

MATRIX INCOME & GROWTH 4 VCT PLC

A VENTURE CAPITAL TRUST

4

SUMMARY REPORT & ACCOUNTS



Summary Annual Report and Accounts
for the year ended 31 January 2007

MATRIX

Investment Objective

Matrix Income & Growth 4 VCT plc ("MIG 4") is a Venture Capital Trust (VCT) advised by Matrix Private Equity Partners LLP ("MPEP") investing in a diverse selection of established profitable unquoted companies.

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

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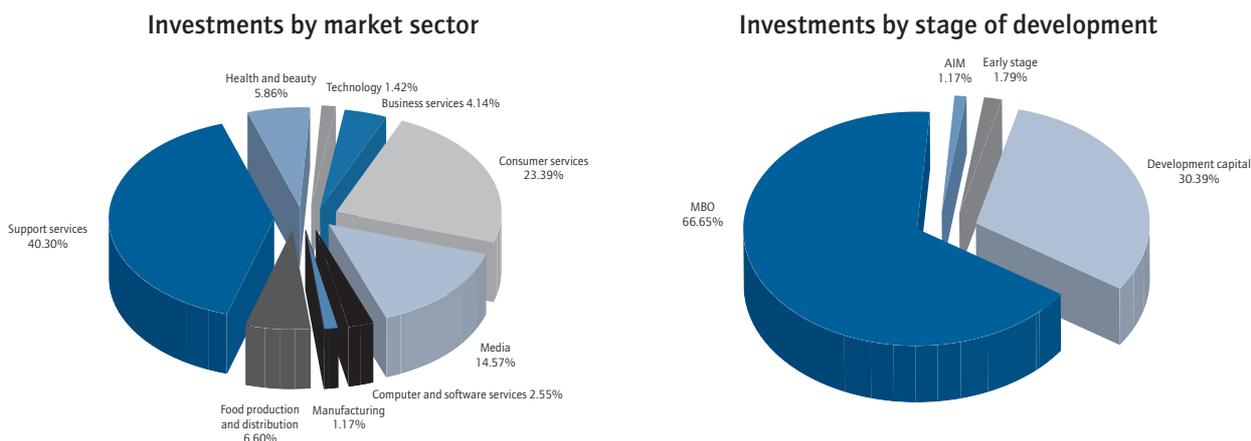
Financial Highlights

as at 31 January 2007

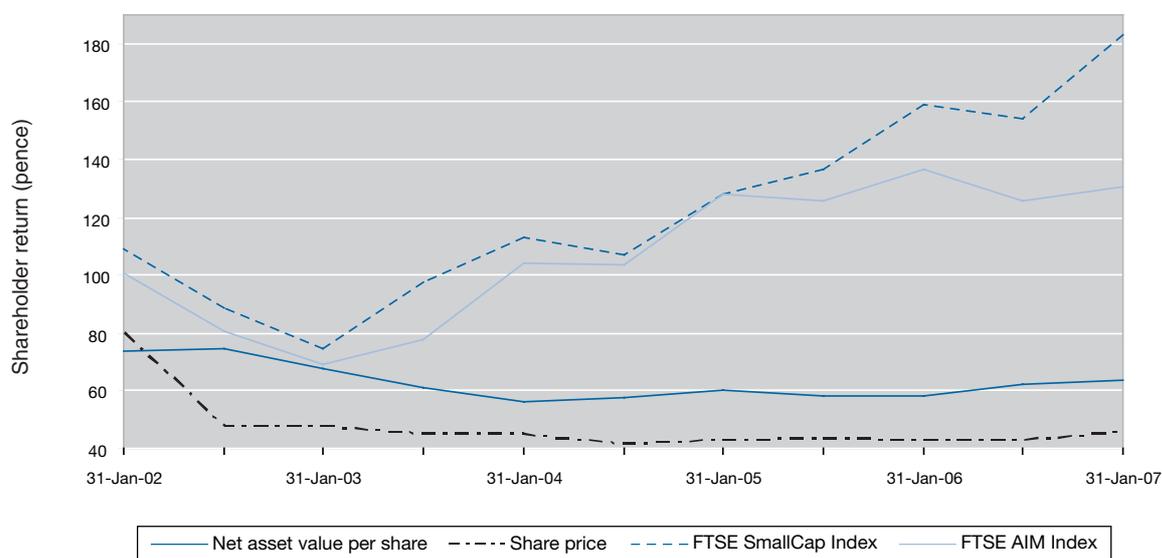
	31 January 2007	31 January 2006 (restated)	Change (%)
Net assets (£000s)	9,772	9,287	5.22
Net asset value per share (p)	116.34	106.57	9.17
Discount (%)	21.78	20.24	(7.61)
Cumulative dividends paid since launch per share (p)	8.90	8.40	5.95
Total return to shareholders since launch per share (p) ¹	125.24	114.97	8.93
Share price (p) ²	91.00	85.0	7.06

All figures have been restated to incorporate the restructuring of the share capital that occurred on 18 October 2006 under which all existing Shareholders received one Ordinary Share of 1 pence for every two Ordinary Shares of 5 pence held before the restructuring.

¹ Net asset value per share plus cumulative net dividends paid to date ² Source: London Stock Exchange



Total shareholder return for the last five years compared to the FTSE SmallCap and FTSE AIM indices



Source: Teather & Greenwood Limited
 All data has been re-based to 100p with effect from 9 March 1999, the date on which the Company's shares were first admitted to trading.

Chairman's Statement

I am pleased to present to Shareholders the Summary Annual Report of the Company for the year ended 31 January 2007 - the first in the Company's new form as a single manager VCT.

Inevitably, for the Company, this year has been dominated by the changeover from being a multi-manager VCT to a single manager VCT, the capital restructuring and name change from TriVen VCT plc to Matrix Income & Growth 4 VCT plc to reflect this, and the subsequent Offer for Subscription by the Company. I will comment in more detail about these events below. Suffice it to say at this stage that the Board has been much encouraged by the positive Shareholder reaction received.

Net asset value

At 31 January 2007, the Company's Net Asset Value (NAV) per share was 116.34 pence (2006: 106.57 pence (restated)). Net Assets rose by 5.22% to £9.77m from £9.29m. The Company has now distributed accumulated dividends of 8.90 pence per share (restated) since launch.

Economic and stock market background

During the six-month period ended 31 January 2007 the FTSE 100 Index rose by 6.08% and the FTSE All Share Index rose by 8.32% whilst the AIM Index rose by 3.60%. The AIM new issue market has been much less active during this period with a good number of IPO prices being substantially lower at the end of the period as compared with the beginning of the year.

On the investment side there is no shortage of equity and debt providers looking for good propositions, and competition to finance such situations continues to remain strong. The Investment Manager is wary of some high valuations being placed on businesses in the current market, but continues to remain confident of sourcing good quality new investments. Looking ahead in the short term, it appears that the markets may have temporarily learned to live with the current global security position, the prospect of higher energy prices and the possibility of a return to higher inflation and interest rates. However, since the year end global stock markets have experienced some nervousness, which if it continues, could spill over into the wider financial markets.

The portfolio

When considered by stage of development, the portfolio is dominated by investments in management buy-out ("MBO") situations at some 66.65% with 30.39% invested in development capital companies and the remaining 2.96% of the portfolio invested in AIM stocks and early stage investments.

