

The Income
& Growth VCT plc
A Venture Capital Trust

Unaudited Half-Year Report
for the six months ended 31 March 2024

The Income & Growth VCT plc (“the Company”) is a Venture Capital Trust (“VCT”) listed on the London Stock Exchange. Its investment portfolio is advised by Gresham House Asset Management Limited (“Gresham House” or “Investment Adviser”).

Company Objective

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

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Financial Highlights

Results for the Half-Year ended 31 March 2024

As at 31 March 2024:
Net assets: **£115.29 million**
Net asset value (“NAV”) per share: **74.29 pence**

- Net asset value (“NAV”) total return¹ (including dividends) per share was 2.5%.
- Share price total return¹ (including dividends) per share was 4.8%.
- The Board declared an interim dividend in respect of the current year of 3.00 pence per share which was paid to Shareholders on 7 June 2024.
- The Company made four new investments of £3.63 million and four follow-on investments of £1.12 million.
- Proceeds of £3.88 million were received from one realisation.

¹ Alternative Performance Measure (“APM”). See Glossary of terms on Page 31.

Performance Summary

The table below shows the recent past performance of the Company’s existing class of shares for each of the last five years, and the current year to date.

Reporting date	Net assets	NAV per share	Share price ¹	Cumulative dividends paid per share	Cumulative total return per share to Shareholders ²		Dividends paid and proposed in respect of each year
					(NAV basis)	(Share price basis)	
As at	(£m)	(p)	(p)	(p)	(p)	(p)	(p)
31 March 2024	115.29	74.29	70.00	159.50	233.79	229.50	3.00 ³
30 September 2023	122.78	79.33	73.50	152.50	231.83	226.00	11.00
30 September 2022	108.42	83.73	81.50	144.50	228.23	226.00	8.00
30 September 2021	119.09	100.45	93.00	136.50	236.95	229.50	9.00
30 September 2020	83.13	70.06	59.50	131.50	201.56	191.00	14.00
30 September 2019	81.73	79.12	75.50	113.00	192.12	188.50	6.00

¹ Source: Panmure Gordon & Co (mid-market price).

² Cumulative total return per share comprises the NAV per share (NAV basis) or the mid-market price per share (share price basis) plus cumulative dividends paid since launch of the current share class.

³ An interim dividend of 3.00 pence per share, referred to in the Financial Highlights above, was paid to Shareholders on 7 June 2024. This dividend has subsequently reduced the NAV per share to 71.29 pence and increased cumulative dividends paid per share to 162.50 pence.

Detailed performance data, including a table of dividends paid to date for all share classes and fundraising rounds, is shown in the Performance Data appendix on pages 28 to 30. The tables, which give information by allotment date on NAVs and dividends paid per share, are also available on the Company’s website at <https://www.incomeandgrowthvct.co.uk> where they can be accessed by clicking on “table” under “Reviewing the performance of your investment” on the home page.

YOUR PRIVACY

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

Chairman's Statement

I present the Company's Half-Year Report for the six months to 31 March 2024.

Overview

The Company completed its half-year against the backdrop of challenging UK economic conditions with the UK economy remaining fragile. High inflation and high interest rates have both impacted consumer and business confidence which caused a general softening of trading performance. Despite this, the majority of portfolio companies have generated growth over the period. Stock market multiples have recovered to a degree in anticipation of more favourable conditions. The recent cut in European interest rates could provide further grounds for optimism.

Positive NAV performance for the Company has been generated for the half-year from strong performance by a number of key assets and a degree of resilience within the remainder of the portfolio. The result is that the Company's NAV total return (including dividends paid in the year) increased by 2.5% (2023: a fall of 0.4%).

The Company has continued to be an active investor and provided investment finance to four new companies during the period: Ozone API, Azarc, CitySwift and SciLeads. Follow-on investment activity continued with further investments made during the period into RotaGeek, FocalPoint, Orri and MyTutor. It also delivered a highly successful exit in Master Removers Group in February 2024.

Overall, the portfolio remains well funded and diversified with investee companies having repositioned their cost bases in the event of any ongoing challenges over the medium term. As is the nature of growth assets, the risk of company failures is ever present. The Company seeks to maintain strong liquidity to support the Investment Adviser's team who are actively seeking opportunities within the existing portfolio and also new investments.

The Board and Investment Adviser were pleased with the Chancellor's confirmation in the Autumn Budget held on 22 November 2023, of the intention to extend the sunset clause to 6 April 2035 meaning that future investors will still benefit from the upfront income tax reliefs available from VCTs, subject to EU approval.

Mobeus VCTs Merger Discussions and Offer for Subscription

As per the announcement on 28 February 2024, the Company has entered into discussions regarding the possibility of merging the four Mobeus VCTs into two ("Merger") to achieve, amongst other things, cost savings, administration efficiency and simplicity. If merger proposals are put to shareholders of the Mobeus VCTs, the intention is that Mobeus Income & Growth 4 VCT plc ("MIG 4") would be merged into the Company and Mobeus Income & Growth 2 VCT plc ("MIG 2") would be merged into Mobeus Income & Growth VCT plc ("MIG"). The Merger would be effected pursuant to schemes of reconstruction under s.110 of the Insolvency Act 1986 whereby each of MIG 4 and MIG 2 is placed into members' voluntary liquidation and their assets and liabilities transferred to I&G and MIG respectively in consideration for, as applicable, new shares in the Company to be issued to MIG 4 shareholders and new shares in MIG to be issued to MIG 2 shareholders, in each case on a relative net asset value basis. A Merger solely on this basis would be outside the provisions of The City Code on Takeovers and Mergers.

Further, the Company and MIG announced on 10 June 2024 that, subject to and conditional on, the Merger being proposed to shareholders of the Mobeus VCTs, and approved and implemented, they, as the continuing Mobeus VCTs following the Merger, intend to launch offers for subscription for new ordinary shares (the "Offers") for the current 2024/25 tax year. The Board hopes to be in a position to put proposals to Shareholders on the Merger and its Offer shortly. If proposals are put to Shareholders, the Board encourages Shareholders to vote.

Performance

The Company's NAV total return per share increased by 2.5% (2023: a fall of 0.4%). The increase was principally the result of positive valuation movements across three of the largest investments in the portfolio by value, in particular, MPB and Preservica, as well as strong income generated on liquid cash balances. The proceeds received on the successful portfolio exit of Master Removers Group were already fully reflected in the Company's NAV at 30 September 2023, but further proceeds may be received in due course.

At 31 March 2024, the Company was ranked 6th out of 36 Generalist VCTs

over three years, 3rd out of 35 Generalist VCTs over five years and 7th out of 30 over ten years in the Association of Investment Companies' ("AIC") analysis of NAV Cumulative Total Return. Shareholders should note that, due to the lag in the disclosed performance figures available each quarter, the AIC ranking figures do not fully reflect the final NAV uplift to 31 March 2024, or those of our peers.

Investment portfolio

Despite the uncertain macroeconomic conditions, a number of investee companies have shown positive revenue growth over the year (e.g. Preservica, MPB and Data Discovery solutions (trading as ActiveNav)), although some consumer facing businesses have found growth harder to deliver. The net result was positive however, and the overall value of the portfolio increased by £3.35 million, or 4.6%, on a like for like basis (adjusted for new investments in the period) compared to the opening value of the portfolio at 1 October 2023 of £72.72 million (2023: fall of £0.60 million, or (0.8)%).

At the period-end, the portfolio was valued at £76.94 million (September 2023: £72.72 million). The portfolio's value is now substantially comprised of growth capital investments. Over 50% of the portfolio's value is comprised of the Company's largest five assets by value, with Preservica accounting for 27%. Clearly the overall portfolio value is significantly influenced by the performance of these investments and these higher value assets are monitored closely by the Investment Adviser as part of its risk mitigation measures. The VCT's portfolio valuation methodology has continued to be applied consistently and in line with IPEV guidelines with two of the top ten largest valuation triangulated by an independent valuation in the period.

During the six months under review, the Company invested £3.63 million (2023: £1.01 million) into four new investments:

Ozone	£1.50 million
Open banking software developer	
Azarc	£0.53 million
Cross-border customs automation software provider	
CitySwift	£0.77 million
Passenger transport data and scheduling software provider	
SciLeads	£0.83 million
Digital platform within life science vertical	

The Company also invested a total of £1.12 million (2023: £nil) into four existing portfolio companies during the period:

RotaGeek	£0.23 million
Provider of cloud-based enterprise software	
FocalPoint	£0.17 million
GPS enhancement software provider	
MyTutor	£0.64 million
Digital marketplace connecting school pupils seeking one to one online tutoring	
Orri	£0.08 million
An intensive day care provider for adults with eating disorders	

The Company received £3.88 million in proceeds from the realisation of Master Removers Group, whose value was fully reflected at the previous year-end. Over the life of this investment, the Company has received total proceeds of £7.35 million which equates to a multiple on cost of 3.3x, an IRR of 26.0% and includes proceeds receivable later in the year. Additional potential proceeds may be received which will increase the multiple on cost to 3.4x.

After the period-end, the Company invested a further £1.95 million into Data Discovery solutions (trading as ActiveNav), an existing portfolio company, a global provider of file analysis software for information governance, security and compliance. The Company also made a new investment of £0.99 million into OnSecurity Technology Limited.

Further details of this investment activity and the performance of the portfolio are contained in the Investment Adviser's Review and the Investment Portfolio Summary on pages 11 to 12.

