

The background of the entire page is a close-up, blue-tinted photograph of a mechanical watch movement. The intricate gears, jewels, and metal plates of the watch are visible, creating a sense of precision and craftsmanship. Overlaid on this background are several large, semi-transparent geometric shapes in shades of blue and grey, including a large 'V' shape that dominates the right side and bottom of the page. The Maven logo is positioned in the top left corner.

MAVEN

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# MAVEN INCOME AND GROWTH VCT 3 PLC

Annual Report for the  
year ended 30 November 2020

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# CORPORATE SUMMARY

## The Company

Maven Income and Growth VCT 3 PLC (the Company) is a public limited company limited by shares. It was incorporated in England and Wales on 7 September 2001 with company registration number 04283350. Its registered office is at Fifth Floor, 1-2 Royal Exchange Buildings, London EC3V 3LF.

The Company is a venture capital trust (VCT) and its shares are listed on the premium segment of the Official List and traded on the main market of the London Stock Exchange.

## Management

The Company is a small registered, internally managed alternative investment fund under the Alternative Investment Fund Managers Directive (AIFMD).

## Investment Objective

The Company aims to achieve long-term capital appreciation and generate income for Shareholders.

## Continuation Date

The Articles of Association (Articles) require the Directors to put a proposal for the continuation of the Company, in its then form, to Shareholders at the Company's Annual General Meeting (AGM) to be held in 2026 or, if later, at the AGM following the fifth anniversary of the latest allotment of new shares.

## Share Dealing

Shares in the Company can be purchased and sold in the market through a stockbroker. For qualifying investors buying shares on the open market:

- dividends are free of income tax;
- no capital gains tax is payable on a disposal of shares;
- there is no minimum holding period;
- the value of shares, and income from them, can fall as well as rise;
- tax regulations and rates of tax may be subject to change;
- VCTs tend to be invested in smaller, unlisted companies with a higher risk profile; and
- the market for VCT shares can be illiquid.

The Broker to the Company is Shore Capital Stockbrokers Limited (020 7647 8132).



## Recommendation of Non-mainstream Investment Products

The Company currently conducts its affairs so that the shares issued by it can be recommended by financial advisers to ordinary retail investors in accordance with the rules of the Financial Conduct Authority (FCA) in relation to non-mainstream investment products, and intends to do so for the foreseeable future. The Company's shares are excluded from the FCA's restrictions that apply to non-mainstream investment products because they are shares in a venture capital trust and the returns to investors are predominantly based on investments in private companies or publicly quoted securities.

## Unsolicited Offers for Shares (Boiler Room Scams)

Shareholders in a number of UK registered companies have received unsolicited calls from organisations, usually based overseas or using false UK addresses or phone lines routed abroad, offering to buy shares at prices much higher than their current market values or to sell non-tradeable, overpriced, high risk or even non-existent securities. Whilst the callers may sound credible and professional, Shareholders should be aware that their intentions are often fraudulent and high-pressure sales techniques may be applied, often involving a request for an indemnity or a payment to be provided in advance.

If you receive such a call, you should exercise caution and, based on advice from the FCA, the following precautions are suggested:

- obtain the name of the individual or organisation calling;
- check the FCA register to confirm if the caller is authorised;
- call back using the details on the FCA register to verify the caller's identity;
- discontinue the call if you are in any doubt about the intentions of the caller, or if calls persist; and
- report any individual or organisation that makes unsolicited calls with an offer to buy or sell shares to the FCA and the City of London Police.

## Useful contact details:

Action Fraud

Telephone: 0300 123 2040

Website: [www.actionfraud.police.uk](http://www.actionfraud.police.uk)

FCA

Telephone: 0800 111 6768 (freephone)

E-mail: [consumer.queries@fca.org.uk](mailto:consumer.queries@fca.org.uk)

Website: [www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)

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# FINANCIAL HIGHLIGHTS

As at 30 November 2020

**Net asset value (NAV)**

£44.82m

**NAV**  
per Ordinary Share

56.27p

**NAV total return<sup>1\*</sup>**  
per Ordinary Share

144.44p

**Proposed final dividend**  
per Ordinary Share

1.00p

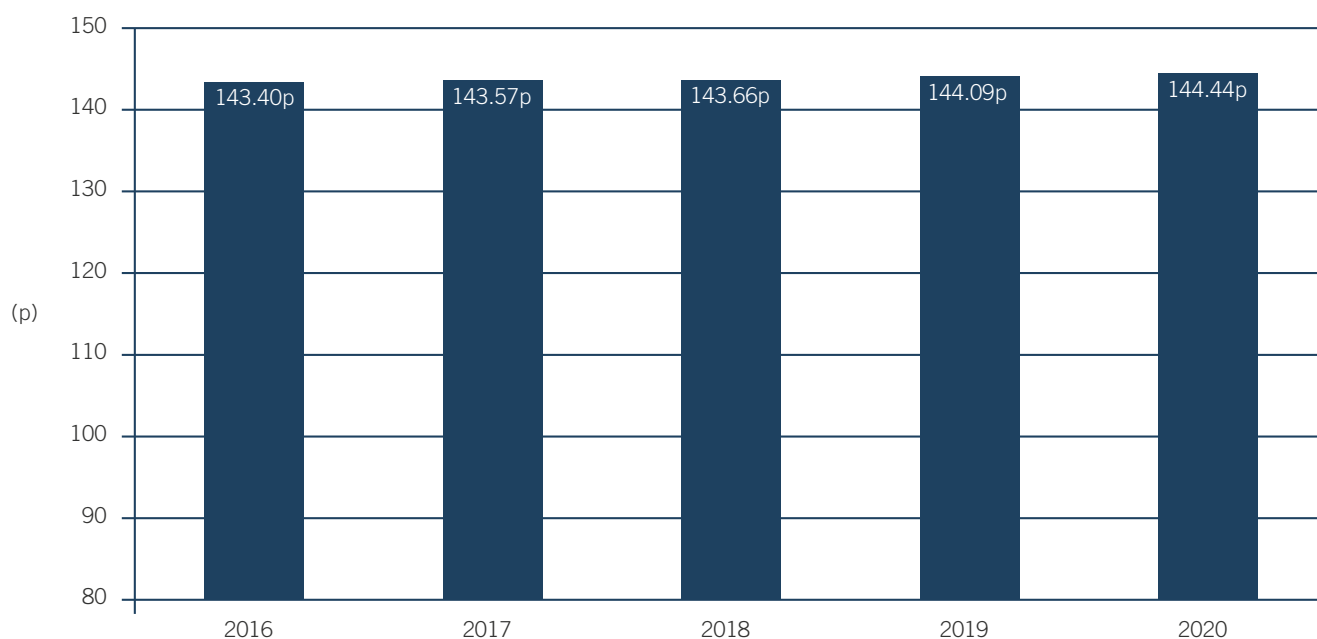
**Dividends paid to date\***  
per Ordinary Share

88.17p

**Annual yield<sup>2\*</sup>**

6.00%

## NAV Total Return Performance



The above chart shows the NAV total return per Ordinary Share as at the end of November in each year. Dividends that have been declared but not yet paid are included in the NAV at the balance sheet date. The policy for valuing investments is disclosed in Note 1 to the Financial Statements.

## Financial History

	30 November 2020	30 November 2019	30 November 2018
NAV	£44,819,000	£40,738,000	£42,409,000
NAV per Ordinary Share	56.27p	59.92p	61.49p
Dividends paid or proposed per Ordinary Share for the year	3.00p	4.00p	10.95p
Dividends paid per Ordinary Share to date*	88.17p	84.17p	82.17p
<b>NAV total return per Ordinary Share<sup>1*</sup></b>	<b>144.44p</b>	<b>144.09p</b>	<b>143.66p</b>
Share price <sup>3</sup>	50.00p	54.50p	57.00p
Discount to NAV*	11.14%	9.05%	7.30%
Annual yield <sup>2*</sup>	6.00%	7.34%	19.21%
Ordinary Shares in issue	79,653,579	67,983,600	68,973,462

<sup>1</sup>Sum of current NAV per Ordinary Share and dividends paid per Ordinary Share to date (excluding initial tax relief).

<sup>2</sup>Based on dividends paid or proposed for the year and the closing mid-market share price at the year end. Please note the planned introduction of a target dividend yield, as set out in the Chairman's Statement on pages 10 and 11 of this Annual Report.

<sup>3</sup>Closing mid-market price at the year end (Source: IRESS).

\*Definitions of these Alternative Performance Measures (APMs) can be found in the Glossary on page 93. The principal Key Performance Indicators (KPIs) can be found in the Business Report on page 16.

## Dividends

Year ended 30 November	Payment date	Interim/final	Payment (p)	Annual payment (p)
2003 - 2015			50.95	
2016	2 September 2016	Interim	2.00	
	28 April 2017	Final	3.75	5.75
2017	14 July 2017	First interim	2.71	
	15 September 2017	Second interim	5.14	
	30 November 2017	Third interim	6.67	14.52
2018	13 April 2018	First interim	5.70	
	22 June 2018	Second interim	5.25	10.95
2019	30 August 2019	Interim	2.00	
	17 April 2020	Final	2.00	4.00
2020	28 August 2020	Interim	2.00	
<b>Total dividends paid since inception</b>			<b>88.17</b>	
2020	16 April 2021	Proposed final	1.00	3.00
<b>Total dividends paid or proposed since inception</b>			<b>89.17</b>	

## Summary of Investment Changes

For the year ended 30 November 2020

	Valuation 30 November 2019		Net investment/ (disinvestment)	Appreciation/ (depreciation)	Valuation 30 November 2020	
	£'000	%	£'000	£'000	£'000	%
<b>Unlisted investments</b>						
Equities	14,290	35.1	5,801	238	20,329	45.4
Loan stock	8,887	21.8	62	(568)	8,381	18.7
	<b>23,177</b>	<b>56.9</b>	<b>5,863</b>	<b>(330)</b>	<b>28,710</b>	<b>64.1</b>
<b>AIM/AQSE investments*</b>						
Equities	905	2.2	961	1,125	2,991	6.7
<b>Listed investments</b>						
Investment trusts	2,541	6.2	-	(13)	2,528	5.6
<b>Total investments</b>	<b>26,623</b>	<b>65.3</b>	<b>6,824</b>	<b>782</b>	<b>34,229</b>	<b>76.4</b>
Other net assets	14,115	34.7	(3,525)	-	10,590	23.6
<b>Net assets</b>	<b>40,738</b>	<b>100.0</b>	<b>3,299</b>	<b>782</b>	<b>44,819</b>	<b>100.0</b>

\*Shares traded on the Alternative Investment Market (AIM) or the Aquis Stock Exchange (AQSE).

## YOUR BOARD

**The Board of Directors is responsible for setting and monitoring the Company's strategy, supervising the management of Maven Income and Growth VCT 3 PLC and looking after the interests of its Shareholders. The Board consists of four non-executive Directors, the majority of whom are independent of the Manager. The biographies set out below indicate the Directors' range of investment, commercial and professional experience. Further details are also provided in the Directors' Report and in the Statement of Corporate Governance.**



**Atul Devani**  
Chairman and  
Independent  
Non-executive Director

**Relevant experience and other directorships:** Atul has held a number of senior positions in software technology companies operating in various sectors including finance, mobile, telecoms, food & drink, health and pharmaceuticals. He was founder and chief executive officer of AIM listed United Clearing Plc, which was sold to BSG in 2006. He is currently a director of, and an investor in, a number of private limited companies, including The GP Service (UK) Limited, and is also mentor of entrepreneurs at the Company of Information Technologists in the City of London. Atul has a First Class Honours Degree in Electronic Engineering from the University College of North Wales.

**Length of service:** A Director since 5 April 2014 and Chairman of the Board and Nomination Committee since 13 April 2016.

**Re-elected to the Board:** 8 April 2020.

**Committee Member:** Audit & Risk, Management Engagement, Nomination (Chairman) and Remuneration.

**Employment by Manager:** None.

**Shared directorships with other Directors:** None.

**Shareholding in the Company:** 184,607 Ordinary Shares.



**David Allan**  
Independent  
Non-executive Director

**Relevant Experience and other Directorships:** David is a legally qualified corporate finance practitioner with significant experience in equity investment, M&A, VCTs and AIM. He is currently an executive director of Aridhia Informatics Limited, a private equity backed technology company. He is also a partner of Davidson Chalmers Stewart LLP, a commercial law firm based in Scotland. Prior to this, David was a partner with Biggart Baillie LLP and Brodies LLP.

**Length of Service:** A Director since 1 March 2017 and Chairman of the Remuneration Committee since 26 October 2017.

**Re-elected to the Board:** 8 April 2020.

**Committee Member:** Audit & Risk, Management Engagement, Nomination and Remuneration (Chairman).

**Employment by the Manager:** None.

**Share Directorships with other Directors:** None.

**Shareholding in the Company:** 14,853 Ordinary Shares.





**Bill Nixon**

Non-executive Director

**Relevant experience and other directorships:** Bill is managing partner of Maven Capital Partners UK LLP (Maven) and has 40 years' experience in banking and private equity. He is a Fellow of the Chartered Institute of Bankers in Scotland and obtained an MBA from Strathclyde University in 1996. In the 1990s, Bill was head of the private equity business at Clydesdale Bank plc, a subsidiary of National Australia Bank, before joining Aberdeen Asset Management plc (Aberdeen) in 1999. In 2004 he was appointed as principal fund manager to all Aberdeen managed VCTs. In 2009, Bill and his senior colleagues led a management buy-out from Aberdeen to form Maven. He is also a director of Maven Income and Growth VCT 4 PLC.

**Length of service:** An alternate Director since 1 November 2005; appointed a Director on 10 July 2008.

**Re-elected to the Board:** 8 April 2020.

**Committee Member:** Nomination.

**Employment by the Manager:** Since 2009; with Aberdeen 1999 to 2009.

**Shared directorships with other Directors:** None.

**Shareholding in the Company:** 683,444 Ordinary Shares.



**Keith Pickering**

Independent  
Non-executive Director

**Relevant experience and other directorships:** Keith is a Fellow of the Institute of Chartered Accountants of England and Wales. He is a partner at Alantra Corporate Finance, formerly Catalyst Corporate Finance, which he founded in 1998 along with two others and where he leads the industrials sector team in the UK. Over the past twenty years he played a major role in the growth of Catalyst and in September 2017 the business was sold to Alantra Group, the Spanish listed mid-market investment bank. Prior to establishing Catalyst, Keith spent thirteen years at the successor firms of PwC and Deloitte, including a three-year period in the Far East, operating out of Hong Kong.

**Length of service:** A Director since 15 April 2015 and Chairman of the Audit & Risk and Nomination Committees since 13 April 2016.

**Re-elected to the Board:** 8 April 2020.

**Committee Member:** Audit & Risk (Chairman), Management Engagement (Chairman), Nomination and Remuneration.

**Employment by the Manager:** None.

**Shared directorships with other Directors:** None.

**Shareholding in the Company:** 99,202 Ordinary Shares.



# CHAIRMAN'S STATEMENT

## HIGHLIGHTS

NAV total return at the year end of 144.44p per share (2019: 144.09p)

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NAV at the year end of 56.27p per share (2019: 59.92p), after dividend payments totalling 4.00p per share during the year

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Final dividend of 1.00p per share proposed

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Offer for Subscription closed fully subscribed, raising £7.5 million

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Deployment of £10.5 million during the year, including investments in 24 new private and AIM quoted companies

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Four profitable realisations completed during the year

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**The year to 30 November 2020 has been one of considerable challenge, dominated by the outbreak of COVID-19, which has had an unparalleled impact on the economy and our society. Our thoughts are with all those who have been affected by the crisis.**

**Despite the wide-reaching disruption caused by the pandemic, it is encouraging to report that your Company has generated a modest uplift in NAV total return at the year end to 144.44p per share. This reflects a significant recovery following the revaluation of the portfolio that was announced on 26 March 2020, when a small number of specific provisions were taken against those companies that were most immediately impacted by the economic disruption caused by the pandemic. Notwithstanding the market conditions, this has been a year of progress during which £10.5 million has been invested across a range of carefully selected new private and AIM quoted companies, alongside the provision of follow-on funding to support the continuing growth of certain portfolio companies. During the year, four profitable exits were completed, including the realisation of Symphonic Software for a 2.92 times money multiple return, representing the first meaningful disposal from the early stage portfolio. In recognition of the Directors' ongoing commitment to make distributions whenever possible, a final dividend of 1.00p per share has been proposed.**

The emergence of the coronavirus pandemic in the UK caused unprecedented levels of disruption to the economy and financial markets, whilst also having a profound impact on the daily lives of most people. Against this backdrop, your Company maintained full operational capability, with the Manager ensuring business continuity through a seamless transition of its regional offices and administration hub to a remote working model, in line with Government and local guidelines. The Directors are reassured that the Manager, and all third-party service providers, are capable of continuing to service your Company either remotely or from COVID-secure office environments for as long as is necessary.

With good levels of liquidity, the core objective at the start of the financial year was the continued growth in the portfolio to expand and diversify your Company's asset base and help support future growth in Shareholder value. However, in response to the outbreak of COVID-19, attention was diverted temporarily to value preservation and supporting the requirements of existing portfolio companies.

On 20 March 2020, the Manager completed a comprehensive appraisal of the portfolio to identify the likely impact of the pandemic on trading. Following this review, the Board approved a small number of specific provisions against holdings in private companies with exposure to consumer facing sectors, which were most immediately impacted. The AIM quoted and listed holdings were valued at their market prices. This review resulted in a 6.7% reduction in NAV per share from 59.92p at 30 November 2019 to 55.91p as at 20 March 2020, which was announced on 26 March 2020. The Directors are pleased to note that there has been a subsequent recovery in NAV to 56.27p per share at the year end, which is stated after the payment during the year of the 2019 final and

2020 interim dividends, totalling 4.00p per share. This improvement demonstrates the strength and quality of the underlying portfolio, which has diversified exposure to a range of defensive sectors such as software, funeral services, healthcare, data analytics and training, where the impact of the pandemic has been less severe. A number of these companies have continued to generate meaningful growth during the year, which has resulted in uplifts to valuations in line with the progress achieved. The recovery in NAV was also supported by positive performance from several AIM quoted holdings, notably those with exposure to the healthcare and life sciences sectors, which have experienced share price appreciation following positive trading updates.

Throughout the year, the Directors have maintained close communication with the Manager, receiving regular updates on the performance of the investee portfolio. The Board has been encouraged by the measures taken by individual management teams, with Maven maintaining an active role and providing direct assistance on a case-by-case basis. Whilst there are a small number of portfolio companies that are operating behind plan, the majority are trading in line with revised budgets and, in all cases, cash is being carefully managed. It is also encouraging to report that several private company and AIM quoted assets have harnessed opportunities presented by the market conditions, reflecting the level of innovation and entrepreneurialism across the portfolio. This includes companies that offer a disruptive technology designed to take a product or service online, such as training, restaurant food ordering or prescription dispensing. Several businesses operating in the specialist biotechnology market have been able to make an active contribution towards the urgent need for COVID-19 testing or therapeutics and those that manufacture devices and products for medical or hygiene markets have experienced a surge in demand.

Following the successful completion of the top-up fundraising that was launched in November 2019 and closed early fully subscribed in January 2020 raising £7.5 million of new capital, your Company achieved a healthy rate of investment. During the year, the Manager maintained a cautious approach to certain sectors, which resulted in a small number of potential transactions being aborted due to client attrition as a result of the pandemic. Nevertheless, 24 new private and AIM quoted holdings were added to the portfolio, including several in the healthcare and life sciences sectors. Your Company also gained exposure to various new end markets including web archiving, data analytics and cyber security, which offer highly defensive qualities and are likely to continue to grow when the immediate impact of the pandemic subsides. The provision of performance based follow-on funding remains a key component of the investment strategy, as it is generally recognised that many earlier stage companies are likely to require several rounds of capital before they are fully scaled and shareholder value can be optimised. Full details on portfolio developments and a summary of the investments completed during the year can be found in the Investment Manager's Review on pages 21 to 31 of this Annual Report.

The uncertainty surrounding the UK's future global trading relationships has continued throughout the year. The UK formally left the EU on 31 January 2020 and entered an eleven-month transition period that ended on 31 December 2020. The EU (Future Relationship) Act 2020, which was agreed with the EU on 24 December 2020, came into effect on 1 January 2021. The potential impact of Brexit has been closely monitored across the portfolio of investee companies and, as at the date of this Annual Report, there is nothing material to report. The majority of the investee companies have limited direct exposure to the EU, and those that do have been implementing contingency plans to mitigate any potential impact. Furthermore, it is not anticipated that there will be any changes to the legislation governing VCTs as a result of Brexit.

Prior to the emergence of the pandemic, two profitable exits were completed, with the realisations of the holdings in **Attraction World** and **Global Risk Partners**. Towards the end of the financial year, there was a further positive development when your Company successfully exited its holding in **Symphonic Software** through a sale to a US listed trade acquirer. The exit generated a total return of 2.92 times cost in a holding period of just under two years. The Directors are optimistic that further profitable exits can be achieved from the early stage portfolio as they develop and achieve scale, although it may take time for them to mature and for full value to be optimised. The timing of exits is often hard to predict, and this is particularly pertinent for the early stage portfolio, where certain companies may attract early interest from a strategic acquirer, whereas others may need to raise further capital in order to develop to their full potential before a formal exit process can be initiated.

### Proposed Final Dividend

In respect of the year ended 30 November 2020, your Board is proposing a final dividend of 1.00p per Ordinary Share to be paid on 16 April 2021 to Shareholders on the register at 19 March 2021. This will bring total distributions for the year to 3.00p per Ordinary Share, representing a yield of 6.00% based on the year end closing mid-market share price of 50.00p. Since the Company's launch, and after receipt of the proposed final dividend, Shareholders will have received 89.17p per share in tax free distributions. It should be noted that the effect of paying dividends is to reduce the NAV of the Company by the total cost of the distribution.

### Dividend Policy

As Shareholders will be aware from recent Interim and Annual Reports, decisions on distributions take into consideration the availability of surplus revenue, the realisation of capital gains, the adequacy of distributable reserves and the VCT qualifying level, all of which are kept under close and regular review by the Board and the Manager.

Given the higher concentration of growth companies within the portfolio, future distributions will be closely linked to realisation activity, whilst also reflecting the Company's requirement to maintain its minimum VCT qualifying level. If larger distributions are required, as a consequence of exits, this could result in a corresponding reduction in NAV per share. However, the Board considers this to be a tax efficient means of returning value to Shareholders, whilst ensuring ongoing compliance with the requirements of the VCT legislation.

The Board and the Manager have been giving consideration to establishing a dividend policy. Further to these discussions, in future years, the Board will seek to pay an annual dividend that provides Shareholders with a yield of up to 5% of the year-end NAV per share.

### **Dividend Investment Scheme (DIS)**

Your Company operates a DIS, through which Shareholders may elect to have their dividend payments utilised to subscribe for new Ordinary Shares issued by the Company under the standing authority requested from Shareholders at Annual General Meetings. Due to the volatility in financial markets at the outset of the COVID-19 pandemic, the DIS was temporarily suspended on 26 March 2020, before being fully reinstated on 24 July 2020 ahead of the payment of the 2020 interim dividend.

Shareholders who wish to participate in the DIS in respect of future dividends, including the payment of the proposed final dividend, should ensure that a DIS mandate or CREST instruction, as appropriate, is received by the Registrar (Link Group) in advance of 6 April 2021, this being the next dividend election date. The mandate form, terms & conditions and full details of the scheme (including further details about tax considerations) are available from the Company's website at [www.mavencp.com/migvct3](http://www.mavencp.com/migvct3). Election to participate in the DIS can also be made through the Registrar's share portal at [www.signalshares.com](http://www.signalshares.com). Shares issued under the DIS should qualify for VCT tax relief applicable for the tax year in which they are allotted, subject to an individual Shareholder's particular circumstances. If a Shareholder is in any doubt about the merits of participating in the DIS, or their own tax status, they should seek advice from a suitably qualified adviser.

### **Fund Raising and Allotments**

On 13 November 2019, the Directors of your Company, together with the board of Maven Income and Growth VCT 4 PLC, launched joint Offers for Subscription for new Ordinary Shares of up to £15 million in aggregate (£7.5 million for each company). Your Company's Offer closed on 28 January 2020, fully subscribed.

An allotment of 11,065,572 new Ordinary Shares, in respect of the 2019/20 tax year, was made on 5 February 2020. An allotment of 1,443,232 new Ordinary Shares, in respect of the 2020/21 tax year, was made on 9 July 2020. Further details regarding the new Ordinary Shares issued under the Company's Offer for Subscription can be found in Note 12 to the Financial Statements.

This additional liquidity will enable your Company to continue to execute its investment strategy through selective new investments in both private and AIM quoted companies, alongside the provision of follow-on funding to support the continued growth of the existing portfolio. Furthermore, the funds raised will allow your Company to maintain its share buy-back policy, whilst also spreading costs over a wider asset base in line with the objective of maintaining a competitive total expense ratio for the benefit of all Shareholders.

### **Share Buy-backs**

Shareholders will be aware that a primary objective for the Board is to ensure that the Company retains sufficient liquidity for making investments in line with its stated policy, and for the continued payment of dividends. However, the Directors also acknowledge the need to maintain an orderly market in the Company's shares and have, therefore, delegated authority to the Manager to buy back shares in the market for cancellation or to be held in treasury, subject always to such transactions being in the best interests of Shareholders. Despite the market volatility in relation to COVID-19, the Board maintained the view that it was appropriate to continue to operate the buy-back policy as this is an important mechanism for ensuring an orderly market in your Company's shares.

It is intended that, subject to market conditions, available liquidity and the maintenance of the Company's VCT status, Ordinary Shares will be bought back at prices representing a discount of between 5% and 10% to the prevailing NAV per share.

### **Regulatory Developments**

During the year, there have been no further amendments to the rules governing VCTs. The Chancellor did not issue an Autumn 2020 Budget as the Treasury's focus at the time was on providing stimulus packages to support the economy through the pandemic. The Spring Budget was delivered on 3 March 2021, with no specific changes being proposed to the regulations governing VCTs.

The requirement of the Finance Act 2018, which increased the threshold level of qualifying investments that a VCT must hold from 70% to 80%, was comfortably achieved by your Company ahead of 1 December 2019, being the required date of compliance. The qualifying level continues to be closely monitored by the Manager and reviewed by the Board on a regular basis.

Following the outbreak of COVID-19, a number of regulatory changes were implemented to assist companies through the crisis. The Corporate Insolvency and Governance Act 2020 temporarily suspended parts of insolvency law to support directors, whose companies continued to trade through the emergency, from the threat of personal liability for wrongful trading and to protect companies from creditor action. This suspension has been extended until April 2021. In addition, Company Law and other legislation was amended to provide companies with temporary easements on company filings and the holding of Annual General Meetings.

On 27 March 2020, the International Private Equity and Venture Capital Valuation (IPEV) Guidelines Board issued Coronavirus Special Valuation Guidance to assist managers who are applying the IPEV Valuation Guidelines to their portfolios from 31 March 2020. The Guidelines were last updated in 2018 and are the prevailing framework for fair value information in the private equity and venture capital industry. The Directors and the Manager continue to apply the IPEV Guidelines as a central methodology for all private company valuations.

### **Environmental, Social and Governance (ESG)**

The Board recognises the importance of ESG principles and believes that each portfolio company should behave responsibly towards the environment and society. The Directors are pleased to report that the Manager considers environmental, social and governance matters as part of the investment appraisal process and ensures that any relevant ESG issues are identified at an early stage. The Manager is currently undertaking a programme of work to develop a framework that will ensure ESG issues are carefully managed throughout the period of investment, and there is close engagement with each portfolio company in relation to corporate governance practices and support for the management team in developing policies on the environment, community engagement, HR and employee relations, corporate governance and responsible product marketing.

The Directors are aware of the work that the Manager is undertaking to address the recommendations of the Task Force on Climate-related Financial Disclosures, which seek to address the material financial impacts of the global transition to a lower carbon economy. The Directors are satisfied that the Manager is taking the appropriate steps to address these requirements and will continue to monitor progress.

### **Annual General Meeting (AGM)**

The 2021 AGM will be held in the Glasgow office of Maven Capital Partners UK LLP on 7 April 2021 commencing at 12 noon. The Notice of Annual General Meeting can be found on pages 85 to 90 of this Annual Report.

The Directors understand that the AGM is a good opportunity for Shareholders to meet the Board and the Manager but consider the well-being of its Shareholders and other AGM attendees to be their immediate priority. In light of the current Government advice against all non-essential travel and public gatherings, Shareholders will be unable to attend the AGM in person and should instead vote using the Proxy Form, which should be completed and returned in accordance with the instructions thereon. The latest time for the receipt of Proxy Forms is 12.00 noon on 1 April 2021. Proxy votes can also be submitted by CREST or online using the Registrar's Share Portal Service at [www.signalshares.com](http://www.signalshares.com).