Following the change in investment strategy, the portfolio is now invested in a wider range of market sectors with the largest of those being support services at 40.30%. This spread of investments reflects the current investment strategy of spreading risks whilst trying to maintain a steady, if not growing, dividend yield.

Seven new investments have been made in the year. In December 2006, new investments of £584,088 and of £406,803 were made in PXP Holdings Limited (Pinewood Structures), a supplier of timber frame houses, and Castlegate 435 Limited (Racoon International), a supplier of hair extensions.

Within the previous Elderstreet portfolio, the investment in Computer Software Group plc was sold in June 2006 and those in Mediasurface plc and Netstore plc were disposed of in August 2006. In January 2007, an additional investment of £4,871 was committed to Mobile & Wireless Group plc, which took place just after the year-end.

It is worth commenting that the Company now holds only a small number of relatively early stage AIM quoted stocks with limited marketability. In such cases, the price at which a sizeable block of shares could be traded, if at all, may vary significantly from the market price used.

Revenue account

Income, excluding the capital dividend of £250,000 received last year, has risen by £17,854 over the last year. Interest from liquidity funds fell by £87,294 as funds were invested in new qualifying investments, but this contributed to an increase in loan interest income of £51,368. There was also a rise in dividend income of £53,429.

Fund management fees were constant compared to last year. Overhead costs were at similar levels to last year, but there were exceptional professional fees and costs of £63,000 relating to the cost of the Company's restructuring.

Dividend

The Company's revenue gain per Ordinary Share was 0.35 pence per share (2006: 0.67 pence per share restated). Your Board paid an interim dividend of 0.9 pence per share (equivalent to 1.8 pence per share after the capital restructuring) on 26 October 2006. Although no further dividend is proposed in respect of the year under review, the Board aims to distribute income to Shareholders twice-yearly and to include payments from capital when investments are successfully realised.

Chairman's Statement

Change from TriVen VCT plc to Matrix Income & Growth 4 VCT plc

In my Report to you last year I said that "... The Board are looking actively at ways of improving the performance of the portfolio and of increasing the value to shareholders." The decision to move to being a single manager VCT reflected the realisation by the Board, after considering a wide variety of options, that with its size and 5-year performance history it was not going to be easy to grow TriVen as a multi-manager VCT. MPEP had been the most successful of TriVen's three Investment Managers and are currently one of the top VCT managers in the marketplace (please see the paragraph on Awards below).

MPEP became the sole Investment Manager of the Company on 1 August 2006 when the other two Investment Managers resigned. I would like to take this opportunity to thank both these Investment Managers for their efforts to rectify earlier problems and create value for shareholders subsequently. The proposals to restructure the Company were put to Shareholders at an Extraordinary General Meeting on 18 October 2006 and all Resolutions were passed. A total of 130 Shareholders, representing 13.15% of the Company, submitted proxy votes on the proposals. The Board was encouraged by this response and, on behalf of the Board, I would like to thank all Shareholders for their support.

Offer for Subscription

On 2 November 2006, the Offer for Subscription for MIG 4 was launched. The reaction from independent commentators and the leading IFAs has been positive and, I am pleased to report, subsequent to the Company's financial year end, the Company has allotted a total of 13,006,193 new shares having raised £15.4 million. This outcome is particularly pleasing as the Company has more than doubled its size.

Share buy-backs

During the year ended 31 January 2007 the Company continued to implement its buy-back policy and bought back 280,000 Ordinary Shares of 5p before the capital restructuring and 175,000 Ordinary Shares of 1p following the capital restructuring, representing 3.61% of the shares in issue at 1 February 2006 at a total cost of £278,975 (excluding expenses). These shares were subsequently cancelled by the Company.

Investor Allstars 2006 Awards

At the Investor Allstars 2006 Awards ceremony, I am delighted to inform you that Matrix Private Equity Partners won the award for the second year running for the Venture Capital Trust Manager of the Year which included a review of the performance of the MPEP portfolio within MIG 4. The judging panel commented " Matrix is one of the few VCs that has successfully defended its title. What differentiated Matrix (from the other finalists) was the quality of the exits they achieved."

This has been a particularly busy year for the Board. Most importantly, the Board continues to be pleased with the recent progress that the portfolio has made and we look forward to the opportunities potentially offered from investing from a larger pool of funds. Once again I would like to take this opportunity to welcome new Shareholders and thank existing Shareholders for their continued support.

Colin Hook,
Chairman

16 April 2007

Investment Manager's Review

Matrix Private Equity Partners LLP was appointed sole adviser of the Company's investment portfolio with effect from 1 August 2006. In addition to the eighteen investments it managed at that date it assumed responsibility for ten additional investments, previously managed by Elderstreet Private Equity, valued at £863k. Three of these, European Telecommunications & Technology, Netstore and Mediasurface, were realised by the end of October for proceeds of £610k compared with cost of £648k and the valuation of £560k at 31 January 2006. The remaining seven investments are now valued at a total of £125k.

The Company's new strategy is to invest in established, profitable, unquoted companies. Typically these investee companies are cash-generative and therefore capable of producing dividend income, as well as capital returns to Shareholders on their ultimate sale or flotation. The Company focuses principally on investments in MBOs.

Two MBO investments were completed in December 2006. The first was into PXP Holdings Limited (Pinewood Structures), a leading supplier of timber frame sections to the UK building sector, in which the Company invested £584k. This was followed by an investment of £407k into the MBO of Castlegate 435 Limited (Racoon International), the UK's largest supplier of hair extensions and related products.

Higher Nature Limited

Cost:	£500,000
Valuation:	£1,574,137
Basis of valuation:	Discounted earnings
Equity % held and voting rights:	10.7%
Business:	Mail order distributor of vitamins and natural medicines
Location:	Burwash Common, East Sussex
History:	Expansion capital
Income receivable in year:	£35,825
Audited financial information:	



Period ended	Turnover	Operating profit	Net assets
31 March 2006	£9,958,000	£1,878,000	£3,627,000

Youngman Group Limited

Cost:	£500,026
Valuation:	£1,372,182
Basis of valuation:	Discounted earnings
Equity % held and voting rights:	4.3%
Business:	Manufacturer of ladders and access towers
Location:	Maldon, Essex
History:	Management buy-in/buy-out from SGB Group
Income receivable in year:	£35,277
Audited financial information:	



Period ended	Turnover	Operating profit	Net assets
30 June 2006	£30,858,000	£2,720,000	£1,698,000

During the year MPEP invested £1.77 million on behalf of the Company into seven companies across a range of industrial and commercial sectors, bringing the cost of its current investments to £5.39 million; six of these investments were MBOs, reflecting the success of the Company's focus on this type of investment.

The overall portfolio continues to mature and the more recent investments are already beginning to demonstrate good performance which is expected to translate into increases in valuation if progress is maintained during the next year. Youngman Group, in particular, has enjoyed very strong trading conditions and looks set to continue to grow. Higher Nature has generated record profits and has recently acquired additional property in order to increase its capacity. Letraset repaid the Company's £350k loan stock investment in January.

However, the investment in FH Ingredients has proved very disappointing. Poor implementation of a major capital expenditure programme soon after the investment led to cash pressures and efforts to re-finance the company proved unsuccessful; the company entered into administration on 26 January 2007.

