

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

THIS DOCUMENT CONSTITUTES A REGISTRATION DOCUMENT ("THE REGISTRATION DOCUMENT") ISSUED BY MOBEUS INCOME & GROWTH VCT PLC ("MIG"), MOBEUS INCOME & GROWTH 4 VCT PLC ("MIG 4") AND THE INCOME & GROWTH VCT PLC ("I&G") (TOGETHER "THE COMPANIES" AND EACH "A COMPANY") DATED 29 NOVEMBER 2012.

THIS DOCUMENT HAS BEEN PREPARED IN COMPLIANCE WITH THE PROSPECTUS DIRECTIVE, ENGLISH LAW AND THE RULES OF THE UK LISTING AUTHORITY ("UKLA") AND THE INFORMATION DISCLOSED MAY NOT BE THE SAME AS THAT WHICH WOULD BE DISCLOSED IF THIS DOCUMENT HAD BEEN PREPARED IN ACCORDANCE WITH THE LAWS OF A JURISDICTION OUTSIDE ENGLAND. ADDITIONAL INFORMATION RELATING TO THE COMPANIES IS CONTAINED IN A SECURITIES NOTE ISSUED BY THE COMPANIES ("THE SECURITIES NOTE"). A BRIEF SUMMARY WRITTEN IN NON-TECHNICAL LANGUAGE CONVEYING THE ESSENTIAL CHARACTERISTICS OF AND RISKS ASSOCIATED WITH THE COMPANIES AND THE ORDINARY SHARES OF 1 PENNY EACH IN THE CAPITAL OF EACH OF THE COMPANIES WHICH ARE BEING OFFERED FOR SUBSCRIPTION ("OFFER SHARES") ("THE OFFER") IS CONTAINED IN A SUMMARY ISSUED BY THE COMPANIES ("THE SUMMARY"). THE REGISTRATION DOCUMENT, THE SECURITIES NOTE AND THE SUMMARY HAVE BEEN PREPARED IN ACCORDANCE WITH THE PROSPECTUS RULES MADE UNDER FSMA AND HAVE BEEN APPROVED BY THE FINANCIAL SERVICES AUTHORITY ("FSA") IN ACCORDANCE WITH FSMA.

THIS REGISTRATION DOCUMENT, THE SECURITIES NOTE AND THE SUMMARY TOGETHER COMPRISE A PROSPECTUS ISSUED BY THE COMPANIES DATED 29 NOVEMBER 2012 ("THE PROSPECTUS"). THE PROSPECTUS HAS BEEN FILED WITH THE FSA IN ACCORDANCE WITH THE PROSPECTUS RULES AND YOU ARE ADVISED TO READ THE PROSPECTUS IN FULL.

The Companies and the Directors of the Companies (whose names are set out on page 6) accept responsibility for the information contained in the Registration Document. To the best of the knowledge of the Companies and the Directors of the Companies (who have taken all reasonable care to ensure that such is the case), the information contained in the Registration Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

**Linked offer for subscription to raise, in aggregate,
up to £21,000,000 by way of an issue of Offer Shares**

**Mobeus Income & Growth
VCT plc**

Registered in England and Wales
under number 05153931

ISIN: GB00B01WL239

**Mobeus Income & Growth
4 VCT plc**

Registered in England and Wales
under number 03707697

ISIN: GB00B1FMDH51

**The Income & Growth
VCT plc**

Registered in England and Wales
under number 04069483

ISIN: GB00B29BN198

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

In connection with the Offer, Mobeus Equity Partners LLP ("Mobeus"), the promoter of the Offer, is acting for the Companies and no-one else and will not be responsible to anyone other than the Companies for providing the protections afforded to customers of Mobeus, nor for providing advice in relation to the Offer. Mobeus is authorised and regulated in the United Kingdom by the FSA.

The Offer Shares will not be registered under the United States Securities Act 1933 or the United States Investment Company Act 1990, and no action has been, or will be, taken in any jurisdiction by, or on behalf of, the Companies or Mobeus which would permit a public offer of the Offer Shares in any jurisdiction other than the United Kingdom, nor has any such action been taken with respect to the possession or distribution of this document other than in the UK.

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

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

Mobeus Equity Partners LLP
30 Haymarket
London SW1Y 4EX

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

YOUR ATTENTION IS DRAWN TO THE RISK FACTORS ON PAGES 2 TO 4.

CONTENTS

	Page
RISK FACTORS	2
CORPORATE INFORMATION FOR THE COMPANIES	5
DEFINITIONS	6
THE DIRECTORS AND MOBEUS	8
MEMORANDA AND ARTICLES	13
PART I – MIG	22
(A) General information	
(B) Analysis of the investment portfolio	
(C) Financial information	
PART II – MIG 4	38
(A) General information	
(B) Analysis of the investment portfolio	
(C) Financial information	
PART III – I&G	54
(A) General information	
(B) Analysis of the investment portfolio	
(C) Financial information	
PART IV - LARGEST INVESTMENTS OF THE COMPANIES	71
PART V - DOCUMENTS AVAILABLE FOR INSPECTION	78

RISK FACTORS

Existing and prospective investors should consider carefully the following risk factors in addition to the other information presented in this document and the Prospectus as a whole. If any of the risks described below were to occur, it could have a material effect on the Companies' businesses, financial conditions or results of operations. The risks and uncertainties described below are not the only ones the Companies, the Boards or investors in the Shares will face. Additional risks not currently known to the Companies or the Boards, or that the Companies or the Boards currently believe are not material, may also adversely affect the Companies' businesses, financial condition and results of operations. The value of the Shares could decline due to any of these risk factors described below, and investors could lose part or all of their investment. Investors should consult an independent financial intermediary authorised under FSMA. The attention of prospective investors is drawn to the following risks.

The value of Shares, and the income from them, can fluctuate and investors may not get back the amount they invested. In addition, there is no certainty that the market price of the Shares will fully reflect the underlying net asset value, nor should investors rely upon any Share buy-back policy to offer any certainty of selling their Shares at prices that reflect the underlying NAV. In addition, there is no guarantee that dividends will be paid or that any dividend objective stated will be met.

Although the existing Shares issued are (and it is anticipated that the Offer Shares will be) admitted to the premium segment of the Official List of the UKLA and to trading on the London Stock Exchange's market for listed securities, the secondary market for VCT shares is generally illiquid and, therefore, there may not be a liquid market (which may be partly attributable to the fact that initial tax reliefs are not available for VCT shares generally bought in the secondary market and because VCT shares usually trade at a discount to NAV) and investors may find it difficult to realise their investment (albeit the Companies do have an active buyback policy with the objective of maintaining the discount to NAV at which the Shares trade at approximately 10% or less). Investment in the Companies should be seen as a long term investment.

The past performance of the Companies, other funds managed by Mobeus (the investment manager to the Companies) and Mobeus itself is no indication of future performance. The return received by investors will be dependent on the performance of the underlying investments. The value of such investments, and interest income and dividends therefrom, may rise or fall.

The articles of association of each Company provide the opportunity for Shareholders of a Company to vote on the continuation of that Company on the fifth anniversary of the last allotment of shares. The allotment of Offer Shares pursuant to the Offer will, therefore, defer (in accordance with the Articles) the opportunity for Shareholders of a Company to vote on the continuation of that Company for at least five years and, as a result, both new and existing Shareholders may have to wait longer to realise their holding in the relevant Company.

Although a Company may receive customary venture capital rights in connection with its investments, as a minority investor it may not be in a position to protect its interests fully.

A Company's investments may be difficult, and take time, to realise. There may also be constraints imposed on the realisation of investments in order to maintain the VCT tax status of a Company.

It can take a period of years for the underlying value or quality of the businesses of smaller companies, such as those in which the Companies invest, to be fully reflected in their market values and their market values are often also materially affected by general market sentiment, which can be negative for prolonged periods.

Investment in unquoted companies (including AIM and ISDX traded companies), by its nature, involves a higher degree of risk than investment in companies listed on the Official List. In particular, small companies often have limited product lines, markets or financial resources and may be dependent for their management on a small number of key individuals and may be more

susceptible to political, exchange rate, taxation, economic and other regulatory changes and conditions. In addition, the market for securities in smaller companies may be less regulated and is usually less liquid than that for securities in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such securities. Proper information for determining their value or the risks to which they are exposed may also not be available. Investment returns will, therefore, be uncertain and involve a higher degree of risk than investments in companies listed on the Official List.

To the extent that investee companies are unable to pay the interest on loan stock instruments, a Company's income return will be adversely affected. Investee companies may also have debt, such as bank loans, which rank ahead of the loan stock issued to a Company.

Where more than one of the funds managed or advised by Mobeus wishes to participate in an investment opportunity, allocations will generally be made in proportion to the net asset value of each fund. When one of the funds managed or advised by Mobeus is in its fund raising period, its net funds raised, for the purpose of allocation, will be assumed to be the value of shares allotted in that fund at the time the allocation calculation is made. Implementation of this policy will be subject to the availability of funds to make the investment and other portfolio considerations, such as sector exposure and the requirement to achieve or maintain a minimum of 70% of a particular VCT's portfolio in VCT qualifying holdings. This may mean that a Company may receive a greater or lesser allocation than would otherwise be the case under the normal co-investment policy.

VCTs are subject to investment restrictions, a summary of which are set out in Part Ten of the Securities Note, which may have an impact on the investments the Companies can make and the returns achievable.

Although Mobeus has seen a strong dealflow of opportunities, there can be no guarantee that suitable investment opportunities will be identified in order to meet each Company's objectives.

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

If a Qualifying Investor disposes of his or her Shares within five years of issue, he or she will be subject to clawback by HMRC of any income tax reliefs originally claimed.

If at any time VCT status is lost for a Company, dealings in its Shares will normally be suspended until such time as proposals to continue or to be wound-up have been announced.

The tax rules, or their interpretation, in relation to an investment in the Companies and/or the rates of any tax may change during the life of the Companies and may apply retrospectively.

Changes in legislation concerning VCTs in relation to what constitutes qualifying holdings, qualifying trades and qualifying use of funds, may limit the number of qualifying investment opportunities, reduce the level of returns which would otherwise have been achievable or result in the Companies not being able to meet their objectives. Investors should note that funds raised after 5 April 2012 and used by an investee company for the acquisition of shares in another company are restricted from being qualifying holdings for VCT purposes, which may reduce the number of investment opportunities for such funds.

The FSA are considering introducing restrictions on the promotion of VCTs to retail investors. If restrictions are introduced it may affect the ability to raise funds either pursuant to the Offer or other offers which may subsequently affect the ability of the Companies to continue with their investment strategy and other policies and objectives, which could in turn reduce the returns

earned by Shareholders. This may also be the case as a result of the introduction of the Retail Distribution Review from 31 December 2012.

Many commentators believe that the UK economy will continue to face testing circumstances in the short to medium term that will hinder economic growth. Such conditions could adversely affect the ability of small companies to perform adequately, which could in turn reduce the returns earned by Shareholders.

The UK economy, and its related stock markets, currently face some unusually challenging conditions. Stock market and currency movements may cause the value of the Companies' investments, and the income from them, to fall as well as rise and investors may not get back the amount they originally invested.

Any change of governmental, economic, fiscal, monetary or political policy, in particular current government spending reviews and cuts, could materially affect, directly or indirectly, the operation of the Companies and/or the performance of the Companies and the value of and returns from Shares and/or their ability to achieve or maintain VCT status.

CORPORATE INFORMATION FOR THE COMPANIES

Directors (Non-executive)

MIG

Keith Melville Niven (Chairman)
Bridget Elisabeth Guérin
Thomas Peter Sooke

MIG 4

Christopher Mark Moore (Chairman)
Andrew Stephen Robson
Helen Rachelle Sinclair

I&G

Colin Peter Hook (Chairman)
Jonathan Harry Cartwright
Helen Rachelle Sinclair

Investment Adviser, Administrator, Company Secretary and Promoter

Mobeus Equity Partners LLP
30 Haymarket
London SW1Y 4EX

Solicitors

SGH Martineau LLP
No. 1 Colmore Square
Birmingham B4 6AA

Sponsor

Howard Kennedy Corporate Services LLP
19 Cavendish Square
London W1A 2AW

Auditors

PKF (UK) LLP
Farringdon Place
20 Farringdon Road
London WC2N 6RH

Registrars for I&G and MIG 4

Capita Registrars
34 Beckenham Road
Beckenham
Kent BR3 4TU
Telephone Number: 0871 664 0300*

Registered Office and Head Office

30 Haymarket
London
SW1Y 4EX

Company Registration Numbers

I&G 04069483
MIG 05153931
MIG 4 03707697

Website

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

Telephone Number

020 7024 7600

Receiving Agent

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

VCT Tax Adviser

PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH

Broker

Panmure Gordon & Co
One New Change
London EC4M 9AF

Bankers

National Westminster Bank plc
Financial Institutions Team
First Floor
Mayfair Commercial Banking Centre
Piccadilly 65
London W1A 2PP

Registrars for MIG

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ
Telephone Number: 0870 707 1155

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

*Capita Registrars telephone number is open between 8.30 a.m. and 5.30 p.m. (GMT) Monday to Friday (except UK public holidays). If telephoning from outside of the UK dial +44 20 8639 3399. Calls to Capita Registrars' helpline are charged at 10p per minute (including VAT) plus your service providers' network extras. Calls from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones.

DEFINITIONS

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

“AIM”	the Alternative Investment Market
“Articles”	the articles of association of I&G and/or MIG and/or MIG 4, as the context permits
“Boards”	the board of directors of I&G, MIG and MIG 4 (and each “a Board”)
“Business Days”	any day (other than a Saturday) on which clearing banks are open for normal banking business in sterling
“CA 1985”	Companies Act 1985 (as amended)
“CA 2006”	Companies Act 2006 (as amended)
“Capita Registrars”	a trading name of Capita Registrars Limited
“Closing Date”	the closing date of the Offer which is expected to be 12.00 pm on 30 April 2013, but the Boards reserve the right to extend the closing date of the Offer or will close earlier if it is fully subscribed or otherwise at the Boards’ discretion
“Companies”	I&G, MIG and MIG 4 (and each “a Company”)
“Companies Acts”	CA 1985 and CA 2006
“Directors”	the directors of I&G and/or MIG and/or MIG 4 from time to time, as the context permits
“Early Investment Incentive”	the commission of 1.25% to be paid on applications received and accepted from investors under the Offer up to the earlier of the first £5 million being raised or to 30 December 2012, to be used to purchase additional Offer Shares in the Companies as set out in Part Two of the Securities Note
“EBITA”	a company’s earnings before the deduction of interest, tax and amortisation
“FSA”	the Financial Services Authority
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“HMRC”	Her Majesty’s Revenue & Customs
“Howard Kennedy”	Howard Kennedy Corporate Services LLP, the sponsor to the Offer
“I&G”	The Income & Growth VCT plc
“I&G Shares”	ordinary shares of 1p each in the capital of I&G
“IPEVC Valuation Guidelines”	the International Private Equity and Venture Capital Valuation Guidelines
“ISDX”	the ICAP Securities & Derivatives Exchange, a prescribed market for the purposes of Section 118 of Financial Services and Markets Act 2000
“Listing Rules”	the Listing Rules of the UK Listing Authority
“London Stock Exchange”	London Stock Exchange plc
“Memorandum”	the memorandum of association of I&G and/or MIG and/or MIG 4, as the context permits (and together “the Memoranda”)
“MIG”	Mobeus Income & Growth VCT plc
“MIG Shares”	ordinary shares of 1p each in the capital of MIG
“MIG 4”	Mobeus Income & Growth 4 VCT plc
“MIG 4 Shares”	ordinary shares of 1p each in the capital of MIG 4
“Mobeus” or	Mobeus Equity Partners LLP, the investment adviser, administrator, company

“manager”	secretary and promoter to the Companies and which is authorised and regulated by the FSA
“Money Market Funds”	money market funds, government securities or other low risk liquid assets
“NAV” or “net asset value”	the net asset value of a company calculated in accordance with that company’s normal accounting policies
“Offer”	the offer for subscription of Offer Shares as described in the Prospectus
“Offer Price”	the price at which the Offer Shares will be allotted in each Company pursuant to the Offer
“Offer Shares”	MIG Shares, MIG 4 Shares and I&G Shares, being offered for subscription pursuant to the Offer
“Official List”	the official list of the UK Listing Authority
“Prospectus”	together, this Registration Document, the Securities Note and the Summary
“Prospectus Rules”	the prospectus rules of the UK Listing Authority
“Qualifying Company”	an unquoted (including an AIM-listed) company which satisfies the requirements of Chapter 4 of Part 6 of the Tax Act
“Receiving Agent”	The City Partnership (UK) Limited (or such other receiving agent as the Company may appoint to act as its agent to implement the Offer)
“Registrar”	Capita Registrars or Computershare Investor Services PLC, as the context permits
“Registration Document”	this document
“Regulations”	the Uncertificated Securities Regulations 2001
“Securities Note”	the securities note issued by the Companies dated 29 November 2012 in connection with the Offer
“Shareholder”	a holder of Shares in one or more of the Companies (as the context permits)
“Shares”	I&G Shares and/or MIG Shares and/or MIG 4 Shares (as the context permits)
“Summary”	the summary issued by the Companies dated 29 November 2012 in connection with the Offer
“Tax Act”	the Income Tax Act 2007 (as amended)
“Total Return”	the aggregate value of an investment or collection of investments comprising net asset value, valued where appropriate in accordance with IPEVC Valuation Guidelines, plus the aggregate amount of all distributions (both revenue and capital) made
“UKLA” or “UK Listing Authority”	the FSA in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“United States” or “US”	the United States of America, its states, territories and possessions (including the District of Columbia)
“VCT Value”	the value of an investment calculated in accordance with Section 278 of the Tax Act
“Venture Capital Investments”	shares in, or securities of, a Qualifying Company held by a venture capital trust which meets the requirements described in Chapter 4 of Part 6 to the Tax Act
“Venture Capital Trust” or “VCT”	a venture capital trust as defined in Section 259 of the Tax Act

THE DIRECTORS AND MOBEUS

As required by the Listing Rules, each of the Companies' Boards is independent of Mobeus. All Directors are independent of Mobeus except for Helen Sinclair as set out below.

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

(A) THE DIRECTORS

INDEPENDENT CHAIRMEN

Keith Niven - MIG

Keith has over thirty years' experience in the financial services industry, most of which was spent at Schroder Investment Management Limited, the fund management arm of Schroders plc, where he was appointed joint vice-chairman in 2000. He held a number of other senior positions within Schroders including managing director of its UK institutional fund management business between 1986 and 1992 and chairman of its retail business, Schroder Unit Trusts Limited, from 1992 to 2001. He retired from Schroders in October 2001. Keith is a non-executive director of two other trusts, Schroder Income Growth Fund plc and Impax Environmental Markets plc. Keith is also an investment adviser to the Rolls-Royce Pension Fund, a member of the University of Glasgow Investment Advisory Committee and a director of the Trossachs Community Trust. Keith was chairman of Matrix Income & Growth 3 VCT plc which was merged with MIG in May 2010.

Christopher Moore – MIG 4

Christopher has considerable experience of the venture capital industry. After a law degree and qualifying as a chartered accountant with Price Waterhouse he worked for Robert Fleming Inc., Lazards, Jardine Fleming and then Robert Fleming, latterly as a main board director from 1986 to 1995. During this period he was involved in various unquoted and venture capital investments and remained chairman of Fleming Ventures Limited, an international venture capital fund, until the fund's final distribution in 2003. His roles have included acting as senior adviser to the chairman of Lloyds and chairing the successful turnaround of a public industrial group. Until May 2010, he was a director of Mobeus Income & Growth VCT plc, until September 2010 he was a director of The Income & Growth VCT plc and, until its dissolution in October 2011, he was a director of Matrix Income & Growth 3 VCT plc.

Colin Hook – I&G

Colin has wide financial and commercial experience. He has worked in the City for more than 30 years. During this time, he directed fund management operations for more than ten years. His City involvement includes mergers and acquisitions, and flotations. From 1994 to 1997 he was chief executive of Ivory and Sime plc. He is currently the chief executive of Pole Star Space Applications Limited, a leading provider of real-time tracking information for maritime applications via a global web-based satellite enabled solution. Until September 2010, he was chairman and a director MIG 4.

INDEPENDENT DIRECTORS

Bridget Guérin - MIG

Bridget has over 26 years in the financial services industry. She was Managing Director of Matrix Money Management Limited between June 1999 and March 2011 and sat on the Matrix Group Board between 2000 and 2009. Prior to joining Matrix, Bridget gained 14 years of retail investment fund experience at Schroder Unit Trusts Limited, Ivory & Sime and County NatWest. Bridget is currently a non-executive director of CCP Quantitative Fund a Cayman Islands CTA

Fund, Cantab UCITS Funds plc, Schroder Income Growth Fund plc and Charles Stanley Group plc. She is a member of the York Racecourse Committee and is a trustee of the York Racecourse Pension Fund. Bridget was a director of Matrix Income & Growth 3 VCT plc which was merged with MIG in May 2010.

