

# Foresight Ventures VCT plc

Securities Note

14 October 2025

**Foresight**  
Invest Build Grow



# Important Notice

This document constitutes a securities note (the “Securities Note”) dated 14 October 2025 issued by Foresight Ventures VCT plc (the “Company”), prepared in accordance with the Prospectus Regulation (EU) 2017/1129 as it forms part of domestic UK law by virtue of the European Union (Withdrawal) Act 2018 and the FCA’s Prospectus Regulation Rules (the “Prospectus Regulation”).

Additional information relating to the Company is contained in a registration document (the “Registration Document”) issued by the Company of even date herewith. A brief summary written in non-technical language and conveying the essential characteristics and risks associated with the Company and the Ordinary Shares of 1p each in the capital of the Company (the “Ordinary Shares”) which are being offered for subscription (the “Offer”) is contained in a summary issued by the Company of even date herewith (the “Summary”).

The Summary, the Securities Note and the Registration Document together comprise a prospectus (the “Prospectus”) and you are advised to read the Prospectus in full.

This Prospectus has been approved by the FCA, as competent authority under the Prospectus Regulation. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered an endorsement of the Company or of the quality of the securities that are the subject of this Prospectus and Investors should make their own assessment as to the suitability of investing in the securities.

The Company and the Directors (whose names are set out on page 33) accept responsibility for the information contained in the Prospectus. To the best of the knowledge of the Company and the Directors, the Prospectus is in accordance with the facts and makes no omission likely to affect its import.

Application has been made to the FCA for the Ordinary Shares offered for subscription pursuant to this Prospectus to be admitted to the Official List. Application will also be made to the London Stock Exchange for such Ordinary Shares to be admitted to trading on its market for listed securities. It is expected that Admission will become effective and that trading in the Ordinary Shares will commence three Business Days following allotment.

**Offer for Subscription to raise in aggregate up to £10 million (with an over-allotment facility of up to an additional £5 million) by issues of Ordinary Shares of 1p each.**

Sponsored by SPARK Advisory Partners Limited

In connection with the Offer, SPARK Advisory Partners Limited (“SPARK”) is acting as sponsor for the Company and for no-one else and will not be responsible (subject to the responsibilities and liabilities imposed by the Financial Services and Markets Act 2000 (“FSMA”) or the regulatory regime established thereunder) to anyone other than the Company for providing the protections afforded to customers of SPARK nor for providing advice in relation to the Offer. SPARK is authorised and regulated in the UK by the FCA.

In connection with the Offer, Foresight Group LLP, the investment adviser and administration service provider of the Company (the “Adviser”) and Foresight Group Promotor LLP, the promotor of the Offer (the “Promotor”) are each acting for the Company and no-one else and will not be responsible (subject to the responsibilities and liabilities imposed by FSMA or the regulatory regime established thereunder) to anyone other than the Company for providing the protections afforded to customers of the Adviser nor for providing advice in relation to the Offer.

The Adviser is authorised and regulated in the UK by the FCA (with reference number 198020).

Copies of this document, the Registration Document and the Summary are available (and any supplementary prospectus published by the Company will be available) free of charge from the offices of the Adviser at The Shard, 32 London Bridge Street, London SE1 9SG and from the Foresight website at <https://www.foresight.group/products/foresight-ventures-vct-plc>.

The procedure for, and the terms and conditions of, application under this Offer are set out at the end of this document. Completed Application Forms must be posted or delivered by hand to the Receiving Agent, The City Partnership (UK) Limited. The Offer opens on 14 October 2025 and will close for new applications on 30 April 2026 or may close earlier or be extended at the absolute discretion of the Directors.

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

# Contents

## Part One: Investment Opportunity and Strategy

|                                          |    |
|------------------------------------------|----|
| Risk Factors                             | 2  |
| Expected Timetable, Statistics and Costs | 5  |
| Letter from the Chair                    | 6  |
| Investment Opportunity and Strategy      | 8  |
| Case Studies                             | 20 |

## Part Two: Company Structure and Details

23

## Part Three: Details of the Offer

|                                           |    |
|-------------------------------------------|----|
| 1. Ordinary Shares                        | 27 |
| 2. Costs of the Offer                     | 28 |
| 3. Pricing formula                        | 30 |
| 4. Tax benefits for investors             | 30 |
| 5. Share certificates, CREST and Nominees | 31 |

## Part Four: The Company

|                         |    |
|-------------------------|----|
| 1. The Directors        | 33 |
| 2. Investment Objective | 34 |
| 3. Investment Policy    | 34 |
| 4. Co-investment Policy | 35 |
| 5. Valuation Policy     | 36 |
| 6. Share Buyback Policy | 36 |
| 7. Dividend Policy      | 36 |
| 8. Fees and Expenses    | 36 |

## Part Five: Additional Information

|                                     |    |
|-------------------------------------|----|
| 1. Use of Proceeds                  | 38 |
| 2. The Offer for Subscription       | 38 |
| 3. Minimum and Maximum Investment   | 38 |
| 4. Claiming Income Tax Relief       | 38 |
| 5. Launch Costs                     | 38 |
| 6. Category of Potential Investors  | 39 |
| 7. Investor Communications          | 39 |
| 8. Reporting Dates                  | 39 |
| 9. Working Capital                  | 39 |
| 10. Net Assets                      | 39 |
| 11. Capitalisation and Indebtedness | 39 |
| 12. Notifiable Interests            | 40 |
| 13. Intermediary Consent            | 40 |

## Part Six: Taxation Considerations for Investors

|                                                       |    |
|-------------------------------------------------------|----|
| 1. Tax Reliefs                                        | 42 |
| 2. Illustration of Effect of Tax Relief for Investors | 43 |
| 3. Obtaining Tax Reliefs                              | 43 |
| 4. Investors Not Resident in the UK                   | 43 |

## Part Seven: Conditions to be met by Venture Capital Trusts

|                                                |    |
|------------------------------------------------|----|
| 1. Qualification as a VCT                      | 45 |
| 2. Qualifying Investments                      | 46 |
| 3. Qualifying Companies                        | 46 |
| 4. Approval as a VCT                           | 47 |
| 5. Definition of “Knowledge Intensive” Company | 47 |

## Part Eight: Definitions

48

## Part Nine: Applications for Ordinary Shares

|                                                          |    |
|----------------------------------------------------------|----|
| Terms and Conditions of Application                      | 51 |
| Lodging of Application Forms<br>and Dealing Arrangements | 56 |

## Application Procedure

57

## Corporate Information

60

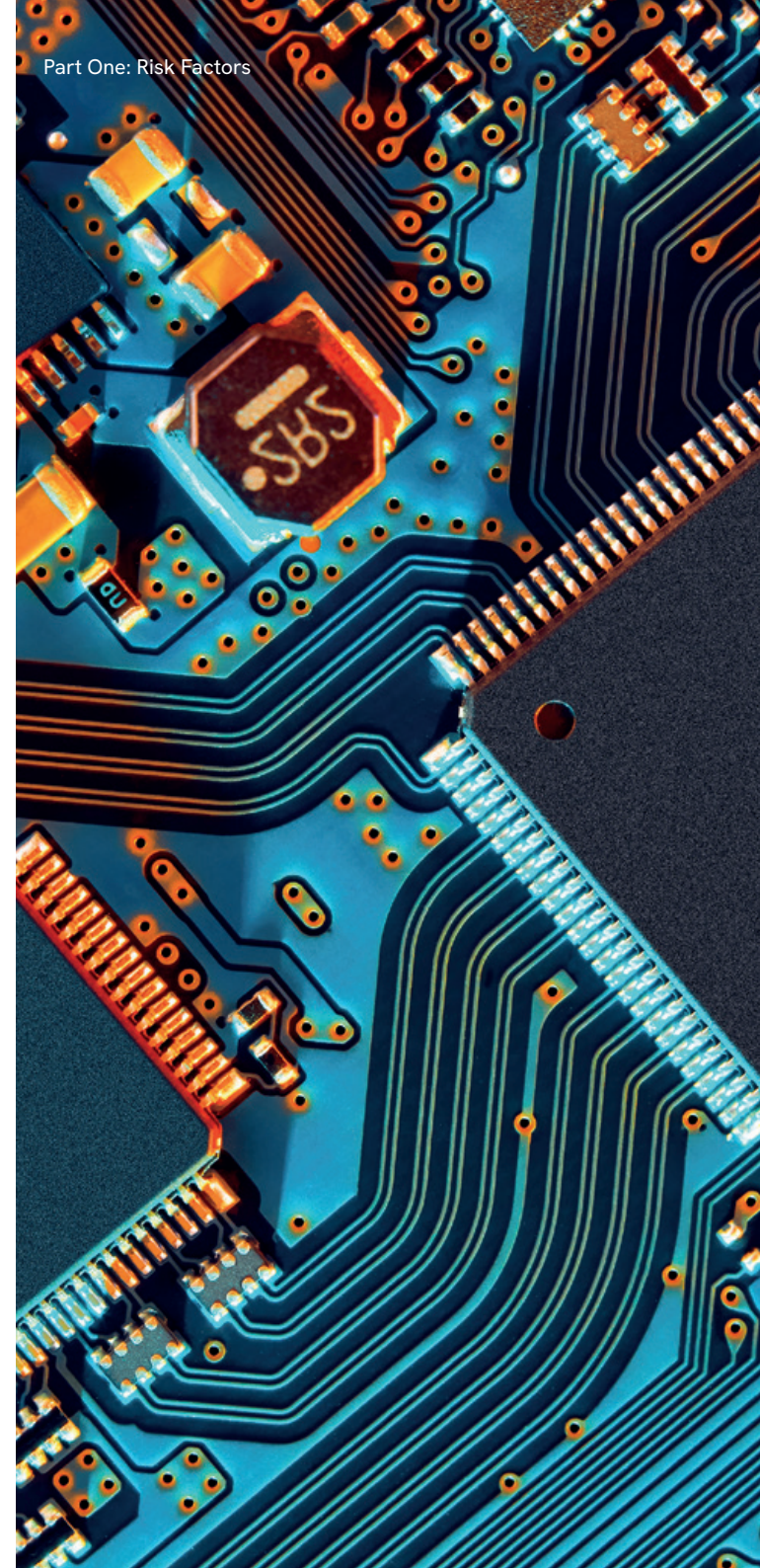
# Risk Factors

Although the tax benefits available to investors in Ordinary Shares are significant, there are a number of risks which investors should consider carefully in addition to the other information presented in the Prospectus as a whole. The risks related to the Company, as opposed specifically to the Ordinary Shares, are set out in the Registration Document.

If any of the risks described below were to occur, it could have a material effect on the Company's business, financial condition or results of operations. The risks and uncertainties described below are not the only ones the Company, the Board or investors in the Ordinary Shares will face. Additional risks not currently known to the Company or the Board, or that the Company or the Board currently believe are not material, may also adversely affect the Company's business, financial condition and results of operations. The value of Ordinary Shares could decline due to any of these risk factors, and investors could lose part or all of their investment. Investors who are in doubt should consult their independent financial adviser authorised under FSMA.

## General Investment Risks

- The net asset value of the Ordinary Shares and the return received by investors will be dependent on the values and performance of the underlying investments in the Ordinary Shares fund portfolio. The value of the investments and income derived from them can rise and fall and an investor may not receive back the full amount invested.
- In the Manager's opinion, over the past 36 months UK venture capital investment eco-system has faced several challenges as it adapts to the impact of higher interest rates. This has caused investment managers to reassess their returns requirements and risk appetite, resulting in decreased risk appetite for new investments, investors taking longer to execute transactions, lower valuations and fewer generalist investors participating in deep technology investments. These factors, in addition to wider macro-economic uncertainty, have meant the Manager has had to adopt a more defensive approach towards the Company's portfolio, with a greater focus on supporting existing investee companies with follow-on investments. Similarly, new deals are taking longer to complete as investee companies are finding it harder to assemble a syndicate of investors for a funding round. While these trends are not expected to continue in the long or even medium term, there can be no guarantee of this.
- The past performance of the Company and other Foresight Funds is not a reliable indication of the future performance of the Ordinary Share class.



## Risk Factors

### General Investment Risks

- The Investee Companies will be small, unquoted companies. Realisation of investments in unquoted companies can be difficult and may take considerable time. Proper information for determining their value or the risks to which they are exposed may also not be available. Investment in such companies by its nature is illiquid and uncertain and consequently involves a higher degree of risk than a portfolio of quoted shares.
  - The level of returns from investments may be less than expected if there is delay in the investment programme, such that all or part of the net proceeds of the Offer are held in cash or near cash investments for longer than expected, or if the returns obtained on investments are less than planned, or if investments cannot be realised at the expected time and values. There can be no guarantee that suitable investment opportunities will be identified in order to meet the Company's objectives.
  - The performance of the Ordinary Share class is dependent on the ability of the Adviser to identify appropriate Investee Companies and on the ability of the Investee Companies to perform in line with their respective business plans. Early-stage businesses will be dependent on the skills of a small group of individuals, the loss of any of which may be particularly detrimental to those companies. Moreover, products and technologies developed by Investee Companies may prove not to be commercially or technically successful. While investments in these companies may present greater opportunities for growth, such investments may also entail greater risks than are customarily associated with investments in large companies. Commensurate with the nature of venture capital investing it should be expected that some companies, and the investments in those companies, may fail.
  - The returns from profitable exits will be paid to investors in the form of tax-free dividends at a targeted average rate of at least 4% per annum of the NAV of the Ordinary Shares. Investors should note that this is an estimated average target over a number of years and in any given year the 4% target may not be met (or may be exceeded). Due to the nature and returns profile of the underlying investments, the Board anticipates irregular dividends, paid as and when exits occur, to be a significant factor in the Company's ability to achieve or exceed the average 4% annual target.
  - In addition, where VCT legislation would mean that the payment of Distributions would have an adverse effect on the Company's maintenance of VCT status, then such Distributions may not be made.
  - Although it is anticipated that the Ordinary Shares will be admitted to the Official List of the FCA and traded on the London Stock Exchange's main market for listed securities, it is likely that there will not be a liquid market as there is a limited secondary market for VCT shares, due in part to the holding period required to maintain up-front income tax reliefs, and investors may find it difficult to realise their investments therefore any prospective investors should consider this a long-term commitment.
  - Where more than one Foresight Fund wishes to participate in an investment opportunity, allocations will be made in accordance with Foresight's allocation policy, typically in proportion to the net cash available to each such fund, other than where investments are proposed to be made in a company where one or more Foresight Fund has a pre-existing investment, where the incumbent investor will have priority.
- Implementation of this policy will also be subject to the availability of monies in each Foresight Fund to make the investment and other portfolio considerations such as portfolio diversity and regulatory or legislative requirements with respect to the Company's portfolio of qualifying companies. This might mean that the Ordinary Shares class could receive a greater or lesser allocation, for instance when co-investing with another Foresight fund, than would otherwise be the case.
- Economic and global political uncertainty stemming from: persistent inflation and low growth; volatile commodity prices; the conflicts in Ukraine and the Middle East; political regime change across the UK, US and Europe; and potential tariffs or government policies which hinder international trade continue to present significant challenges and are adversely affecting, and will continue to adversely affect, the performance of companies in which the Company has invested or may invest, which in turn may adversely affect the performance of the Company. This may also negatively impact the number or quality of investment opportunities available to the Company. It is possible that currently unknown and unanticipated events, either domestic or international, may occur and have a negative effect on economic activity and adversely affect the future viability of the Company and/or the performance of companies in which the Company has invested or may invest which in turn may adversely affect the performance of the Company.

## Risk Factors

### VCT and Taxation Risks

- If an investor who subscribes for Ordinary Shares disposes of those Ordinary Shares within five years, the investor is likely to be subject to clawback by HM Revenue & Customs of any income tax relief originally obtained on subscription.
- VCTs may only invest in companies which pass a “risk to capital” gateway test requiring the Investee Company to have long term growth and development objectives and for the investment to carry a significant risk that invested capital will be lost over and above the net return to the Company irrespective of whether the return takes the form of income, capital growth, fees, other payments or anything else. This test inherently ensures a higher risk profile for companies in which the Company can invest.
- The Company is required to invest in businesses which are less than seven years old (less than 10 years for ‘knowledge intensive’ companies) and VCT funds cannot be used to finance acquisitions by Investee Companies. The penalty for breaching these rules is the loss of VCT status, so the Company and its investors may face a higher risk of the loss of tax benefits than has historically been the case for VCTs.
- Venture capital trusts are now required to invest 30% of new funds raised within 12 months of the end of the accounting period in which they were raised. While the Company and the Manager believe this investment time horizon is achievable based on the Manager’s existing pipeline of investment opportunities without impacting the quality of potential investments, this added pressure on the Company to complete investments in a timely fashion could result in less attractive investments being prioritised in order to meet the statutory requirement.
- The Finance Act 2014 amended the VCT Rules, such that VCT status will be withdrawn if, in respect of shares issued on or after 6 April 2014, a dividend is paid (or other forms of distribution or payments are made to investors) from the capital received by the VCT from that issue within three years of the end of the accounting period in which shares were issued to investors. This may reduce the amount of distributable reserves available to the Company to fund dividends and share buy backs.
- The information, including tax rules, contained in this document is based on existing legislation. The tax rules or their interpretation in relation to an investment in the Company and/or the rates of tax, or other statutory provisions to which the Company is subject, may change during the life of the Company and such changes could be retrospective.



# Expected Timetable, Statistics and Costs

## Indicative Offer Timetable

|                                                                                                    |                                                                              |
|----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Offer opens                                                                                        | 14 October 2025                                                              |
| Closing date, tax year 2025/26                                                                     | 17:30 on<br>31 March 2026                                                    |
| Closing date, tax year 2026/27                                                                     | 17:30 on<br>30 April 2026                                                    |
| Allotments                                                                                         | Monthly                                                                      |
| Effective date for the listing allowing allotment of the Offer Shares and commencement of dealings | Three Business Days following allotment                                      |
| Allotment notifications (including tax certificates)                                               | Within 3 business days (10 business days where no email address is provided) |
| Share certificates dispatched                                                                      | Within ten Business Days of allotment                                        |

1. The Offer will close earlier than the date stated above if it is fully subscribed or may be extended at the Directors' discretion.