Details of the Company's ten largest investments by value are set out below:

Investment Manager's Review

PXP Holdings Limited (Pinewood Structures)

Cost:	£584,088
Valuation:	£584,088
Basis of valuation:	Cost
Equity % held and voting rights:	5.0%
Business:	Designer, manufacturer and supplier of timber frames for buildings
Location:	Sandy, Bedfordshire
History:	MBO
Income receivable in year:	£3,803
Audited financial information:	First audited accounts will be for the period ending 31 December 2007



Maven Management Limited

Cost:	£175,000
Valuation:	£482,206
Basis of valuation:	Discounted earnings
Equity % held and voting rights:	32.7%
Business:	Market research agency
Location:	High Wycombe, Buckinghamshire
History:	MBO
Income receivable in year:	£33,927
Audited financial information:	



Year ended	Turnover	Operating profit	Net assets
31 July 2006	£2,973,000	£78,000	£1,058,000

Castlegate 435 Limited (Racoon International)

Cost:	£406,805
Valuation:	£406,805
Basis of valuation:	Cost
Equity % held and voting rights:	5.7%
Business:	Supplier of hair extensions, hair care products and training
Location:	Leamington Spa, Warwickshire
History:	MBO
Income receivable in period:	£3,737
Audited financial information:	First audited accounts will be for the year ended 31 March 2007



Stortext FM Limited

Cost:	£561,820
Valuation:	£375,968
Basis of valuation:	Cost less impairment
Equity % held and voting rights:	5.4%
Business:	Provider of document management software and services
Location:	Houghton Regis, Bedfordshire
History:	Expansion capital
Income receivable in year:	£Nil
Audited financial information:	



Year ended	Turnover	Operating profit	Net assets
31 March 2006	£5,086,000	£724,000	£2,959,000

Tottel Publishing Limited

Cost: £235,200
Valuation: £375,664
Basis of valuation: Discounted earnings
Equity % held and voting rights: 6.3%
Business: Publisher specialising in legal and tax titles
Location: Haywards Heath, West Sussex
History: MBO
Income receivable in year: £18,441
Audited financial information:

Tottel
publishing

Period ended	Turnover	Operating profit	Net assets
28 February 2006	£5,136,000	£709,000	£960,000

Ministry of Cake (Holdings) Limited

Cost: £328,720
Valuation: £325,635
Basis of valuation: Discounted earnings
Equity % held and voting rights: 5.6%
Business: Manufacturer of frozen cakes and desserts for the foodservice industry
Location: Taunton, Somerset
History: Management buy-in/buy-out from private ownership
Income receivable in year: £20,036
Audited financial information: First audited accounts will be for the period ended 30 June 2006



British International Holdings Limited

Cost: £250,000
Valuation: £250,000
Basis of valuation: Cost
Equity % held and voting rights: 2.5%
Business: Helicopter service operator
Location: Sherborne, Dorset
History: MBO
Income receivable in year: £11,928
Audited financial information: First audited accounts will be for the period ended 31 December 2006

British International

VSI Limited

Cost: £177,213
Valuation: £177,213
Basis of valuation: Cost
Equity % held and voting rights: 4.6%
Business: Provider of software for CAD and CAM vendors
Location: Sheffield
History: MBO
Income receivable in year: £13,098
Audited financial information: First audited accounts will be for the year ended 31 December 2006

 **VSI Limited**

Note: Where relevant, operating profit is stated before charging amortisation of goodwill

Further details of the investments in the portfolio may be found on MPEP's website: www.matrixpep.co.uk

Investment Portfolio Summary

as at 31 January 2007

	Cost at 31 Jan 07 £	Valuation at 31 Jan 06 £	Additional investments	Valuation at 31 Jan 07 £	% of equity held	% of portfolio by value
Matrix Private Equity Partners LLP						
Higher Nature Limited Mail order distributor of vitamins and natural medicines	500,000	1,433,675	–	1,574,137	10.69%	22.67%
Youngman Group Limited Manufacturer of ladders and access towers	500,026	500,000	26	1,372,182	4.29%	19.76%
PXP Holdings Limited (Pinewood Structures) Designer, manufacturer and supplier of timber frames for buildings	584,088	–	584,088	584,088	4.98%	8.41%
Maven Management Limited Market research agency	175,000	594,726	–	482,206	32.65%	6.94%
Castlegate 435 Limited (Racoon International) Supplier of hair extensions, hair care products and training	406,805	–	406,805	406,805	5.70%	5.86%
Stortext FM Limited Provider of document management software and services	561,820	375,968	–	375,968	5.42%	5.41%
Tottel Publishing Limited Publisher specialising in legal and tax titles	235,200	400,163	–	375,664	6.27%	5.41%
Ministry of Cake (Holdings) Limited Manufacturer of frozen cakes and desserts for the foodservice industry	328,720	328,720	–	325,635	5.60%	4.69%
British International Holdings Limited Helicopter service operator	250,000	–	250,000	250,000	2.50%	3.60%
VSI Limited Provider of software for CAD and CAM vendors	177,213	–	177,213	177,213	4.56%	2.55%
Blaze Signs Holdings Limited Manufacturer and installer of signs	164,510	–	164,510	164,510	4.63%	2.37%
SectorGuard plc¹ Provider of manned guarding, patrolling and alarm response services	150,000	135,000	–	160,714	1.38%	2.31%
Campden Media Limited Magazine publisher and conference organiser	152,620	152,620	–	154,040	1.69%	2.22%
Pastaking Holdings Limited Manufacturer and supplier of fresh pasta meals	133,055	–	133,055	133,055	2.10%	1.92%
Vectair Holdings Limited Designer and distributor of washroom products	100,000	100,000	–	100,818	2.14%	1.45%
BBI Holdings plc¹ Manufacturer of gold conjugate for the medical diagnostics industry	57,528	–	57,528	81,034	0.23%	1.17%
BG Consulting Group Limited/Duncary 4 Limited Provider of financial training services	230,796	27,967	–	52,383	See note 3 below	0.75%
Inca Interiors Limited Designer, supplier and installer of contract kitchens	350,000	200,000	–	50,000	9.75%	0.72%

	Cost at 31 Jan 07 £	Valuation at 31 Jan 06 £	Additional investments	Valuation at 31 Jan 07 £	% of equity held	% of portfolio by value
Letraset Limited Manufacturer and distributor of graphic art products	150,000	291,268	–	–	17.35%	0.00%
F H Ingredients Limited Processor of frozen herbs to the food processing industry	183,804	183,804	–	–	8.04%	0.00%
Total	5,391,185	4,723,911	1,773,225	6,820,452	–	98.21%
Former Elderstreet Private Equity Limited Portfolio						
Mobile and Wireless Group Limited Retailer of handheld electrical products	26,129	–	26,129	65,773	1.02%	0.94%
Cashfac Limited Provider of virtual banking application software solutions to corporate customers	260,101	49,397	–	33,163	3.42%	0.48%
Sparesfinder Limited Supplier of industrial spare parts on-line	250,000	–	–	25,683	2.19%	0.37%
Computer Software Group plc¹ Software vendor	–	590,784	–	–	1.42%	0.00%
European Telecommunications & Technology Limited Telecom service integrator providing enterprise network	–	300,244	–	–	4.66%	0.00%
Mediasurface plc¹ Developer of web content management software	–	246,456	–	–	2.63%	0.00%
Netstore plc¹ Provider of enterprise-managed IT services	–	13,500	–	–	0.03%	0.00%
Sift Group Limited Developer of on-line community software and services	125,000	62,500	–	–	0.63%	0.00%
Other investments in the portfolio²	773,062	–	–	–	–	0.00%
Total	1,434,292	1,262,881	26,129	124,619	–	1.79%
Investment Managers' Total	6,825,477	5,986,792	1,799,354	6,945,071	-	100.00%

¹ Quoted on AIM

² Other investments in the Elderstreet portfolio comprise those investments that have been valued at nil and from which the Directors only expect to receive small recoveries i.e. ComponentSource Holding Corporation, Sapphire International Limited, and Shopcreator plc.