The Directors also encourage Shareholders to submit any questions to the Board and the Manager by email or by letter in advance of the AGM. Shareholders wishing to submit a question should write to: **The Company Secretary, Maven Income and Growth VCT 3 PLC, c/o Maven Capital Partners UK LLP, First Floor, Kintyre House, 205 West George Street, Glasgow G2 2LW** or email: [CoSec@mavencp.com](mailto:CoSec@mavencp.com). A summary of responses will be published after the AGM on the Company's website at: [www.mavencp.com/migvct3](http://www.mavencp.com/migvct3).

### **The Future**

The Directors are encouraged by the resilient performance that has been achieved in the financial year where, against a backdrop of significant economic uncertainty and disruption, your Company has managed to deliver on its key strategic objectives. The investee portfolio has seen notable expansion and contains a number of companies that are demonstrating strong growth and have the potential to generate Shareholder value as they achieve scale. Your Company is well capitalised and has a portfolio of significant breadth and diversity, with a range of attractive growth companies alongside the holdings in more established private companies, and an increasing number of AIM quoted assets. The Board believes that this balanced and diversified approach to portfolio construction should ensure that your Company continues to generate positive Shareholder returns in the years ahead.

**Atul Devani**  
**Chairman**

**5 March 2021**

# BUSINESS REPORT

**This Business Report is intended to provide an overview of the strategy and business model of the Company, as well as the key measures used by the Directors in overseeing its management. The Company is a venture capital trust and invests in accordance with the investment objective set out below.**

## Investment Objective

The Company aims to achieve long-term capital appreciation and generate income for Shareholders.

## Business Model and Investment Policy

The Company intends to achieve its objective by:

- investing the majority of its funds in a diversified portfolio of shares and securities in smaller, unquoted UK companies and AIM/AQSE quoted companies that meet the criteria for VCT qualifying investments and have strong growth potential;
- investing no more than £1.25 million in any company in one year and no more than 15% of the Company's assets by cost in one business at any time; and
- borrowing up to 15% of net asset value, if required and only on a selective basis, in pursuit of its investment strategy.

## Principal and Emerging Risks and Uncertainties

The Board and the Audit & Risk Committee have an ongoing process for identifying, evaluating and monitoring the principal and emerging risks and uncertainties facing the Company. The risk register and dashboard form key parts of the Company's risk management framework used to carry out a robust assessment of the risks, including a significant focus on the controls in place to mitigate them. The principal and emerging risks and uncertainties facing the Company are considered to be as follows:

### *Investment Risk*

The majority of the Company's investments are in small and medium sized unquoted UK companies and AIM/AQSE quoted companies which, by their nature, carry a higher level of risk and lower liquidity than investments in large quoted companies. The Board aims to limit the risk attached to the investment portfolio as a whole by ensuring that a robust and structured selection, monitoring and realisation process is applied. The Board reviews the investment portfolio with the Manager on a regular basis.

The Company manages and minimises investment risk by:

- diversifying across a large number of companies;
- diversifying across a range of economic sectors;
- actively and closely monitoring the progress of investee companies;
- co-investing with other clients of Maven, other VCT managers and/or other co-investment partners;
- ensuring valuations of underlying investments are made fairly and reasonably (see Notes to the Financial Statements 1(e), 1(f) and 16 for further details);
- taking steps to ensure that share price discount is managed appropriately; and
- choosing and appointing an FCA authorised investment manager with the skills, experience and resources required to achieve the investment objective, with ongoing monitoring to ensure the Manager is performing in line with expectations.

### *Internal Control Risk*

The Board regularly reviews the system of internal controls, both financial and non-financial, operated by the Company, the Manager and other third party outsourcers such as the Custodian and Registrar. These include controls designed to ensure that the Company's assets are safeguarded, all records are complete and accurate and that the third parties have adequate controls in place to prevent data protection and cyber security failings.



**VCT Qualifying Status Risk**

The Company operates in a complex regulatory environment and faces a number of related risks, including:

- becoming subject to capital gains tax on the sale of its investments as a result of a breach of Section 274 of the Income Tax Act 2007;
- loss of VCT status and the consequential loss of tax reliefs available to Shareholders as a result of a breach of the VCT Regulations;
- loss of VCT status and reputational damage as a result of serious breach of other regulations such as the FCA Listing Rules and the Companies Act 2006 (the Companies Act); and
- increased investment restrictions resulting from the EU State Aid Rules incorporated by the Finance (No. 2) Act 2015 and the Finance Act 2018.

The Board works closely with the Manager to ensure compliance with all applicable and upcoming legislation, such that VCT qualifying status is maintained. Further information on the management of this risk is detailed under other headings in this Business Report.

**Legislative and Regulatory Risk**

The Directors strive to maintain a good understanding of the changing regulatory agenda and consider emerging issues so that appropriate changes can be implemented and developed in good time. In order to maintain its approval as a VCT, the Company is required to comply with current VCT legislation in the UK as well as the EU State Aid Rules. Changes to either legislation could have an adverse impact on Shareholder investment returns, whilst maintaining the Company's VCT status. The Board and the Manager continue to make representations where appropriate, either directly or through relevant industry bodies such as the Association of Investment Companies (AIC), the British Venture Capital Association (BVCA) and the Venture Capital Trust Association (VCTA).

The Company has retained Philip Hare & Associates LLP as its principal VCT adviser and also uses the services of a number of other VCT advisers on a transactional basis.

Breaches of other regulations including, but not limited to, the Companies Act, the FCA Listing Rules, the FCA Disclosure Guidance and Transparency Rules, the General Data Protection Regulation (GDPR), and the Alternative Investment Fund Managers Directive (AIFMD), could lead to a number of detrimental outcomes and reputational damage. Breaches of controls by service providers to the Company could also lead to reputational loss or damage.

The AIFMD, which regulates the management of alternative investment funds, including VCTs, introduced an authorisation and supervisory regime for all investment companies in the EU. The Company is a small registered, internally managed alternative investment fund under the AIFMD, and its status as such is unchanged as a result of the UK's departure from the EU. The Company is also required to comply with tax legislation under the Foreign Account Tax Compliance Act and the Common Reporting Standard. The Company has appointed Link Group to act on its behalf to report annually to HM Revenue & Customs (HMRC) and ensure compliance with this legislation.

**Political Risk**

Although the EU (Future Relationship) Act 2020 came into effect on 1 January 2021, the full political, economic and legal consequences of the UK leaving the EU are not yet known. It is possible that investments in the UK may be more difficult to value and assess for suitability of risk, harder to buy or sell, and may be subject to greater or more frequent rises and falls in value. In the longer term, there is likely to be a period of uncertainty as the UK seeks to negotiate its ongoing relationship with the EU and other global trade partners.

In the future, UK laws and regulations, including those relating to investment companies and AIFMs, may diverge from those of the EU. This may lead to changes in the operation of the Company, the rights of investors, or the list of territories in which the shares of the Company can be promoted or sold.

The Board regularly reviews the political situation, together with any associated changes to the economic, regulatory and legislative environment, in order to ensure that any risks are mitigated as effectively as possible.

### ***Climate Change and Social Responsibility Risk***

The Board recognises that climate change is an important emerging risk that all companies should take into consideration within their strategic planning. As referred to elsewhere in this Strategic Report and in the Statement of Corporate Governance, the Company has little direct impact on environmental issues. However, the Company has introduced measures to reduce the cost and environmental impact of the production and circulation of Shareholder documentation such as the annual and interim reports. This has resulted in a significant reduction in the number of paper copies being printed and posted, with fewer than 10% of Shareholders now receiving printed reports.

The Board is aware that the Manager is increasing efforts in relation to the identification of environmental risks and opportunities, and is developing its ESG policy accordingly. Environmental risk is a fundamental aspect of due diligence and industry specialists are assigned where there may be specific concerns in relation to a potential business or sector. The results are then factored into the decision making process for new investments. VCTs in general are regarded as supporting small and medium sized enterprises, which helps to create local employment opportunities across a range of UK geographical regions.

### **Other Risks**

#### ***Governance Risk***

The Directors are aware that an ineffective Board could have a negative impact on the Company and its Shareholders. The Board recognises the importance of effective leadership and board composition, and this is ensured by completing an annual evaluation process, with action being taken if required.

#### ***Management Risk***

The Directors are aware of the risk that investment opportunities could fail, or the management of the VCT could breach the Management and Administration Deed or regulatory parameters, due to lack of knowledge and/or experience of the investment professionals acting on behalf of the Company. To manage this risk, the Board has appointed Maven as investment manager, as it employs skilled professionals with the required VCT knowledge and experience. In addition, the Board takes comfort that the Manager's controls have been updated to ensure compliance with the Senior Managers and Certification Regime (SMCR).

The Directors are also mindful of the impact that the loss of the Manager's key employees could have on both investment opportunities that may be lost or existing investments that may fail. The Board is reassured by the Manager's approach to incentivising staff and ensuring that adequate notice periods are included in all contracts of employment.

#### ***Financial and Liquidity Risk***

As most of the investments require a mid to long term commitment and are relatively illiquid, the Company retains a portion of the portfolio in cash and listed investment trusts in order to finance any new or follow-on investment opportunities. The Company has only limited direct exposure to currency risk and does not enter into any derivative transactions.

#### ***Economic Risk***

The valuation of investment companies may be affected by underlying economic conditions such as fluctuating interest rates and the availability of bank finance, which can be impacted during times of geopolitical uncertainty and fluctuating markets. The economic and market environment is kept under constant review and the investment strategy of the Company is adapted so far as possible to mitigate emerging risks.

#### ***Credit Risk***

The Company may hold financial instruments and cash deposits and is dependent on counterparties discharging their agreed responsibilities. The Directors consider the creditworthiness of the counterparties to such instruments and seek to ensure that there is no undue concentration of exposure to any one party.

An explanation of certain economic and financial risks and how they are managed is contained in Note 16 to the Financial Statements.

### **Statement of Compliance with Investment Policy**

The Company is adhering to its stated investment policy and managing the risks arising from it. This can be seen in various tables and charts throughout this Annual Report, from information provided in the Chairman's Statement and in the Investment Manager's Review. A review of the Company's business, its position as at 30 November 2020 and its performance during the year then ended is included in the Chairman's Statement, which also includes an overview of the Company's business model and strategy.

The management of the investment portfolio has been delegated to Maven, which also provides company secretarial, administrative and financial management services to the Company. The Board is satisfied with the depth and breadth of the Manager's resources and its nationwide network of offices, which supply new deals and enable it to monitor the geographically widespread portfolio of companies effectively.

The Investment Portfolio Summary on pages 38 to 40 of this Annual Report discloses the investments in the portfolio and the degree of co-investment with other clients of the Manager. The tabular analysis of the unlisted and quoted portfolio



on pages 19 and 20 shows that the portfolio is diversified across a variety of sectors and transaction types. The level of qualifying investments is monitored continually by the Manager and reported to the Audit & Risk Committee quarterly, or as otherwise required.

### Key Performance Indicators (KPIs)

During the year, the net return on ordinary activities before taxation was £273,000 (2019: £256,000), gains on investment were £782,000 (2019: £641,000) and earnings per share were 0.35p (2019: 0.37p). The Directors also use a number of Alternative Performance Measures (APMs) in order to assess the Company's success in achieving its objectives, and these also enable Shareholders and prospective investors to gain an understanding of its business. The APMs are shown in the Financial Highlights on pages 4 and 5.

In addition, the Board considers the following to be KPIs:

- NAV total return;
- annual yield;
- share price discount to NAV;
- investment income; and
- operational expenses.

The NAV total return is considered to be a more appropriate long-term measure of Shareholder value as it includes both the current NAV per share and the sum of dividends paid to date. The annual yield is the total dividends paid for the financial year, expressed as a percentage of the share price at the year end date. The Directors seek to pay dividends to provide a yield and comply with the VCT rules, taking account of the level of distributable reserves, profitable realisations in each accounting period and the Company's future cash flow projections. The share price discount to NAV is the percentage by which the mid-market price of a share is lower than the NAV per share. A historical record of these measures is shown in the Financial Highlights on pages 4 and 5. The change in the profile of the portfolio is reflected in the Summary of Investment Changes on page 6. Definitions of these APMs can be found in the Glossary on page 93. The Board also reviews the Company's investment income and operational expenses on a quarterly basis, as the Directors consider that both of these elements are important components in the generation of Shareholder returns. Further information can be found in Notes 2 and 4 to the Financial Statements on page 75.

There is no VCT index against which to compare the performance of the Company. However, for reporting to the Board and Shareholders, the Manager uses comparisons with the most appropriate index, being the FTSE AIM All-Share Index. The Directors also consider non-financial performance measures such as the flow of investment proposals and ranking of the VCT sector by independent analysts.

In addition, the Directors consider economic, regulatory and political trends and factors that may impact on the Company's future development and performance.

### Valuation Process

Investments held by Maven Income and Growth VCT 3 PLC in unquoted companies are valued in accordance with the International Private Equity and Venture Capital Valuation Guidelines. Investments quoted or traded on a recognised stock exchange, including AIM, are valued at their bid prices.

### Share Buy-backs

At the forthcoming AGM, the Board will seek the necessary Shareholder authority to continue to conduct share buy-backs under appropriate circumstances.

### The Board's Duty and Stakeholder Engagement

The Directors recognise the importance of an effective Board and its ability to discuss, review and make decisions to promote the long-term success of the Company and protect the interests of its key stakeholders. As required by provision 5 of the AIC Code (and in line with the UK Code), the Board has discussed the Directors' duty under Section 172 of the Companies Act and how the interests of key stakeholders have been considered in the Board discussions and decision making during the year.

This has been summarised in the table below:

Form of engagement	Influence on Board decision making
<p><b>Shareholders</b></p> <p>AGM - Under normal circumstances, Shareholders are encouraged to attend the AGM and are provided with the opportunity to ask questions and engage with the Directors and the Manager. Shareholders are also encouraged to exercise their right to vote on the resolutions proposed at the AGM. In respect of the 2021 AGM, please note the guidance in the Chairman's Statement on page 12.</p> <p>Shareholder documents – the Company reports formally to Shareholders by publishing Annual and Interim Reports, normally in March and July each year. In the instance of a corporate action taking place, the Board will communicate with Shareholders through the issue of a Circular and, if required, a Prospectus.</p> <p>In addition, significant matters or reporting obligations are disseminated to Shareholders by way of Stock Exchange Announcements.</p> <p>The Secretary acts as a key point of contact for the Board and communications received from Shareholders are circulated to the whole Board.</p>	<p>Dividend declarations – the Board recognises the importance of tax-free dividends to Shareholders and takes this into consideration when making decisions to pay interim and propose final dividends for each year. Further details regarding dividends for the year under review can be found in the Chairman's Statement on pages 10 and 11.</p> <p>Share buy-back policy – the Directors recognise the importance to Shareholders of the Company maintaining an active buy-back policy and considered this when establishing the current programme. Further details can be found in the Chairman's Statement on page 11 and in the Directors' Report on pages 44 and 45.</p> <p>Offer for Subscription – in making a decision to launch an Offer for Subscription, the Directors considered that it would be in the interest of Shareholders to continue to grow the portfolio and make investments across a diverse range of sectors. By growing the Company, costs are spread over a wider asset base, which helps to promote a competitive total expense ratio, which is in the interests of Shareholders. In addition, the increased liquidity helps support the buy-back policy referred to above. Further details regarding the most recent Offer for Subscription can be found in the Chairman's Statement on page 11.</p> <p>Liquidity management – in order to generate income and add value for Shareholders, the Board has an active liquidity management policy, which has the objective of generating income from the cash held prior to investment. Further details regarding the liquidity management policy can be found in the Investment Manager's Report on page 23.</p>
<p><b>Environment and society</b></p> <p>The Directors and the Manager take account of the social environment and ethical factors impacted by the Company and the investments that it makes.</p>	<p>The Directors and the Manager are aware of their duty to act in the interests of the Company and acknowledge that there are risks associated with investment in companies that fail to conduct business in a socially responsible manner. Further details can be found in the Statement of Corporate Governance on page 55.</p>
<p><b>Portfolio companies</b></p> <p>Quarterly Board Meetings – the Manager reports to the Board on the portfolio companies and the Directors challenge the Manager where they feel it is appropriate. The Manager then communicates directly with each portfolio company, normally through the Maven representative who sits on the board of the portfolio company.</p>	<p>The Directors are aware that the exercise of voting rights is key to promoting good corporate governance and, through the Manager, ensures that the portfolio companies are encouraged to adopt best practice corporate governance. The Board has delegated the responsibility for monitoring the portfolio companies to the Manager and has given it discretion to vote in respect of the Company's holdings in the investment portfolio, in a way that reflects the concerns and key governance matters discussed by the Board. From time to time, the management teams of investee companies give presentations to the Board. The Manager's ESG assessment of investee companies focuses heavily on their impact on their environment, challenging fundamental aspects such as energy and emissions usage, and targets an approach to waste and recycling as well as broader social themes such as the companies' approach to diversity and inclusion in the workplace and their work with charities.</p> <p>The Board is also mindful that, as the portfolio expands and the proportion of early stage investment increases, follow-on funding will represent an important part of the Company's investment strategy and this forms a key part of the Directors' discussions on valuations, risk management and fundraising.</p>

Form of engagement	Influence on Board decision making
<b>Manager</b> Quarterly Board Meetings – the Manager attends every Board Meeting and presents a detailed portfolio analysis and reports on key issues such as VCT compliance, investment pipeline and utilisation of any new monies raised.	The Manager is responsible for implementing the investment objective and the strategy agreed by the Board. In making a decision to launch any Offer for Subscription, the Board needs to consider that the Company requires to have sufficient liquidity to continue to expand and broaden the investment portfolio in line with the strategy, including the provision of follow-on funding, as referred to above.
<b>Registrar</b> Annual review meetings and control reports.	The Directors review the performance of all third party service providers on an annual basis, including ensuring compliance with GDPR.
<b>Custodian</b> Regular statements and control reports received, with all holdings and balances reconciled.	The Directors review the performance of all third party providers on an annual basis, including oversight of securing the Company's assets.

### Employee, Environmental and Human Rights Policy

The Company has no direct employee or environmental responsibilities, nor is it responsible directly for the emission of greenhouse gases. The Board's principal responsibility to Shareholders is to ensure that the investment portfolio is managed and invested properly. As the Company has no employees, it has no requirement to report separately on employment matters. The Board comprises four male Directors and delegates responsibility for diversity to the Nomination Committee, as explained in the Statement of Corporate Governance on page 54.

The management of the portfolio is undertaken by the Manager through members of its portfolio management team. The Manager engages with the Company's underlying investee companies in relation to their corporate governance practices and in developing their policies on social, community and environmental matters and further information can be found in the Statement of Corporate Governance. Additional work is being carried out by the Manager to establish a framework for the effective capture of ESG information, consistently across all investee companies. Maven will be overseeing the collation of this information for the benefit of the Board, but will also be supporting individual investee companies to identify their ESG risks and opportunities and, where potential improvements are identified, will work jointly with the business to make positive changes. In light of the nature of the Company's business, there are no relevant human rights issues and, therefore, the Company does not have a human rights policy.

### Auditor

The Company's Auditor is required to report if there are any material inconsistencies between the content of the Strategic Report and the Financial Statements. The Independent Auditor's Report can be found on pages 61 to 68.

### Future Strategy

The Board and Manager intend to maintain the policies set out above for the year ending 30 November 2021, as it is believed that these are in the best interests of Shareholders.

### Approval

The Business Report, and the Strategic Report as a whole, was approved by the Board of Directors and signed on its behalf by:

**Atul Devani**  
**Director**

**5 March 2021**

# ANALYSIS OF UNLISTED AND QUOTED PORTFOLIO

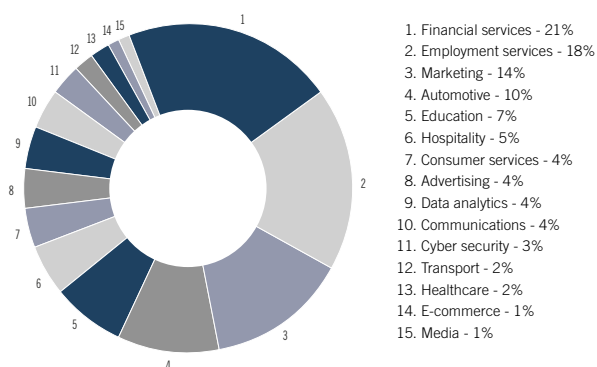
As at 30 November 2020

Industry sector	Unlisted valuation £'000	%	Quoted valuation £'000	%	Total valuation £'000	%
Software & computer services <sup>1</sup>	14,080	41.2	508	1.4	14,588	42.6
Support services <sup>1</sup>	5,493	16.1	3	-	5,496	16.1
Investment companies <sup>2</sup>	331	1.1	2,528	7.4	2,859	8.5
Electronic & electrical equipment	2,267	6.6	110	0.3	2,377	6.9
Energy services	2,267	6.6	-	-	2,267	6.6
Pharmaceuticals & biotechnology	564	1.6	1,432	4.2	1,996	5.8
Health	1,384	4.0	133	0.4	1,517	4.4
Technology	485	1.4	566	1.7	1,051	3.1
Telecommunication services	1,024	3.0	-	-	1,024	3.0
Insurance	438	1.3	-	-	438	1.3
Specialised manufacturing	303	0.8	-	-	303	0.8
Chemicals & materials	-	-	239	0.7	239	0.7
Diversified industrials	74	0.2	-	-	74	0.2
<b>Total</b>	<b>28,710</b>	<b>83.9</b>	<b>5,519</b>	<b>16.1</b>	<b>34,229</b>	<b>100.0</b>

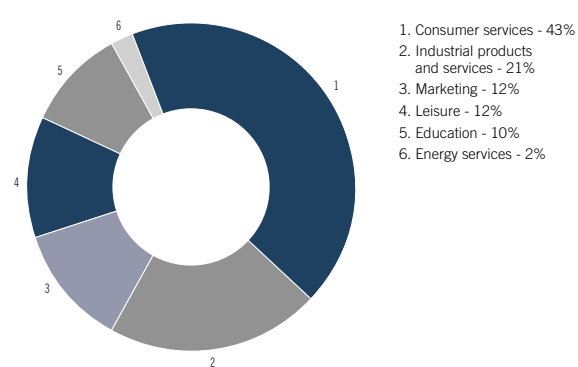
<sup>1</sup> The charts below show the breakdown by end-user market.

<sup>2</sup> Quoted holdings are in investment trusts held as part of liquidity management strategy.

## Breakdown of Software & Computer Services



## Breakdown of Support Services



# ANALYSIS OF UNLISTED AND QUOTED PORTFOLIO (CONTINUED)

As at 30 November 2020

Transaction type	Number	Valuation £'000	%
<b>Unlisted</b>			
Growth capital - post 2015 <sup>1</sup>	41	19,559	57.2
Investments completed pre 2015 <sup>2</sup>	18	9,151	26.7
<b>Total unlisted</b>	<b>59</b>	<b>28,710</b>	<b>83.9</b>
<b>Quoted</b>			
AIM/AQSE	21	2,991	8.7
Listed <sup>3</sup>	12	2,528	7.4
<b>Total quoted</b>	<b>33</b>	<b>5,519</b>	<b>16.1</b>
<b>Total unlisted and quoted<sup>4</sup></b>	<b>92</b>	<b>34,229</b>	<b>100.0</b>

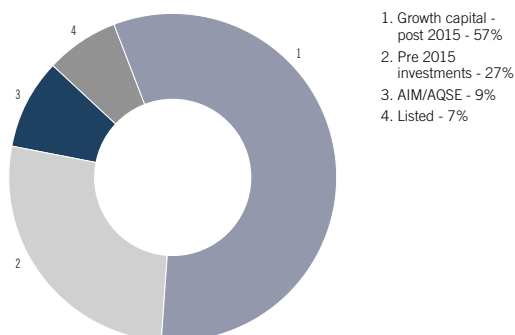
<sup>1</sup> The Finance (No. 2) Act 2015 introduced new qualifying rules governing the types of investments VCTs can make.

<sup>2</sup> Includes all investments completed prior to the enactment of the Finance (No. 2) Act 2015.

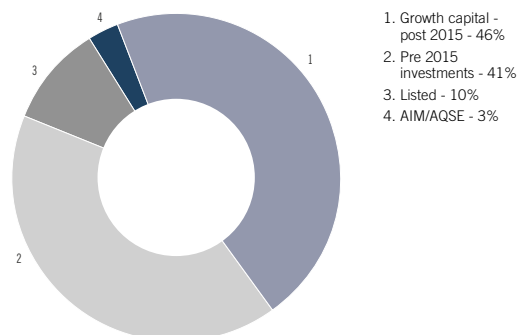
<sup>3</sup> Holdings in investment trusts held as part of liquidity management strategy.

<sup>4</sup> Excludes cash balances.

Valuation by Transaction Type - November 2020



Valuation by Transaction Type - November 2019



# INVESTMENT MANAGER'S REVIEW

## HIGHLIGHTS

24 new private and AIM quoted company holdings added to the portfolio during the year, with a further new investment completed after the period end

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Realisation of Attraction World for a total return of 1.94 times cost

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Partial realisation of Global Risk Partners for a total return of 2.55 times cost

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Realisation of ITS Technology for a total return of 1.02 times cost

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Realisation of Symphonic Software for a total return of 2.92 times cost

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**The rapid change in economic conditions resulting from the outbreak of COVID-19 created a complex operating environment for the Manager during the period under review. It is, therefore, encouraging to report that, although the pandemic inevitably had a short term impact on the trading of certain portfolio companies, many of the more defensive portfolio holdings have been relatively unaffected, whilst others have continued to grow their revenues. This highlights the benefits of the sectorally diverse portfolio, that has been constructed over recent years and which has provided some protection against the wider market conditions arising from the pandemic. The AIM quoted portfolio delivered a positive performance during the year, with a number of new investments completed, including several in the healthcare and life sciences sectors. Whilst retaining a cautious approach to certain sectors, the Manager has maintained a good rate of deployment, significantly increasing the number of investments in line with the strategic objective of building a large and highly diversified portfolio of unlisted and AIM quoted holdings. A key highlight of the financial year was the realisation of Symphonic Software, which was sold to a US trade buyer in October 2020 achieving a total return of 2.92 times cost over a holding period of less than two years.**

At the outset of the pandemic, and in support of your Company's objectives, the immediate priority was the safety and wellbeing of the Maven team and the protection of Shareholder value. In line with Government and local guidelines, Maven's regional offices migrated to a home-working model, with all non-essential travel cancelled and meetings taking place by video conference or telephone. This transition was achieved with continuity of service throughout. Latterly, the Manager's offices have re-opened, with social distancing measures and enhanced hygiene protocols in place. Maven will continue to follow Government advice and local guidelines with respect to its day-to-day operations.

Shortly after the outbreak of COVID-19 in the UK, Maven swiftly initiated a comprehensive review of the portfolio, to ascertain the likely impact on a case by case basis. The investment team has been actively involved, working closely with each management team to assess the impact and to ensure that costs and cash have been carefully managed. Maven also provided assistance in helping portfolio companies to access Government support such as the Coronavirus Job Retention Scheme and the Coronavirus Business Interruption Loans Scheme. Following that initial review, the Board approved a small number of specific provisions against holdings in unlisted companies that were most affected, particularly those with direct exposure to sectors where lockdown restrictions had an immediate impact on trading ability. A revised NAV was announced to the market on 26 March 2020, reflecting those provisions alongside a revaluation of all AIM quoted and listed holdings based on market prices at that time. However, the breadth and diversity of the portfolio has proven to be a core strength throughout this period and it is encouraging to report that there has been a recovery in value since this review was conducted, as reflected in the NAV and NAV total return per share reported at the year end.

Whilst the market conditions caused by the pandemic have created challenges for some investee companies, most of the portfolio assets have proven to be operationally resilient and have continued to achieve growth in revenue during the year. A large proportion of your portfolio is now invested in earlier stage companies, and a number of these younger investee companies have seen an acceleration of their business model to reflect the rapid and widespread uptake of digital solutions. This includes increased use of video-calls, online shopping, training, or click and collect services. In addition, your Company has exposure to a range of biotech and medtech companies that have been able to contribute to the global effort to develop COVID-19 tests or therapeutics, as well as helping to provide much needed medical equipment and supplies.