## Key Statistics

|                                                                                                                                  |            |
|----------------------------------------------------------------------------------------------------------------------------------|------------|
| Most recent unaudited NAV per Ordinary Share (as at 18 July 2025)                                                                | 90.1p      |
| Maximum number of Ordinary Shares to be issued under the Offer                                                                   | 16,700,000 |
| Estimated net proceeds of the Offer, after issue costs, at full subscription (ignoring the over-allotment facility) <sup>1</sup> | £9,550,000 |

1. Based on an aggregate amount subscribed for Ordinary Shares of £10 million less offer costs of 4.5%; number is approximate due to the operation of the Pricing Formula.

## Offer Costs

### Investors with an agreed Adviser Charge

|                                                                                                                                      |          |
|--------------------------------------------------------------------------------------------------------------------------------------|----------|
| Promoter's Fee                                                                                                                       | 2.5%     |
| Initial Adviser Charges <sup>1</sup><br>Such charges as are agreed between each investor and their authorised financial intermediary | Variable |

Note: Initial adviser charges may be facilitated up to a maximum of 4.5% of the amount subscribed and ongoing adviser charges will not be facilitated by the Company.

### Commission-Eligible Investors

|                                                   |      |
|---------------------------------------------------|------|
| Promoter's Fee <sup>1</sup>                       | 2.5% |
| Initial commission to Intermediaries <sup>2</sup> | 3.0% |
| Annual commission to Intermediaries <sup>3</sup>  | 0.5% |

### Direct Investors

|                             |      |
|-----------------------------|------|
| Promoter's Fee <sup>1</sup> | 4.5% |
|-----------------------------|------|

1. The Promoter's Fee may be reduced at the sole discretion of the Promoter and will be reduced by any applicable Early Bird or Loyalty Discounts.
2. Only payable where permissible under FCA Rules and may be waived for additional shares.
3. Only payable where permissible under FCA Rules. Calculated by reference to net asset base value and subject to a cumulative maximum of 3.0%.

The Promoter's Fee (and applicable initial commission and adviser charges) will be expressed as a percentage of the Net Asset Value per Ordinary Share and included in the Pricing Formula to determine the number of Ordinary Shares to be allotted in each case. Annual commission will be paid by the Company and not taken into account when applying the Pricing Formula.

## Discounts

### Early Bird Discount<sup>1</sup>

|                                                                                                |      |
|------------------------------------------------------------------------------------------------|------|
| Discount to the Offer costs in respect of applications received by 12 noon on 31 December 2025 | 1.5% |
|------------------------------------------------------------------------------------------------|------|

### Existing Foresight Shareholder Loyalty Discount<sup>1</sup>

|                                                                                                         |      |
|---------------------------------------------------------------------------------------------------------|------|
| Loyalty Discount – available to any investor who currently holds shares in any VCT managed by Foresight | 0.5% |
|---------------------------------------------------------------------------------------------------------|------|

1. Expressed as a percentage of an Investor's subscription.

## Annual Charges And Expenses<sup>1</sup>

|                                   |                                                                                                                                                                                                                                                                                       |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Annual Investment Management Fees | 2.0% of net assets                                                                                                                                                                                                                                                                    |
| Annual Administration Fees        | Secretarial fees of £40,000 per annum (increased in line with RPI and accordingly at a 2024 rate of approximately £60,000), plus 0.125% of NAV in excess of £10 million                                                                                                               |
| Annual Expenses Cap <sup>2</sup>  | 2.6% of net assets<br>NB. actual expenses for the year ended 31 March 2025 represented 2.6% of net assets                                                                                                                                                                             |
| Performance Incentive Fees        | the lesser of: (i) 20% of the Distributions per Share and (ii) 20% of distributions in excess of 110p (including the most recently announced NAV) per Ordinary Share (subject to annual adjustment of this hurdle in line with the Retail Price Index). See page 25 for more details. |

1. Expressed as a percentage of net assets (where relevant).
2. These being the normal annual running costs of the Company excluding performance incentive fees, annual trail commission and exceptional items.

# Letter from the Chair



“Today is an especially exciting time to invest in UK technology companies with early product-market fit given that the ecosystem is hitting a sweet spot with regard to maturity, talent availability and capital inflows”

**Atul Devani**  
Chair  
Foresight Ventures VCT plc

14 October 2025

Dear Investor

On behalf of the Board, I am pleased to introduce this offer, which provides investors with the opportunity to invest in a portfolio of technology-focused companies with high growth and returns potential.

With artificial intelligence (AI) powered tools now rapidly disrupting existing technology, the competitive advantage companies have traditionally gained through a strong digital strategy is being challenged. Our manager, Foresight Group, believes that the next generation of successful businesses will be those that adopt an AI-centric and future-proofed technology strategy while also developing a sustained competitive advantage across branding, go-to-market execution and world class management teams. The UK remains an attractive market to invest in, grow and exit these companies, helped by its world-leading status in sectors including media, gaming, AI, life sciences, fintech and deep technology, combined with favourable government initiatives – such as the UK’s Modern Industrial Strategy paper published in June 2025 – which are looking to promote the global success of UK companies in these sectors.

The Company is well-positioned to source, nurture and realise investments in such companies, thanks to the experience of the Foresight Private Equity and Venture Capital investment team located in offices across the UK including many of the leading technology hubs (e.g. London, Cambridge, Manchester, Edinburgh). The Company is also well placed from a capital perspective, with available funds to deliver on its investment strategy, which the Board expect to be bolstered by realising value from those existing portfolio companies that are no longer core to the Foresight Ventures VCT strategy. The process of realising, and in some cases writing down, these legacy investments has been a key part of the challenge faced by the Company in recent years, particularly following last year’s merger process. The Board are happy that this process, while it remains on-going, should help mitigate volatility and enable greater focus on higher-conviction growth investments going forward.

In recent years Foresight has strengthened its investment team with individuals who bring a wide variety of technical, operational, strategic and financial expertise. The core team also benefits from group wide expertise underpinned by Foresight’s 40-year track record of fund raising and investing into smaller companies across the UK. The strategy also continues to leverage the unique collaboration between a financial investor and our vast network of co-investors as well as technical and commercial advisors and operating partners within the team.

# Letter from the Chair

There are four key reasons why you might consider this an attractive investment opportunity.

## 1. A refined investment strategy into technology businesses with early product-market fit

Foresight Ventures VCT has evolved its investment strategy to capture opportunities in a rapidly changing business landscape. To support this objective, we are continuing to realise value from the legacy non-core portfolio (principally the AIM and asset backed holdings), and redeploying capital to support the growth of later stage, innovative software and deep tech companies. The investment team has material experience in both areas, and a robust investment process is in place to help identify companies that have developed a coherent and sustainable competitive advantage with a clear product market fit. This investment approach has delivered several profitable exits for the fund in the last three years, and we anticipate this emerging trend to continue.

The identification and completion of investments in well-priced software and deep tech businesses will continue to be a core focus for the fund. The experienced Foresight investment team has an established network in place that enables off-market and proprietary deal flow to be unlocked. Furthermore, the team is able to use decades of experience to spot company traits that are more likely lead to growth and generate significant shareholder value. While investing in companies bringing innovative technology to market is critical, exceptional distribution and execution is equally important to long term success.

From a deep tech perspective, Foresight is able to leverage a strong UK market reputation, helping to generate a constant supply of relevant and attractive investment opportunities. Whilst deep tech investments can provide attractive returns, the investment team is cognisant that world class innovation in this area can be very capital intensive.

As a consequence, the fund will be targeting companies that are executing on a capital light and high margin business model.

## 2. An exciting time to be investing in AI centric UK software and deep tech companies

It is Foresight Group's view that the UK technology market is entering a period of exceptional opportunity for investors, driven by the convergence of transformative AI disruption, a capital-efficient growth environment and a mature and globally-connected tech ecosystem. Investing in UK technology companies with early product-market fit, have already de-risked the hardest stage of development – proving that their product or service solves a material customer need, and can stimulate revenue growth in both the UK and international markets. Companies operating in this space are supported by the UK's deep pool of technical talent, experienced operators and a supportive regulatory regime. The demand for innovative AI centric technology solutions continues to accelerate across sectors from fintech to health tech, creating opportunities for early customer adoption and securing predictable and recurring revenue streams. With a number of exit routes including strategic acquisitions by global players, investors have an opportunity to capture value in shorter timeframes, making this an attractive time to back reasonably priced UK technology companies.

## 3. Foresight's track record

Established in 1984, Foresight is proud of its track record spanning over 40 years of investing in fast-growing Small and Medium Enterprises. It now has over £13.2 billion of assets under management and a wide and varied investor base of private and institutional investors. This includes Foresight managed Venture Capital Trusts and Enterprise Investment Schemes, which currently have c.49,000 investors.

Foresight VCT, a growth capital VCT, remains one of the UK's most successful VCTs since launch, having paid out more than £192 million in dividends, which are tax free to qualifying investors, much of which is derived from successful investments and exits in the technology and engineering sectors.

With a 60 strong private equity team, Foresight is one of the largest managers in the VCT sector, making it ideally placed to source attractive investment opportunities for the fund. Using its extensive network of non-executive directors, entrepreneurs and Venture Partners, Foresight is well positioned to introduce senior resource to investee companies to optimise them for commercial success. The Foresight Ventures VCT continues Foresight's long history of supporting innovative and entrepreneurial businesses.

## 4. Consistent Dividend

The Company's track record of delivering consistent, reliable dividends provides investors with an attractive source of regular tax-free income alongside the potential for long-term capital growth. The Company targets an annual dividend of at least 4% of net assets, subject to sufficient distributable reserves and capital resources.

I look forward to welcoming you as a shareholder over the next few months.

Yours faithfully

**Atul Devani**

Chair

Foresight Ventures VCT plc

Applications to invest in Ordinary Shares can now be submitted through Foresight's online portal for advisers at <https://city-ora.uk/offers/fven-2526> or via email to [ForesightVenturesVCT@city.uk.com](mailto:ForesightVenturesVCT@city.uk.com).

Part One:

# Investment Opportunity and Strategy



# Investment Opportunity and Strategy

## 1. Investment Opportunity

The UK technology market is entering a period of exceptional opportunity for investors, driven by the convergence of transformative AI disruption, a capital-efficient growth environment and a mature and globally-connected tech ecosystem. Software companies with early product-market fit, proven customer demand and strong indications of scalability are well positioned to deliver growth and attractive exit opportunities within 3-7 year timeframes. From a deep tech perspective, the UK is home to many of the worlds most innovative university and research institutions that are developing technology to solve many of the worlds most intractable problems. The fund will continue to invest in the most advanced technology as it becomes commercially viable.

### Artificial Intelligence – Opportunity for Finding Other Advantages

Artificial Intelligence is reshaping every aspect of business operations, strategy and customer engagement. Today, AI is largely viewed as an enabler which makes it a powerful differentiator for forward-thinking companies. However, in a few years an AI-centred business strategy will no longer be optional; it will be essential for staying relevant in most sectors. In some industries this inflection point has already arrived.

As AI becomes ubiquitous, sources of sustainable competitive advantage will increasingly be reliant on more traditional but no less critical business attributes:

- Genuine IP
- Strong, trusted brands
- Best-in-class management teams with ‘founder market fit’
- Exceptional customer delivery

- Go-to-market advantages and well-orchestrated sales execution
- Operational excellence
- Rapid innovation cycles and adaptability to stay ahead in fast moving markets

Just because a company can do something from a product perspective does not mean it can effectively and profitably manage product distribution. As a consequence, excellence in distribution is a critical success factor.

At the same time, operational and growth costs for technology businesses are declining:

- Smaller, highly effective teams and the rise of the ‘solopreneur’ model are increasingly viable
- AI is augmenting or automating a range of business functions
- Low-code and no-code tools enabling rapid prototyping and feature deployment at minimal cost.

This capital-efficient growth model is being reinforced by the current funding environment. With a higher interest rate environment driving reduced allocations to higher-risk asset classes, venture capital funding has contracted, particularly outside AI-focused segments. As a consequence, a funding vacuum has emerged, adversely impacting technology innovation. Many founders are embracing ‘seedstrapping’, raising one or two targeted funding rounds, then pushing towards profitability and a strategic exit rather than pursuing billion-dollar valuations.

### The UK as a High Quality Launchpad

The UK remains one of the most attractive markets in which to grow, scale and exit successful technology companies.

- A leading Venture Capital ecosystem which combines capital and deep operational expertise
- World-class industry clusters including AI, healthcare, media, fashion, fintech, advanced technology and gaming
- Global connectivity within language and geographic positioning making the UK a strategic bridge between Europe, the US and Asia for expansion and exit opportunities.

### The international ambition challenge

While the UK market is large enough to support significant growth and lucrative exits, companies with the greatest ambitions inevitably look abroad. International expansion is, however, increasingly complex. Rising trade barriers, geopolitical tensions, and a trend towards economic isolationism mean that cross-border growth requires specialist, territory-specific expertise to navigate regulatory, cultural and commercial challenges. For investors this creates a clear value creation opportunity for those with the right strategic guidance.

### The case for investment today

The intersection of AI’s transformative potential, a shift towards more capital-efficient scaling and the UK’s strong position as both a domestic and international launchpad creates a window of opportunity for investors. The clear focus remains on backing technology companies that have unequivocally demonstrated that they can solve material customer problems, often evidenced by satisfied and increasingly engaged customers. This approach enables comparatively shorter exit timeframes driven by capital efficient growth.

# Investment Opportunity and Strategy

## 2. Investment Strategy

### Objectives

In accordance with the Company's continued policy and increasing focus on backing innovative businesses, the Company intends to invest the net proceeds of the Offer into companies that have a sustainable competitive advantage in their field where, in a world of rapidly advancing technology, that advantage is derived from both product excellence and more conventional attributes. The Company will adopt a sector agnostic investment strategy but with a continued focus on software and technology companies.

The investment strategy is therefore as follows:

The Company will look to target investments in technology and deep tech businesses with a preference for those which can demonstrate annual recurring revenues of £500,000 or more from predictable, contracted sources and repeat customers. The Company will not generally invest into unproven businesses but rather those with an established product that demonstrates signs of "product market fit" and a distinguishing and sustainable advantage when it comes to distributing their product. From a deep tech perspective, whilst the target companies might not be generating meaningful revenue, the fund will only invest if there is unequivocal evidence that the technology is able to operate successfully in a commercial setting. At the stage of development targeted by the fund, companies will typically have spent several years developing a product or services that the market wants, demonstrated by revenue traction and derisking the investment from a product development perspective. The funds being raised will primarily be used to focus on growth and rapid product distribution.

In the wider technology market, there is considerable excitement and noise around investing in AI. Whilst the Foresight investment team is equally excited by what AI can do to accelerate growth and help companies achieve operational leverage, it is critical to avoid the market hype and, in turn, excessive valuations that AI start-ups have commanded. These are unlikely to be justified by future cashflows or profitability and in turn will likely become a 'hygiene factor' as the technology becomes more widely accessible. This is particularly important when thinking about investing in software as product differentiation becomes harder to maintain. There is some evidence of this across the market with companies using AI tools to replicate the products of businesses that have raised tens of millions in funding. If products are therefore a hygiene factor for any good business, it is necessary to adopt a more holistic approach when evaluating a target company's sustainable competitive advantage. Brand, team, market knowledge, go-to-market, partnerships all become more important than ever in scaling and exiting a software business.

Within the Foresight Ventures VCT portfolio, the team has also seen first-hand the importance of scaling internationally. While meaningful exit returns can be achieved within the UK market alone, the geographic and economic size of the UK limits the potential scale and exit opportunities for companies. As a consequence, considerable time is dedicated to supporting portfolio companies to win in international markets.

The goals during the internationalisation phase are numerous but can include securing a first international customer or raising a portfolio company's international profile as a precursor to selling the business to an international buyer. International expansion within the portfolio is supported by Foresight team members ('Venture Partners') strategically located in the United States, Israel and UAE.

The Venture Partners are principally focused on helping portfolio companies to raise follow-on funding, building international partnerships and landing clients from new geographies. Further detail on Venture Partners Joe Raffa and Gideon Shmuel are set out on page 19.

### Investment stage and size

The Company targets companies at the late seed or "Series A" stage where £0.5m to £3m can be deployed to acquire a minority stake into companies that have shown signs of product market fit. The Company will also consider opportunities to co-invest with other Foresight funds where investment strategies overlap. The capital is intended to provide the company with enough cash to operate for 24 to 36 months, with fundraising for the next investment round beginning at least six months prior to the cash out date.

# Investment Opportunity and Strategy

## 2. Investment Strategy

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### Deal terms

The Company aims to achieve significant returns and consequently, investments will be structured to support the long-term and sustainable success of the investee business.

In early rounds, the Company prefers market-standard equity terms to avoid complications in future funding rounds. To protect the investor's position, the Company will in general negotiate terms which ensures the original investment is returned before ordinary shareholders generate a return further to a sale or any other liquidity event.

All investments will include standard information and consent rights, allowing Foresight access to key management information. The management team will need explicit Foresight's approval for actions outside the pre-approved business plan. Additionally, Foresight will typically secure the right to appoint an Investor Director to monitor performance, influence strategy, and implement any change necessary for success.

### Syndicated rounds

Investments at the late seed and series A stage commonly rely on investment rounds composed of a syndicate of investors. This is a highly favourable approach given that the funding requirements of a company often exceeds the amount that a single fund can invest in isolation. This approach is also preferable from a board governance perspective as having several smaller shareholders, rather than a single, dominant shareholder can lead to more effective and considered decision making. The Company is open to leading a funding round but is also comfortable following a credible and aligned lead investor, especially in competitive rounds. Foresight already has a strong network, having co-invested with over 80 investors across its various funds.