Tom Sooke - MIG

Tom is an experienced venture capitalist and is chairman of Travel à la Carte Limited. In recent years he has been chairman and non-executive director of a number of quoted and unquoted private equity funds and other companies. Previously, until 1991, he was a partner in Deloitte LLP, co-managing the firm's corporate advisory group in London. Prior to that he was a main board director at Granville Holdings plc, where he also established and ran its main private equity fund activities from 1980 to 1987. In 1983, whilst with Granville, Tom was one of the co-founding members of the British Venture Capital Association. Tom was a director of Matrix Income & Growth 3 VCT plc which was merged with MIG in May 2010.

Andrew Robson – MIG 4

Andrew qualified as a chartered accountant in 1984. From 1984 to 1997, he worked in corporate finance at Robert Fleming & Co Limited, becoming a director. Following a four year term in charge of the finances of the National Gallery, he joined Société Générale as a director in the London M&A department. He subsequently became finance director of the eFinancial group, a group specialising in financial publishing and online recruitment. He now works as a business adviser to small companies. Andrew has over 12 years of experience as a non-executive director, including with investment companies. He is currently an executive director of First Integrity Limited (from December 2006) and a non-executive director of Brambletye School Trust Limited, Peckwater Limited, British Empire Securities and General Trust plc (from August 2008), Shires Income plc (from May 2008) and JP Morgan Smaller Companies Investment Trust plc (from 2007). Andrew was a non-executive director of Edinburgh UK Smaller Companies Tracker Trust plc from 1998 to 2006, a non-executive director of Gate Gourmet Group Holding LLC from 2006 to 2007 and a non-executive director of M&G Equity Investment Trust plc from 2007 to 2011.

Jonathan Cartwright – I&G

Jonathan qualified as a chartered accountant. He has significant experience of the investment trust sector and of serving on the boards of both public and private companies in executive and non-executive roles. Jonathan joined Caledonia Investments plc in 1989, serving as Finance Director from 1991 to December 2009. Prior to this he was Group Financial Controller at Hanson plc from 1984 to 1989. He was a non-executive director of Bristow Group Inc. (from 1996 to 2009) and of Serica Energy plc (from 2008 to 2012). He is a non-executive director of BlackRock Income & Growth Investment Trust plc (from September 2010), Aberforth Geared Income Trust plc (from March 2010) and Tennants Consolidated Limited (from August 2010). Jonathan has served on the Self-Managed Investment Trust Committee of the Association of Investment Companies (to December 2009).

Non-independent Director

Helen Sinclair – I&G and MIG 4

Helen has extensive experience of investing in a wide range of small and medium sized businesses. She graduated in economics from Cambridge University and began her career in banking. After an MBA at INSEAD business school, Helen worked from 1991 to 1998 at 3i plc, based in their London office. She was a founding director of Matrix Private Equity Limited when it was established in early 2000 and helped raise Mobeus Income & Growth 2 VCT plc (formerly Matrix e-Ventures VCT plc). After leaving Matrix in 2005 she was a non-executive director of Hotbed Fund Managers Limited from 2006 to 2008. She is a non-executive director of Downing Income & Growth VCT 4 plc, Spark Ventures plc, is chairman of British Smaller Companies VCT plc and is a director of Octopus Eclipse VCT 3 plc (which recently completed a merger with

Octopus Eclipse VCT plc). Helen is a director of both I&G and MIG 4 and, as both are managed by Mobeus, is not deemed to be an independent director under the Listing Rules.

Current and Past Directorships

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

	Current	Past Five Years
Keith Niven	Advance UK Trust PLC (in liquidation) Impax Environmental Markets plc Mobeus Income & Growth VCT plc Schroder Income Growth Fund plc Springfield Park (No2) Management Company Limited Trossachs Community Trust	Matrix Income & Growth 3 VCT plc (dissolved) Schroder UK Growth Fund plc
Christopher Moore	Bletchley Park Trust Limited British Eye Research Foundation Eye Research UK Fight for Sight Trading Limited Mobeus Income & Growth 4 VCT plc The Iris Fund for the Prevention of Blindness	Helveta Limited Mobeus Income & Growth VCT plc Matrix Income & Growth 3 VCT plc (dissolved) The Income & Growth VCT plc
Colin Hook	Absolute Maritime Tracking Services Inc Absolute Software (Australia) Pty Limited Absolute Software Inc Citron Press plc (in liquidation) Council of the Society of Maritime Industries IBIS Designs Limited The Income & Growth VCT plc Pole Star Data Centre Services Limited Pole Star Space Applications Limited The 9 th /12 th Royal Lancers (Prince of Wales's) Regimental Museum	Mobeus Income & Growth 4 VCT plc
Tom Sooke	Mobeus Income & Growth VCT plc Travel à La Carte Limited	Braxxon Technology Limited Committed Capital VCT plc Kings Arms Yard VCT plc Matrix Income & Growth 3 VCT plc (dissolved)

Helen Sinclair	British Smaller Companies VCT plc Downing Income VCT 4 plc Hemstall Road Residents Co Limited Mobeus Income & Growth 4 VCT plc Octopus Eclipse VCT 3 plc (in liquidation) Spark Ventures plc The Income & Growth VCT plc	Connection Capital Fund Managers Limited
Andrew Robson	Best Securities Limited Brambletye School Trust Limited British Empire Securities and General Trust plc First Integrity Limited JPMorgan Smaller Companies Investment Trust plc Mobeus Income & Growth 4 VCT plc Peckwater Limited Shires Income plc	Gate Gourmet Group Holdings LLC Institute for food, brain and behaviour M&G Equity Investment Trust plc (in liquidation) Topshire Limited (dissolved) Wiston Investment Company Limited (dissolved)
Jonathan Cartwright	Aberforth Geared Income Trust plc Aquila Associates Limited Blackrock Income and Growth Investment Trust plc Tennants Consolidated Limited The Income & Growth VCT plc	Bristow Group Inc. (USA) Bristow Aviation Holdings Limited Buckingham Gate Limited Caledonia CCIL Distribution Limited Caledonia EI Distribution Limited (in liquidation) Caledonia Financial Limited Caledonia Group Services Limited Caledonia Industrial & Services Limited (dissolved) Caledonia Investments plc Caledonia Settlement Limited (dissolved) Caledonia Sloane Gardens Limited Caledonia Treasury Limited Easybox Self-Storage Limited Edinmore Investments Limited Garlandheath Limited Serica Energy plc Sloane Club Holdings Limited The Union-Castle Mail Steamship Company Limited Zulu Self Storage Properties Limited
Bridget Guérin	Cantab Capital (Cayman) Limited Cantab Capital LTIP Limited Cantab UCITS Fund plc CCP Quantitative Fund	Matrix Alternative Investment Strategies Fund Limited (Bermuda) Matrix (Bermuda) Limited Matrix Group Limited

Charles Stanley Group plc	Matrix Income & Growth 3 VCT
Mobeus Income & Growth	plc (dissolved)
VCT plc	Matrix Money Management
Schroder Income Growth	Limited
Fund plc	Matrix-Securities Limited
York Racecourse	Matrix Structured Products
Knavesmire LLP	Limited (Bermuda)
	Matrix UCITS Funds plc
	Meaujo (764) Limited (dissolved)
	Meaujo (765) Limited (dissolved)

(B) MOBEUS

The Companies' investment manager is Mobeus, a limited liability partnership incorporated and registered in England and Wales under number OC320577 pursuant to the Limited Liability Partnerships Act 2000 (telephone number 020 7024 7600). Mobeus' registered office is 30 St James's Street, London SW1A 1HB and its principal place of business is 30 Haymarket, London SW1Y 4EX. Mobeus is authorised and regulated by the Financial Services Authority to advise on investments, arrange deals in investments and to make arrangements with a view to transactions in investments. The principal legislation under which Mobeus operates is the Limited Liability Partnership Act 2000 and the applicable provisions of the Companies Acts (and regulations made thereunder).

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

Mobeus has now grown to seven partners and 10 staff with over 160 years' investing experience between them. The team is wholly dedicated to the management and administration of VCTs.

Of the 30 VCT managers in the UK, Mobeus is the 7th largest with funds under management, as at 5 October 2012, of approximately £150 million and the VCTs advised by Mobeus have over 7,700 existing investors.

Mobeus entered the VCT industry advising two multi-manager VCTs as one of three managers each looking after a share of the assets. These VCTs, TriVen VCT plc and TriVest VCT plc, were launched in 1999 and 2000 respectively. Between 2004 and 2009, it became clear to the independent boards of each VCT that Mobeus was achieving the best performance of the managers and that Mobeus should be appointed sole manager. TriVen VCT was renamed Matrix Income & Growth 4 VCT plc on 18 October 2006 and subsequently re-named Mobeus (Income & Growth 4 VCT plc on 29 June 2012. TriVest VCT plc was re-named The Income & Growth VCT plc on 9 October 2007. These are two of the Companies in this linked Offer.

In 2004, Mobeus (Matrix until 29 June 2012) Income & Growth VCT plc was launched with Mobeus (Matrix Private Equity Partners LLP until 29 June 2012) as its sole manager. In 2005, Matrix Income & Growth 3 VCT plc was launched with Mobeus as the sole manager. In 2010, Mobeus Income & Growth VCT plc completed a merger with Matrix Income & Growth 3 VCT plc and this is the third Company in this linked Offer.

MEMORANDA AND ARTICLES

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

Objects

The Company's principal object is to carry on the business of a VCT.

1. Limited Liability

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

2. General Meetings

2.1 Convening of General Meetings

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

2.2 Notice of General Meeting

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

2.3 Omission to Send Notice

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

3 Proceedings at General Meetings

3.1 Quorum

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

3.2 If Quorum not Present

If within five minutes (or such longer interval as the Chairman in his absolute discretion thinks fit) from the time appointed for the holding of a general meeting a quorum is not present, or if during a meeting such a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, the meeting shall stand adjourned to such day and at such time and place as the Chairman may determine, being not less than ten clear days nor more than 28 days thereafter at such adjourned meeting one member present in person or by proxy or (being a corporation) by a duly authorised representative shall be a quorum. If no such quorum is present or if during the adjourned meeting a quorum ceases to be present, the adjourned meeting shall be dissolved. The Company shall give at least seven clear days' notice of any meeting adjourned through lack of quorum.

4. Voting

4.1 Method of Voting

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

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

4.2 Chairman's Declaration Conclusive on Show of Hands

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

5. Votes of Members

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

6. Variation of Class Rights

6.1 Sanction to Variation

- (a) Subject to the provisions of CA 2006, if at any time the share capital of the Company is divided into shares of different classes any of the rights for the time being attached to any share or class of shares in the Company (and notwithstanding that the Company may be or be about to be in liquidation) may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated in such manner (if any) as may be provided by such rights or, in the absence of any such provision, either with the

consent in writing of the holders of not less than three quarters in nominal value of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of shares of the class duly convened and held as provided in these Articles (but not otherwise).

- (b) The foregoing provisions of this article shall apply also to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the separate rights of which are to be varied.

6.2 Class Meetings

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

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

7. Consolidation and Subdivision

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

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

8. Transfer of Shares

8.1 Form of Transfer

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

8.2 Right to Refuse Registration

- (a) The Board may in its absolute discretion and without giving any reason refuse to register any share transfer unless:
 - (i) it is in respect of a share which is fully paid up;
 - (ii) it is in respect of only one class of shares;
 - (iii) it is in favour of a single transferee or not more than four joint transferees;
 - (iv) it is duly stamped (if so required); and

- (v) it is delivered for registration to the Office, or such other place as the Board may from time to time determine, accompanied (except in the case of a transfer by a recognised person where a certificate has not been issued) by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor and the due execution by him of the transfer or if the transfer is executed by some other person on his behalf, the authority of that person to do so, provided that such discretion may not be exercised in such a way as to prevent dealings in such shares from taking place on an open and proper basis.

9. Dividends and Other Payments

9.1 Declaration of Dividends

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

9.2 Entitlement to Dividends

- (a) Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up (otherwise than in advance of calls) on the shares on which the dividend is paid. Subject as aforesaid, all dividends shall be apportioned and paid pro rata according to the amounts paid up or credited as paid up on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date it shall rank for or be entitled to dividends accordingly.
- (b) All dividends and interest shall be paid (subject to any lien of the Company) to those members whose names shall be on the register at the date at which such dividend shall be declared or at the date at which such interest shall be payable respectively, or at such other date as the Company by ordinary resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of shares.
- (c) The Board may pay the dividends or interest payable on shares in respect of which any person is by transmission entitled to be registered as holder to such person upon production of such certificate and evidence as would be required if such person desired to be registered as a member in respect of such shares.

10. Borrowing Powers

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

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

10.3 For these purposes only:

- (a) the Adjusted Capital and Reserves means a sum equal to the aggregate from time to time of:

- (i) the amount paid up (or credited as paid up) on the issued share capital of the Company; and
 - (ii) the amount standing to the credit of the capital and revenue reserves of the Group, whether or not distributable (including without limitation any share premium account, capital redemption reserve fund, and credit or debit balance on any other distributable reserve) after adding thereto or deducting therefrom any balance standing to the credit or debit of the profit and loss account,
all as shown in the latest audited balance sheet of the Group but after:
 - (iii) making such adjustments as may be appropriate to reflect any variation in the amount of the paid up share capital, the share premium account or the capital redemption reserve or any such reserves (other than the profit and loss account) since the date of the relevant balance sheet and so that if any issue or proposed allotment of shares by the Company for cash has been underwritten, then such shares shall be deemed to have been allotted and the amount of the subscription monies payable in respect of them shall be deemed to have been paid up to the extent so underwritten on the date when the issue of such shares was underwritten;
 - (iv) excluding (so far as not already excluded):
 - (A) amounts attributable to the proportion of the issued equity share capital of any subsidiary which is not attributable directly or indirectly to the Company;
 - (B) any sum set aside for taxation (including deferred taxation) other than for tax equalisation;
 - (v) deducting:
 - (A) sums equivalent to the values of goodwill and other intangible assets shown in the relevant balance sheet; and
 - (B) the amount of any distribution declared, recommended or made by any Group company to a person other than a Group company out of profits accrued up to and including the date of (and not provided for in) the relevant balance sheet.
- (b) moneys borrowed includes:
- (i) the nominal amount of any issued and paid up share capital and the principal amount of any debenture or borrowings of any person together with any fixed or minimum premium payable on redemption, the beneficial interest in which or right to repayment to which is not for the time being owned by a Group company but the payment or repayment of which is the subject of a guarantee or indemnity by a Group company or is secured on the assets of a Group company;
 - (ii) the principal amount raised by any Group company by acceptances or under any acceptance credit;
 - (iii) the principal amount of any debenture (whether secured or unsecured) of any Group company beneficially owned otherwise than by a Group company;
 - (iv) the principal amount of any share capital of any subsidiary (not being equity share capital) beneficially owned otherwise than by a Group company;
- but do not include:
- (v) moneys borrowed by any Group company for the purpose of repaying within 6 months of the whole or any part of any moneys borrowed and then outstanding (including any premium payable on final repayment) of that or any other Group

- company pending their application for such purpose within that period;
 - (vi) monies borrowed which would otherwise be included in the calculation more than once;
 - (vii) the proportion of moneys borrowed by a Group company (and not owing to another Group company) which is equal to the proportion of its issued equity share capital not attributable directly or indirectly to the Company;
- 10.4 All monies borrowed which fall to be repaid in a currency other than sterling shall be translated into sterling on the same basis as that adopted in the latest audited consolidated balance sheet of the Company or in the case of monies borrowed after the date of such balance sheet at the relevant rate of exchange ruling in London at the time the same was borrowed.
- 10.5 No debt incurred or security given in respect of moneys borrowed in excess of the limit imposed by this article shall be invalid or ineffectual unless to the lender or recipient of the security held at the time when the debt was incurred or security express notice that the limit had been or would thereby be exceeded but no lender or other person dealing with the Company shall be concerned to see or enquire whether such limit is observed.
- 10.6 In this paragraph 3, references to “Group” mean the Company and its subsidiaries and subsidiary undertakings for the time being.

11. Directors’ Interests

11.1 Conflicts of Interest Requiring Board Authorisation

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

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

- (iii) any authority given by the Board in relation to a conflict may also provide that where the Director concerned and any other Director with a similar interest obtains information that is confidential to a third party, the Director will not be obliged to disclose that information to the Company, or to use the information in relation to the Company's affairs, where to do so would amount to a breach of that confidence;
- (iv) the authority may also provide that the concerned, or any other Director with a similar interest, shall not be accountable to the Company for any benefit he receives as a result of the conflict;
- (v) the Board may withdraw such authority at any time.

11.2 Director may have Interests

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

- (a) may be a party to or otherwise be interested in any transaction or arrangement with the Company or in which the Company is otherwise interested, either in regard to his tenure of any office or place of profit or as vendor, purchaser or otherwise;
- (b) may hold any other office or place of profit under the Company (except that of Auditor (being the auditor of the Company from time to time) or of auditor of a subsidiary of the Company) in conjunction with the office of Director and may act by itself or through his firm in a professional capacity for the Company and in any such case on such terms as to remuneration and otherwise as the remuneration committee may arrange either in addition to or in lieu of any remuneration provided for by any other article;
- (c) may be a director or other officer, or employed by, or a party to any transaction or arrangement with or otherwise interested in, any body corporate promoted by or promoting the Company or in which the company is otherwise interested or as regards which the Company has any powers of appointment; and
- (d) shall not, by reason of his office, be liable to account to the Company for any remuneration or benefit which he derives from any such office, employment, contract or from any interest in any such body corporate; and no such office, employment or contract, shall be avoided on the grounds of any such interest or benefit.

12. Untraced Members

12.1 Power of Sale

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

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

- (d) the Company has given notice to the UK Listing Authority of its intention to make such sale.
- 12.2 To give effect to any sale of shares pursuant to this article the Board may authorise some person to transfer the shares in question and may enter the name of the transferee in respect of the transferred shares in the register notwithstanding the absence of any share certificate being lodged in respect of it and may issue a new certificate to the transferee. An instrument of transfer or transfer instruction executed by that person shall be as effective as if it had been executed by the holder of, or the person entitled by transmission to, the shares. The purchaser shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
- 12.3 The net proceeds of sale shall belong to the Company which shall be indebted to the former holder or person entitled by transmission to an amount equal to such net proceeds.

13. Capitalisation of Reserves

The Board may with the authority of an ordinary resolution of the Company:

- (a) subject as provided in this article, resolve to capitalise any profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of any reserve or fund of the Company which is available for distribution or standing to the credit of share premium account or capital redemption reserve or other undistributable reserve;
- (b) appropriate the sum resolved to be capitalised to the holders of Shares who would then be entitled to it if it were distributed by way of dividend and apply such sum on their behalf either in or towards paying up the amount, if any, for the time being unpaid on any share held by them respectively or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum and allot the shares or debentures credited as fully paid to those holders of Shares or as they may direct in those proportions or partly in one way and partly in the other provided that:
 - (i) the share premium account, the capital redemption reserve, any other undistributable reserve and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted to holders of Shares credited as fully paid; and
 - (ii) in a case where any sum is applied in paying amounts for the time being unpaid on any shares of the Company or in paying up in full debentures of the Company, the amount of the net assets of the Company at that time is not less than the aggregate of the called up share capital of the Company and its undistributable reserves as shown in the latest audited accounts of the Company or such other accounts as may be relevant and would not be reduced below that aggregate by the payment of it;
- (c) resolve that any shares so allotted to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid, rank for dividends only to the extent that such partly paid shares rank for dividends;
- (d) make such provision by the issue of fractional certificates (or by ignoring fractions or by accruing the benefit of it to the Company rather than to the holders of Shares concerned) or by payment in cash or otherwise as it thinks fit in the case of shares or debentures becoming distributable in fractions;
- (e) authorise any person to enter on behalf of all the holders of Shares concerned into an agreement with the Company providing for either:

- (i) the allotment to them respectively, credited as fully paid up, of any shares or debentures to which they may be entitled on such capitalization; or
 - (ii) the payment up by the Company on behalf of such holders by the application to it of their respective proportions of the reserves or profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares,

(any agreement made under such authority being effective and binding on all such holders); and
- (f) generally do all acts and things required to give effect to such resolution.

14. Distribution of Realised Capital Profits

At any time when the Company has given notice in the prescribed form (which has not been revoked) to the registrar of companies of its intention to carry on business as an investment company (a "Relevant Period") distribution of the Company's capital profits (within the meaning of Section 833 of CA 2006) shall be prohibited. The Board shall establish a reserve to be called the capital reserve. During a Relevant Period all surpluses arising from the realisation or revaluation of investments and all other monies realised on or derived from the realisation, payment off of or other dealing with any capital asset in excess of the book value thereof and all other monies which are considered by the Board to be in the nature of accretion to capital shall be credited to the capital reserve. Subject to CA 2006, the Board may determine whether any amount received by the Company is to be dealt with as income or capital or partly one way and partly the other. During a Relevant Period, any loss realised on the realisation or payment off of or other dealing with any investments or other capital assets and, subject to CA 2006, any expenses, loss or liability (or provision thereof) which the Board considers to relate to a capital item or which the Board otherwise considers appropriate to be debited to the capital reserve shall be carried to the debit of the capital reserve. During a Relevant Period, all sums carried and standing to the credit of the capital reserve may be applied for any of the purposes for which sums standing to any revenue reserve are applicable except and provided that notwithstanding any other provision of these Articles during a Relevant Period no part of the capital reserve or any other money in the nature of accretion to capital shall be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution (as defined by Section 829 of CA 2006) or be applied in paying dividends on any shares in the Company. In periods other than a Relevant Period any amount standing to the credit of the capital reserve may be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution (as defined by Section 474(2) of CA 2006) or be applied in paying dividends on any shares in the Company.