It is encouraging to report that 12 new private company assets were added to the portfolio during the year, predominantly in defensive sectors such as training, cyber security, web archiving, data analytics and healthcare, where there is limited direct consumer exposure. Where possible, Maven has actively sought to co-invest alongside another VCT house or partner, or has structured the investment to be delivered progressively in tranches, subject to achievement of agreed milestones, in order to further mitigate risk. The provision of follow-on funding to support portfolio companies that are making tangible commercial progress remains a key component of the investment strategy, as it is widely acknowledged that many growth companies will require several rounds of funding to help them achieve scale and realise maximum value at exit. Full details of the new portfolio companies can be found on pages 24 to 27 of this Annual Report.

Over recent years, the Manager has been steadily increasing your Company's exposure to AIM, to complement the core portfolio of private company holdings. During the year, 12 new AIM quoted holdings were added to the portfolio across a range of attractive and emerging sectors, including biotech, medtech and clean energy. Maven has several dedicated London based AIM VCT executives with a deep understanding of that market and long-standing relationships with the City broking community.

RegTech specialist **Symphonic Software** was sold to a US trade buyer in October 2020, for a total return of 2.92 times cost achieved over a holding period of less than two years, where the acquirer was attracted to Symphonic's unique platform and technology. Since the VCT rule change in 2015, your Company has been constructing a portfolio of early stage higher growth assets that are capable of generating a premium multiple of cost at exit. This represents the first material and high value exit from the early stage element of the private company portfolio.

## Portfolio Developments

Integrated drug discovery service provider **BioAscent Discovery** has achieved impressive growth since the Maven VCTs first invested in 2018. Over the past two years, the business has recorded 67% compound annual growth in revenue and was recently named top performing outsourcer in the Alantra Pharma Fast 50, which ranks the UK's fastest growing privately owned pharma and pharma service companies. Since investment, BioAscent has extended its services into complementary chemistry and biology areas, and has been involved in the UK's response to the outbreak of COVID-19, helping to set up a new testing facility in conjunction with the Scottish Government to scale up virus testing. Despite the challenging operating climate, BioAscent expects to record further growth in the year ahead.

Learning and development software provider **Filtered Technologies** has made strong progress since the Maven VCTs first invested in July 2019. The business provides skills training to corporate clients through its intelligent learning software solution and has maintained steady growth throughout the current year, with annual recurring revenue (ARR) doubling since the initial investment. During 2020, Filtered has demonstrated the resilient nature of its business model by harnessing its technology to develop specific products that enable clients to conduct virtual training to replace the usual "in person" conferences. The business has a strong client base and a number of interesting opportunities, indicating that further growth in ARR should be achievable in the year ahead.

The first crematoria developed by **Horizon Ceremonies**, in the Clyde Coast & Garnock Valley, continues to trade well having built a strong local market presence and a growing reputation for offering high quality service and care for families. During 2020, Horizon made further significant strategic progress, including securing planning consent for the construction of new crematoria on two further sites. Construction work is now well advanced at the location in Cannock, Staffordshire, and the facility is expected to open at the end of April 2021. Construction of the third crematorium in the suburbs of Glasgow commenced in August 2020 and is progressing in line with the plan. Two further sites are also now under option, with planning applications submitted. The medium term strategic objective remains to build a portfolio of modern, technologically advanced crematoria that meet the best ethical practice and environmental standards, and to sell the business to a trade acquirer when the business plan has been achieved.

**Martel Instruments**, a manufacturer and supplier of custom-built compact printers, portable data loggers and display units to the medical, pharmaceutical and other testing and compliance markets, has continued to experience strong trading over recent months, largely related to increased demand for medical devices. Martel's printers are used in clinical environments where COVID-19 has increased the importance of printing test results quickly. Martel has been operating at full capacity throughout the pandemic and has a strong forward order book. It is anticipated that this positive momentum will continue into the new year.



This has been an important year in the evolution of **QikServe**, which has developed a patented customer self-service platform that enables clients in hospitality venues to order and pay, either at their table or remotely, without the need for personal contact or handling menus. Your Company first invested in QikServe in December 2016 and, since then, the business has made good progress, including the 2019 acquisition of complementary technology business Preoday, a developer of an order ahead, click-and-collect, solution, which has added a supplementary service offering to QikServe's product range. The restrictions imposed by the pandemic have accelerated the transition towards digital ordering within the hospitality sector and QikServe has been well positioned to benefit. During the year, the business has added a number of new clients including Merlin Entertainment, motorway service station Moto and TGI Fridays, and has a strong pipeline of opportunities with high profile clients, which should help to continue to deliver growth in the year ahead.

This has been a challenging year for the automotive sector, with lockdown restrictions requiring car showrooms to remain closed and UK new car registrations 29% lower than the previous year. Despite the difficult market conditions, **Rockar**, the developer of a disruptive digital new and used car-buying software platform, has continued to make good progress, with its online white label solution attracting attention from a number of car manufacturers and national dealership groups that are keen to develop a digital alternative to either replace or complement the traditional showroom model. Rockar is well positioned to continue to grow its presence in this developing market, where it is anticipated that there will be a progressive move towards digitising the market for retail car sales in line with the general trend across the retail economy.

In 2016, your Company invested in **The GP Service (GPS)**, which provides a secure end-to-end system that allows patients to consult with a doctor online and to have a private prescription dispensed by a local pharmacy through an electronic private prescription portal. GPS remains at the forefront of this sector, which has seen strong growth during the COVID-19 pandemic, having secured Care Quality Commission accreditation and being currently the only private company with access to patients' NHS records. There are now 1,600 pharmacy partners signed up and the management team continues to progress a number of significant commercial agreements that could be transformational for the business. Notably, GPS recently won *The Santander Technology Business of the Year* at the 2020 Growing Business Awards.

Your Company first invested in **WaterBear Education** in February 2018, when Maven backed a management team with over 20 years' experience in the music education sector to set up a specialist private music college offering university accredited Bachelor of Arts and Master of Arts courses for the creative arts, primarily catering for musicians, singers and songwriters. During the year, the business achieved a significant milestone by finalising a commercial relationship with Falmouth University, and student numbers continue to grow. WaterBear was established to offer a blend of online and onsite tuition and this model has proved to be resilient against the market conditions and COVID-19 restrictions.

Conversely, a small number of portfolio companies have failed to gain necessary commercial traction. As reported at the half year, a full provision was taken against the holding in **Cognitive Geology**, which was unable to commercialise its petroleum geoscience software. More recently, a provision was taken against the holding in **ADC Biotechnology**, which encountered challenges in gaining regulatory approval for its new facility in North Wales. Shortly after the period end, and following a formal process led by a specialist corporate finance adviser, the business secured investment from Sterling Pharmaceuticals, which should assist the business in obtaining regulatory approval. A provision was also taken against the holding in **AVID Technology** which, whilst making commercial progress, has not scaled as quickly as anticipated.

The AIM quoted portfolio delivered an uplift in performance during the reporting period. Several investee companies operate in the healthcare sector and have been involved in developing COVID-19 related treatments or therapeutics. Healthcare is likely to remain an attractive investment area for the foreseeable future and it will continue to be a key focus of the Maven investment team, both in the unlisted and AIM markets. Your Company has holdings in a number of very interesting AIM quoted companies which operate in this space, such as **MaxCyte**, the clinical-stage global cell-based therapies and life sciences company, which has developed a cell-engineering enabled technology for the rapidly growing cell and gene-editing therapies market and **Diaceutics** which is building a strong position in the Precision Medicine market. Both companies operate in fast growing niche markets and have experienced strong growth during the reporting period. Another key contributor to the positive performance was **Byotrol**, which develops and manufactures antimicrobial and antiviral products for the home, healthcare and personal markets. Demand for products has been exceptional, with the share price responding accordingly.

## Liquidity Management

The Board and the Manager continue to operate an active liquidity management policy, with the objective of generating income from cash resources held prior to investment. Whilst the Finance Act 2016 introduced the restriction on holding investments in instruments such as treasury bills or other Government-backed securities for liquidity management purposes, it does permit VCTs holding certain other listed securities. The Manager has constructed a focused portfolio of private equity and real estate investment trust holdings, and will continue to consider any other permitted liquidity management investment options that have the potential to generate income prior to deployment in VCT qualifying assets.

## New Investments

This has been an active period for new investment, with the addition of 12 new private company holdings to the portfolio. These companies are active in some of the UK's most dynamic market sectors and areas that have continued to experience growth despite challenges within the wider economy.



**Coniq** has developed /Q, a market leading customer engagement platform that uses artificial intelligence (AI) driven capabilities to automate customer loyalty programmes for some of the world's leading shopping malls and outlets. The platform helps clients to understand the behaviour of shoppers, and thereby support loyalty programmes, which are ultimately designed to improve customer retention and increase average spend. The business has a global presence, with key clients in Europe and the Middle East, where there is a high prevalence of large-scale retail malls. The VCT funding is being used to accelerate technical development of the software platform, support the hiring of sales and marketing personnel, and facilitate international expansion.



**GEN inCode** has developed a range of patented products, which use genetic testing to provide predictive analysis of a patient's health risk in cardiovascular and related diseases, which collectively are the leading global cause of death and disability. Proprietary algorithms use AI, bioinformatics and a globally recognised clinical evidence base to provide actionable insights. With healthcare shifting from a 'one size fits all' approach towards tailored treatments that utilise patients' genetic information, GEN inCode's diagnostic solutions enable medical practitioners to develop targeted treatment and prevention plans; helping to transform the delivery of effective healthcare. The VCT funding is being used to expand its presence in the European market and to enter the US, which is seen as a key market for future growth.



**HiveHR** has developed a cloud-based Software as a Service (SaaS) solution designed to support an organisation's HR function and help improve employee engagement and communication. The platform collates and analyses the results of employee feedback surveys in real time, which serves to continually improve the HR function by understanding the opinions and suggestions from employees, as well as providing a medium to disseminate and implement new policies and services. HiveHR has a diverse customer base, including Accenture, BrewDog, Hermes, Tarmac, and various NHS and public sector organisations, and generates a high level of recurring revenue. The VCT funding is being used to support the growth of the business as it continues to expand its client base.



**Hublsoft** is a data analytics specialist that aims to provide better support for corporate decision makers. Through its SaaS platform, Hublsoft simplifies the analysis of big data using natural language and charts that are simple to interpret and understand. The smart user interface makes big data more accessible for clients who had previously found it too complex to handle or were heavily reliant on third parties to analyse and interpret the results. The VCT funding is being used to support the growth in new markets in the UK and Europe.



**Intilery** has developed a digital customer engagement platform that provides a holistic view of a client organisation's marketing activities and uses real time data about a customer's behaviour to identify opportunities for enhancing multi-channel marketing campaigns. Personalised interactions and timely reminders are used to improve the levels of engagement, increase loyalty and ultimately drive revenue growth. The VCT funding is being used to expand the sales and marketing team as well as further develop the product and associated technology.



**MirrorWeb** has developed a cloud-based social media and website archiving solution for public and private sector clients, which addresses the increasing requirement to preserve online data to meet statutory, regulatory or legal obligations. MirrorWeb provides a reliable, secure solution that allows clients to preserve legally admissible records in a digital archive, leading to reduced compliance costs and improved efficiency through automation. The business has built a strong recurring revenue base and has a client list that includes Aberdeen Standard Investments, the BBC, HM Treasury, Tesco Bank, The National Archives and Zurich Insurance Group. The VCT funding is being used to grow the sales and marketing function to help build a market presence in the UK and US, particularly within the financial services sector.



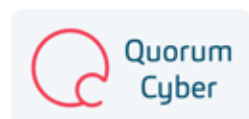
**Nano Interactive** is an advertising technology business that specialises in intent targeting to identify relevant individuals to receive advertising based on multiple live intent signals, including their online search activity. Nano's platform allows advertisers and agencies to target users, at the exact point of interest, whilst also prioritising user privacy. The company has a strong client base of blue-chip advertisers, including Microsoft and agency groups such as Omnicom and Publicis. The VCT funding is being used to further product development and establish a presence in the USA.



**Precursive** has developed a B2B SaaS platform that allows clients to automate their customer onboarding and workforce capacity management. The platform bridges the gap between customer relationship management sales systems and customer success platforms, in order to improve operational efficiency and reduce client attrition. Precursive has built a strong market position and has developed high-quality relationships with clients such as DPD, GoCardless, Google and SES, which also provides good levels of forward revenue visibility. The VCT funding is being used to hire additional development staff, grow outbound and channel sales, and invest in product development.



**Push Technology** is an established technology business that provides solutions to improve the speed, security and efficiency of critical data transfers. Push has built a strong blue-chip customer base across financial services, e-gaming companies and internet of things (IOT) sectors, where data transfer is of particularly high importance and value. Push engages with customers through long-term software licenses combined with annual recurring maintenance and support income. The VCT funding is being used to develop the business internationally and enhance the technology offering.



**Quorum Cyber Security** has developed an innovative platform that offers organisations a level of cyber security that would not be available in-house, including advisory services in crucial areas such as penetration testing, vulnerability management, forensic investigation and regulatory compliance. Quorum's fully managed cloud native *Security Operations Centre*, protects small and large businesses across a range of sectors, and the business also provides consulting and managed security services to companies across the globe, including the UK, Europe, Australasia, and the Middle East. The VCT funding is being used to invest in sales and marketing, as well as to further develop the relationship with Microsoft, which should enable Quorum to target larger customers in the future.



**RevLifter** has developed an AI powered B2B technology solution that helps e-retailers increase revenue through personalised offers hosted by client brands. The technology platform uses machine learning to analyse and understand multiple signals from customers' on-site behaviour in order to deliver incentives tailored to their preferences, thereby minimising cart abandonment, increasing sales and improving customer loyalty. RevLifter has gained a number of high-profile clients including ASOS, AT&T and US retailer Sam's Club. The VCT funding is being used to expand the sales and marketing function, build out the technical development and data science teams and grow the customer services function.



**The Algorithm People (TAP)** has developed a SaaS platform for the transport and logistics sectors. The *My Transport Planner* solution enables fleet operators to reduce costs by planning the most efficient route and job schedule for their vehicles (including electric vehicles). Delivery via a web browser removes the cost and complexity of implementation, or the need for investment in ancillary hardware, which are known barriers to the adoption of route optimisation technology for a large part of the market. TAP's technology also features a pay-as-you-go model (in addition to longer term contract options) to drive uptake by smaller fleet operators. The VCT funding is being used to progress new partnerships and increase market presence.

During the period, 12 new AIM quoted investments were also added to the portfolio.

- **AFC Energy** is a global leader in hydrogen power generation technologies. It has a proven fuel cell technology that is being commercialised through its *Hydrogen Power (H-Power)* product, an off-grid electric vehicle charging system that is run on hydrogen and produces no emissions. Your Company participated in the £31.6 million fundraising, which completed in July 2020. The investment is being used to facilitate the manufacture of the H-Power fuel cell, to employ manufacturing, engineering and commercial staff to support the expansion in target markets (electric vehicles and construction), and to fund further product development.
- **DeepMatter** is a technology company that has developed an integrated software, hardware and machine learning enabled platform, *DigitalGlassware*, which operates across the research and process development sectors. The solution enables users to translate chemistry processes into computer code, making it easier to record, reproduce and share. Your Company participated in the £2.1 million fundraising, which completed in July 2020. The investment is being used to strengthen the balance sheet and to provide capital to invest in sales, marketing and distribution to help grow market presence and market share.
- **Destiny Pharma** is a clinical stage biotechnology company focused on the development and commercialisation of novel medicines to prevent life threatening infections caused by antibiotic resistant bacteria such as MRSA. Destiny is also co-developing a preventative biotherapeutic product for the prevention of COVID-19. Your Company participated in the £9.5 million fundraising, which completed in November 2020. The investment is being used to fund Phase III clinical trial preparation costs and to provide additional working capital.
- **Diurnal** is a speciality pharmaceutical company developing high quality products for the life-long treatment of rare and chronic endocrine conditions, including congenital adrenal hyperplasia and adrenal insufficiency. Your Company participated in the £11.2 million fundraising, which completed in March 2020. The investment is being used to support the development and commercialisation of Diurnal's established products in the US and the rest of the world and to progress the early stage pipeline opportunities into clinical trial phases.
- **Eden Research** develops and supplies innovative biopesticide products and natural micro-capsulation technologies to the global crop protection, animal health and consumer products industries. Your Company participated in the £10.1 million fundraising, which completed in March 2020. This investment is being used to develop, register and commercialise key new products in categories such as insecticide formulation and seed treatment, taking a leading position in the rapidly growing sustainable agriculture market.
- **Faron Pharmaceuticals** is a clinical stage biopharmaceutical company that is developing novel treatments for medical conditions where there is currently limited effective treatment. Your Company participated in a market placing, which raised a total of £12 million and completed in April 2020. The investment is being used to support the expansion of the precision immunotherapy candidates, *Clevegen*, into planned cancer targets. It will also help to strengthen the balance sheet to assist further research and development.
- **Feedback** is a specialist medical imaging technology company that has developed *Bleepa*, an innovative medical communication app that allows radiologists, clinicians and medical researchers to view and discuss high quality images securely on mobile devices, directly from the hospital source, thereby improving workflow efficiency. Your company participated in the £5 million fundraising, which completed in July 2020. The investment is being used to enhance the sales force targeting NHS Trusts and other key strategic partners, to progress product development and accelerate international expansion.
- **Genedrive** is a molecular diagnostics company that is developing and commercialising a low cost, simple to use platform for the rapid diagnosis of infectious diseases and use in patient stratification pathogen detection and other indications. During the period, Genedrive announced the development of a high throughput SARS-CoV-2 test to detect the COVID-19 infection. Your Company participated in the £7 million placing, which completed in May 2020. The investment is being used to support the introduction of the SARS-CoV-2 test alongside other product innovation.

- **Pelatro** is a provider of enterprise class software solutions for customer engagement, principally for clients in the telecommunications sector. Pelatro's multi-channel contextual campaign management software enables relevant and personalised real time interactions to increase revenues and reduce attrition. Your Company participated in the £2.1 million fundraising, which completed in August 2020. The investment is being used to strengthen the sales team, execute a targeted marketing strategy and facilitate the expansion of the Managed Services area of the division.
- **ReNeuron** is a global leader in cell-based therapeutics, where its unique stem cell technologies are used to develop 'off the shelf' stem cell treatments, without the need for immunosuppressive drugs. ReNeuron has clinical-stage candidates in development for retinitis pigmentosa, a blindness-causing disease, and for disability as a result of stroke. Your Company participated in the £15 million fundraising, which completed in November 2020. The investment is being used to support the current clinical trials and help deliver proof of concept on pre-clinical stem cell therapies currently in development.
- **Trackwise Designs** is a leading printed circuit technology provider, manufacturing specialist interconnector products for use across multiple sectors and applications. Your Company participated in the £5.9 million fundraising, which completed in March 2020. The investment provides working capital to support the growth of the business, specifically in the improved harness technology area, which utilises the company's proprietary technology to manufacture unlimited length, multilayer flexible printed circuits that can be used in aerospace, automotive, satellite and medical markets.
- **Velocys** designs and develops fuel technology and now licences its proprietary reactor and catalyst technology for the conversion of biomass and household waste into jet fuel. Your Company participated in the £21 million fundraising, which completed in July 2020. The investment is being used to support product development and commercialisation, and provide working capital to ensure the company's intellectual property remains protected.

The table below shows the investments that have been completed during the period:

Investments	Date	Sector	Investment cost £'000	Website
<b>New unlisted</b>				
CODILINK UK Limited (trading as Coniq)	December 2019	Software & computer services (customer engagement)	450	<a href="http://www.coniq.com">www.coniq.com</a>
GEN inCode UK Limited	July 2020	Health	500	<a href="http://www.genincode.com">www.genincode.com</a>
HiveHR Limited	February 2020	Software & computer services (human resources)	300	<a href="http://www.hivehr.com">www.hivehr.com</a>
Hublsoft Group Limited	June 2020	Software & computer services (data analytics)	600	<a href="http://www.hublsoft.com">www.hublsoft.com</a>
Intilery.com Limited	April 2020	Software & computer services (e-commerce)	75	<a href="http://www.intilery.com">www.intilery.com</a>
MirrorWeb Limited	September 2020	Software & computer services (RegTech)	150	<a href="http://www.mirrorweb.com">www.mirrorweb.com</a>
Nano Interactive Group Limited	March 2020	Software & computer services (AdTech)	625	<a href="http://www.nanointeractive.com">www.nanointeractive.com</a>
Precursive Limited	March 2020	Software & computer services (resource management)	750	<a href="http://www.precursive.com">www.precursive.com</a>
Push Technology Limited	March 2020	Software & computer services (data acceleration)	525	<a href="http://www.pushtechology.com">www.pushtechology.com</a>
Quorum Cyber Security Limited	June 2020	Software & computer services (cyber security)	400	<a href="http://www.quorumcyber.com">www.quorumcyber.com</a>
RevLifter Limited	November 2020	Software & computer services (e-commerce)	100	<a href="http://www.revliifter.com">www.revliifter.com</a>
The Algorithm People Limited	May 2020	Software & computer services (fleet telematics)	300	<a href="http://www.thealgorithmpeople.co.uk">www.thealgorithmpeople.co.uk</a>
<b>Total new unlisted</b>			<b>4,775</b>	

Investments	Date	Sector	Investment cost £'000	Website
<b>Follow-on unlisted</b>				
ADC Biotechnology Limited <sup>1</sup>	January, March and July 2020	Pharmaceuticals & biotechnology	193	www.adcbio.com
AVID Technology Group Limited	March 2020	Specialist manufacturing	71	www.avidtp.com
Boiler Plan (UK) Limited	March 2020	Support services (consumer services)	200	www.boilerplanuk.com
Bright Network (UK) Limited	March 2020	Software & computer services (recruitment)	667	www.brightnetwork.co.uk
Contego Solutions Limited (trading as NorthRow)	July 2020	Software & computer services (RegTech)	400	www.northrow.com
Curo Compensation Limited	April 2020	Software & computer services (employment services)	81	www.curocomp.com
e.fundamentals (Group) Limited <sup>2</sup>	April and November 2020	Software & computer services (data analysis)	434	www.efundamentals.com
eSafe Global Limited	November 2020	Software & computer services (education)	33	www.esafeglobal.com
Growth Capital Ventures Limited	June 2020	FinTech	63	www.growthcapitalventures.co.uk
Horizon Ceremonies Limited	May 2020	Support services (funeral services)	600	www.horizoncremation.co.uk
Lending Works Limited	February 2020	Software & computer services (FinTech)	15	www.lendingworks.co.uk
Life's Great Group Limited (trading as Mojo Mortgages) <sup>1</sup>	March, June and July 2020	Software & computer services (financial services)	309	www.mojomortgages.com
Optoscribe Limited	March 2020	Specialist manufacturing	88	www.optoscribe.com
QikServe Limited <sup>2</sup>	December 2019 and March 2020	Software & computer services (hospitality)	77	www.qikserve.com
Relative Insight Limited	June 2020	Software & computer services (language analytics)	300	www.relativeinsight.com
Rockar 2016 Limited (trading as Rockar)	October 2020	Software & computer services (automotive)	350	www.rockar.digital
The GP Service (UK) Limited	May 2020	Health	162	www.thegpservice.co.uk
<b>Total follow-on unlisted</b>			<b>4,043</b>	
<b>Total unlisted</b>			<b>8,818</b>	



Investments	Date	Sector	Investment cost £'000	Website
<b>New quoted</b>				
AFC Energy PLC	July 2020	Technology	175	www.afcenergy.com
DeepMatter Group PLC	July 2020	Technology	125	www.deepmatter.io
Destiny Pharma PLC	November 2020	Pharmaceuticals & biotechnology	150	www.destinypharma.com
Diurnal Group PLC	March 2020	Pharmaceuticals & biotechnology	63	www.diurnal.co.uk
Eden Research PLC	March 2020	Chemicals	102	www.edenresearch.com
Faron Pharmaceuticals Oy	April 2020	Pharmaceuticals & biotechnology	250	www.faron.com
Feedback PLC	July 2020	Health	125	www.fbkmed.com
Genedrive PLC	May 2020	Pharmaceuticals & biotechnology	25	www.genedriveplc.com
Pelatro PLC	August 2020	Software & computer services (marketing)	146	www.pelatro.com
ReNeuron Group PLC	November 2020	Pharmaceuticals & biotechnology	283	www.reneuron.com
Trackwise Design PLC	March 2020	Electronic & electrical equipment	62	www.trackwise.co.uk
Velocys PLC	June 2020	Pharmaceuticals & biotechnology	113	www.velocys.com
<b>Total new quoted</b>			<b>1,619</b>	
<b>Follow-on quoted</b>				
C4X Discovery Holdings PLC	May 2020	Pharmaceuticals & biotechnology	40	www.c4xdiscovery.com
<b>Total follow-on quoted</b>			<b>40</b>	
<b>Total quoted</b>			<b>1,659</b>	
<b>Total investments</b>			<b>10,477</b>	

<sup>1</sup> Follow-on investment tranching in three stages.

<sup>2</sup> Follow-on investment tranching in two stages.

Your Company has co-invested in some or all of the above transactions with the other Maven VCTs. At the period end, the portfolio stood at 92 unlisted and quoted investments, at a total cost of £34.95 million.

## Realisations

In December 2019, the holding in **ITS Technology** was realised. The initial investment completed in June 2017 and within a relatively short space of time it became apparent that, in order to achieve commercial scale, the business would require a larger investor, capable of supporting a national roll-out. As a result, a specialist corporate finance adviser was appointed in early 2019 to lead a process to help secure a sale of the business and identify an investor who could support its long-term funding requirements. The process concluded with a sale to Aviva Investors, the global asset management business of Aviva, which committed £45 million to support the expansion of the full fibre broadband network across the country. The exit generated a total return of 1.02 times cost over the holding period.

In February 2020, your Company realised its holding in **Attraction World**, one of the UK's largest theme park and attraction ticket specialists. Having originally backed the MBO of the business in December 2010, Maven continued to support Attraction World as it experienced good growth, including the completion of a strategic acquisition in 2016. The realisation, via a secondary buyout led by the CEO, generated a total return of 1.94 times cost over the life of the investment.

In June 2020, the partial sale of the investment in **Global Risk Partners (GRP)** completed. Your Company originally invested in 2013, participating in a syndicate to back a highly experienced management team to pursue a buy & build strategy in the specialty insurance and reinsurance markets. GRP achieved significant scale and, at the point of sale, had completed and successfully integrated 59 acquisitions, with the enlarged business achieving annual gross written premium of almost £800 million. Following a competitive process, an offer was received from a US private equity buyer, with a partial exit



completing conditionally in February 2020. Regulatory approval for the transaction was subsequently granted and the sale concluded in June 2020, generating a total return of 2.55 times cost over the life of the investment.

In October 2020, following an unsolicited approach by a US buyer, the holding in RegTech specialist **Symphonic Software** was realised through a trade sale to NYSE listed technology business PING Identity, which delivers intelligent identity solutions for corporate clients. Following the investment by the Maven VCTs in March 2019, Symphonic developed a strong partnership with PING, allowing its authorisation software to be paired with PING's data privacy and consent products. The acquisition is an excellent strategic fit, as it will facilitate greater integration with PING's broader intelligent identity platform. The exit generated a total return of 2.92 times cost over the holding period.

During the period, £698,000 was realised through AIM disposals, where the Manager was able to take advantage of share price appreciation and favourable market conditions to actively trade out of a number of holdings, either partially or completely, in order to lock in profits.

The table below gives details of all realisations completed during the reporting period:

Sales	Year first invested	Complete/partial exit	Cost of shares disposed of £'000	Value at 30 November 2019 £'000	Sales proceeds £'000	Realised gain/(loss) £'000	Gain/(loss) over 30 November 2019 value £'000
<b>Unlisted</b>							
Attraction World Holdings Limited	2010	Complete	23	264	264	241	-
ITS Technology Group Limited <sup>1</sup>	2017	Complete	695	695	601	(94)	(94)
Lambert Contracts Holdings Limited <sup>2</sup>	2013	Complete	-	-	40	40	-
Martel Instruments Holdings Limited <sup>3</sup>	2007	Partial	177	177	177	-	-
Maven Co-invest Endeavour Limited Partnership (invested in Global Risk Partners) <sup>4</sup>	2013	Partial	415	1,039	852	437	(187)
Space Student Living Limited <sup>2</sup>	2011	Complete	-	51	37	37	(14)
Symphonic Software Limited	2019	Complete	350	350	983	633	633
Other unlisted investments			-	-	1	1	-
<b>Total unlisted</b>			<b>1,660</b>	<b>2,576</b>	<b>2,955</b>	<b>1,295</b>	<b>338</b>
<b>Quoted</b>							
AFC Energy PLC	2020	Partial	28	-	39	11	-
Byotrol PLC	2017	Partial	110	45	196	86	151
Cello Health PLC	2004	Complete	53	69	86	33	17
DeepMatter Group PLC	2020	Partial	27	-	38	11	-
Diaceutics PLC	2019	Partial	80	97	126	46	29
Eden Research PLC	2020	Partial	19	-	26	7	-
Genedrive PLC	2020	Complete	25	-	40	15	-
MaxCyte Inc	2019	Partial	43	27	63	20	36
ReNeuron Group PLC	2020	Partial	6	-	7	1	-
Trackwise Design PLC	2020	Partial	23	-	41	18	-
Velocys PLC	2020	Partial	15	-	28	13	-
Other quoted investments			5	5	8	3	3
<b>Total quoted</b>			<b>434</b>	<b>243</b>	<b>698</b>	<b>264</b>	<b>236</b>
<b>Total sales</b>			<b>2,094</b>	<b>2,819</b>	<b>3,653</b>	<b>1,559</b>	<b>574</b>

<sup>1</sup> Proceeds exclude yield and redemption premiums received, which are disclosed as revenue for financial reporting purposes.