### Follow-on investments

Start-ups typically need multiple funding rounds to reach profitability or exit, meaning the timing, size, and valuation of each funding round is structured to maximise the likelihood of attracting new investors.

While the Company often leads the initial round, it is often preferable for a new investor to lead and set the terms for subsequent funding rounds. Foresight adds value by introducing companies to potential new investors, as recommendations from existing investors can increase a company's credibility and also reassure new investors during the screening process.

The Company is able to consider various options to protect or enhance value during a funding round. If the company is performing well, Foresight can use its pre-emption rights to maintain or increase its shareholding. Conversely, if the company fails to meet expectations, Foresight may choose not to invest or invest significantly less. In highly competitive rounds or when additional benefits are offered, Foresight may, on occasions, invest below pro-rata to accommodate new investors.

### Exits

Foresight has developed a deep understanding of complex exit processes, having managed more than 80 exit transactions across its Private Equity and Venture Capital team since 2010. The timing and process of an exit can be uncertain, but greater exit optionality can be secured if a company is making good progress.

Evidence of the effectiveness of the international focus of the Foresight Ventures strategy is coming through with a number of exits to North American buyers over the last 36 months. These include the Company's investments in e-Fundamentals (sold to CommerceIQ generating a c.2.5x for VCT investors) and Imagen (sold to Thomson Reuters 1.9x return for VCT investors).

Recent Foresight exits across other funds managed by the same investment team include:

- Codeplay – sold to Intel generating a 16x return
- Flusso – sold to a global private equity fund generating a c.3x return
- WeTrack – sold generating a c.2.8x return

# Investment Opportunity and Strategy

## 2. Investment Strategy

### Dividend Policy and Dividend Reinvestment Scheme

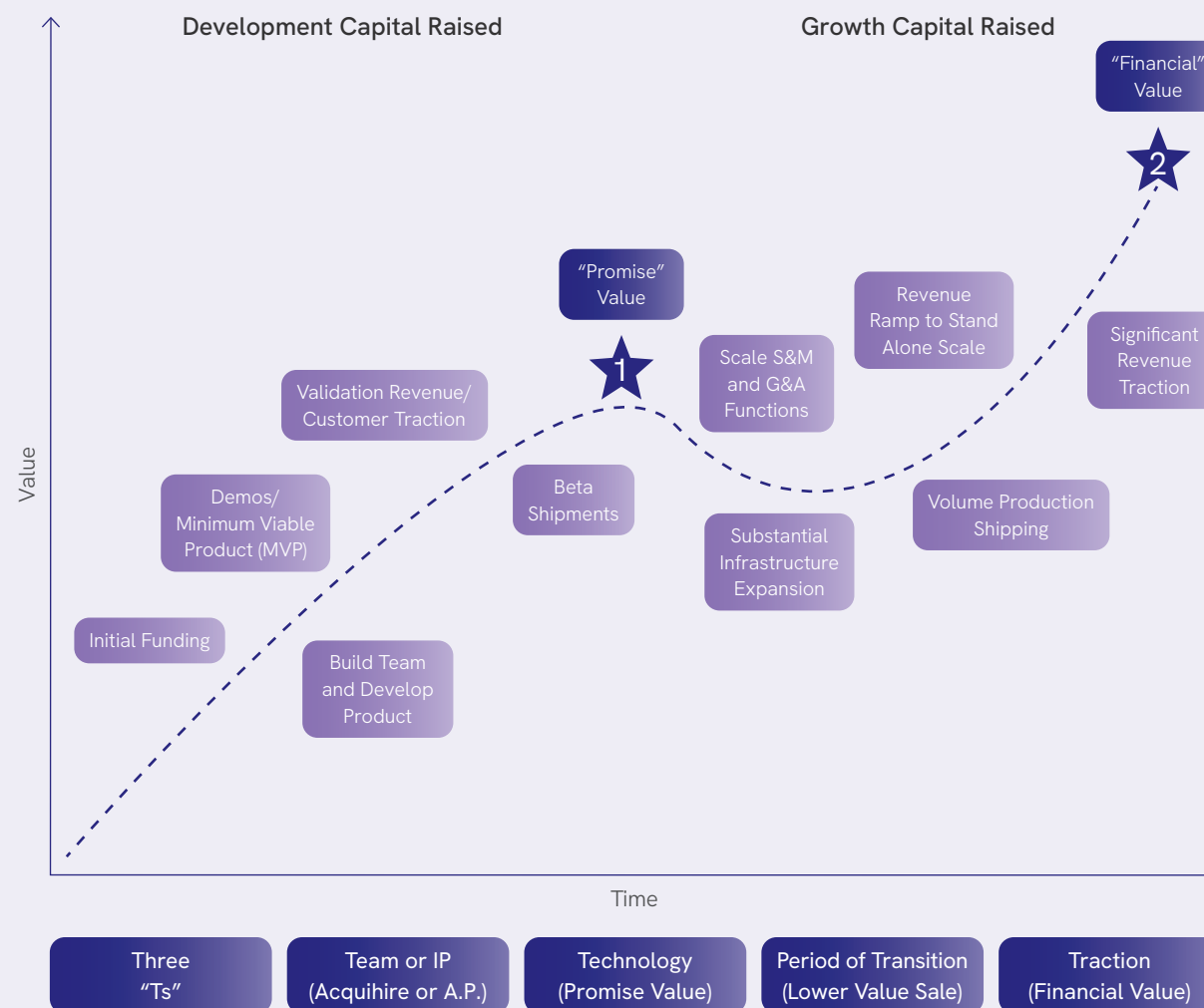
The Board has a stated objective of paying an annual dividend of at least 4.0% per annum based on its NAV, subject to the availability of sufficient distributable profits, capital resources and compliance with the VCT regulations. There is no guarantee that this objective will be met. This return equates to a tax-free yield of 5.7% p. a. on the current offer price net of 30% income tax relief. In respect of the last financial year, the Company has declared dividends of 2.1p per share (equal to 4.1% based on the opening net asset value). In the previous two financial years, dividends of 2.5p per share and 3.0p per share were paid (equal to 4.1% and 5.2% based on the opening net asset value).

Dividends are usually paid twice each year in February/ March and August/September. The most recent dividend was paid on 14 March 2025. Any dividends declared which are ex-dividend since the last NAV date but remain unpaid will be factored into the Offer Price.

The Company operates a Dividend Reinvestment Scheme under which Shareholders are given the opportunity to reinvest future dividend payments by way of subscription for new shares. Subject to a Shareholder's personal circumstances, Shares subscribed for under the Dividend Reinvestment Scheme should obtain the usual VCT tax advantages as set out below.

Investors under the Offer may elect to participate in the Dividend Reinvestment Scheme by completing the dividend reinvestment section of the Application Form and should be aware that it will apply to their entire holding of Shares (including any existing holdings). Participation in the Dividend Reinvestment Scheme by a Shareholder can be cancelled at any time with written authority from the Shareholder.

Exit opportunities for companies which develop innovative technologies<sup>1</sup>



1. Source: Menalto Partners.

# Investment Opportunity and Strategy

## 3. Existing Pipeline and Future Deal flow

With many years of combined investment experience and a strong network, the Foresight Ventures Team believes it has built a strong reputation in the UK early-stage ecosystem and is now seen as one of the UK's most active investors.

The Foresight Ventures Team's growing reputation drives deal-sourcing activities across the UK and now has a robust network of contacts with technology hubs, universities and their technology transfer offices, innovation networks and business accelerators. This is in addition to a wide network of other early-stage investors including institutional venture capital funds, corporate venture capital funds and angel investment networks.

In Foresight's experience, beyond direct origination, co-investors often prove the best source of deal flow. However, it takes a close working relationship, built up over time, to be referred to the very best investment opportunities, which are often highly competitive. Equally, these co-investors are likely to be attractive sources of funding for existing companies in the portfolio.

The growing reputation of the Foresight Ventures Team also results in Foresight receiving direct approaches from entrepreneurs seeking funding.

The Company's pipeline comes from sources as diverse as:

- University Technology Transfer Offices
- UK Research and Innovation Councils, including: Innovate UK, the Science and Technology Funding Council and the Catapult Centres
- Business Incubators and Accelerators
- Innovation Networks
- Foresight's own network of 1,300+ corporate advisers

- Other VC Funds with similar or complementary objectives
- Angel Investor Networks
- Family offices
- Foresight network of international Venture Partners
- Self-sourced

### Strong Regional Presence

The Company will benefit from the extensive network of Foresight's Private Equity division, which reviews over 3,000 investment opportunities yearly in the UK and Ireland. This is made possible by a well-organised deal sourcing process, with each team member covering specific regions and building strong relationships with local management teams.

Foresight is committed to developing a strong regional presence across the UK and Ireland and in the last six years alone Foresight has been appointed the equity fund manager for ten new regional funds covering Northwest and Northeast England, West Yorkshire, the East of England, Scotland, Northern Ireland, Wales, Ireland and the South West. Through this expanding regional presence, Foresight has built up an extensive network of over 1,300 active corporate finance advisers and other professional Small and Medium Enterprise ("SME") advisers. This network is well known to Foresight's investment teams based in its head office in London and its regional offices in Cambridge, Nottingham, Manchester, Leeds, Newcastle, Dublin, Edinburgh, Leicester and Milton Keynes. This regional office model has continued to grow, with new offices opening in Cardiff and Belfast in 2024 and Bristol and Exeter in 2025.

"The Foresight team review more than 3,000 SME investment opportunities annually"

# Investment Opportunity and Strategy

## 4. Investment Process and Governance

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### The Investment Process

The investment process for a new company typically takes three to six months. Once an opportunity is identified, the team conducts initial fact-finding calls, meetings, and visits. The opportunity is then discussed amongst a wider selection of the team and key areas for further investigation are identified and either answered prior to an offer letter being issued, or during the due diligence process.

If the opportunity progresses, the team drafts a non-binding offer letter detailing the investment structure. After agreement, the company presents to the Company's investment committee. Following initial approval, a detailed due diligence process takes about four weeks, covering legal, financial, commercial, technical, intellectual property, and leadership aspects. The investment team then submits a final proposal for investment committee approval. This thorough process ensures a high level of scrutiny by experts with diverse backgrounds, reducing risks.

Of over 3,000 opportunities reviewed by the Foresight Private Equity division, only 43 received investment, highlighting the process's high standards. Initial investments range from £0.5 million to £3.0 million, with some funds reserved for follow-on investments. The team also considers co-investing with other funds and investors to provide additional capital and spread risk.

### Governance

Foresight ensures each investee company has a well-structured board, including an independent chair, senior leadership, non-executives, and an investor director from Foresight. This board provides guidance and support through regular meetings and helps shape the company's strategy.

About 100 days post-investment, each new investee company presents its progress to the Foresight Investment Committee. This check-in confirms that the company is following through on its 100-day plan and maintains a solid governance and operating structure.

Growth update meetings occur around 18 months after investment, allowing the investment team to review growth plans and advise on future fundraising, including participation decisions.

### Value-add

The Investment Team uses its experience to guide investee companies on overall strategy, market positioning, product development, sales, marketing, and business models.

The team also leverages into the broader Foresight network, which includes industry experts, former strategy consultants, and ex-investment bankers. Foresight's three Venture Partners in North America, Israel, and Dubai provide additional support by helping with commercial introductions and identifying new investment opportunities.

Post-investment, Foresight assists with follow-on funding by reviewing pitch decks, introducing co-investors, and engaging with new investors.

## Investment Opportunity and Strategy

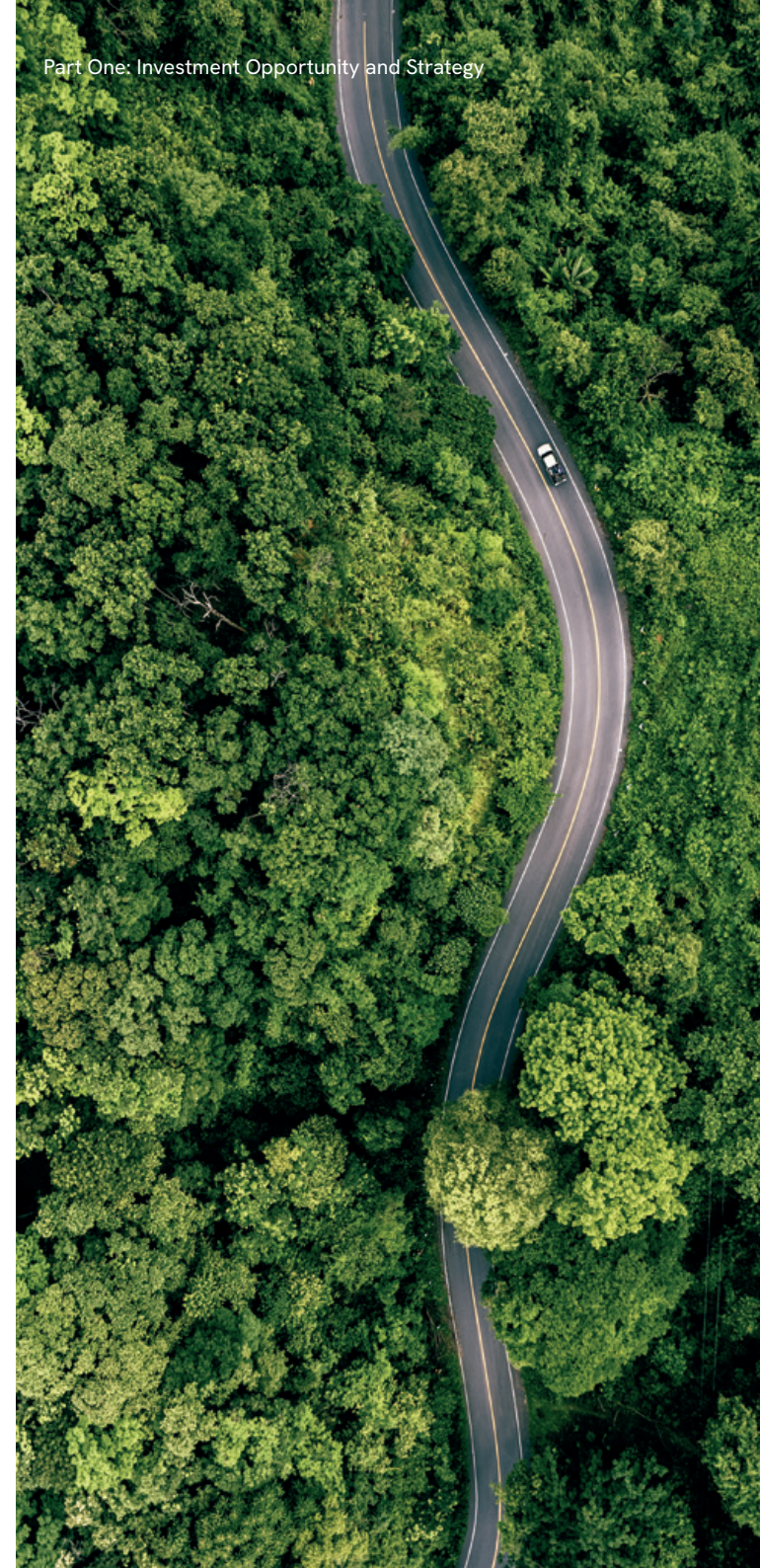
### Approach to Environmental, Social and Governance (ESG)

Foresight's approach to ESG investing is deeply embedded in its private equity and venture capital strategy, particularly when supporting early-stage businesses. Recognising that such companies often lack the resources to prioritise ESG due to their focus on product development and market entry, Foresight provides structured support to help them integrate sustainability into their operations. This includes a proprietary five-principle ESG framework that evaluates strategy and awareness, environmental and social impact, governance, and third-party interactions.

Foresight is a signatory to several leading ESG initiatives, including the UN-backed Principles for Responsible Investment (PRI), the UN Global Compact, and the Task Force on Climate-related Financial Disclosures (TCFD). These frameworks guide Foresight's investment processes, from due diligence to exit, ensuring ESG considerations are systematically assessed and monitored.

For early stage companies, ESG integration offers tangible benefits. Innovations in hardware and industrial software can directly address environmental and social challenges – such as energy efficiency, emissions reduction, or healthcare access – aligning with Foresight's outcome themes like Research and Innovation or Sustainable Infrastructure. Moreover, improving ESG performance enhances employee motivation, investor appeal, and long-term resilience.

Foresight's Sustainability Platform, built on Salesforce's Net Zero Cloud, enables portfolio companies to track emissions, complete ESG assessments, and access resources like policy templates and training. This infrastructure empowers early-stage companies to build credible ESG credentials, which are increasingly valued by acquirers and institutional investors.



# Foresight Group

## Foresight Group is a leading listed infrastructure and private equity investment manager.

Foresight Group was founded in 1984, initially as an early-stage technology investor. The two founders, Bernard Fairman and Peter English, raised a £20 million venture capital fund, which invested in unquoted technology companies in the UK, Europe and USA and returned £80 million to investors. Building on the success of the first fund, in 1997 Foresight raised one of the first VCTs, the technology/media focused Foresight VCT plc, which remains one of the best-performing VCTs ever launched, 27 years later.

The investment teams operate on a collaborative basis with a pro-active and pragmatic investment style. Foresight Group's vision to be a leader in investing in trends ahead of the curve is achieved through its dynamic and entrepreneurial values of flexibility, innovation, problem-solving and a commitment to attracting and retaining the best professionals in the industry.

The other side of Foresight Group's business growth has been a successful diversification into infrastructure, with a specialist focus on renewable energy projects including solar, wind, bioenergy, battery storage, flexible generation and renewable fuel. Foresight has its principal offices in London and Guernsey, as well as throughout the UK, and has overseas operations in countries including Italy, Spain, Ireland and Australia.