15. Winding Up

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

16. Uncertificated Shares

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

17. Indemnity and Insurance

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

PART I - MIG

(A) GENERAL INFORMATION

1 Incorporation and registered office

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

2. Share capital

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

- 2.4 On 30 June 2004, MIG passed a resolution approving, subject to the sanction of the Court, the cancellation of the share premium account (such cancellation being subsequently confirmed by the Court on 24 August 2006 and registered at Companies House on 29 August 2006).
- 2.5 On 12 May 2010, MIG passed a special resolution at the MIG annual general meeting amending the Articles of MIG pursuant to CA 2006 to remove the authorised share capital limitation. Consequently, MIG is no longer restricted by an authorised share capital.
- 2.6 On 20 May 2010, MIG acquired the assets and liabilities of Matrix Income & Growth 3 VCT plc pursuant to a Section 110 Insolvency Act 1986 scheme of reconstruction and 20,572,129 MIG Shares were issued.
- 2.7 As at 30 June 2012, the date to which the last unaudited half-yearly financial statements for MIG have been published, the issued share capital of MIG was 46,199,153 MIG shares (all fully paid-up).
- 2.8 MIG has issued and bought back the following MIG Shares since 30 June 2012:

Date	Issue/Purchase	Number
10 July 2012	Issue	373,146
2 August 2012	Issue	25,812
22 August 2012	Purchase	82,850
29 August 2012	Purchase	269,294
21 November 2012	Purchase	185,447

- 2.9 At the date of this document, MIG had 46,060,520 MIG Shares in issue (all fully paid up).
- 2.10 The following special resolutions of MIG were passed at the annual general meeting of MIG held on 10 May 2012:
- (a) That in substitution for any existing authorities, the MIG Directors were generally and unconditionally authorised pursuant to Section 551 of CA 2006, to exercise all the powers of MIG to allot MIG Shares and to grant rights to subscribe for or to convert any security into MIG Shares up to an aggregate nominal amount of £153,495 provided that the authority shall expire on the fifth anniversary of the date of passing of the resolution, unless previously renewed, revoked, or varied by MIG in a general meeting (except that MIG may before such expiry, make offers or agreements which would or might require shares to be allotted or rights to be granted after such expiry and notwithstanding such expiry the MIG Directors may allot shares or grant rights in pursuance of such offers or agreements).
 - (b) That in substitution for any existing authorities the MIG Directors were empowered in accordance with Sections 570(1) and 573 of CA 2006 to allot or make offers or agreements to allot or make offers or agreements to allot equity securities (as defined in Section 560(1) of CA 2006) for cash pursuant to the authority conferred upon them by resolutions passed at the annual general meeting or by way of a sale of treasury shares as if Section 561(1) of CA 2006 did not apply to any such allotment, provided that the power conferred shall be limited to:
 - (i) the allotment of equity securities with an aggregate nominal value of up to but not exceeding £110,000 in connection with offer(s) for subscription; and
 - (ii) the allotment and/or sale of equity securities (otherwise than pursuant to sub-paragraph (i) above) up to an aggregate nominal amount of 10% of the issued MIG Share capital from time to time

in each case where the proceeds of the allotment may be used in whole or in part to purchase MIG Shares in the market

and shall expire on the conclusion of the annual general meeting of MIG to be held in 2013 (unless previously renewed, varied or revoked by MIG in general meeting), except that MIG may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and the MIG Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred thereby had not expired.

- (c) That in substitution for any existing authorities MIG was generally and unconditionally authorised pursuant to and in accordance with Section 701 of CA 2006 to make one or more market purchases (within the meaning of Section 693(4) of CA 2006) of MIG Shares provided that:
- (i) the maximum aggregate number of MIG Shares authorised to be purchased shall not exceed 6,587,000;
 - (ii) the minimum price which may be paid for a MIG Share is 1 penny, the nominal value thereof;
 - (iii) the maximum price which may be paid for a MIG Share (excluding expenses) shall be the higher of (i) 5% above the average of the middle market quotations for a MIG Share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that MIG Share is purchased and (ii) the amount stipulated by Article 5(1) of the Buy-back and Stabilisation Regulations 2003 (EC 2273/2003);
 - (iv) the authority conferred shall expire on conclusion of the annual general meeting of MIG to be held in 2013; and
 - (v) MIG may make a contract or contracts to purchase its own MIG Shares under the above authority prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own shares in pursuance of any such contract.

It is the current intention of the Directors of MIG to renew these authorities at its annual general meeting convened in 2013.

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

2.12 Following the issue of MIG Shares pursuant to the Offer (assuming the full 10 million MIG Shares are allotted) the issued share capital of MIG is expected to be as follows:

	Issued	
	Number	£
MIG Shares	56,060,250	560,602.50

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

2.14 MIG will be subject to the continuing obligations of the Listing Rules with regard to the issue of securities for cash and the provisions of Section 561 of CA 2006 (which, confers on shareholders rights of pre-emption in respect of the allotment of equity

securities which are or are to be paid in cash) will apply to the balance of the share capital of MIG which is not subject to the disapplication referred to in paragraph 2.10 above.

- 2.15 As at 28 November 2012 (this being the latest practicable date prior to publication of this document), MIG is not aware of any person who, immediately following the issue of the Offer Shares, directly or indirectly, has or will have an interest in the capital of MIG or voting rights which is notifiable under UK law (under which, pursuant to CA 2006 and the Listing Rules and Disclosure and Transparency Rules of the FSA, a holding of 3% or more must be notified to MIG).

3. Directors' and other interests

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

- 3.2 As at 28 November 2012 (this being the latest practical date prior to publication of this document), the interests of the MIG Directors' (and their immediate families) in the issued share capital of MIG were as follows:

	MIG Shares	% of Issued MIG Share capital
Keith Niven	40,098	0.09%
Bridget Guérin	27,338	0.06%
Tom Sooke	20,742	0.05%

- 3.3 Save as set out above, no MIG Director, family member or any person connected with any MIG Director (within the meaning of Section 252 of CA 2006) has an interest in the capital of MIG which is or would, immediately following the Offer, be required to be notified pursuant to Section 809 of CA 2006 or which is or would be required to be entered in the register maintained under Section 809 of CA 2006.

- 3.4 The MIG Directors were appointed as directors of MIG on 1 July 2004 under letters of appointment (other than Tom Sooke) dated 1 July 2004, which may be terminated on three months' notice. Tom Sooke (trading as Citicourt Associates) is appointed pursuant to a consultant's agreement dated 1 October 2008, which is also terminable on three months' notice. The MIG Directors' appointments do not confer any right to hold office for any period nor any right to compensation if they cease to be directors. The total annual remuneration receivable by Keith Niven as chairman of MIG is £32,000 (plus, if applicable, VAT and employers National Insurance Contributions). The total annual remuneration receivable by Tom Sooke as chairman of the Audit Committee is £30,000 and by Bridget Guérin is £24,000 (plus, if applicable, VAT and employers National Insurance Contributions), which is in-line with the Board's proposed phased increase over the next three years. The office of a non-executive director of MIG is not pensionable and no retirement or similar benefits are provided to the MIG Directors. Aggregate MIG Directors' emoluments in respect of qualifying services for the year ended 31 December 2011 amounted to £70,000 (being £25,000 for Keith Niven, £25,000 for Tom Sooke and £20,000 for Bridget Guérin) plus, if applicable, VAT and employers National Insurance Contributions. Aggregate emoluments for the current year are expected to be £86,000 (plus, if applicable, VAT and employers National Insurance Contributions).

- 3.5 There are no potential conflicts of interest between the duties of any MIG Director and their private interests and/or other duties.

- 3.6 No MIG Director is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of MIG and which was effected by MIG in the years ended 31 December 2009, 2010 and 2011 or to the date of this

document in the current financial year or and remains in any respect outstanding or unperformed.

- 3.7 No loan or guarantee has been granted or provided by MIG to or for the benefit of any of the MIG Directors.
- 3.8 MIG has taken out directors' and officers' liability insurance for the benefit of its directors, which is renewable on an annual basis.
- 3.9 The MIG Directors are currently or have been within the last five years, a member of the administrative, management or supervisory bodies or partners of the companies and partnerships as set out on pages 10 to 12.
- 3.10 No MIG Director has any convictions in relation to fraudulent offences during the previous five years.
- 3.11 Save as disclosed in this paragraph, in the five years prior to the publication of this document, there were no bankruptcies, receiverships or liquidations of any companies or partnership where any of the MIG Directors were acting as (i) a member of the administrative, management or supervisory body, (ii) a partner with unlimited liability, in the case of a limited partnership with a share capital, (iii) a founder where the company had been established for fewer than five years nor (iv) a senior manager, during the previous five years.
- (a) All of the MIG Directors were directors of Matrix Income & Growth 3 VCT plc which was placed into members' voluntary liquidation on 20 May 2010 pursuant to a Section 110 Insolvency Act 1986 scheme of reconstruction with MIG and dissolved on 27 October 2011.
 - (b) Keith Niven was also a director of Advance UK Trust plc, which entered into members' voluntary liquidation on 19 March 2010.
 - (c) Tom Sooke was also a director of Braxxon Technology Limited which was voluntarily struck off the register of companies and dissolved on 3 May 2011.
 - (d) Bridget Guérin was also a director of Meaujo (764) Limited and Meaujo (765) Limited which were voluntarily struck off the register of companies and dissolved on 28 March 2012.
- 3.12 There has been no official public incrimination and/or sanction of any MIG Director by statutory or regulatory authorities (including designated professional bodies) and no MIG Director has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company during the previous five years.

4. Management and administration

- 4.1 The MIG Directors, advised by Mobeus, are responsible for the determination of the investment policy and have overall responsibility for its affairs. The MIG Directors also retain responsibility for approving both the valuations of the portfolio and the net asset value of MIG. Mobeus has been appointed as investment manager, providing investment advisory, administrative and company secretarial services to MIG on the terms set out at paragraphs 5.1 and 5.2 below. The existing management agreement set out at paragraph 5.1 below will automatically cover the management and fees in relation to the new funds raised by MIG pursuant to the Offer and the performance incentive arrangements set out in paragraph 5.2 will also automatically extend to such funds.
- 4.2 As is customary in the private equity industry, Mobeus may retain for its own benefit and without liability to account to MIG, subject to full disclosure having been made to the

MIG Directors, arrangement fees which it receives in connection with any unquoted investment made by MIG. It may also receive all monitoring fees or directors' fees charged to investee companies. Costs incurred on abortive investment proposals will be the responsibility of Mobeus.

- 4.3 Mobeus is responsible for the determination and calculation of MIG's net asset value, which is prepared quarterly for approval by MIG Directors. All unquoted investments are valued in accordance with IPEVC Valuation Guidelines under which investments are held at fair value. Any AIM or other quoted investment will be valued at the bid price of its shares as derived from the Daily Official List of the London Stock Exchange, in accordance with general accepted accounting practice. MIG's net asset value will be calculated quarterly and published on an appropriate regulatory information service.
- 4.4 If for any reason valuations of MIG or its underlying investments are suspended at any time, shareholders will be notified as soon as reasonably practicable following such suspension and will be supplied with sufficient information to enable them to understand the reasons for and likely length of time of the suspension. Shareholders will be similarly further notified when valuations have been reinstated.

MIG expects to co-invest with the other VCT funds advised by Mobeus, participating in equity investments up to £5 million.

Where more than one of the funds managed or advised by Mobeus wishes to participate in an investment opportunity, allocations will generally be made in proportion to the latest published net asset value of each fund at the date each investment proposal is forwarded to each Board. When one of the funds managed or advised by Mobeus is in its fund raising period, its net funds raised, for the purpose of allocation, will be assumed to be the value of shares allotted at the time the allocation calculation is made. Implementation of this policy will be subject to the availability of funds to make the investment and other portfolio considerations such as sector exposure and the requirement to achieve or maintain a minimum of 70% of a particular VCT's portfolio in VCT qualifying holdings. This may mean that MIG may receive a greater or lesser allocation than would otherwise be the case under the normal co-investment policy.

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

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

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

- 4.5 PricewaterhouseCoopers LLP receives an annual fee of £10,000 plus VAT for providing advice and assistance in relation to the maintenance of the VCT status of MIG. If requested by MIG, PricewaterhouseCoopers LLP will also review prospective investments to ensure that they are qualifying venture capital investments and carry out reviews of the investment portfolio of MIG to ensure continuing compliance.
- 4.6 MIG has and will continue to have custody of its own assets:
- MIG's monetary assets will be held in bank accounts and/or money market accounts in MIG's own name; and
 - MIG's investments in both quoted and unquoted investments and the corresponding share certificates will also be held in MIG's own name.

- 4.7 A maximum of 75% of MIG's management expenses will be charged against capital with the balance to be met from income.
- 4.8 The members of the audit committee of MIG are Tom Sooke (chairman), Keith Niven and Bridget Guérin. The audit committee members are considered to have sufficient recent and relevant financial experience to discharge the role, and will meet at least twice a year, amongst other things to, consider the following:
- monitoring the integrity of the financial statements of MIG;
 - reviewing MIG's internal control & risk management systems;
 - making recommendations to the MIG Directors in relation to the appointment of the external auditor;
 - reviewing and monitoring the external auditor's independence; and
 - implementing and reviewing MIG's policies on the engagement of the external auditor to supply non-audit services.
- 4.9 Tom Sooke has been appointed as the senior independent director of the Company. Shareholders may contact the senior independent director if they have concerns which contact through the Chairman or Mobeus has failed to resolve or for which such contact is inappropriate.
- 4.10 The members of the nomination and remuneration committee of MIG are Bridget Guérin (chairman), Keith Niven and Tom Sooke. The nomination and remuneration committee members (who have responsibility for reviewing the remuneration of the MIG directors) will meet at least annually to consider the levels of remuneration of the MIG directors, specifically reflecting the time commitment and responsibilities of the role. The committee will also undertake comparisons and reviews to ensure that the levels of remuneration paid are broadly in-line with industry standards. The nomination and remuneration committee also meets annually to consider the composition and balance of skills, knowledge and experience of the MIG directors and would make nominations to the MIG directors in the event of a vacancy. New MIG directors are required to resign at the annual general meeting following appointment and then thereafter every three years. A formal induction programme for MIG directors has not been required to date. New directors will be provided with an induction pack and an induction session will be arranged in conjunction with the Board and Mobeus.
- 4.11 The Financial Services Authority requires all listed companies to disclose how they have applied the principles and complied with the provisions of the UK Corporate Governance Code (formerly the Combined Code) issued by the Financial Reporting Council in May 2010 for all companies who are now operating in financial years on or after 29 June 2010.

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

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

For the year ended 31 December 2011 and as at the date of this document, MIG has complied with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except where noted below. There are certain areas of the UK Corporate Governance Code that the AIC does not consider relevant to investment companies and with which MIG does not specifically comply, of which the AIC Code provides dispensation. The areas and reasons for non-compliance are as follows:

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

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

5 Material contracts

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

- 5.1 An investment management agreement dated 20 May 2010 between MIG (1), Mobeus (2) and Matrix-Securities Limited (3), pursuant to which Mobeus provides certain investment management, secretarial and accountancy services to MIG for a fee payable quarterly in advance of an amount equivalent to 2% per annum of net assets (inclusive of VAT, if any) plus an annual fixed fee of £130,089 (inclusive of VAT, if any) subject to increase in the Retail Price Index. The agreement is terminable by either party on 12 months' notice by any party subject to earlier termination by any party in the event of, inter alia, a party having a receiver, administrator or liquidator appointed or committing a material breach of the agreement or by MIG if it fails to become, or ceases to be, a VCT for tax purposes or where Mobeus ceases to be authorised by the FSA or if there is a change in control of Mobeus. The MIG Board has acknowledged the proposed change of control which is proposed to take place by Mobeus but have reserved their rights to terminate under this agreement with Mobeus. The agreement contains provisions indemnifying Mobeus against any liability not due to its default, gross negligence, fraud or breach of FSMA.
- 5.2 A performance incentive agreement dated 9 July 2004 between MIG (1) and Mobeus (2), which was novated to Mobeus (then Matrix Private Equity Partners LLP) pursuant to a novation agreement dated 20 October 2006 and as amended by a deed of variation dated 20 May 2010, pursuant to which Mobeus are entitled to receive performance related incentive fees subject to achieving certain defined targets.

Mobeus is entitled to receive performance incentive fees of 20% of subsequent cash distributions made to MIG Shareholders (whether by dividend or otherwise from 20 May 2010) over and above a target return of dividends of 6.53p per MIG Share per annum (index linked) subject to the maintenance of a NAV per MIG Share of 97.71p. The performance incentive fee is payable annually and any cumulative shortfalls against the annual target return have to be made up in later years before any entitlement arises. The shortfall as at 30 September 2012 was 12.29p. No performance incentive fee has been paid to date.

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

- 5.3 An offer agreement dated 12 November 2010 between the Companies (1), the MIG Directors (2) Mobeus (3) and Charles Stanley Securities (4) whereby Mobeus agreed to act as promoter in connection with the 2010/2011 linked offer and Charles Stanley Securities agreed to act as sponsor in connection with the 2010/2011 linked offer. The agreement contains warranties given by the Companies and the MIG Directors to Mobeus and given by the Companies, the MIG Directors and Mobeus to Charles Stanley Securities. The Companies agreed to pay Mobeus a commission of 5.5% of the gross amount subscribed under the 2010/2011 linked offer out of which will be paid all costs, charges and expenses of or incidental to the 2010/2011 linked offer including the fees of Charles Stanley Securities, (excluding annual trail commission).
- 5.4 A letter of engagement dated 12 November 2010 from Charles Stanley Securities pursuant to which Charles Stanley Securities was appointed as sponsor to the Companies in connection with the 2010/2011 linked offer. The Companies agreed to indemnify Charles Stanley Securities for any loss suffered in respect of its role as sponsor to the 2010/2011 linked offer. The Companies' liability under this indemnity is unlimited.
- 5.5 An offer agreement dated 19 January 2012 between the Companies (1), the MIG Directors (2) Mobeus (3) and Matrix Corporate Capital LLP (4) whereby Mobeus agreed to act as promoter in connection with the 2011/2012 linked offer and Matrix Corporate Capital LLP agreed to act as sponsor in connection with the 2011/2012 linked offer. The agreement contains warranties given by the Companies and the MIG Directors to Mobeus and given by the Companies, the MIG Directors and Mobeus to Matrix Corporate Capital LLP. The Companies agreed to pay Mobeus a commission of 5.5% of the gross amount subscribed under the 2011/2012 linked offer out of which will be paid all costs, charges and expenses of or incidental to the 2011/2012 linked offer.
- 5.6 A letter of engagement dated 2 November 2011 from Matrix Corporate Capital LLP pursuant to which Matrix Corporate Capital LLP was appointed as sponsor to the Companies in connection with the 2011/2012 linked offer. The Companies agreed to indemnify Matrix Corporate Capital LLP for any loss suffered in respect of its role as sponsor to the Companies in connection with the 2011/2012 linked offer which is a customary provision in an agreement of this nature. The Companies' liability under this indemnity is unlimited and the engagement may be terminated at any time.
- 5.7 An offer agreement dated 28 November 2012 between the Companies (1), the Directors (2) Mobeus (3) and Howard Kennedy (4) whereby Mobeus has agreed to act as promoter in connection with the Offer and Howard Kennedy has agreed to act as sponsor in connection with the Offer. The agreement contains warranties given by the Companies and the MIG Directors to Mobeus and given by the Companies, the MIG Directors and Mobeus to Howard Kennedy. The Companies have agreed to pay Mobeus a commission of 5.5% of total funds subscribed from applications received and accepted on or prior to 30 December 2012 (ignoring the Early Investment Incentive and the reinvestment of intermediary commission) and an amount equal to 3.25% of total funds subscribed from applications received after 30 December 2012 (ignoring the reinvestment of intermediary commission) out of which will be paid all costs, charges and expenses of or incidental to the Offer (other than trail commission).
- 5.8 A letter of engagement dated 1 November 2012 from Howard Kennedy pursuant to which Howard Kennedy has been appointed as sponsor to the Companies in connection with the Offer. The Companies have agreed to indemnify Howard Kennedy for any loss suffered in respect of its role as sponsor which is a customary provision in an agreement of this nature. The Companies' liability under this indemnity is unlimited. This engagement may be terminated at any time.