<sup>2</sup> Final recovery proceeds.

<sup>3</sup> Loan repayment.

<sup>4</sup> Loss over 30 November 2019 value equates to residual holding reflected in the current NAV.

During the year, three private companies were struck off the Register of Companies, resulting in a realised loss of £1.54 million (cost £1.54 million). This had no effect on the NAV of the Company as a full provision had been made against the value of the holdings in earlier periods.

### Material Developments Since the Period End

Since 30 November 2020, one new private company asset has been added to the portfolio.

- **Adimo** has developed a marketing technology platform for the fast moving consumer goods (FMCG) sector, which is the world's largest advertising sector by spend. Adimo's solution gives FMCG adverts direct sales capability by connecting to online grocery baskets and allowing a product to be added, either for purchase later or to be bought instantly through the "Buy it Now" functionality. The software also provides brands with important data on customers' buying behaviour to help support repeat purchases. Adimo has a strong clue chip client list, which includes Coca Cola, Danone and GSK. The VCT funding is being used to pursue pipeline opportunities and help grow the revenue base.

In December 2020, the sale of peer-to-peer lending platform Lending Works received FCA approval and completed. Your Company first invested in **Lending Works** in April 2018 and, at that time, the peer-to-peer market was experiencing significant growth, with Lending Works poised to become a credible challenger in this disruptive market. The outbreak of COVID-19 had a detrimental impact on consumer appetite for lending and, therefore, the Manager made the decision to exit the investment. Following a formal sales process, an offer for the business was accepted from private asset manager Intriva Capital, with the sale completing in December 2020. The exit generated a total return of 0.92 times cost over the life of the investment.

### Outlook

Despite the wider macro-economic conditions, this has been a year of positive progress during which your Company has continued to deliver on its core investment objective. The investee company portfolio has seen significant expansion, with the addition of a wide range of new holdings across various industry sectors, many of which offer defensive qualities and continuing growth potential. The Manager believes that the optimum model for a diversified VCT is the construction of a balanced portfolio with exposure to both private and AIM quoted companies, in tandem with an active liquidity management policy. Your Company is aligned with this approach and, consequently, remains well positioned to continue to achieve further growth in Shareholder value in the years ahead.

**Maven Capital Partners UK LLP**  
**Manager**

**5 March 2021**

# LARGEST INVESTMENTS BY VALUATION

As at 30 November 2020



## Horizon Ceremonies Limited

Kent

Cost (£'000)	1,288	
Valuation (£'000)	1,932	
Basis of valuation	Discounted cash flow	
Equity held	8.7%	
Income received to date (£'000)	83	
First invested	May 2017	
Year end	31 December	
	2019 (£'000)	2018 (£'000)
Net assets/ (liabilities)	(584)	259

*This company produces abbreviated accounts as permitted under the Companies Act 2006 relating to small companies.*

Horizon Ceremonies is building and operating a portfolio of environmentally and technologically advanced crematoria across the UK that will offer enhanced levels of care for families. Many UK areas have a shortage of modern local facilities, with the market experiencing increased demand for better quality service and forecast to see significant long-term growth, reflecting demographic changes and changing public attitudes to cremation. Horizon's first facility, Clyde Coast and Garnock Valley in North Ayrshire, has been trading since June 2018 and construction is well underway at the site in Cannock, Staffordshire, with the facility due to open in April 2021. Construction has also recently commenced at a third site in the suburbs of Glasgow and there are a further two sites at various stages in the planning and consents process.

[www.horizoncremation.co.uk](http://www.horizoncremation.co.uk)

### Other Maven clients invested:

Maven Income and Growth VCT PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC  
Maven Investor Partners



## Martel Instruments Holdings Limited

Durham

Cost (£'000)	848	
Valuation (£'000)	1,455	
Basis of valuation	Earnings	
Equity held	12.4%	
Income received to date (£'000)	766	
First invested	January 2007	
Year end	31 December	
	2019 (£'000)	2018 (£'000)
Sales	3,435	3,663
EBITDA <sup>1</sup>	781	868
Net liabilities	(3,452)	(3,313)

Martel is one of the leading UK manufacturers of custom-built compact printer and display units, offering in-house software and tooling design expertise, as well as injection moulding and surface mount capabilities. Martel's global customer base includes companies in the automotive, medical, transport and retail sectors. The business differentiates itself from other printer suppliers by offering a complete design and build service for low volume/high customisation printer solutions. Martel has traded exceptionally well during the year, having secured a number of significant orders for printers for the medical market.

[www.martelinstruments.com](http://www.martelinstruments.com)

### Other Maven clients invested:

Maven Income and Growth VCT PLC  
Maven Income and Growth VCT 4 PLC

**CatTech International Limited**

Scunthorpe

Cost (£'000)	627	
Valuation (£'000)	1,169	
Basis of valuation	Earnings	
Equity held	6.0%	
Income received to date (£'000)	525	
First invested	March 2012	
Year end	31 December	
	2019 (£'000)	2018 (£'000)
Sales	13,827	9,510
EBITDA <sup>1</sup>	1,968	895
Net assets	640	97

CatTech provides niche industrial services to oil refineries and petrochemical plants across the major international markets, with offices in the UK, US, China, Singapore and Thailand. The business has developed a range of proprietary products for servicing essential equipment and improving catalyst handling, in sectors where health & safety and the ability to maintain operational efficiency are critical. There are only a limited number of specialists worldwide that have the skilled personnel and equipment to undertake catalyst handling projects.

[www.cat-tech.com](http://www.cat-tech.com)

**Other Maven clients invested:**

Maven Income and Growth VCT PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC  
Maven Investor Partners

**Bright Network (UK) Limited**

London

Cost (£'000)	1,015	
Valuation (£'000)	1,054	
Basis of valuation	Revenue	
Equity held	9.1%	
Income received to date (£'000) <sup>2</sup>	Nil	
First invested	July 2018	
Year end	31 March	
	2020 (£'000)	2019 (£'000)
Sales	3,128	2,172
EBITDA <sup>1</sup>	(657)	(824)
Net assets	4,863	2,103

Bright Network has built a media technology platform designed to enable blue-chip employers to identify, recruit and maintain contact with high quality graduates and young professionals. Using data analytics and machine learning to pre-screen candidates, Bright Network's database collates and analyses the diverse graduate talent pool, allowing employers to screen and match candidates to graduate vacancies. The quality of the database delivers significant cost efficiencies and improved outcomes for employers in the recruitment process.

[www.brightnetwork.co.uk](http://www.brightnetwork.co.uk)

**Other Maven clients invested:**

Maven Income and Growth VCT PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC



### Vodat Communications Group Limited

Stockport

Cost (£'000)	567	
Valuation (£'000)	1,024	
Basis of valuation	Earnings	
Equity held	4.2%	
Income received to date (£'000)	407	
First invested	March 2012	
Year end	31 March	
	2020 (£'000)	2019 (£'000)
Sales	28,576	24,053
EBITDA <sup>1</sup>	1,880	1,802
Net assets	2,183	2,723

Vodat provides managed network and communications solutions to business customers, with a particular focus on the UK retail sector, and offers a range of products and services including secure real-time data networks, telephone/VOIP services, card payment solutions, mobile marketing campaigns and disaster recovery. Vodat provides services to over 7,000 retail sites and its products enable retailers to reduce costs, boost store productivity and increase sales. Its established customer base includes Beaverbrooks, Fat Face, Joules and Welcome Break. In 2017, the company completed the acquisition of Axonex, a complementary specialist IT solutions provider. The acquisition has increased headline turnover and created a number of cross-selling opportunities.

[www.vodat-int.com](http://www.vodat-int.com)

#### Other Maven clients invested:

Maven Income and Growth VCT PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC  
Maven Investor Partners



**Rockar.**

### Rockar 2016 Limited

(trading as Rockar)

Hull

Cost (£'000)	928	
Valuation (£'000)	1,020	
Basis of valuation	Earnings	
Equity held	4.8%	
Income received to date (£'000)	31	
First invested	July 2016	
Year end	31 December	
	2019 (£'000)	2018 (£'000)
Sales	51,754	47,855
EBITDA <sup>1</sup>	340	553
Net assets	728	830

Rockar has developed a disruptive digital car-buying proposition that aims to revolutionise the retail market by giving customers access to all the services of a traditional dealership online. The white label solution helps car manufacturers digitalise their traditional route to market and enables consumers to complete their purchase online, including options for part-exchange and finance.

[www.rockar.digital](http://www.rockar.digital)

#### Other Maven clients invested:

Maven Income and Growth VCT PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC



**Contego Solutions Limited**  
(trading as NorthRow)

Thame

Cost (£'000)	997	
Valuation (£'000)	997	
Basis of valuation	Revenue	
Equity held	8.7%	
Income received to date (£'000)	16	
First invested	July 2017	
Year end	31 December	
	2019 (£'000)	2018 (£'000)
Sales	2,003	1,540
EBITDA <sup>1</sup>	(2,252)	(2,280)
Net liabilities	(294)	(253)

NorthRow develops automated compliance solutions across a range of industries, helping organisations in the property, banking, financial services and public sectors to gain a full understanding of their customers and employees by automating processes, including providing complex, real-time compliance and fraud checks. Its comprehensive software solutions are designed to enable clients to minimise operational costs and improve the efficiency of their compliance processes, helping to reduce risk when dealing with people, companies and identity documents.

[www.northrow.com](http://www.northrow.com)

**Other Maven clients invested:**

Maven Income and Growth VCT PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC



**Life's Great Group Limited**  
(trading as Mojo Mortgages)

Macclesfield

Cost (£'000)	984	
Valuation (£'000)	994	
Basis of valuation	Revenue	
Equity held	11.9%	
Income received to date (£'000)	5	
First invested	February 2019	
Year end	30 April	
	2020 (£'000)	2019 (£'000)
Sales	1,525	847
EBITDA <sup>1</sup>	(3,621)	(4,074)
Net liabilities	(2,045)	(499)

Mojo is an online mortgage broker focused on disrupting the UK mortgage market by revolutionising both advice and access to mortgage deals through digitalisation, automation, design and data. It is forcing market change and creating a far better experience for UK consumers. Mojo has over 172,000 customers signed-up to its services to date, with over 5,000 mortgages sold at a total value of over £1 billion, and has access to over 92 lenders across the UK.

[www.mojomortgages.com](http://www.mojomortgages.com)

**Other Maven clients invested:**

Maven Income and Growth VCT PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC





### The GP Service (UK) Limited

London

Cost (£'000)	852	
Valuation (£'000)	884	
Basis of valuation	Revenue	
Equity held	10.1%	
Income received to date (£'000)	54	
First invested	April 2016	
Year end	31 January	
	2020 (£'000)	2019 (£'000)
Net liabilities	(1,894)	(597)

*This company produces abbreviated accounts as permitted under the Companies Act 2006 relating to small companies.*

The GP Service (GPS) provides innovative services for general medical consultations and prescriptions and is expanding into new geographical locations, whilst also enhancing its range of services. The online pharmacy and prescription market is a growth sector, driven by widespread increases in average GP waiting times and inflexible surgery opening times. The GPS platform enables customers to tailor healthcare needs around work and family commitments by facilitating live GP consultations by video link, with prescriptions issued to a local pharmacy.

[www.thegpservice.co.uk](http://www.thegpservice.co.uk)

#### Other Maven clients invested:

Maven Income and Growth VCT PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC

<sup>1</sup> Earnings before interest, tax, depreciation and amortisation.

<sup>2</sup> No interest is payable as investment has been structured as all equity.



### Filtered Technologies Limited

London

Cost (£'000)	750	
Valuation (£'000)	816	
Basis of valuation	Revenue	
Equity held	8.0%	
Income received to date (£'000) <sup>2</sup>	Nil	
First invested	July 2019	
Year end	31 December	
	2019 (£'000)	2018 (£'000)
Net assets	1,682	221

*This company produces abbreviated accounts as permitted under the Companies Act 2006 relating to small companies.*

Filtered Technologies provides advanced learning & development (L&D) software and skills training courses, to the corporate and retail markets. Filtered has developed the *Magpie* recommendation engine, which uses proprietary intelligent learning algorithms and expert curation to dovetail a client's internal training tools with selected external sources. This provides a personalised L&D resource for individual employees, intelligently placing content into work-flow where they are based.

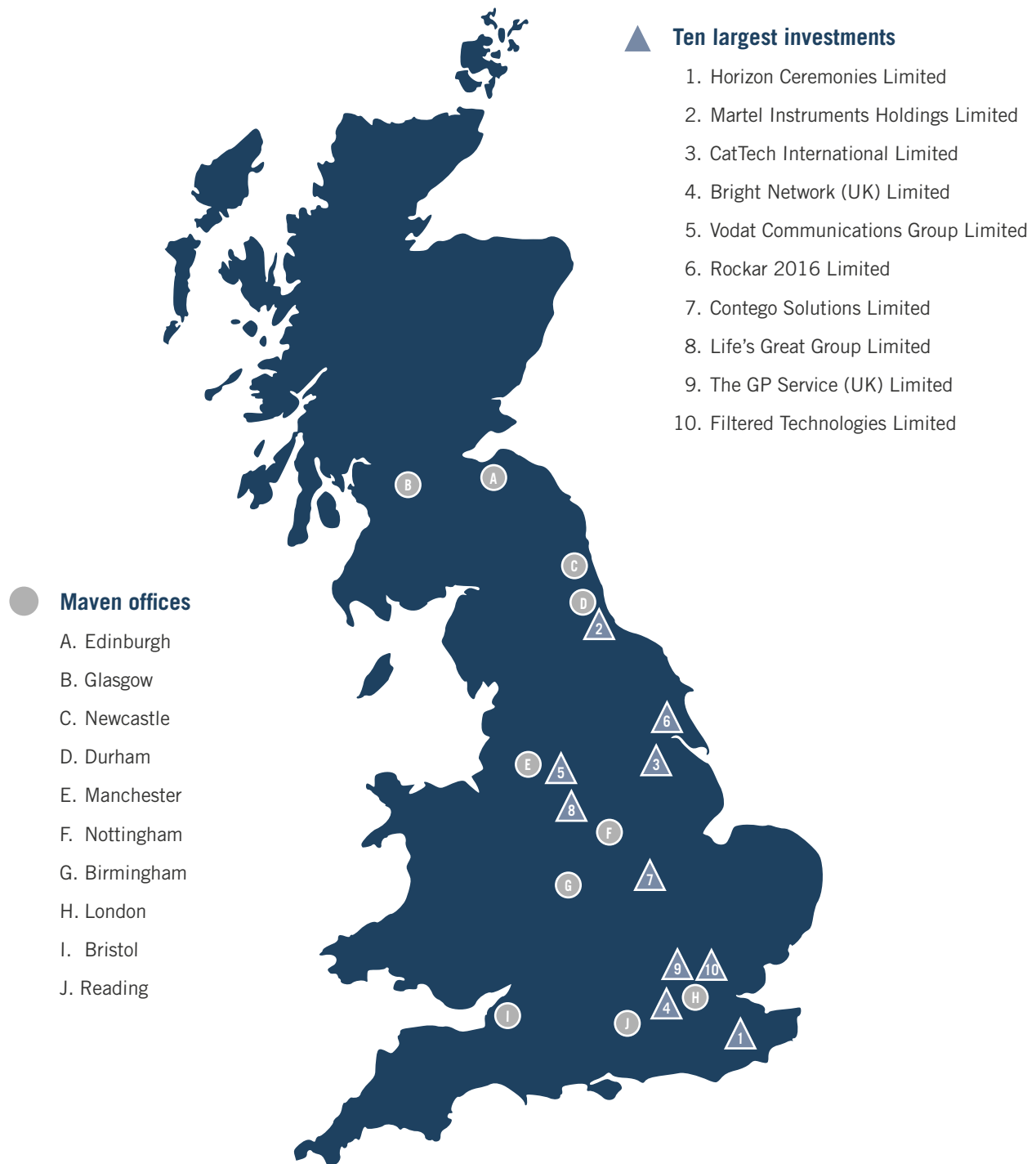
[www.learn.filtered.com](http://www.learn.filtered.com)

#### Other Maven clients invested:

Maven Income and Growth VCT PLC  
Maven Income and Growth VCT 4 PLC  
Maven Income and Growth VCT 5 PLC



# NATIONAL PRESENCE | REGIONAL FOCUS



# INVESTMENT PORTFOLIO SUMMARY

As at 30 November 2020

Investment	Valuation £'000	Cost £'000	% of total assets	% of equity held	% of equity held by other clients <sup>1</sup>
<b>Unlisted</b>					
Horizon Ceremonies Limited (formerly Horizon Cremation Limited)	1,932	1,288	4.2	8.7	44.0
Martel Instruments Holdings Limited	1,455	848	3.2	12.4	31.8
CatTech International Limited	1,169	627	2.6	6.0	24.0
Bright Network (UK) Limited	1,054	1,015	2.4	9.1	28.8
Vodat Communications Group Limited	1,024	567	2.3	4.2	22.6
Rockar 2016 Limited (trading as Rockar)	1,020	928	2.3	4.8	16.8
Contego Solutions Limited (trading as NorthRow)	997	997	2.2	8.7	23.5
Life's Great Group Limited (trading as Mojo Mortgages)	994	984	2.2	11.9	33.6
The GP Service (UK) Limited <sup>2</sup>	884	852	2.0	10.1	41.3
Filtered Technologies Limited	816	750	1.8	8.0	18.6
CB Technology Group Limited	812	558	1.8	11.2	67.7
e.fundamentals (Group) Limited	800	567	1.8	3.8	7.1
Precursive Limited	750	750	1.7	6.5	15.1
HCS Control Systems Group Limited	746	746	1.7	6.1	30.4
Relative Insight Limited	700	700	1.6	3.7	25.6
Glacier Energy Services Holdings Limited	686	686	1.5	2.6	25.0
QikServe Limited	658	658	1.5	3.0	12.8
TC Communications Holdings Limited	645	980	1.4	8.3	21.7
Ensco 969 Limited (trading as DPP)	641	1,133	1.4	4.8	29.7
RMEC Group Limited	634	446	1.4	2.7	47.4
Nano Interactive Group Limited	625	625	1.4	3.7	11.2
Hublsoft Group Limited	600	600	1.3	9.4	21.9
Flow UK Holdings Limited	597	597	1.3	7.0	28.0
Delio Limited	533	533	1.2	3.6	9.9
WaterBear Education Limited	529	370	1.2	7.8	31.4
Push Technology Limited	525	525	1.2	2.8	8.5
GEN inCode UK Limited	500	500	1.1	5.5	11.0
Whiterock Group Limited	485	320	1.1	5.1	24.9
CODILINK UK Limited (trading as Coniq)	450	450	1.0	1.3	3.6
Boiler Plan (UK) Limited	450	450	1.0	9.4	47.1
BioAscent Discovery Limited	448	199	1.0	5.0	35.0
Quorum Cyber Security Limited	400	400	0.9	7.0	14.0
ebb3 Limited	366	326	0.8	6.9	51.7
Lending Works Limited	345	407	0.8	3.4	17.1
Growth Capital Ventures Limited	331	319	0.7	6.5	36.6
GradTouch Limited	300	400	0.7	5.8	29.7
HiveHR Limited	300	300	0.7	5.2	33.7

# INVESTMENT PORTFOLIO SUMMARY (CONTINUED)

As at 30 November 2020

Investment	Valuation £'000	Cost £'000	% of total assets	% of equity held	% of equity held by other clients <sup>1</sup>
<b>Unlisted</b>					
The Algorithm People Limited	300	300	0.7	9.7	16.3
Altra Consultants Limited	250	250	0.6	4.2	55.8
Curo Compensation Limited	228	298	0.5	2.4	16.6
eSafe Global Limited	219	281	0.5	8.0	43.5
Maven Co-invest Endeavour Limited Partnership (invested in Global Risk Partners)	187	2	0.4	7.8	92.2
Optoscribe Limited	187	187	0.4	1.5	8.1
R&M Engineering Group Limited	172	761	0.4	8.3	62.3
MirrorWeb Limited	150	150	0.3	2.1	34.8
ISN Solutions Group Limited	127	321	0.3	4.5	50.5
ADC Biotechnology Limited	116	773	0.3	1.9	7.4
AVID Technology Group Limited	115	461	0.3	2.5	7.4
Shortbite Limited (trading as DigitalBridge)	112	225	0.2	0.8	30.8
RevLifter Limited	100	100	0.2	0.7	10.2
Fathom Systems Group Limited	77	710	0.2	7.8	52.2
Intilery.com Limited	75	75	0.2	0.8	43.2
Honcho Markets Limited	65	64	0.1	1.2	23.5
FLXG Scotland Limited (formerly Flexlife Group Limited)	29	369	0.1	2.4	11.9
Other unlisted investments	-	1,096	-		
<b>Total unlisted</b>	<b>28,710</b>	<b>29,824</b>	<b>64.1</b>		

# INVESTMENT PORTFOLIO SUMMARY (CONTINUED)

As at 30 November 2020

Investment	Valuation £'000	Cost £'000	% of total assets	% of equity held	% of equity held by other clients <sup>1</sup>
<b>Quoted</b>					
MaxCyte Inc	500	207	1.2	0.2	0.2
AFC Energy PLC	341	147	0.8	0.1	0.1
ReNeuron Group PLC	317	277	0.7	0.7	1.8
Diaceutics PLC	279	161	0.7	0.3	0.3
Faron Pharmaceuticals Oy	194	250	0.4	0.2	0.1
C4X Discovery Holdings PLC	181	139	0.4	0.4	0.6
Destiny Pharma PLC	145	150	0.3	0.4	1.4
Feedback PLC	133	121	0.3	1.1	1.1
Byotrol PLC	133	86	0.3	0.5	1.1
Velocys PLC	121	98	0.3	0.3	0.3
Trackwise Designs PLC	110	39	0.2	0.2	0.6
Pelatro PLC	107	146	0.2	0.9	2.7
DeepMatter Group PLC	105	98	0.2	0.7	1.7
Eden Research PLC	103	83	0.2	0.4	1.1
Diurnal Group PLC	94	63	0.2	0.2	0.6
Osirium Technologies PLC	57	100	0.1	1.5	4.4
Seen PLC (formerly Entertainment AI PLC)	43	75	0.1	0.3	1.1
Vianet Group PLC (formerly Brulines Group PLC)	21	31	0.1	0.1	1.4
Other quoted investments	7	585	-		
<b>Total quoted</b>	<b>2,991</b>	<b>2,856</b>	<b>6.7</b>		
<b>Private equity investment trusts</b>					
HgCapital Trust PLC	383	249	0.9	-	0.1
ICG Enterprise Trust PLC	353	334	0.8	0.1	0.1
Apax Global Alpha Limited	326	250	0.7	-	0.1
Princess Private Equity Holding Limited	321	270	0.7	0.1	0.1
HarbourVest Global Private Equity Limited	319	250	0.7	-	0.1
BMO Private Equity Trust PLC (formerly F&C Private Equity Trust PLC)	210	253	0.5	0.1	0.3
Pantheon International PLC	199	180	0.4	-	0.1
Standard Life Private Equity Trust PLC	124	110	0.3	-	0.1
<b>Total private equity investment trusts</b>	<b>2,235</b>	<b>1,896</b>	<b>5.0</b>		
<b>Real estate investment trusts</b>					
Target Healthcare REIT Limited	99	96	0.2	-	0.1
Regional REIT Limited	79	101	0.2	-	0.1
Schroder REIT Limited	63	107	0.1	-	0.1
Custodian REIT PLC	52	71	0.1	-	-
<b>Total real estate investment trusts</b>	<b>293</b>	<b>375</b>	<b>0.6</b>		
<b>Total investments</b>	<b>34,229</b>	<b>34,951</b>	<b>76.4</b>		

<sup>1</sup> Other clients of Maven Capital Partners UK LLP.

<sup>2</sup> Atul Devani is executive chairman of this company.

# DIRECTORS' REPORT

**The Directors submit their Annual Report together with the audited Financial Statements of the Company for the year ended 30 November 2020. A summary of the financial results for the year can be found in the Financial Highlights on pages 4 and 5. The Investment Objective and Investment Policy are disclosed in the Business Report on page 13 and the Board's dividend policy is summarised in the Chairman's Statement on pages 10 and 11.**

## Principal Activity and Status

The Company's affairs have been conducted, and will continue to be conducted, in a manner to satisfy the conditions to enable it to continue to obtain approval as a venture capital trust under Section 274 of the Income Tax Act 2007.

During the year, the Company maintained its membership of the AIC and its Ordinary Shares are listed on the London Stock Exchange. Further details are provided in the Corporate Summary.

## Regulatory Status

The Company is a small registered, internally managed, alternative investment fund under the AIFMD. As a venture capital trust pursuant to Section 274 of the Income Tax Act 2007, the rules of the FCA in relation to non-mainstream investment products do not apply to the Company.

## Going Concern

The Company's business activities, together with the factors likely to affect its future development and performance, are set out in this Directors' Report and within the Strategic Report. The financial position of the Company is described in the Chairman's Statement. In addition, Note 16 to the Financial Statements includes: the Company's objectives, policies and processes for managing its financial risks; details of its financial instruments; and its exposures to market price risk, interest rate risk, liquidity risk, credit risk and price risk sensitivity. The Directors believe that the Company is well-placed to manage its business risks.

Following a detailed review, and taking into account the impact of the COVID-19 pandemic referred to in the Chairman's Statement on pages 9 to 12 and in the Investment Manager's Review on pages 21 to 31, the Directors have a reasonable expectation that the Company has adequate financial resources to enable it to continue in operational existence for the foreseeable future and, accordingly, they have continued to adopt the going concern basis when preparing the Annual Report and Financial Statements.

## Viability Statement

In accordance with Provision 31 of the UK Corporate Governance Code, published in July 2018, and Principle 36 of the AIC Code of Corporate Governance, published in February 2019 (the Codes), the Board has considered the Company's prospects and risks for the forthcoming five-year period to 30 November 2025, which is considered appropriate for a VCT business of the Company's size.

In considering and making this statement, the principal and emerging risks faced by the Company, together with the steps taken to mitigate them, were robustly assessed and considered by the Board, as highlighted in the Business Report, including those that might threaten its business model, future performance, solvency or degree of liquidity within the portfolio. The Board concentrated its efforts on the major factors that affect the economic, regulatory and political environment, including the UK's decision to leave the EU and the potential impact on EU State Aid Rules.

The Board also considered the quality of the current portfolio, the Company's ability to raise new funds and the Manager's ability to source and secure new investment opportunities. As highlighted in the Chairman's Statement on page 12, the Board considers the Company's future to be positive.

The Directors also considered the Company's cash flow projections and underlying assumptions for the five years to 30 November 2025, and regarded them to be realistic and fair.

Therefore, after careful consideration of the Company's current position, its future prospects and, taking into account the Board's attitude to risk and its ongoing review of investment objective and policy, the Board has a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the course of the five years ending 30 November 2025.

## Financial Instruments

The Company's financial instruments comprise its investment portfolio, cash balances and debtors and creditors that arise directly from its operations, including accrued income and purchases and sales awaiting settlement. The main risks that the Company faces arising from its financial instruments are disclosed in Note 16 to the Financial Statements.

## Global Greenhouse Gas Emissions

The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emission producing sources under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

## Corporate Governance

The Statement of Corporate Governance, which supports this Directors' Report, is shown on pages 51 to 55.

## Directors

Biographies of the Directors who held office at the year end and up to the date of signing this Annual Report are shown in the Your Board section of this Annual Report along with their interests in the shares of the Company, which are also shown below. No Director has a service contract with the Company.

In accordance with the Codes, all Directors will stand for annual re-election.

The Board confirms that, following a formal process of evaluation, the performance of each Director continues to be effective and all Directors have demonstrated commitment to the role.