³ The % of equity held in BG Consulting Group Limited is 2.6% and in Duncary 4 Limited is 6.64%.

Board of Directors

Colin Hook

Status: Independent, Non-Executive Chairman

Age: 65

Experience: Colin has wide industrial and commercial experience. He has directed fund management operations for more than ten years and his City involvement includes flotations, mergers and acquisitions and general corporate finance. From 1994 to 1997 he was Chief Executive of Ivory & Sime plc. He is currently the non-executive Chairman of TriVest VCT plc and Chairman of Pole Star Space Applications Limited, a leading provider of real-time tracking information for maritime applications via a global web-based satellite enabled solution.

Last re-elected to the Board: May 2004. Standing for re-election at the Annual General Meeting on 13 June 2007

Committee memberships: Nominations and Remuneration Committee (Chairman), Audit Committee, Investment Committee

Number of Board and Committee meetings attended 2006/07: 17/17

Remuneration 2006/07: £30,000

Relevant relationships with the Investment Managers or other service providers: Chairman of TriVest VCT plc which is also partly advised by Matrix Private Equity Partners LLP.

Shareholding in the Company: 22,793 Ordinary Shares

Shareholding in investee companies: 3,616 ordinary 1p shares in Mediasurface plc, an investment sold by the VCT during August 2006

Christopher Moore

Status: Independent, Non-Executive Director

Age: 62

Experience: After qualifying as a Chartered Accountant with Price Waterhouse, Christopher worked for Robert Fleming Inc., Lazards, Jardine Fleming and then Robert Fleming, latterly as a main board director for nine years (1986-95). During this period he was involved in various unquoted and venture capital investments and remained chairman of Fleming Ventures Limited, an international technology venture capital fund until 2003. His recent advisory roles included acting as senior adviser to the Chairman of Lloyds, the insurance group, for 4 years. He was also Chairman of Calderburn Plc from 1996 to 1999, and led a successful turnaround and sale of the group's businesses. He is a non-executive director of TriVest VCT plc, Matrix Income & Growth VCT plc and Matrix Income & Growth 3 VCT plc and Chairman of Oxonica plc.

Last re-elected to the Board: May 2005

Committee memberships: Audit Committee (Chairman), Investment Committee, Nominations and Remuneration Committee

Number of Board and Committee meetings attended 2006/07: 16/17

Remuneration 2006/07: £25,000

Relevant relationships with the Investment Managers or other service providers: Director of Matrix Income & Growth VCT plc and Matrix Income & Growth 3 VCT plc which are both advised and TriVest VCT plc which is partly advised by Matrix Private Equity Partners LLP.

Shareholding in the Company: 26,690 Ordinary Shares

Helen Sinclair

Status: Independent, Non-Executive Director

Age: 41

Experience: Helen has extensive experience of investing in a wide range of small and medium sized businesses. She graduated in Economics from Cambridge University and began her career in banking. After an MBA at INSEAD business school, Helen worked from 1991 to 1998 at 3i plc based in their London office. She was a founding director of Matrix Private Equity Limited when it was established in early 2000. Helen is also a non-executive director of TriVest VCT plc and Hotbed Fund Managers Limited.

Last re-elected to the Board: May 2006

Committee memberships: Investment Committee (Chairman), Audit Committee, Nominations and Remuneration Committee

Number of Board and Committee meetings attended 2006/07: 16/17

Remuneration 2006/07: £25,000

Relevant relationships with the Investment Managers or other service providers: Director of TriVest VCT plc which is also partly advised by Matrix Private Equity Partners LLP.

Shareholding in the Company: 6,672 Ordinary Shares

Summary Financial Statement

This Summary Financial Statement has been prepared voluntarily by the Directors in accordance with the relevant requirements of section 251 of the Companies Act 1985. It does not contain sufficient information to allow a full understanding of the results and state of affairs of the Company. For further information, the full Annual Financial Statements, the Auditors' Report on those financial statements and the Directors' Report should be consulted. A copy of the Annual Report, which may be obtained free of charge from the Company Secretary, will be delivered to the Registrar of Companies after the Annual General Meeting. Shareholders wishing to receive the full Annual Report in future years may elect to do so by sending signed, written notice to the Company's Registrars, Capita Registrars. PricewaterhouseCoopers LLP have reported on the Company's statutory accounts for the year ended 31 January 2007. This report was unqualified and contained no statement under section 237(2) and (3) of the Companies Act 1985.

Summary Directors' Report

The Company is an Investment Company as defined by section 266 of the Companies Act 1985 ("the Act"). It has satisfied the requirements for full approval as a Venture Capital Trust by HM Revenue & Customs (HMRC) under section 842AA of the Income and Corporation Taxes Act 1988 throughout the year ended 31 January 2007. It is the Directors' intention to continue to manage the Company's affairs in such a manner as to comply with this section.

The Company's Ordinary Shares in the capital of the Company were first admitted to the Official List of the UK Listing Authority and to trading on 9 March 1999.

Principal activity and business review

The principal activity of the Company during the year was the investment in unlisted or AIM quoted companies in the United Kingdom.

Details of the principal investments made by the Company are given in the Investment Manager's Review and Investment Portfolio Summary on pages 5-9, of this Summary Annual Report. A review of the Company's business activities during the year is contained in the Chairman's Statement on pages 3-4.

The Board reviews performance by reference to various measures, taking account of the long term nature of the assets in which the Company invests.

■ Total return

The total return per share is the key measure of performance for the Company which comprises NAV plus cumulative dividends paid per share. NAV is calculated quarterly in accordance with the IPEVCV guidelines. The Company's net assets increased during the year under

review resulting in a 9.17% increase in NAV per share and an 8.93% (restated) increase in total return per share.

■ Total expense ratio (TER)

Under the terms of the Investment Services Agreement in place until 18 October 2006, annual expenses were capped at 3.5% of opening net assets. Under the new Investment Adviser's Agreement, annual expenses, excluding any exceptional items and irrecoverable VAT are capped at 3.4% of closing net assets. Any expenses in excess of the 3.4% cap are borne wholly by the Investment Manager.

Share capital

Following the Extraordinary General Meeting held on 18 October 2006 the existing issued and unissued Ordinary Shares of 5 pence each in the capital of the Company were consolidated on the basis of one Ordinary Share of 10 pence each for every two Ordinary Shares of 5 pence each. The issued and unissued Ordinary Shares of 10 pence each were then sub-divided into one Ordinary Share of 1 pence each and nine Deferred Shares of 1 pence each. In accordance with the Articles of Association the Deferred Shares were subsequently acquired for a nominal consideration and cancelled by the Company.