Revenue account

The results for the period are set out in the Unaudited Condensed Income Statement and show a revenue return (after tax) of 0.30 pence per share (2023: 0.60 pence per share). The revenue return for the period of £0.47 million represents a decrease from last year's comparable figure of £0.87 million. This is due primarily to lower dividend receipts compared to the previous year and costs accrued in respect of the merger discussion process.

Dividends

The Board was pleased to have declared a second interim dividend of 7.00 pence per share for the year ended 30 September 2023, which was paid during this reporting period on 8 November 2023 to Shareholders on the Register on 6 October 2023.

In respect of the current financial period, the Board has declared a dividend in respect of the year ending 30 September 2024 of 3.00 pence per share. This dividend was paid on 7 June 2024 to shareholders on the Register on 17 May 2024. This 3.00 pence dividend, as well as the 7.00 pence referred to above have increased cumulative dividends paid by the Company since inception to 162.50 pence per share.

The Company's current dividend target of 6.00 pence per share has been achieved in each of the last twelve financial years. The Board continues to monitor the sustainability of its dividend target given the continued movement of the portfolio to a larger share of younger growth capital investments which have the potential for increased volatility, which may affect the return in a given year.

Dividend Investment Scheme

The Company's Dividend Investment Scheme ("DIS") provides Shareholders with the opportunity to reinvest their cash dividends into new shares in the Company at the latest published NAV per share (adjusted for any subsequent dividends). New VCT shares attract the same tax reliefs as shares purchased through an Offer for Subscription.

There were 2,764,643 shares allotted through the DIS during the period at a price of 70.34 pence, effectively allowing the Company to retain £1.94 million in liquid assets.

Shareholders can opt-in to the DIS by completing a mandate form available on the Company's website at:

<https://www.incomeandgrowthvct.co.uk> or can opt-out by contacting City Partnership (UK) Ltd, the Company's Registrar, using the details provided at the rear of the Half-Year Report. Please note that instructions take 15 days to become effective.

Cash Available for Investment

The Board continues to monitor credit risk in respect of its cash balances and to prioritise the security and protection of the Company's capital. Cash and liquidity fund balances as at 31 March 2024 amounted to £38.31 million (33.2% of net assets), the majority of which is held in AAA rated OEIC funds which are currently generating attractive rates of return as a result of recent highs in the level of interest rates. Including transactions after the period, and a 3.00 pence dividend paid to Shareholders on 7 June 2024, liquid balances have reduced to £31.51 million, or 28.3% of net assets.

Share buybacks

During the six months ended 31 March 2024, the Company bought back and cancelled 2.34 million of its own shares, representing 1.5% (2023: 1.9%) of the shares in issue at the beginning of the period, at a total cost of £1.63 million (2023: £1.84 million), inclusive of expenses.

It is the Company's policy to cancel all shares bought back in this way. The Board regularly reviews its buyback policy, where its priority is to act prudently and in the interest of remaining Shareholders, whilst considering other factors, such as levels of liquidity and reserves, market conditions and applicable law and regulations. Under this policy, the Company seeks to maintain the discount at which the Company's shares trade at no more than 5% below the latest published NAV.

Shareholder Event & Communications

May I remind you that the Company has its own website which is available at: <https://www.incomeandgrowthvct.co.uk>. The Investment Adviser held another shareholder event on 1 March 2024, showcasing some exciting portfolio company growth journeys as well as a presentation by the Investment Adviser and representatives of the four Mobeus VCTs, a recording of which is available on the Company's website or by registering for access here: <https://mvcts.connectid.cloud/>.

Votes Against AGM Resolutions

At the Annual General Meeting of the Company held on 29 February 2024, over 20% of the votes received were lodged against the resolutions to approve the Remuneration Report and also to approve the disapplication of pre-emption rights.

As required under the AIC Code of Corporate Governance Code, those Shareholders that voted against the resolutions were contacted in April 2024 to ascertain the background and reasons for their vote. I thank the Shareholders who kindly responded to my request with their reasons for voting against the resolutions. From the responses, it was clear that the key factors were Shareholders' concerns about the level of fees received by the Board and of new shareholders being added to the Register of Members, thereby diluting current Shareholders' holding and potential dividend income.

The Board considers its fees to be competitive, in line with the amount of

Chairman's Statement

assets under management and commensurate with the time commitment required to be undertaken by the Board. The Board considers the level of fees on an annual basis, as well as bench-marking against peers.

With regard to the issuance of shares to new investors, the Board consider it in the Company's interest to periodically raise new funds to:

- (i) take advantage of new investment opportunities and to support existing portfolio companies and
- (ii) maintain (bearing in mind the annual running costs and outflows through dividends and buybacks) and further grow the net asset base of the Company over which to spread the annual running costs.

Further fundraisings are typically raised at an issue price per share of NAV plus costs, which avoids economic dilution of the existing NAV per share for existing Shareholders. The Board acknowledges that there may be a potential short-term dilutive impact of individual shareholder returns – from sharing gains on existing investments with new Shareholders. At the same time, existing Shareholders are partially "derisked" in cash for part of the very same investments at current market value.

In any event, the Board believes that both these countervailing arguments are outweighed by having sufficient liquidity to meet its investment objectives and the potential to generate enhanced returns in the future, as well as the ability to support dividend payments.

Fraud Warning

Shareholders continue to be contacted in connection with sophisticated but fraudulent financial scams which purport to come from the Company or to be authorised by it. This is often by a phone call or an email usually originating from

outside of the UK, claiming or appearing to be from a corporate finance firm offering to buy your shares at an inflated price.

Further information and fraud advice plus details of who to contact, can be found in the Shareholder Information section on pages 26 to 27.

Environmental, Social and Governance ("ESG")

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

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

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

Outlook

The geopolitical and economic context for the remainder of the year remains uncertain, with no end in sight to Russian

aggression in Ukraine; rising tension in the South China Sea; ongoing Middle East conflict; and an estimated 40% of the world's population subject to general elections of varying legitimacy. These conditions are challenging for any business to navigate but, with the guidance of the experienced Investment Adviser, the portfolio has delivered growth and positive returns during the first half-year. With the prospect of imminent political clarity in the UK, and stable, possibly reducing interest rates, the Board is hopeful that this portfolio performance will continue. This volatile period can also provide an opportunity for the Company to source and make high quality investments whilst building strategic stakes in existing portfolio businesses with great potential for the future.

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

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

I would like to take this opportunity once again to thank all Shareholders for your continued support.



Maurice Helfgott
Chairman

12 June 2024

Investment Policy

The Company's policy is to invest primarily in a diverse portfolio of UK unquoted companies.

Asset Mix and Diversification

The Company will seek to make investments in UK unquoted companies in accordance with the requirements of prevailing VCT legislation.

Investments are made selectively across a wide variety of sectors, principally in established companies.

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

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

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

Save as set out above, the Company's other investments are held in cash and liquid funds.

Liquidity

The Company's cash and liquid funds are held in a portfolio of readily realisable interest-bearing investments, deposit and current accounts, of varying maturities, subject to the overriding criterion that the risk of loss of capital be minimised.

Borrowing

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

Summary of VCT Regulation

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

To maintain its status as a VCT, the Company must meet a number of conditions, the most important of which are that:

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

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

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

In addition, VCTs may not:

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

¹ VCT tax value means as valued in accordance with prevailing VCT legislation. The calculation of VCT tax value is arrived at using tax values, based on the cost of the most recent purchase of an investment instrument in a particular company, which may differ from the actual cost of each investment shown in the Investment Portfolio Summary on pages 11 to 12.

Investment Adviser's Review

Portfolio review

Markets delivered further modest growth over the six months with fears of recession ebbing away. Inflation is now showing signs of falling but concerns remain regarding high wage settlements, oil prices and supply chain issues stemming from geo-political tensions in the Gulf.

Markets now appear to be absorbing the fact that European interest rates have peaked and that a severe recession or sudden resumption in growth are both unlikely. More likely is a period characterised by further modest, hard earned growth. Overall, the UK economy remains fragile, but just on the right side of growth as evidenced by the April 2024 Purchasing Managers' Index which shows another quarter of expansion. The recent rate cut by the ECB could be a positive signpost for the UK and a general election in July should provide political certainty and begin to free up the wheels of Government spending. Meanwhile, the direct impact of high interest rates on the Company's portfolio is minimal as most portfolio companies do not have any significant third-party debt.

Consumer confidence and spending largely reflects the macro environment. Although there are mixed signals, latest data suggests discretionary spend is still declining, but at a slower rate than in previous quarters.

Mindful of the challenging macro-economic climate, the portfolio's emphasis is on robust funding structures and balancing growth with profitability. The Gresham House non-executive directors who sit on each portfolio company board continue to work with their management teams to ensure that appropriate scenario planning has been carried out to match performance with risk during these uncertain times.

The Company maintains strong liquidity through regular fundraises and is well placed to support portfolio companies with follow-on funding where it is appropriate and can be structured on attractive terms. Strong liquidity will also enable us to capitalise on the attractive new investment environment for the Company and we are seeing a number of interesting investment propositions.

The emergence of AI as the next technology megatrend is now well established. AI could have relevance across the portfolio for investee companies seeking to improve the way they do business e.g. for customer contact centres and outbound marketing activities. Within the portfolio, there are no pure-play AI companies at present, but there are portfolio companies who are embedding AI to automate or improve their operations.

