

SUMMARY

1. Introduction, containing warnings

This summary should be read as an introduction to the prospectus (constituted by this summary, the securities note and the registration document), each issued by Mobeus Income & Growth VCT plc (**MIG**), Mobeus Income & Growth 2 VCT plc (**MIG 2**), Mobeus Income & Growth 4 VCT plc (**MIG 4**) and The Income & Growth VCT plc (**I&G**) (together the **Companies** and each a **Company**) on 25 October 2019 (**Prospectus**) and any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

The securities being offered pursuant to the offers are:

- MIG - ordinary shares of 1p each (ISIN: GB00B01WL239) (**MIG Share**);
- MIG 2 - ordinary shares of 1p each (ISIN: GB00B0LKLZ05) (**MIG 2 Share**)
- MIG 4 - ordinary shares of 1p each (ISIN: GB00B1FMDH51) (**MIG 4 Share**); and
- I&G - ordinary shares of 1p each (ISIN: GB00B29BN198) (**I&G Share**).

MIG, MIG 2, MIG 4 and I&G can each be contacted by writing to the company secretary, Mobeus Equity Partners LLP (**Mobeus**), at 30 Haymarket, London SW1Y 4EX or by calling, within business hours, 020 7024 7600.

The Legal Entity Identity number (**LEI**) for each Company is:

- MIG - 213800HKOSEVWS7YPH79.
- MIG 2 - 213800LY62XLI1B4VX35.
- MIG 4 - 213800IFNJ65R8AQW943.
- I&G - 213800FPC15FNM74YD92.

The Prospectus was approved on 25 October 2019 by the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN. Contact information relating to the Financial Conduct Authority can be found at <https://www.fca.or.uk/contact>.

2. Key information on the issuers

2.1 Who are the issuers of securities?

The Companies are each public companies with limited liability incorporated in England and Wales and domiciled in the United Kingdom. The Companies operate under the Companies Act 2006 (**CA 2006**) and regulations made thereunder. HMRC has granted approval of the Companies as Venture Capital Trusts (**VCT**) under section 259 of the Income Tax Act 2007 (as amended) (**Tax Act**). The business of the Companies has been, and it is intended will be, carried on so as to continue to comply with that section to maintain full VCT approval.

The LEI for each Company is:

- MIG - 213800HKOSEVWS7YPH79.
- MIG 2 - 213800LY62XLI1B4VX35.
- MIG 4 - 213800IFNJ65R8AQW943.
- I&G - 213800FPC15FNM74YD92.

The Companies do not have any major shareholders and to the best of the knowledge and belief of the directors of each of the relevant Companies, the Companies are 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 the Companies.

MIG's board of directors is comprised of Clive Boothman (Chairman), Bridget Guérin and Catherine Wall (together the **MIG Directors**).

MIG 2's board of directors is comprised of Ian Blackburn (Chairman), Sally Duckworth and Adam Kingdon (together the **MIG 2 Directors**).

MIG 4's board of directors is comprised of Christopher Moore (Chairman), Helen Sinclair and Graham Paterson (together the **MIG 4 Directors**).

I&G's board of directors is comprised of Jonathan Cartwright (Chairman) and Helen Sinclair (together the **I&G Directors**).

Mobeus has been appointed as investment adviser, providing investment advisory, administrative and company secretarial services to the Companies.

BDO LLP acts as auditor to the Companies. BDO LLP is registered to carry on audit work by the Institute of Chartered Accountants in England and Wales.