6 Investment objective and policy

Investment objective

The objective of MIG is to provide investors with a regular income stream, by way of tax-free dividends and to generate capital growth through portfolio realisations, which can be distributed by way of additional tax free dividends.

Investment policy

MIG's policy is to invest primarily in a diverse portfolio of UK unquoted companies. Investments are usually structured as part loan and part equity in order to generate regular income and capital gains from realisations.

Investments are made selectively across a number of sectors, primarily in management buyout transactions ("MBOs") i.e. to support incumbent management teams in acquiring the business they manage but do not own. Investments are primarily made in companies that are established and profitable.

Uninvested funds are held in cash and low risk money market funds.

VCT Regulation

The investment policy is designed to ensure that MIG continues to qualify and is approved as a VCT by HMRC. Amongst other conditions, MIG may not invest more than 15% of its investments in a single company and must have at least 70% by value of its investments throughout the period in shares or securities comprised in VCT qualifying holdings, of which a minimum overall of 30% by value (70% for funds raised from 6 April 2011) must be in ordinary shares which carry no preferential rights (save as may be permitted under VCT rules). In addition, although MIG can invest less than 30% by value (70% for funds raised from 6 April 2011) of an investment in a specific company in ordinary shares it must have at least 10% by value of its total investments in each VCT qualifying company in ordinary shares which carry no preferential rights (save as may be permitted under VCT rules).

UK Companies

The companies in which investments are made must have no more than £15 million of gross assets at the time of investment and £16 million immediately following the investment to be classed as a VCT qualifying holding.

Asset Mix

MIG holds its liquid funds in a portfolio of readily realisable interest bearing investments and deposits. The investment portfolio of qualifying investments has been built up over time with the aim of investing and maintaining 80% of net funds raised in qualifying investments.

Risk diversification and maximum exposures

Risk is spread by investing in a number of different businesses across different industry sectors. To reduce the risk of high exposure to equities, each qualifying investment is structured to maximise the amount which may be invested in loan stock.

Co-investment

MIG aims to invest in larger, more mature unquoted companies through investing alongside three other VCTs advised by Mobeus with a similar investment policy. This enables MIG to participate in combined investments by Mobeus of up to £5 million.

Borrowing

MIG's Articles permit borrowings of amounts up to 10% of the adjusted capital and reserves (as defined therein), however, MIG has never borrowed and the MIG Board has no current plans to undertake any borrowing.

Management

The MIG Board has overall responsibility for MIG's affairs including the determination of its investment policy. Investment and divestment proposals are originated, negotiated and recommended by Mobeus and are then subject to formal approval by the MIG Directors.

- 6.1 MIG's income is intended to be derived wholly or mainly from shares or other securities, as this phrase is interpreted by HMRC.
- 6.2 It is the intention of the MIG Directors that MIG will pay dividends or make distributions from revenue profits and profits realised from the sale of investments.
- 6.3 MIG is subject to the investment restrictions relating to a venture capital trust in the Tax Act, as more particularly detailed in Part Ten of the Securities Note, and in the Listing Rules which specify that (i) MIG must, at all times, invest and manage its assets in a way which is consistent with its object of spreading investment risk and in accordance with its published investment policy as set out in this paragraph 6 above; (ii) MIG must not conduct any trading activity which is significant in the context of its group as a whole; and (iii) MIG may not invest more than 10%, in aggregate, of the value of the total assets of the issuer at the time an investment is made in other listed closed-ended investment funds. Any material change to the investment policy of MIG will require the approval of MIG Shareholders pursuant to the Listing Rules. MIG intends to direct its affairs in respect of each of its accounting periods so as to qualify as a venture capital trust and accordingly:
 - (a) MIG's income is intended to be derived wholly or mainly from shares or other securities, as this phrase is interpreted by HMRC;
 - (b) MIG will not control the companies in which it invests in such a way as to render them subsidiary undertakings;
 - (c) none of the investments at the time of acquisition will represent more than 15% by VCT Value of MIG's investments; and
 - (d) not more than 20% of MIG's gross assets will at any time be invested in the securities of property companies.
- 6.4 Mobeus has and will have sufficient and satisfactory relevant experience in advising on investments of the size and type in which MIG proposes to make. The MIG Directors will also ensure that the board of MIG and any additional or replacement investment managers have and will have sufficient and satisfactory experience in advising on such investments.
- 6.5 In the event of a breach of the investment restrictions which apply to MIG as described in paragraph 6.3 above, Shareholders of MIG will be informed by means of the half-yearly and/or the annual report or through a public announcement.

- 6.6 The MIG Directors act and will continue to act independently of Mobeus. No majority of the MIG Directors will be directors or employees of, or former directors or employees of, or professional advisers to, Mobeus or any other company in the same group as Mobeus.
- 6.7 The investment policy as set out in this paragraph 6 above, in the absence of unforeseen circumstances, will be adhered to by MIG for at least three years following the date of close of the Offer. Any material change to MIG's investment policy in any event will only be made with the approval of the Shareholders of MIG by ordinary resolution.

7 Related party disclosures

Related party transactions for MIG undertaken in the three financial years ended 31 December 2009, 2010 and 2011 are set out in the respective audited report and accounts for those year ends, which, together with the unaudited half-yearly report for the six month period ended 30 June 2012, are incorporated by reference: in Notes 6 and 23 on pages 36 and 50 for the year ended 31 December 2009, in Notes 6 and 24 on pages 38 and 52 for the year ended 31 December 2010, in Notes 5 and 22 on pages 39 and 54 for the year ended 31 December 2011 and in paragraph (d) of the responsibility statement of the Chairman's Letter on page 4 for the half year to 30 June 2012. Apart from the payment of the MIG Directors' remuneration on the basis set out in paragraph 3.4 above and the payment of £284,276.32 to Mobeus in respect of the promotion arrangements set out in paragraph 5.5 above there have been no other related party payments in the current year to the date of this document. Save for the entering into of the offer agreement as set out in paragraph 5.7 above, MIG has not entered into any related party transactions within the meaning of IFRS or UK GAAP since 30 June 2012.

8 Overseas investors

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

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

9 Taxation

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

is subject to taxation in any jurisdiction other than the United Kingdom should consult his professional advisers.

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

10 Miscellaneous

- 10.1 Save for the movement of the unaudited NAV of 91.1p as at 30 June 2012 to 89.38p as at 30 September 2012 (after payment of a dividend of 5p per MIG Share on 20 September 2012), there has been no significant change in the financial or trading position of MIG since 30 June 2012, the date to which the last unaudited half-yearly financial statements for MIG have been published.
- 10.2 Mobeus is the promoter of the Offer and, save as disclosed in paragraphs 5.3, 5.5 and 5.7 above, no amount of cash, securities or benefits has been paid, issued or given to the promoter and none is intended to be paid, issued or given.
- 10.3 There have been no important events so far as MIG Directors are aware relating to the development of MIG or its business.
- 10.4 There are no governmental, legal or arbitration proceedings (including any such proceedings which are or were pending or threatened of which MIG is aware) during the period from the incorporation of MIG which may have or had in the recent past significant effects on MIG's financial position or profitability.
- 10.5 Save as set out in the final five risk factors on pages 3 and 4, as at the date of this document, there are no governmental, economic, monetary, political or fiscal policies and factors which have or could affect MIG's operations.
- 10.6 There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on MIG's prospects for at least the current financial year, so far as MIG and the MIG Directors are aware.
- 10.7 The issue costs payable by MIG under the Offer (including irrecoverable VAT and sales commissions) have been fixed by the MIG Directors at an amount equal to 5.5% of total funds subscribed from applications received and accepted on or prior to 30 December 2012 (but excluding permissible annual trail commission) and an amount equal to 3.25% of total funds subscribed from applications received after 30 December 2012 (but excluding permissible annual trail commission). Mobeus has agreed to indemnify MIG in respect of any costs which are in excess of the above. The net proceeds for MIG from the Offer (assuming full subscription on or before 30 December 2012 and ignoring the Early Investment Incentive and the reinvestment of intermediary commission) will therefore amount to at least £6,615,000.
- 10.8 MIG's capital resources are restricted insofar as they may be used only in putting into effect the investment policy described in paragraph 6 above.

- 10.9 MIG does not have any major Shareholders and no Shareholders have different voting rights. To the best of the knowledge and belief of the MIG Directors, MIG is not directly controlled by any other party and at the date of the Prospectus, there are no arrangements in place that may, at a subsequent date, result in a change of control of MIG.
- 10.10 MIG and its Shareholders are subject to the provisions of the City Code on Takeovers and Mergers and CA 2006, which require shares to be acquired/transferred in certain circumstances.
- 10.11 The typical investor for whom investment in MIG is designed is a UK taxpayer who is aged 18 or over and who already has a portfolio of VCT and non-VCT investments (such as unit trusts, OEICs, investment trusts and direct shareholdings in listed and non-listed companies). The investor should be comfortable with the risk factors set out at the beginning of this document and be willing to retain the investment for at least five years.
- 10.12 PKF (UK) LLP act as auditors to MIG. PKF (UK) LLP is registered to carry on audit work and is authorised to carry on investment business by the Institute of Chartered Accountants in England and Wales.
- 10.13 Howard Kennedy has given and not withdrawn its written consent to the issue of the Prospectus and the inclusion of its name and the references to it in the Prospectus in the form and context in which they appear.
- 10.14 MIG and the MIG Directors consent to the use of the Prospectus, and accept responsibility for the content of the Prospectus, with respect to subsequent resale or final placement of securities by financial intermediaries, from the date of the Prospectus until the close of the Offer. The Offer is expected to close on or before 30 April 2013, unless previously extended by the Directors (acting jointly). There are no conditions attaching to this consent. Financial intermediaries may use the Prospectus in the UK.
- 10.15 **Information on the terms and conditions of the Offer to an investor will be given to investors by financial intermediaries at the time that the Offer is introduced to investors. Any financial intermediary using the Prospectus must state on its website that it is using the Prospectus in accordance with the consent set out in paragraph 10.14 above.**

(B) ANALYSIS OF THE INVESTMENT PORTFOLIO

All of MIG's investments as at 30 September 2012, which are analysed below, are in the UK and are valued in sterling.

Sector	% by cost	% by value
Support Services	46.0	41.8
General Retailers	9.8	10.6
Technology, hardware and equipment	7.7	7.7
Software and computer services	1.3	3.6
Construction	3.8	0.3
Media	6.0	11.7
Pharmaceuticals	3.1	4.6
Personal goods	3.6	0.7
Acquisition vehicles	17.8	17.8
Healthcare equipment and services	0.9	1.2

Type	% by cost	% by value
Unlisted ordinary shares	23.9	25.1
Unlisted loan stock and preference shares or loans	57.2	55.7
Listed ordinary shares	0.7	1.0
Cash/liquidity	18.2	18.2

Save for the loan repayments from Blaze Signs Holdings Limited of £796,161, there has been no material change to the above analysis since 30 September 2012, the date to which the above analysis was prepared.

(C) FINANCIAL INFORMATION

MIG has produced annual statutory accounts for the three financial years ended 31 December 2009, 2010 and 2011, and unaudited information in the half-yearly financial statements for the six month period ended 30 June 2012. The auditors, PKF (UK) LLP, Registered Auditor, of Farringdon Place, 20 Farringdon Road, London EC1M 2AP have reported on the annual statutory accounts without qualification and without statements under Sections 495 to 497A of CA 2006.

The annual reports referred to above were prepared in accordance with UK generally accepted accounting practice (GAAP), the fair value rules of the Companies Acts and the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'. The annual reports contain a description of MIG's financial condition, changes in financial condition and results of operation for each relevant financial year and, together with the half-yearly report for the six month period ended 30 June 2012, are being incorporated by reference and can be accessed at the following website:

www.migvct.co.uk

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

Description	2009 Annual Report	2010 Annual Report	2011 Annual Report	2012 Half-Yearly Report
Balance Sheet	Page 30	Page 31	Page 33	Page 11
Income Statement (or equivalent)	Page 29	Page 30	Page 32	Pages 9 to 10
Statement showing all changes in equity (or equivalent note)	Page 31	Page 32	Page 34	Page 12
Cash Flow Statement	Page 32	Page 33	Page 35	Page 13
Accounting Policies and Notes	Pages 33 to 50	Pages 34 to 53	Pages 36 to 54	Pages 14 to 18
Auditor's Report	Page 28	Page 29	Page 31	n/a

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

Such information also includes operating/financial reviews as follows:

Description	2009 Annual Report	2010 Annual Report	2011 Annual Report	2012 Half-Yearly Report
Objective	Inside front cover	Inside front cover	Inside front cover	Inside front cover
Performance Summary	Page 2	Page 2	Pages 2 to 3	Pages 1, 19 and 20
Results & Dividend	Page 15	Page 18	Page 18	Pages 1 to 2
Investment Policy	Page 1	Page 1	Page 1	Page 5
Chairman's Statement	Pages 3 to 4	Pages 5 to 7	Pages 5 to 7	Pages 2 to 3
Manager's Review	Pages 5 to 10	Pages 8 to 13	Pages 8 to 13	Page 6
Portfolio Summary	Pages 11 to 12	Pages 14 to 15	Pages 14 to 15	Pages 7 to 8
Valuation Policy	Page 33	Page 34	Page 36	Page 14

Certain financial information of MIG is also set out below:

	Year ended 31 December 2009 (audited)	Year ended 31 December 2010 (audited)	Year ended 31 December 2011 (audited)	Six month period ended 30 June 2012 (unaudited)
Investment income	£379,197	£930,652	£1,681,991	£867,906
Profit/loss on ordinary activities before taxation	£(563,531)	£6,321,029	£1,663,621	£644,998
Earnings per MIG Share	(2.73)p	19.25p	3.89p	1.45p
Dividends per MIG Share	5.0p	5.0p	6.75p	5.0p
Total assets	£17,097,733	£38,855,033	£40,957,212	£42,348,329
NAV per MIG Share	83.34p	96.7p	95.6p	91.1p

As at 30 June 2012, the date to which the most recent unaudited half-yearly financial statements on MIG were published, MIG had unaudited net assets of £42,077,242. As at 30 September 2012, MIG had unaudited net assets of £41,334,645.

Effect of the Offer

As at 30 June 2012, the date to which the most recent unaudited half-yearly financial statements on MIG have been drawn up, MIG had unaudited net assets of £42,077,242. MIG is now seeking to raise up to £7 million through the Offer for which the associated expenses will be 5.5% of the gross proceeds (assuming full subscription on or before 30 December 2012). The impact of the Offer on MIG's earnings should be accretive to the extent, if any, that interest earned on the proceeds will exceed expenses. The assets of MIG will be increased by the net proceeds of the Offer.

PART II - MIG 4

(A) GENERAL INFORMATION

1 Incorporation and registered office

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

2. Share capital

- 2.1 The authorised share capital of MIG 4 on incorporation was £4,000,000, dividend into 79,000,000 ordinary shares of 5p each. On incorporation 200 ordinary shares were issued fully paid to the subscribers to its Memorandum.
- 2.2 To enable MIG 4 to obtain a certificate under Section 117 of CA 1985, on 1 February 1999, 1,000,000 redeemable shares were allotted by MIG 4 to Matrix-Securities Limited at par for cash, paid up as to one quarter paid of their nominal value. Such redeemable shares were paid up in full and redeemed in full out of the proceeds of the original offer for subscription on 1 April 1999. The redeemable shares were automatically redesignated as MIG 4 shares and MIG 4's articles of association were amended by the deletion of all references to the redeemable shares and the rights attaching to them pursuant to a special resolution passed on 9 October 2007.
- 2.3 On 20 June 2001, MIG 4 passed a resolution approving, subject to the sanction of the Court, the cancellation of the share premium account (such cancellation being subsequently confirmed by the Court on 5 September 2001).
- 2.4 At an extraordinary general meeting on 18 October 2006, the issued and unissued ordinary shares of 5p each in the capital of MIG 4 were consolidated on the basis of one

new ordinary share of 10p each for every two existing ordinary shares of 5p each. The issued and unissued ordinary shares of 10p each were then sub-divided into one MIG 4 Share and nine deferred shares of 1p each. In accordance with MIG 4's Articles, the deferred shares were subsequently acquired for a nominal consideration and cancelled by MIG 4.

- 2.5 An offer for subscription for MIG 4 Shares was launched on 2 November 2006. A total of 13,006,193 MIG 4 Shares were issued and allotted between 1 February 2007 and 5 April 2007.
- 2.6 As at 31 July 2012, the date to which the last unaudited half-yearly financial statements for MIG 4 have been published, the issued share capital of MIG 4 was 28,918,840 MIG 4 Shares (all fully paid-up).
- 2.7 MIG 4 has issued and bought back the following MIG 4 Shares since 31 July 2012:

Date	Issue/Purchase	Number
20 September 2012	Purchase	64,373
3 October 2012	Purchase	83,594

- 2.8 At the date of this document, 28,770,873 MIG 4 Shares are in issue (all fully paid-up).
- 2.9 The following special resolutions of MIG 4 were passed at the annual general meeting of MIG 4 held on 13 June 2012:
- (a) That in substitution for any existing authorities, the MIG 4 Directors were generally and unconditionally authorised pursuant to Section 551 of CA 2006 to exercise all the powers of MIG 4 to allot MIG 4 Shares and to grant rights to subscribe for or convert any security into MIG 4 Shares up to an aggregate nominal value of £357,498, provided that the authority thereby conferred shall expire (unless renewed, varied, or revoked by MIG 4 in a general meeting) on the conclusion of the annual general meeting of MIG 4 to be held in 2013, but so that MIG 4 may, before such expiry, make offers or agreements which would or might require MIG 4 Shares to be allotted or rights to be granted after such expiry.
- (b) That in substitution for any existing authorities the MIG 4 Directors were empowered in accordance with Sections 570 and 573 of CA 2006 to allot or make offers or agreements to allot equity securities (as defined in Section 560 (1) of CA 2006) for cash, pursuant to the above authority or by way of a sale of treasury shares as if Section 561(1) of CA 2006 did not apply to any such sale or allotment, provided that the power conferred shall expire (unless renewed, varied or revoked by MIG 4 in a general meeting), on the conclusion of the annual general meeting of MIG 4 to be held in 2012 and provided further that this power shall be limited to:
- (i) the allotment and issue of equity securities up to an aggregate nominal value representing £300,000 in connection with offer(s) for subscription;
- (ii) the allotment of equity securities with an aggregate nominal value of up to but not exceeding 10% of the issued MIG 4 Share capital from time to time in connection with any dividend investment scheme operated by MIG 4; and
- (iii) the allotment otherwise than pursuant to sub-paragraphs (a) and (b) above, of equity securities with an aggregate nominal value of up to but not exceeding 10% of the issued MIG 4 Share capital from time to time

in each case where the proceeds may be used, in whole or in part, to purchase MIG 4 Shares.

- (c) That in substitution for any existing authorities MIG 4 was authorised pursuant to and in accordance with Section 701 of CA 2006 to make one or more market purchases (within the meaning of Section 693(4) of CA 2006) of MIG 4 Shares provided that:
- (i) the aggregate number of MIG 4 Shares which may be purchased shall not exceed 4,309,455;
 - (ii) the minimum price which may be paid for a MIG 4 Share is 1 penny (the nominal value thereof);
 - (iii) the maximum price which may be paid for a MIG 4 Share (excluding expenses) shall be the higher of (i) an amount equal to 5% above the average of the middle market quotations for a MIG 4 Share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day the MIG 4 Share is contracted to be purchased and (b) the price stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation (EC 2273/2003);
 - (iv) the authority thereby conferred shall (unless previously renewed or revoked) expire on the conclusion of the next annual general meeting of MIG 4 to be held in 2013; and
 - (v) MIG 4 may make a contract or contracts to purchase its own MIG 4 Shares under the above authority prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own MIG 4 Shares in pursuance of any such contract.

It is the current intention of the Directors of MIG 4 to renew these authorities at its annual general meeting convened in 2013.

- 2.10 There are no other shares or loan capital in MIG 4 in issue or under option or agreed conditionally or unconditionally to be put under option nor does MIG 4 hold shares in treasury.
- 2.11 Following the issue of MIG 4 Shares pursuant to the Offer (assuming the full 10 million MIG 4 Shares are allotted) the issued share capital of MIG 4 is expected to be as follows:

	Issued	
	Number	£
MIG 4 Shares	38,770,873	387,708.73

- 2.12 The MIG 4 Shares are/will be in registered form and no temporary documents of title will be issued. MIG 4 is registered with CREST, a paperless settlement system and those Shareholders who wish to hold their MIG 4 Shares in electronic form may do so.
- 2.13 MIG 4 will be subject to the continuing obligations of the Listing Rules with regard to the issue of securities for cash and the provisions of Section 561 of CA 2006 (which confers on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash) will apply to the balance of the share capital of MIG 4 which is not subject to the disapplication referred to in paragraph 2.9 above.
- 2.14 As at 28 November 2012 (this being the latest practicable date prior to publication of this document), MIG 4 is not aware of any person who, immediately following the issue of the Offer Shares, directly or indirectly, has or will have an interest in the capital of MIG 4 or voting rights which is notifiable under UK law (under which, pursuant to CA 2006 and the Listing Rules and Disclosure and Transparency Rules of the FSA, a holding of 3% or more must be notified to MIG 4).