There are some specific highs in the portfolio such as Preservica and MPB

which continue to see strong trading and Data Discovery solutions (trading as ActiveNav) which is out-performing budget. By contrast, there were also some more modest reductions, the largest were Bella & Duke and Buster and Punch with a fall in the quoted share price of Virgin Wines UK plc, all consumer facing businesses.

The current macro-environment poses particular challenges for the smallest companies which are attempting to prove nascent business models. However, most of the recent cohort of earlier stage investments are steadily building out their pipelines and capability as they balance investment with the rate of commercial development. At this stage of their development Gresham House is still hopeful that the majority will deliver the relevant commercial proof points, albeit it will take longer and probably require additional capital earlier than had originally been envisioned. In some cases this could be a positive by allowing the Company to amass more significant stakes on possibly more advantageous terms.

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

The portfolio movements in the period are summarised as follows:

	2024 £m	2023 £m
Opening portfolio value	72.72	73.08
New and follow-on investments	4.75	1.01
Disposal proceeds	(3.88)	(9.13)
Net realised gains	-	0.41
Unrealised valuation movements	3.35	(1.01)
Portfolio value at 31 March	76.94	64.36

Valuation changes of portfolio investments still held

The portfolio generated net unrealised gains of £3.35 million in the first half of its financial year. The total valuation increases were £5.39 million. The main valuation increases were in:

- **Aquasium** - £1.03 million
- **MPB Group** - £0.74 million
- **Preservica** - £0.69 million

Aquasium, a legacy investment has the potential to revolutionise industry through

its electron beam welding technology, but in the meantime is being supported by strong services revenues. MPB continues to expand its revenues, customer base and engagement and Preservica is increasing its recurring revenues through additional client integration.

The total valuation decreases were £(2.04) million. The main valuation decreases were:

- **Virgin Wines** - £0.39 million
- **Buster and Punch** - £0.27 million
- **Bella & Duke** - £0.25 million





Virgin Wines, following a fall in share price in the last few months of 2023 has risen once again following release of its interim results demonstrating strong cost control and an improvement in profitability, but remains subject to negative sentiment across the consumer sector. Buster and Punch and Bella & Duke, both direct consumer facing businesses are being impacted by the depressed consumer demand.

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

Investment Portfolio Capital Movement	2024 £m	2023 £m
Increase in the value of unrealised investments	5.39	4.36
Decrease in the value of unrealised investments	(2.04)	(5.37)
Net increase/(decrease) in the value of unrealised investments	3.35	(1.01)
Realised gains	-	1.28
Realised losses	-	(0.87)
Net realised gains in the period	-	0.41
Net investment portfolio movement in the period	-	(0.60)

New investments during the period


The Company made four new investments totalling £3.63 million during the period, as detailed below:

	Company	Business	Date of investment	Amount of new investment (£m)
	Ozone API	Open banking software provider	December 2023	1.50
Ozone API (https://ozoneapi.com) is a software developer providing banks and financial institutions with a low cost, out-of-the-box solution enabling them to deliver open APIs which comply with open banking and finance standards globally. The software goes beyond compliance and enables customers to monetise open banking and finance opportunities which are growing significantly following regulatory & market development. This funding is the first equity investment into Ozone and enables the team to invest into their product and go-to-market teams as they look to capitalise on the large and fast-growing global market.				
	Azarc	Cross-border customs automation software provider	December 2023	0.53
Azarc.io (https://azarc.io) specialises in business process automation using distributed ledger technology. Its Verathread® product has been applied to automating cross-border customs clearances, albeit it has wider supply chain applications. Founded in 2021, Azarc successfully secured British Telecom as a customer and a long-term strategic partner in the UK and aims to improve efficiencies over traditional paper-based customs clearances for import and export trade. This investment will support the company's growth trajectory with BT and expedite its expansion into international import/export hubs through new partnerships.				
	CitySwift	Passenger transport data and scheduling software provider	December 2023	0.77
Huddl Mobility Limited (trading as CitySwift) (https://cityswift.com) is a software business that works with bus operators and local authorities to aggregate, cleanse and access insight from complex data sources from across their networks, enabling them to optimise schedules and unlock revenue generating or cost reduction opportunities. This investment will be used to accelerate new customer acquisition and unlock significant opportunities within the existing customer base - CitySwift already works with major bus operators and local transport authorities including National Express, Stagecoach and Transport for Wales.				
	SciLeads	Digital platform within the science verticals	March 2024	0.83
SciLeads (https://scileads.com). Based in Belfast, SciLeads is a data and lead generation platform operating within life science verticals, allowing customers to identify, track and convert potential leads. SciLeads has grown ARR to £4.4 million (+50% this year) and this investment will be used to accelerate new customer acquisition and professionalise the product and customer success functions to cross-sell opportunities within the existing customer base.				


Investment Adviser's Review

Further investments during the period


A total of £1.12 million was invested into four existing portfolio companies during the period, as detailed below:

	Company	Business	Date of investment	Amount of further investment (£m)
	RotaGeek	Provider of cloud-based enterprise software	November 2023	0.23


RotaGeek (<https://www.rotageek.com/>) is a provider of cloud-based enterprise software to help larger retail, leisure and healthcare organisations to schedule staff effectively. RotaGeek has proven its ability to solve the scheduling issue for large retail clients, competing due to the strength of its technologically advanced proposition. Since investment it has also diversified and started to prove its applicability in other verticals such as healthcare and hospitality. This investment will help the company focus on operational delivery and continue sales and client contract win momentum.

	Focal Point Positioning	GPS enhancement software provider	December 2023	0.17
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Focal Point Positioning Limited (<https://focalpointpositioning.com/>) is a deeptech business with a growing IP and software portfolio. Its proprietary technology applies advanced physics and machine learning to dramatically improve the satellite-based location sensitivity, accuracy, and security of devices such as smartphones, wearables, and vehicles and reduce costs. The further investment was agreed at the time of the original funding in September 2022.

	Orri	Specialists in eating disorder support	March 2024	0.08
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Orri Limited (<https://www.orri-uk.com/>) is an intensive daycare provider for adults with eating disorders. Orri provides an alternative to expensive residential in-patient treatment and lighter-touch outpatient services by providing highly structured day and half day sessions either online or In-person, together with outpatient services. Orri currently operates two sites in central London.

	MyTutor	Digital marketplace for online tutoring	January 2024	0.64
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MyTutorweb (trading as MyTutor) (<https://www.mytutor.co.uk/>) is a digital marketplace that connects school age pupils who are seeking private online tutoring with university students. The business is satisfying a growing demand from both schools and parents to improve pupils' exam results. This further investment, alongside other existing shareholders and Australian strategic co-investor, SEEK, aims to build and reinforce its position as a UK category leader in the online education market. This additional funding will give the business extra headroom to support its more focused product and growth strategy.

Realisations during the period

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

	Company	Business	Period of investment	Total cash proceeds over the life of the investment/ Multiple over cost
	Master Removers Group	A specialist logistics, storage and removals business	December 2014 to February 2024	£7.35 million 3.3x cost

The Company sold its investment in Master Removers Group (2019) Limited ("MRG") to Elanders AB and alongside this, sold its shares in MRG's domestic removals business to management. The Company received £3.88 million from the sale. Further sale and contingent proceeds of up to £0.73 million are receivable at a later date under the terms of the transaction. Total proceeds received to date over the life of the investment are £7.35 million compared to an original investment cost of £2.26 million, representing a multiple on cost of 3.3x and an IRR of 26%. This may increase to 3.4x as further proceeds are received.

Investment portfolio yield

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

Investment Portfolio Yield	2024 £m	2023 £m
Loan interest	0.25	0.31
Dividends	0.03	0.56
OEIC and bank interest	1.09	0.72
Total income in the period	1.37	1.59
Net Asset Value at 31 March	115.29	122.93
Income Yield (Income as a % of Net Asset Value at 31 March)	1.2%	1.3%

Investments made after the period-end

The Company made one new and one follow-on investment totalling £2.94 million after the period-end, as detailed below:

New:

	Company	Business	Date of investment	Amount of new investment (£m)
	OnSecurity	Cybersecurity services	May 2024	0.99

Based in Bristol, OnSecurity (www.onsecurity.io) is a B2B cybersecurity business providing independent third-party penetration testing services, a type of ethical hacking that simulates a real-world attack on a computer system, network or web application to identify and remediate vulnerabilities that could be exploited by malicious actors. Founded in 2018, OnSecurity is an agile and collaborative platform solution that provides high quality human pentesting with elements of automation to minimise low value, menial tasks. This investment will primarily be used for driving sales and marketing activities to accelerate new logo acquisition and develop opportunities within existing customers.

Follow-on:

	Company	Business	Date of investment	Amount of further investment (£m)
	Data Discovery Solutions	A data privacy and governance software provider	May 2024	1.95

Data Discovery Solutions, trading as ActiveNav (activenav.com), is a file analysis software solution which makes it easier for companies to clean up network drives, respond to new data protection laws and dispose of redundant and outdated documents. ActiveNav's solution is used by significant blue chip customers, particularly those in highly regulated industries such as energy and professional services, as well as government entities in the USA, Canada, Australia and the UK. This further funding is to further develop and market its ActFore platform offering.

Investment Adviser's Review

Environmental, Social, Governance considerations

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

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

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

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

Outlook

As widespread geo-political flux persists into 2024 and much of the world prepares for domestic elections, this will impact all sectors and businesses to varying degrees. However, it should also present attractive opportunities for a selective investor with the advantage of being able to take a longer-term view, such as your Company, for both new and portfolio follow-on investments. The economic backdrop will also impact our existing portfolio companies which could depress short term growth to a degree but also produce attractive further investment opportunities.