2.2 What is the key financial information regarding the issuers?

2.2.1 Selected historical financial information

Certain selected historical information of MIG is set out below:

Additional information relevant to closed end funds (as at 30 June 2019 (unaudited) except where otherwise stated)

Share class	Net assets	No. of MIG Shares	NAV per MIG Share	Historical performance
Ordinary	£77.13 million	105,656,926	73.00p	70.25p (as at 31 December 2018 (audited))
Total	£77.13 million	105,656,926		

Income statement for closed end funds

	Year ended 31 December 2018 (audited)	Six month period ended 30 June 2019 (unaudited)
Total income before operating expenses	£3,219,294	£1,561,649
Net profit/(loss) on ordinary activities before taxation	£3,937,230	£8,146,472
Performance fee (accrued / paid)	£0	£0
Investment management fee (accrued/paid)	£1,562,124	£804,078
Any other material fees (accrued/paid) to service providers	£153,682	£90,029
Earnings per MIG Share	3.60p	7.61p
Dividends paid per MIG Share (in the period)	7.00p	4.00p
Dividends paid per MIG Share (in respect of the period)	5.00p	5.00p
Total assets	£75,480,794	£77,516,084
NAV per MIG Share	70.25p	73.00p

Balance sheet for closed end funds

	Year ended 31 December 2018 (audited)	Six month period ended 30 June 2019 (unaudited)
Total net assets	£75.08 million	£77.13 million

Certain selected historical information of MIG 2 is also set out below:

Additional information relevant to closed end funds (as at 30 June 2019 (unaudited) except where otherwise stated)

Share class	Net assets	No. of MIG 2 Shares	NAV per MIG 2 Share	Historical performance
Ordinary	£51.0 million	48,493,925	105.2p	99.60p (as at 31 March 2019 (audited))
Total	£51.0 million	48,493,925		

Income statement for closed end funds

	Year ended 31 March 2019 (audited)
Total income before operating expenses	£2,189,574
Net profit/(loss) on ordinary activities before taxation	£3,969,749
Performance fee (accrued / paid)	£0
Investment management fee (accrued/paid)	£1,036,103
Any other material fees (accrued/paid) to service providers	£133,990
Earnings per MIG 2 Share	7.93p
Dividends paid per MIG 2 Share (in the period)	5.00p
Dividends paid per MIG 2 Share (in respect of the period)	Nil
Total assets	£48,931,111
NAV per MIG 2 Share	99.60p

Balance sheet for closed end funds

	Year ended 31 March 2019 (audited)
Total net assets	£48.73 million

As at 30 June 2019, MIG 2 had unaudited net assets of £51.0 million (105.2p per MIG 2 Share).

Certain selected historical information of MIG 4 is also set out below:

Additional information relevant to closed end funds (as at 30 June 2019 (unaudited) except where otherwise stated)

Share class	Net assets	No. of MIG 4 Shares	NAV per MIG 4 Share	Historical performance
Ordinary	£59.5 million	67,604,732	88.02p	84.79p (as at 31 December 2018 (audited))
Total	£59.5 million	67,604,732		

Income statement for closed end funds

Description	Year ended 31 December 2018 (audited)	Six month period ended 30 June 2019 (unaudited)
Total income before operating expenses	£2,263,918	£1,110,499
Net profit/(loss) on ordinary activities before taxation	£1,571,619	£4,871,037
Performance fee (accrued / paid)	£0	£0
Investment management fee (accrued/paid)	£1,244,444	£627,432
Any other material fees (accrued/paid) to service providers	£156,273	£96,812
Earnings per MIG 4 Share	2.20p	7.10p
Dividends paid per MIG 4 Share (in the period)	4.00p	4.00p
Dividends paid per MIG 4 Share (in respect of the period)	8.00p	13.00p
Total assets	£58,199,297	£59,838,216
NAV per MIG 4 Share	84.79p	88.02p

Balance sheet for closed end funds

	Year ended 31 December 2018 (audited)	Six month period ended 30 June 2019 (unaudited)
Total net assets	£57.90 million	£59.50 million

Certain selected historical information of I&G is set out below:

Additional information relevant to closed end funds (as at 30 June 2019 (unaudited) except where otherwise stated)

Share class	Net assets	No. of I&G Shares	NAV per I&G Share	Historical performance
Ordinary	£84.21 million	103,827,380	81.11p	78.03p (as at 31 March 2019 (unaudited))
Total	£84.21 million	103,827,380		