Atul Devani's effective communication skills enable him to serve the Company as a strong Chairman. His entrepreneurial experience, senior executive positions held on other boards and leadership skills, provide him with the ability required to encourage discussion in the boardroom and ensure that clear decisions are reached and carried out.

Keith Pickering is a qualified accountant and partner of a corporate finance firm, which ensures that he brings recent and relevant financial experience to the Board and is able to lead the Audit & Risk Committee effectively. As its Chairman, he initiates appropriate challenge around valuations, the control environment and engages directly with the Company's Auditor to ensure that the annual audit is performed to a satisfactory level and that the process is completed to the required level of detail.

David Allan is a qualified lawyer and brings his extensive legal experience to the Board. In addition, his background in corporate finance and experience in equity finance, VCTs and AIM, is highly relevant to his role as a Director and allows him to be a valued contributor to Board discussions.

Bill Nixon, as the managing partner of Maven and with 40 years' experience in banking and private equity, has a wealth of knowledge in the sector in which the Company operates and is a key contributor to all Board discussions. As a participant in various VCT forums, Bill provides the other Directors with valuable insight to the private equity sector.

The Board believes that, for the above reasons, the contribution of each Director continues to be important to the continued long-term success of the Company, as the combined skills and experience ensure a balanced Board of Directors with a wealth of knowledge and understanding in the key areas that are relevant to the Company. It is, therefore, believed to be in the best interests of Shareholders that all Directors be re-elected and resolutions to this effect will be proposed at the 2021 AGM.

## Directors' Interests

The Directors who held office during the year and as at the date of this Annual Report, together with their interests in the share capital of the Company, are as follows:

	30 November 2020 Ordinary Shares of 10p each	30 November 2019 Ordinary Shares of 10p each
Atul Devani (Chairman)	184,607	184,607
David Allan	14,853	14,853
Bill Nixon	683,444	600,000
Keith Pickering	99,202	99,202
<b>Total</b>	<b>982,106</b>	<b>898,662</b>

There is no requirement for the Directors to hold shares in the Company. All of the interests shown above are beneficial and as at 3 March 2021, being the latest practicable date prior to the publication of this Annual Report, there have been no changes to them since the end of the Company's financial year.



## Directors' and Officers' Liability Insurance

The Company purchases and maintains liability insurance for the Directors and Officers of the Company.

## Conflicts of Interest

Each Director has a statutory duty to avoid a situation where he has, or could have, a direct or indirect interest that conflicts, or may conflict with the interests of the Company. A Director will not be in breach of that duty if the relevant matter has been authorised by the Board in accordance with the Company's Articles. This includes any co-investment made by the Directors in entities in which the Company also has an interest.

The Board has a protocol for identifying and dealing with conflicts and these are reviewed on a regular basis. As previously reported, the Company is invested in The GP Service (UK) Limited, of which the Chairman, Atul Devani, is executive chairman and has an interest in. The Board has continued to agree that this does not represent a material conflict. No new conflicts or potential conflicts were identified during the year.

## Substantial Interests

At 30 November 2020, the only party known to the Company that, directly or indirectly, was interested in 3% or more of the Company's issued share capital was as follows:

	Number of Ordinary Shares held	% of issued share capital
Hargreaves Lansdown (Nominees) Limited - HLNOM account	5,644,646	7.09%

At 3 March 2021, being the last practicable date before the publication of this Annual Report, the only party known to the Company that, directly or indirectly, was interested in 3% or more of the Company's issued share capital was as follows:

	Number of Ordinary Shares held	% of issued share capital
Hargreaves Lansdown (Nominees) Limited - HLNOM account	5,593,141	7.04%

## Manager and Secretary

Maven Capital Partners UK LLP (Maven) acted as Manager and Secretary to the Company during the year ended 30 November 2020 and details of the investment management and secretarial fees are detailed in Notes 3 and 4 to the Financial Statements respectively.

The principal terms of the Management and Administration Deed with Maven are as follows:

### Termination Provisions

The agreement can be terminated, by either the Company or the Manager, by the giving of twelve months' notice. Furthermore, the Company may terminate the agreement without notice and compensation due if:

- a receiver, liquidator or administrator of the Manager is appointed;
- the Manager commits any material breach of the provisions of the agreement;
- the Manager ceases to be authorised to carry out investment business.

### Management and Secretarial Fees

For the year ended 30 November 2020, the investment management and secretarial fees payable to Maven had been charged on the following basis:

- an investment management fee of 2.5% per annum of the gross assets of the Company at the previous quarter end, which is chargeable 20% to revenue and 80% against realised capital reserves (unchanged from 2019); and
- a secretarial fee of £99,000 (2019: £97,000), which is charged 100% to revenue and is subject to an annual adjustment to reflect movement in the UK Retail Prices Index.

Subject to certain criteria being met, Maven is entitled to a performance incentive fee, in respect of each six-month period ending 31 May and 30 November, of an amount equal to 15% of any increase in the total return (before applying any performance incentive fee) as at the end of the relevant six month period to the total return (after accruing for the performance incentive fee payable for that period) compared to the end of the last six-month period on which a performance incentive fee was paid. Payments in relation to any performance incentive fee shall not exceed £890,000 in relation to any rolling twelve-month period ending on the date of the proposed payment. Total return for these purposes means net asset value, adjusted for dividends, share buy-backs and share issues since the period in which the last performance incentive fee was paid. The net asset value from which the performance related fee is measured is rebased to the higher level on each occasion that such a fee becomes payable. All investment management, secretarial and performance incentive fees will be exclusive of VAT (if any).

The annual running costs of the Company are capped at 3.8% of the average net asset value for the relevant financial period, adjusted annually and excluding performance fees, regulatory and exceptional costs.

During the year, Maven also received the sum of £16,800 (plus VAT) per annum in respect of Bill Nixon's role as a Director of the Company. Maven may also receive fees from investee companies in relation to arranging transactions, monitoring business progress and for providing non-executive directors for their boards.

In the period to 11 October 2018, to ensure that the Manager's staff were appropriately incentivised in relation to the management of the portfolio, a co-investment scheme allowed individuals to participate in investment in portfolio companies alongside the Company. On 11 October 2018, the co-investment scheme was suspended temporarily, pending a review by the Manager. That review has now been completed and it was agreed to re-introduce the co-investment scheme with effect from 5 March 2021, with the terms of participation unchanged from those in place previously. Under the terms and conditions of the co-investment scheme, all investments will be made through a nominee and under terms agreed by the Board. The terms of the scheme ensure that all investments will be made on identical terms to those of the Company and that no selection of investments by participants will be allowed. Total investment by participants in the co-investment scheme is set at 5% of the aggregate amount of equity subscribed for by the Company and the co-investing executives, except where the only securities to be acquired by the Company are those quoted on AIM, in which case the co-investment percentage is 1.5%. Given the relatively low equity participation in each private company investment, any dilution of the Company's interests is, therefore, minimal and the Directors believe that the scheme provides a useful incentive that closely aligns the interests of key individuals within the Manager's staff with those of the Company's Shareholders.

In light of the investment performance achieved by the Manager, together with the standard of company secretarial and administrative services provided, the Board considers that the continued appointment of the Manager and Secretary, on the stated terms, is in the best interests of the Company and its Shareholders.

It should be noted that as at 3 March 2021, Maven Capital Partners UK LLP and certain of its executives held, in aggregate, 1,823,714 of the Company's Ordinary Shares of 10p and that this represented 2.30% of the Company's issued share capital as at that date.

### **Independent Auditor**

The Company's Independent Auditor, Deloitte LLP, is willing to continue in office and Resolution 8, to propose its re-appointment, will be put forward at the 2021 AGM, along with Resolution 9, to authorise the Directors to fix its remuneration. No non-audit fees were paid to Deloitte LLP during the year under review (2019: £5,000 for tax services, including VAT). The Directors have received assurances from the Auditor that it remains independent and objective. The Directors remain satisfied that objectivity and independence is being safeguarded by Deloitte LLP.

### **Directors' Disclosure of Information to the Auditor**

So far as the Directors who held office at the date of approval of this Annual Report are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act) of which the Company's Auditor is unaware, and each of the Directors has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

### **Purchase of Ordinary Shares**

During the year ended 30 November 2020, the Company bought back a total of 1,181,811 (2019: 1,220,000) of its own Ordinary Shares of 10p each for cancellation, being 1.50% of the issued share capital as at 6 March 2020, being the last practicable date before the publication of the previous Annual Report.

Subsequent to the year end, a further 250,000 Ordinary Shares were bought back for cancellation.

A Special Resolution, numbered 12 in the Notice of Annual General Meeting, will be put to Shareholders at the 2021 AGM for their approval to renew the Company's authority to purchase in the market a maximum of 7,940,350 Ordinary Shares (10% of the shares in issue at 3 March 2021). Such authority will expire on the date of the Annual General Meeting in 2022 or after a period of 15 months from the date of the passing of the Resolution, whichever is the earlier.

Purchases of shares will be made within guidelines established from time to time by the Board, but only if it is considered that such purchases would be to the advantage of the Company and its Shareholders when taken as a whole. Purchases will be made in the market at prices below the prevailing NAV per share. Under the FCA Listing Rules, the maximum price that may be paid on the exercise of this authority must not exceed 105% of the average of the mid-market quotations for the shares over the five business days immediately preceding the date of purchase. The minimum price that may be paid is 10p per share. In making purchases, the Company will deal only with member firms of the London Stock Exchange. Any shares which are purchased may be cancelled, or held in treasury.

Purchases of shares by the Company will be made from distributable reserves and will normally be paid out of cash balances held by the Company from time to time. As any purchases will be made at a discount to NAV at the time of purchase, the NAV of the remaining Ordinary Shares in issue should increase as a result of any such purchase. Shares will not be purchased by the Company in the period from the end of the Company's relevant financial period up to and including the earlier of an announcement of all price sensitive information in respect of the relevant period or the release of the full results.

### Issue of New Ordinary Shares

During the year under review, 12,851,790 new Ordinary Shares were allotted (2019: 230,138). An Ordinary Resolution, numbered 10 in the Notice of Annual General Meeting will be put to Shareholders at the 2021 AGM for their approval to authorise the Company to issue up to an aggregate nominal amount of £794,035 (equivalent to 7,940,350 Ordinary Shares or 10% of the total issued share capital at 3 March 2021).

Issues of new Ordinary Shares may only be made at, or at a premium to, NAV per share, thus ensuring existing investors will not be disadvantaged by such issues. The proceeds of any issue may be used to purchase the Company's shares in the market or to fund further investments in accordance with the Company's investment policy. This authority shall expire either at the conclusion of the AGM in 2022 or on the expiry of 15 months from the passing of the Resolution, whichever is the first to occur.

When shares are to be allotted for cash, Section 561(1) of the Companies Act provides that existing Shareholders have pre-emption rights and that the new shares are offered first to such Shareholders in proportion to their existing shareholdings. However, Shareholders can, by special resolution, authorise the Directors to allot shares otherwise than by a pro rata issue to existing Shareholders. A Special Resolution, numbered 11 in the Notice of Annual General Meeting, will, if passed, give the Directors power to allot for cash, Ordinary Shares up to an aggregate nominal amount of £794,035 (equivalent to 7,940,350 Ordinary Shares or 10% of the total issued share capital at 3 March 2021) as if Section 561(1) does not apply. This is the same amount of share capital that the Directors are seeking the authority to allot pursuant to Resolution 10. The authority will also expire either at the conclusion of the AGM of the Company in 2022 or on the expiry of 15 months from the passing of the Resolution, whichever is the first to occur.

### Share Capital and Voting Rights

As at 30 November 2020, the Company's share capital comprised 79,653,579 Ordinary Shares of 10p each. Following the buying back of 250,000 Ordinary Shares for cancellation, as at 3 March 2021, being the last practicable date prior to the publication of this Annual Report, the Company's share capital amounted to 79,403,579 Ordinary Shares of 10p each. Further details are included in Note 12 to the Financial Statements.

There are no restrictions on the transfer of Ordinary Shares issued by the Company, or their related voting rights, other than certain restrictions that may be imposed from time to time by law (for example, the Market Abuse Regulation). The Company is not aware of any agreements between Shareholders that may result in a transfer of securities and/or voting rights.

### Additional Information

The rules governing the appointment of Directors are set out in the Statement of Corporate Governance on pages 51 to 55.

The powers of the Directors in relation to the issuing or buying back by the Company of its shares are contained in the Articles and the Companies Act 2006. The Company's Articles may only be amended by a special resolution at a General Meeting of Shareholders.

The Board is not aware of: (i) any significant agreements to which the Company is party, which take effect, alter or terminate upon a change of control of the Company following a takeover and; (ii) any agreements between the Company and its Directors to provide compensation for loss of office that occurs as a result of a takeover bid.

### Related Party Transactions

Other than those set out in this Directors' Report, there are no further related party transactions that require to be disclosed.

### Post Balance Sheet Events

The Directors have proposed a final dividend of 1.00p per Ordinary Share, in respect of the year ended 30 November 2020. The final dividend will be paid on 16 April 2021 to Shareholders on the register at 19 March 2021.

Other than those referred to above, and in the Strategic Report, there have been no events since 30 November 2020 that require disclosure.

## **Future Developments**

An indication of the Company's future developments can be found in the Chairman's Statement on page 12 and in the Investment Manager's Review on page 31, which highlights the Board and Manager's commitment to providing returns to Shareholders and delivering the Company's investment strategy.

## **Annual General Meeting and Directors' Recommendation**

The AGM will be held on 7 April 2021, and the Notice of Annual General Meeting is on pages 85 to 90 of this Annual Report. The Notice of Annual General Meeting also contains a Special Resolution (Resolution 13) that seeks authority for the Directors to convene a General Meeting, other than an AGM, on not less than fourteen days' clear notice, although it is anticipated that such authority would only be exercised under exceptional circumstances.

As highlighted in the Chairman's Statement, in light of Government advice against all non-essential travel and on maintaining social distancing, Shareholders will not be allowed to attend the AGM in person. Therefore, the Board encourages Shareholders to vote at the AGM using a hard copy proxy form, via Crest, or electronically using the Registrar's share portal service at **[www.signalshares.com](http://www.signalshares.com)**. Please refer to the notes to the Notice of Annual General Meeting on pages 87 to 90 of this Annual Report.

The Directors consider that all of the Resolutions to be put to the AGM are in the best interests of the Company and its Shareholders as a whole. The Directors recommend that Shareholders vote in favour of each Resolution to be put to the AGM.

**Authorised for issue by the Board**  
**Maven Capital Partners UK LLP**  
**Secretary**

**5 March 2021**

# DIRECTORS' REMUNERATION REPORT

## Statement by the Remuneration Committee

This report has been prepared in accordance with the requirements of Section 421 of the Companies Act 2006 and the Enterprise and Regulatory Reform Act 2013. An Ordinary Resolution for the approval of this report, which includes a section on the Company's policy for the remuneration of its Directors, will be put to the members of the Company at the forthcoming AGM. The law requires the Company's Auditor to audit certain disclosures provided. Where disclosures have been audited, they are indicated as such and the Auditor's opinion is included in their report on pages 61 to 68.

The Directors have established a Remuneration Committee comprising the independent Directors, with David Allan as its Chairman. As all the Directors are non-executive, the Principles of the UK Corporate Governance Code in respect of executive directors' remuneration do not apply.

At 30 November 2020, and as at the date of this Annual Report, the Company had four non-executive Directors and their biographies are shown in the Your Board section of this Annual Report. The names of the Directors who served during the year, together with the fees paid during the year, are shown in the table on page 49. The dates of appointment of the Directors in office at 30 November 2020 and the dates on which they will next be proposed for re-election are as follows:

	<b>Date of original appointment</b>	<b>Date of previous re-election</b>	<b>Due date for re-election</b>
Atul Devani (Chairman)	5 April 2014	8 April 2020	7 April 2021
David Allan	1 March 2017	8 April 2020	7 April 2021
Bill Nixon	1 November 2005	8 April 2020	7 April 2021
Keith Pickering	15 April 2015	8 April 2020	7 April 2021

During the year ended 30 November 2020, the Board was not provided with advice or services in respect of its consideration of the Directors' remuneration. However, in the application of the Board's policy on Directors' remuneration, defined below, the Board expects, from time to time, to review the fees paid to the directors of other venture capital trusts.

The Remuneration Committee met once during the year ended 30 November 2020 and carried out a review of the Remuneration Policy and the level of Directors' fees and it was recommended that no changes were required.

## Remuneration Policy

The Company's Policy is that the remuneration of the Directors should reflect the experience of the Board as a whole and be fair and comparable to that of other venture capital trusts with a similar capital structure and similar investment objectives.

Directors are remunerated in the form of fees, payable quarterly in arrears, to the Director personally, or to a third party specified by him. The fees for the Directors are determined within the limits set out in the Company's Articles, which limit the aggregate of the fees payable to the Directors to £100,000 per annum and the approval of Shareholders in a general meeting would be required to change this limit.

It is intended that the fees payable to the Directors should reflect their duties, responsibilities, the value and amount of time committed to the Company's affairs, and should also be sufficient to enable candidates of a high quality to be recruited and retained. Non-executive Directors do not receive bonuses, pension benefits, share options, long-term incentive schemes or other benefits, and the fees are not specifically related to the Directors' performance, either individually or collectively. A copy of the Remuneration Policy may be inspected by members of the Company at its registered office.

It is the Board's intention that the Remuneration Policy will be put to a Shareholders' vote at least once every three years and, as a Resolution was last approved at the AGM held in 2020, an Ordinary Resolution for its approval will next be proposed at the 2023 AGM. At the AGM held on 8 April 2020, the result in respect of the Ordinary Resolution to approve the Directors' Remuneration Policy for the period to 30 November 2022 was as follows:

	Percentage of votes cast for	Percentage of votes cast against	Number of votes withheld
Remuneration Policy	96.13	3.87	181,401

### Directors' and Officers' Liability Insurance

The Company purchases and maintains liability insurance for the Directors and Officers of the Company. This insurance is not a benefit in kind, nor does it form part of the Directors' remuneration.

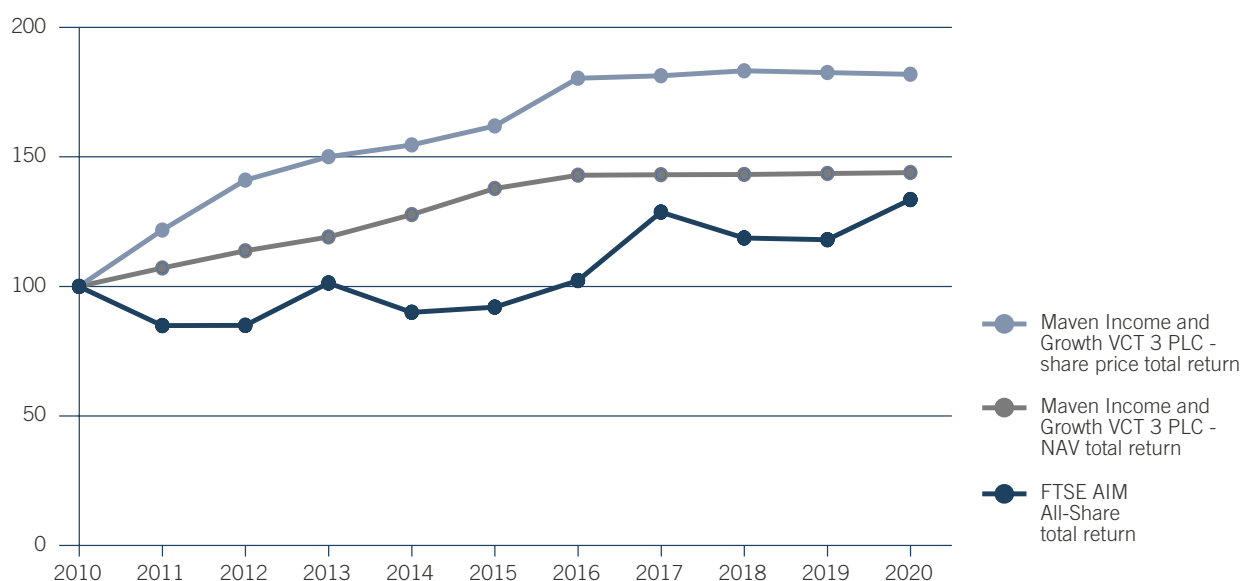
### Directors' Interests (audited)

The Directors' interests in the share capital of the Company are shown in the Directors' Report on page 42. There is no requirement for Directors to hold shares in the Company.

### Company Performance

The Board is responsible for the Company's investment strategy and performance, although the management of the Company's investment portfolio is delegated to the Manager through the Management and Administration Deed, as referred to in the Director's Report.

The graph below compares the total returns (excluding any tax relief), on an investment of £100 in the Ordinary Shares of the Company, for each annual accounting period for the ten years to 30 November 2020, assuming all dividends are reinvested, with the total shareholder return on a notional investment of £100 made up of shares of the same kind and number as those by reference to which the FTSE AIM All-Share index is calculated. This index was chosen for comparison purposes as it is the most relevant to the Company's investment portfolio.



Source: Maven Capital Partners UK LLP/London Stock Exchange/IRESS.

Please note that past performance is not necessarily a guide to future performance.



### Directors' Remuneration (audited)

The Company does not have any employees and Directors' remuneration comprises solely of Directors' fees. The Directors' fees for the years ended 30 November 2020 and 30 November 2019, and projected fees for the year ending 30 November 2021, are as follows:

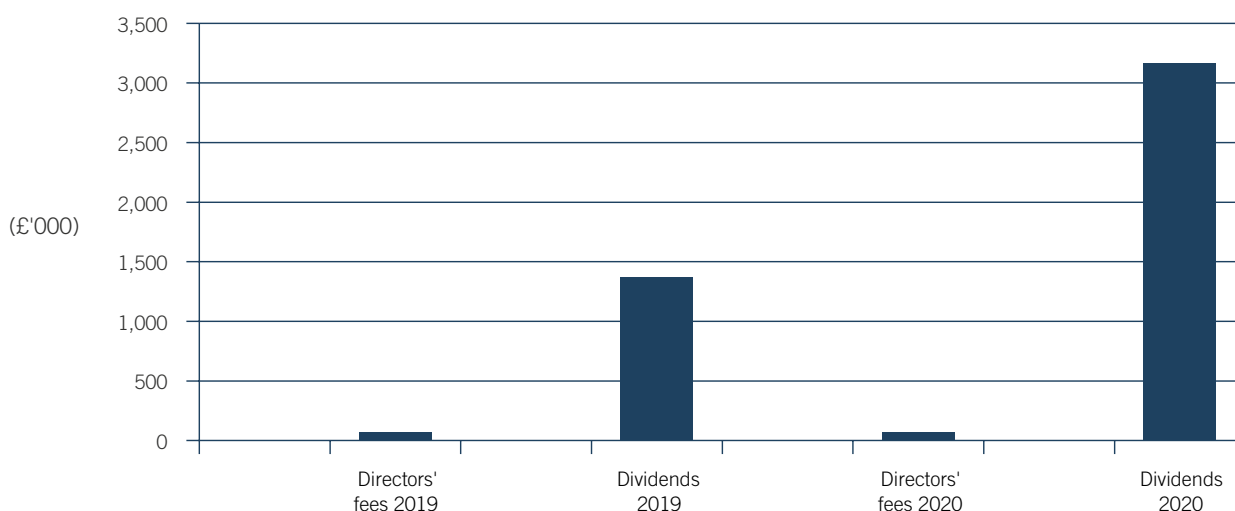
	Year ending 30 November 2021 £	Year ended 30 November 2020 £	Year ended 30 November 2019 £
Atul Devani (Chairman)	20,500	20,500	20,500
David Allan	16,800	16,800	16,800
Bill Nixon <sup>1</sup>	16,800	16,800	16,800
Keith Pickering	16,800	16,800	16,800
<b>TOTAL</b>	<b>70,900</b>	<b>70,900</b>	<b>70,900</b>

<sup>1</sup> Bill Nixon's remuneration is paid to Maven Capital Partners UK LLP and is subject to VAT.

The above amounts exclude any employers' national insurance contributions, if applicable. No other forms of remuneration were received by the Directors and no Director has received any taxable expenses, compensation for loss of office or non-cash benefits for the year ended 30 November 2020 (2019: £nil).

### Relative Cost of Directors' Remuneration

The chart below shows, for the years ended 30 November 2019 and 30 November 2020, the cost of Directors' fees compared with the level of dividend distribution:



As noted in the Strategic Report, all the Directors are non-executive, therefore, the Company does not have a chief executive officer, nor does it have any employees. In the absence of a chief executive officer or employees, there is no related information to disclose.

Directors do not have service contracts but new Directors are provided with a letter of appointment which is available for inspection by members at the Company's AGM. The terms of appointment provide that Directors should retire and be subject to election at the first AGM after their appointment. Thereafter, all Directors will be subject to annual re-election, in line with the requirements under the Codes. There is no notice period and no provision for compensation upon early termination of appointment, save for any arrears of fees which may be due.

During the year ended 30 November 2020, no communication had been received from Shareholders regarding Directors' remuneration.

**Approval**

An Ordinary Resolution to approve this Directors' Remuneration Report will be put to Shareholders at the 2021 AGM. At the AGM held on 8 April 2020, the results in respect of an Ordinary Resolution to approve the Directors' Remuneration Report for the year ended 30 November 2019 were as follows:

	<b>Percentage of votes cast for</b>	<b>Percentage of votes cast against</b>	<b>Number of votes withheld</b>
Remuneration Report	96.82	3.18	109,449

**Approval**

The Directors' Remuneration Report was approved by the Board of Directors and signed on its behalf by:

**David Allan**  
**Director**

**5 March 2021**

# STATEMENT OF CORPORATE GOVERNANCE

**The Company is committed to, and is accountable to the Company's Shareholders for, a high standard of corporate governance. The Board has put in place a framework for corporate governance that it believes is appropriate for a venture capital trust and which enables it to comply with the UK Corporate Governance Code (the UK Code). The UK Code is available from the website of the Financial Reporting Council (FRC) at [www.frc.org.uk](http://www.frc.org.uk).**

During the year under review, the Company was a member of the AIC, which published a revised version of its own Code of Corporate Governance (the AIC Code) in February 2019 and applies to accounting periods commencing on or after 1 January 2019. The Board has adopted the principles of the AIC Code and reports on compliance with these below. The AIC Code provides a comprehensive guide to best practice in certain areas of governance where the specific characteristics of investment trusts or venture capital trusts suggest alternative approaches to those set out in the UK Code.

The key notable changes to the AIC Code include:

- a requirement for the annual re-election of all directors to all investment companies;
- a requirement that a board should understand the views of its company's key stakeholders and describe in the annual report how their interests and the matters set out in Section 172 of the Companies Act 2006 (the duty to promote the success of the company) have been considered in board discussions and decision making;
- the chairman of an investment company may remain in post beyond nine years from the date of first appointment by the board. Notwithstanding this more flexible approach, the Board is required to determine and disclose a policy on the tenure of the Chairman.

The AIC Code is available from the AIC website at [www.theaic.co.uk](http://www.theaic.co.uk). This Statement of Corporate Governance forms part of the Directors' Report.

## Application of the Main Principles of the AIC Code

This statement describes how the main principles identified in the AIC Code have been applied by the Company throughout the year, as is required by the Listing Rules of the FCA. The Board has considered the Principles and Provisions of the AIC Code, which address the Principles and Provisions set out in the UK Code, as well as setting out additional Provisions on issues that are of specific relevance to the Company. The Board considers that reporting against the Principles and Provisions of the AIC Code, which has been endorsed by the FRC, provides more relevant information to Shareholders. The endorsement by the FRC means that by reporting against the AIC Code, the Company is meeting its obligations under the UK Code and the associated disclosure requirements of the Listing Rules, and as such does not need to report further on issues contained in the UK Code that are irrelevant to them. These include:

- provision 9 (dual role of chairman and chief executive);
- provision 19 (tenure of the chair);
- provision 25 (internal audit function); and
- provision 33 (executive remuneration).

The Board is of the opinion that the Company has complied fully with the main principles identified in the AIC Code, except as set out below:

- provision 14 (senior independent director).

A senior independent non-executive Director has not been appointed as the Board considers that each Director has different qualities and areas of expertise on which they may lead.

## The Board

The Board currently consists of four male Directors, all of whom are non-executive and the majority of whom are considered to be independent of the Manager, (Maven Capital Partners UK LLP or Maven). Bill Nixon is not considered to be independent because of his position as the managing partner of Maven.

The biographies of the Directors appear in the Your Board section of this Annual Report and indicate their high level and range of investment, industrial, commercial and professional experience.