3. Directors' and other interests

3.1 The Board of MIG 4 comprises three non-executive directors, all of whom are independent of Mobeus except for Helen Sinclair. The Board of MIG 4 has substantial experience of venture capital businesses and has overall responsibility for MIG 4's affairs, including its investment policy. Mobeus acts as investment manager.

3.2 As at 28 November 2012 (this being the latest practical date prior to publication of this document), the interests of the MIG 4 Directors' (and their immediate families) in the issued share capital of MIG 4 were as follows:

	MIG 4 Shares	% of issued MIG 4 Share capital
Christopher Moore	33,887	0.12%
Andrew Robson	6,493	0.02%
Helen Sinclair	12,425	0.04%

3.3 Save as set out above, no MIG 4 Director, family member or any person connected with any MIG 4 Director (within the meaning of Section 252 of CA 2006) has any interest in the capital of MIG 4 which is or would, immediately following the Offer, be required to be notified pursuant to Section 809 of the CA 2006 or which is or would be required to be entered in the register maintained under Section 809 of CA 2006.

3.4 The MIG 4 Directors (other than Andrew Robson) were appointed as directors of MIG 4 on 1 April 2002 (in respect of Christopher Moore) and 1 February 2003 (in respect of Helen Sinclair) which may be terminated on three months' notice. Andrew Robson was appointed pursuant to a service agreement dated 1 August 2010, which is also terminable on three months' notice. The MIG 4 Directors' appointments do not confer any right to hold office for any period nor any right to compensation if they cease to be directors. The total annual remuneration receivable by Christopher Moore as chairman of MIG 4 is £31,000 (plus, if applicable, VAT and employers National Insurance Contributions). The total annual remuneration receivable by Helen Sinclair and Andrew Robson is £26,000 each (plus, if applicable, VAT and employers National Insurance Contributions). The office of non-executive director of MIG 4 is not pensionable and no retirement or similar benefits are provided to the MIG 4 Directors. Aggregate MIG 4 Directors' emoluments in respect of qualifying services for the year ended 31 January 2012 amounted to £83,000 (being £31,000 for Christopher Moore, £26,000 for Andrew Robson and £26,000 for Helen Sinclair) plus, if applicable, VAT and employers National Insurance Contributions. Aggregate emoluments for the current financial period to 31 December 2012 are expected to be £76,083 (plus, if applicable, VAT and employers National Insurance Contributions).

3.5 No MIG 4 Director is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of MIG 4 and which was effected by MIG 4 in the years ended 31 January 2010, 2011 and 2012 or to the date of this document in the current financial year or and remains in any respect outstanding or unperformed.

3.6 There are no potential conflicts of interest between the duties of any MIG 4 Director and their private interests and/or other duties.

3.7 No loan or guarantee has been granted or provided by MIG 4 to or for the benefit of any of the MIG 4 Directors.

3.8 MIG 4 has taken out directors' and officers' liability insurance for the benefit of its directors, which is renewable on an annual basis.

3.9 The MIG 4 Directors are currently or have been within the last five years, a member of the administrative, management or supervisory bodies or partners of the companies and partnerships as set out on pages 10 to 12.

- 3.10 No MIG 4 Director has any convictions in relation to fraudulent offences during the previous five years.
- 3.11 Save as disclosed in this paragraph, in the five years prior to the publication of this document, there were no bankruptcies, receiverships or liquidations of any companies or partnership where any of the MIG 4 Directors were acting as (i) a member of the administrative, management or supervisory body, (ii) a partner with unlimited liability, in the case of a limited partnership with a share capital, (iii) a founder where the company had been established for fewer than five years nor (iv) a senior manager, during the previous five years.
- (a) Christopher Moore was a director of Matrix Income & Growth 3 VCT plc which was placed into members' voluntary liquidation on 20 May 2010 pursuant to a Section 110 Insolvency Act 1986 scheme of reconstruction with MIG and was dissolved on 27 October 2011.
- (b) Andrew Robson was a director of M&G Equity Investment Trust plc which was placed into members' voluntary liquidation in March 2011. Andrew was also a director or officer of the following companies which have all voluntarily been struck off the register of companies:
- Topshire Limited - dissolved in May 2011; and
 - Wiston Investment Company Limited - dissolved in May 2011.
- (c) Helen Sinclair is a director of Octopus Eclipse VCT 3 plc which was placed into members' voluntary liquidation on 31 October 2012 pursuant to a Section 110 Insolvency Act 1986 scheme of reconstruction with Octopus Eclipse VCT plc.
- 3.12 There has been no official public incrimination and/or sanction of any MIG 4 Director by statutory or regulatory authorities (including designated professional bodies) and no MIG 4 Director has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company during the previous five years.

4. Management and administration

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

value will be calculated quarterly and published on an appropriate regulatory information service.

- 4.4 If for any reason valuations of MIG 4 or its underlying investments are suspended at any time shareholders will be notified as soon as reasonably practicable following such suspension and will be supplied with sufficient information to enable them to understand the reasons for and likely length of time of the suspension. Shareholders will be similarly further notified when valuations have been reinstated.

MIG 4 expects to co-invest with the other VCT funds advised by Mobeus, participating in equity investments up to £5 million.

Where more than one of the funds managed or advised by Mobeus wishes to participate in an investment opportunity, allocations will generally be made in proportion to the latest published net asset value of each fund at the date each investment proposal is forwarded to each Board. When one of the funds managed or advised by Mobeus is in its fund raising period, its net funds raised, for the purpose of allocation, will be assumed to be the value of shares allotted at the time the allocation calculation is made. Implementation of this policy will be subject to the availability of funds to make the investment and other portfolio considerations such as sector exposure and the requirement to achieve or maintain a minimum of 70% of a particular VCT's portfolio in VCT qualifying holdings. This may mean that MIG 4 may receive a greater or lesser allocation than would otherwise be the case under the normal co-investment policy.

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

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

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

- 4.5 PricewaterhouseCoopers LLP receives an annual fee of £10,000 plus VAT for providing advice and assistance in relation to the maintenance of the VCT status of MIG 4. If requested by MIG 4, PricewaterhouseCoopers LLP will also review prospective investments to ensure that they are qualifying venture capital investments and carry out reviews of the investment portfolio of MIG 4 to ensure continuing compliance.

- 4.6 MIG 4 has and will continue to have custody of its own assets:

- MIG 4's monetary assets will be held in bank accounts and/or money market accounts in MIG 4's own name; and
- MIG 4's investments in both quoted and unquoted investments and the corresponding share certificates will also be held in MIG 4's own name.

- 4.7 A maximum of 75% of MIG 4's management expenses will be charged against capital with the balance to be met from income.

- 4.8 The members of the audit committee of MIG 4 are Andrew Robson (chairman), Christopher Moore and Helen Sinclair. The audit committee members are considered to have sufficient recent and relevant financial experience to discharge the role, and will meet at least twice a year, amongst other things to, consider the following:

- monitoring the integrity of the financial statements of MIG 4;

- reviewing MIG 4's internal control & risk management systems;
- making recommendations to the MIG 4 Directors in relation to the appointment of the external auditor;
- reviewing and monitoring the external auditor's independence; and
- implementing and reviewing MIG 4's policies on the engagement of the external auditor to supply non-audit services.

4.9 The members of the nomination and remuneration committee of MIG 4 are Andrew Robson (chairman), Christopher Moore and Helen Sinclair. The nomination and remuneration committee members (who have responsibility for reviewing the remuneration of the MIG 4 Directors) will meet at least annually to consider the levels of remuneration of the MIG 4 Directors, specifically reflecting the time commitment and responsibilities of the role. The committee will also undertake comparisons and reviews to ensure that the levels of remuneration paid are broadly in-line with industry standards. The nomination and remuneration committee also meets annually to consider the composition and balance of skills, knowledge and experience of the MIG 4 Directors and would make nominations to the MIG 4 Directors in the event of a vacancy. New MIG 4 Directors are required to resign at the annual general meeting following appointment and then thereafter every three years. New directors will be provided with an induction pack and an induction session will be arranged in conjunction with the Board and Mobeus.

4.10 The Financial Services Authority requires all listed companies to disclose how they have applied the principles and complied with the provisions of the UK Corporate Governance Code (formerly the Combined Code) issued by the Financial Reporting Council in May 2010 for all companies who are now operating in financial years on or after 29 June 2010.

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

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

For the year ended 31 January 2012 and as at the date of this document, MIG 4 has complied with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except where noted below. There are certain areas of the UK Corporate Governance Code that the AIC does not consider relevant to investment companies and with which MIG 4 does not specifically comply, of which the AIC Code provides dispensation. The areas and reasons for non-compliance are as follows:

- in light of the responsibilities retained by the MIG 4 Board and its committees and of the responsibilities delegated to Mobeus, MIG 4 has not appointed a chief executive officer or executive directors;
- due to the size of the MIG 4 Board, the size of the business and its lack of complexity, the MIG 4 Board have decided that it is inappropriate for the time being to appoint a senior independent director or deputy chairman; and

- due to the systems and procedures of Mobeus, the provision of VCT tax monitoring services by PricewaterhouseCoopers LLP, as well as the size of MIG 4's operations, the MIG 4 Board believe that an internal audit function is not appropriate.

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

5 Material contracts

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

- 5.1 An investment management agreement dated 12 November 2010 between MIG 4 (1), Mobeus (2) and Matrix-Securities Limited (3) pursuant to which Mobeus is appointed to provide advisory investment management services in respect of MIG 4's investments in VCT qualifying investments.

Mobeus is entitled to an annual management fee of 2% of the net asset value per annum of MIG 4 plus an annual fixed fee of £112,518 subject to annual RPI uplift, payable quarterly in arrears, together with any applicable VAT. The agreement is terminable by either party by 12 months' notice by any party subject to earlier termination by any party in the event of, inter alia, a party having a receiver, administrator or liquidator appointed or committing a material breach of the agreement or by MIG 4 if it fails to become, or ceases to be, a VCT for tax purposes or where Mobeus ceases to be authorised by the FSA or if there is a change in control of Mobeus. The MIG 4 Board has acknowledged the proposed change of control which is proposed to take place by Mobeus and have reserved their rights to terminate under this agreement with Mobeus. The agreement contains provisions indemnifying Mobeus against any liability not due to its default, gross negligence, fraud or breach of FSMA.

- 5.2 A performance incentive agreement dated 1 November 2006 between MIG 4 (1), Mobeus (2) and Matrix Group Limited (3), pursuant to which Mobeus and Matrix Group Limited are entitled to receive performance related incentive fees subject to achieving certain defined targets. As a party to this agreement, Matrix Group Limited will continue to be entitled to receive its portion of the performance related incentive fee irrespective of the change of ownership of Mobeus as agreed between the executive partners of Mobeus and Matrix Group Limited.

Mobeus and Matrix Group Limited are both entitled to receive performance incentive fees for accounting periods following 31 January 2009 of 20% of the annual dividends paid to MIG 4 Shareholders over and above an annual target return of dividends equivalent to 6% of the net assets per MIG 4 Share of 114.51p, being 7.91p (after uplift for RPI indexation). The performance incentive fee is payable annually and any cumulative shortfalls (being an estimated 26.01p per MIG 4 Share as at 31 July 2012) have to be made up in later years before any entitlement arises. No performance incentive fee has been paid to date.

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

- 5.3 An offer agreement dated 12 November 2010 between the Companies (1), the MIG 4 Directors (2) Mobeus (3) and Charles Stanley Securities (4) whereby Mobeus agreed to act as promoter in connection with the 2010/2011 linked offer and Charles Stanley Securities agreed to act as sponsor in connection with the 2010/2011 linked offer. The agreement contains warranties given by the Companies and the MIG 4 Directors to

Mobeus and given by the Companies, the MIG 4 Directors and Mobeus to Charles Stanley Securities. The Companies agreed to pay Mobeus a commission of 5.5% of the gross amount subscribed under the 2010/2011 linked offer out of which will be paid all costs, charges and expenses of or incidental to the 2010/2011 linked offer including the fees of Charles Stanley Securities, (excluding annual trail commission).

- 5.4 A letter of engagement dated 12 November 2010 from Charles Stanley Securities pursuant to which Charles Stanley Securities was appointed as sponsor to the Companies in connection with the 2010/2011 linked offer. The Companies agreed to indemnify Charles Stanley Securities for any loss suffered in respect of its role as sponsor to the 2010/2011 linked offer. The Companies' liability under this indemnity is unlimited.
- 5.5 An offer agreement dated 19 January 2012 between the Companies (1), the MIG 4 Directors (2) Mobeus (3) and Matrix Corporate Capital LLP (4) whereby Mobeus agreed to act as promoter in connection with the 2011/2012 linked offer and Matrix Corporate Capital LLP agreed to act as sponsor in connection with the 2011/2012 linked offer. The agreement contains warranties given by the Companies and the MIG 4 Directors to Mobeus and given by the Companies, the MIG 4 Directors and Mobeus to Matrix Corporate Capital LLP. The Companies agreed to pay Mobeus a commission of 5.5% of the gross amount subscribed under the 2011/2012 linked offer out of which will be paid all costs, charges and expenses of or incidental to the 2011/2012 linked offer.
- 5.6 A letter of engagement dated 2 November 2011 from Matrix Corporate Capital LLP pursuant to which Matrix Corporate Capital LLP was appointed as sponsor to the Companies in connection with the 2011/2012 linked offer. The Companies agreed to indemnify Matrix Corporate Capital LLP for any loss suffered in respect of its role as sponsor to the Companies in connection with the 2011/2012 linked offer which is a customary provision in an agreement of this nature. The Companies' liability under this indemnity is unlimited and the engagement may be terminated at any time.
- 5.7 An offer agreement dated 28 November 2012 between the Companies (1), the Directors (2) Mobeus (3) and Howard Kennedy (4) whereby Mobeus has agreed to act as promoter in connection with the Offer and Howard Kennedy has agreed to act as sponsor in connection with the Offer. The agreement contains warranties given by the Companies and the MIG 4 Directors to Mobeus and given by the Companies, the MIG 4 Directors and Mobeus to Howard Kennedy. The Companies have agreed to pay Mobeus a commission of 5.5% of total funds subscribed from applications received and accepted on or prior to 30 December 2012 (ignoring the Early Investment Incentive and the reinvestment of intermediary commission) and an amount equal to 3.25% of total funds subscribed from applications received and accepted on or prior to 30 December 2012 (ignoring the reinvestment of intermediary commission) out of which will be paid all costs, charges and expenses of or incidental to the Offer (other than trail commission).
- 5.8 A letter of engagement dated 1 November 2012 from Howard Kennedy pursuant to which Howard Kennedy has been appointed as sponsor to the Companies in connection with the Offer. The Companies have agreed to indemnify Howard Kennedy for any loss suffered in respect of its role as sponsor which is a customary provision in an agreement of this nature. The Companies' liability under this indemnity is unlimited. This engagement may be terminated at any time.

6 Investment objective and policy

Investment objective

The objective of MIG 4 is to provide investors with a regular income stream, by way of tax-free dividends, and to generate capital growth through portfolio realisations, which can be distributed by way of additional tax-free dividends.

Investment policy

MIG 4's policy is to invest primarily in a diverse portfolio of UK unquoted companies. Investments are structured as part loan and part equity in order to receive regular income and to generate capital gains from trade sales and flotations of investee companies.

Investments are made selectively across a number of sectors, primarily in management buyout transactions ("MBOs") i.e. to support incumbent management teams in acquiring the business they manage but do not yet own. Investments are primarily made in companies that are established and profitable.

MIG 4 has a small legacy portfolio of investments in companies from its period prior to 1 August 2006, when it was a multi-manager VCT. This includes investments in early stage and technology companies.

Uninvested funds are held in cash and low risk money market funds.

VCT regulation

The investment policy is designed to ensure that MIG 4 continues to qualify and is approved as a VCT by HMRC. Amongst other conditions, MIG 4 may not invest more than 15% of its investments in a single company and must have at least 70% by value of its investments throughout the year in shares or securities comprised in VCT qualifying holdings, of which a minimum overall of 30% by value (70% for funds raised from 6 April 2011) must be in ordinary shares which carry no preferential rights. In addition, although MIG 4 can invest less than 30% (70% for funds raised from 6 April 2011) of an investment in a specific company in ordinary shares it must have at least 10% by value of its total investments in each VCT qualifying company in ordinary shares which carry no preferential rights (save as may be permitted under VCT rules).

UK companies

The companies in which investments are made must have no more than £15 million of gross assets at the time of investment and £16 million immediately following the investment to be classed as a VCT qualifying holding.

Asset mix

MIG 4 initially holds its funds in a portfolio of readily realisable interest bearing investments and deposits. The investment portfolio of qualifying investments is built up over a three year period with the aim of investing and maintaining at least 80% of net funds raised in qualifying investments.

Risk diversification and maximum exposures

Risk is spread by investing in a number of different businesses across different industry sectors. To reduce the risk of high exposure to equities, each qualifying investment is structured to maximise the amount which may be invested in loan stock.

Co-investment

MIG 4 aims to invest in larger, more mature unquoted companies through investing alongside three other VCTs advised by Mobeus with a similar investment policy. This enables MIG 4 to participate in combined investments advised on by Mobeus of up to £5 million.

Borrowing

MIG 4's Articles permit borrowings of amounts up to 10% of the adjusted capital and reserves (as defined therein), however, MIG 4 has never borrowed and the MIG 4 Board has no current plans to undertake any borrowing.

Management

The MIG 4 Board has overall responsibility for MIG 4's affairs including the determination of its investment policy. Investment and divestment proposals are originated, negotiated and recommended by Mobeus and are then subject to formal approval by the MIG 4 Directors.

- 6.1 MIG 4's income is intended to be derived wholly or mainly from shares or other securities, as this phrase is interpreted by HMRC.
- 6.2 It is the intention of the MIG 4 Directors that MIG 4 will pay dividends or make distributions from revenue profits and profits realised from the sale of investments.
- 6.3 MIG 4 is subject to the investment restrictions relating to a venture capital trust in the Tax Act, as more particularly detailed in Part Ten of the Securities Note, and in the Listing Rules which specify that (i) MIG 4 must, at all times, invest and manage its assets in a way which is consistent with its object of spreading investment risk and in accordance with its published investment policy as set out in this paragraph 6 above; (ii) MIG 4 must not conduct any trading activity which is significant in the context of its group as a whole; and (iii) MIG 4 may not invest more than 10% , in aggregate, of the value of the total assets of the issuer at the time an investment is made in other listed closed-ended investment funds. Any material change to the investment policy of MIG 4 will require the approval of MIG 4 Shareholders pursuant to the Listing Rules. MIG 4 intends to direct its affairs in respect of each of its accounting periods so as to qualify as a venture capital trust and accordingly:
 - (a) MIG 4's income is intended to be derived wholly or mainly from shares or other securities, as this phrase is interpreted by HMRC;
 - (b) MIG 4 will not control the companies in which it invests in such a way as to render them subsidiary undertakings;
 - (c) none of the investments at the time of acquisition will represent more than 15% by VCT value of MIG 4's investments; and
 - (d) not more than 20% of MIG 4's gross assets will at any time be invested in the securities of property companies.
- 6.4 Mobeus has and will have sufficient and satisfactory relevant experience in advising on investments of the size and type in which MIG 4 proposes to make. The MIG 4 Directors will also ensure that the board of MIG 4 and any additional or replacement investment managers have and will have sufficient and satisfactory experience in advising on such investments.
- 6.5 In the event of a breach of the investment restrictions which apply to MIG 4 as described in paragraph 6.3 above, Shareholders of MIG 4 will be informed by means of the half-yearly and/or the annual report or through a public announcement.
- 6.6 The MIG 4 Directors act and will continue to act independently of Mobeus. No majority of the MIG 4 Directors will be directors or employees of, or former directors or employees of, or professional advisers to, Mobeus or any other company in the same group as Mobeus.

- 6.7 The investment policy as set out in this paragraph 6 above, in the absence of unforeseen circumstances, will be adhered to by MIG 4 for at least three years following the date of close of the Offer. Any material change to MIG 4's investment policy in any event will only be made with the approval of the shareholders of MIG 4 by ordinary resolution.

7 Related party disclosures

Related party transactions for MIG 4 undertaken in the three financial years ended 31 January 2010, 2011 and 2012 are set out in the respective audited report and accounts for those years ends, which, together with the unaudited half-yearly report for the six month period ended 31 July 2012, are incorporated by reference: in Note 6 on page 57 for the year ended 31 January 2010, in Note 6 on page 54 for the year ended 31 January 2011, in Note 5 on page 59 for the year ended 31 January 2012 and on page 7 for the half year to 31 July 2012. Apart from the payment of the MIG 4 Directors' remuneration on the basis set out in paragraph 3.4 above and the payment of £284,276.32 to Mobeus in respect of the promotion arrangements set out in paragraph 5.5 above there have been no other related party payments in the current year to the date of this document. Save for the entering into of the offer agreement as set out in paragraph 5.7 above, MIG 4 has not entered into any related party transactions within the meaning of IFRS or UK GAAP since 31 July 2012.