Income statement for closed end funds

	Year ended 30 September 2018 (audited)	Six month period ended 31 March 2019 (unaudited)
Total income before operating expenses	£3,093,838	£1,783,886
Net profit/(loss) on ordinary activities before taxation	£2,607,124	£3,263,623
Performance fee (accrued / paid)	£1,119	£0
Investment management fee (accrued/paid)	£1,713,245	£863,529
Any other material fees (accrued/paid) to service providers	£182,431	£97,714
Earnings per I&G share	2.62p	3.10p
Dividends per I&G Share (in the period)	5.50p	3.50p
Dividends paid per I&G Share (in respect of the period)	6.00p	1.50p
Total assets	£82,767,440	£81,663,165
NAV per I&G share	78.32p	78.03p

Balance sheet for closed end funds

	Year ended 30 September 2018 (audited)	Six month period ended 31 March 2019 (unaudited)
Total net assets	£82.58 million	£81.44 million

As at 30 June 2019, I&G had unaudited net assets of £84.2 million (81.1p per I&G Share).

2.2.2 Pro forma financial information

There is no pro forma financial information in the Prospectus.

2.2.3 Qualifications to audit reports

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There were no qualifications in the audit reports for MIG in the year ended 31 December 2018, for MIG 2 in the year ended 31 March 2019, for MIG 4 in the year ended 31 December 2018 and for I&G in the year ended 30 September 2018.

2.3 **What are the key risks that are specific to the issuers?**

- The investment objective of the Companies is to achieve long-term investment returns and provide investors with a regular income stream. There can be no guarantee that the investment objective of a Company will be met.
- Investment in unquoted companies (including AIM and NEX Exchange traded companies), by its nature, involves a higher degree of risk than investment in companies listed on the official list of the Financial Conduct Authority (**Official List**). In particular, small companies often have limited product lines, markets or financial resources and may be dependent for their management on a small number of key individuals. They may be more susceptible to political, exchange rate, taxation, economic and other regulatory changes and conditions. Investment returns will, therefore, be uncertain and involve a higher degree of risk than investments in companies listed on the Official List.
- Whilst it is the intention of the board of each Company that its Company will continue to be managed so as to qualify as a VCT, there can be no guarantee that a Company's VCT status will be maintained. Failure to continue to meet the qualifying requirements could result in qualifying investors losing the tax reliefs available for VCT shares, resulting in adverse tax consequences including, if the holding has not been held for the relevant holding period, a requirement to repay the upfront tax reliefs obtained.
- VCTs are subject to investment restrictions, a summary of which are set out in Part Eight - Taxation Considerations of the Securities Note. This may have an impact on the number of qualifying investments the Companies can make and the returns achievable.
- Changes in legislation concerning VCTs, in particular in relation to what constitutes qualifying holdings, qualifying trades and qualifying use of funds, may limit the number of qualifying investment opportunities, reduce the level of returns which would otherwise have been achievable or result in a Company not being able to meet its objectives.
- Any change of governmental, economic, fiscal, monetary or political policy, in particular government spending reviews, levels of unemployment, stock market volatility, consumer confidence, inflation and changes to the current level of interest rates could materially affect, directly or indirectly, the operation and performance of the Companies and/or investee companies and/or the performance of the Companies and the value of, and returns from, the shares and/or their ability to achieve or maintain VCT status.

3. **Key information on the securities**

3.1 **What are the main features of the securities?**

3.1.1 **Description and class of securities**

The securities being offered pursuant to the Offers are:

- MIG - ordinary shares of 1p each (ISIN: GB00B01WL239).
- MIG 2 - ordinary shares of 1p each (ISIN: GB00B0LKLZ05).
- MIG 4 - ordinary shares of 1p each (ISIN: GB00B1FMDH51).
- I&G - ordinary shares of 1p each (ISIN: GB00B29BN198).

The Companies' share capital each comprises ordinary shares of 1p (GBP) each.