The Board sets the Company's values and objectives and ensures that its obligations to Shareholders are met. It has formally adopted a schedule of matters that are required to be brought to it for decision, thus ensuring that it maintains full and effective control over appropriate strategic, financial, operational and compliance issues. These matters include:

- the appointment and removal of the Manager and the terms and conditions of any management and administration agreement;
- the maintenance of clear investment objectives and risk management policies;
- the monitoring of the business activities of the Company;
- Companies Act requirements such as the approval of the interim and annual financial statements and the approval and recommendation of interim and final dividends;
- major changes relating to the Company's structure, including share buy-backs and share issues;
- Board appointments and related matters;
- terms of reference and membership of Board Committees; and
- London Stock Exchange and Financial Conduct Authority matters, such as approval of all circulars, listing particulars and releases concerning matters decided by the Board.

As required by the Companies Act and permitted by the Articles, Directors notify the Company of any situation that might give rise to the potential for a conflict of interest so that the Board may consider and, if appropriate, approve such situations. A register of the potential conflicts of interest for Directors is reviewed regularly by the Board and the Directors notify the Company whenever there is a change in the nature of a registered conflict, or whenever a new conflict situation arises.

Atul Devani is executive chairman of, and has an interest in, The GP Service (UK) Limited, in which the Company is invested. However, this potential conflict was authorised by the Board as outlined in the Conflicts of Interest section of the Directors' Report on page 43.

Legal firms in which David Allan is currently, or was formerly, a partner have provided legal advice to the Manager. Nevertheless, it is expected that David will perform his duties as a Director in a way that will display his independence and the Board regard him as being independent.

Following implementation of the Bribery Act 2010, the Board adopted appropriate procedures.

There is an agreed procedure for Directors to take independent professional advice, if necessary, at the Company's expense.

The Directors have access to the advice and services of the Secretary through its appointed representatives who are responsible to the Boards for:

- ensuring that Board procedures are complied with;
- under the direction of the Chairman, ensuring good information flows within the Board and its Committees; and
- advising on corporate governance matters.

An induction meeting will be arranged by the Manager on the appointment of any new Director, covering details about the Company, the Manager, legal responsibilities and venture capital trust industry matters. Directors are provided, on a regular basis, with key information regarding the Company's policies, regulatory and statutory requirements and internal controls. Changes affecting Directors' responsibilities are advised to the Board as they arise.

Atul Devani is Chairman of the Company and also the Nomination Committee. Atul was independent of the Manager at the time of his appointment as a Director on 5 April 2014 and as Chairman on 13 April 2016 and continues to be so by virtue of his lack of connection with the Manager and the absence of cross-directorships with his fellow Directors. Keith Pickering is the Chairman of the Audit & Risk and Management Engagement Committees, as the other Directors consider that he has the skills and experience relevant to these roles. David Allan is Chairman of the Remuneration Committee.

During the year ended 30 November 2020, the Board held four quarterly Board Meetings. The primary focus of quarterly Board Meetings is a review of investment performance and related matters including asset allocation, peer group information and industry issues. A further five meetings of the Board took place by telephone. Between meetings, the Board maintains contact with the Manager and has access to senior members of the management team and to the company secretarial team. In addition to the Board Meetings, there were also five meetings of the Audit & Risk Committee and one meeting of each of the Nomination, Remuneration and Management Engagement Committees.

Directors have attended Board and Committee Meetings during the year ended 30 November 2020<sup>1</sup> as follows:

Director	Board	Board Committee	Audit & Risk Committee	Nomination Committee	Remuneration Committee	Management Engagement Committee
Atul Devani	4 (4)	5 (5)	5 (5)	1 (1)	1 (1)	1 (1)
David Allan	4 (4)	5 (5)	5 (5)	1 (1)	1 (1)	1 (1)
Bill Nixon <sup>2</sup>	4 (4)	5 (5)	n/a	1 (1)	n/a	n/a
Keith Pickering	4 (4)	5 (5)	5 (5)	1 (1)	1 (1)	1 (1)

<sup>1</sup> The number of meetings which the Directors were eligible to attend is in brackets.

<sup>2</sup> Bill Nixon is not a member of the Audit & Risk, Remuneration or Management Engagement Committees.

To enable the Board to function effectively and allow Directors to discharge their responsibilities, full and timely access is given to all relevant information. In the case of Board Meetings, this consists of a comprehensive set of papers, including the Manager's review and discussion documents regarding specific matters. The Directors make further enquiries when necessary.

The Board and its Committees have undertaken a process for their annual performance evaluation, using questionnaires and discussion to ensure that Directors have devoted sufficient time and contributed adequately to the work of the Board and its Committees and to consider each Director's independence.

In addition, the Board also uses the process to assess and monitor its culture and behaviour, to ensure it is aligned with the Company's purpose, values and strategy.

## Directors' Terms of Appointment

All non-executive Directors were appointed for an initial period of three years and in accordance with the Articles, stood for election at the first AGM following their appointment. Notwithstanding the Articles, which state that Directors must offer themselves for re-election at least once every three years, in accordance with the Codes, all Directors will stand for annual re-election.

## Policy on Tenure

The Board subscribes to the view expressed in the AIC Code that long-serving Directors should not be prevented from forming part of an independent majority. It does not consider that a Director's tenure necessarily reduces his ability to act independently and, following formal performance evaluations, believes that each Director is independent in character and judgement and that there are no relationships or circumstances which are likely to affect the judgement of any Director.

The Board's policy on tenure is that continuity and experience are considered to add significantly to the strength of the Board and, as such, no limit on the overall length of service of any of the Company's Directors, including the Chairman, has been imposed. The policy on tenure and the independence of each Director is reviewed on an annual basis, before the re-election of any Director is recommended and the Board considers the need for regular refreshment of the Directors prior to doing so. The Company has no executive Directors or employees.

## Committees

Each of the Committees have been established with written terms of reference, which are available on request from the Registered Office of the Company, and are reviewed and re-assessed for their adequacy at each Meeting.

### Audit & Risk Committee

The Audit & Risk Committee is chaired by Keith Pickering. Information regarding the composition, responsibilities and activities of the Audit & Risk Committee is detailed in the Report of the Audit & Risk Committee on pages 57 to 60.

### Management Engagement Committee

The Management Engagement Committee, which is comprised of all independent Directors and is chaired by Keith Pickering, is responsible for the annual review of the management contract with the Manager, details of which are shown in the Directors' Report. One meeting of the Committee was held during the year ended 30 November 2020, at which the Committee recommended the continued appointment of Maven Capital Partners UK LLP as Manager of the Company.

### ***Nomination Committee***

The Nomination Committee is comprised of the full Board, the majority of members being independent, and is chaired by Atul Devani. In line with the requirements of the AIC Code, the terms of reference state that the Chairman will not chair the Committee when it is dealing with the appointment of his successor. The Committee met once during the year. The Committee makes recommendations to the Board on the following matters:

- the evaluation of the performance of the Board (including its Chairman) and its Committees, and supports the Chairman of the Board in acting on the results of the evaluation process;
- the review of the composition of skills, knowledge, experience and diversity of the Board;
- succession planning;
- the identification and nomination of candidates to fill Board vacancies, as and when they arise, considering candidates from a wide range of backgrounds in order to promote diversity of gender, social and ethnic background, cognitive and personal strengths, for the approval of the Board;
- the tenure and re-appointment of any non-executive Director on an annual basis;
- proposals for the re-election by Shareholders of any Director on an annual basis, having due regard to the provisions of the AIC Code, the Director's performance and ability to contribute to the Board and long-term success of the Company;
- the continuation in office of any Director at any time; and
- the appointment of any Director to another office, such as Chairman of the Audit & Risk Committee, other than to the position of Chairman.

At its meeting in October 2020, the Committee reviewed the knowledge, experience and skills of all Directors. The Board noted that each of the Directors were valued and that they were deemed to enhance the skills and knowledge base of the Board, enabling it to carry out its functions more effectively and each Director contributing to the long-term success of the Company. The Committee recommended to the Board that all Directors be nominated for re-election and accordingly, Resolutions 4 to 7 will be put to the 2021 AGM.

Although the Company does not have a formal policy on diversity, as detailed above, consideration of Board diversity and inclusion forms part of the responsibilities of the Committee.

No external search consultancy was used by the Company during the year ended 30 November 2020.

### ***Remuneration Committee***

Where a venture capital trust has only non-executive directors, the UK Code principles relating to directors' remuneration do not apply. However, in line with the requirements of the AIC Code, the Company does have a Remuneration Committee, comprised of all independent Directors, which is chaired by David Allan. The Committee met once during the year ended 30 November 2020 to review the policy for and the level of Directors' remuneration. Further information about Directors' remuneration can be found in the Directors' Remuneration Report on pages 47 to 50.

The level of remuneration for the Directors has been set in order to attract and retain individuals of a calibre appropriate to the future development of the Company. Details of the remuneration of each Director and of the Company's policy on Directors' Remuneration are provided in the Directors' Remuneration Report.

### **External Agencies**

The Board has contractually delegated certain services to external agencies including custodial services (which include the safeguarding of assets) and registration services. The Board has delegated responsibility for the day to day accounting and company secretarial requirements to the Manager. In addition, the Board has delegated its portfolio management responsibilities to the Manager. Each of these contracts was entered into after full and proper consideration by the Board of the quality and cost of services offered. The Board receives and considers reports from the Manager and other external agencies on a regular basis. In addition, ad hoc reports and information are supplied to the Board as requested.



## Corporate Governance, Stewardship and Proxy Voting

The FRC published the revised UK Stewardship Code 2020 in October 2019 and it took effect for reporting periods beginning on or after 1 January 2020. The purpose of the Stewardship Code is to enhance the quality of engagement between institutional investors and companies to help improve long-term returns to shareholders and assist institutional investors in the efficient exercise of their governance responsibilities. The Board has considered the implications of the revised code and will report against it in future Annual Reports.

The Board is aware of its duty to act in the interests of the Company and the Directors believe that the exercise of voting rights lies at the heart of regulation and the promotion of good corporate governance. The Directors, through the Manager, encourage companies in which investments are made to adhere to best practice in the area of corporate governance. The Manager believes that, where practicable, this can best be achieved by entering into a dialogue with investee company management teams to encourage them, where necessary, to improve their governance policies. Therefore, the Board has delegated responsibility for monitoring the activities of portfolio companies to the Manager and has given it discretionary powers to vote in respect of the holdings in the Company's investment portfolio.

## Socially Responsible Investment Policy

The Directors and the Manager are aware of their duty to act in the interests of the Company and acknowledge that there are risks associated with investment in companies that fail to conduct business in a socially responsible manner. Therefore, the Directors and the Manager take account of the social environment and ethical factors that may affect the performance or value of the Company's investments. Maven and the Directors believe that a company run in the long-term interests of its shareholders should manage its relationships with its employees, suppliers and customers and behave responsibly towards the environment and society as a whole. The effectiveness of the policy in respect of investee companies is monitored on an ongoing basis.

## Communication with Shareholders

The Company places a great deal of importance on communication with its Shareholders, all of whom are normally encouraged to attend and participate in the AGM. However, in respect of the 2021 AGM, Shareholders should note the guidance provided in the Chairman's Statement on page 12. The Notice of Annual General Meeting sets out the business of the AGM and the Resolutions are explained more fully in the Explanatory Notes to the Notice of Annual General Meeting as well as in the Directors' Report and in the Directors' Remuneration Report. Separate Resolutions are proposed for each substantive issue and Shareholders have the opportunity to put questions to the Board and the Manager. The results of proxy voting are relayed to Shareholders after the Resolutions have been voted on by a show of hands. Nominated persons, often the beneficial owners of shares held for them by nominee companies, may attend Shareholder meetings and are invited to contact the registered Shareholder, normally a nominee company, in the first instance in order to be nominated to vote in respect of the shares held for them. In general, a venture capital trust has few major shareholders.

The Annual Report is normally posted to Shareholders at least twenty business days before the AGM. Annual and Interim Reports and Financial Statements are distributed to Shareholders and other parties who have an interest in the Company's performance.

Shareholders and potential investors may obtain up-to-date information on the Company through the Manager and the Secretary, and the Company responds to letters and emails from Shareholders on a wide range of issues. In order to ensure that the Directors develop an understanding of the views of Shareholders, correspondence between Shareholders and the Manager or the Chairman is copied to the Board. See Contact Information for details on how to contact the Manager or Company Secretary.

The Company's web pages are hosted on the Manager's website, and can be visited at [www.mavencp.com/migvct3](http://www.mavencp.com/migvct3) from where Annual and Interim Reports, London Stock Exchange Announcements and other information can be viewed, printed or downloaded. Access to further information about the Manager can be gained from [www.mavencp.com](http://www.mavencp.com).

## Accountability and Audit

The Statement of Directors' Responsibilities in respect of the Financial Statements is on page 56, the Statement of Going Concern and the Viability Statement are included in the Directors' Report on page 41. The Independent Auditor's Report is on pages 61 to 68.

**Authorised for issue by the Board**  
**Maven Capital Partners UK LLP**  
**Secretary**

**5 March 2021**

# STATEMENT OF DIRECTORS' RESPONSIBILITIES

## **The Directors are responsible for preparing the Annual Report, Directors' Remuneration Report and the Financial Statements in accordance with applicable law and regulations.**

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law, the Directors have elected to prepare the Financial Statements in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland. The Financial Statements are required by law to give a true and fair view of the state of affairs of the Company and of the net return of the Company for that period.

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report (including a report on remuneration policy) and Statement of Corporate Governance that comply with applicable law and regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's web pages, which are hosted on the Manager's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

The Directors are also responsible for ensuring that the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

## **Responsibility Statement of the Directors in Respect of the Annual Report and Financial Statements**

Each Director believes that, to the best of their knowledge:

- the Financial Statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as at 30 November 2020 and for the year to that date;
- the Directors' Report includes a fair review of the development and performance of the Company, together with a description of the principal risks and uncertainties that it faces; and
- the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

**Atul Devani**  
**Director**

**5 March 2021**

# REPORT OF THE AUDIT & RISK COMMITTEE

**The Audit & Risk Committee is chaired by Keith Pickering and comprises all independent Directors.**

The Board is satisfied that at least one member of the Committee has recent and relevant financial experience and that the Committee, as a whole, has competence relevant to the sector in which the Company operates.

## Responsibilities

The principal responsibilities of the Committee include:

### ***Audit Matters***

- the integrity of the Interim and Annual Reports and Financial Statements and the review of any significant financial reporting issues and judgements contained therein;
- the review of the terms of appointment of the Auditor, together with their remuneration;
- the review of the scope and results of the audit and the independence and objectivity of the Auditor;
- the review of the Auditor's Board Report and any required response;
- meetings with representatives of the Manager;
- the review of the custody arrangements in place to confirm ownership of investments;
- the provision of advice on whether the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy; and
- making appropriate recommendations to the Board.

### ***Risk Matters***

- the review of the adequacy and effectiveness of the Manager's internal financial controls, its internal control and risk management systems and procedures in the context of the Company's overall credit risk management system;
- the identification, measurement, management and monitoring of the risks and emerging risks to the Company as recommended by the AIFMD including, but not limited to, investment portfolio, credit, counterparty, liquidity, market and operational risk;
- the review and monitoring of all reports on the Company from the Manager's internal control function ensuring compliance with all VCT regulations;
- the review of the arrangements for, and effectiveness of, the monitoring of risk parameters;
- ensuring that appropriate, documented and regularly updated due diligence processes are implemented when appointing and reviewing service providers, including the main contracts entered into by the Company for such services;
- ensuring that the risk profile of the Company corresponds to the size, portfolio structure, investment strategies and objectives of the Company; and
- reporting to the Board on its conclusions and making recommendations in respect of any matter within its remit, including proposals for improvement of changes to the systems, processes and procedures that are in place.

## **Internal Control and Risk Management**

The Board of Directors has overall responsibility for the Company's system of internal control and risk management and procedures, and for reviewing their effectiveness. However, as the Directors have delegated the investment management, company secretarial and administrative functions of the Company to the Manager, the Board considers that it is appropriate for the Company's internal controls to be monitored by the Manager, rather than by the Company itself.

The principal responsibilities of the Committee include the ongoing review of the effectiveness of the internal control environment and the review of the risk management systems that allow the Company to identify, measure, manage and monitor all risks on a continuous basis. The Committee keeps the effectiveness of the Company's internal control and risk management systems and procedures under review. The Directors confirm that there is an ongoing process to identify, measure, manage and monitor the principal and emerging risks faced by the Company. This robust process has been in place up to the date of approval of this Annual Report and is reviewed regularly by the Board to ensure that it accords with internal control guidance issued by the FRC.

Through the Audit & Risk Committee, the Board reviews the effectiveness of the system of internal control at least twice each year. In particular, the process for identifying and evaluating the principal and emerging risks affecting the Company, and the policies and procedures by which these risks are managed, are reviewed and considered by the Directors. The Board has delegated the portfolio management of the Company's assets to the Manager. Such delegation is in accordance with the delegation requirements of the AIFMD. The delegation embraces implementation of the Manager's system of internal control, including financial, operational and compliance controls and risk management. Internal control systems are monitored and supported by the compliance function of the Manager, which undertakes periodic examination of business processes, including compliance with the terms of the Management and Administration Deed, and ensures that recommendations to improve controls are implemented.

Risks are identified through the Company's risk management framework of each function within the Manager's activities. Risk is considered in the context of the guidance issued by the FRC and includes financial, regulatory, market, operational and reputational risk. This helps the Manager's model identify those functions most appropriate for review. Any errors or weaknesses identified are reported to the Company and timetables are agreed for implementing improvements to systems. The implementation of any remedial action required is monitored and feedback is provided to the Committee.

The key components designed to provide effective internal control for the year under review, and up to the date of this report are:

- the Manager prepares forecasts and management accounts that allow the Board to assess the Company's activities and review its investment performance;
- the Board and Manager have agreed clearly defined investment criteria, specified levels of authority and exposure limits. Reports on these areas, including performance statistics and investment valuations, are submitted regularly to the Board;
- the Manager's evaluation procedure and financial analysis of the companies concerned include detailed appraisal and due diligence;
- the compliance director of the Manager reviews continually the Manager's operations;
- written agreements are in place that specifically define the roles and responsibilities of the Manager and other third party service providers;
- clearly documented contractual arrangements exist in respect of any activities that have been delegated to external professional organisations;
- the Committee carries out a bi-annual assessment of internal controls by considering reports from the Manager, including oversight of Maven's whistleblowing policy, its internal control and compliance functions, and taking account of events since the relevant period end; and
- the compliance function of the Manager reports bi-annually to the Committee and has direct access to the Directors at any time.

The internal control systems are intended to meet the Company's particular needs and the risks to which it is exposed. Accordingly, these systems are designed to manage, rather than eliminate, the risk of failure to achieve business goals and, by their nature, can provide reasonable, but not absolute, assurance against material misstatement or loss.

## Assessment of Risks

In terms of the assessment of the risks facing the Company, it is recognised that the investment portfolio forms a significant element of its assets. The recognition, ownership and valuation of the investment portfolio is, therefore, an area of particular attention by the Committee. Specifically, the risk is that investments are not recognised and measured in line with the Company's stated accounting policy on the valuation of investments as set out in Note 1(e) to the Financial Statements on pages 73 and 74.

Another risk is that the Company does not recognise income in line with its stated policy on revenue recognition. The maintenance of VCT status is another risk that the Company has to address and the approach to address each of these risks is set out below.

#### ***Valuation, Existence and Ownership of the Investment Portfolio***

The Company uses the services of an independent custodian (JPMorgan Chase Bank) to hold the quoted investment assets of the Company. An annual internal control report is received from the Custodian, which provides details of the Custodian's control environment. The investment portfolio is reconciled regularly by the Manager and the reconciliation is also reviewed by the Independent Auditor. The portfolio is reviewed and verified by the Manager on a regular basis and management accounts, including a full portfolio listing, are prepared quarterly and considered at the quarterly meetings of the Board. The portfolio is also audited annually by the Independent Auditor.

The valuation of investments is undertaken in accordance with the Company's stated accounting policy as set out in Note 1(e) to the Financial Statements on pages 73 and 74. Unquoted investments are valued by the Manager and are subject to scrutiny and approval by the Directors. Investments listed on a recognised stock exchange are valued at their closing bid market price.

The Committee considered and challenged the assumptions and significant judgements in relation to the valuation of each quoted and unquoted investment and was satisfied that they were appropriate. The Committee also satisfied itself that there were no issues associated with the existence and ownership of the investments that required to be addressed.

#### ***Revenue Recognition***

The recognition of dividend income and loan stock interest is undertaken in accordance with accounting policy Note 1(b) to the Financial Statements on page 73. The management accounts are reviewed by the Board on a quarterly basis and discussion takes place with the Manager at the quarterly Board Meetings regarding the revenue generated from dividend income and loan stock. The Directors are satisfied that the levels of income recognised are in line with revenue estimates. The Committee concluded that there were no issues associated with revenue recognition that required to be addressed.

#### ***Maintenance of VCT Status***

Compliance with the VCT regulations is monitored continually by the Manager and is reviewed by the Committee on a quarterly basis. The Committee concluded that there were no issues associated with the maintenance of VCT status that required to be addressed.

The principal and emerging risks and uncertainties faced by the Company and the Board's strategy for managing these risks are covered in the Business Report on pages 13 to 15.

#### ***Activities of the Audit & Risk Committee***

The Committee met five times during the year and, at each of those Meetings, considered the risks detailed above and the corresponding internal control and risk reports provided by the Manager, which included the Company's risk management framework. No significant weaknesses in the control environment were identified. It was also noted that there had not been any adverse comment from the Auditor and that the Auditor had not identified any significant issues in its Audit Report. In addition, there had been no interaction with the FRC, through their Corporate Reporting Review or the Audit Quality Review teams during the period. The Committee, therefore, concluded that there were no significant issues that required to be reported to the Board.

At its meeting in January 2020, the Committee reviewed, for recommendation to the Board, the Audit Report from the Independent Auditor and the draft Annual Report and Financial Statements for the year ended 30 November 2019. The Committee concluded that it was satisfied with the performance of Deloitte LLP (Deloitte) and recommended its continued appointment.

At its meeting in June 2020, the Committee reviewed the Half Yearly Report for the six months ended 31 May 2020, and also considered the independence, tenure and performance of Deloitte as Auditor.

Subsequent to 30 November 2020, at its meeting in January 2021, the Committee considered the draft Annual Report and Financial Statements for the year ended 30 November 2020, and provided advice to the Board that it considered that the Annual Report and Financial Statements, taken as a whole, was fair, balanced and understandable and provided the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

### **Review of Effectiveness of the Independent Auditor**

As part of its annual review of audit services, the Committee considers the performance, effectiveness and general relationship with the Independent Auditor. In addition, the Committee reviews the independence and objectivity of the Independent Auditor. Key elements of these reviews include: discussions with the Manager regarding the audit service provided; separate meetings with the Independent Auditor; consideration of the completeness and accuracy of Deloitte reporting; and a review of the relationship the Independent Auditor has with the Manager.

The Company first appointed Deloitte as Auditor on 3 October 2007 and subsequently re-appointed them as Auditor during the year ended 30 November 2016, following the completion of an audit tender process. It should be noted that Deloitte rotates the Senior Statutory Auditor responsible for the audit every five years and Chris Hunter was appointed as the Senior Statutory Auditor during the year ended 30 November 2017.

The Independent Auditor's Report is on pages 61 to 68. Details of the amounts paid to the Auditor during the year for audit services are set out in Note 4 to the Financial Statements. The Company reviews its approach for governing and controlling the provision of non-audit services by the Independent Auditor, so as to safeguard its independence and objectivity.

Shareholders are asked to approve the re-appointment, and the Directors' authority to fix the remuneration, of the Auditor at each AGM. Any non-audit work requires the specific approval of the Audit & Risk Committee in each case. Non-audit work, where independence may be compromised or conflicts arise, is prohibited. There are currently no contractual obligations that restrict the Committee's choice of Independent Auditor. The Committee has concluded that Deloitte is independent of the Company and recommended that a Resolution for the re-appointment of Deloitte as Independent Auditor should be put to the 2021 AGM.

**Keith Pickering**  
**Director**

**5 March 2021**



# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAVEN INCOME AND GROWTH VCT 3 PLC

## Report on the audit of the Financial Statements

### 1. Opinion

*In our opinion the Financial Statements of Maven Income and Growth VCT 3 PLC (the Company):*

- **give a true and fair view of the state of the Company's affairs as at 30 November 2020 and of its return for the year then ended;**
- **have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and**
- **have been prepared in accordance with the requirements of the Companies Act 2006.**

We have audited the Financial Statements, which comprise:

- the Income Statement;
- the Balance Sheet;
- the Statement of Changes in Equity;
- the Cash Flow Statement; and
- the related Notes 1 to 16.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).





### 2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the FRC's) Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We confirm that the non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 3. Summary of our audit approach

<b>Key audit matters</b>	<p>The key audit matter that we identified in the current year was the valuation of early stage unlisted investments.</p> <p>Within this report, key audit matters are identified as follows:</p> <ul style="list-style-type: none"> <li> Newly identified</li> <li> Increased level of risk</li> <li> Similar level of risk</li> <li> Decreased level of risk</li> </ul>
<b>Materiality</b>	The materiality that we used in the current year was £896,000 (2019: £814,000), which was determined on the basis of 2% of the net asset value of the Company at year end.
<b>Scoping</b>	Audit work to respond to the risks of material misstatement was performed directly by the engagement team.
<b>Significant changes in our approach</b>	There have been no significant changes to our audit approach in the current year.

### 4. Conclusions relating to going concern, principal risks and viability statement

<p><b>4.1. Going concern</b></p> <p>We have reviewed the Directors' statement in the Directors' Report about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them and their identification of any material uncertainties to the Company's ability to continue to do so over a period of at least twelve months from the date of approval of the Financial Statements.</p> <p>We considered as part of our risk assessment the nature of the Company, its business model and related risks including where relevant the impact of the COVID-19 pandemic and Brexit, the requirements of the applicable financial reporting framework and the system of internal control. We evaluated the Directors' assessment of the Company's ability to continue as a going concern, including challenging the underlying data and key assumptions used to make the assessment, and evaluated the Directors' plans for future actions in relation to their going concern assessment.</p> <p>We are required to state whether we have anything material to add or draw attention to in relation to that statement required by Listing Rule 9.8.6R(3) and report if the statement is materially inconsistent with our knowledge obtained in the audit.</p>	<p><b>Going concern is the basis of preparation of financial statements that assumes an entity will remain in operation for a period of at least 12 months from the date of approval of the financial statements.</b></p> <p>We confirm that we have nothing material to report, add or draw attention to in respect of these matters.</p>
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**4.2. Principal risks and viability statement**

Based solely on reading the Directors' statements and considering whether they were consistent with the knowledge we obtained in the course of the audit, including the knowledge obtained in the evaluation of the Directors' assessment of the Company's ability to continue as a going concern, we are required to state whether we have anything material to add or draw attention to in relation to:

- the disclosures on pages 13 to 15 that describe the principal risks, procedures to identify emerging risks, and an explanation of how these are being managed or mitigated;
- the Directors' confirmation on page 41 that they have carried out a robust assessment of the principal and emerging risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity; or
- the Directors' explanation on page 41 as to how they have assessed the prospects of the Company, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to report whether the Directors' statement relating to the prospects of the Company required by Listing Rule 9.8.6R(3) is materially inconsistent with our knowledge obtained in the audit.

**Viability means the ability of the Company to continue over the time horizon considered appropriate by the Directors.**

We confirm that we have nothing material to report, add or draw attention to in respect of these matters.

**5. Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**5.1. Valuation of early-stage unlisted investments****Key audit matter description**

Refer to Note 1(e) (Accounting Policies) on pages 73 and 74, Note 8 on pages 78 and 79, and the Assessment of Risks section of the Report of the Audit & Risk Committee on pages 58 and 59.

The Company holds unlisted investments that are valued in accordance with the revised International Private Equity and Venture Capital Valuation (IPEVCV) Guidelines. These unlisted investments represent £28.7 million or 64.1% (2019: £23.2 million or 56.9%) of the Company's net assets.

Under the VCT regulations, investments are more likely to be in earlier stage unlisted companies, which lack financial performance history. The valuation of these early stage unlisted companies is, therefore, exposed to a greater deal of judgement, further heightened by the COVID-19 pandemic and Brexit.

In particular, where a follow-on investment has been made in an early stage unlisted company, there is a risk that the price of the recent investment may not be reflective of an independent market value due to the existing relationship between the investee company and the Company. Furthermore, where the early stage unlisted company has not been revalued in the current year, there is a risk that indicators of a change in fair value, such as investee company performance being ahead or behind milestones, have not been adequately factored in the re-measurement.

This risk has been identified as a potential fraud risk, as incorrect valuations could result in a material misstatement of the net asset value of the Company.