The Ordinary Shares of 1 pence each in the capital of the Company were first admitted to the Official List of the UK Listing Authority and to trading on 20 October 2006.

The Company has authority to purchase its own shares pursuant to section 166 of the Companies Act 1985 as approved by Shareholders on 18 October 2006. A resolution to renew this authority will be put to members at the Annual General Meeting to be held on 13 June 2007. During the year the Company bought back 280,000 Ordinary Shares of 5 pence each and 175,000 Ordinary Shares of 1 pence each (representing 3.61% of the shares in issue at 1 February 2006 at a total cost of £278,975 (excluding expenses). These shares were subsequently cancelled by the Company.

On 2 November 2006 the Company launched an Offer for Subscription ("the Offer") to raise additional funds for investment. As at the year-end no additional Ordinary Shares had been allotted under the Offer.

The issued Ordinary Share capital of the Company as at 31 January 2007 was £83,994 and the number of Ordinary Shares in issue as at this date was 8,399,337.

Subsequent to the year-end, the Company has allotted a total of 13,006,193 new Ordinary Shares pursuant to the Offer. The issued Ordinary Share capital as at the date of this Report has therefore increased to £214,055 and the number of Ordinary Shares in issue as at this date is 21,405,530.

Summary Financial Statement

Dividend

Your Board paid an interim dividend of 0.9 pence per share (equivalent to 1.8 pence per share after the capital restructuring) on 26 October 2006 and no further dividend is proposed in respect of the year under review. This is deemed to be the prudent course of action following discovery of a technical breach in not filing interim accounts before payment of the £153,988 dividend. The Company has now taken the steps necessary to rectify this technical breach, and there should be no effect on the tax relief available in respect of this dividend.

The balance sheet as at 31 January 2007 showed the amount of £153,988 still held in revenue reserves. Revenue reserves have since been reduced to nil by a sum equal to the interim dividend paid.

Directors' share interests

The Directors who held office throughout the year under review and their interests in the issued Ordinary Shares of the Company are:

Director	New Ordinary Shares purchased subsequent to the year-end under the Offer for Subscription	Ordinary Shares of 1p held 31 January 2007	Ordinary Shares of 5p held 31 January 2006
Colin Hook	17,793	5,000	10,000
Christopher Moore	26,690	–	–
Helen Sinclair	6,672	–	–

Colin Hook will retire by rotation at the Annual General Meeting to be held on 13 June 2007 and being eligible offers himself for re-election.

Annual general meeting

Notice of the Annual General Meeting, which will be held on 13 June 2007 is set out on pages 21–23 of this Summary Annual Report. The following explains the principal business to be proposed.

Authorities for the Directors to allot shares (Resolution 6) and disapply pre-emption rights (Resolution 7) under sections 80 and 95 of the Companies Act 1985 ("the Act").

The authorities proposed under Resolutions 6 and 7 will grant the Directors the authority to allot Ordinary Shares for cash to a limited and defined extent otherwise than pro rata to existing Shareholders. Resolution 6 will authorise the Directors to allot relevant securities generally, in accordance with section 80 of the Act, up to a nominal amount of £74,919 (representing approximately 35 per cent. of the Company's issued share capital at the date of the Notice of the Meeting). The authority conferred by resolution 6 will expire on the fifth anniversary of the passing of the resolution.

Under section 89 of the Act, if the Directors wish to allot any of the unissued share capital for cash they must first offer such shares to existing shareholders in proportion to their current holdings. Resolution 7 will enable this requirement to be disapplied in the specific circumstances named in the Resolution. These are in relation to a rights issue, any dividend investment scheme that may be introduced by the Company in the future and to fund any future further issues of up to 5 per cent of the issued share capital, being the maximum that could be issued without issuing a new prospectus.

This resolution is proposed as a special resolution and unless previously renewed or revoked, will expire on the earlier of the Annual General Meeting of the Company to be held in 2008 and the date which is fifteen months after the date on which this resolution is passed.

The Directors have no immediate intention of exercising these authorities. Both resolutions replace similar authorities approved on 18 October 2006.

Authority for the Company to purchase its own Shares (Resolution 8)

This resolution will authorise the Company to purchase its own shares in the capital of the Company pursuant to section 166 of the Act. The authority is limited to a maximum number of Ordinary Shares as is equal to 14.99% of the issued Ordinary Share capital of the Company at the date of the resolution. It will expire on the earlier of the conclusion of the Annual General Meeting to be held in 2008 and the date which is fifteen months after the date on which this resolution is passed. The maximum price that may be paid for an Ordinary Share will be an amount that is not more than five per cent above the average of the middle market quotations of the Ordinary Shares as derived from the Daily Official List of the UK Listing Authority for the five business days preceding such purchase and the minimum price that may be paid for an Ordinary Share is 1 penny, being the nominal value of an Ordinary Share. This resolution will replace the existing authority granted at the Extraordinary General Meeting held on 18 October 2006 that expires at the conclusion of this Annual General Meeting. The Company has the ability to hold in treasury any shares purchased by it using its distributable profits; in such event such shares will remain in issue and capable of being re-sold by the Company. However, the Company has no immediate plans to hold such shares in treasury and intends to continue its practice of cancelling any shares which are re-purchased.

The cancellation of the share premium account of the Company confirmed by an Order of the High Court dated 5 September 2001 has provided the Company with a special reserve which is

distributable and can now be used, inter alia, to fund buy-backs of Ordinary Shares. During the year the special reserve has been utilised to offset a loss on the revenue reserve.

All VCTs experience restricted market liquidity in their shares. The Board believes that it is in the best interests of the Company and Shareholders for the Company to be in a position to make occasional market purchases of its Ordinary Shares. This resolution, to be proposed as a Special Resolution, will enable the Directors to carry out this policy.

Shareholders should note however, that the Directors do not intend to exercise this authority unless in the light of prevailing market conditions, to do so would result in an increase in net asset value per share and would be in the interests of Shareholders generally. Any shares so purchased will be cancelled and the number of shares in issue reduced accordingly.

Adoption of new Articles of Association of the Company (Resolution 9)

The current Articles of Association of the Company allow the Company to take advantage of the Electronic Communications Act 2000 which permits companies to communicate with its shareholders using electronic means, provided that individual shareholders have given their specific consent. The regime introduced by the Electronic Communications Act has been revised and enhanced by the Companies Act 2006, parts of which came into force earlier this year. Under the new Act, companies may make communications with shareholders available to view on a website rather than send them to shareholders in hard copy form.

The regime introduced by the Companies Act 2006 allows the Company to use electronic communications as the default method of communicating with shareholders unless shareholders notify the Company that they wish to receive hard copies of communications from the Company. Notwithstanding any prior request or deemed consent to receive communications electronically, a shareholder may at any time tell the Company that he or she wishes to receive all or specific information in hard copy form.

To enable the Company to benefit from the enhanced regime, it is necessary to amend the Company's Articles of Association to update references to relevant legislation, introduce provisions permitting the Company to communicate with shareholders via a website and make other consequential changes. The Company will subsequently contact Shareholders to ask them to specify

whether they wish to receive communications from the Company via a website or in hard copy form.