With assets under management of c.£13.2 billion, raised from UK and international private and high net worth individuals, pension funds and other institutional investors, Foresight Group strives to generate capital appreciation and yield for its investors over the long term alongside the additional benefits to UK taxpayers of tax reliefs available through Venture Capital Trusts, the Enterprise Investment Scheme and Business Relief. Over the last seven years, Foresight Group has raised a number of Regional Growth Funds based out of Foresight offices in Nottingham, Manchester, Edinburgh, Cambridge, Dublin, Newcastle, Leeds, Cardiff, Bristol and Exeter. These funds, cornerstoned by various local government pension funds, the British Business Bank, AIB, British Business Investments and the Scottish government, are targeting growth capital deals across these regions, investing typically between £100,000 and £5 million into technology-related and more traditional management-led businesses.

## Foresight Group Key Statistics



£13.2 billion assets under management as at 31 March 2025



Avg. 3.0x SME returns on full or partial exits since 2010



23 new investments and 55 follow-ons in the year ending 31 March 2025



Current portfolio of 250+ SMEs

# Foresight Private Equity Division

To date, the Foresight private equity team has:

- Managed in excess of 400 investments
- Completed in excess of 100 exits

The Foresight private equity team comprises over 50 investment professionals with support from finance, marketing, and investor relations professionals. This collegiate team has developed and grown significantly over the last ten years to combine skill sets and experience from different backgrounds including corporate finance, strategy consulting, accounting, private equity and industry. The Investment Committee, which is a sub-committee of the Executive Committee, is responsible for investment decisions.

In July 2022, Foresight strengthened its venture capital capabilities by acquiring the technology ventures division of Downing LLP, increasing its venture capital assets under management to over £400 million and broadening the strategy of investing in early-stage hardware technology and industrial software by adding early-stage venture investments with a thematic focus on enterprise software and deep technology.

The Company's portfolio is managed by Foresight's Ventures Team, a subset of 12 members of the wider Foresight Private Equity Team. While the team tailors its investment strategy and portfolio management style to the earlier-stage nature of venture investments, it is co-located with the wider Foresight Private Equity Team and actively seeks to collaborate on transactions and portfolio management. This approach means the team can leverage both best-practice from managing venture and growth investments, alongside the extensive knowledge and experience of the wider team.



## Foresight Private Equity Division

### Foresight Ventures Team



**Richard Lewis**  
Managing Director

Richard joined Foresight in 2022 and is a Managing Director based in the London office. Prior to joining Foresight, Richard was a Partner at Downing Ventures, where he focused on investing in early stage technology companies. Prior to this, Richard spent 9 years at Mitsui, completing venture

and growth capital investments in the UK, US and Israel. During his career, Richard has been involved in a number of investments in companies that have gone on to achieve \$1bn+ valuations. Richard holds a degree in Economics and Politics from Durham University and an MBA from Manchester Business School.



**Chris Wiles**  
Director

Chris joined Foresight in 2019 to focus on the FWT Funds. He has over 15 years of experience. Prior to joining Foresight, Chris worked at Centrica as a Venture Principal in Centrica Innovations, the £100 million corporate venturing and innovation team of Centrica Plc. Prior to Centrica, Chris worked

as a Strategy Consultant at PwC, having started his career as an Engineer at McLaren Automotive. Chris holds an MBA with Distinction from Warwick Business School and a Masters degree in Mechanical Engineering from the University of Southampton.



**Danielle Gubbay**  
Investment Director

Danielle sources, executes and manages investments for Foresight's various technology and ventures funds, and sits on the board of a number of portfolio companies. Danielle has been investing in early-stage deep technology and enterprise software business for the past 7 years. Prior to joining Foresight

in 2022, Danielle was an investor for a London based family office, focused on Seed to Series A enterprise software. Danielle brings extensive operating experience having founded a B2B2C platform.

Danielle holds a BA in Economics and Law from University of Sydney, and BA in Int. Business and Trade Law from University of Technology, Sydney.



**Andrew Bloxham**  
Partner

Andrew joined Foresight in 2018 and has led the FWT Funds' strategy over the last five years. He has over 20 years of experience. Prior to joining Foresight, Andrew was a Director at Committed Capital, a technology-focused early-stage private equity and advisory firm. Previously, Andrew

also worked at Strata Partners and JPMorgan focusing on M&A transactions and capital raisings for small to mid-cap UK technology companies. Andrew has a degree in Economics from Cambridge University and an MBA from Surrey Business School.



**Anastasia Sagaidachna**  
Senior Investment Manager

Anastasia has been responsible for sourcing and executing investments for the FWT Funds and working with existing portfolio companies for the last two years. Prior to joining Foresight in early 2022, Anastasia worked at the Private Equity arm of EBRD focusing on technology enabled

and generalist mid-market investments. Before that, she worked at a lower mid-market private equity fund focusing on enterprise software and generalist investments. Anastasia holds a BA in Business Administration from the University of Economics in Prague and MSc in Corporate Finance from Bayes (former Cass) Business School.



**Lucy Clarke**  
Investment Manager

Lucy joined the Foresight Ventures Team in 2025 after spending two years co-founding and scaling a construction technology start-up to £1 million of Gross Market Value (GMV) within 12 months of launch. Prior to her founder experience, she spent two years specialising in Seed-Series A

B2B investments at Octopus Ventures where she made several new investments as well as working closely with the existing portfolio. Prior to her VC experience, Lucy worked at Goldman Sachs in Investment Banking across M&A and Equity Capital Markets.

Lucy has a degree in Classics from the University of Oxford.

## Foresight Private Equity Division



**Rubina Singh**  
Senior Investment Manager

Rubina sources, executes and manages investments for Foresight's venture funds. Previously Rubina was a Principal at Octopus Ventures where she led deep tech investments, co-managed the new deep tech fund strategy and fundraising, and led the Octopus Springboard deep tech accelerator.

Prior to Octopus, Rubina established and led the innovation division at British Gas before which she spent 8 years funding, commercialising and scaling deep tech and cleantech startups in her roles at Centrica Ventures and Fraunhofer TechBridge. Rubina started her career as an engineer at Fraunhofer and holds a B.Eng. from Australian National University and a M.Eng. from University of Michigan, Ann Arbor.



**Desmond Cheung**  
Investment Manager

Desmond joined Foresight in July 2024 as a Senior Associate. Prior to joining Foresight, Desmond worked at Cambridge Enterprise for 2 years as an Investment Manager for the £50 million University of Cambridge Venture Fund, focusing on opportunities within the physical sciences domain. Prior

to Cambridge Enterprise, Desmond worked as a technical and product development consultant within healthcare at TTP plc for 4 years, and is a co-inventor of 3 patents (1 granted, 2 pending). Desmond holds a Masters degree in Aeronautical Engineering from Imperial College London.



**Rekha Mehr**  
Consultant

Rekha joined Foresight in July 2022 as a Consultant based in our London office. Rekha has spent her career working alongside and within scaling companies, learning first-hand what really counts for growth and success. Rekha has held executive director roles, answerable to

boards and major stakeholders. Rekha is a former founder and now spends her time as Board director, advisor and angel investor.



**Izi Petri**  
Senior Portfolio Manager

Izi has been responsible for portfolio management and fund operations for Foresight's venture funds, across both EIS and VCT strategies, since joining Foresight in January 2023. Prior to joining Foresight, Izi worked for a fund focused on investing early-stage capital into companies in

Sub-Saharan Africa, across tech, mobility and renewable energy. Izi trained as a Chartered Accountant at BDO LLP whilst working in the External Audit team, and holds a BSc in Economics and Politics from the University of Bristol.



**Joe Raffa**  
Venture Partner

Joe joined Foresight in 2022 and is a Consultant based in Silicon Valley. Prior to Foresight Joe worked at Downing Ventures as a Venture Partner and before this, was an executive at IBM and Partner at IBM Ventures. Joe was also a Partner at Adams Capital, an early stage VC fund based in

Palo Alto, California with \$800m under management. Joe holds a BS in Applied Physics and Electrical Engineering from Case Western Reserve University and an MS in Electrical Engineering and Artificial Intelligence from Stanford University. Joe also holds an MBA from Harvard Business School.



**Gideon Shmuel**  
Venture Partner

Gideon joined Foresight as part of the Downing Ventures acquisition. Gideon is responsible for the Israeli Tech investments and supporting some of the portfolio companies. Prior to joining Downing, Gideon was a CEO of multiple technology companies in the areas of deep tech, AI,

Computer vision, SaaS, Automotive, Enterprise Software and more. As CEO Gideon worked with many VCs and raised \$70m in funding.

# Case Study 01: Ayar Labs

There are three case studies in the pages that follow.

1. Ayar Labs
2. Dragonfly AI
3. Third Space Learning

## Company Key Facts

|                                                                    |                                      |
|--------------------------------------------------------------------|--------------------------------------|
| Sector                                                             | Deep tech/High Performance Computing |
| Investment Type                                                    | Venture Capital                      |
| Initial Investment Date                                            | August 2020                          |
| Aggregate Investment by Foresight Funds                            | £2.9m                                |
| Aggregate Amount Returned to all Foresight Funds                   | n/a                                  |
| Aggregate Valuation of Remaining Investment by All Foresight Funds | £12.5m                               |

## Company Background

Ayar Labs has developed a novel component for the next generation of semiconductors, to improve speed and increase bandwidth in new products. The company's technology can improve bandwidth over existing providers by 1000x whilst only using 10% of the energy. The company is seeking to overcome the significant bottlenecks that are emerging as we continue to drive innovation within semiconductors, legacy technologies such as copper wire are not able to provide the next generation interconnect.

Ayar Labs was founded in 2015 out of MIT, developed by globally renowned leaders in optical interconnect computing. The team has been further strengthened over time with a senior commercial team from Intel and Penguin Computing.

## Investment

Foresight Ventures VCT first invested into the business in August 2020, co-leading the Series B financing with Blu-Sky Labs. In aggregate, Foresight funds have invested £2.9m into the company. In addition to this investment, the Foresight investment team has introduced new investors to Ayar Labs to help provide further funding to the business. The deal was originally sourced through the investment team's thematic research into the High-Performance Computing ("HPC") sector and the company has secured investment from some of most prestigious VC funds globally including Playground Global, Intel Capital and Founders Fund. The company continues to scale and has benefitted from the exponential increase in demand for generative Artificial Intelligence and HPC.

The favourable market conditions has generated a wave of new customer engagements (e.g. Microsoft) and created a favourable funding environment for the business.

Over the last two years, one of Foresight's Venture Partners based in the US has been working closely with the company to provide advisory services on the strategic direction of the business and introduce the company to significant players in the semiconductor space.

## Exit Options

Ayar Labs is a high performing asset and, consequently, the investment team believes that a number of exit and strategic options for the company will emerge over the next 2 years. There is currently meaningful secondary demand for Ayar Labs shares, providing early evidence that the company is emerging as a highly attractive asset that could enable VCT investors to generate an attractive return on investment.



# Case Study 02: Dragonfly AI

## Company Key Facts

|                                                                    |                      |
|--------------------------------------------------------------------|----------------------|
| Sector                                                             | SaaS Platform        |
| Investment Type                                                    | Venture Capital      |
| Initial Investment Date                                            | November 2020        |
| Aggregate Investment by Foresight Funds                            | £2.9m                |
| Aggregate Amount Returned to all Foresight Funds                   | n/a                  |
| Aggregate Valuation of Remaining Investment by All Foresight Funds | £2.9m (30 June 2025) |

## Company Background

Founded in 2018 by David Mitchell and Mark Bainbridge, Dragonfly AI is a London-based SaaS company that offers brands and agencies breakthrough creative intelligence powered by neuroscience. Its patented algorithm built in partnership with Queen Mary University mimics human visual attention to instantly predict where viewers focus within any creative, across formats and environments.

Dragonfly's platform delivers heatmaps, attention scores, clarity, and digestibility metrics that enable real-time creative testing. It serves major global CPG and retail brands – clients include Diageo, GSK, Vodafone, PepsiCo, Coca-Cola, Reckitt, Brown-Forman, Unilever, Nestlé, Johnson & Johnson, and more.

## Investment

Foresight funds have invested a total of £2.9m across 4 investment rounds since the initial investment in 2020. Dragonfly's market leading team has demonstrated strong ARR growth whilst securing blue-chip customers convinced that the platform can generate a step change in the performance of creative assets.

The investment thesis was driven by Dragonfly's unique, scientifically validated technology underpinned by its patented visual neuroscience algorithm. The technology developed over nearly a decade allows brands to precisely predict and optimise creative performance at speed.

CPG brands face an increasingly challenging and dynamic consumer landscape, where marketing and advertising expenditure is forecast to increase year on year, despite the widely held view that the ROI is unclear at best. Dragonfly's proprietary visual attention prediction platform empowers brands to design, optimise, and predict the effectiveness of their marketing creative assets, and has delivered quantifiable increases in ROI for its clients.

## Exit

The most plausible exit route is a strategic acquisition by a global MarTech and AdTech or creative tech platform seeking to embed biologically grounded creative intelligence. Given the platform elevates creative effectiveness and speed, Dragonfly is well-positioned to attract interest and achieve a premium exit valuation. The combination of deep science, proven ROI, and growing brand adoption makes it a compelling target.



## Case Study 03: Third Space Learning

### Company Key Facts

|                                                                    |                            |
|--------------------------------------------------------------------|----------------------------|
| Sector                                                             | AI Maths Tutoring Platform |
| Investment Type                                                    | Venture Capital            |
| Initial Investment Date                                            | April 2018                 |
| Aggregate Investment by Foresight Funds                            | £3.8m                      |
| Aggregate Amount Returned to all Foresight Funds                   | n/a                        |
| Aggregate Valuation of Remaining Investment by All Foresight Funds | £3.8m (June 2025)          |

### Company Background

Third Space Learning ("TSL") provides curriculum-aligned, one-to-one maths tutoring for primary and secondary schools in the UK and US, delivered by a teacher-built AI maths tutor offering real-time, scaffolded dialogue at a fraction of traditional tutoring costs.

The company recently built and started distributing this product having pivoted from the original business matching UK/US Schools with tutors physically located in South Asia. Having been selling to schools since 2018, TSL has an established brand and reputation with schools, giving them a unique distribution advantage when it comes to scaling their AI product.

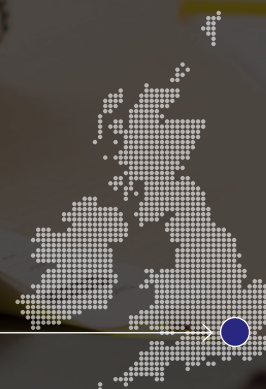
### Investment

Foresight funds have invested £3.8m across several funding rounds since the initial investment in 2018. TSL achieved rapid early sales growth before the original business model suffered following school budget pressure and government cuts to tutoring subsidies in the post covid era. In response to the adverse macro environment, the team implemented a pivot to build and launch an AI maths tuition product that leverages advances in LLM and SLM technology. The Foresight investment team has welcomed the business model change that should allow a market leading product to be created over the next few years. As a consequence of the material progress, Foresight Ventures VCT has provided ongoing financial support to the business.

The investment thesis is centred on the structural need for targeted maths intervention in schools and the scalability of a hybrid human-plus-AI tutoring model that lowers delivery cost while maintaining curriculum alignment and measurable outcomes. TSL's shift to AI-enabled tutoring (branded as 'Skye') and accumulated dataset from millions of tutoring interactions positions it to serve schools under budget pressure without sacrificing impact.

### Exit

The most likely exit is a trade sale to an education platform, assessment/publisher, or K-12 SaaS consolidator seeking AI-enabled intervention capabilities and school distribution in the UK/US. The combination of the company's established brand and presence, proprietary tutoring data, and a differentiated AI tutor makes TSL a strategically attractive acquisition target.



Part Two:

# Company Structure and Details



# Company Structure and Details

## VCT Structure

Investors in Ordinary Shares can qualify for tax reliefs upon allotment of shares (subject to their personal circumstances).

The VCT Scheme was introduced in 1995 to incentivise UK taxpayers to invest into early-stage, high growth potential UK companies. Since that time more than £8 billion has been raised by VCTs. If you choose to invest into the Foresight Ventures VCT Ordinary shares, you should qualify for three attractive tax reliefs:

- 30% income tax relief
- Tax free dividends
- Tax free capital growth

These tax reliefs are available to UK taxpayers up to a maximum of £200,000, with the income tax relief subject to holding the shares for a minimum of five years. More information on tax reliefs can be found in Part 6 of this Securities Note.

## Evergreen

The VCT has been set up as an evergreen investment. This means that it does not have a defined lifespan, with the intention being to manage the VCT for the long term.

## Share Buy Back Policy

Although investors typically wait for a minimum of five years in order to retain the income tax relief, the VCT operates a share “buy back” policy to enable investors to sell their shares from time to time.

The Board’s policy is to buy back Ordinary Shares in the market at a 2.5% discount to their Net Asset Value, in each case less transaction costs payable to market makers and stockbrokers. As at the date of this document, this is one of the slimmest discounts in the market.

## Fees and Charges

### Initial Charges

More details of the initial charges relating to the Offer can be found on page 28. These are summarised below:

|                                                   | Where adviser charge agreed | Where commission is payable | Direct Investors |
|---------------------------------------------------|-----------------------------|-----------------------------|------------------|
| Promoter’s Fee                                    | 2.5%                        | 2.5%                        | 4.5%             |
| Initial Commission<br>(% of amounts subscribed)   | n/a                         | 3.0%                        | n/a              |
| Annual Commission<br>(% of net asset base value)* | n/a                         | 0.5%                        | n/a              |
| Adviser Charges**                                 | Variable                    | n/a                         | n/a              |

\* Capped at 3.0%

\*\* See page 28 and section 8 of the Application Form

In addition, shares can be sold anytime on the London Stock Exchange although the secondary market for VCT shares is generally illiquid.

## Return Profile

Returns will be generated through the growth in NAV and the sale of shares in portfolio companies.

## Company Structure and Details

### Annual Charges

Further details of the annual fees and expenses can be found on page 28.