<b>How the scope of our audit responded to the key audit matter</b>	<p>Our testing included:</p> <ul style="list-style-type: none"> <li>• review of Board minutes for evidence that all investee company valuations are challenged prior to approval by the Directors;</li> <li>• review of valuation committee minutes for evidence that company valuations are reviewed by the Manager's valuation committee;</li> <li>• review of the initial or revised investment documents related to the investee companies and identification of the key milestones that underpin the companies' anticipated growth and development;</li> <li>• enquiring with the individual investment managers to understand current performance of the investee company against milestones, its challenges and opportunities;</li> <li>• scrutiny of management accounts, with a particular emphasis on current cash position and cash flow forecasts for the next 12 months and assessing whether any additional funding is anticipated; and</li> <li>• assessment of the assumptions used in the performance of the investee company against management accounts and other available market data, including the potential impact of Brexit and COVID-19. If this performance was not reflected in the valuation of the investee company, this was challenged with the relevant investment manager and relevant external supporting documentation obtained.</li> </ul>
<b>Key observations</b>	Based on our testing, we conclude that the valuation of the early-stage unlisted investments is reasonable.

## 6. Our application of materiality

### 6.1. Materiality

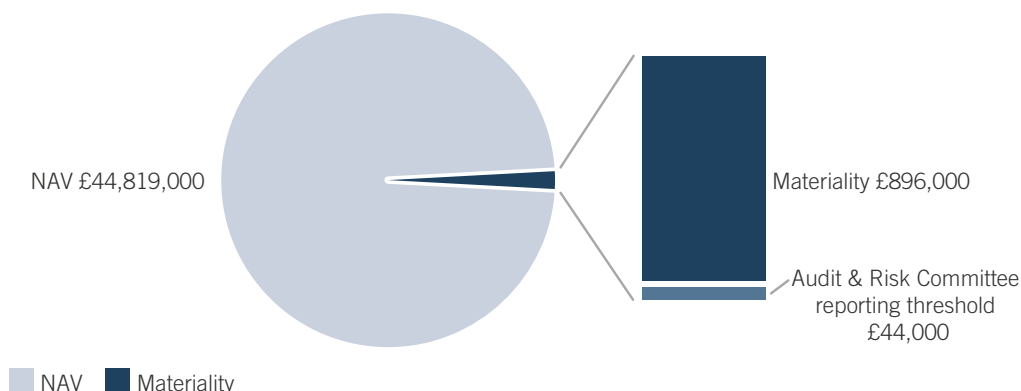
We define materiality as the magnitude of misstatement in the Financial Statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the Financial Statements as a whole as follows:

<b>Materiality</b>	£896,000 (2019: £814,000)
<b>Basis for determining materiality</b>	2% of net asset value (2019: 2%).
<b>Rationale for the benchmark applied</b>	Net asset value is the primary measure used by the Shareholders in assessing the performance of the Company as an investment entity.

## 6.2. Materiality applied to particular classes of transactions, account balances or disclosures

For our testing of the unlisted investments held by the Company, we used a lower level of materiality based on 2% of the unlisted investment balance, which results in a lower-level materiality of £582,000. This is because the NAV of the VCT includes significant levels of cash that have not yet been deployed from previous capital raises, meaning a significant amount of cash is held as of the year-end date. However, the cash balance will carry a different risk profile to that of unlisted investments and, therefore, these investments should be tested at a lower materiality level.



## 6.3. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the Financial Statements as a whole. Performance materiality was set at 70% of materiality for the 2020 audit (2019: 70%). In determining performance materiality, we considered the quality of the control environment and management's willingness to correct identified errors in previous audits.

## 6.4. Error reporting threshold

We agreed with the Audit & Risk Committee that we would report to the Committee all audit differences in excess of £44,000 (2019: £40,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit & Risk Committee on disclosure matters that we identified when assessing the overall presentation of the Financial Statements.

## 7. An overview of the scope of our audit

### 7.1. Scoping and our consideration of the control environment

Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control, and assessing the risks of material misstatement.

The investment management and accounting and reporting operations were undertaken by the Manager, whilst the safeguarding of assets resides with the Manager and the Custodian. We have obtained an understanding of the Manager's systems of internal control and reviewed the Custodian's controls report. We have, however, not relied on the controls at either the Manager or Custodian.

## 8. Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the Financial Statements and our Auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

In this context, matters that we are specifically required to report to you as uncorrected material misstatements of the other information include where we conclude that:

- **Fair, balanced and understandable** – the statement given by the Directors that they consider the Annual Report and Financial Statements taken as a whole is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy, is materially inconsistent with our knowledge obtained in the audit; or
- **Audit committee reporting** – the section describing the work of the Audit & Risk Committee does not appropriately address matters communicated by us to the Audit Committee; or
- **Directors' statement of compliance with the UK Corporate Governance Code** – the parts of the Directors' statement required under the Listing Rules relating to the Company's compliance with the UK Corporate Governance Code containing provisions specified for review by the auditor in accordance with Listing Rule 9.8.10R(2) do not properly disclose a departure from a relevant provision of the UK Corporate Governance Code.

**We have nothing to report in respect of these matters.**

## 9. Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## 10. Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the Financial Statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

## 11. Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

### 11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance, including the design of the Company's remuneration policy, key drivers for Directors' remuneration, bonus levels and performance targets (if any);
- results of our enquiries of management and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Company's documentation of its policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether there is knowledge of any actual, suspected, or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team and involving relevant internal specialists, including tax and valuations regarding how and where fraud might occur in the Financial Statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: valuation of early-stage unlisted investments. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the Financial Statements. The key laws and regulations we considered in this context included the UK Companies Act and Listing Rules.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the Financial Statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included the Company's compliance with VCT regulations.

### 11.2. Audit response to risks identified

As a result of performing the above, we identified the valuation of early stage unlisted investments as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the Financial Statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the Financial Statements;
- enquiring of management, the Audit & Risk Committee and external legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC and the FCA; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.



## Report on other legal and regulatory requirements

### 12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report.

### 13. Matters on which we are required to report by exception

#### 13.1. Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns.

**We have nothing to report in respect of these matters.**

#### 13.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if, in our opinion, certain disclosures of Directors' remuneration have not been made or the part of the Directors' Remuneration Report to be audited is not in agreement with the accounting records and returns.

**We have nothing to report in respect of these matters.**

### 14. Other matters

#### 14.1. Auditor tenure

Following the recommendation of the Audit & Risk Committee, we were reappointed by the Board of Directors in July 2016 to audit the financial statements for the year ended 30 November 2016 and subsequent financial periods. The period of total uninterrupted engagement, including previous renewals and reappointments of the firm, is 14 years, covering the years ended 30 November 2007 to 30 November 2020.

#### 14.2. Consistency of the audit report with the additional report to the Audit & Risk Committee

Our audit opinion is consistent with the additional report to the Audit & Risk Committee we are required to provide in accordance with ISAs (UK).

### 15. Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Chris Hunter CA (Senior Statutory Auditor)**

**For and on behalf of Deloitte LLP**

**Statutory Auditor**

**Edinburgh, United Kingdom**

**5 March 2021**

## INCOME STATEMENT

For the year ended 30 November 2020

	Notes	Year ended 30 November 2020			Year ended 30 November 2019		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments	8	-	782	782	-	641	641
Income from investments	2	928	-	928	922	-	922
Other income	2	21	-	21	60	-	60
Investment management fees	3	(226)	(905)	(1,131)	(213)	(854)	(1,067)
Other expenses	4	(327)	-	(327)	(300)	-	(300)
<b>Net return on ordinary activities before taxation</b>		<b>396</b>	<b>(123)</b>	<b>273</b>	<b>469</b>	<b>(213)</b>	<b>256</b>
Tax on ordinary activities	5	(63)	63	-	(78)	78	-
<b>Return attributable to Equity Shareholders</b>	<b>7</b>	<b>333</b>	<b>(60)</b>	<b>273</b>	<b>391</b>	<b>(135)</b>	<b>256</b>
<b>Earnings per share (pence)</b>		<b>0.43</b>	<b>(0.08)</b>	<b>0.35</b>	<b>0.57</b>	<b>(0.20)</b>	<b>0.37</b>

All gains and losses are recognised in the Income Statement.

All items in the above statement are derived from continuing operations. The Company has only one class of business and one reportable segment, the results of which are set out in the Income Statement and Balance Sheet. The Company derives its income from investments made in shares, securities and bank deposits.

There are no potentially dilutive capital instruments in issue and, therefore, no diluted earnings per share figures are relevant. The basic and diluted earnings per share are, therefore, identical.

The accompanying Notes are an integral part of the Financial Statements.

## STATEMENT OF CHANGES IN EQUITY

For the year ended 30 November 2020

Year ended 30 November 2020	Notes	Non-distributable reserves				Distributable reserves			Total £'000
		Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve unrealised £'000	Capital reserve realised £'000	Special distributable reserve £'000	Revenue reserve £'000	
<b>At 30 November 2019</b>		<b>6,798</b>	<b>-</b>	<b>35</b>	<b>(1,486)</b>	<b>-</b>	<b>34,144</b>	<b>1,247</b>	<b>40,738</b>
Net return		-	-	-	764	18	(842)	333	273
Share premium cancellation costs		-	(11)	-	-	-	-	-	(11)
Dividends paid	6	-	-	-	-	-	(2,377)	(792)	(3,169)
Repurchase and cancellation of shares	12	(118)	-	118	-	-	(593)	-	(593)
Net proceeds of share issue		1,251	6,155	-	-	-	-	-	7,406
Net proceeds of DIS issue		34	141	-	-	-	-	-	175
<b>At 30 November 2020</b>		<b>7,965</b>	<b>6,285</b>	<b>153</b>	<b>(722)</b>	<b>18</b>	<b>30,332</b>	<b>788</b>	<b>44,819</b>

Year ended 30 November 2019*	Notes	Non-distributable reserves				Distributable reserves			Total £'000
		Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve unrealised £'000	Capital reserve realised £'000	Special distributable reserve £'000	Revenue reserve £'000	
<b>At 30 November 2018</b>		<b>6,897</b>	<b>31,285</b>	<b>890</b>	<b>(3,058)</b>	<b>(9,784)</b>	<b>15,323</b>	<b>856</b>	<b>42,409</b>
Net return		-	-	-	1,572	(931)	(776)	391	256
Cancellation of share premium account		-	(31,379)	-	-	-	31,379	-	-
Cancellation of capital redemption reserve		-	-	(977)	-	-	977	-	-
Share premium cancellation costs		-	(2)	-	-	-	-	-	(2)
Dividends paid	6	-	-	-	-	-	(1,367)	-	(1,367)
Repurchase and cancellation of shares	12	(122)	-	122	-	-	(677)	-	(677)
Net proceeds of DIS issue		23	96	-	-	-	-	-	119
Transfer between distributable reserves*						10,715	(10,715)		-
<b>At 30 November 2019</b>		<b>6,798</b>	<b>-</b>	<b>35</b>	<b>(1,486)</b>	<b>-</b>	<b>34,144</b>	<b>1,247</b>	<b>40,738</b>

\*Refer to Note 1 to the Financial Statements on page 73.

The capital reserve unrealised is generally non-distributable, other than the part of the reserve relating to gains / (losses) attributable to readily realisable quoted investments that are distributable.

The accompanying Notes are an integral part of the Financial Statements.

## BALANCE SHEET

As at 30 November 2020

	Notes	30 November 2020 £'000	30 November 2019* £'000
<b>Fixed assets</b>			
Investments at fair value through profit or loss	8	34,229	26,623
<b>Current assets</b>			
Debtors	10	320	333
Cash	16	10,478	13,822
		<b>10,798</b>	<b>14,155</b>
<b>Creditors</b>			
Amounts falling due within one year	11	(208)	(40)
<b>Net current assets</b>		<b>10,590</b>	<b>14,115</b>
<b>Net assets</b>		<b>44,819</b>	<b>40,738</b>
<b>Capital and reserves</b>			
Called up share capital	12	7,965	6,798
Share premium account	13	6,285	-
Capital redemption reserve	13	153	35
Capital reserve - unrealised	13	(722)	(1,486)
Capital reserve - realised	13	18	-
Special distributable reserve	13	30,332	34,144
Revenue reserve	13	788	1,247
<b>Net assets attributable to Ordinary Shareholders</b>		<b>44,819</b>	<b>40,738</b>
<b>Net asset value per Ordinary Share (pence)</b>	14	<b>56.27</b>	<b>59.92</b>

\*Refer to Note 1 to the Financial Statements on page 73.

The Financial Statements of Maven Income and Growth VCT 3 PLC, registered number 04283350, were approved by the Board of Directors and were signed on its behalf by:

**Atul Devani**  
Director

**5 March 2021**

The accompanying Notes are an integral part of the Financial Statements.

## CASH FLOW STATEMENT

For the year ended 30 November 2020

	Notes	Year ended 30 November 2020 £'000	Year ended 30 November 2019 £'000
<b>Net cash flows from operating activities</b>	15	(457)	(292)
<b>Cash flows from investing activities</b>			
Purchase of investments		(10,351)	(7,367)
Sale of investments		3,656	2,429
<b>Net cash flows from investing activities</b>		<b>(6,695)</b>	<b>(4,938)</b>
<b>Cash flows from financing activities</b>			
Equity dividends paid	6	(3,169)	(1,367)
Issue of Ordinary Shares		7,581	119
Share premium cancellation costs		(11)	(2)
Repurchase of Ordinary Shares		(593)	(677)
<b>Net cash flows from financing activities</b>		<b>3,808</b>	<b>(1,927)</b>
<b>Net decrease in cash</b>		<b>(3,344)</b>	<b>(7,157)</b>
<b>Cash at beginning of year</b>		<b>13,822</b>	<b>20,979</b>
<b>Cash at end of year</b>		<b>10,478</b>	<b>13,822</b>

The accompanying Notes are an integral part of the Financial Statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 November 2020

## 1. Accounting policies

The Company is a public limited company, incorporated in England & Wales and its registered office is shown in the Corporate Summary.

### (a) Basis of preparation

The Financial Statements have been prepared on a going concern basis, including an assessment of the impact of COVID-19 on the finances of the Company, as covered in the Directors' Report on page 41. The Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of investments and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, and in accordance with the Statement of Recommended Practice for Investment Trust Companies and Venture Capital Trusts (the SORP) issued by the AIC in October 2019.

Change in presentation of 2019 Statement of Changes in Equity and Balance Sheet - in previous years, capital expenses and dividends were recorded through the capital reserve realised. The nature of this treatment created a large deficit position that continued to build. In order to improve the transparency of distributable reserves, capital expenses and dividends are now recorded through the special distributable reserve. A one-off prior year reclassification has been reflected in the Statement of Changes in Equity to clear the originating deficit position. This disclosure change has no impact on the profit and loss account or NAV.

### (b) Income

Dividends receivable on equity shares and unit trusts are treated as revenue for the period on an ex-dividend basis. Where no ex-dividend date is available dividends receivable on or before the year end are treated as revenue for the period. Provision is made for any dividends not expected to be received. The fixed returns on debt securities and non-equity shares are recognised on a time apportionment basis so as to reflect the effective interest rate on the debt securities and shares. Provision is made for any income not expected to be received. Interest receivable from cash and short term deposits and interest payable are accrued to the end of the year.

### (c) Expenses

All expenses are accounted for on an accruals basis and charged to the Income Statement. Expenses are charged through the revenue account, except as follows:

- expenses that are incidental to the acquisition and disposal of an investment are charged to capital; and
- expenses are charged to the special distributable reserve where a connection with the maintenance or enhancement of the value of the investments can

be demonstrated. In this respect, the investment management fee and performance fee have been allocated 20% to revenue and 80% to the special distributable reserve to reflect the Company's investment policy and prospective income and capital growth.

### (d) Taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or right to pay less tax in the future have occurred at the balance sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the Financial Statements that are capable of reversal in one or more subsequent periods.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The tax effect of different items of income/gain and expenditure/loss is allocated between capital reserves and revenue account on the same basis as the particular item to which it relates, using the Company's effective rate of tax for the period.

UK corporation tax is provided at amounts expected to be paid/recovered using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

### (e) Investments

In valuing unlisted investments, the Directors follow the criteria set out below. These procedures comply with the revised International Private Equity and Venture Capital Valuation Guidelines (IPEVCV) for the valuation of private equity and venture capital investments. Investments are recognised at their trade date and are designated by the Directors as fair value through profit and loss. At subsequent reporting dates, investments are valued at fair value, which represents the Directors' view of the amount for which an asset could be exchanged between knowledgeable and willing parties in an arm's length transaction. This does not assume that the underlying business is saleable at the reporting date or that its current shareholders have an intention to sell their holding in the near future.

A financial asset or liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

1. For early stage investments completed in the reporting period, fair value is determined with reference to the price of recent investment, calibrating for any material change in the trading circumstances of the investee company. Other early stage investments are valued using a milestone approach, in particular where it is considered there are no deemed current or short-term future maintainable earnings or positive cashflows.
2. Whenever practical, recent investments will be valued by reference to a material arm's length transaction or a quoted price.
3. Mature companies are valued by applying a multiple to their maintainable earnings to determine the enterprise value of the company.

To obtain a valuation of the total ordinary share capital held by management and the institutional investors, the value of third party debt, institutional loan stock, debentures and preference share capital is deducted from the enterprise value. The effect of any performance related mechanisms is taken into account when determining the value of the ordinary share capital.

4. In the absence of evidence of a deterioration, or strong defensible evidence of an increase in value, the fair value is determined to be that reported at the previous balance sheet date.
5. All unlisted investments are valued individually by the Manager's portfolio management team. The resultant valuations are subject to detailed scrutiny and approval by the Directors of the Company.
6. In accordance with normal market practice, investments listed on AIM or a recognised stock exchange are valued at their bid market price.

#### **(f) Fair value measurement**

Fair value is defined as the price that the Company would receive upon selling an investment in a timely transaction to an independent buyer in the principal or the most advantageous market of the investment. A three-tier hierarchy has been established to maximise the use of observable market data and minimise the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, for example, the risk inherent in a particular valuation technique used to measure fair value including such a pricing model and/or the risk inherent in the inputs to the valuation technique. Inputs may be observable or unobservable.

Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability, developed based on market data obtained from sources independent of the reporting entity.

Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on best information available in the circumstances.

The three-tier hierarchy of inputs is summarised in the three broad levels listed below:

- Level 1 - the unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly; and
- Level 3 - inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

#### **(g) Gains and losses on investments**

When the Company sells or revalues its investments during the year, any gains or losses arising are credited/charged to the Income Statement.

#### **(h) Critical accounting judgements and key sources of estimation uncertainty**

Disclosure is required of judgements and estimates made by the Board and the Manager in applying the accounting policies that have a significant effect on the Financial Statements. The area involving the highest degree of judgement and estimates is the valuation of early stage unlisted investments recognised in Note 8 and explained in Note 1(e) above.

In the opinion of the Board and the Manager, there are no critical accounting judgements.



2. Income	Year ended 30 November 2020 £'000	Year ended 30 November 2019 £'000
<b>Income from investments:</b>		
UK franked investment income	64	60
UK unfranked investment income	864	862
	<b>928</b>	<b>922</b>
<b>Other income:</b>		
Deposit interest	21	60
<b>Total income</b>	<b>949</b>	<b>982</b>

3. Investment management fees	Year ended 30 November 2020			Year ended 30 November 2019		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment management fees	219	877	1,096	210	841	1,051
Performance management fees	7	28	35	3	13	16
	<b>226</b>	<b>905</b>	<b>1,131</b>	<b>213</b>	<b>854</b>	<b>1,067</b>

Details of the fee basis are contained in the Directors' Report on pages 43 and 44.

4. Other expenses	Year ended 30 November 2020			Year ended 30 November 2019		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Secretarial fees	99	-	99	97	-	97
Directors' remuneration	74	-	74	74	-	74
Fees to Auditor - audit of financial statements	27	-	27	24	-	24
Fees to Auditor - tax compliance services	-	-	-	5	-	5
Miscellaneous expenses	127	-	127	100	-	100
	<b>327</b>	<b>-</b>	<b>327</b>	<b>300</b>	<b>-</b>	<b>300</b>

5. Tax on ordinary activities	Year ended 30 November 2020			Year ended 30 November 2019		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Corporation tax	63	(63)	-	78	(78)	-

The tax assessed for the period is at the rate of 19% (2019: 19%).

	Year ended 30 November 2020			Year ended 30 November 2019		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Net return on ordinary activities before taxation	396	(123)	273	469	(213)	256
Net return on ordinary activities before taxation multiplied by standard rate of corporation tax	75	(23)	52	89	(40)	49
Non taxable UK dividend income	(12)	-	(12)	(11)	-	(11)
Increase in excess management expenses	-	109	109	-	84	84
Gains on investments	-	(149)	(149)	-	(122)	(122)
	<b>63</b>	<b>(63)</b>	<b>-</b>	<b>78</b>	<b>(78)</b>	<b>-</b>

Losses with a tax value of £321,518 (2019: £190,126) are available to carry forward against future trading profits.

6. Dividends	Year ended 30 November 2020 £'000	Year ended 30 November 2019 £'000
<i>Amounts recognised as distributions to Shareholders in the year:</i>		
<b>Revenue dividends</b>		
Final revenue dividend for the year ended 30 November 2019 of 0.50p paid on 6 April 2020 (2019: Nil)	394	-
First interim revenue dividend for the year ended 30 November 2020 of 0.50p paid on 28 August 2020 (2019: Nil)	398	-
	<b>792</b>	<b>-</b>
<b>Capital dividends</b>		
Final capital dividend for the year ended 30 November 2019 of 1.50p paid on 6 April 2020 (2019: Nil)	1,182	-
First interim capital dividend for the year ended 30 November 2020 of 1.50p paid on 28 August 2020 (2019: 2.00p)	1,195	1,367
	<b>2,377</b>	<b>1,367</b>
<b>Total dividends</b>	<b>3,169</b>	<b>1,367</b>
We set out below the final dividends proposed in respect of the financial year, which reflect the requirements of Section 274 of the Income Tax Act 2007		
Revenue available for distribution by way of dividends for the year	<b>333</b>	<b>391</b>
<b>Revenue dividends</b>		
Final revenue dividend proposed for the year ended 30 November 2020 of Nil (2019: 0.50p)	-	340
	<b>-</b>	<b>340</b>
<b>Capital dividends</b>		
Final capital dividend proposed for the year ended 30 November 2020 of 1.00p (2019: 1.50p)	797	1,020
	<b>797</b>	<b>1,020</b>

7. Return per Ordinary Share	Year ended 30 November 2020	Year ended 30 November 2019
The returns per share have been based on the following figures:		
Weighted average number of Ordinary Shares	77,118,360	68,673,884
Revenue return	£333,000	£391,000
Capital return	(£60,000)	(£135,000)
<b>Total return</b>	<b>£273,000</b>	<b>£256,000</b>

8. Investments	Year ended 30 November 2020			
	Listed (quoted prices) £'000	AIM/AQSE (quoted prices) £'000	Unlisted (unobservable inputs) £'000	Total £'000
<b>Valuation at 30 November 2019</b>	<b>2,541</b>	<b>905</b>	<b>23,177</b>	<b>26,623</b>
Unrealised (gain)/loss	(270)	726	1,030	1,486
<b>Cost at 30 November 2019</b>	<b>2,271</b>	<b>1,631</b>	<b>24,207</b>	<b>28,109</b>
<b>Movements during the year:</b>				
Purchases	-	1,659	8,818	10,477
Sales proceeds	-	(698)	(2,955)	(3,653)
Realised gain/(loss)	-	264	(246)	18
<b>Cost at 30 November 2020</b>	<b>2,271</b>	<b>2,856</b>	<b>29,824</b>	<b>34,951</b>
Unrealised gain/(loss)	257	135	(1,114)	(722)
<b>Valuation at 30 November 2020</b>	<b>2,528</b>	<b>2,991</b>	<b>28,710</b>	<b>34,229</b>

Note 1(f) defines the three tier hierarchy of investments, and the significance of the information used to determine their fair value, that is required by Financial Reporting Standard 102 Section 11 “Basic Financial Instruments”. Listed and AIM/AQSE securities are categorised as Level 1 and unlisted investments as Level 3.

FRS 102 requires disclosure, by class of financial instrument, if the effect of changing one or more inputs to reasonably possible alternative assumptions would result in a significant change to the fair value measurement (see Note 16 for sensitivity analysis). The information used in determination of the fair value of Level 3 to the specific underlying investments is chosen with reference to the circumstances and position of each investee company.

8. Investments (continued)	30 November 2020 £'000	30 November 2019 £'000
Investment trusts	2,528	2,541
AIM/AQSE quoted equities	2,991	905
	<b>5,519</b>	<b>3,446</b>
<b>Unlisted at Directors' valuation:</b>		
Unquoted unobservable equities	20,329	14,290
Unquoted unobservable fixed income	8,381	8,887
	<b>28,710</b>	<b>23,177</b>
<b>Total</b>	<b>34,229</b>	<b>26,623</b>
Realised gain/(loss) on historical basis	18	(931)
Net increase in value of investments	764	1,572
<b>Gains on investments</b>	<b>782</b>	<b>641</b>

## 9. Participating interests

The principal activity of the Company is to select and hold a portfolio of investments in unlisted securities. Although the Company will, in some cases, be represented on the board of the investee company, it will not take a controlling interest or become involved in its management. The size and structure of the companies with unlisted securities may result in certain holdings in the portfolio representing a participating interest without there being any partnership, joint venture or management consortium agreement.

At 30 November 2020, the Company held shares amounting to 20% or more of the equity capital of the following undertakings.

Investment	% of class held	% of equity held	Total cost £'000	Carrying value £'000	Latest accounts period end	Aggregate capital & reserves £'000	Profit/(loss) after tax for year £'000
<b>Altra Consultants Limited</b>							
2,593 D ordinary shares	35.7	4.2	58	58	30/9/19	(1,035)	(1,951)
11,665,268 E ordinary shares	35.7		117	117			
<b>Bright Network (UK) Limited</b>							
28,250 B ordinary shares	21.6	9.1	1,015	1,054	31/3/20	4,863	(533)
<b>CatTech International Limited</b>							
1,053,361 B ordinary shares	19.9	6.0	11	337	31/12/19	640	663
17,531,640 C ordinary shares	20.7		175	281			
<b>Delio Limited</b>							
627 A ordinary shares	26.7	3.6	533	533	31/3/20	3,130	(771)
<b>Filtered Technologies Limited</b>							
37,279 B ordinary shares	30.0	8.0	750	816	31/12/19	1,682	(791)
<b>Flow UK Holdings Limited</b>							
3,512,727 B ordinary shares	20.1	7.0	35	35	31/12/19	(892)	-
14,181,818 C ordinary shares	21.8		142	142			
<b>GradTouch Limited</b>							
177,778 D ordinary shares	28.6	5.8	400	300	31/12/19	871	-
<b>Hublsoft Group Limited</b>							
5,454 B ordinary shares	30.0	9.4	600	600	31/3/20	41	-

## 9. Participating interests (continued)

Investment (continued)	% of class held	% of equity held	Total cost £'000	Carrying value £'000	Latest accounts period end	Aggregate capital & reserves £'000	Profit/(loss) after tax for year £'000
<b>Martel Instruments Holdings Limited</b>							
54,050 B ordinary shares	28.1	12.4	69	-	31/12/19	(4,219)	-
<b>Precursive Limited</b>							
265,477 D ordinary shares	30.0	6.5	750	750	31/1/20	(218)	(235)
<b>TC Communications Holdings Limited</b>							
48,606 B ordinary shares	27.8	8.3	49	-	31/12/19	(5,235)	197
508,890 C ordinary shares	35.1		51				
<b>The Algorithm People Limited</b>							
866 A ordinary shares	37.5	9.7	300	300	30/9/19	411	-

Details of the equity percentages of all other holdings are shown in the Investment Portfolio Summary on pages 38 to 40.

10. Debtors	30 November 2020 £'000	30 November 2019 £'000
Current taxation	12	8
Other debtors	61	64
Prepayments and accrued income	247	261
	<b>320</b>	<b>333</b>

11. Creditors	30 November 2020 £'000	30 November 2019 £'000
Accruals	82	40
Other creditors	126	-
	<b>208</b>	<b>40</b>

12. Share capital	30 November 2020 Number	30 November 2020 £'000	30 November 2019 Number	30 November 2019 £'000
At 30 November the authorised share capital comprised: allotted, issued and fully paid Ordinary Shares of 10p each:				
Balance brought forward	67,983,600	6,798	68,973,462	6,897
Ordinary Shares repurchased during the year	(1,181,811)	(118)	(1,220,000)	(122)
Ordinary Shares issued during year	12,851,790	1,285	230,138	23
	<b>79,653,579</b>	<b>7,965</b>	<b>67,983,600</b>	<b>6,798</b>

During the year 1,181,811 Ordinary Shares (2019: 1,220,000) of 10p each were repurchased by the Company at a total cost of £592,949 (2019: £677,225) and cancelled. Subsequent to the year end, the Company bought back a further 250,000 shares for cancellation.