8 Overseas investors

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

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

9 Taxation

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

- 9.1 Taxation of dividends - under current law, no tax will be withheld by MIG 4 when it pays a dividend.
- 9.2 Stamp duty and stamp duty reserve tax - MIG 4 has been advised that no stamp duty or stamp duty reserve tax will be payable on the issue of the MIG 4 Shares. MIG 4 has

been advised that the transfer of MIG 4 Shares will, subject to any applicable exemptions, be liable to ad valorem stamp duty at the rate of 0.5% of the consideration paid. An unconditional agreement to transfer such shares if not completed by a duly stamped stock transfer will be subject to stamp duty reserve tax generally at the rate of 50p per £100 (or part thereof) of the consideration paid.

- 9.3 Close company - the MIG 4 Directors believe that MIG 4 is not, and expect that following completion of the Offer will not be, a close company within the meaning of the Tax Act. If MIG 4 was a close company in any accounting period, approval as a Venture Capital Trust would be withdrawn.

10 Miscellaneous

- 10.1 There has been no significant change in the financial or trading position of MIG 4 since 31 July 2012, the date to which the last unaudited half-yearly financial statements for MIG 4 have been published.
- 10.2 Mobeus is the promoter of the Offer and, save as disclosed in paragraphs 5.3, 5.5 and 5.7 above, no amount of cash, securities or benefits has been paid, issued or given to the promoter and none is intended to be paid, issued or given.
- 10.3 There have been no important events so far as MIG 4 Directors are aware relating to the development of MIG 4 or its business.
- 10.4 There are no governmental, legal or arbitration proceedings (including any such proceedings which are or were pending or threatened of which MIG 4 is aware) during the period from the incorporation of MIG 4 which may have or had in the recent past significant effects on MIG 4's financial position or profitability.
- 10.5 Save as set out in the final five risk factors on pages 3 and 4, as at the date of this document, there are no governmental, economic, monetary, political or fiscal policies and factors which have or could affect MIG 4's operations.
- 10.6 There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on MIG 4's prospects for at least the current financial period, so far as MIG 4 and the MIG 4 Directors are aware.
- 10.7 The issue costs payable by MIG 4 under the Offer (including irrecoverable VAT and sales commissions) have been fixed by the MIG 4 Directors at an amount equal to 5.5% of total funds subscribed from applications received and accepted on or prior to 30 December 2012 (but excluding permissible annual trail commission) and an amount equal to 3.25% of total funds subscribed from applications received and accepted on or prior to 30 December 2012 (but excluding permissible annual trail commission). Mobeus has agreed to indemnify MIG 4 in respect of any costs which are in excess of the above. The net proceeds for MIG 4 from the Offer (assuming full subscription on or before 30 December 2012 and ignoring the Early Investment Incentive and the reinvestment of intermediary commission) will therefore amount to at least £6,615,000.
- 10.8 MIG 4's capital resources are restricted insofar as they may be used only in putting into effect the investment policy described in paragraph 6 above.
- 10.9 MIG 4 does not have any major shareholders and no shareholders have different voting rights. To the best of the knowledge and belief of the MIG 4 Directors, MIG 4 is not directly controlled by any other party and at the date of the Prospectus, there are no arrangements in place that may, at a subsequent date, result in a change of control of MIG 4.
- 10.10 MIG 4 and its Shareholders are subject to the provisions of the City Code on Takeovers and Mergers and CA 2006, which require shares to be acquired/transferred in certain circumstances.

- 10.11 The typical investor for whom investment in MIG 4 is designed is a UK taxpayer who is aged 18 or over and who already has a portfolio of VCT and non-VCT investments (such as unit trusts, OEICs, investment trusts and direct shareholdings in listed and non-listed companies). The investor should be comfortable with the risk factors set out at the beginning of this document and be willing to retain the investment for at least five years..
- 10.12 PKF (UK) LLP act as auditors to MIG 4. PKF (UK) LLP is registered to carry on audit work and is authorised to carry on investment business by the Institute of Chartered Accountants in England and Wales.
- 10.13 Howard Kennedy has given and not withdrawn its written consent to the issue of the Prospectus and the inclusion of its name and the references to it in the Prospectus in the form and context in which they appear.
- 10.14 MIG 4 and the MIG 4 Directors consent to the use of the Prospectus, and accept responsibility for the content of the Prospectus, with respect to subsequent resale or final placement of securities by financial intermediaries, from the date of the Prospectus until the close of the Offer. The Offer is expected to close on or before 30 April 2013, unless previously extended by the Directors (acting jointly). There are no conditions attaching to this consent. Financial intermediaries may use the Prospectus in the UK.
- 10.15 **Information on the terms and conditions of the Offer to an investor will be given to investors by financial intermediaries at the time that the Offer is introduced to investors. Any financial intermediary using the Prospectus must state on its website that it is using the Prospectus in accordance with the consent set out in paragraph 10.14.**

(B) ANALYSIS OF THE INVESTMENT PORTFOLIO

All of MIG 4's investments as at 31 July 2012, which are analysed below, are in the UK and are valued in sterling.

Sector	% by cost	% by value
General Retailers	8.7	9.9
Support Services	36.5	36.1
Acquisition vehicles	26.6	28.2
Technology, hardware and equipment	5.9	6.3
Healthcare equipment services	0.8	1.1
Pharmaceuticals	4.9	4.3
Media	6.1	11.1
Software and computer services	5.5	2.4
Construction	3.2	0.1
Personal goods	1.8	0.4

Type	% by cost	% by value
Unlisted ordinary shares	22.3	19.2
Unlisted loan stock and preference shares or loans	42.5	44.3
Listed ordinary shares	0.6	0.7
Cash/liquidity	34.6	35.8

Save for the loan repayments from Blaze Signs Holdings Limited of £314,522, there has been no material change to the above analysis since 31 July 2012, the date to which the above analysis was prepared.

(C) FINANCIAL INFORMATION

MIG 4 has produced annual statutory accounts for the three financial years ended 31 January 2010, 2011 and 2012 and unaudited information in the half-yearly financial statements for the six month period ended 31 July 2012. The auditors, PKF (UK) LLP, Registered Auditor, of Farringdon Place, 20 Farringdon Road, London EC1M 2AP have reported on the annual statutory accounts without qualification and without statements under Sections 495 to 497A of CA 2006.

The annual reports referred to above were prepared in accordance with UK generally accepted accounting practice (GAAP), the fair value rules of the Companies Acts and the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'. The annual reports contain a description of MIG 4's financial condition, changes in financial condition and results of operation for each relevant financial year and, together with the half-yearly report for the six month period ended 31 July 2012 are being incorporated by reference and can be accessed at the following website:

www.mig4vct.co.uk

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

Description	2010 Annual Report	2011 Annual Report	2012 Annual Report	2012 Half-Yearly Report
Balance Sheet	Page 50	Page 47	Page 52	Page 14
Income Statement (or equivalent)	Page 49	Page 46	Page 51	Pages 12 to 13
Statement showing all changes in equity (or equivalent note)	Page 51	Page 48	Page 54	Page 15
Cash Flow Statement	Page 52	Page 49	Page 53	Page 16
Accounting Policies and Notes	Pages 53 to 70	Pages 50 to 68	Pages 55 to 72	Pages 17 to 21
Auditor's Report	Pages 47 to 48	Pages 44 to 45	Pages 49 to 50	n/a

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

MIG 4 changed its accounting period from 31 January to 31 December in October 2012.

Such information also includes operating/financial reviews as follows:

Description	2010 Annual Report	2011 Annual report	2012 Annual report	2012 Half-Yearly Report
Objective	Inside front cover	Inside front cover	Inside front cover	Inside front cover
Performance Summary	Pages 1 to 2	Pages 1 to 2	Pages 1 to 3	Pages 2 to 3
Results & Dividend	Pages 24 to 25	Pages 24 to 25	Page 28	Page 4
Investment Policy	Pages 9 to 10	Pages 8 to 9	Pages 10 to 11	Page 8
Chairman's Statement	Pages 3 to 8	Pages 3 to 6	Pages 4 to 9	Pages 4 to 6
Manager's	Pages 13 to 19	Pages 12 to 18	Pages 12 to 19	Page 9

Review				
Portfolio Summary	Pages 11 to 12	Pages 10 to 11	Pages 20 to 21	Pages 10 to 11
Valuation Policy	Pages 53 to 54	Page 50	Pages 55 to 56	Page 17

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

	Year ended 31 January 2010 (audited)	Year ended 31 January 2011 (audited)	Year ended 31 January 2012 (audited)	Six month period ended 31 July 2012 (unaudited)
Investment income	£473,704	£631,321	£955,864	£494,501
Profit/loss on ordinary activities before taxation	£713,131	£1,893,790	£1,643,274	£550,056
Earnings per MIG 4 Share	3.56p	9.04p	6.62p	1.98p
Dividends per MIG 4 Share	3.0p	4.0p	5.0p	-
Total assets	£21,477,891	£25,554,860	£29,565,712	£33,318,537
NAV per MIG 4 Share	106.34p	112.87p	116.73p	113.9p

As at 31 July 2012, the date to which the most recent unaudited half-yearly financial statements on MIG 4 were published, MIG 4 had unaudited net assets of £32,937,188.

Effect of the Offer

As at 31 July 2012, the date to which the most recent unaudited half-yearly financial statements on MIG 4 have been drawn up, MIG 4 had unaudited net assets of £32,937,188. MIG 4 is now seeking to raise up to £7 million through the Offer for which the associated expenses will be 5.5% of the gross proceeds (assuming full subscription on or before 30 December 2012). The impact of the Offer on MIG 4's earnings should be accretive to the extent, if any, that interest earned on the proceeds will exceed expenses. The assets of MIG 4 will be increased by the net proceeds of the Offer.

PART III - I&G

(A) GENERAL INFORMATION

1. Incorporation and registered office

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

2. Share capital

- 2.1 The authorised share capital of I&G on incorporation was £850,000, divided into 80,000,000 ordinary shares of 1p each and 5,000,000 redeemable non-voting shares of 1p each. On incorporation, twenty ordinary shares of 1p each in the capital of I&G were issued nil paid to the subscribers to its Memorandum. These shares have subsequently been paid up in full in cash.
- 2.2 To enable I&G to obtain a certificate under Section 117 of CA 1985 (now Section 761 of CA 2006), on 28 September 2000, 5,000,000 redeemable non-voting shares of 1p each were allotted by I&G at par for cash, paid up as to one quarter of their nominal value. Such redeemable non-voting shares were paid up in full and redeemed in full out of the proceeds of the original offer for subscription on 2 November 2000. The authorised but unissued shares so arising were automatically redesignated as I&G Shares and I&G's articles of association were amended by the deletion of all references to the redeemable non-voting shares and the rights attaching to them pursuant to a special resolution passed on 9 October 2007.

- 2.3 On 13 February 2002, I&G passed a resolution approving, subject to the sanction of the Court, the cancellation of the share premium account (such cancellation being subsequently confirmed by the Court on 1 May 2002 and registered at Companies House on 9 May 2002).
- 2.4 The authorised share capital of I&G was increased to £1,100,000 by the creation of 25,000,000 S ordinary shares of 1p each in the capital of I&G pursuant to a resolution passed on 9 October 2007.
- 2.5 On 9 October 2007, I&G passed a resolution approving, subject to the sanction of the Court, the cancellation of the share premium account attributable to the S ordinary shares of 1p each in the capital of I&G (such cancellation being subsequently confirmed by the Court on 16 September 2009 and registered at Companies House on 22 September 2009).
- 2.6 On 3 March 2010, I&G passed a special resolution amending the Articles of I&G pursuant to CA 2006 to remove the authorised share capital limitation. Consequently, I&G is no longer restricted by an authorised share capital.
- 2.7 On 29 March 2010, I&G completed a restructuring of its share capital whereby the ordinary shares of 1p each were merged with the S ordinary shares of 1p each by 26,195,571 of the issued ordinary shares of 1p each being redesignated as S ordinary shares of 1p each and the balance of the issued ordinary shares of 1p each being redesignated as deferred shares of 1p each, such deferred shares then being repurchased by I&G. The issued S ordinary shares of 1p each were then immediately redesignated as I&G Shares.
- 2.8 As at 31 March 2012, the date to which the last unaudited half-yearly financial statements for I&G have been published, the issued share capital of I&G was 43,354,355 I&G Shares (all fully paid up).
- 2.9 I&G has issued and bought back the following I&G Shares since 31 March 2012

Date	Issue/Purchase	Number
4 April 2012	Issue	1,413,558
5 April 2012	Issue	1,026,004
10 May 2012	Issue	526,152
31 May 2012	Purchase	121,816
25 June 2012	Purchase	55,000
10 July 2012	Issue	341,380
2 August 2012	Purchase	200,000
27 September 2012	Purchase	106,000
27 September 2012	Purchase	62,977

- 2.10 At the date of this document, I&G had 46,115,656 Shares in issue (all fully paid up).
- 2.11 The following authorities were provided by the passing of special resolutions of I&G at the annual general meeting of I&G held on 9 February 2012:
- (a) That in substitution for any existing authorities, the I&G Directors were generally and unconditionally authorised pursuant to Section 551 of CA 2006 to exercise all the powers of I&G to allot I&G Shares and to grant rights to subscribe for or to convert any security into I&G Shares up to an aggregate nominal value of £380,000 provided that this authority shall expire on the fifth anniversary of the date of the passing of the resolution unless renewed, revoked or varied by I&G in a general meeting (except that I&G may, before such expiry, make offers or agreements which would or might require I&G Shares to be allotted or rights to be granted after such expiry and notwithstanding such expiry, the I&G Directors may allot I&G Shares or grant rights in pursuance of such offers or agreements).

- (b) That in substitution for any existing authorities, the I&G Directors were empowered in accordance with Sections 570(1) and 573 of CA 2006 to allot or make offers or agreements to allot equity securities (as defined in Section 560(1) of CA 2006) for cash pursuant to the authority given in accordance with Section 551 of CA 2006 by paragraph (a) above or by way of a sale of treasury shares, as if Section 561(1) of CA 2006 did not apply to the allotment or sale, provided that the power conferred shall expire on the conclusion of the annual general meeting of I&G to be held in 2013 and provided further that this power shall be limited to:
- (i) the allotment of equity securities with an aggregate nominal value of up to, but not exceeding, £300,000 in connection with offer(s) for subscription;
 - (ii) the allotment of equity securities with an aggregate nominal value of up to but not exceeding 10% of the issued I&G Share capital from time to time pursuant to any dividend investment scheme operated by I&G; and
 - (iii) the allotment, otherwise than pursuant to paragraphs (i) and (ii) above, of equity securities with an aggregate nominal value of up to but not exceeding 10% of the issued I&G Share capital from time to time; and

where the proceeds of the allotment may be used in whole or in part to purchase I&G Shares in the market.

- (c) That in substitution for any, existing authorities I&G was authorised pursuant to Section 701 of CA 2006 to make market purchases (as defined in Section 693(4) of CA 2006) of its own I&G Shares provided that:
- (i) the aggregate number of I&G Shares to be purchased shall not exceed 6,100,000;
 - (ii) the minimum price which may be paid for I&G Shares is 1 penny per share, the nominal amount thereof;
 - (iii) the maximum price (exclusive of expenses) which may be paid for an I&G Share shall be the higher of: (i) 5% above the average of the middle market quotation for an I&G Share taken from the London Stock Exchange Daily Official List of the for the five business days immediately preceding the day on which the purchase is made; and (ii) the amount stipulated by article 5(1) of the Buy Back and Stabilisation Regulation 2003 (EC2273/2003);
 - (iv) the authority conferred shall (unless previously renewed or revoked) expire on the conclusion of the annual general meeting of I&G to be held in 2013; and
 - (v) I&G may make a contract or contracts to purchase its own I&G Shares under the authority conferred by the resolution prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own I&G Shares pursuant to such contract.

It is the current intention of the Directors of I&G to renew these authorities at its annual general meeting convened in 2013.

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

- 2.13 Following the issue of I&G Shares pursuant to the Offer (assuming the full 10 million I&G Shares are allotted) the issued share capital of I&G is expected to be as follows:

	Issued	
	Number	£
I&G Shares	56,115,656	561,156.56

- 2.14 The I&G Shares are/will be in registered form and no temporary documents of title will be issued. I&G is registered with CREST, a paperless settlement system and those Shareholders who wish to hold their I&G Shares in electronic form may do so.
- 2.15 I&G will be subject to the continuing obligations of the Listing Rules with regard to the issue of securities for cash and the provisions of Section 561 of CA 2006 (which confers on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash) will apply to the balance of the share capital of I&G which is not subject to the disapplication referred to in paragraph 2.10 above.
- 2.16 As at 28 November 2012 (this being the latest practicable date prior to publication of this document), I&G is not aware of any person who, immediately following the issue of the Offer Shares, directly or indirectly, has or will have an interest in the capital of I&G or voting rights which is notifiable under UK law (under which, pursuant to CA 2006 and the Listing Rules and Disclosure and Transparency Rules of the FSA, a holding of 3% or more must be notified to I&G).

3. Directors' and other interests

- 3.1 The Board of I&G comprises three non-executive directors, all of whom are independent of Mobeus except for Helen Sinclair. The Board of I&G has substantial experience of venture capital businesses and has overall responsibility for I&G's affairs, including its investment policy. Mobeus acts as investment manager.
- 3.2 As at 28 November 2012 (this being the latest practical date prior to publication of this document), the interests of the I&G Directors (and their immediate families) in the issued share capital of I&G were as follows:

	I&G Shares	% of issued I&G Share capital
Colin Hook	51,338	0.11%
Jonathan Cartwright	10,591	0.02%
Helen Sinclair	17,535	0.04%

- 3.3 Save as set out above, no I&G Director, family member or any person connected with any I&G Director (within the meaning of Section 252 of CA 2006) has any interest in the capital of I&G which is or would, immediately following the Offer, be required to be notified pursuant to Section 809 of CA 2006 or which is or would be required to be entered in the register maintained under Section 809 of CA 2006.
- 3.4 Colin Hook was appointed under a letter of appointment dated 30 September 2000. Helen Sinclair was appointed under a letter of appointment dated 14 January 2003. Jonathan Cartwright was appointed under a letter of appointment dated 16 July 2010. None of the I&G Directors has a service contract and their appointments are all subject to a three months' notice period. All I&G Directors are subject to retirement by rotation. Their appointment does not confer any right to hold office for any period nor any right to compensation if they cease to be directors. The total annual remuneration receivable by Colin Hook as chairman of I&G is £41,000 (plus, if applicable, VAT and employers National Insurance Contributions). The total annual remuneration receivable by Helen Sinclair and Jonathan Cartwright is £31,000 each (plus, if applicable, VAT and employers National Insurance Contributions). The office of non-executive director of I&G is not pensionable and no retirement or similar benefits are provided to the I&G Directors. Aggregate I&G Directors' emoluments in respect of qualifying services for the

period ended 30 September 2011 amounted to £103,000 (being £41,000 for Colin Hook, £31,000 for Helen Sinclair and £31,000 for Jonathan Cartwright plus, if applicable, VAT and National Insurance Contributions. Aggregate emoluments for the current year are expected to be £133,000 (plus, if applicable, VAT and National Insurance), which includes a one off £10,000 payment (paid on 31 December 2011) to each of the I&G Directors for additional work carried out on specific projects for I&G.

- 3.5 There are no potential conflicts of interest between the duties of any I&G Director and their private interests and/or other duties.
- 3.6 No I&G Director is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of I&G and which was effected by I&G in the years ended 30 September 2009, 2010 and 2011 or to the date of this document in the current financial year or and remains in any respect outstanding or unperformed.
- 3.7 No loan or guarantee has been granted or provided by I&G to or for the benefit of any of the I&G Directors.
- 3.8 I&G has taken out directors' and officers' liability insurance for the benefit of its directors, which is renewable on an annual basis.
- 3.9 The I&G Directors are currently or have been within the last five years, a member of the administrative, management or supervisory bodies or partners of the companies and partnerships as set out on pages 10 to 12.
- 3.10 No I&G Director has any convictions in relation to fraudulent offences during the previous five years.
- 3.11 Save as disclosed in this paragraph, in the five years prior to the publication of this document, there were no bankruptcies, receiverships or liquidations of any companies or partnership where any of the I&G Directors were acting as (i) a member of the administrative, management or supervisory body, (ii) a partner with unlimited liability, in the case of a limited partnership with a share capital, (iii) a founder where the company had been established for fewer than five years nor (iv) a senior manager during the previous five years:
 - (a) Jonathan Cartwright was a director of Caledonia EI Distribution Limited until December 2009. The company was placed in members' voluntary liquidation in April 2010. Jonathan was also a director of the following companies which have all voluntarily been struck off the register of companies:
 - Caledonia Industrial & Services Limited - dissolved in May 2008; and
 - Caledonia Settlement Limited - dissolved in December 2007.
 - (b) Helen Sinclair is a director of Octopus Eclipse VCT 3 plc which was placed into members' voluntary liquidation on 31 October 2012 pursuant to a Section 110 Insolvency Act 1986 scheme of reconstruction with Octopus Eclipse VCT plc.
- 3.12 There has been no official public incrimination and/or sanction of any I&G Director by statutory or regulatory authorities (including designated professional bodies) and no I&G Director has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company during the previous five years.