As at the date of this document:

- 104,913,970 MIG Shares are in issue (all fully paid up). The maximum number of MIG Shares to be issued pursuant to the Offer is 28 million.
- 48,312,254 MIG 2 Shares are in issue (all fully paid up). The maximum number of MIG 2 Shares to be issued pursuant to the Offer is 30 million.
- 67,077,799 MIG 4 Shares are in issue (all fully paid up). The maximum number of MIG 4 Shares to be issued pursuant to the Offer is 22 million.
- 103,302,857 I&G Shares are in issue (all fully paid up). The maximum number of I&G Shares to be issued pursuant to the Offer is 16 million.

3.1.2 **Rights attaching to the securities**

The Offer Shares in each Company will rank equally in all respects with each other and the existing share capital of the relevant Company from the date of issue of such Offer Shares.

There are no restrictions on the transferability of the Offer Shares.

3.1.3 Dividend Policy

The boards of each Company intend to continue with a policy of maximising the stream of dividend distributions to its Company's shareholders, from the income and capital gains generated by its investment portfolio, or from other distributable reserves. MIG and MIG 4 have an annual target dividend of at least 4p per share. I&G has an annual target dividend to be 6p per share, while MIG 2 has an annual target dividend of no less than 5p per share. However, the ability of each Company to pay dividends in the future cannot be guaranteed and no forecast or projection is to be implied or inferred.

3.2 Where will the securities be traded?

Applications have been made to the UK Listing Authority for the Offer Shares to be listed on the premium segment of the Official List and will be made to the London Stock Exchange for such shares to be admitted to trading on its main market for listed securities. It is anticipated that dealings in the Offer Shares will commence within three business days following allotment.

3.3 What are the key risks that are specific to the securities?

- The past performance of the Companies and Mobeus is not an indication of future performance. The return received by investors will be primarily dependent on the performance of the underlying investments in the Company in which they invest. The value of such investments, and interest income and dividends therefrom, may rise or fall.
- The disposal of Offer Shares within five years of subscription will result in any income tax relief claimed thereon becoming repayable. In addition, loss of VCT status by a Company will result in qualifying investors losing tax reliefs available for VCT shares, resulting in adverse tax consequences, including any income tax relief claimed on Offer Shares issued by the relevant Company if the Offer Shares have not been held for five years as at the date of VCT status being regarded as lost.
- The liquidity in the Companies' shares may be limited. The Companies are close-ended investment companies. Shareholders will have no right to have their shares redeemed or repurchased by the relevant Company at any time.
- Although the existing shares are (and it is anticipated that the Offer Shares will be) admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities, there may not be a liquid market for the shares as there is a limited secondary market for VCT shares (primarily because initial VCT tax reliefs are only available to investors subscribing for new VCT shares) initial tax reliefs are not available for VCT share.

4. Key information on the offer of securities to the public and/or the admission to trading on a regulated market

4.1 Under which conditions and timetable can I invest in the securities?

4.1.1 Terms and Conditions

The Companies are seeking to raise, in aggregate, up to £38 million (with over-allotment facilities to raise, in aggregate, up to a further £20 million) through the issue of Offer Shares pursuant to the offers. The amount each Company is seeking to raise, and the maximum number of Offer Shares it will issue, is set out below.

Company:	MIG	MIG 2	MIG 4	I&G
Maximum amount to be raised (excluding the over-allotment facility)	£10 million	£15 million	£8 million	£5 million
Maximum amount to be raised (including the over-allotment facility)	£15 million	£20 million	£13 million	£10 million
Maximum number of Offer Shares to be issued	28 million	30 million	22 million	16 million

Each Offer opens on 25 October 2019 and will close (unless fully subscribed earlier or otherwise at the discretion of the relevant Company's board) at 12.00 midnight on 31 March 2020. If a board of a Company decides (in consultation with Mobeus) to utilise the over-allotment facility under its Company's offer this will be advised through a RIS Announcement.

An applicant may apply to invest equally in all of the Companies' offers or apply to invest specific amounts under one or more Company's offer, subject to the relevant offer (including the over-allotment facility, if utilised) being open at the time his or her application form is processed (subject to certain minimum subscription levels).

