 2018	72.64⁵	50.85	61.50	113.50	117.76
Funds raised 2020 (Joint offer)					
08 January 2020	65.20⁵	45.64	41.50	93.50	97.76
02 April 2020	61.25⁵	42.88	41.50	93.50	97.76
Funds raised 2021/22 (Joint offer)					
09 March 2022	81.74⁵	57.22	21.50	73.50	77.76
Funds raised 2022/23 (Joint offer)					
16 November 2022	66.47⁵	46.53	13.50	65.50	69.76
06 February 2023	66.49⁵	46.54	13.50	65.50	69.76

¹ Source: Panmure Liberum (mid-price basis), when the latest announced NAV was 59.04p after adjusting for a 4.00 pence per share dividend on 31 May 2024.
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, 2019/20, 2021/22, and 2022/23 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 equivalent as at 30 June 202455.41p¹

NAV per share equivalent as at 30 June 202459.95p

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 price² (p)	Cumulative dividends paid per share³ (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	168.31	223.72	228.26

¹ Source: Panmure Liberum (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)	2022 (Joint offer) (p)	2022/23 (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	5.33¹	5.00								
15 September 2011	0.50	0.53¹	0.50								
22 May 2012	6.25	6.66¹	6.25	6.25							
20 September 2012	5.00	5.33¹	5.00	5.00							
15 May 2013	2.00	2.13¹	2.00	2.00	2.00						
18 September 2013	4.00	4.26¹	4.00	4.00	4.00						
14 May 2014	3.25	3.46¹	3.25	3.25	3.25	3.25					
17 September 2014	17.00	18.11¹	17.00	17.00	17.00	17.00					
30 April 2015	7.00	7.46¹	7.00	7.00	7.00	7.00	7.00				
17 September 2015	3.00	3.20¹	3.00	3.00	3.00	3.00	3.00				
31 May 2016	7.00	7.46¹	7.00	7.00	7.00	7.00	7.00				
20 September 2016	8.50	9.06¹	8.50	8.50	8.50	8.50	8.50				
31 March 2017	6.00	6.39¹	6.00	6.00	6.00	6.00	6.00				
13 September 2017	9.00	9.59¹	9.00	9.00	9.00	9.00	9.00				
08 December 2017	4.00	4.26¹	4.00	4.00	4.00	4.00	4.00	4.00			
17 May 2018	3.00	3.20¹	3.00	3.00	3.00	3.00	3.00	3.00			
21 September 2018	2.00	2.13¹	2.00	2.00	2.00	2.00	2.00	2.00			
17 May 2019	5.00	5.33¹	5.00	5.00	5.00	5.00	5.00	5.00			
20 September 2019	4.00	4.26¹	4.00	4.00	4.00	4.00	4.00	4.00			
06 December 2019	2.00	2.13¹	2.00	2.00	2.00	2.00	2.00	2.00			
08 January 2020	4.00	4.26¹	4.00	4.00	4.00	4.00	4.00	4.00			
07 May 2020	6.00	6.39¹	6.00	6.00	6.00	6.00	6.00	6.00	6.00		
17 December 2020	5.00	5.33¹	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00	
12 July 2021	5.00	5.33¹	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	
07 January 2022	4.00	4.26¹	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	
15 July 2022	4.00	4.26¹	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
07 November 2022	4.00	4.26¹	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
26 May 2023	5.00	5.33¹	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
08 November 2024	4.50	4.79¹	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
31 May 2024	4.00	4.27¹	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Total dividends paid²	170.30	168.31	149.00	143.50	132.25	126.25	106.00	65.50	41.50	21.50	13.50

¹ The dividends paid after the merger, on MIG VCT 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.

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 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 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 Liberum) is used in place of NAV. This measure better 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

Directors as at 19 September 2024

Clive Boothman
Lucy Armstrong
Ian Blackburn
Sarah Clark

Company's Registered Office

5 New Street Square, London EC4A 3TW

Investment Adviser, Promoter, Company Secretary and Administrator

Gresham House Asset Management Limited
80 Cheapside
London EC2V 6EE
Tel: +44(0) 20 7382 0999
info@greshamhouse.com
www.greshamhouse.com

Company Registration Number:

05153931

Company LEI number:

213800HKOSEVWS7YPH79

Email

mobeusvcts@greshamhouse.com

Website

www.migvct.co.uk

Independent Auditor

BDO LLP
55 Baker Street
London
W1U 7EU

Solicitor

Shakespeare Martineau LLP
60 Gracechurch Street
London
EC3V 0HR

Corporate Broker

Panmure Liberum
Ropemaker Place
Level 12
25 Ropemaker Street
London
EC2Y 9LY

Banker

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

Registrar

The City Partnership (UK) Limited
The Mending Rooms
Park Valley Mills
Huddersfield
HD4 7BH
Tel: 01484 240910
www.investorcentre.co.uk

VCT Status Adviser

Philip Hare & Associates LLP
6 Snow Hill
London
EC1A 2AY

Shareholder portal:

<https://gresham-house-vcts.cityhub.uk.com/>