Markets remain fragile, and subject to external shocks. As such, the experience of seasoned investment managers/advisers will be increasingly important in the coming year as they seek to support their portfolio management teams. In this respect, Gresham House feels well placed in

having one of the largest and most experienced portfolio teams in the industry with an average of over 18 years' relevant industry experience.

Overall, the portfolio has demonstrated its robustness over the past half-year in delivering growth against a challenging backdrop. These conditions create attractive opportunities for both new and portfolio investment and we continue to believe in our strategy that investing through the cycle can lead to superior returns. With a team who have experience of investing through these cycles, we believe your Company is well placed for the future.

Gresham House Asset Management Limited

Investment Adviser

12 June 2024

Investment Portfolio Summary

as at 31 March 2024

Growth focused portfolio

MBO focused portfolio

	Total cost at 31 March 2024 (unaudited) £	Valuation at 30 September 2023 (audited) £	Additional investments in the period £	Valuation at 31 March 2024 (unaudited) £
Preservica Limited Seller of proprietary digital archiving software	4,675,163	19,889,049	-	20,574,198
MPB Group Limited Online marketplace for used photographic and video equipment	1,510,992	9,403,839	-	10,143,873
My Tutorweb Limited (trading as MyTutor) Digital marketplace connecting school pupils seeking one-to-one online tutoring	3,998,159	2,656,989	636,381	3,468,352
Data Discovery Solutions Limited (trading as ActiveNav) Provides the global market leading file analysis software for information governance, security and compliance	1,975,681	2,839,164	-	3,380,121
Bella & Duke Limited A premium frozen raw dog food provider	1,323,745	3,478,126	-	3,224,230
Aquasium Technology Limited Manufacturing and marketing of bespoke electron beam welding and vacuum furnace equipment	166,667	1,759,161	-	2,786,319
Arkk Consulting Limited (trading as Arkk Solutions) Provider of services and software to enable organisations to remain compliant with regulatory reporting requirements	2,182,187	2,487,625	-	2,724,688
Virgin Wines UK Plc (AIM quoted) Online wine retailer	65,288	3,026,768	-	2,631,972
I-Dox plc (AIM quoted) Developer and supplier of knowledge management products	453,881	2,641,793	-	2,558,456
End Ordinary Group Limited (trading as Buster and Punch) Industrial inspired lighting and interiors retailer	2,046,612	2,744,111	-	2,472,481
Vivacity Labs Limited Provider of artificial intelligence & urban traffic control systems	2,093,538	2,093,538	-	1,868,278
Rota Geek Limited Workforce management software	1,798,025	1,445,818	234,525	1,794,429
Caledonian Leisure Limited Provider of UK leisure and experience breaks	748,749	1,063,686	-	1,554,394
Ozone Financial Technology Limited Open banking software developer	1,504,330	-	1,504,330	1,504,330
Legatics Holdings Limited SaaS LegalTech software provider	1,363,959	1,363,959	-	1,453,507
EOTH Limited (trading as Equip Outdoor Technologies) Branded outdoor equipment and clothing (Rab and Lowe Alpine)	1,381,759	1,353,782	-	1,353,782
Orri Limited An intensive day care provider for adults with eating disorders	831,000	1,034,163	83,100	1,079,510
IPV Limited Provider of media asset software	954,674	954,674	-	954,674
Manufacturing Services Investment Limited (trading as Wetsuit Outlet) Online retailer in the water sports market	3,205,182	830,441	-	919,567
CGI Creative Graphics International Limited Vinyl graphics to global automotive, recreation vehicle and aerospace markets	1,943,948	611,580	-	892,738
Other Growth focused portfolio outside Top 20¹	15,122,095	6,028,483	2,290,957	8,240,841
Other MBO focused portfolio outside Top 20²	6,112,122	505,141	-	892,899
Disposals in period				
Master Removers Group 2019 Limited (trading as Anthony Ward Thomas, Bishopsgate and Aussie Man & Van)³ A specialist logistics, storage and removals business	50,137	4,510,495	-	468,771
Total	55,507,893	72,722,385	4,749,293	76,942,410
Total Investment Portfolio split by type				
Growth focused portfolio⁴	46,765,987	64,177,942	4,749,293	67,180,026
MBO focused portfolio⁴	8,741,906	8,544,443	-	9,762,384
Total	55,507,893	72,722,385	4,749,293	76,942,410

Investment Portfolio Summary

as at 31 March 2024

¹ Other growth focused investments comprise: FocalPoint Positioning Limited, SciLeads Limited, Proximity Insight Holdings Limited, Huddl Mobility Limited (trading as CitySwift), Branchspace Limited, Cognassist Limited, Lads Store Limited (trading as Bidnamic), Connect Childcare Group Limited, Mable Therapy Ltd, Azarc.io, Dayrize B.V., Pets' Kitchen Limited (trading as Vet's Klinik), Connect Earth Limited, Northern Bloc Ice Cream Limited, Parsley Box Group Limited (formerly Parsley Box Plc), Bleach London Holdings Limited, Spanish Restaurant Group Limited (trading as Tapas Revolution) (in administration), BookingTek Limited, Kudos Innovations Limited.

² Other MBO focused investments comprise: Veritek Global Holdings Limited, Corero Network Security plc (AIM quoted), Oxonica Limited, Racoon International Group Limited, NexxtDrive Limited/Nexxt E-drive Limited, Jablite Holdings Limited (in members' voluntary liquidation), SEC Group Limited (formerly RDL Corporation Limited), Biomer Technology Limited.

³ During the period Master Removers Group 2019 Limited was disposed of for £3.88m. A second tranche of proceeds is expected to be received in December 2024 with further potential amounts may be also received in due course.

⁴ The growth focused portfolio contains all investments made after the change in the VCT regulations in 2015 plus some investments that are growth in nature made before this date. The MBO focused portfolio contains investments made prior to 2015 as part of the previous MBO strategy.

Statement of the Directors' Responsibilities

Responsibility statement

In accordance with Disclosure and Transparency Rule (DTR) 4.2.10, Maurice Helfgott (Chairman), Justin Ward (Chair of the Investment and Nomination & Remuneration Committees) and Nemone Wynn-Evans (Chair of the Audit Committee), being the Directors of the Company, confirm that to the best of their knowledge:

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

Principal risks and uncertainties

In accordance with DTR 4.2.7, the Board confirms that the principal risks and uncertainties facing the Company have not materially changed from those identified in the Annual Report and Financial Statements for the year ended 30 September 2023 ("the Annual Report"). The Board considers that the present processes for mitigating those risks remain appropriate.

The principal risks faced by the Company are:

- Investment and liquidity
- Loss of approval as a Venture Capital Trust
- Economic, political and other external risks
- Financial and operating
- Market liquidity

A detailed explanation of the principal risks facing the Company can be found in the Annual Report on pages 31 and 32, as well as in Note 16 on Financial Instruments on pages 69 to 77 of that report. Copies can be viewed or downloaded from the Company's website: <https://www.incomeandgrowthvct.co.uk>

Going Concern

The Board has assessed the Company's operation as a going concern. The Company's business activities, together with the factors likely to affect its future development, performance and position are set out earlier in the Half-Year management report which comprises the Chairman's Statement, Investment Policy, Investment Adviser's Review and Investment Portfolio Summary. The Directors have satisfied themselves that

the Company continues to maintain a significant cash position. The majority of companies in the portfolio are well funded and the portfolio taken as a whole remains resilient and well diversified, although the cost of living crisis and the challenging economic environment may impose further considerable demands upon the liquidity and trading prospects of some of these companies in the near-term. The major cash outflows of the Company (namely investments, share buybacks and dividends) are within the Company's control. The Board's assessment of liquidity risk and details of the Company's policies for managing its capital and financial risks are shown in Notes 16 and 17 of the Annual Report and Financial Statements on pages 69 to 77. Accordingly, the Directors continue to adopt the going concern basis of accounting in preparing the Interim report and financial statements.

Cautionary Statement

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

For and on behalf of the Board:



Maurice Helfgott
Chairman

12 June 2024

Unaudited Condensed Income Statement

for the six months ended 31 March 2024

	Notes	Six months ended 31 March 2024 (unaudited)			Six months ended 31 March 2023 (unaudited)			Year ended 30 September 2023 (audited)		
		Revenue £	Capital £	Total £	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Net investment portfolio gains/(losses)	9	-	3,346,143	3,346,143	-	(600,135)	(600,135)	-	5,432,092	5,432,092
Income	4	1,371,200	-	1,371,200	1,587,517	-	1,587,517	3,196,634	-	3,196,634
Investment Adviser's fees	5	(310,026)	(930,077)	(1,240,103)	(310,036)	(930,109)	(1,240,145)	(633,681)	(1,901,042)	(2,534,723)
Other expenses		(441,461)	-	(441,461)	(334,541)	-	(334,541)	(608,439)	-	(608,439)
Profit/(loss) on ordinary activities before taxation		619,713	2,416,066	3,035,779	942,940	(1,530,244)	(587,304)	1,954,514	3,531,050	5,485,564
Tax on profit/(loss) on ordinary activities	6	(149,379)	149,379	-	(72,124)	72,124	-	(289,930)	289,930	-
Profit/(loss) for the period and total comprehensive income		470,334	2,565,445	3,035,779	870,816	(1,458,120)	(587,304)	1,664,584	3,820,980	5,485,564
Basic and diluted earnings per share	7	0.30p	1.64p	1.94p	0.60p	(1.01)p	(0.41)p	1.11p	2.55p	3.66p

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

The total column is the Statement of Total Comprehensive Income of the Company prepared in accordance with Financial Reporting Standards ("FRS"). In order to better reflect the activities of a VCT and in accordance with the 2014 Statement of Recommended Practice ("SORP") issued by the Association of Investment Companies ("AIC") and updated in July 2022, supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented alongside the Income Statement. The revenue column of profit attributable to equity shareholders is the measure the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in Section 274 Income Tax Act 2007.