Summary Directors' Remuneration Report

Nominations and Remuneration Committee

The remuneration of individual Directors is determined by the Nominations and Remuneration Committee within the framework set by the Board. The Committee comprises the full Board and is chaired by Colin Hook. The Committee meets at least once a year and is responsible for reviewing the remuneration of the Directors. It held one formal meeting during the year under review. The Committee has access to independent advice where it considers it appropriate. However, it was not considered necessary to take any such advice during the year under review.

Remuneration policy

The remuneration policy is set by the Board. The Directors' fees are reviewed annually by the Nominations and Remuneration Committee which determines the amount of fees to be paid to the Directors. When considering the level of Director's fees, the Committee takes account of remuneration levels elsewhere in the VCT industry and other relevant information. The Company's Articles of Association state that the aggregate of the remuneration (by way of fees) of all the Directors shall not exceed £120,000 per annum. Details of the Directors' remuneration are disclosed below.

Details of individual emoluments and compensation

The emoluments in respect of qualifying services of each person who served as a Director during the year were as set out in the table below.

	Total emoluments year to:	
	31 January 2007 £	31 January 2006 £
Colin Hook	30,000	30,000
Christopher Moore	25,000	25,000
Helen Sinclair	25,000	18,750
Fees paid to Matrix-Securities Limited in respect of Helen Sinclair's services	Nil	6,250
Total emoluments	80,000	80,000

Summary Financial Statement

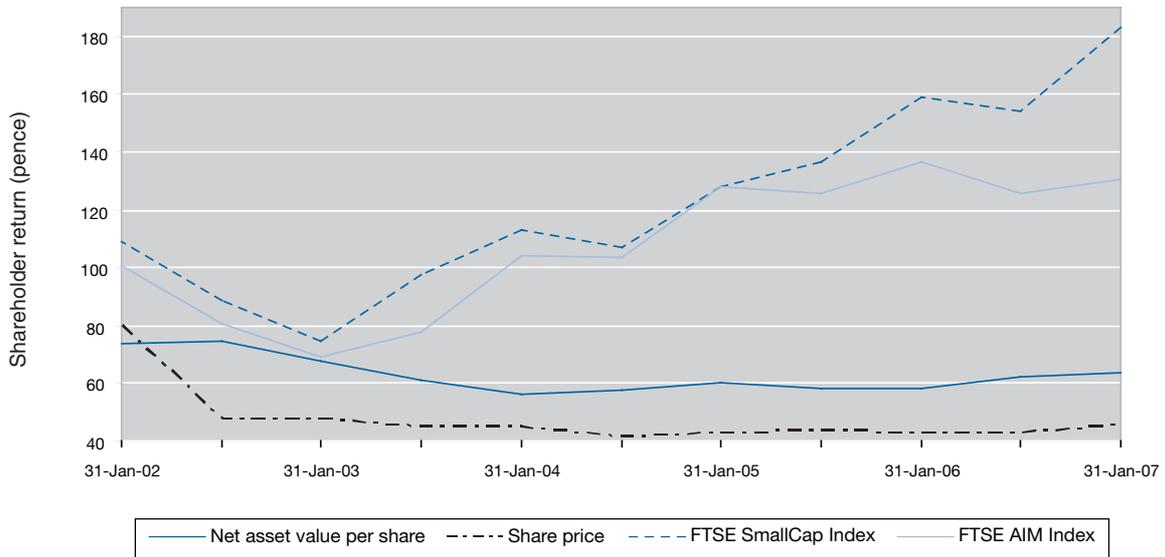
Total shareholder return

The following graph charts the total cumulative shareholder return of the Company (assuming all dividends had been re-invested) for the last five years compared to the FTSE SmallCap and FTSE AIM Indices. These indices are both industry recognised indices of listed companies. The FTSE SmallCap comprises companies with the smallest capitalisation of the capital and industry segments and represents approximately

2% of the UK market capitalisation. An explanation of the performance of the Company is given in the Chairman's Statement and Investment Manager's Review.

The NAV per share has been shown separately in addition to the information required because the Directors believe it is a more accurate reflection of the Company's performance.

Total shareholder return for the last five years compared to the FTSE SmallCap and FTSE AIM indices



Source: Teather & Greenwood Limited
 All data has been re-based to 100p with effect from 9 March 1999, the date on which the Company's shares were first admitted to trading.

Summary Corporate Governance Statement

The Board has adopted the 2003 FRC Combined Code ("the Combined Code") in respect of the year ended 31 January 2007. It has considered the principles detailed in the Combined Code and believes that, insofar as they are relevant to the Company's business, the Company has complied or explained any non-compliance with the provisions of the Combined Code throughout the financial year ended 31 January 2007 in the full Annual Report. The main points are set out below.

The Board

The Company has a Board of three non-executive Directors who are all considered to be independent of the Investment Manager. The Board has considered whether each Director is independent in character and judgement and whether there are any relationships or circumstances which are likely to affect, or could appear to affect, the Director's judgement. In particular, the Board has assessed the independence of the Chairman and notwithstanding the Combined Code's assumption that the Chairman is not independent, has concluded that Colin Hook remains an independent Director. Christopher Moore and Helen Sinclair are regarded as independent.

It is the policy of the Directors not to participate in decisions concerning investee companies in which they hold an interest.

The Board meets at least quarterly and is in regular contact with the Investment Manager between these meetings.

Internal control

The Board acknowledges that it is responsible for the Company's system of internal control and for reviewing its effectiveness. The Board has delegated, contractually to third parties, management of the investment portfolio, custodial services, the day-to-day accounting, company secretarial and administration functions and the share registration services. The Board has put in place ongoing procedures for identifying, evaluating and managing the significant risks faced by the Company. As part of this process an annual review of the control systems is carried out in accordance with the Turnbull guidelines for internal control. The last review took place on 2 April 2007. The Board has identified no significant problems with the Company's internal control mechanisms that warrant disclosure in the Annual Report.

Board committees

The Board has established Audit, Nominations & Remuneration and Investment Committees. All of which have written terms of reference, which detail their authority and duties. Shareholders may obtain copies of these by making a written request to the Company Secretary. Terms of reference for the Audit and Nominations & Remuneration Committees may be found on the Company Secretary's website at www.matrixgroup.co.uk in accordance with the Combined Code.

Investor relations

The Company communicates with Shareholders and solicits their views where it is appropriate to do so. All Shareholders are welcome at the Annual General Meeting which provides a forum for Shareholders to ask questions of the Directors and to discuss with them issues affecting the Company. Shareholders may contact the Chairman of the Audit Committee if they have concerns which contact through the Chairman or Investment Manager has failed to resolve or for which such contact is inappropriate.

The Board as a whole approves the Chairman's Statement and the Investment Manager's Review which form part of the Annual and Interim Reports to Shareholders in order to ensure that they present a balanced and understandable assessment of the Company's position and future prospects.

Notice of the Annual General Meeting accompanies this Summary Annual Report, which is sent to Shareholders allowing a minimum of 20 working days before the meeting. Separate resolutions are proposed for each substantive issue. The number of proxy votes received for each resolution is announced after each resolution has been dealt with on a show of hands.

Going concern

The Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the accounts as the Company has adequate financial resources to continue in operational existence for the foreseeable future.

Independent auditors' statement to the members of Matrix Income & Growth 4 VCT plc

We have examined the Summary Annual Accounts which comprises the Summary Income Statement, Summary Statement of Total Recognised Gains and Losses, Summary Reconciliation of Movements in Shareholders' Funds, Summary Balance Sheet, Summary Cash Flow Statement and the Summary Directors' Remuneration Report.