**Annual Fees:** The Adviser will be entitled to an annual management fee of 2.0% of the Net Asset Value of the Ordinary Shares fund in respect of investment advisory services. Secretarial fees of £40,000 per annum (increased in line with RPI and accordingly at a 2024 rate of approximately £60,000), plus 0.125% of NAV in excess of £10 million will be payable to Foresight Group LLP in respect of secretarial and accounting services provided to the Company. The costs of a VCT also include the cost of the Board, audit and professional fees and the cost of communicating with investors.

**Performance Fees:** After actual Distributions (including capital distributions of NAV) of 110p per Ordinary Share (issued under the Offer and remaining in issue at the date of calculation) have been paid to Ordinary Shareholders by the Company including the offer of such a Distribution which Shareholders elect not to accept by remaining invested, Foresight Group LLP will become entitled to a performance incentive which will be calculated at the rate of the lesser of: (i) 20% of the Distributions per Share and (ii) 20% of Distributions in excess of 110p (including the most recently announced NAV) per Ordinary Share (subject to annual adjustment of this hurdle in line with the Retail Price Index). The performance incentive may be satisfied in cash or by the issue of new Ordinary Shares to Foresight Group LLP at its discretion.

In summary the following annual fees will apply:

- Annual Management Charge: 2.0%
- Annual Administration Fee: £40,000 per annum (subject to increase in line with RPI) plus 0.125% of NAV in excess of £10 million
- Performance Fee: the lesser of: (i) 20% of the Distributions per Share and (ii) 20% of distributions over 110p per investor (subject to RPI adjustment)

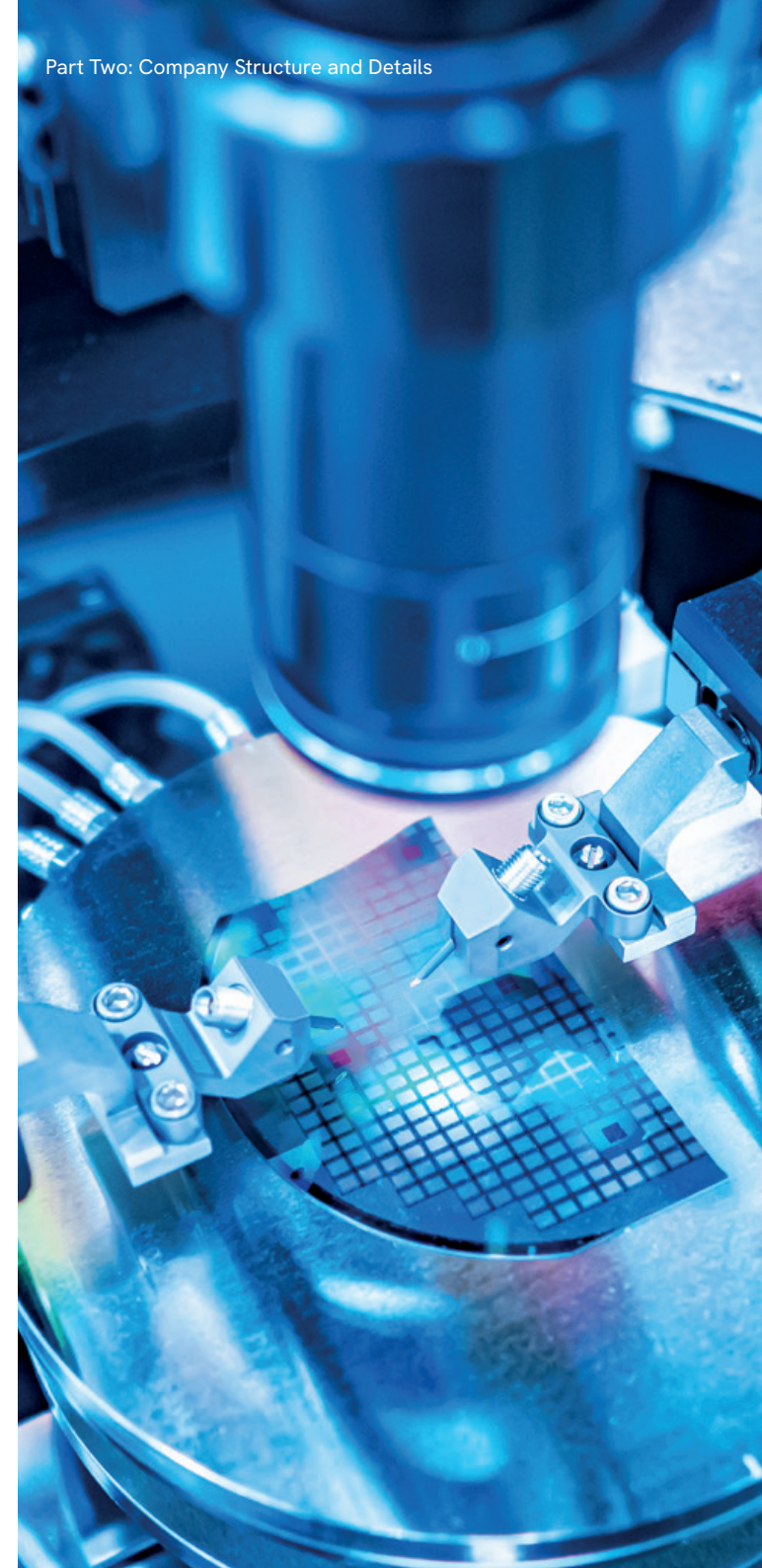
### Investor Journey and Suitability

Investing into the Ordinary Share class should be viewed as a long-term investment (five to eight+ years).

To benefit from the income tax relief, the VCT must be held for a minimum of five years following allotment of the shares.

It is typically the case with early-stage venture capital that investment portfolios go through a “J curve” effect over the investments’ lifetime. In the early years, portfolio valuations tend to reduce as investments are made and fees are incurred. Typically, the weaker investments within the Portfolio come to light before the stronger investments emerge. It is therefore likely that some investments in the Portfolio will be written down prior to others in the Portfolio being written up, following the so-called “J curve”.

Foresight Group is not responsible for confirming whether the Ordinary Share class is suitable for any particular investor. Any investor who is unsure should consult a financial adviser. Foresight Group also cannot advise professional clients.



## Part Three:

# Details of the Offer



# Details of the Offer

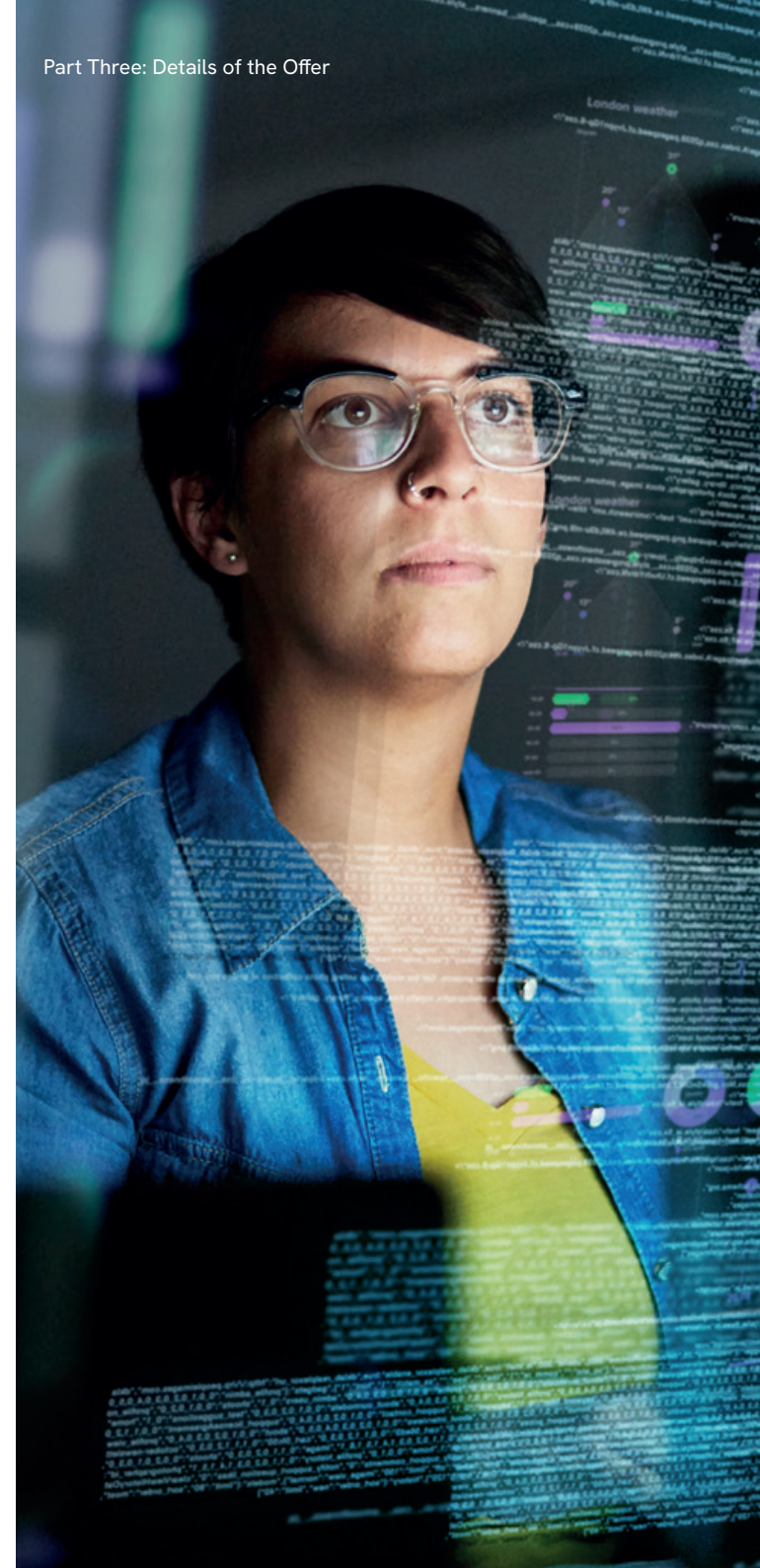
## 1. Ordinary Shares

The securities being offered pursuant to the Offer are Ordinary Shares of one penny each (ISIN: GBOOBFRSVQ41).

The Ordinary Shares are created under the CA 2006 will be issued pursuant to resolutions passed at the Company's General Meeting held on 23 September 2025. All Shareholders will have the same voting rights in respect of the existing share capital of the Company. The Ordinary Shares are freely transferable.

The Ordinary Shares are separate from the Company's existing classes of Deferred Shares. Accordingly, investors in the Ordinary Shares will not have any exposure to the investment gains and losses of any other share class of the Company.

Ordinary Shareholders will be entitled to receive certificates in respect of their Ordinary Shares and will also be eligible for electronic settlement. Holders of Ordinary Shares will be entitled to vote at meetings of the Company in the same way as existing Shareholders. No change may be made to the rights attaching to Ordinary Shares without the approval of the holders of Ordinary Shares. The Ordinary Shares are not redeemable or convertible. An existing holder of Ordinary Shares who does not subscribe under the offer would experience dilution in terms of their voting power but no dilution in terms of net asset value of their holding due to the application of the Pricing Formula pursuant to which Offer Shares are issued at a price equal to their NAV plus associated offer costs.



## Details of the Offer

### 2. Costs of the Offer

The Company will pay the Promoter a fee equal to 2.5% of the amount subscribed under the Offer by those Investors who apply through an authorised financial intermediary and 4.5% of the amount subscribed under the Offer by those Investors who apply direct.

In respect of each investor, the Promoter's fees will be reduced by any applicable Early Bird or Loyalty Discount (as referred to below) and any other discount the Promoter may agree to offer any particular investor or group of investors. From its fees the Promoter will meet all of the costs of the Offer other than intermediary commissions and adviser charges.

The costs of the Promoter's fees and any applicable up-front intermediary commissions and adviser charges applicable to a particular investor will be borne by that investor through the application of the Pricing Formula set out on page 30.

#### Investors applying through an authorised intermediary

|                                                                                                                                                                                |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| Promoter's Fee*                                                                                                                                                                | 2.5%     |
| <b>Initial Adviser Charge</b><br>Such charges as are agreed between each investor and their authorised financial intermediary up to a maximum of 4.5% of the amount subscribed | Variable |

Note: ongoing adviser charges will not be facilitated by the Company.

OR

|                                        |      |
|----------------------------------------|------|
| Initial commission to Intermediaries** | 3.0% |
| Annual commission to intermediaries*** | 0.5% |

#### Direct Investors

|                 |      |
|-----------------|------|
| Promoter's Fee* | 4.5% |
|-----------------|------|

\* The Promoter's Fee may be reduced at the sole discretion of the Promoter and will be reduced by any applicable loyalty bonus.

\*\* Only payable where permissible under FCA Rules and may be waived for additional shares.

\*\*\* Only payable where permissible under FCA Rules. Calculated by reference to net asset base value and subject to a cumulative maximum of 3.0%

The Promoter's Fee (and applicable initial commission and adviser charges) will be expressed as a percentage of the Net Asset Value per Ordinary Share and included in the Pricing Formula to determine the number of Ordinary Shares to be allotted in each case. Annual commission will be paid by the Company and not taken into account when applying the Pricing Formula.



# Details of the Offer

## 2. Costs of the Offer

### Discounts

#### Early Bird Discount

|                                                                                                |       |
|------------------------------------------------------------------------------------------------|-------|
| Discount to the Offer costs in respect of applications received by 12 noon on 31 December 2025 | 1.5%* |
|------------------------------------------------------------------------------------------------|-------|

#### Existing Foresight Shareholder Loyalty Discount

|                             |       |
|-----------------------------|-------|
| Discount to the Offer costs | 0.5%* |
|-----------------------------|-------|

\* Expressed as a percentage of an Investor's subscription

### Commission and Adviser Charges

In accordance with the regulatory changes introduced pursuant to MiFID II, commission (including on-going trail commission) is generally not permitted to be paid to Intermediaries who provide advice or personal recommendations to UK clients in respect of their investments in VCTs.

Instead of commission being paid by the VCT, an adviser charge will usually be agreed between the Intermediary and investor for the advice and related services. This fee can either be paid directly by the investor to the Intermediary or, if it is an initial one-off fee, the payment of such fee may be facilitated by the Company. Ongoing fees to Intermediaries will not be facilitated by the Company. If the payment of the adviser charge is to be facilitated by the Company, then the investor is required to specify the amount of the charge in the relevant box on the Application Form.

The investor will be issued fewer Offer Shares (to the equivalent value of the adviser charge) through the application of the Pricing Formula set out overleaf. The adviser charge is deemed to be inclusive of VAT, where applicable. Adviser charge facilitation payments will be made on behalf of investors from the Company's share premium account (or reserves created therefrom) in respect of share capital issued prior to 6 April 2014 or which was created pursuant to shares issued more than three full years prior to the payment.

Commission may be payable in respect of applications by an execution-only investor who has received no advice in respect of the investment and, as such, the Company will only pay commission to firms:

- which do not provide personal recommendations or investment advice (save where this is restricted advice given to professional clients of the adviser);
- where the payment of such commission is designed to enhance the quality of the relevant (non-advisory) service to the investor;
- where the intermediary has confirmed that they will clearly disclose to the investor the existence, nature and amount of such commission prior to the provision of the service; and
- in the case of on-going payments (trail commission) where such criteria are fulfilled on an on-going basis.

Those intermediaries who are permitted to receive commission will usually receive an initial commission of 3.0% of the amount invested by their clients under the Offer unless waived by the intermediary. Additionally, provided that the intermediary continues to act for the investor and meet the criteria above and the investor continues to be the beneficial owner of the Offer Shares, and subject to applicable laws and regulations, the intermediary will usually be paid an annual trail commission of 0.5% of their client investors' gross subscriptions up to an aggregate maximum of 3.0%.

Trail commission will usually be paid quarterly 12 months in arrears.

**By offering investors a bespoke issue price per Offer Share as determined by the Pricing Formula (set out below), investors are entitled to claim tax relief on the full amount of their investment and all Investors are treated fairly by the Company as regards the payment of up-front commission and Adviser Charges.**

## Details of the Offer

### 3. Pricing Formula

Investors are invited to subscribe an amount in pounds sterling rather than apply for a particular number of Offer Shares. The number of Offer Shares issued to an investor will be determined by reference to the Pricing Formula as follows:

$$\text{Price} = \text{NAV}/X$$

Where:

|                |   |                                                                                                                                                                                           |
|----------------|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| NAV            | = | the latest published Net Asset Value per Ordinary Share (adjusted for any dividends paid or declared and in respect of which no adjustment has been to the latest NAV per Ordinary Share) |
| X              | = | 1 – Total Net Fees                                                                                                                                                                        |
| Total Net Fees | = | Promoter's fee; plus Up-front adviser charge or commission; less any Early Bird or Loyalty Discount as applicable to each investor                                                        |

The number of Offer Shares to be allotted will be determined by dividing the amount subscribed by an investor by the price given by the above formula, rounded down to the nearest whole Offer Share.

### 4. Tax Benefits for Investors

The tax reliefs set out below make the Ordinary Shares tax efficient for UK income taxpayers and are available on the gross amount subscribed under the Offer through the mechanism of the Pricing Formula.

Although there is no maximum size of investment, VCT tax reliefs are available on investments up to a maximum by any individual of £200,000 for 2025/26 tax year and are expected to remain the same for the 2026/27 tax year.