There is no other comprehensive income and therefore the return for the year is also the total comprehensive income for the year.

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

Unaudited Condensed Balance Sheet

as at 31 March 2024

	Notes	31 March 2024 (unaudited) £	31 March 2023 (unaudited) £	30 September 2023 (audited) £
Fixed assets				
Investments at fair value	9	76,942,410	64,357,066	72,722,385
Current assets				
Debtors and prepayments		497,652	427,789	310,422
Current asset investments	10	37,557,181	55,727,958	49,727,485
Cash at bank	10	751,937	2,791,491	366,064
		38,806,770	58,947,238	50,403,971
Creditors: amounts falling due within one year		(456,504)	(375,605)	(348,570)
Net current assets		38,350,266	58,571,633	50,055,401
Net assets		115,292,676	122,928,699	122,777,786
Capital and reserves				
Called up share capital		1,551,870	1,548,570	1,547,669
Capital redemption reserve		39,118	72,428	15,672
Share premium reserve		1,917,004	46,859,350	-
Revaluation reserve		29,045,977	22,797,232	28,829,554
Special distributable reserve		69,722,028	34,071,531	77,108,733
Profit and loss account		13,016,679	17,579,588	15,276,158
Equity Shareholders' funds		115,292,676	122,928,699	122,777,786
Basic and diluted net asset value:				
Basic and diluted net asset value per share	11	74.29p	79.38p	79.33p

The financial information for the six months ended 31 March 2024 and the six months ended 31 March 2023 has not been audited.

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

Unaudited Condensed Statement of Changes in Equity

for the six months ended 31 March 2024

	Called up share capital £	Non-distributable reserves Capital redemption reserve Share premium reserve Revaluation reserve £	Distributable reserves Special distributable reserve (Note a) Realised capital reserve (Note b) Revenue reserve (Note b) £	Total £
At 1 October 2023	1,547,669	15,672	- 28,829,554	77,108,733 13,304,063 1,972,095 122,777,786
Comprehensive income for the period				
Profit/(loss) for the period	-	-	- 3,346,143	- (780,698) 470,334 3,035,779
Total comprehensive income for the period	-	-	- 3,346,143	- (780,698) 470,334 3,035,779
Contributions by and distributions to owners				
Dividends re-invested into new shares (Note c)	27,647	-	1,917,004	- - - 1,944,651
Shares bought back (Note d)	(23,446)	23,446	-	(1,631,810) - - (1,631,810)
Dividends paid	-	-	-	(4,643,027) (6,190,703) - (10,833,730)
Total contributions by and distributions to owners	4,201	23,446	1,917,004	- (6,274,837) (6,190,703) - (10,520,889)
Other movements				
Realised losses transferred to special reserve (Note a)	-	-	-	(1,111,868) 1,111,868 - -
Realisation of previously unrealised gains	-	-	(3,129,720)	- 3,129,720 - -
Total other movements	-	-	- (3,129,720)	(1,111,868) 4,241,588 - -
At 31 March 2024	1,551,870	39,118	1,917,004 29,045,977	69,722,028 10,574,250 2,442,429 115,292,676

Notes

a): The Company's special reserve is available to fund buybacks of shares as and when it is considered by the Board to be in the interests of Shareholders, and to absorb any existing and future realised losses and for other corporate purposes. At 31 March 2024, the Company has a special distributable reserve of £69,722,028, £34,047,305 of which arises from shares issued more than three years after the end of the financial year in which they were issued. Reserves originating from share issues are not distributable under VCT rules if they are within three years of the end of an accounting period in which the shares were issued. The total transfer of £1,111,868 from the realised capital reserve to the special distributable reserve above is the total of realised losses incurred by the Company in the period.

b): The realised capital reserve and the revenue reserve together comprise the Profit and Loss Account of the Company.

c): Under the terms of the Dividend Investment Scheme, a total of 2,764,643 ordinary shares were allotted during the period for a total consideration of £1,944,651.

d): During the period, the Company repurchased 2,344,568 of its own shares at the prevailing market price for a total cost (including stamp duty) of £1,631,810, which were subsequently cancelled.

Unaudited Condensed Statement of Changes in Equity

for the six months ended 31 March 2023

	Non-distributable reserves				Distributable reserves			Total £
	Called up share capital £	Capital redemption reserve £	Share premium reserve £	Revaluation reserve £	Special distributable reserve £	Realised capital reserve £	Revenue reserve £	
At 1 October 2022	1,294,819	48,343	24,765,043	28,034,730	40,837,774	10,606,675	2,828,066	108,415,450
Comprehensive income for the period								
(Loss)/profit for the period	-	-	-	(1,007,072)	-	(451,048)	870,816	(587,304)
Total comprehensive income for the period	-	-	-	(1,007,072)	-	(451,048)	870,816	(587,304)
Contributions by and distributions to owners								
Shares issued via Offer for Subscription	265,860	-	21,705,140	-	-	-	-	21,971,000
Issue costs and facilitation fees on Offer for Subscription	-	-	(553,744)	-	(248,181)	-	-	(801,925)
Dividends re-invested into new shares	11,976	-	942,911	-	-	-	-	954,887
Shares bought back	(24,085)	24,085	-	-	(1,839,389)	-	-	(1,839,389)
Dividends paid	-	-	-	-	(972,003)	(3,240,014)	(972,003)	(5,184,020)
Total contributions by and distributions to owners	253,751	24,085	22,094,307	-	(3,059,573)	(3,240,014)	(972,003)	15,100,553
Other movements								
Realised losses transferred to special reserve	-	-	-	-	(3,706,670)	3,706,670	-	-
Realisation of previously unrealised gains	-	-	-	(4,230,426)	-	4,230,426	-	-
Total other movements	-	-	-	(4,230,426)	(3,706,670)	7,937,096	-	-
At 31 March 2023	1,548,570	72,428	46,859,350	22,797,232	34,071,531	14,852,709	2,726,879	122,928,699

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

The composition of each of these reserves is explained below:

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

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

Share premium reserve - This reserve contains the excess of gross proceeds less issue costs over the nominal value of shares allotted under recent Offers for Subscription and the Company's Dividend Investment Scheme.

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

In accordance with stating all investments at fair value through profit and loss (as recorded in Note 9), all such movements through both revaluation and realised capital reserves are shown within the Income Statement for the period.

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

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

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

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

Unaudited Condensed Statement of Cash Flows

for the six months ended 31 March 2024

	Notes	Six months ended	Six months ended	Year ended
		31 March 2024 (unaudited) £	31 March 2023 (unaudited) £	30 September 2023 (audited) £
Cash flows from operating activities				
Profit/(loss) for the financial period		3,035,779	(587,303)	5,485,564
Adjustments for:				
Net investment portfolio (gains)/losses		(3,346,143)	600,135	(5,432,092)
(Increase)/decrease in debtors		(187,230)	441,929	558,770
Increase in creditors and accruals		107,934	87,735	78,093
Net cash (outflow)/inflow from operating activities		(389,660)	542,496	690,335
Cash flows from investing activities				
Purchase of investments	9	(4,749,293)	(1,004,998)	(3,337,995)
Disposal of investments	9	3,875,411	9,129,574	9,127,705
Net cash (outflow)/inflow from investing activities		(873,882)	8,124,576	5,789,710
Cash flows from financing activities				
Shares issued as part of Offer for subscription		-	21,971,000	21,971,000
Issue costs and facilitation fees as part of Offer for subscription		-	(801,925)	(801,925)
Equity dividends paid	8	(8,889,079)	(4,229,134)	(9,309,890)
Purchase of own shares		(1,631,810)	(1,866,194)	(3,024,311)
Net cash (outflow)/inflow from financing activities		(10,520,889)	15,073,747	8,834,874
Net (decrease)/increase in cash and cash equivalents		(11,784,431)	23,740,819	15,314,919
Cash and cash equivalents at start of period		46,941,780	31,626,861	31,626,861
Cash and cash equivalents at end of period		35,157,349	55,367,680	46,941,780
Cash and cash equivalents comprise:				
Cash at bank and in hand	10	751,937	2,791,491	366,064
Cash equivalents	10	34,405,412	52,576,189	46,575,716

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

Notes to the Unaudited Condensed Financial Statements

for the six months ended 31 March 2024

1. Company information

The Income and Growth VCT plc is a public limited company incorporated in England, registration number 04069483. The registered office is 5 New Street Square, London, EC4A 3TW.

2. Basis of preparation of the Financial Statements

These Financial Statements prepared in accordance with accounting policies consistent with Financial Reporting Standard 102 ("FRS102"), Financial Reporting Standard 104 ("FRS104") - Interim Financial Reporting, with the Companies Act 2006 and the 2014 Statement of Recommended practice, 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ('the SORP') (updated in July 2022) issued by the Association of Investment Companies ("AIC").