Respective responsibilities of directors and auditors

The Directors are responsible for preparing the Summary Annual Report in accordance with United Kingdom law.

Our responsibility is to report to you our opinion on the consistency of the Summary Annual Accounts within the Summary Annual Report with the full Annual Accounts, the Directors' Report and the Directors' Remuneration Report, and its compliance with the relevant requirements of section 251 of the Companies Act 1985 and the regulations made thereunder.

We also read the other information contained in the Summary Annual Report and consider the implications for our statement if we become aware of any apparent misstatements or material inconsistencies with the Summary Annual Accounts.

This statement, including the opinion, has been prepared for and only for the Company's members as a body in accordance with section 251 of the Companies Act 1985 and for no other

purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this statement is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Basis of opinion

We conducted our work in accordance with Bulletin 1999/6, 'The auditors' statement on the summary financial statement' issued by the Auditing Practices Board. Our report on the Company's full Annual Accounts describes the basis of our audit opinion on those Accounts and the Directors' Remuneration Report.

Opinion

In our opinion the Summary Annual Accounts is consistent with the full Annual Accounts, the Directors' Report and the Directors' Remuneration Report of Matrix Income & Growth 4 VCT plc for the year ended 31 January 2007 and complies with the applicable requirements of section 251 of the Companies Act 1985, and the regulations made thereunder.

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London
16 April 2007

Notes:

(a) The maintenance and integrity of the Matrix Income & Growth 4 VCT PLC web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the full annual financial statements or the summary financial statement since they were initially presented on the web site.

(b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Summary Income Statement

for the year ended 31 January 2007

	Year ended 31 January 2007			Year ended 31 January 2006		
	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Unrealised gains on investments held at fair value	–	601,177	601,177	–	44,589	44,589
Realised gains/(losses) on investments held at fair value	–	270,668	270,668	–	(725,431)	(725,431)
Income	354,141	–	354,141	336,287	250,000	586,287
Investment management fees	(32,072)	(96,215)	(128,287)	(31,774)	(95,322)	(127,096)
Other expenses	(288,581)	–	(288,581)	(232,828)	–	(232,828)
Return on ordinary activities before taxation	33,488	775,630	809,118	71,685	(526,164)	(454,479)
Taxation on ordinary activities	(3,119)	3,119	–	(12,856)	12,856	–
Return on ordinary activities after taxation	30,369	778,749	809,118	58,829	(513,308)	(454,479)
Return per Ordinary Share (basic and diluted)	0.35p	9.06p	9.41p	0.67p	(5.81)p	(5.14)p

The total column of this statement is the profit and loss account of the Company. All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the year.

The revenue return as stated does not differ materially from that under the historical cost basis of accounting.

Summary Statement of Total Recognised Gains and Losses

for the year ended 31 January 2007

	Year ended 31 January 2007			Year ended 31 January 2006		
	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Return attributable to ordinary shareholders	30,369	778,749	809,118	58,829	(513,308)	(454,479)
Creditor for previously capitalised fees no longer payable	–	–	–	–	7,510	7,510
Total recognised gains/(losses) in the year	30,369	778,749	809,118	58,829	(505,798)	(446,969)
Total recognised gain/(loss) per Ordinary Share	0.35p	9.06p	9.41p	0.67p	(5.73)p	(5.06)p

Summary Reconciliation of Movements in Shareholders' Funds

for the year ended 31 January 2007

	Year ended 31 January 2007 £	Year ended 31 January 2006 £
Opening shareholders' funds as previously reported	9,286,678	10,089,417
Prior year adjustment	–	51,280
Opening shareholders' funds (restated)	9,286,678	10,140,697
Purchase of own shares	(280,076)	(388,721)
Total recognised gains and losses before dividends	809,118	(446,969)
Dividends paid	(43,572)	(18,329)
Closing shareholders' funds	9,772,148	9,286,678

Summary Balance Sheet

as at 31 January 2007

	as at 31 January 2007			as at 31 January 2006		
	£	£	£	£	£	£
Non-current assets						
Investments at fair value			6,945,071			5,986,792
Current assets						
Debtors and prepayments	223,072			67,469		
Investments at fair value	694,526			2,038,915		
Cash at bank	2,040,442			1,449,729		
		2,958,040			3,556,113	
Creditors: amounts falling due within one year						
Other creditors	69,435			159,634		
Accruals	61,528			96,593		
		(130,963)			(256,227)	
Net current assets			2,827,077			3,299,886
Net assets			9,772,148			9,286,678
Capital and reserves						
Called up share capital			83,994			871,434
Capital redemption reserve			870,765			83,325
Special reserve			16,248,945			16,536,695
Capital reserve - realised			(7,735,927)			(6,048,574)
Capital reserve - unrealised			150,383			(2,315,719)
Revenue reserve			153,988			159,517
Equity shareholders' funds			9,772,148			9,286,678
Net asset value per Ordinary Share			116.34p			106.57p

The financial statements were approved and authorised for issue by the Board of Directors on 16 April 2007 and were signed on its behalf by:

C P Hook

Director

Summary Cash Flow Statement

for the year ended 31 January 2007

	Year ended 31 January 2007 £	Year ended 31 January 2006 £
Operating activities		
Interest income received	257,875	303,108
Dividend income	90,573	263,571
Other income	–	2,446
Investment management fees paid	(164,838)	(95,671)
Cash payments for other expenses	(439,056)	(220,538)
Non-cash movement	–	5,170
Net cash (outflow)/inflow from operating activities	(255,446)	258,086
Investing activities		
Sale of investments	1,716,004	144,569
Purchase of investments	(1,799,354)	(1,519,870)
Acquisitions and disposals	(83,350)	(1,375,301)
Cash outflow before financing and liquid resource management	(338,796)	(1,117,215)
Dividends		
Equity dividends paid	(43,572)	(18,329)
Financing		
Purchase of own shares	(217,320)	(263,020)
Payment to Ordinary shareholders	(153,988)	–
	(371,308)	(263,020)
Management of liquid resources		
Decrease in monies held in money market funds	1,344,389	2,145,168
Increase in cash	590,713	746,604

MATRIX INCOME & GROWTH 4 VCT PLC

(Registered in England and Wales No. 3707697)

NOTICE of the ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Company will be held at 11.00 am on Wednesday, 13 June 2007 at One Jermyn Street, London SW1Y 4UH for the purpose of considering and, if thought fit, passing the following resolutions of which, resolutions numbered 1 to 6 will be proposed as ordinary resolutions and resolutions numbered 7 to 9 will be proposed as special resolutions:

ORDINARY BUSINESS

1. To receive the audited annual accounts of the Company for the financial year ended 31 January 2007 together with the Directors' Report and the Auditors' report on those accounts and on the auditable part of the Directors' Remuneration Report.
2. To approve the Directors' Remuneration Report for the year ended 31 January 2007 which is set out in the Annual Report of the Company for the year ended 31 January 2007.
3. To re-appoint PricewaterhouseCoopers LLP as Auditors to the Company until the conclusion of the next Annual General Meeting.
4. To authorise the Directors to determine the remuneration of the Auditors.
5. To re-elect Colin Hook as a Director of the Company.
6. THAT for the purpose of section 80 of the Companies Act 1985 (the "Act") (and so that expressions used in this resolution shall bear the same meanings as in the said section 80) the Directors be and are generally and unconditionally authorised to exercise all the powers of the Company to allot relevant securities up to a maximum nominal amount of £74,919 to such persons and at such times and on such terms as they think proper during the period expiring on the fifth anniversary of the date of the passing of this resolution unless renewed, revoked or varied by the Company in general meeting (except that the Company may, before such expiry, make offers or agreements which would or might require relevant securities to be allotted after such expiry and notwithstanding such expiry the Directors may allot relevant securities in pursuance of such offers or agreements) and all other authorities under the said section 80 are hereby revoked.