The table below shows how the initial 30% income tax relief can provide an unrealised uplift of 36% on a retail investor's net cost of investment after a reduction in the investor's tax bill. The income tax relief can be used to offset up to 100% of a retail investor's income tax liability, subject to a minimum holding period for the Ordinary Shares of five years. This is only a summary of the UK tax position of investors in VCTs, based on current law and practice. Further details are set out in Part Six of this document. Potential investors are recommended to seek their own independent tax advice.

|                                                      |        |                                                     |
|------------------------------------------------------|--------|-----------------------------------------------------|
| Cost of Investment                                   |        |                                                     |
| If you subscribe                                     |        | £10,000 to the Offer                                |
| Subject to your personal circumstances you can claim |        |                                                     |
| Income tax relief of                                 |        | £3,000                                              |
| So your net cost of investment would be              |        | £7,000                                              |
| Initial Value of Investment                          |        |                                                     |
| Gross subscription                                   |        | £10,000                                             |
| Assumed Cost of 4.5%                                 |        | £(450)                                              |
| Initial Net Asset Value                              |        | £9,550                                              |
| This initial NAV is                                  |        |                                                     |
|                                                      | £2,550 | more than the net cost of your investment of £7,000 |
| or a gain of                                         |        |                                                     |
|                                                      | 36%    | on your net cost of investment                      |

The level of issue costs will be variable depending on the applicability of agreed adviser charges, commission and any Early Bird or Loyalty Discount to a given investor.

## Details of the Offer

### 5. Share Certificates, CREST and Nominees

→ The Ordinary Shares will be issued in the Applicant's name in certificated form (unless otherwise requested). Investors will receive a share certificate in respect of their holding within ten Business Days of allotment.

The Company is registered with CREST, a paperless settlement system. Applicants can request that Ordinary Shares be issued into a CREST account and/or a nominee by providing the relevant details when submitting their Application Form. In all cases, no temporary documents of title will be issued.



# Part Four: The Company



# The Company

The Board has overall responsibility for the Company's affairs and has delegated investment decisions to Foresight Group.

## 1. The Directors

The Board comprises four non-executive directors and brings together substantial board-level experience of quoted and unquoted companies. The Board has overall responsibility for the Company's affairs and has delegated investment decisions to Foresight Group.



**Atul Devani**

Atul has held a number of senior positions in software technology companies operating in various sectors including finance, mobile,

telecommunications, food and drink, health, and pharmaceuticals. Previously he was the founder and CEO of AIM listed United Clearing plc, which was sold in 2006 to BSG. Atul was appointed as a Civil Service Commissioner to the Cabinet in October 2022. Atul was, until recently (May 2024), the chair of Maven Income and Growth VCT 3 plc.



**Chris Allner**

Chris Allner has over 35 years' venture capital and private equity experience and is currently a partner of Downing LLP and chairs their investment

committee. Prior to joining Downing, he was the head of private equity at Octopus Investments as well as a director at Beringea and Bridgepoint with previous experience at 3i and Charterhouse. He sits on the board of Pembroke VCT plc and has previously sat on the boards of a number of unquoted and quoted companies, across a variety of commercial sectors.



**Dr Andrew Mackintosh**

Andrew has had a distinguished career in industry and investment as a former CEO of FTSE 250 listed

Oxford Instruments before later leading the creation of the Royal Society Enterprise Fund, a pioneering initiative in bringing together scientific expertise and early-stage investment. He has been a board member of the Intellectual Property Office, a trustee of the Design Council and chair of Sphere Fluidics, a high-growth biotechnology tools company. He is also chair of the UK Innovation and Science Seed Fund, a £100m government-backed venture capital fund supporting companies from the UK's scientific research base. He was the author in 2021 of the Mackintosh Report, commissioned by HM Treasury, which led to the creation of the new Government Office for Technology Transfer. He is a Fellow of the Royal Academy of Engineering and of the Institute of Physics and was awarded a CBE in the 2024 New Year Honours for services to Science and Technology, and to Enterprise Development.



**Stella Panu**

Stella brings over 20 years of investment management and governance experience to her role as a Non-Executive Director at Foresight

Ventures VCT plc. As a founding Partner of Maven Capital Partners, she led private equity and high-growth UK company investments across various technology sectors. She also acted as investment manager for several VCT funds, taking responsibility for portfolio strategy, risk oversight, and shareholder engagement. With 15 years of board experience supporting SMEs and growth businesses, Stella combines strategic insight with practical governance expertise. Her background in economics, law, and investment banking underpins a proven track record of driving growth, delivering value, and supporting successful investment outcomes.

# The Company

## 2. Investment Objective

The investment objective of the Company is to provide private investors with attractive returns from a portfolio of investments including unquoted companies, existing AIM and AQSE Growth Market quoted companies in the United Kingdom. It is the intention to maximise tax-free income available to investors from a combination of dividends and interest received on investments and the distribution of capital gains arising from trade sales or flotation.

## 3. Investment Policy

### Asset allocation

The Company will seek to maintain a minimum of 80% of its funds invested in VCT qualifying investments, with the balance held in non-qualifying investments. New funds raised will initially be held in non-qualifying investments and cash and will gradually be invested in VCT qualifying investments over a one to three year period.

### VCT qualifying investments

The Company seeks to hold a portfolio of VCT qualifying investments as follows:

| Investment type | Target   | Maximum | Target IRR    |
|-----------------|----------|---------|---------------|
| Growth          | 40%-100% | 100%    | 15% and above |
| Yield focused   | 0%-60%   | 100%    | 10%           |

**Growth investments** will be in companies with prospects for high capital growth reflecting higher risk, predominantly focusing on:

- investments in unquoted companies where there are reasonable prospects of a trade sale or clear exit strategy over a five to seven year time horizon and the prospects of a reasonable level of capital growth. Start-ups will not generally be considered although the fund may consider investments in early-stage companies offering higher risk and higher potential returns; and
- companies already quoted on AIM, the AQSE Growth Market or the Main Market of the London Stock Exchange, or being admitted to AIM, the AQSE Growth Market or the Main Market of the London Stock Exchange.

**Yield focused investments** are generally in unquoted businesses (although this may include some quoted businesses), with a preference for companies which, subject to prevailing VCT rules, own substantial assets or have predictable revenue streams. These investments may be structured such that they comprise of loan stock and/or preference shares. Under the current VCT regulations, it is unlikely that any new yield focused investments will be added to the portfolio or further funds invested into such existing portfolio companies.

Some investments may exhibit features of both of the above categories.

## Non-Qualifying Investments

Non-qualifying investments invested after 5 April 2016 will only be made in the following categories:

- Shares or units in an AIF (alternative investment fund) e.g. an investment trust or in a UCITS (undertakings for the collective investment in transferable securities) e.g. an OEIC (open ended investment company) which may be repurchased or redeemed by the investor on no more than seven days' notice; and
- Ordinary shares or securities in a company which are acquired on a European regulated market e.g. in companies with shares listed on the main market of the London Stock Exchange.

The existing non-qualifying portfolio includes investments made before 5 April 2016 within the following categories:

- Non-qualifying listed investments which are in quoted companies where the holdings can be traded and in companies in which the Investment Adviser has detailed knowledge as a result of VCT qualifying investments made previously;
- Secured loans which are secured on assets held by the borrower; and
- Non-qualifying unquoted investments which will generally not exceed 5% of the overall fund.

In addition to the above, the Company may hold non-qualifying funds in cash or bank deposits, which fall within the VCT rules.

The allocation between asset types in the non-qualifying portfolio will vary depending upon opportunities that arise, with any one asset class having a maximum exposure of 100% of the non-qualifying portfolio.

# The Company

## 3. Investment Policy

### Risk diversification

The Directors will control the overall risk of the Company. The Investment Adviser will ensure the Company has exposure to a diversified range of VCT qualifying investments from different sectors with no more than 15% (calculated as at the time of investment) of the Company's investments being concentrated in any one company or any one issue of fixed income securities (except UK Government gilts or deposit accounts with UK clearing banks).

### Venture Capital Trust Regulations

In continuing to maintain its VCT status, the Company complies with a number of regulations as set out in Part 6 of the Income Tax Act 2007 VCT Rules.

### Borrowing policy

It is not the Company's intention to have any borrowings. The Company does, however, have the ability to borrow a sum equal to no more than 10% of the aggregate amount paid up on the issued share capital of the Company plus the amounts standing to the credit of the consolidated reserves of the Company. There are no plans to utilise this ability at the current time.

## 4. Co-investment Policy

Foresight currently manages other funds which may invest alongside the Company, including other VCT and EIS funds ("**Foresight Funds**"). Investment opportunities will normally be offered initially to the Company on a basis which is pro rata to the net cash available for investment by each of the Foresight Funds, other than where investments are proposed to be made in a company where one or more Foresight Funds has a pre-existing investment, where the incumbent investor will have priority. Implementation of this policy will be subject to other portfolio considerations, such as portfolio diversity and the need to maintain VCT status.

Where the Company invests in companies in which Foresight Funds have invested or subsequently invest, conflicts of interest may arise and the Board will exercise its independent judgement to manage any such conflicts. In such circumstances, Foresight Group (as investment adviser) will apply its conflicts policy in order to reconcile the conflict in the first instance and thereafter, if required, the Board will exercise its independent judgement, so far as it is able, to protect the interests of the Company. It may not, in such circumstances, be possible to fully protect the interests of the Company.

As at the date of this Prospectus, Board consent is required when making certain investments, including those in existing investee companies (both of the Company and Foresight more generally) and for new investments those which are over £500,000 in size, in respect of quoted investments, or £2 million in size, in respect of unquoted investments. However, the Board has recently approved some revisions to the Company's investment management agreement with Foresight, granting Foresight greater discretion and removing the above specific restrictions, to bring it more into line with other VCTs which are managed by Foresight.

Save for the above and the potential conflicts in respect of the calculation of the Company's NAV set out on page 23 of the Registration Document, there are no material potential conflicts of interest which Foresight may have as between its duty to the Company and duties owed by them to third parties and their interests.

# The Company

## 5. Valuation Policy

Investments held by the Company have been valued in accordance with the International Private Equity and Venture Capital Valuation ("IPEV") guidelines (December 2022) developed by the British Venture Capital Association and other organisations. Through these guidelines, investments are valued as defined at 'fair value'. Where the investment being valued was itself made recently, its cost may provide a good starting point for estimating fair value. At each measurement date, fair value is estimated using appropriate valuation techniques. The portfolio valuations are prepared by the Investment Manager, reviewed and approved by the Board quarterly and subject to annual review by the external auditor.

## 6. Share Buy Back Policy

The Board is aware that although the Ordinary Shares are intended to be traded on the London Stock Exchange's market for listed securities, it is unlikely that there will be a liquid market for such shares as there is a limited secondary market for VCT shares due to the holding period required to maintain up-front income tax reliefs and the lack of income tax relief on second hand VCT shares. Shareholders may, therefore, find it difficult to realise their investments.

Following completion of the Merger, the Board's policy is to buy back Ordinary Shares in the market at a 2.5% discount to their Net Asset Value, in each case less transaction costs payable to market makers and stockbrokers. As at the date of this document, this is one of the slimmest discounts in the market.

Operation of this policy is restricted by the UK Listing Rules which restrict the price that a VCT can pay for its own shares (to no more than 5% above the average market value of the shares for the five Business Days prior to the day a purchase is made) and prohibit the purchase of its own shares during any close period or any period when there exists any matter which constitutes inside information in relation to the Company.

The operation of this policy is also subject to the Company having sufficient liquidity and distributable reserves.

As Investors must hold their Ordinary Shares for at least five years in order to avoid a clawback of income tax relief received in respect of their investment by HMRC, the Directors expect that the number of Ordinary Shares which may be offered for the Company to buy back during the five-year holding period will be small.

Share buy backs will be subject to Shareholder authorities, CA 2006, the UK Listing Rules and any other statutory or regulatory requirements from time to time.

## 7. Dividend Policy

The Directors are targeting an annual dividend of at least 4% of net assets per annum, subject to sufficient distributable reserves and capital resources.

## 8. Fees and Expenses

### Annual Fees and Expenses

Foresight Group LLP will be entitled to an annual fee of 2.0% of the Net Asset Value of the Ordinary Shares in respect of investment advisory services. An annual fee of £40,000 (subject to increase in line with RPI and accordingly at a 2024 rate of approximately £60,000) plus 0.125% of NAV in excess of £10 million will be payable to Foresight Group LLP in respect of secretarial and accounting services provided to the Company. The costs of a VCT also include the cost of the Board, audit and professional fees and the cost of communicating with investors.

Overall, for Foresight Ventures VCT plc as a company, total annual expenses are capped at 2.6% of NAV (calculated, amongst other things, before any performance incentive to Foresight Group LLP), above which any excess will be borne by Foresight Group. The actual expenses for the year ended 31 March 2025 represented 2.6% of net assets. Foresight Entities may retain for their own benefit and without liability to account to the Company (subject to full disclosure having been made to the Board) any arrangement fees and directors' or monitoring fees which are received in connection with any investments made by the Company. The Company will not be liable for legal, accounting and any other fees incurred on potential investments which do not proceed to completion, which costs shall be borne by Foresight Group.

### Performance Incentive

After Distributions (including capital distributions of NAV) of 110p per Ordinary Share (remaining in issue at the date of calculation) have been paid to Ordinary Shareholders by the Company, including the offer of such a Distribution which Shareholders elect not to accept by remaining invested, Foresight Group LLP will become entitled to a performance incentive which will be calculated at the rate of the lesser of: (i) 20% of the Distributions per Share and (ii) 20% of Distributions in excess of 110p (including the most recently announced NAV) per Ordinary Share (subject to annual adjustment of this hurdle in line with the Retail Price Index). The performance incentive may be satisfied in cash or by the issue of new Ordinary Shares to Foresight Group LLP at its discretion.

Part Five:

# Additional Information



# Additional Information

## 1. Use of Proceeds

It is intended that the proceeds of the Offer will be used in accordance with the Ordinary Shares' investment policy set out on pages 34 and 35 of this document.

## 2. The Offer for Subscription

It is proposed to allot up to 16.7 million Ordinary Shares to the public pursuant to the Offer. The Ordinary Shares will be offered to individual investors at a price determined in accordance with the Pricing Formula on page 30, such price per share (less costs) to be payable in full, by bank transfer or by cheque or bankers draft drawn on a UK bank. Application has been made to the FCA for all of the Ordinary Shares issued pursuant to the Offer to be admitted to the Official List. Applications will also be made to the London Stock Exchange for Admission to trading on the London Stock Exchange's market for listed securities. The Offer will open on 14 October 2025 until 30 April 2026, but may close earlier or be extended at the absolute discretion of the Directors.

There are no conditions to the Offer and Ordinary Shares may be issued notwithstanding that the Offer is not fully subscribed. In the event that the Offer is oversubscribed, allotment will be made to investors on a 'first come, first served' basis. Any excess amounts paid by applicants will be refunded by means of a transfer back to the account from which it was received or, alternatively, the bank account details provided on the Application Form.

The Company is seeking to raise £10 million under the Offer (with an over-allotment facility of up to an additional £5 million), before expenses. The Ordinary Shares will be issued on a fully paid basis in registered form. Ordinary Shares will be allotted and issued in respect of valid applications under the Offer usually on a monthly basis or at any other time as the Directors decide. Details of allotments will be announced through a Regulatory Information Service provider by no later than the end of the Business Day following the allotment and dealings in such Shares are expected to commence within three Business Days following allotment. If the Company is required to publish a supplementary prospectus, subscribers who have yet to be entered on to the Company's registers of members will be given two days to withdraw from the subscription. In the event that the notification of withdrawal is given by post, such notification will be effected at the time the subscriber posts such notification rather than at the time of receipt by the Company.

The terms and conditions of application are set out at the back of this document along with an application form and details of the application procedure.

## 3. Minimum and Maximum Investment

The minimum subscription under the Offer will be £5,000. Applications in excess of £5,000 may be made for any higher amount in multiples of £1,000. The maximum investment on which income tax relief can be claimed by any individual is £200,000 in the 2025/2026 tax year and is expected to be £200,000 in the 2026/2027 tax year.

## 4. Claiming Income Tax Relief

The Company will send you share certificates and a tax certificate as quickly as possible after Shares are allotted to you. You then have two options on how to reclaim the tax relief: You can write to your HMRC office to ask them to change your tax coding under the PAYE system (this is the system that calculates how much tax you pay each month), so you will receive your income tax relief on a monthly basis through your pay cheques. Alternatively, you can claim income tax relief as part of your annual tax return.

## 5. Launch Costs

The Company, through the mechanism of the Pricing Formula, will pay to the Promoter a fee of:

- a) up to 2.5% of the NAV per Ordinary Share issued to investors who subscribe through authorised intermediaries; or
- b) up to 4.5% of the NAV per Ordinary Share issued to investors who subscribe directly in the Company,

in consideration of its acting as Promoter of the Offer. Other than commission and agreed adviser charges, all costs, charges and expenses of or incidental to the Offer including the fees of SPARK shall be paid by the Promoter from these fees. The Company will be responsible for paying initial and on-going commission and facilitating up-front adviser charges with these costs borne by the investor through the application of the Pricing Formula.

## Additional Information

### 6. Category of Potential Investors

A typical investor for whom the Offer is designed is a UK additional-rate income taxpayer over 18 years of age with an investment range of between £5,000 and £200,000 who, having regard to the risk factors set out at the front of this document, considers the investment policy as detailed on pages 34 and 35 of this document to be attractive. Investment in a VCT may not be suitable for all investors and should be considered as a long-term investment.

**Before deciding whether to apply for Ordinary Shares under the terms of the Offer you are recommended to consult an independent financial adviser.**

### 7. Investor Communications

The Directors recognise the importance of maintaining regular communications with Shareholders. In addition to the announcement and publication of the annual report and accounts and the interim results for the Company as detailed below, the Company will also publish quarterly statements of Net Asset Value. Foresight will also publish information on new investments and the progress of companies within the Company's portfolio from time to time.

### 8. Reporting Dates

|                                                            |          |
|------------------------------------------------------------|----------|
| Year end                                                   | 31 March |
| Announcement and publication of annual report and accounts | July     |
| Announcement and publication of interim results            | December |

### 9. Working Capital

In the opinion of the Company, the working capital available to the Company is sufficient for the Company's present requirements being at least the 12 months following the date of this document.

### 10. Net Assets

The Offer will have a positive impact on the net assets of the Company by increasing its net assets by the same amount as the net funds raised and is expected to have a positive impact on earnings in the medium to long term.