Investors can invest in one of three ways, namely:

- through an "execution only" intermediary who does not offer advice;
- through a financial adviser who provides advice; or
- by direct application.

The number of offer shares to be allotted in each relevant Company (**Offer Shares**) to a successful applicant will be determined by the Allotment Formula below. The offer price per Offer Share paid by an investor will be the monetary amount of an application accepted in respect of a relevant Company (**Investment Amount**), divided by the number of Offer Shares. If an offer is closed, an applicant can specify how their application is to be reallocated or whether it should be returned.

$$\text{Number of Offer Shares} = \frac{A - B - C}{NAV}$$

Where:

- A** is the Investment Amount;
- B** is the Offer costs to be borne by the relevant investor (this being 3.00% of the Investment Amount) reduced by an amount equal to:
- (i) 0.50% of the Investment Amount in respect of investors who receive advice from a financial adviser (and the Application Form is completed by the financial adviser on this basis);
 - (ii) 'execution only' initial commission of 0.50% of the Investment Amount offered by Mobeus and waived by the 'execution only' intermediary in favour of the investor; and
 - (iii) any other fee reduction Mobeus agrees for any specific investor or group of investors.
- C** is in respect of advised investors, the amount of any initial adviser charge agreed to be facilitated (up to the maximum of 4.50% of the Investment Amount and (which is in addition to Offer costs of up to 3.00% of the Investment Amount)).
- NAV** is the most recently published NAV per share in that Company on the day of allotment, adjusted for dividends declared and for which the record date for payment has passed at the time of allotment.

Offer costs of 3.00% of the Investment Amount are payable by the Companies to Mobeus as the promoter of the Offers (**Offer Costs**) and are borne by the investor through the Allotment Formula. Mobeus has agreed to reduce its fee by an amount equal to:

- (i) 0.50% of the Investment Amount in respect of investors who receive advice from a financial adviser (and the application form is completed by the financial adviser on this basis);
- (ii) in respect of investors applying through 'execution-only' intermediaries, the amount of the initial commission offered and waived by the intermediary (which will increase the number of Offer Shares to be allotted); and
- (iii) any other fee reduction Mobeus may agree in respect of an specific investor or group of investors.

Where Offer Costs are reduced, this will be applied through the Allotment Formula (referred to as B above) and will increase the number of Offer Shares allotted to an investor. 'Execution-only' applications will also attract annual trail commission payable to the intermediary by the Companies at the rate of 0.375% of the net asset value of an Offer Share at the end of each financial year (subject to a cumulative cap of 2.25% of the Offer price).

If a board decides to utilise its Company's over-allotment facility under its Offer, Mobeus has further agreed to cap its overall fees payable by the Company to 2.50% of the gross amount raised under its Offer (and rebate any amounts paid in excess of this amount to the relevant Company).

The Companies can also facilitate the payment of an initial adviser charge on behalf of an investor (up to a maximum of 4.50% of the Investment Amount) where advice has been provided to an investor in relation to an application. These adviser charges (referred to as C above) are in addition to Offer Costs and will be borne by the investor through the Allotment Formula.

4.1.2 Expected Timetable

Offer opens	25 October 2019
First allotment	within first two weeks of 2020
Second and final allotment	between 1 – 5 April of 2020
Offer closes	12.00 midnight on 31 March 2020
Effective date for the listing of Offer Shares and commencement of dealings	within three business days following allotment
Share certificates and tax certificates to be dispatched	within ten business days of allotment

Note: Each Company's board will close its respective Company's offer (which includes the over-allotment facility referred to below if utilised) earlier than the date stated above if it is fully subscribed by an earlier date or at its discretion. Each Company's board further reserves the right to accept application forms and to allot and arrange for the listing of Offer Shares in its Company in respect of applications received for its Company's offer on or prior to the first allotment date or the closing date of such offer as the relevant Board sees fit, which may not be on the dates stated above.