To consider and, if thought fit, to pass the following resolution as a special resolution:

7. THAT in substitution for any existing authorities pursuant to section 95 of the Act the Directors be and are empowered in accordance with section 95 of the Companies Act 1985 ("the Act") to sell treasury shares (as defined in section 162 of the Act) and, subject to the passing of Resolution 6 set out in the Notice convening this Meeting, make other allotments of equity securities (and the expression "allotment of equity securities" and like expressions used in this resolution shall have the meaning given to them by virtue of section 94 of the Act) for cash, pursuant to the authority conferred on them to allot relevant securities (as defined in Section 80 of the Act) by that resolution, in each case as if section 89(1) and sub-sections (1)-(6) of section 90 did not apply to any such sale or allotment, provided that the power conferred by this resolution shall be limited to:-
 - (i) the allotment of equity securities with an aggregate nominal value of up to but not exceeding ten per cent of the issued share capital of the Company immediately following the passing of this resolution in connection with the issue or offering in favour of holders of equity securities and any other persons entitled to participate in such issue or offering (other than the Company itself in respect of any shares held by it as treasury shares) where the equity securities respectively attributable to the interests of such holders and persons are proportionate (as nearly as may be) to the respective numbers of equity securities held by or deemed to be held by them on the record date of such allotment, subject only to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws or requirements of any recognised regulatory body or stock exchange in any territory;
 - (ii) the allotment of equity securities with an aggregate nominal value of up to but not exceeding ten per cent of the issued Ordinary Share capital of the Company immediately following the passing of this resolution in connection any dividend investment scheme that may be introduced by the Company in the future;
 - (iii) the allotment, otherwise than pursuant to sub-paragraphs (i) and (ii) above, of equity securities with an aggregate nominal value of up to but not exceeding ten per cent. of the issued ordinary share capital of the Company immediately following the passing of this resolution .

This power, unless previously renewed or revoked, shall expire on the earlier of the end of the next Annual General Meeting of the Company and the date which is fifteen months after the date on which this resolution is passed save that the Company may, before expiry of this power, make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot securities in pursuance of any such offers or agreements as if the power conferred hereby had not expired.

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as special resolutions:

8. THAT the Company be and is hereby generally and unconditionally authorised for the purpose of section 166 of the Companies Act 1985 ("the Act") to make a market purchase or market purchases (as defined in section 163 of the said Act) of Ordinary Shares of 1 pence each in the capital of the Company ("Ordinary Shares") at any time or times provided that:-
- (i) the maximum aggregate number of Ordinary Shares authorised to be purchased is an amount equal to 14.99% of the issued ordinary share capital of the Company immediately following the passing of this resolution;
 - (ii) the minimum price (exclusive of expenses) which may be paid for such Ordinary Shares is 1 penny per Ordinary Share, being the nominal value of an Ordinary Share;
 - (iii) the maximum price (exclusive of expenses) which may be paid for any Ordinary Share shall be an amount equal to five per cent. above the average of the middle market quotations for such shares taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the purchase is made;
 - (iv) the Company may make a contract or contracts to purchase its own Ordinary Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own Ordinary Shares in pursuance of any such contract; and
 - (v) any purchase by the Company of its own shares does not prejudice the ability of the Company to disregard, to the fullest possible extent pursuant to section 842AA (5B) of the Income and Corporation Taxes Act 1988, the use to which money raised pursuant to a share issue is put, for the purposes of complying with the 70% test and the 30% test, as those terms are defined in the Venture Capital Trust (Winding up and Mergers) (Tax) Regulations 2004.

The authority hereby conferred shall (unless previously renewed or revoked) expire on the earlier of the end of the next Annual General Meeting of the Company and the date which is fifteen months after the date on which this resolution is passed and all other authorities under the said section 166 are hereby revoked.

9. THAT, pursuant to section 9 of the Companies Act 1985, the Articles of Association of the Company be deleted in their entirety and the regulations contained in the document submitted to the meeting, and, for the purpose of identification, signed by the Chairman, be approved and adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association of the Company.

BY ORDER OF THE BOARD

Matrix-Securities Limited
Secretary

Registered Office
One Jermyn Street
London SW1Y 4UH

16 April 2007

NOTES:

- (i) A person entitled to receive notice of, attend and vote at the above meeting is entitled to appoint one or more proxies to attend and on a poll, vote in his place. A proxy need not be a member of the Company.
- (ii) To be valid the enclosed form of proxy for the Annual General Meeting, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified or office copy thereof must be deposited by 11.00 am on 11 June 2007 or in the event that the meeting is adjourned no less than 48 hours prior to the time fixed for the adjourned of the said meeting at the offices of the Company's Registrars, Capita Registrars, Proxy Processing Centre, Telford Road, Bicester OX26 4LD.
- (iii) Completion and return of the form of proxy will not prevent a Shareholder from attending and voting in person at the Annual General Meeting.
- (iv) The Company, pursuant to Regulation 41 of the Uncertified Securities Regulations 2001, specifies that only those Shareholders registered in the Register of Members of the Company as at midnight on 11 June 2007 or, in the event that the meeting is adjourned, in the Register of Members 48 hours before the time of any adjourned meeting, shall be entitled to attend or vote at the Annual General Meeting in respect of the number of shares registered in their name at the relevant time. Changes to entries in the Register of Members after midnight on 11 June 2007 or, in the event that the meeting is adjourned, in the Register of Members less than 48 hours before the time of any adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.
- (v) In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the Register of Members of the Company in respect of the relevant joint holding.
- (vi) The Register of Directors' Interests shall be available for inspection at the place of the Annual General Meeting for at least fifteen minutes prior to and during the meeting.

Corporate Information

Directors (Non-executive)

Colin Hook (Chairman)
Christopher Moore
Helen Sinclair

Secretary

Matrix-Securities Limited
One Jermyn Street
London SW1Y 4UH

Company's Registered Office and Head Office

One Jermyn Street
London SW1Y 4UH

Company Registration Number

3707697

Investment Manager

Matrix Private Equity Partners LLP
(formerly Matrix Private Equity Partners Limited)
One Jermyn Street
London SW1Y 4UH
www.matrixgroup.co.uk

Promoter and Administrator

Matrix-Securities Limited
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Solicitors

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Registrars

Capita Registrars
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Woodsome Park
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Huddersfield
West Yorkshire HD8 0LA

Sponsor and Stockbroker

Teather & Greenwood Limited
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15 St Botolph Street
London EC3A 7QR

Independent Auditors

PricewaterhouseCoopers LLP
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London SE1 9SY

VCT Status Adviser

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Bankers

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