### 11. Capitalisation and Indebtedness

The tables below show the capitalisation and indebtedness of the Company as at 31 July 2025, extracted from unaudited internal management accounting records to that date.

|                               |          |
|-------------------------------|----------|
|                               | £'000    |
| <b>Total Current Debt</b>     | <b>0</b> |
| Guaranteed                    | 0        |
| Secured                       | 0        |
| Unguaranteed/unsecured        | 0        |
| <b>Total Non-Current Debt</b> | <b>0</b> |
| Guaranteed                    | 0        |
| Secured                       | 0        |
| Unguaranteed/unsecured        | 0        |

The capitalisation of the Company as at 31 July 2025, extracted from unaudited internal management accounting records to that date:

|                      |               |
|----------------------|---------------|
| Shareholders' Equity | £'000         |
| Share Capital        | 1,079         |
| Other Reserves       | 94,983        |
| <b>Total</b>         | <b>96,062</b> |

There has been no material change to the Company's capitalisation between 31 July 2025 and 13 October 2025 (being the latest practicable date prior to the publication of the Prospectus).

## Additional Information

### 12. Notifiable Interests

As at 13 October 2025, being the latest practicable date prior to the publication of this document, the Company is not aware of any person who, directly or indirectly, has or will have an interest in the capital of the Company or voting rights which is notifiable under UK law (under which, pursuant to the CA 2006 and the UK Listing Rules and Disclosure Guidance and Transparency Rules of the FCA, a holding of 3% or more will be notified to the Company).

### 13. Intermediary Consent

The Company and the Directors consent to the use of this Prospectus by financial intermediaries and accepts responsibility for the information contained in this document in respect of any final placement of Ordinary Shares by any financial intermediary which was given consent to use this document. The offer period within which subsequent resale or final placement of securities by financial intermediaries can be made and for which consent to use this Prospectus is given commences 14 October 2025 and closes on 30 April 2026 (or such later date as may be determined by the Directors). Information on the terms and conditions of the Offer by any financial intermediary is to be provided at the time of the Offer by that financial intermediary. Financial intermediaries may use this Prospectus in the UK.

Any financial intermediary that uses the Prospectus must state on its website that it uses the Prospectus in accordance with the consent and conditions attached thereto. Financial intermediaries are required to provide the terms and conditions of the Offer to any prospective investor who has expressed an interest in participating in the Offer to such financial intermediary. No financial intermediary will act as principal in relation to the Offer.



Part Six:

# Taxation Considerations for Investors



# Taxation Considerations for Investors

## 1. Tax Reliefs

The following is only a summary of the law concerning the tax position of individual investors in VCTs. Potential investors are recommended to consult a professional adviser as to the taxation consequences of an investment in a VCT. The tax reliefs set out below are those currently available to individuals aged 18 or over who subscribe for Shares on their own behalf under the Offer. Whilst there is no specific limit on the amount of an individual's acquisition of shares in a VCT, tax reliefs will only be given to the extent that the total of an individual's subscriptions or other acquisitions of shares in VCTs in any tax year do not exceed £200,000. Investors who intend to invest more than £200,000 in VCTs in any one tax year should consult their professional advisers.

### (a) Income Tax

#### (i) Relief from Income Tax on Investment

An investor subscribing up to £200,000 in the 2025/26 and/or 2026/27 tax years for eligible shares in a VCT will be entitled to claim income tax relief, at the rate of 30%, although this relief will be withdrawn if either the shares are sold within five years or the investor takes out a loan which would not have been made, or would not have been made on the same terms, save for the acquisition of such shares. If an Investor has sold, or if they sell, any shares in Foresight Ventures VCT plc within six months either side of the subscription for the Ordinary Shares, then for the purposes of calculating income tax relief on the Ordinary Shares the subscribed amount must be reduced by the amount received from the sale. Relief is also restricted to the amount which reduces the investor's income tax liability to nil.

#### (ii) Dividend Relief

An investor who subscribes for or acquires eligible shares in a VCT (up to a maximum of £200,000 in each of the 2025/26 and/or 2026/27 tax year) will not be liable for UK income tax on dividends paid by the VCT. The income received by the VCT will usually constitute either interest (on which the VCT may be subject to tax) or a dividend from a UK company (on which the VCT would not be subject to tax). The VCT's income, reduced by the payment of tax (if applicable), can then be distributed tax-free to investors who benefit from this dividend relief. There is no withholding tax on dividends paid by a UK company and, consequently, the Company does not assume responsibility for the withholding of tax at source.

#### (iii) Purchasers in the Market

An individual purchaser of existing VCT shares in the market will be entitled to claim dividend relief (as described in paragraph (ii) above) but not relief from income tax on investment (as described in paragraph (i) above).

### (b) Capital gains tax

#### (i) Relief from Capital Gains Tax on the Disposal of Ordinary Shares

A disposal by an investor of Ordinary Shares will give rise to neither a chargeable gain nor an allowable loss for the purposes of UK capital gains tax provided that the approval of the company as a VCT has not been withdrawn by HMRC prior to the time of disposal. This relief is limited to the disposal of VCT shares acquired within the limit of £200,000 for any tax year.

#### (ii) Purchasers in the Market

An individual purchaser of existing VCT shares in the market will be entitled to claim relief from capital gains tax on disposal (as described in paragraph (i) above). If a company which has been granted approval as a VCT subsequently fails to comply with the conditions for approval, approval as a VCT may be withdrawn or treated as never having been given. In these circumstances, relief from income tax on the initial investment is repayable unless loss of approval occurs more than five years after the issue of the relevant VCT shares. In addition, relief ceases to be available on any dividend paid in respect of profits or gains in any accounting period ending when VCT status has been lost and any gains on the VCT shares up to the date from which loss of VCT status is treated as taking effect will be exempt, but gains thereafter will be taxable.

## Taxation Considerations for Investors

### 2. Illustration of Effect of Tax Relief for Investors

The table below has been prepared for illustrative purposes only and does not form part of the summary of the tax reliefs contained in this section. The table shows how the initial tax reliefs available can reduce the effective cost of an investment of £10,000 in a VCT by a qualifying investor subscribing for VCT shares to only £7,000:

|                                                       | Effective cost | Tax relief |
|-------------------------------------------------------|----------------|------------|
| Investor unable to claim any tax reliefs              | £10,000        | Nil        |
| VCT investor able to claim full 30% income tax relief | £7,000         | £3,000     |

The combined effect of the initial income tax relief, tax free dividends and tax-free capital growth can substantially improve the net returns of an investment in a VCT. For example, after the costs of the Offer (5.5p per Share assuming subscription by direct investors) an investment of £10,000 would show an immediate return of 36% over the base cost of £7,000 after 30% income tax relief, which is only available if the shares are held for the minimum holding period of five years. Although there is no maximum size of investment. VCT tax reliefs are available on investments in VCTs up to a maximum per individual of £200,000 in any one tax year.

### 3. Obtaining Tax Reliefs

The Company will provide to each investor certificates which the investor may use to claim income tax relief, either by obtaining from HM Revenue & Customs an adjustment to his tax coding under the PAYE system or by waiting until the end of the tax year and using his tax return to claim relief.

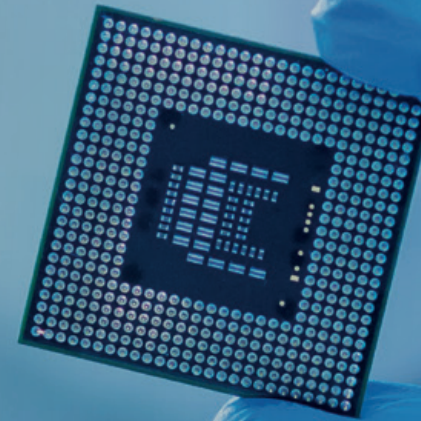
### 4. Investors Not Resident in the UK

Investors not resident in the UK should seek their own professional advice as to the consequences of making an investment in a VCT as they may be subject to tax in other jurisdictions as well as in the UK. Tax legislation in an investor's home country may have an impact on the income received from the Ordinary Shares.



## Part Seven:

# Conditions to be met by Venture Capital Trusts



# Conditions to be met by Venture Capital Trusts

The Company must satisfy a number of tests to qualify as a VCT.

A summary of these tests is set out on this page.

## 1. Qualification as a VCT

To qualify as a VCT, a company must be approved as such by HMRC. To obtain approval:

- (a) it must not be a close company;
- (b) it must have each class of its ordinary share capital listed on a European regulated market throughout the accounting period following that in which the application for approval is made;
- (c) it must derive its income wholly or mainly from shares or securities;
- (d) at least 80% by value of its investments must be represented by shares and securities comprising Qualifying Investments; and
- (e) at least 30% of new monies raised must be invested in qualifying holdings within 12 months of the end of accounting period in which the relevant VCT shares are issued;
  - (i) at least 70% by value of its Qualifying Investments must be represented by holdings of 'eligible shares'. Eligible shares are shares which carry no present or future preferential rights to a portfolio company's assets on its winding-up, and no present or future right to be redeemed, but which may have certain preferential rights to dividends (investments made before 6 April 2018 from funds raised before 6 April 2011 are excluded from this requirement);
- (f) at least 10% of its total investment in any Qualifying Company must consist of eligible shares;
- (g) loan investments made by the Company after 14 March 2018 must be made on an unsecured basis at a commercial rate of interest;
- (h) not more than 15% by value of its investments may be in a single company or group (other than a VCT or a company which would, if its shares were listed, qualify as a VCT);
- (i) not more than 15% of its income derived from shares and securities in any accounting period may be retained;
- (j) the VCT must only make Qualifying Investments, or certain non-qualifying investments permitted by section 274 ITA 2007;
- (k) no investment by a VCT can cause a company to receive more than a total of £5 million in any period of twelve months (£10 million for "knowledge intensive" companies), nor than £12 million (£20 million for "knowledge intensive" companies) over its lifetime;
- (l) a VCT cannot invest in a company whose first commercial sale was more than seven years ago (ten years for a "knowledge intensive" company) unless the company had previously received State Aid risk finance within that period or it is seeking to break into a new product or geographic market and a turnover test is met. In the case of "knowledge intensive" companies, the company may elect for the ten year period to commence from the end of the accounting period in which its annual turnover exceeds £200,000; and
- (m) an investment by a VCT cannot be used by an investee company to acquire a trade, business or shares in a company.

For the purpose of condition (j) above, permitted investments include ordinary shares or securities listed on a regulated market (such as the London Stock Exchange) and shares or units in alternative investment funds and UCITS which may be repurchased or redeemed on seven days' notice.

## Conditions to be met by Venture Capital Trusts

### 2. Qualifying Investments

To be a Qualifying Investment, an investment must consist of shares or securities first issued to the VCT (and held by it ever since) by an unquoted company satisfying certain conditions. The conditions are complex but include conditions that any investment must be in a qualifying company which must:

- (a) meet a principles-based “risk to capital” gateway test to requiring the company to have genuine plans to grow and develop over the long term and for there to be a significant risk to the VCT that invested capital of an amount greater than its net investment return will be lost;
- (b) have gross assets not exceeding £15 million immediately before and £16 million immediately after the VCT’s investment (these tests are applied on a group basis if applicable);
- (c) have fewer than 250 full-time employees (or their equivalents) at the date on which the VCT investment is made (this test is applied on a group basis if applicable) (fewer than 500 for a “knowledge intensive” company);
- (d) not have raised more than £5 million in the 12-month period ending on the date of the VCT’s investment (£10 million for a “knowledge intensive” company), nor more than a lifetime total of £12 million (£20 million for a “knowledge intensive” company), from State aid sources including from VCTs and under the Enterprise Investment Scheme;

- (e) have made its first commercial sale less than seven years ago (ten years for a “knowledge intensive” company which can also elect to start this ten-year period from the last day of the accounting period in which it first reaches a turnover of £200,000) unless one or more of the exemptions set out at paragraph 1(l) above applies;
- (f) apply the money raised for the purposes of a qualifying trade carried on by the company or its qualifying 90% subsidiary within certain time periods and more generally for the purpose of growth and development of its business;
- (g) must at all times have a permanent establishment in the United Kingdom; and
- (h) not be controlled by another company nor control another company save where this is a qualifying 51% subsidiary.

Companies whose shares are traded on AIM are treated as unquoted companies for the purposes of eligibility as a Qualifying Investment. Unquoted company shares that subsequently become listed may still be regarded as a Qualifying Investment for a further five years following listing, provided all other conditions are met.

### 3. Qualifying Companies

A qualifying company must exist wholly or mainly for the purpose of carrying on a qualifying trade or be the parent company of a qualifying trading group. For this purpose, certain activities are prohibited such as dealing in land or shares or providing financial, legal or accountancy services, managing nursing homes or hotels (where the manager is in occupation or owns an interest in the land), property development, leasing or farming, shipbuilding, and coal and steel production. The trade must either be carried on by, or be intended to be carried on by, the qualifying company or by a qualifying subsidiary at the time of the issue of its shares or securities to the VCT (and by such company or its qualifying subsidiary at all times thereafter). A qualifying subsidiary for these purposes is at least 90% directly owned by the qualifying company, or is a 100% subsidiary of at least a 90% subsidiary of the qualifying company, or is at least a 90% subsidiary of a 100% subsidiary of the qualifying company.

A company intending to carry on a qualifying trade must begin to trade within two years of the issue of shares or securities to the VCT.

A qualifying company can be the parent company of a trading group. If this is the case, the group, when taken together as one business, must carry on activities which constitute a qualifying trade. Any subsidiary must be more than 50% owned. However, if a subsidiary is one which carries on the trade by reference to which the investment is to qualify as a Qualifying Investment, that subsidiary must be a 90% qualifying subsidiary as described above.

## Conditions to be met by Venture Capital Trusts

### 4. Approval as a VCT

A VCT must be approved at all times by HMRC. Approval has effect from the time specified in the approval. A VCT cannot be approved unless the tests are met throughout the most recent complete accounting period of the VCT and HMRC is satisfied that they will be met in relation to the accounting period of the VCT which is current when the application is made. However, in order to facilitate the launch of a VCT, HMRC may provisionally approve a VCT notwithstanding that certain of the tests are not met at the time of application, provided that HMRC is satisfied that the tests will be met within certain time limits. In particular, in the case of the test described at 1(d) and (f) above, approval may be given if HMRC is satisfied that this will be met throughout an accounting period of the VCT beginning no more than three years after the date when approval takes effect.

### 5. Definition of “Knowledge Intensive” Company

In order to meet the definition of a knowledge intensive company, a company must meet one or both of the two “operating costs conditions” set out below and one or both of the “innovation condition” and the “skilled employee condition”.

The first “operating costs condition” is that in at least one of the relevant three preceding years at least 15% of the relevant operating costs constituted expenditure on research and development or innovation.

The second “operating costs condition” is that in each of the relevant three preceding years at least 10% of the relevant operating costs constituted such expenditure.

The “innovation condition” is met where the relevant company is engaged in intellectual property creation and it is reasonable to assume that, within ten years of the applicable time, one or a combination of the exploitation of relevant intellectual property held by the company and business which results from new or improved products, processes or services utilising relevant intellectual property held by the company.

The “skilled employee condition” is met if at least 20% of a company’s full time employees hold a relevant higher education qualification and are engaged directly in research and development.

The above is only a summary of the conditions to be satisfied for a company to be treated as a VCT.