4. **Management and administration**

- 4.1 The I&G Directors are responsible for the determination of the investment policy and have overall responsibility for its affairs. The I&G Directors also retain responsibility for approving both the valuations of the portfolio and the net asset value of I&G. Mobeus has been appointed as investment manager providing investment advisory,

administrative and company secretarial services to I&G on the terms set out at paragraphs 5.1 and 5.2 below. The existing management agreement set out at paragraph 5.1 below will automatically cover the management and fees in relation to the new funds raised by I&G pursuant to the Offer and the performance incentive arrangements set out in paragraph 5.2 will also automatically extend to such funds

- 4.2 As is customary in the private equity industry, Mobeus may retain for its own benefit and without liability to account to I&G, subject to full disclosure having been made to the I&G Directors, arrangement fees which it receives in connection with any unquoted investment made by I&G. It may also receive all monitoring fees or directors' fees charged to investee companies. Costs incurred on abortive investment proposals will be the responsibility of Mobeus.
- 4.3 Mobeus is responsible for the determination and calculation of I&G's net asset value, which is prepared quarterly for approval by the I&G Directors. All unquoted investments are valued in accordance with IPEVC Valuation Guidelines under which investments are held at fair value. Any AIM or other quoted investment will be valued at the bid price of its shares as derived from the Daily Official List of the London Stock Exchange, in accordance with general accepted accounting practice. I&G's net asset value will be calculated quarterly and published on an appropriate regulatory information service.
- 4.4 If for any reason valuations of I&G or its underlying investments are suspended at any time shareholders will be notified as soon as reasonably practicable following such suspension and will be supplied with sufficient information to enable them to understand the reasons for and likely length of time of the suspension. Shareholders will be similarly further notified when valuations have been reinstated.

I&G expects to co-invest with the other VCT funds advised by Mobeus, participating in equity investments up to £5 million.

Where more than one of the funds managed or advised by Mobeus wishes to participate in an investment opportunity, allocations will generally be made in proportion to the latest published net asset value of each fund at the date each investment proposal is forwarded to each Board. When one of the funds managed or advised by Mobeus is in its fund raising period, its net funds raised, for the purpose of allocation, will be assumed to be the value of shares allotted at the time the allocation calculation is made. Implementation of this policy will be subject to the availability of funds to make the investment and other portfolio considerations such as sector exposure and the requirement to achieve or maintain a minimum of 70% of a particular VCT's portfolio in VCT qualifying holdings. This may mean that I&G may receive a greater or lesser allocation than would otherwise be the case under the normal co-investment policy.

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

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

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

- 4.5 PricewaterhouseCoopers LLP receives an annual fee of £10,000 plus VAT for providing advice and assistance in relation to the maintenance of the VCT status of I&G. If requested by I&G, PricewaterhouseCoopers LLP will also review prospective investments to ensure that they are qualifying venture capital investments and carry out reviews of the investment portfolio of I&G to ensure continuing compliance.

- 4.6 I&G has and will continue to have custody of its own assets:
- I&G's monetary assets are and will be held in bank accounts and/or money market accounts in I&G's own name; and
 - I&G's investments in both quoted and unquoted investments and the corresponding share certificates are and will also be held in I&G's own name.
- 4.7 A maximum of 75% of I&G's management expenses will be charged against capital with the balance to be met from income.
- 4.8 All of the I&G Directors are members of the audit committee with Jonathan Cartwright acting as chairman. The audit committee members are considered to have sufficient recent and relevant financial experience to discharge the role, and will meet at least twice a year, amongst other things to, consider the following:
- review the half year and annual financial statements before submission to the I&G Directors, including meeting with the auditors
 - making recommendations to the I&G Directors in relation to the appointment, re-appointment and removal of the external auditor;
 - monitoring the effectiveness of I&G's internal control systems; and
 - reviewing the scope and the results of the audit and ensuring its cost effectiveness.
- 4.9 All of the I&G Directors are also members of the nomination and remuneration committee with Helen Sinclair acting as Chairman. The nomination and remuneration committee members (who have responsibility for reviewing the remuneration of the I&G Directors) will meet at least annually to consider the levels of remuneration of the I&G Directors, specifically reflecting the time commitment and responsibilities of the role. The committee will also undertake comparisons and reviews to ensure that the levels of remuneration paid are broadly in-line with industry standards. The nomination and remuneration committee also meets annually to consider the composition and balance of skills, knowledge and experience of all of the I&G Directors and would make nominations to the I&G Directors in the event of a vacancy. New I&G Directors are required to resign at the annual general meeting following appointment and then thereafter every three years. New directors are provided with an induction pack and an induction session is arranged in conjunction with the Board and Mobeus.
- 4.10 The Financial Services Authority requires all listed companies to disclose how they have applied the principles and complied with the provisions of the UK Corporate Governance Code (formerly the Combined Code) issued by the Financial Reporting Council in May 2010 for all companies who are now operating in financial years on or after 29 June 2010.

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

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

For the year ended 30 September 2011 and as at the date of this document, I&G has complied with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except where noted below. There are certain areas of the UK Corporate Governance Code that the AIC does not consider relevant to investment companies and with which I&G does not specifically comply, of which the AIC Code provides dispensation. The areas and reasons for non-compliance are as follows:

- in light of the responsibilities retained by the I&G Board and its committees and of the responsibilities delegated to Mobeus, I&G has not appointed a chief executive officer or executive directors;
- due to the size of the I&G Board, the size of the business and the fact that the Board is comprised solely of non-executive directors, the I&G Board have decided that it is inappropriate for the time being to appoint a senior independent director or deputy chairman this role is fulfilled as appropriate by the chairman of the Audit Committee; and
- due to the systems and procedures of Mobeus, the provision of VCT tax monitoring services by PricewaterhouseCoopers LLP, as well as the size of I&G's operations, the I&G Board believe that an internal audit function is not appropriate.

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

5 Material contracts

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

- 5.1 An investment management agreement dated 29 March 2010 between I&G (1) and Matrix Private Equity Partners LLP (2) (as amended by a deed of variation dated 12 November 2010) pursuant to which Mobeus (then Matrix Private Equity Partners LLP) is appointed to provide advisory investment management services in respect of I&G's investments in VCT qualifying investments.

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

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

The agreement is terminable by either party by 12 months' notice by any party subject to earlier termination by any party in the event of, inter alia, a party having a receiver, administrator or liquidator appointed or committing a material breach of the agreement or by I&G if it fails to become, or ceases to be, a VCT for tax purposes or where Mobeus ceases to be authorised by the FSA or if there is a change in control of Mobeus. The I&G Board has acknowledged the proposed change of control which is proposed to take place by Mobeus and have reserved their rights to terminate under this agreement with Mobeus. The agreement contains provisions indemnifying Mobeus against any liability not due to its default, gross negligence, fraud or breach of FSMA.

- 5.2 A performance incentive agreement dated 16 December 2008 (effective from 12 September 2007) between I&G (1) Foresight Group LLP (2) and Matrix Private Equity Partners LLP (3) as varied by a deed of termination and variation between I&G (1) and Matrix Private Equity Partners LLP (2) dated 29 March 2010 pursuant to which I&G granted to each of Mobeus (then Matrix Private Equity Partners LLP) and Foresight Group LLP (the former joint investment manager of I&G), the right to receive performance incentive payments in connection with the management of the former I&G ordinary shares fund.

Mobeus is entitled to receive a performance related incentive payment (payable in cash or shares) based on realised gains from the investment portfolio which it manages. The performance payment represents 20% of any excess (over the investment growth hurdle detailed below) of realised gains over realised losses from these investments during each accounting period provided that in respect of the portfolio:

- at any calculation date, the value of the investment portfolio, based on the Company's normal accounting policies, adjusted for net realised gains and losses and total surplus income since 20 June 2007 was equal to or greater than the embedded value of the portfolio, as adjusted by new investments and the value of the Nova portfolio (as at 30 June 2007); and
- such excess was subject to an investment growth hurdle of 6% per annum calculated from 1 July 2007.

A fee of £422,733 was paid to Mobeus for the year ended 30 September 2008. This is the only financial year for which a fee has been paid to date.

Foresight Group LLP, in connection with their previous appointment as an investment manager of I&G, has an ongoing entitlement to performance fees in respect of the portfolio of the original I&G ordinary shares fund (similar to the above but disregarding the terms relating to the merger of the original I&G ordinary shares and I&G S ordinary shares). Following the termination of Foresight Group's appointment, its entitlement reduces proportionally over the ten years following such termination.

The disposal of App-DNA Group Limited and other investments by I&G during the year ended 30 September 2012 may give rise to a performance incentive fee of up to £3.1 million in respect of the year ended 30 September 2012, to be shared between Mobeus and Foresight for the portfolio formerly managed by Foresight, and a further £0.5 million that may be payable to Mobeus in respect of its original portfolio.

- 5.3 An offer agreement dated 12 November 2010 between the Companies (1), the I&G Directors (2) Matrix Private Equity Partners LLP (3) and Charles Stanley Securities (4) whereby Mobeus (then Matrix Private Equity Partners LLP) agreed to act as promoter in connection with the 2010/2011 linked offer and Charles Stanley Securities agreed to act as sponsor in connection with the 2010/2011 linked offer. The agreement contains warranties given by the Companies and the I&G Directors to Mobeus and given by the Companies, the I&G Directors and Mobeus to Charles Stanley Securities. The Companies agreed to pay Mobeus a commission of 5.5% of the gross amount subscribed under the 2010/2011 linked offer out of which will be paid all costs, charges and expenses of or incidental to the 2010/2011 linked offer including the fees of Charles Stanley Securities, (excluding annual trail commission).
- 5.4 A letter of engagement dated 12 November 2010 from Charles Stanley Securities pursuant to which Charles Stanley Securities was appointed as sponsor to the Companies in connection with the 2010/2011 linked offer. The Companies agreed to indemnify Charles Stanley Securities for any loss suffered in respect of its role as sponsor to the 2010/2011 linked offer. The Companies' liability under this indemnity is unlimited.

- 5.5 An offer agreement dated 19 January 2012 between the Companies (1), the I&G Directors (2) Matrix Private Equity Partners LLP (3) and Matrix Corporate Capital LLP (4) whereby Mobeus (then Matrix Private Equity Partners LLP) agreed to act as promoter in connection with the 2011/2012 linked offer and Matrix Corporate Capital LLP agreed to act as sponsor in connection with the 2011/2012 linked offer. The agreement contains warranties given by the Companies and the I&G Directors to Mobeus and given by the Companies, the I&G Directors and Mobeus to Matrix Corporate Capital LLP. The Companies agreed to pay Mobeus a commission of 5.5% of the gross amount subscribed under the 2011/2012 linked offer out of which will be paid all costs, charges and expenses of or incidental to the 2011/2012 linked offer.
- 5.6 A letter of engagement dated 2 November 2011 from Matrix Corporate Capital LLP pursuant to which Matrix Corporate Capital LLP was appointed as sponsor to the Companies in connection with the 2011/2012 linked offer. The Companies agreed to indemnify Matrix Corporate Capital LLP for any loss suffered in respect of its role as sponsor to the Companies in connection with the 2011/2012 linked offer which is a customary provision in an agreement of this nature. The Companies' liability under this indemnity is unlimited and the engagement may be terminated at any time.
- 5.7 An offer agreement dated 28 November 2012 between the Companies (1), the Directors (2) Mobeus (3) and Howard Kennedy (4) whereby Mobeus has agreed to act as promoter in connection with the Offer and Howard Kennedy has agreed to act as sponsor in connection with the Offer. The agreement contains warranties given by the Companies and the I&G Directors to Mobeus and given by the Companies, the I&G Directors and Mobeus to Howard Kennedy. The Companies have agreed to pay Mobeus a commission of 5.5% of total funds subscribed from applications received and accepted on or prior to 30 December 2012 (ignoring the Early Investment Incentive and the reinvestment of intermediary commission) and an amount equal to 3.25% of total funds subscribed from applications received and accepted on or prior to 30 December 2012 (ignoring the reinvestment of intermediary commission) out of which will be paid all costs, charges and expenses of or incidental to the Offer (other than trail commission).
- 5.8 A letter of engagement dated 1 November 2012 from Howard Kennedy pursuant to which Howard Kennedy has been appointed as sponsor to the Companies in connection with the Offer. The Companies have agreed to indemnify Howard Kennedy for any loss suffered in respect of its role as sponsor which is a customary provision in an agreement of this nature. The Companies' liability under this indemnity is unlimited. This engagement may be terminated at any time.

6 Investment objective and policy

Investment objective

The investment objective of I&G is to provide private investors with an attractive return, by maximising a stream of dividend distributions from the income and capital gains generated by a diverse and carefully selected portfolio of investments.

I&G invests in companies at various stages of development. In some instances this may include investments in new and secondary issues of companies which may already be quoted on AIM or ISDX.

Investment policy

I&G's investment policy is to invest primarily in a diverse portfolio of UK unquoted companies. Investments are structured as part loan and part equity in order to receive regular income and to generate capital gains from trade sales and flotations of investee companies.

Investments are made selectively across a number of sectors, primarily in management buyout transactions (“MBOs”) i.e. to support incumbent management teams in acquiring the business they manage but do not yet own. Investments are primarily made in companies that are established and profitable.

I&G has a small legacy portfolio of investments in early stage and technology companies from its period prior to 30 September 2008, when it was a multi-manager VCT. This includes investments in early stage and technology companies, and companies quoted on AIM or ISDX.

I&G’s cash and liquid resources are invested in a range of instruments of varying maturities, subject to the overriding criterion that the risk of loss of capital be minimised.

VCT regulation

The investment policy is designed to ensure that I&G continues to qualify and is approved as a VCT by HMRC.

Amongst other conditions, I&G may not invest more than 15% of its investments in a single company and must have at least 70% by value of its investments throughout the period in shares or securities comprised in VCT qualifying holdings, of which a minimum overall of 30% by value (70% for funds raised after 6 April 2011) must be in ordinary shares which carry no preferential rights (save as may be permitted under VCT rules). In addition, although I&G can invest less than 30% (70% for funds raised after 6 April 2011) of an investment in a specific company in ordinary shares it must have at least 10% by value of its total investments in each VCT qualifying company in ordinary shares which carry no preferential rights (save as may be permitted under VCT rules).

UK Companies

The companies in which investments are made must have no more than £15 million of gross assets at the time of investment and £16 million immediately following the investment to be classed as a VCT qualifying holding.

Asset mix

I&G initially holds its funds in a portfolio of readily realisable interest-bearing investments and deposits. The investment portfolio of qualifying investments is built up over a three year period with the aim of investing and maintaining at least 70% of net funds raised in qualifying investments.

Risk diversification and maximum exposures

Risk is spread by investing in a number of different businesses across different industry sectors. To reduce the risk of high exposure to equities, each qualifying investment is structured to maximise the amount which may be invested in loan stock.

Co-investment

I&G aims to invest in larger, more mature unquoted companies through investing alongside the three other VCTs advised by Mobeus with a similar investment policy. This enables I&G to participate in combined investments advised on by Mobeus of up to £5 million.

Borrowing

I&G’s Articles permit borrowings of amounts up to 10% of the adjusted capital and reserves (as defined therein), however, I&G has never borrowed and the I&G Board has no current plans to undertake any borrowing.

Management

The I&G Board has overall responsibility for I&G's affairs including the determination of its investment policy. Investment and divestment proposals are originated, negotiated and recommended by Mobeus and are then subject to formal approval by the I&G Directors.

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

7 Related party disclosures

Related party transactions for I&G undertaken in the three financial years ended 30 September 2009, 2010 and 2011 are set out in the respective audited report and accounts for these year ends which are incorporated by reference: in Note 6 and 23 on pages 66 and 82 for the year ended 30 September 2009, in Notes 6 and 24 on pages 62 and 78 for the year ended 30 September 2010, in Note 6 on page 59 for the year ended 30 September 2011 and in paragraph (c) of the responsibility statement of the Chairman's Letter on page 6 for the half year to 31 March 2012. Apart from the payment of the I&G Directors' remuneration on the basis set out in paragraph 3.4 above and the payment of £284,276.32 to Mobeus in respect of the promotion arrangements set out in paragraph 5.5 above there have been no other related party payments in the current year to the date of this document. Save for the entering into of the offer agreement as set out in paragraph 5.7 above, I&G has not entered into any related party transactions within the meaning of IFRS or UK GAAP since 31 March 2012.

8 Overseas investors

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

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

9 Taxation

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

- 9.1 Taxation of dividends - under current law, no tax will be withheld by I&G when it pays a dividend.
- 9.2 Stamp duty and stamp duty reserve tax - I&G has been advised that no stamp duty or stamp duty reserve tax will be payable on the issue of the I&G Shares. I&G has been advised that the transfer of I&G Shares will, subject to any applicable exemptions, be liable to ad valorem stamp duty at the rate of 0.5% of the consideration paid. An unconditional agreement to transfer such shares if not completed by a duly stamped stock transfer will be subject to stamp duty reserve tax generally at the rate of 50p per £100 (or part thereof) of the consideration paid.

- 9.3 Close company - the I&G Directors believe that I&G is not, and expect that following completion of the Offer will not be, a close company within the meaning of the Tax Act. If I&G was a close company in any accounting period, approval as a Venture Capital Trust would be withdrawn.

10 Miscellaneous

- 10.1 Save for the movement of the unaudited NAV of 105.4p as at 31 March 2012 to 107.1p as at 30 June 2012, there has been no significant change in the financial or trading position of I&G since 31 March 2012, the date to which the last unaudited half-yearly financial statements for I&G have been published.
- 10.2 Mobeus is the promoter of the Offer and, save as disclosed in paragraph 5.3 above, no amount of cash, securities or benefits has been paid, issued or given to the promoter and none is intended to be paid, issued or given.
- 10.3 There have been no important events so far as I&G and the I&G Directors are aware relating to the development of I&G or its business.
- 10.4 There are no governmental, legal or arbitration proceedings (including any such proceedings which are or were pending or threatened of which I&G is aware) during the period from the incorporation of I&G which may have or had in the recent past significant effects on I&G's financial position or profitability.
- 10.5 Save as set out in the final five risk factors on pages 3 to 4 as at the date of this document, there are no governmental, economic, monetary, political or fiscal policies and factors which have or could affect I&G's operations.
- 10.6 There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on I&G's prospects for at least the current financial year, so far as I&G and the I&G Directors are aware.
- 10.7 The issue costs payable by I&G under the Offer (including irrecoverable VAT and sales commissions) have been fixed by the I&G Directors at an amount equal to 5.5% of total funds subscribed from applications received and accepted on or prior to 30 December 2012 (but excluding permissible annual trail commission) and an amount equal to 3.25% of total funds subscribed from applications received and accepted on or prior to 30 December 2012 (but excluding permissible annual trail commission). Mobeus has agreed to indemnify I&G in respect of any costs which are in excess of the above. The net proceeds for I&G from the Offer (assuming full subscription on or before 30 December 2012 and ignoring the Early Investment Incentive and the reinvestment of intermediary commission) will therefore amount to at least £6,615,000.
- 10.8 I&G's capital resources are restricted insofar as they may be used only in putting into effect the investment policy described in paragraph 6 above.
- 10.9 I&G does not have any major Shareholders and no Shareholders have different voting rights. To the best of the knowledge and belief of the I&G Directors, I&G is not directly controlled by any other party and at the date of the Prospectus, there are no arrangements in place that may, at a subsequent date, result in a change of control of I&G.
- 10.10 I&G and its shareholders are subject to the provisions of the City Code on Takeovers and Mergers and CA 2006, which require shares to be acquired/transferred in certain circumstances.
- 10.11 The typical investor for whom investment in I&G is designed is a UK taxpayer who is aged 18 or over and who already has a portfolio of VCT and non-VCT investments (such as unit trusts, OEICs, investment trusts and direct shareholdings in listed and non-listed companies). The investor should be comfortable with the risk factors set out

at the beginning of this document and be willing to retain the investment for at least five years.

- 10.12 PKF (UK) LLP act as auditors to I&G. PKF (UK) LLP is registered to carry on audit work and is authorised to carry on investment business by the Institute of Chartered Accountants in England and Wales.
- 10.13 Howard Kennedy has given and not withdrawn its written consent to the issue of the Prospectus and the inclusion of its name and the references to it in the Prospectus in the form and context in which they appear.
- 10.14 I&G and the I&G Directors consent to the use of the Prospectus, and accept responsibility for the content of the Prospectus, with respect to subsequent resale or final placement of securities by financial intermediaries, from the date of the Prospectus until the close of the Offer. The Offer is expected to close on or before 30 April 2013, unless previously extended by the Directors (acting jointly). There are no conditions attaching to this consent. Financial intermediaries may use the Prospectus in the UK.
- 10.15 **Information on the terms and conditions of the Offer to an investor will be given to investors by financial intermediaries at the time that the Offer is introduced to investors. Any financial intermediary using the Prospectus must state on its website that it is using the Prospectus in accordance with the consent set out in paragraph 10.14**

(B) ANALYSIS OF THE INVESTMENT PORTFOLIO

All of I&G investments as at 30 June 2012, which are analysed below, are in the UK and are valued in sterling.