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

3. Principal accounting policies

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

4. Income

	Six months ended 31 March 2024 (unaudited) £	Six months ended 31 March 2023 (unaudited) £	Year ended 30 September 2023 (audited) £
Income			
- Dividends	25,000	563,341	693,455
- Money market funds	969,009	680,253	1,830,390
- Loan stock interest	253,566	307,850	584,118
- Bank deposit interest	123,625	36,073	142,671
Total Income	1,371,200	1,587,517	3,196,634

5. Investment Adviser's fees and performance fees

	Six months ended 31 March 2024 (unaudited) £	Six months ended 31 March 2023 (unaudited) £	Year ended 30 September 2023 (audited) £
Allocated to revenue return: Investment Adviser's fees	310,026	310,036	633,681
Allocated to capital return: Investment Adviser's fees	930,077	930,109	1,901,042
Total	1,240,103	1,240,145	2,534,723

Under the terms of a revised investment management agreement dated 29 March 2010 (such agreement having been novated to Gresham House), Gresham House provides investment advisory, administrative and company secretarial services to the Company, for a fee of 2.4% per annum of closing net assets, calculated on a quarterly basis by reference to the net assets at the end of the preceding quarter. One sixth of this fee is subject to minimum and maximum limits of £150,000 (2023: £150,000) and £170,000 (2023: £170,000) per annum respectively.

Under the Incentive Agreement dated 30 September 2014 (such agreement having been novated to Gresham House), annual performance incentive fee payment is 15% of net realised gains for each year, payable in cash. It is payable only if Cumulative Net Asset Value (NAV) total return per share (being the closing NAV at a year end plus cumulative dividends paid to that year end, since 1 October 2013) equals or exceeds a "Target Return". The Target Return is the greater of two targets, being either:

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

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

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

For the year ending 30 September 2024, the Target Return based upon Cumulative NAV total return per share under i) above was a 6% uplift on the previous year's Target Return of 202.06 pence, being 214.18 pence and exceeds the target return compared to a Consumer Price basis under ii) above of 168.15 pence. As Cumulative Total NAV return is 193.29 pence per share at the period end, and is less than the Target Return under i) above of 214.18 pence per share, no fee is therefore payable.

6. Taxation

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

Notes to the Unaudited Condensed Financial Statements

for the six months ended 31 March 2024

7. Basic and diluted earnings and return per share

	Six months ended 31 March 2024 (unaudited) £	Six months ended 31 March 2023 (unaudited) £	Year ended 30 September 2023 (audited) £
i) Total earnings after taxation: Basic and diluted earnings per share (Note a)	3,035,779 1.94p	(587,304) (0.41)p	5,485,564 3.66p
ii) Revenue earnings from ordinary activities after taxation Basic and diluted revenue earnings per share (Note b)	470,334 0.30p	870,816 0.60p	1,664,584 1.11p
Net investment portfolio gains/(losses) Capitalised Investment Adviser fees and performance fees less taxation	3,346,143 (780,698)	(600,135) (857,985)	5,432,092 (1,611,112)
iii) Total capital earnings Basic and diluted capital earnings per share (Note c)	2,565,445 1.64p	(1,458,120) (1.01)p	3,820,980 2.55p
iv) Weighted average number of shares in issue in the period (Note d)	156,342,828	144,581,850	149,999,941

Notes:

- Basic earnings per share is total earnings after taxation divided by the weighted average number of shares in issue.
- Basic revenue earnings per share is the revenue return after taxation divided by the weighted average number of shares in issue.
- Basic capital earnings per share is the total capital return after taxation divided by the weighted average number of shares in issue.
- There are no instruments that will increase the number of shares in issue in the future. Accordingly, the above figures currently represent both basic and diluted earnings per share.

8. Dividends

Dividend	Type	For the year ended 30 September	Pence per share	Date paid	Six months ended 31 March 2024 (unaudited) £	Six months ended 31 March 2023 (unaudited) £	Year ended 30 September 2023 (audited) £
Interim	Capital*	2022	0.75p	7 November 2022	-	972,003	972,003
Interim	Capital	2022	2.50p	7 November 2022	-	3,240,014	3,240,014
Interim	Income	2022	0.75p	7 November 2022	-	972,003	972,003
Interim	Income	2023	1.00p	26 May 2023	-	-	1,548,551
Interim	Capital	2023	1.00p	26 May 2023	-	-	1,548,551
Interim	Capital*	2023	2.00p	26 May 2023	-	-	3,097,102
Interim	Capital*	2023	4.00p	8 November 2023	4,643,027	-	-
Interim	Capital	2023	3.00p	8 November 2023	6,190,703	-	-
Total					10,833,730	5,184,020	11,378,224

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

For the period ended 31 March 2024, £10,833,730 disclosed above differs to that shown in the Statement of Cash Flows of £8,889,079 due to £1,944,651 of new shares allotted under the Company's Dividend Investment Scheme.

9. Summary of movement on investments during the period

The most critical estimates, assumptions and judgements relate to the determination of the carrying value of investments at "fair value through profit and loss" (FVTPL). All investments held by the Company are classified as FVTPL and measured in accordance with the International Private Equity and Venture Capital Valuation ("IPEV") guidelines, as updated in December 2022. This classification is followed as the Company's business is to invest in financial assets with a view to profiting from their total return in the form of capital growth and income.

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

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

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

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

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

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

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

The methodology applied takes account of the nature, facts and circumstances of the individual investment and uses reasonable data, market input, assumptions and estimates in order to ascertain fair value. Methodologies are applied consistently each year except where a change results in a better estimate of fair value.

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

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

The key judgements for the Directors are in relation to identifying the most appropriate valuation methodologies for estimating the fair value of unquoted investments. The most relevant methodologies applied are explained above. A further key judgement made related to investments that are permanently impaired. Where the value of an investment has fallen permanently below the price of recent investment, the loss is treated as a permanent impairment and a realised loss, even though the investment is still held. The key estimates involved in determining the fair value of a company can include:

- identifying a relevant basket of market comparables;
- deducing the discount to apply to those market comparables;
- determining maintainable earnings or revenues; or
- identifying surplus cash.

The methods of fair value measurement are classified into hierarchy based on the reliability of the information used to determine the valuation.

- Level 1 – Fair value is measured based on quoted prices in an active market.
- Level 2 – Fair value is measured based on directly observable current market prices or indirectly being derived from market prices.
- Level 3 – Fair value is measured using valuation techniques using inputs that are not based on observable market data.

Notes to the Unaudited Condensed Financial Statements

for the six months ended 31 March 2024

	Traded on AIM Level 1 £	Unquoted ordinary shares Level 3 £	Unquoted Preference shares Level 3 £	Unquoted Loan stock Level 3 £	Total £
Valuation at 1 October 2023	5,675,241	57,308,615	3,173,309	6,565,220	72,722,385
Purchases at cost	-	4,431,668	-	317,625	4,749,293
Sales - proceeds	-	(3,875,411)	-	-	(3,875,411)
Reclassification at valuation (Note a)	-	-	166,200	(166,200)	-
Net unrealised (losses)/gains on investments in the period	(476,463)	2,906,005	99,059	817,542	3,346,143
Valuation at 31 March 2024	5,198,778	60,770,877	3,438,568	7,534,187	76,942,410
Book cost at 31 March 2024	1,119,169	41,093,967	2,848,054	10,446,703	55,507,893
Unrealised gains/(losses) at 31 March 2024	4,579,609	25,282,962	592,469	(1,409,063)	29,045,977
Permanent impairment of cost of investments (Note b)	(500,000)	(5,606,052)	(1,955)	(1,503,453)	(7,611,460)
Valuation at 31 March 2024	5,198,778	60,770,877	3,438,568	7,534,187	76,942,410
Gains/(losses) on investments					
Realised gains/(losses) based on historical cost	-	3,129,720	-	-	3,129,720
Less amounts recognised as unrealised (losses)/gains in previous years	-	(3,129,720)	-	-	(3,129,720)
Net movement in unrealised (losses)/gains in the period	(476,463)	2,906,005	99,059	817,542	3,346,143
Net investment portfolio (losses)/gains for the period ended 31 March 2024	(476,463)	2,906,005	99,059	817,542	3,346,143

Notes:

- a): The Company's convertible loan investments in Orri Limited were converted into ordinary equity during the period.
- b): During the period, permanent impairments of the cost of investments have decreased by £619,827 to £7,611,460. The net decrease is due to the dissolution of an investee company permanently impaired in a prior year partially offset by the partial impairment of another investee company.

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

	As at 31 March 2024 (unaudited) £	As at 31 March 2023 (unaudited) £	As at 30 September 2023 (audited) £
Valuation methodology			
Multiple of earnings, revenues or gross margin, as appropriate	63,144,221	55,218,624	62,059,298
Recent investment price subsequently calculated as appropriate	4,466,137	3,978,029	2,712,087
Asset value supporting security held	2,273,349	-	-
Cost less impairment	1,365,852	-	2,250,457
Estimated realisation proceeds	468,771	-	-
Average share price	25,302	54,218	25,302
Total	71,743,632	59,250,871	67,047,144

10. Current asset investments and Cash at bank

	As at 31 March 2024 (unaudited) £	As at 31 March 2023 (unaudited) £	As at 30 September 2023 (audited) £
OEIC Money market funds	34,405,412	52,576,189	46,575,716
Cash equivalents per Statement of Cash Flows	34,405,412	52,576,189	46,575,716
Bank deposits that mature after three months	3,151,769	3,151,769	3,151,769
Current asset investments	37,557,181	55,727,958	49,727,485
Cash at bank	751,937	2,791,491	366,064

11. Net asset value per share

	As at 31 March 2024 (unaudited)	As at 31 March 2023 (unaudited)	As at 30 September 2023 (audited)
Net assets	£115,292,676	£122,928,699	£122,777,786
Number of shares in issue	155,187,008	154,857,033	154,766,933
Net asset value per share - basic and diluted	74.29p	79.38p	79.33p

12. Post balance sheet events

On 3 May 2024, a follow on investment of £1.95 million was made into Data Discovery Solutions Limited (trading as Active Navigation), an existing portfolio company.