During the year the Company issued 12,508,804 shares (2019: Nil) pursuant to an Offer for Subscription, at subscription prices ranging from 55.29p to 62.59p per share.

Also during the year, the Company issued 342,986 shares (2019: 230,138) under the DIS at a price of 52.74p (2019: 59.97p).

### 13. Reserves

#### Share premium account

The share premium account represents the premium above nominal value received by the Company on issuing shares net of issue costs. This reserve is non-distributable.

#### Capital redemption reserve

The nominal value of shares repurchased and cancelled is represented in the capital redemption reserve. This reserve is non-distributable.

#### Capital reserve - unrealised

Increases and decreases in the fair value of investments are recognised in the Income Statement and are then transferred to the capital reserve unrealised account. This reserve is non-distributable.

#### Capital reserve - realised

Gains or losses on investments realised in the year that have been recognised in the Income Statement are transferred to the capital reserve realised account on disposal. Furthermore, any prior unrealised gains or losses on such investments are transferred from the capital reserve unrealised account to the capital reserve realised account on disposal. This reserve is distributable.

#### Special distributable reserve

The total cost to the Company of the repurchase and cancellation of shares is represented in the special distributable reserve account. The special distributable reserve also represents capital dividends, capital investment management fees and the tax effect of capital items. This reserve is distributable.

#### Revenue reserve

The revenue reserve represents accumulated profits retained by the Company that have not been distributed to Shareholders as a dividend. This reserve is distributable.

### 14. Net asset value per Ordinary Share

The net asset value per Ordinary Share and the net asset value attributable to the Ordinary Shares at the year end, calculated in accordance with the Articles were as follows:

	30 November 2020		30 November 2019	
	Net asset value per share p	Net asset value attributable £'000	Net asset value per share p	Net asset value attributable £'000
<b>Ordinary Shares</b>	<b>56.27</b>	<b>44,819</b>	<b>59.92</b>	<b>40,738</b>

The number of shares used in the above calculation is set out in Note 12.

15. Reconciliation of net return to cash utilised by operations	Year ended 30 November 2020 £'000	Year ended 30 November 2019 £'000
Net return	273	256
Adjustment for:		
Gains on investments	(782)	(641)
<b>Operating cash flow before movement in working capital</b>	<b>(509)</b>	<b>(385)</b>
(Increase) / decrease in prepayments	(1)	2
Increase in accruals	42	4
Decrease in debtors	11	87
<b>Cash utilised by operations</b>	<b>(457)</b>	<b>(292)</b>



## 16. Financial instruments

The Company's financial instruments comprise equity and fixed interest investments, cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, and debtors for accrued income. The Company holds financial assets in accordance with its investment policy of investing mainly in a portfolio of VCT qualifying unquoted and AIM/AQSE quoted securities. The Company may not enter into derivative transactions in the form of forward foreign currency contracts, futures and options without the written permission of the Directors. No derivative transactions were entered into during the period.

The main risks the Company faces from its financial instruments are: (i) market price risk, being the risk that the value of investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rates; (ii) interest rate risk; (iii) liquidity risk; (iv) credit risk; and (v) price risk sensitivity. In line with the Company's investment objective, the portfolio comprises mainly Sterling currency securities and, therefore, foreign currency risk is minimal.

The Manager's policies for managing these risks are summarised below and have been applied throughout the period. The numerical disclosures below exclude short-term debtors and creditors, which are included in the Balance Sheet at fair value.

### Market price risk

The Company's investment portfolio is exposed to market price fluctuations, which are monitored by the Manager in pursuance of the investment objective as set out on page 13. Adherence to investment guidelines and to investment and borrowing powers set out in the Management and Administration Deed mitigates the risk of excessive exposure to any particular type of security or issuer. These powers and guidelines include the requirement to invest in a number of companies across a range of industrial and service sectors at varying stages of development, to closely monitor the progress of the investee companies and to appoint a non-executive director to the board of each company. Further information on the investment portfolio (including sector analysis, concentration and deal type analysis) is set out in the Analysis of Unlisted and Quoted Portfolio, the Investment Manager's Review, the Summary of Investment Changes, the Investment Portfolio Summary and the Largest Investments by Valuation.

### Interest rate risk

Some of the Company's financial assets are interest bearing, some of which are at fixed rates and some at variable. As a result, the Company is subject to exposure to fair value interest rate risk due to fluctuations in the prevailing levels of market interest rates.

The interest rate risk profile of financial assets at the balance sheet date was as follows:

<b>At 30 November 2020</b>	<b>Fixed interest £'000</b>	<b>Floating rate £'000</b>	<b>Non interest bearing £'000</b>
<b>Sterling</b>			
Unlisted and AIM/AQSE	8,381	-	23,320
Investment trusts	-	-	2,528
Cash	-	6,666	3,812
	<b>8,381</b>	<b>6,666</b>	<b>29,660</b>
<b>At 30 November 2019</b>	<b>Fixed interest £'000</b>	<b>Floating rate £'000</b>	<b>Non interest bearing £'000</b>
<b>Sterling</b>			
Unlisted and AIM/AQSE	8,887	-	15,195
Investment trusts	-	-	2,541
Cash	-	7,650	6,172
	<b>8,887</b>	<b>7,650</b>	<b>23,908</b>

The unlisted fixed interest assets have a weighted average life of 1.01 years (2019: 1.68 years) and a weighted average interest rate of 10.63% (2019: 10.10%). The floating rate assets consist of cash. These assets are earning interest at prevailing money market rates. The non-interest bearing assets represent the equity element of the portfolio. All assets and liabilities of the Company are included in the Balance Sheet at fair value.

The floating rate investments only comprise cash held on interest bearing deposit accounts. The benchmark rate which determines the rate of interest receivable on cash is the bank base rate, which was 0.10% at 30 November 2020 (2019: 0.75%). A 0.25% increase or decrease in the base rate would mean an increase or decrease of interest received in the year of £16,667 (2019: £19,125). The impact of a change of 0.25% has been selected as this is considered reasonable given the current level of the Bank of England base rates and market expectations for future movement.

**16. Financial instruments (continued)****Maturity profile**

The maturity profile of the Company's financial assets at the balance sheet date was as follows:

	Within 1 year £'000	Within 1-2 years £'000	Within 2-3 years £'000	Within 3-4 years £'000	Within 4-5 years £'000	Total £'000
<b>At 30 November 2020</b>						
Unlisted	6,741	905	109	88	538	8,381
	<b>6,741</b>	<b>905</b>	<b>109</b>	<b>88</b>	<b>538</b>	<b>8,381</b>

	Within 1 year £'000	Within 1-2 years £'000	Within 2-3 years £'000	Within 3-4 years £'000	Within 4-5 years £'000	Total £'000
<b>At 30 November 2019</b>						
Unlisted	4,362	3,237	1,011	109	168	8,887
	<b>4,362</b>	<b>3,237</b>	<b>1,011</b>	<b>109</b>	<b>168</b>	<b>8,887</b>

**Liquidity risk**

Due to their nature, unlisted investments may not be readily realisable and therefore a portfolio of listed assets and cash is held to offset this liquidity risk. Note 8 details the three-tier hierarchy of inputs used as at 30 November 2020 in valuing the Company's investments carried at fair value.

The Company, generally, does not hold significant cash balances and any cash held is with reputable banks with high quality external credit ratings.

**Credit risk**

This is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company.

The Company's financial assets exposed to credit risk amounted to the following:

	<b>30 November 2020 £'000</b>	<b>30 November 2019 £'000</b>
Investments in unlisted debt securities	8,381	8,887
Investment trusts	2,528	2,541
Cash	10,478	13,822
	<b>21,387</b>	<b>25,250</b>

All assets which are traded on a recognised exchange are held by JPMorgan Chase Bank (JPM), the company's custodian. Cash balances are held by Barclays Bank, Clydesdale Bank, JPM and RBSI. Should the credit quality or the financial position of any of these institutions deteriorate significantly, the Manager will move these assets to another financial institution.

The Manager evaluates credit risk on unlisted debt securities and financial commitments and guarantees prior to investment, and as part of the ongoing monitoring of investments. In doing this, it takes into account the extent and quality of any security held. Typically, unlisted debt securities have a fixed charge over the assets of the investee company in order to mitigate the gross credit risk. The Manager receives management accounts from investee companies, and members of the investment management team sit on the boards of investee companies; this enables the close identification, monitoring and management of investment specific credit risk.

There were no significant concentrations of credit risk to counterparties at 30 November 2020 or 30 November 2019.

**16. Financial instruments (continued)****Price risk sensitivity**

The following details the Company's sensitivity to a 10% increase and decrease in the market prices of AIM/AQSE quoted securities, with 10% being the Manager's assessment of a reasonable possible change in market prices.

At 30 November 2020, if market prices of listed AIM/AQSE quoted securities had been 10% higher or lower with all other variables held constant, the increase or decrease in net assets attributable to Shareholders for the year would have been £299,000 (2019: £90,000), due to the change in valuation of financial assets at fair value through profit or loss.

At 30 November 2020, if prices of unlisted securities had been 10% higher or lower with all other variables held constant, the increase or decrease in net assets attributable to Shareholders for the year would have been £2,871,000 (2019: £2,318,000), due to the change in valuation of financial assets at fair value through profit or loss.

At 30 November 2020, 64.1% (2019: 56.9%) of the Company's net assets comprised investments in unlisted securities held at fair value. The valuation of unlisted securities reflects a number of factors, including the performance of the investee company itself and the wider market, and any uncertainty surrounding the implications of the UK's departure from the EU and uncertainties associated with COVID-19.

# NOTICE OF ANNUAL GENERAL MEETING

**Notice is hereby given that the Annual General Meeting of Maven Income and Growth VCT 3 PLC (the Company: Registered in England and Wales with registered number 04283350) will be held at the offices of Maven Capital Partners UK LLP, Kintyre House, 205 West George Street, Glasgow G2 2LW at 12.00 noon on Wednesday, 7 April 2021 for the purposes of considering and, if thought fit, passing the following Resolutions:**

## **Ordinary Resolutions**

1. To receive the Directors' Report and audited Financial Statements for the year ended 30 November 2020.
2. To approve the Directors' Remuneration Report for the year ended 30 November 2020.
3. To approve a final dividend of 1.00p per ordinary share of 10p each in the capital of the Company (Ordinary Shares) for payment on 16 April 2021 to Shareholders on the register at the close of business on 19 March 2021.
4. To re-elect Atul Devani as a Director.
5. To re-elect David Allan as a Director
6. To re-elect Bill Nixon as a Director.
7. To re-elect Keith Pickering as a Director
8. To re-appoint Deloitte LLP as Auditor of the Company.
9. To authorise the Directors to fix the remuneration of the Auditor.
10. THAT the Directors be and are hereby generally and unconditionally authorised under Section 551 of the Companies Act 2006 (the Act) to exercise all the powers of the Company to allot shares in the Company, or grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £794,035 (representing 10% of the total Ordinary Share capital in issue on 3 March 2021) provided that this authority shall expire at the conclusion of the next AGM of the Company or, if earlier, on the expiry of 15 months from the passing of this Resolution, and so that the Company may before such expiry, make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred had not expired.

**Special Resolutions**

11. THAT, subject to the passing of Resolution 10, the Directors be and are hereby empowered, under Section 571 of the Act, to allot equity securities (as defined in Section 560 of the Act) under the authority conferred by Resolution 10 for cash as if Section 561(1) of the Act did not apply to the allotment, provided that this power shall be limited to allotment:
- (a) of equity securities in connection with an offer of such securities by way of a rights issue only to holders of Ordinary Shares in proportion (as nearly as practicable) to their respective holdings of such Ordinary Shares but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange; and
  - (b) (other than under paragraph (a) above) of equity securities up to an aggregate nominal amount not exceeding £794,035 (equivalent to 7,940,350 shares) and shall expire at the conclusion of the next AGM of the Company or, if earlier, on the expiry of 15 months from the passing of this Resolution, and so that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.
12. THAT the Company be and is hereby generally and, subject as hereinafter appears, unconditionally authorised in accordance with Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of fully paid Ordinary Shares of 10p each in the capital of the Company, provided always that:
- (a) the maximum number of Ordinary Shares hereby authorised to be purchased is 7,940,350 Ordinary Shares, representing approximately 10% of the Company's issued Ordinary Share capital as at 3 March 2021;
  - (b) the minimum price, exclusive of expenses that may be paid for an Ordinary Share shall be 10p per share;
  - (c) the maximum price, exclusive of expenses, that may be paid for an Ordinary Share shall be not more than an amount equal to the higher of:
    - (i) an amount equal to 105% of the average of the closing middle market price for the Ordinary Shares as derived from the London Stock Exchange's Daily Official List for the five business days immediately preceding the date on which the Ordinary Shares are purchased; and
    - (ii) the price stipulated by Article 5(1) of Commission Regulation (EC) No. 273/2003 (the Buy-back and Stabilisation Regulation); and
  - (d) unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the next AGM of the Company or, if earlier, on the expiry of 15 months from the passing of this Resolution, save that the Company may before such expiry enter into a contract to purchase Ordinary Shares which will or may be completed wholly or partly after such expiry.
13. THAT a general meeting other than an annual general meeting may be called on not less than 14 days' clear notice.

**By order of the Board**  
**Maven Capital Partners UK LLP**  
**Secretary**  
**Fifth Floor**  
**1-2 Royal Exchange Buildings**  
**London EC3V 3LF**  
**5 March 2021**

## NOTES:

### ***Entitlement to Attend and Vote***

- 1) To be entitled to attend and vote at the Meeting (and for the purposes of the determination by the Company of the votes that may be cast in accordance with Regulation 41 of the Uncertified Securities Regulations 2001), only those members registered in the Company's register of members at close of business on 1 April 2021 (or, if the Meeting is adjourned, close of business on the date which is two business days before the adjourned Meeting) shall be entitled to attend and vote at the Meeting. Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.

### ***Website Giving Information Regarding the Meeting***

- 2) Information regarding the Meeting, including the information required by Section 311A of the Act, is available from [www.mavencp.com/migvct3](http://www.mavencp.com/migvct3).

### ***Attending in Person***

- 3) Please note the guidance on attendance provided in the Chairman's Statement on page 12.

### ***Appointment of Proxies***

- 4) If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this Notice of Annual General Meeting. You can appoint a proxy only using the procedures set out in these notes and the notes to the proxy form.
- 5) If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in this "Appointment of Proxies" section. Please read the section "Nominated Persons" below.
- 6) A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
- 7) You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please copy the proxy form, indicate on each form how many shares it relates to, and attach them together.
- 8) A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the Resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter that is put before the Meeting.

### ***Appointment of Proxy Using Hard Copy Proxy Form***

- 9) A proxy form is enclosed with this document. The notes to the proxy form explain how to direct your proxy to vote or withhold their vote on each Resolution. To appoint a proxy using the proxy form, the form must be completed, signed and sent or delivered to the Company's Registrars, Link Group, at 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL so as to be received by Link Group no later than 12.00 noon on 1 April 2021 or by close of business on a date two business days prior to that appointed for any adjourned Meeting or, in the case of a poll taken subsequent to the date of the Meeting or adjourned Meeting, so as to be received no later than 24 hours before the time appointed for taking the poll. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form. For the purposes of determining the time for delivery of proxies, no account has been taken of any part of a day that is not a working day.

***Appointment of a Proxy On-line***

- 10) You may submit your proxy electronically using the Share Portal service at [www.signalshares.com](http://www.signalshares.com). Shareholders can use this service to vote or appoint a proxy on-line. The same voting deadline of 48 hours (excluding non-working days) before the time of the Meeting applies as if you were using your personalised form of proxy to vote or appoint a proxy by post to vote for you. Shareholders will need to use the unique personal identification Investor Code printed on your share certificate. Shareholders should not show this information to anyone unless they wish to give proxy instructions on their behalf.

***Appointment of Proxies Through CREST***

- 11) CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/site/public/EUI>). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID: RA10) by 12.00 noon on 1 April 2021.

For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time.

In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

***Appointment of Proxy by Joint Members***

- 12) In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding, the first-named being the most senior.

***Changing Proxy Instructions***

- 13) To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off times for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Link Group at the address shown in note 9. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.



**Termination of Proxy Appointments**

- 14) In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Link Group, at the address shown in note 9. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed, or a duly certified copy of such power or authority, must be included with the revocation notice.

The revocation notice must be received by Link Group no later than 48 hours before the Meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid. Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

**Corporate Representatives**

- 15) A corporation that is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

**Issued Shares and Total Voting Rights**

- 16) As at 3 March 2021, the Company's issued share capital comprised 79,403,579 Ordinary Shares of 10p each. Each Ordinary Share carries the right to one vote at a General Meeting of the Company and, therefore, the total number of voting rights in the Company on 3 March 2021 is 79,403,579. The website referred to in note 2 will include information on the number of shares and voting rights.

**Questions at the Meeting**

- 17) Under Section 319A of the Act, the Company must answer any question you ask relating to the business being dealt with at the Meeting unless:
- answering the question would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information;
  - the answer has already been given on a website in the form of an answer to a question; or
  - it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered.

**Website Publication of Audit Concerns**

- 18) Pursuant to Chapter 5 of Part 16 of the Act (Sections 527 to 531), where requested by a member or members meeting the qualification criteria set out at note 19 below, the Company must publish on its website, a statement setting out any matter that such members propose to raise at the Meeting relating to the audit of the Company's accounts (including the Auditor's Report and the conduct of the audit) that are to be laid before the Meeting. The request:

- may be in hard copy form or in electronic form (see note 20 below);
- must either set out the statement in full or, if supporting a statement sent by another member, clearly identify the statement which is being supported;
- must be authenticated by the person or persons making it (see note 20 below); and
- must be received by the Company at least one week before the Meeting.

Where the Company is required to publish such a statement on its website:

- it may not require the members making the request to pay any expenses incurred by the Company in complying with the request;
- it must forward the statement to the Company's Auditor no later than the time the statement is made available on the Company's website; and
- the statement may be dealt with as part of the business of the Meeting.

**Members' Qualification Criteria**

19) In order to be able to exercise the members' right to require the Company to publish audit concerns (see note 18), the relevant request must be made by a member or members having a right to vote at the Meeting and holding at least 5% of total voting rights of the Company, or at least 100 members having a right to vote at the Meeting and holding, on average, at least £100 of paid up share capital. For information on voting rights, including the total number of voting rights, see note 16 above and the website referred to in note 2.

**Submission of Hard Copy and Electronic Requests and Authentication Requirements**

20) Where a member or members wishes to request the Company to publish audit concerns (see note 18) such request be must be made in accordance with one of the following ways:

- a hard copy request which is signed by you, states your full name and address and is sent to **The Secretary, Maven Income and Growth VCT 3 PLC, Kintyre House, 205 West George Street, Glasgow G2 2LW**; or
- a request which states your full name, address, and investor code, and is sent to **enquiries@mavencp.com** stating "AGM" in the subject field.

**Nominated Persons**

21) If you are a person who has been nominated under Section 146 of the Act to enjoy information rights (Nominated Person):

- you may have a right under an agreement between you and the member of the Company who has nominated you to have information rights (Relevant Member) to be appointed or to have someone else appointed as a proxy for the Meeting;
- if you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights; and
- your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

**Documents on Display**

22) Copies of the letters of appointment of the Directors of the Company and a copy of the Articles of the Company will be available for inspection at the registered office of the Company and at Kintyre House, 205 West George Street, Glasgow G2 2LW from the date of this notice until the end of the Meeting.

**Communication**

23) Except as provided above, members who have general queries about the Meeting should use the following means of communication (no other methods of communication will be accepted):

- calling Maven Capital Partners UK LLP (the Secretary) on 0141 306 7400; or
- e-mailing **enquiries@mavencp.com**, stating "AGM" in the subject field.

**Registered in England and Wales: Company Number 04283350**

# EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

An explanation of the Resolutions to be proposed at the AGM is set out below. Resolutions 1 to 10 will be proposed as Ordinary Resolutions requiring the approval of more than 50% of the votes cast and Resolutions 11 to 13 will be proposed as Special Resolutions, requiring the approval of 75% or more of the votes cast.

## ***Resolution 1 – Annual Report and Financial Statements***

The Directors seek approval to receive the Directors' Report and audited Financial Statements for the year ended 30 November 2020, which are included within the Annual Report.

## ***Resolution 2 – Directors' Remuneration Report***

The Board seeks approval to receive the Directors' Remuneration Report for the year ended 30 November 2020, which is also included within the Annual Report.

## ***Resolution 3 – Final Dividend***

The Company's Shareholders will be asked to approve the payment of a final dividend of 1.00p per Ordinary Share for the year ended 30 November 2020, to be paid on 16 April 2021 to Shareholders on the register at the close of business on 19 March 2021.

## ***Resolution 4 – Re-election of Director***

Atul Devani will retire at the AGM and is proposed for re-election by the Company's Shareholders.

## ***Resolution 5 – Re-election of Director***

David Allan will retire at the AGM and is proposed for re-election by the Company's Shareholders.

## ***Resolution 6 – Re-election of Director***

Bill Nixon will retire at the AGM and is proposed for re-election by the Company's Shareholders.

## ***Resolution 7 – Re-election of Director***

Keith Pickering will retire at the AGM and is proposed for re-election by the Company's Shareholders.

## ***Resolutions 8 and 9 – Appointment and Remuneration of Auditor***

The Company must appoint an auditor at each general meeting at which accounts are presented to Shareholders, to hold office until the conclusion of the next such meeting. Resolution 8 seeks Shareholder approval to reappoint Deloitte LLP as the Company's Auditor. In accordance with normal practice, Resolution 9 seeks authority for the Directors to determine the Auditor's remuneration.

## ***Resolution 10 – Authority to Allot Shares***

Resolution 10, if passed, will authorise the Directors to allot shares or rights to subscribe for them up to an aggregate nominal value of £794,035. This amounts to 7,940,350 Ordinary Shares, representing approximately 10% of the issued share capital of the Company in issue as at 3 March 2021 (this being the latest practicable date prior to the publication of this Annual Report). The Directors authority will expire at the conclusion of the next AGM of the Company or on the expiry of 15 months from the passing of the Resolution, whichever is the first to occur.

***Resolution 11 – Waiver of Statutory Pre-emption Rights***

Resolution 11, if passed, would allow the Board to allot new shares, up to 10% of the current share capital, without implementing pre-emption rights. The authority conferred by Resolution 11 will expire at the conclusion of the next AGM of the Company or on the expiry of 15 months from the passing of the Resolution, whichever is the first to occur.

The Board may use the authorities conferred under Resolutions 10 and 11 to allot further Ordinary Shares or rights to subscribe for them.

***Resolution 12 – Purchase of Own Shares***

Under Resolution 12, the Company's Shareholders are being asked to renew the Directors' authority to make market purchases of up to 7,940,350 Ordinary Shares of the Company (representing approximately 10% of the issued share capital as at 3 March 2021, this being the latest practicable date prior to the publication of this Annual Report). The Resolution sets out the minimum and maximum prices that can be paid, exclusive of expenses. Any Ordinary Shares in the Company purchased pursuant to the authority sought under Resolution 12 may be either cancelled, and not be available for reissue, or held in treasury. Once held in treasury, such shares may be sold for cash or cancelled. At the date of this notice the Company does not hold any Ordinary Shares in the capital of the Company in treasury. The authority conferred by Resolution 12 will expire at the conclusion of the next AGM or on the passing of 15 months from the passing of the Resolution, whichever is the first to occur. The Board may use this authority to allow the Company to continue to operate its share buy-back policy.

***Resolution 13 – Notice of General Meetings***

Resolution 13, which would be effective until the Company's next AGM, seeks approval to allow the Company to call general meetings, other than annual general meetings, on 14 days' clear notice. Such authority will only be exercised under exceptional circumstances. The Company will also need to meet the requirements for electronic voting before it can call a general meeting on 14 days' notice.

# GLOSSARY

<b>Alternative Performance Measures (APMs)</b>	Measures of performance that are in addition to the statutory measures reported in the Financial Statements. The APMs used by the Company are marked * in this Glossary. The table in the Financial Highlights section on page 5 shows the movement in net asset value and NAV total return per Ordinary Share over the past three financial years, and shows the dividends declared in respect of each of the past three financial years and on a cumulative basis since inception.
<b>Annual yield*</b>	The total dividends paid for the financial year expressed as a percentage of the share price at the year end date.
<b>Discount/premium to NAV*</b>	A discount is the percentage by which the mid-market price of an Ordinary Share is lower than the net asset value per Ordinary Share. A premium is the percentage by which the mid-market price exceeds the net asset value per Ordinary Share.
<b>Distributable reserves</b>	Comprises capital reserve (realised), revenue reserve and special distributable reserve.
<b>Dividend per Ordinary Share</b>	The total of all dividends per Ordinary Share paid by the Company in respect of the year.
<b>Earnings per Ordinary Share (EPS)</b>	The net income after tax of the Company divided by the weighted average number of shares in issue during the year. In a venture capital trust, this is made up of revenue EPS and capital EPS.
<b>Ex-dividend date (XD date)</b>	The date set by the London Stock Exchange, normally being the business day preceding the record date.
<b>Index or indices</b>	A market index calculates the average performance of its constituents, normally on a weighted basis. It provides a means of assessing the overall state of the economy and provides a comparison against which the performance of individual investments can be assessed.
<b>Investment income</b>	Income from investments as reported in the Income Statement.
<b>NAV per Ordinary Share</b>	Net assets divided by the number of Ordinary Shares in issue.
<b>NAV total return per Ordinary Share*</b>	Net assets divided by the number of Ordinary Shares in issue, plus cumulative dividends paid per Ordinary Share to date.
<b>Net assets attributable to Ordinary Shareholders or Shareholders' funds (NAV)</b>	Total assets less current and long-term liabilities.
<b>Operational expenses</b>	The total of investment management fees and other expenses as reported in the Income Statement.
<b>Realised gains/losses</b>	The profit/loss on the sale of investments during the year.
<b>Record date</b>	The date on which an investor needs to be holding a share in order to qualify for a forthcoming dividend.
<b>Revenue reserves</b>	The total of undistributed revenue earnings from prior years. This is available for distribution to Shareholders by way of dividend payments.
<b>Total return</b>	The theoretical return, including reinvesting each dividend in additional shares in the Company at the closing mid-market price on the day that the shares go ex-dividend. The NAV total return involves investing the same net dividend at the NAV of the Company on the ex-dividend date.
<b>Unrealised gains/losses</b>	The profit/loss on the revaluation of the investment portfolio at the end of the year.

## YOUR NOTES

# CONTACT INFORMATION

<b>Directors</b>	Atul Devani (Chairman) David Allan Bill Nixon Keith Pickering
<b>Manager and Secretary and Principal Place of Business</b>	Maven Capital Partners UK LLP Kintyre House 205 West George Street Glasgow G2 2LW Telephone: 0141 306 7400 E-mail: <a href="mailto:enquiries@mavencp.com">enquiries@mavencp.com</a>
<b>Registered Office</b>	Fifth Floor 1-2 Royal Exchange Buildings London EC3V 3LF
<b>Registered in England and Wales</b>	Company Registration Number: 04283350 Legal Entity Identifier: 213800WT2ILF5PBCB432 TIDM: MIG3 ISIN: GB0031153769
<b>Website</b>	<a href="http://www.mavencp.com/migvct3">www.mavencp.com/migvct3</a>
<b>Registrars</b>	Link Group 10th Floor Central Square 29 Wellington Street Leeds LS1 4DL  Website: <a href="http://www.linkgroup.eu">www.linkgroup.eu</a> Shareholder Portal: <a href="http://www.signalshares.com">www.signalshares.com</a> Shareholder Helpline: 0333 300 1566 (Lines are open 9.00am until 5.30pm, Monday to Friday excluding public holidays in England and Wales. Calls are charged at the standard rates used for 01 and 02 UK geographic numbers and will vary by provider. Calls from outside the United Kingdom should be made to +44 371 664 0300 and will be charged at the applicable international rate.)
<b>Auditor</b>	Deloitte LLP
<b>Bankers</b>	JPMorgan Chase Bank
<b>Stockbrokers</b>	Shore Capital Stockbrokers Limited Telephone: 020 7647 8132
<b>VCT Adviser</b>	Philip Hare & Associates LLP



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## MAVEN CAPITAL PARTNERS UK LLP

Kintyre House

205 West George Street

Glasgow G2 2LW

Tel: 0141 306 7400

Authorised and Regulated by The Financial Conduct Authority

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