4.1.3 Details of Admission

Applications have been made to the UK Listing Authority for the Offer Shares to be listed on the premium segment of the Official List and will be made to the London Stock Exchange for such shares to be admitted to trading on its main market for listed securities. It is anticipated that dealings in the Offer Shares will commence within three business days following allotment.

4.1.4 Distribution

The Offer Shares will be available to be issued in either registered form (i.e. certificated) or electronic form (i.e. via CREST). Where applicable, share certificates are expected to be dispatched by post within ten business days of allotment.

4.1.5 Dilution

- MIG - If the full 28 million MIG Offer Shares are allotted pursuant to the its offer, the existing 104,913,970 MIG Shares would represent 78.9% of the enlarged issued MIG share capital, assuming no participation in the MIG offer by its existing shareholders.
- MIG 2 - If the full 30 million MIG 2 Offer Shares are allotted pursuant to the its offer, the existing 48,312,254 MIG 2 Shares would represent 61.7% of the enlarged issued MIG 2 share capital, assuming no participation in the MIG 2 offer by its existing shareholders.
- MIG 4 - If the full 22 million MIG 4 Offer Shares are allotted pursuant to the its offer, the existing 67,077,799 MIG 4 Shares would represent 75.3% of the enlarged issued MIG 4 share capital, assuming no participation in the MIG 4 offer by its existing shareholders.
- I&G - If the full 16 million I&G Offer Shares are allotted pursuant to the its offer, the existing 103,302,857 I&G Shares would represent 86.6% of the enlarged issued I&G share capital, assuming no participation in the I&G offer by its existing shareholders.

4.1.6 Expenses of the Offers

4.1.6.1 Offers' expenses

Each Company will pay Mobeus, as promoter to its offer, a maximum fee equal to 3.00% of the Investment Amount in respect of successful applications (subject to, if a board decides to utilise its Company's over-allotment facility under its Offer, an overall cap of 2.50% of the gross amount raised under its Offer). In consideration, Mobeus will meet all the costs and expenses of each offer (other than annual trail commission payable to an 'execution only' intermediary). This will, therefore, be the maximum costs incurred by each Company in relation to its offer.

Expenses charged to the investor

The alternative methods by which an investor can subscribe for Offer Shares are set out above. Except where an investor has agreed to pay a financial adviser a charge for advice regarding the suitability of the investment, the maximum initial costs an investor will bear will be 3.00% of the Investment Amount. The maximum initial costs that an advised investor will bear will be 7.50% of the Investment Amount, unless additional adviser charges to be paid directly by the investor are agreed. An investor may bear less than this, depending on the terms offered by the financial adviser, intermediary and/or Mobeus.

4.2 Why is this prospectus being produced?

4.2.1 Reasons for the Offers

The new funds are being raised to ensure that the Companies continue to have adequate levels of liquidity to continue to:

- take advantage of new investment opportunities and fund further expansion of the businesses in their investment portfolios;
- seek the delivery of attractive shareholder returns, including the payment of dividends, over the medium term; and
- seek to buy back shares from those shareholders who may wish to sell their shares.

4.2.2 The use and estimated net amount of proceeds

Assuming that the offers are fully subscribed (and the over-allotment facilities are utilised and the cap on the Mobeus fee referred to above applies), the maximum Offer costs payable by each Company and the minimum net proceeds (excluding any annual trail commission and any amounts due to an investor from a Company to be used for the purposes of facilitation of initial adviser fees) will be:

Company:	MIG	MIG 2	MIG 4	I&G
Offer Costs	£375,000	£500,000	£325,000	£250,000
Net Proceeds	£14,625,000	£19,500,000	£12,675,000	£9,750,000

The proceeds of each Offer will be used by the relevant Company in accordance with its investment policies. In particular, monies raised will be used to fund investment opportunities, as well as being used to fund dividends, buybacks and normal annual running costs. There are no minimum aggregate subscription levels on which any of the Offers are conditional and the Offers are not underwritten.

4.2.3 Conflicts of interest

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

25 October 2019