On 4 June 2024, a new investment of £0.99 million was invested into OnSecurity Technology Limited.

13. Statutory Information

The financial information for the six months ended 31 March 2024 and the six months ended 31 March 2023 has not been audited.

The financial information contained in this Half-Year report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The financial statements for the year ended 30 September 2023 have been filed with the Registrar of Companies. The auditor has reported on these Financial Statements and that report was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

14. Half-Year Report

Copies of this statement are being sent to all shareholders in line with their communication preferences. Further copies are available free of charge from the Company's registered office, 5 New Street Square, London, EC4A 3TW, or can be downloaded via the Company's website at www.incomeandgrowthvct.co.uk.

Shareholder Information

Communication with Shareholders

We aim to communicate regularly with our Shareholders. The February Annual General Meetings provide a useful platform for the Board to meet Shareholders and exchange views. Your Board welcomes your attendance at all general meetings to give you the opportunity to meet your Directors and representatives of the Investment Adviser. The Company releases Interim Management Statements in respect of those quarters when it does not publish Annual or Half-Year Financial Statements. The Investment Adviser also held a Virtual Shareholder Event in March 2024 which is available to view online via the Company's website at: <https://mvcts.connectid.cloud/>.

Shareholders wishing to follow the Company's progress can visit its website at <https://www.incomeandgrowthvct.co.uk>. The website includes up-to-date information on the Company's performance, including the most recent NAV, and dividends paid as well as publicly available information on the Company's portfolio of investments and copies of company reports. There is also a link to the London Stock Exchange's website at www.londonstockexchange.com which provides up to the minute details of the share price and latest NAV announcements, etc.

Financial calendar

June 2024	Announcement and circulation of the Half-Year results for the six months to 31 March 2024
30 September 2024	Year-End
January 2025	Announcement of Annual Results and circulation to Shareholders of the Annual Report for the year ended 30 September 2024
Early 2025	Shareholder Event
February 2025	Annual General Meeting

Dividends

Shareholders who wish to have their dividends paid directly into their bank account, rather than having them sent by cheque to their registered address, can complete a mandate for this purpose. Mandates can be obtained by contacting the Company's Registrar, The City Partnership (UK) Limited, at the address given on page 33.

Shareholders are encouraged to ensure that the Registrar maintain up-to-date details for their accounts and to check whether they have received and banked all dividends payable to them. This is particularly important if a Shareholder has recently changed address or bank details. We are aware that a number of dividends remain unclaimed by Shareholders and whilst we will endeavour to contact them if this is the case, we cannot guarantee that we will be able to do so if the Registrar does not have an up-to-date postal and/or email address.

Dividend Investment Scheme (the "Scheme")

Those Shareholders who wish to participate, or to amend their existing participation, in the Scheme, can do so by visiting <https://www.incomeandgrowthvct.co.uk> and click the Dividends tab or by contacting the Registrar directly using the details below.

Those Shareholders who wish to opt-in or opt-out of the Scheme can do so at any time by completing a mandate form and posting it to The City Partnership (UK) Limited, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH or to opt-out, by emailing a scanned signed removal form to registrars@city.uk.com from your registered email address or by contacting City using the details on the last page of this Report. For further information and to download the Mandate Form required to opt-in to the Scheme, please visit <https://www.incomeandgrowthvct.co.uk> and select the Dividends subheading on the left-hand side.

Alternatively, Shareholders can use the online portal to opt-in and opt-out of the Scheme via: <https://gresham-house-vcts.cityhub.uk.com/login>. You will need your Investor Code (CIN) which can be found in the letter dated 14 December 2023 or by contacting City.

Please note that Shareholders' elections to opt-in or opt-out of the Scheme must be received by City at least **15 days** prior to a dividend payment date in order to become effective.

Managing your shareholding online

For details on your individual shareholding and to manage your account online, Shareholders may log into or register with the Cityhub Shareholder Portal: <https://gresham-house-vcts.cityhub.uk.com/login>. You can use the Portal to change your address details, check your holding balance and transactions, view the dividends you have received and add and amend your bank details.

Selling your shares

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

The Company is unable to buy back shares direct from Shareholders, so you will need to use a stockbroker to sell your shares. If you do not have a broker already, the following links may be useful to help you identify a suitable broker: [Find a Broker | London](#) or [Unbiased](#). You can check that they are FCA registered on the FCA website at: fca.org.uk.

If you are considering selling your shares or trading in the secondary market, please contact the Company's Corporate Broker, Panmure Liberum ("Panmure"). Panmure is able to provide details of close periods (when the Company is prohibited from buying in shares) and details of the price at which the Company has bought in shares.

Panmure can be contacted as follows:

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

Further details on how to sell your shares can be found here: <https://greshamhouse.com/how-to-sell-baronsmead-and-mobeusvct-shares/>

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

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

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

Fraud Warning Boiler room fraud and unsolicited communications to Shareholders

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

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

We strongly recommend that you seek financial advice before taking any action if you remain in any doubt. You can also contact the Investment Adviser on 020 7382 0999, or email info@greshamhouse.com to check whether any claims made by a caller are genuine.

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

Shareholder enquiries:

For enquiries concerning the investment portfolio or the Company in general, please contact the Investment Adviser, Gresham House. To contact the Chairman or any member of the Board, please contact the Company Secretary, also Gresham House, in the first instance.

The Registrar, City, may be contacted via their shareholder portal, post or telephone for queries relating to your shareholding including dividend payments, dividend mandate forms, change of address, etc.

Full contact details for each of Gresham House and City are included under Corporate Information on page 33.

Performance Data at 31 March 2024 (unaudited)

Share price at 31 March 2024 **70.00p¹**
NAV per share as at 31 March 2024 **74.29p**

Performance data for all fundraising rounds

The following table shows, for all investors in The Income & Growth VCT plc, how their investments have performed since they were originally allotted shares in each fundraising.

Shareholders from the original fundraising in 2000/01 should note that the funds were managed by three investment advisers, up until 10 March 2009. At that date, Mobeus became the sole adviser, to this and all subsequent fundraisings.

Total return data, which includes cumulative dividends paid to date, is shown on both a share price and a NAV basis as at 31 March 2024. The NAV basis enables Shareholders to evaluate more clearly the performance of the Fund, as it reflects the underlying value of the portfolio at the reporting date. This is the most widely used measure of performance in the VCT sector.

Allotment date(s)	Allotment price (p)	Net allotment price ² (p)	Cumulative dividends paid per share (p)	Total return per share to Shareholders since allotment		
				(Share price basis) (p)	(NAV basis) (p)	% change since 30 September 2023 (NAV basis)
Funds raised - O Fund³ (launched 18 October 2000)						
Between 3 November 2000 and 11 May 2001	100.00	60.62	142.95	195.99	199.24	0.8%
Funds raised 2007/8 - S Share fund (launched 14 December 2007)						
Between 1 April 2008 and 6 June 2008	100.00	70.00	159.50	229.50	233.79	0.8%
Funds raised 2010/11 (launched 12 November 2010)						
21 January 2011	104.80	73.36	159.00	229.00	233.29	0.8%
28 February 2011	107.90	75.53	157.00	227.00	231.29	0.9%
22 March 2011	105.80	74.06	157.00	227.00	231.29	0.9%
1 April 2011	105.80	74.06	155.00	225.00	229.29	0.9%
5 April 2011	105.80	74.06	155.00	225.00	229.29	0.9%
10 May 2011	105.80	74.06	155.00	225.00	229.29	0.9%
6 July 2011	106.00	74.20	155.00	225.00	229.29	0.9%
Funds raised 2012 (launched 20 January 2012)						
8 March 2012	106.40	74.48	131.00	201.00	205.29	1.0%
4 April 2012	106.40	74.48	131.00	201.00	205.29	1.0%
5 April 2012	106.40	74.48	131.00	201.00	205.29	1.0%
10 May 2012	106.40	74.48	131.00	201.00	205.29	1.0%
10 July 2012	111.60	78.12	131.00	201.00	205.29	1.0%
Funds raised 2013 (launched 29 November 2012)						
14 January 2013	116.00	81.20	131.00	201.00	205.29	1.0%
28 March 2013	112.60	78.82	125.00	195.00	199.29	1.0%
4 April 2013	112.60	78.82	125.00	195.00	199.29	1.0%
5 April 2013	112.60	78.82	125.00	195.00	199.29	1.0%
10 April 2013 Pre RDR ⁴	115.30	80.71	125.00	195.00	199.29	1.0%
10 April 2013 Post RDR ⁴	112.60	78.82	125.00	195.00	199.29	1.0%
7 May 2013	112.60	78.82	125.00	195.00	199.29	1.0%

¹ Source: Panmure Gordon & Co (mid-price basis).

² Net allotment price is the allotment price less applicable income tax relief. Income tax relief was 20% up until 5 April 2004, 40% from 6 April 2004 to 5 April 2006, and 30% thereafter.