Sector	% by cost	% by value
Media	8.8	11.2
Software & Computer services	5.4	4.8
Construction and Building Materials	2.7	0.1
Support Services	29.6	36.1
Technology, Hardware & Equipment	16.2	3.4
General retailers	6.7	8.2
Acquisition Vehicle	19.7	23.1
Personal Goods	5.7	6.4
Food Production and Distribution	0.1	2.0
Pharmaceuticals	1.1	1.6
Industrial Engineering	2.8	2.1
Healthcare Equipment and Services	1.2	1.0

Type	% by cost	% by value
Unlisted ordinary shares	21.7	15.3
Unlisted loan stock and preference shares or loans	32.9	36.7
Listed ordinary shares	6.8	5.7
Cash/liquidity	38.6	42.3

Save for (i) information on Tessella Holdings Limited following an investment of £1,245,000 in July 2012, (ii) sales of IDOX plc realising proceeds of £812,000 and a receipt by I&G of £391,000 of deferred consideration arising from last year's sale of App-DNA Group Limited and (iii) loan repayments from Blaze Signs Holdings Limited and Fullfield Limited of £885,325, there

has been no material change to the above analysis since 30 June 2012, the date to which the above analysis was prepared.

(C) FINANCIAL INFORMATION

I&G has produced annual statutory accounts for the three financial years ended 30 September 2009, 2010 and 2011 and unaudited information in the half-yearly financial statements for the six month period ended 31 March 2012. The auditors, PKF (UK) LLP, Registered Auditor, of Farringdon Place, 20 Farringdon Road, London EC1M 2AP have reported on the annual statutory accounts without qualification and without statements under Sections 495 to 497 of CA 2006.

The annual reports referred to above were prepared in accordance with UK generally accepted accounting practice (GAAP), the fair value rules of the Companies Acts and the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'. The annual reports contain a description of I&G's financial condition, changes in financial condition and results of operation for each relevant financial year and are being incorporated by reference and can be accessed at the following website:

www.incomeandgrowthvct.co.uk

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

Description	2009 Annual Report	2010 Annual Report	2011 Annual Report	2012 Half-Yearly Report
Balance Sheet	Page 59	Page 54	Page 52	Page 15
Income Statement (or equivalent)	Page 58	Page 53	Page 51	Pages 13 to 14
Statement showing all changes in equity (or equivalent note)	Page 60	Page 55	Page 53	Page 15
Cash Flow Statement	Page 61	Page 56	Page 54	Page 16
Accounting Policies and Notes	Pages 62 to 82	Pages 57 to 78	Pages 55 to 75	Pages 17 to 23
Auditor's Report	Pages 56 to 57	Pages 51 to 52	Pages 49 to 50	n/a

Such information also includes operating/financial reviews as follows:

Description	2009 Annual Report	2010 Annual Report	2011 Annual Report	2012 Half-Yearly Report
Objective	Inside front cover	Inside front cover	Inside front cover	Contents Pages
Performance Summary	Page 1	Pages 1 to 4	Pages 1 to 4	Page 1
Results & Dividend	Pages 28 to 29	Page 31	Page 30	Pages 3 to 4
Investment Policy	Pages 10 to 11	Pages 11 to 12	Pages 11 to 12	Page 7
Chairman's Statement	Pages 4 to 9	Pages 5 to 10	Pages 5 to 10	Pages 3 to 5
Manager's Review	Pages 12 to 19	Pages 13 to 21	Pages 13 to 21	n/a
Portfolio Summary	Pages 20 to 22	Pages 22 to 23	Pages 22 to 24	Pages 8 to 10
Valuation Policy	Pages 62 to 63	Pages 57 to 58	Pages 55 to 56	Page 17

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

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

	Year ended 30 September 2009 (audited)	Year ended 30 September 2010 (audited)	Year ended 30 September 2011 (audited)	Six month period ended 31 March 2012 (unaudited)
Investment income	£948,329	£726,394	£1,651,015	£751,588
Profit/loss on ordinary activities before taxation	£(3,233,631)	£2,374,759	£10,203,037	£3,768,829
Earnings per share	(8.73)p ordinary share (1.41)p S ordinary share	9.55p	26.04p	9.13p
Dividends per share	4.0p ordinary share 0.5p S ordinary share	4.0p I&G Share		24.0p I&G Share
Total assets	£36,093,912	£37,093,664	£50,702,972	£49,009,420
NAV per share	71.45p ordinary share 93.18p S ordinary share	99.0p	120.8p	105.4p

The information in the above table for the years ended 30 September 2009, 2010 and 2011, and the six month period ended 31 March 2012 is, as relevant, for the I&G ordinary shares of 1p each and S ordinary shares of 1p each before the merger of the I&G ordinary shares of 1p into the S ordinary shares of 1p and subsequent redesignation into I&G Shares.

As at 31 March 2012, the date to which the most recent unaudited half-yearly financial statements on I&G were published, I&G had unaudited net assets of £45,702,253. As at 30 June 2012, I&G had unaudited net assets of £49,424,736.

Effect of the Offer

As at 31 March 2012, the date to which the most recent unaudited half-yearly financial statements on I&G have been drawn up, I&G had net assets of £45,702,253. I&G is now seeking to raise up to £7 million through the Offer for which the associated expenses will 5.5% of the gross proceeds (assuming full subscription on or before 30 December 2012). The impact of the Offer on I&G's earnings should be accretive to the extent, if any, that interest earned on the proceeds will exceed expenses. The assets of I&G will be increased by the net proceeds of the Offer.

PART IV - LARGEST INVESTMENTS OF THE COMPANIES

The venture capital investments set out below represent the Companies' 15 largest investments (excluding acquisition companies and liquidity funds). These comprise approximately 43% of the aggregate investment portfolios of the Companies, as at the date of this document. This includes the largest investments held by each Company (which includes investments with a value of greater than 5% of their respective gross assets and which have an aggregate value of greater than 50%), as at the date of this document.

All of the companies below, as at the date of their last published accounts, are profitable based on EBITA. Mobeus believes that EBITA is a more meaningful measure of an investee company's underlying profitability to VCT investors than profit after taxation. This is because earnings are calculated before deducting loan stock interest (which is part of the return to VCT investors earned by the Mobeus investment structure) and other interest.

For MIG, the current cost is the original investment cost made by both MIG and Matrix Income & Growth 3 VCT plc, less capital repayments to 23 November 2012.

ATG Media Holdings Limited					
Original investment October 2008					
	MIG	MIG 4	I&G	Year ended	30 September 2011 (£'000)
Current cost	£1,454,419	£888,993	£888,993	Sales	8,927
Valuation	£3,715,276	£2,238,285	£2,395,956	EBITA	1,831
Valuation methodology	Earnings multiples (for all Companies)			Profit/(loss) before tax	1,233
Equity/voting rights	14.0%	8.5%	8.5%	Retained profit/(loss)	1,239
Percentage of investment portfolio	9.0%	6.8%	4.5%	Net assets	3,179
<i>Activity: Publisher of the leading newspaper serving the UK antiques trade and online auction platform operator.</i>					
<i>Location: London.</i>					

Ingleby (1879) Limited (trading as EMaC)					
Original investment November 2011					
	MIG	MIG 4	I&G	Year ended	31 December 2011 (£'000)
Current cost	£1,762,336	£1,263,817	£1,878,124	Sales	4,990
Valuation	£1,762,336	£1,263,817	£1,878,124	EBITA	867
Valuation methodology	Cost (for all Companies)			Profit/loss before tax	900
Equity/voting rights	8.8%	6.3%	9.4%	Retained profit/loss	1,535
Percentage of investment portfolio	4.3%	3.8%	3.5%	Net assets	1,535
<i>Activity: Provider of service plans to motor dealerships</i>					
<i>Location: Crewe, Cheshire</i>					

DiGiCo Global Limited					
Original investment July 2007.					
	MIG	MIG 4	I&G	Year ended	31 December 2011* (£'000)
Current cost	£370,063	£190,449	£125,107	Sales	21,314
Valuation	£2,592,669	£1,334,293	£876,497	EBITA	6,466
Valuation methodology	Earnings multiple (for all Companies)			Profit/(loss) before tax	6,426
Equity/voting rights	4.7%	2.4%	1.6%	Retained profit/(loss)	5,039
Percentage of investment portfolio	6.3%	4.1%	1.6%	Net assets	7,932
Activity: Manufacture of digital sound mixing consoles. * - These figures are for DiGiCo Europe Limited Location: Chessington, Surrey.					

Tessella Holdings Limited					
Original investment July 2012					
	MIG	MIG 4	I&G	Year ended	31 March 2012* (£'000)
Current cost	£1,679,240	£1,268,647	£1,745,351	Sales	18,533
Valuation	£1,679,240	£1,268,647	£1,745,351	EBITA	278
Valuation methodology	Cost (for all Companies)			Profit/(loss) before tax	271
Equity/voting rights	3.0%	2.3%	3.1%	Retained profit/(loss)	2,136
Percentage of investment portfolio	4.1%	3.9%	3.3%	Net assets	2,404
Activity: Consultancy Location: Abingdon, Oxfordshire.					
*These figures are for Tessella Limited, acquired by Tessella Holdings Limited in July 2012					

CB Imports Group Limited					
Original investment December 2009					
	MIG	MIG 4	I&G	Year ended	31 December 2011 (£'000)
Current cost	£2,000,000	£1,000,000	£1,000,000	Sales	23,130
Valuation	£2,256,456	£1,157,157	£1,105,218	EBITA	969
Valuation methodology	Earnings multiple (for all Companies)			Profit/(loss) before tax	382
Equity/voting rights	11.6%	5.8%	5.8%	Retained profit/(loss)	(567)
Percentage of investment portfolio	5.5%	3.5%	2.1%	Net assets	4,421
Activity: Importer and distributor of artificial flowers, floral sundries and home décor products, trading as Country Baskets Location: East Ardsley, West Yorkshire.					

Fullfield Limited					
Original investment July 2011					
	MIG	MIG 4	I&G	Year ended	31 March 2012* (£'000)
Current cost	£1,595,000	£1,110,096	£1,489,097	Sales	23,818
Valuation	£1,770,310	£1,149,890	£1,492,601	EBITA	1,752
Valuation methodology	Earnings multiple (for all Companies)			Profit/(loss) before tax	1,683
Equity/voting rights	12.6%	8.8%	11.7%	Retained profit/(loss)	9,043
Percentage of investment portfolio	4.3%	3.5%	2.8%	Net assets	9,044
Activity: Vehicle cleaning and valet services.					
Location: Laindon, Essex.					
*These figures are for Motorclean Limited (acquired by Fullfield Limited in July 2011).					

EOTH Limited					
Original investment October 2011					
	MIG	MIG 4	I&G	11 months ended	31 January 2012 (£'000)
Current cost	£1,298,031	£951,471	£1,383,313	Sales	20,401
Valuation	£1,298,031	£951,471	£1,383,313	EBITA	1,830
Valuation methodology	Cost (for all Companies)			Profit/(loss) before tax	1,395
Equity/voting rights	2.3%	1.7%	2.5%	Retained profit/(loss)	5,028
Percentage of investment portfolio	3.2%	2.9%	2.6%	Net assets	6,173
Activity: Distributor of high quality, branded outdoor equipment (brands include RAB and Lowe Alpine).					
Location: Alfreton, Derbyshire					

RDL Corporation Limited					
Original investment October 2010					
	MIG	MIG 4	I&G	Year ended	31 December 2011 (£'000)
Current cost	£1,558,334	£1,000,000	£1,441,667	Sales	18,266
Valuation	£1,374,067	£857,535	£1,282,457	EBITA	1,214
Valuation methodology	Earnings multiple (for all Companies)			Profit/(loss) before tax	(202)
Equity/voting rights	14.1%	9.1%	13.0%	Retained profit/(loss)	(278)
Percentage of investment portfolio	3.3%	2.6%	2.4%	Net assets	1,501
Activity: Recruitment consultants for the pharmaceutical, business intelligence, and IT industries					
Location: Woking, Surrey.					

British International Holdings Limited					
Original investment June 2006					
	MIG	MIG 4	I&G	Year ended	31 December 2010 (£'000)
Current cost	£2,068,182	£295,455	£590,909	Sales	19,350
Valuation	£2,068,182	£295,455	£668,272	EBITA	3,315
Valuation methodology	Fair value	Fair value	Earnings multiple	Profit/(loss) before tax	1,518
Equity/voting rights	17.5%	2.5%	5.0%	Retained profit/(loss)	2,735
Percentage of investment portfolio	5.0%	0.9%	1.3%	Net assets	4,017
<i>Activity: Helicopter service operator.</i>					
<i>Location: Sherbourne, Dorset.</i>					

Focus Pharma Holdings Limited					
Original investment October 2007					
	MIG	MIG 4	I&G	Year ended	31 December 2011 (£'000)
Current cost	£980,702	£605,837	£405,407	Sales	22,375
Valuation	£1,539,911	£763,367	£469,864	EBITA	1,081
Valuation methodology	Earnings multiple (for all Companies)			Profit/(loss) before tax	351
Equity/voting rights	5.1%	3.1%	2.1%	Retained profit/(loss)	524
Percentage of investment portfolio	3.7%	2.3%	0.9%	Net assets	3,485
<i>Activity: Licensing and distribution of generic pharmaceuticals.</i>					
<i>Location: Burton upon Trent, Staffordshire.</i>					

ASL Technology Holdings Limited					
Original investment December 2010					
	MIG	MIG 4	I&G	11 months ended	30 September 2011 (£'000)
Current cost	£1,912,945	£1,257,133	£1,769,790	Sales	9,613
Valuation	£707,082	£847,539	£1,140,223	EBITA	662
Valuation methodology	Earnings multiple (for all Companies)			Profit/(loss) before tax	(38)
Equity/voting rights	10.3%	6.8%	9.6%	Retained profit/(loss)	(947)
Percentage of investment portfolio	1.7%	2.6%	2.1%	Net assets	1,497
<i>Activity: Printer and photocopier services.</i>					
<i>Location: Cambridge.</i>					

Blaze Signs Holdings Limited					
Original investment April 2006					
	MIG	MIG 4	I&G	Year ended	31 March 2012 (£'000)
Current cost	£875,789	£283,252	£621,510	Sales	20,878
Valuation	£1,293,878	£395,639	£433,602	EBITA	1,761
Valuation methodology	Earnings multiple (for all Companies)			Profit/(loss) before tax	289
Equity/voting rights	20.8%	5.7%	12.5%	Retained profit/(loss)	628
Percentage of investment portfolio	3.1%	1.2%	0.8%	Net assets	2,918
<i>Activity: Manufacturing and installation of signs.</i>					
<i>Location: Broadstairs, Kent.</i>					

Westway Services Holdings (2010) Limited					
Original investment June 2009					
	MIG	MIG 4	I&G	Year ended	28 February 2011 (£'000)
Current cost	£382,201	£236,096	£353,589	Sales	27,521
Valuation	£906,659	£504,521	£635,152	EBITA	3,942
Valuation methodology	Earnings multiple (for all Companies)			Profit/(loss) before tax	2,451
Equity/voting rights	5.1%	3.2%	4.7%	Retained profit/(loss)	2,696
Percentage of investment portfolio	2.2%	1.5%	1.2%	Net assets	3,769
<i>Activity: Installation, service and maintenance of air conditioning systems.</i>					
<i>Location: Greenford, Middlesex.</i>					

Youngman Group Limited					
Original investment October 2005					
	MIG	MIG 4	I&G	Year ended	30 June 2011 (£'000)
Current cost	£1,000,052	£500,026	£1,000,052	Sales	33,606
Valuation	£700,992	£349,983	£700,992	EBITA	452
Valuation methodology	Fair value (for all Companies)			Profit/(loss) before tax	(629)
Equity/voting rights	8.5%	4.2%	8.5%	Retained profit/(loss)	2,421
Percentage of investment portfolio	1.7%	1.1%	1.3%	Net assets	202
<i>Activity: Manufacturer of metal products</i>					
<i>Location: Maldon, Essex</i>					

MachineWorks Software Limited Original investment April 2006					
	MIG	MIG 4	I&G	Year ended	31 December 2011 (£'000)
Current cost	£44,501	£9,329	£584,710	Sales	1,835
Valuation	£1,042,277	£215,288	£459,870	EBITA	638
Valuation methodology	Earnings multiple (for all Companies)			Profit/(loss) before tax	518
Equity/voting rights	20.0%	4.2%	9.2%	Retained profit/(loss)	316
Percentage of investment portfolio	2.5%	0.7%	0.9%	Net assets	846
<i>Activity: Software for CAM and machine tool vendors</i> <i>Location: Sheffield</i>					

In addition, the following liquidity funds also represent more than 5% of at least one of the Companies:

SWIP Global Liquidity Fund plc (managed by Scottish Widows Investment Partnership Limited)			
	MIG	MIG 4	I&G
Amount invested	£175,097	£2,774,135	£3,487,126
Valuation	£175,097	£2,774,135	£3,487,126
Valuation methodology	Market valuation (for all Companies)		
Equity/voting rights	n/a (for all Companies)		
Percentage of investment portfolio	0.4%	8.4%	6.6%

Global Treasury Funds plc (managed by RBS Asset Management (Dublin) Limited)			
	MIG	MIG 4	I&G
Amount invested	£386,818	£2,156,209	£5,237,025
Valuation	£386,818	£2,156,209	£5,237,025
Valuation methodology	Market valuation (for all Companies)		
Equity/voting rights	n/a (for all Companies)		
Percentage of investment portfolio	0.9%	6.6%	9.9%

Fidelity Institutional Cash Fund plc (managed by FIL Fund Management (Ireland) Limited)			
	MIG	MIG 4	I&G
Amount invested	£113,566	£2,095,270	£1,945,681
Valuation	£113,566	£2,095,270	£1,945,681
Valuation methodology	Market valuation (for all Companies)		
Equity/voting rights	n/a (for all Companies)		
Percentage of investment portfolio	0.3%	6.4%	3.7%

The Companies also each have a NatWest liquidity select account in which MIG held £3,818,039 in cash (representing 9.3% of MIG's investment portfolio), MIG 4 held £1,303,238 in cash (representing 4.0% of MIG 4's investment portfolio) and I&G held £4,867,558 in cash (representing 9.2% of I&G's investment portfolio).

Note:

Investment information (this being investment accounts, holdings and valuations) in this Part IV has been extracted from the Companies' accounting records (taken from the unaudited management accounts to 30 September 2012 in respect of MIG, the unaudited management accounts to 31 July 2012 for MIG 4 and the unaudited management accounts to 30 June 2012 in respect of I&G), save for (i) information on Tessella Holdings Limited following an investment of £1,745,000 by I&G in July 2012, (ii) sales by I&G of IDOX plc realising proceeds of £812,000 and a receipt by I&G of £391,000 of deferred consideration arising from last year's sale of App-DNA Group Limited (iii) loan repayments to all of the Companies from Blaze Signs Holdings Limited of £1,882,000 and to I&G by Fullfield Limited of £114,000 and (iv) balances in cash and liquidity funds as at 30 September 2012..

In respect of the information on investee companies' sales, profits and losses and net assets in this Part IV, this has been taken from the latest financial year end accounts published (unless stated otherwise) by those investee companies. The information on the investee companies is, for the purposes of this paragraph, "Third Party Information". The Third Party Information has been accurately reproduced and, as far as the Companies are aware and are able to ascertain from information published by those third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The valuations as at 30 September 2012 for MIG, 31 July 2012 for MIG 4 and 30 June 2012 for I&G set out in this Part IV are the most recent valuations by the Companies.

As at the date of this document, there has been no material change in the valuations of investments set out in this Part IV since 30 September 2012 in respect of MIG, 31 July 2012 in respect of MIG 4 and 30 June 2012 in respect of I&G.

PART V - DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during usual business hours on weekdays, Saturdays and public holidays excepted, at the offices of Mobeus, 30 Haymarket, London SW1Y 4EX whilst the Offer is open:

- the Memoranda and Articles of each of the Companies;
- the material contracts referred to in paragraphs 5 of Parts I, II and III of the Registration Document;
- the audited financial statements for MIG for the years ended 31 December 2009, 2010 and 2011;
- the unaudited half-yearly financial statements for MIG for the six month period ended 30 June 2012;
- the audited financial statements for MIG 4 for the years ended 31 January 2010, 2011 and 2012;
- the unaudited half-yearly financial statements for MIG 4 for the six month period ended 31 July 2012;
- the audited statements for I&G for the years ended 30 September 2009, 2010 and 2011;
- the unaudited half-yearly financial statements for I&G for the six month period ended 31 March 2012;
- this Registration Document;
- the Securities Note; and
- the Summary.