³ Shareholders who invested in 2000/01 received 0.7578 shares in the current share class for each share previously held on 29 March 2010, when the Company's two share classes merged. The net allotment price, NAV, cumulative dividend, total return, share price and percentage return data per share have been adjusted to reflect this conversion ratio.

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

Allotment date(s)	Allotment price (p)	Net allotment price ¹ (p)	Cumulative dividends paid per share (p)	Total return per share to Shareholders since allotment		
				(Share price basis) (p)	(NAV basis) (p)	% change since 30 September 2023 (NAV basis)
Funds raised 2014 (launched 28 November 2013)						
9 January 2014	117.82 ²	82.47	119.00	189.00	193.29	1.0%
11 February 2014	119.02 ²	83.31	119.00	189.00	193.29	1.0%
31 March 2014	115.64 ²	80.95	115.00	185.00	189.29	1.0%
3 April 2014	116.17 ²	81.32	115.00	185.00	189.29	1.0%
4 April 2014	115.45 ²	80.82	115.00	185.00	189.29	1.0%
6 June 2014	121.55 ²	85.09	115.00	185.00	189.29	1.0%
Funds raised 2015 (launched 10 December 2014)						
14 January 2015	108.33 ²	75.83	101.00	171.00	175.29	1.1%
17 February 2015	113.17 ²	79.22	101.00	171.00	175.29	1.1%
10 March 2015	109.88 ²	76.92	97.00	167.00	171.29	1.2%
Funds raised 2017/18 (launched 6 September 2017)						
28 September 2017	82.49 ²	57.74	57.00	127.00	131.29	1.5%
20 October 2017	82.67 ²	57.87	57.00	127.00	131.29	1.5%
9 November 2017	83.20 ²	58.24	57.00	127.00	131.29	1.5%
20 November 2017	84.54 ²	59.18	57.00	127.00	131.29	1.5%
21 November 2017	84.50 ²	59.15	57.00	127.00	131.29	1.5%
24 January 2018	81.27 ²	56.89	54.00	124.00	128.29	1.6%
13 March 2018	82.32 ²	57.62	54.00	124.00	128.29	1.6%
Funds raised 2019/20 (launched 25 October 2019)						
8 January 2020	77.28 ²	54.10	42.00	112.00	116.29	1.7%
Funds raised 2021/22 (launched 20 January 2022)						
9 March 2022	98.12 ²	68.68	19.00	89.00	93.29	2.1%
Funds raised 2022/23 (launched 5 October 2022)						
16 November 2022	82.73 ²	57.91	11.00	81.00	85.29	2.4%
6 February 2023	82.49 ²	57.74	11.00	81.00	85.29	2.4%

¹ Net allotment price is the allotment price less applicable income tax relief. Income tax relief was 20% up until 5 April 2004, 40% from 6 April 2004 to 5 April 2006, and 30% thereafter.

² Average effective offer price. Shares were allotted pursuant to the 2014, 2015, 2017/18, 2019/20, 2021/22, and 2022/23 offers at individual prices for each investor in accordance with its pricing formula set out in each offer's respective securities note.

Performance Data at 31 March 2024 (unaudited)

Cumulative dividends paid

	Funds raised 2000/01 'O' Share Fund (p)	Funds raised 2007/08 'S' Share Fund (p)	Funds raised 2010/11 (p)	Funds raised 2012 (p)	Funds raised 2013 (p)	Funds raised 2014 (p)	Funds raised 2015 (p)	Funds raised 2017/18 (p)	Funds raised 2019/20 (p)	Funds raised 2021/22 (p)	Funds raised 2022/23 (p)
08 November 2023	5.30	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
26 May 2023	3.03	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
07 November 2022	3.03	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	
7 July 2022	3.03	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	
7 January 2022	3.03	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00		
23 July 2021	3.79 ¹	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00		
28 September 2020	8.34 ¹	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00		
07 October 2020	2.27 ¹	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00		
18 October 2019	3.41 ¹	4.50	4.50	4.50	4.50	4.50	4.50	4.50			
12 July 2019	1.14 ¹	1.50	1.50	1.50	1.50	1.50	1.50	1.50			
15 February 2019	2.65 ¹	3.50	3.50	3.50	3.50	3.50	3.50	3.50			
21 June 2018	1.89 ¹	2.50	2.50	2.50	2.50	2.50	2.50	2.50			
15 February 2018	2.27 ¹	3.00	3.00	3.00	3.00	3.00	3.00	3.00			
31 August 2017	11.37 ¹	15.00	15.00	15.00	15.00	15.00	15.00				
20 June 2017	2.27 ¹	3.00	3.00	3.00	3.00	3.00	3.00				
15 February 2017	3.03 ¹	4.00	4.00	4.00	4.00	4.00	4.00				
07 July 2016	4.55 ¹	6.00	6.00	6.00	6.00	6.00	6.00				
15 February 2016	4.55 ¹	6.00	6.00	6.00	6.00	6.00	6.00				
30 June 2015	4.55 ¹	6.00	6.00	6.00	6.00	6.00	6.00				
20 March 2015	3.03 ¹	4.00	4.00	4.00	4.00	4.00	4.00				
30 October 2014	6.06 ¹	8.00	8.00	8.00	8.00	8.00					
03 July 2014	4.55 ¹	6.00	6.00	6.00	6.00	6.00					
12 March 2014	3.03 ¹	4.00	4.00	4.00	4.00	4.00					
27 June 2013	4.55 ¹	6.00	6.00	6.00	6.00						
08 February 2013	4.55 ¹	6.00	6.00	6.00	6.00						
15 February 2012	3.02 ¹	4.00	4.00								
27 January 2012	15.16 ¹	20.00	20.00								
28 March 2011	1.52 ¹	2.00	2.00								
22 February 2011	1.52 ¹	2.00	2.00								
29 March 2010 Merger of the 'O' and 'S' Share Funds											
17 March 2010	2.00	0.50									
16 February 2009	4.00										
15 February 2008	2.00										
24 October 2007	2.00										
15 February 2007	3.75										
14 February 2006	3.25										
04 February 2005	1.25										
11 February 2004	1.25										
12 February 2003	1.75										
18 February 2002	1.20										
Total dividends paid	142.95	159.50	159.00	131.00	131.00	119.00	101.00	57.00	42.00	19.00	11.00

¹ The dividends paid after the merger, on the former 'O' Share Fund shareholdings, have been restated to take account of the merger conversion ratio.

The above data relates to an investor in the first allotment of each fundraising. The precise amount of dividends paid to Shareholders by date of allotment is shown in the tables on page 22.

Glossary of Terms

Alternative performance measure ("APM")

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

Cumulative dividends paid (APM)

The total amount of dividend distributions by the Company over the time period specified. A list of all dividends paid since the launch of the Company is shown on the Company's website www.incomeandgrowthvct.co.uk. Dividends paid in the year and dividends paid in respect of the year are shown in the Performance Summary on page 1.

Cumulative total return (APM)

Cumulative total return per share comprises the NAV per share (NAV basis) or the mid-market price per share (Share price basis), plus cumulative dividends paid since launch of the current share class in 2008.

Internal Rate of Return ("IRR")

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

Net asset value or NAV

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

Net asset value per share or NAV per share

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

NAV Total Return (APM)

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

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

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

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

Ongoing charges ratio (APM)

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

Realised gains/(losses) in the period/year

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

Share price Total Return (APM)

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

Timeline of the Company

October 2000

The Company is launched as TriVest VCT plc advised by three managers, Foresight Group, GLE Development Capital and LICA Development Capital.

April 2001

The Company's first fundraising of its "O Share Fund" is completed.

October 2007

The Company changes its name to The Income & Growth VCT plc.

December 2007

The 'S' Share Fund is launched.

March 2009

The Company becomes a VCT solely advised by Matrix Private Equity Partners. The Company changes its Investment Policy to focus on more mature businesses.

March 2010

The 'O' Share Fund (launched in 2000) merges with the 'S' Share Fund (launched in 2007) to create the current class of shares.

November 2011

The Company sells its stake in App-DNA for 32 times cost and pays a special interim capital dividend of 20p per one share in the following January.

June 2012

Matrix Private Equity Partners LLP becomes a fully independent firm owned by its partners and renames itself Mobeus Equity Partners LLP.

2010-2014

The Company participates in four linked fundraisings with other Mobeus advised VCTs.

March 2015

The Company closes a successful fundraising with the other Mobeus advised VCTs in which £10 million was raised for the Company.

February 2016

The Company changes its Investment Policy to focus on younger, smaller development capital transactions.

September 2017 – March 2018

The Company launched and closed an Offer for Subscription raising £25 million.

October 2019 – January 2020

The Company launched and closed an Offer for Subscription raising £10 million.

October 2021

Gresham House Asset Management Limited acquires the VCT fund and investment management business from Mobeus Equity Partners LLP. The Mobeus-advised VCTs' investment advisory arrangements are novated from Mobeus Equity Partners LLP to Gresham House.

January 2022

The Company launched and closed a fundraising having successfully raised £10 million.

October 2022 – February 2023

The Company launched and closed a fundraising having successfully raised £22 million.

June 2024

The Company announced its intention to launch a fundraise subject to shareholder approval of the potential merger of the Company with Mobeus Income & Growth 4 VCT plc and of Mobeus Income & Growth VCT plc merging with Mobeus Income & Growth 2 VCT plc.

Corporate Information

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Gresham House

Specialist investment

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