## Part Eight:

# Definitions



# Definitions

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

|                                          |                                                                                                                                                                                                                                                                                             |
|------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Admission</b>                         | the date on which Ordinary Shares allotted pursuant to the Offer are listed on the Official List of the FCA and admitted to trading on the London Stock Exchange's market for listed securities                                                                                             |
| <b>AIM</b>                               | the Alternative Investment Market                                                                                                                                                                                                                                                           |
| <b>Applicant</b>                         | a person who makes an Application                                                                                                                                                                                                                                                           |
| <b>Application</b>                       | an application for Ordinary Shares pursuant to the Offer                                                                                                                                                                                                                                    |
| <b>Application Form</b>                  | the form pursuant to which an Application may be made and which will be made available in connection with the Offer by the Company on its website                                                                                                                                           |
| <b>Articles</b>                          | the articles of association of the Company (as amended from time to time)                                                                                                                                                                                                                   |
| <b>Board or Directors</b>                | the Board of Directors of the Company                                                                                                                                                                                                                                                       |
| <b>Business Days</b>                     | any day (other than a Saturday or Sunday) on which clearing banks are open for normal banking business in sterling                                                                                                                                                                          |
| <b>CA 2006</b>                           | the Companies Act 2006 (as amended)                                                                                                                                                                                                                                                         |
| <b>Closing Date</b>                      | 31 March 2026 (17:30) in respect of the 2025/2026 tax year and 30 April 2026 (17:30) in respect of the 2026/2027 tax year, or as soon as full subscription is reached (unless closed earlier or extended at the Board's discretion)                                                         |
| <b>Company or Foresight Ventures VCT</b> | Foresight Ventures VCT plc (company number 03150868)                                                                                                                                                                                                                                        |
| <b>CREST</b>                             | the computerised settlement system to facilitate the transfer of title to securities in uncertified form operated by Euroclear UK & Ireland Limited                                                                                                                                         |
| <b>Deferred Shares</b>                   | means the separate, unlisted class of shares of 1p each in the capital of the Company entitled "Deferred Shares" which have the rights and are subject to the restrictions attributed to Deferred Shares in the Articles and which do not form part of the Company's ordinary share capital |
| <b>Direct Investor</b>                   | an Investor who makes an application with reference to an intermediary                                                                                                                                                                                                                      |

|                                                      |                                                                                                                                                                                                                                                                                             |
|------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Distributions</b>                                 | amounts paid by way of dividends, tender offers, share buy-backs, proceeds on a sale or liquidation of the Company and any other proceeds or value received, or deemed to be received, by Shareholders in the Company in respect of Shares, excluding any income tax relief on subscription |
| <b>Early Bird Discount</b>                           | the discount of 1.5% applicable to Applications received by 12 noon on 31 December 2025                                                                                                                                                                                                     |
| <b>Eligible Shares</b>                               | in relation to a company which is a Qualifying Company, means shares which may carry a non-cumulative and non-discretionary preferential right to dividends but not to the assets of the company on its winding up, and which may carry no present or future right to be redeemed           |
| <b>FCA</b>                                           | the Financial Conduct Authority                                                                                                                                                                                                                                                             |
| <b>Foresight</b>                                     | references to "Foresight" in this document refer to the Investment Adviser and to the historical activities of Foresight Group more generally                                                                                                                                               |
| <b>Foresight Entities</b>                            | the Adviser and/or the Promoter (as the context dictates) (and each a "Foresight Entity")                                                                                                                                                                                                   |
| <b>Foresight Funds</b>                               | funds managed or advised by a Foresight Entity                                                                                                                                                                                                                                              |
| <b>Foresight Group</b>                               | a collective term for all of the entities owned by Foresight Group Holdings Limited, Foresight Group CI Limited and/or Foresight Group LLP, indirectly and indirectly                                                                                                                       |
| <b>Foresight VCTs</b>                                | venture capital trusts managed or advised by a Foresight Entity                                                                                                                                                                                                                             |
| <b>Foresight Ventures Team or Foresight Ventures</b> | the division within Foresight (a subset of the wider private equity team) which is responsible for managing the Company's portfolio of investments                                                                                                                                          |
| <b>FSMA</b>                                          | the Financial Services and Markets Act 2000 (as amended)                                                                                                                                                                                                                                    |
| <b>HMRC</b>                                          | HM Revenue & Customs                                                                                                                                                                                                                                                                        |
| <b>Inside Information</b>                            | as defined in section 118C of FSMA                                                                                                                                                                                                                                                          |
| <b>Investee Companies</b>                            | a company in which the Company has made, or intends to make, a Qualifying Investment (and each an "Investee Company")                                                                                                                                                                       |

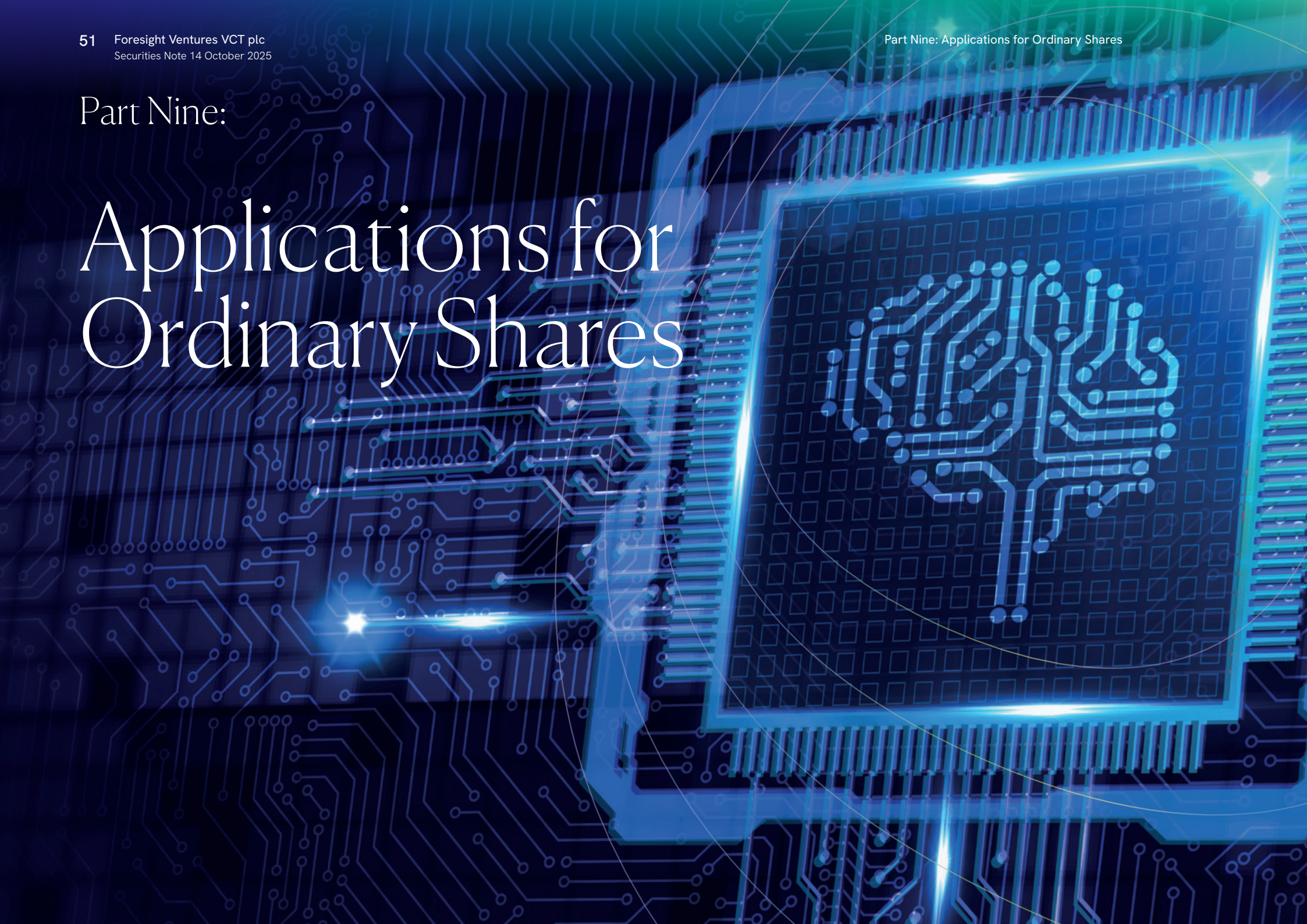
## Definitions

|                                      |                                                                                                                                                                                                               |
|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Investment Adviser or Adviser</b> | Foresight Group LLP, a limited liability partnership registered in England and Wales with registration number OC300878, authorised and regulated by the FCA with firm reference number 198020                 |
| <b>London Stock Exchange</b>         | London Stock Exchange plc                                                                                                                                                                                     |
| <b>Loyalty Discount</b>              | the discount of 0.5% applicable to Applications received from an existing shareholder in any of the Foresight VCTs                                                                                            |
| <b>Memorandum</b>                    | the memorandum of association of the Company                                                                                                                                                                  |
| <b>Money Laundering Regulations</b>  | the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulation 2017 (as amended)                                                                                       |
| <b>NAV or Net Asset Value</b>        | the net asset value attributable to the Ordinary Shares calculated in accordance with the Company's normal accounting policies in force at the date of calculation                                            |
| <b>Offer or Ordinary Share Offer</b> | the offer for subscription to raise in aggregate up to £10 million (with an over-allotment facility of up to an additional £5 million) by issues of Ordinary Shares by the Company pursuant to the Prospectus |
| <b>Offer Shares</b>                  | the Ordinary Shares proposed to be issued pursuant to the Prospectus                                                                                                                                          |
| <b>Official List</b>                 | the official list of the FCA maintained in accordance with section 74(1) of FSMA                                                                                                                              |
| <b>Ordinary Shares</b>               | ordinary shares of 1p each in the capital of the Company                                                                                                                                                      |
| <b>Pricing Formula</b>               | the formula applied in calculating the number of Ordinary Shares to be issued to each Applicant as set out on page 30 of this document                                                                        |
| <b>Promoter</b>                      | Foresight Group LLP, a limited liability partnership registered in England and Wales with registration number OC300878, authorised and regulated by the FCA with firm reference number 198020                 |
| <b>Prospectus</b>                    | together this Securities Note, the Registration Document and the Summary                                                                                                                                      |
| <b>Prospectus Regulation</b>         | Regulation (EU) 2017/1129 as it forms part of domestic UK law pursuant to the European Union (Withdrawal) Act 2018 and the FCA's Prospectus Regulation Rules                                                  |

|                                     |                                                                                                                                                                       |
|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Qualifying Company</b>           | an unquoted (including an AIM-listed) company which satisfies the requirements of Part 4 of Chapter 6 of the Tax Act                                                  |
| <b>Qualifying Investments</b>       | shares in, or securities of, a Qualifying Company held by a venture capital trust which meets the requirements described in Parts 3 and 4 of Chapter 6 of the Tax Act |
| <b>Receiving Agent</b>              | The City Partnership (UK) Limited (registered number SC269164)                                                                                                        |
| <b>Registrar</b>                    | The City Partnership (UK) Limited (registered number SC269164)                                                                                                        |
| <b>Registration Document</b>        | the registration document issued by the Company dated 14 October 2025 in connection with the Offer                                                                    |
| <b>Securities Note</b>              | this document                                                                                                                                                         |
| <b>Shareholder</b>                  | a holder of Shares in the Company                                                                                                                                     |
| <b>Shares</b>                       | Ordinary Shares and/or Deferred Shares as the context dictates                                                                                                        |
| <b>SPARK</b>                        | SPARK Advisory Partners Limited, the Company's sponsor, which is authorised and regulated by the FCA with firm reference number 182762                                |
| <b>Summary</b>                      | the summary issued by the Company dated 14 October 2025 in connection with the Offer                                                                                  |
| <b>Tax Act</b>                      | the Income Tax Act 2007 (as amended)                                                                                                                                  |
| <b>UK</b>                           | the United Kingdom                                                                                                                                                    |
| <b>UK Listing Rules</b>             | the rules set out in the UK Listing Rules Sourcebook of the FCA Handbook                                                                                              |
| <b>VCT Rules</b>                    | the legislation, rules and HMRC interpretation and practice regulating the establishment and operation of venture capital trusts                                      |
| <b>VCT Value</b>                    | the value of an investment calculated in accordance with Section 278 of the Tax Act                                                                                   |
| <b>Venture Capital Trust or VCT</b> | a venture capital trust as defined in Section 259 of the Tax Act                                                                                                      |

Part Nine:

# Applications for Ordinary Shares



# Applications for Ordinary Shares

## Terms and Conditions of Application

1. The contract created by the acceptance of Applications in the manner herein set out will be conditional upon the Admission of the Ordinary Shares to the Official List of the FCA and to trading on the London Stock Exchange's market for listed securities unless otherwise so resolved by the Board. If any Application is not accepted or if any Application is accepted for a lesser sum than that remitted, or if there is a surplus of funds from the Application amount, the Application monies or the balance of the amount paid on Application will be returned without interest to the account from which it was received or by post at the risk of the applicant (save where the amount is less than £1, in which case you authorise such amount to be paid to the Receiving Agent and used for its own purposes). In the meantime, Application monies will be retained by the Receiving Agent in a separate client account.
2. The Company reserves the right to present all cheques and banker's drafts for payment on receipt and to retain documents of title and surplus Application monies pending clearance of the successful applicants' cheques and banker's drafts. The Company may treat Applications as valid and binding even if not made in all respects in accordance with the prescribed instructions and the Company may, at its discretion, accept an Application in respect of which payment is not received by the closing date of the Offer.
3. By completing and delivering an Application Form, you (as the Applicant) acknowledge that your Application is addressed to the Company, the Promoter and the Receiving Agent for the purposes of acceptance of these terms and conditions, and further you (as the Applicant):
  - (a) irrevocably offer to subscribe for the amount of money specified in your Application Form which will be applied to purchase Ordinary Shares, subject to the provisions of: (i) the Prospectus; (ii) these Terms and Conditions; (iii) the Memorandum and Articles; and (iv) any document mentioned in paragraph (h) below;
  - (b) authorise the Company's Registrars to send definitive documents of title for the number of Ordinary Shares for which your Application is accepted and to procure that your name is placed on the register of members of the Company in respect of such Ordinary Shares and authorise the Receiving Agent to send you any monies returnable from the account from which it was received or by way of a crossed cheque by post to your address as set out in your Application Form;
  - (c) in consideration of the Company agreeing that it will not, prior to the closing date of the Offer, offer any Ordinary Shares to any persons other than by means of the procedures set out or referred to in the Prospectus, agree that your Application may not be revoked until the closing date of the Offer, and that this paragraph constitutes a collateral contract between you and the Company which will become binding upon despatch by post or delivery by hand of your Application Form duly completed to the Receiving Agent;
  - (d) understand that your cheque or banker's draft will be presented for payment on receipt, and agree and warrant that it will be honoured on first presentation and agree that, if it is not so honoured, you will not be entitled to receive certificates for the Ordinary Shares applied for or to enjoy or receive any rights or Distributions in respect of such Ordinary Shares unless and until you make payment in cleared funds for such Ordinary Shares and such payment is accepted by the Company (which acceptance shall be in its absolute discretion and may be on the basis that you indemnify it against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of your remittance to be honoured on first presentation) and that at any time prior to unconditional acceptance by the Company of such late payment in respect of such Ordinary Shares, the Company may (without prejudice to their other rights) treat the agreement to allot such Ordinary Shares as void and may allot such Ordinary Shares to some other person in which case you will not be entitled to any refund or payment in respect of such Ordinary Shares (other than return of such late payment);

Applications to invest in Ordinary Shares can now be submitted through Foresight's online portal for advisers at <https://city-ora.uk/offers/fven-2526> or via email to [ForesightVenturesVCT@city.uk.com](mailto:ForesightVenturesVCT@city.uk.com).

## Applications for Ordinary Shares

- (e) the basis of allocation will be generally on a 'first come, first served basis' (but always subject to the absolute discretion of the Directors of the Company after consultation with the Adviser). For these purposes 'first-come, first-served' shall be assessed based on the date and time of receipt of a fully completed Application Form, subject to receipt of application monies (in full, including those making multiple payments) in cleared funds within five Business Days thereafter (or, if earlier, before the applicable Closing Date) to retain the Applicant's position of priority. If application monies are not received within such time, the relevant date and time shall be when the Applicant's actual application monies (in full) are received in cleared funds. An Application Form may not be considered as 'complete' until identity verification is completed and/or, where relevant, information or supporting evidence required for the Application Form remains outstanding;
- (f) agree that any Application monies for Ordinary Shares, together with other monies received from other Applicants for Ordinary Shares, will be held by the Receiving Agent in a client account for the purposes of either (a) the payment in respect of Ordinary Shares for which your Application is accepted and Ordinary Shares are allotted (which may not take place until several weeks after cleared funds have been received) and/or (b) the return to you in circumstances where such payment as referred to in (a) is not made. In all circumstances, you acknowledge that interest earned on such monies will be paid to the Company and used for its own purposes;
- (g) agree that any monies refundable to you may be retained by the Receiving Agent, as may be applicable, pending clearance of your remittance and any verification of identity which is, or which the Company and/or the Receiving Agent may consider to be, required for the purposes of the Money Laundering Regulations and that such monies will be paid without interest;
- (h) agree that all Applications, acceptances of Applications, instructions to facilitate initial adviser charges, payments of commission and contracts resulting therefrom will be governed by, and construed in accordance with, English law and that you submit to the exclusive jurisdiction of the English courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceeding arising out of or in connection with any such Applications, acceptances of Applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;
- (i) agree that, in respect of those Ordinary Shares for which your Application has been received and processed and not refused, acceptance of your Application shall be constituted by inclusion in an allotment of Ordinary Shares to you pursuant to the Offer;
- (j) agree that, having had the opportunity to read the Prospectus and any supplementary prospectus issued by the Company and filed with the FCA, you shall be deemed to have had notice of all information and representations concerning the Company contained herein and in any announcement made by the Company on an appropriate Regulatory Information Service (whether or not so read);
- (k) agree that all documents in connection with the Offer and any returned monies will be sent at your risk and may be sent by post to you at your address as set out in the Application Form;
- (l) confirm that in making such Application you are not relying on any information or representation in relation to the Company other than those contained in the Prospectus and any supplementary prospectus filed with the FCA and you accordingly agree that no person responsible solely or jointly for this document and/or any supplementary prospectus or any part thereof or involved in the preparation thereof shall have any liability for any such information or representation;
- (m) confirm and warrant that the information provided on the Application Form is true and accurate and that any instructions thereon in relation to the facilitation of initial adviser charges are confirmed and that you irrevocably authorise the Company (as required) to make such payments from remitted funds;
- (n) confirm that you have reviewed the restrictions contained in this paragraph 3 and paragraph 4 below and warrant as provided therein;
- (o) warrant that you are not under the age of 18 years;
- (p) agree that these warranties are made, and the Application Form is addressed to the Company, the Promoter and the Receiving Agent;
- (q) agree to provide the Company, the Promoter and/or the Receiving Agent with any information which they may request in connection with your Application and/or in order to comply with the Venture Capital Trust or other relevant legislation and/or the Money Laundering Regulations;

## Applications for Ordinary Shares

- (r) warrant that, in connection with your Application, you have observed the laws of all relevant territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your Application in any territory and that you have not taken any action which will or may result in the Company, the Receiving Agent or any Foresight Entity acting in breach of the regulatory or legal requirements of any territory in connection with the Offer or your Application;
  - (s) confirm that you are not a US person as defined under the United States Securities Act of 1933, as amended, or a resident of Canada and that you are not applying for any Ordinary Shares with a view to their offer, sale, delivery to or for the benefit of any US person or a resident of Canada, and that you have reviewed the restrictions contained in paragraph 5 below and warrant compliance therewith;
  - (t) agree that neither the Receiving Agent nor any Foresight Entity will regard you as its customer by virtue of you having made an Application for Ordinary Shares or by virtue of such Application being accepted;
  - (u) declare that a loan has not been made to you or any associate, which would not have been made or not have been made on the same terms, but for you offering to subscribe for, or acquiring Ordinary Shares and that the Ordinary Shares are being acquired for bona fide commercial purposes and not as part of a scheme of arrangement the main purpose of which, or one of the main purposes of which, is the avoidance of tax;
  - (v) warrant that, if you sign the Application Form on behalf of somebody else, you have due authority to do so on behalf of that other person, and such person will also be bound accordingly and will be deemed also to have given the confirmations, warranties, undertakings and authority contained herein and undertake to enclose your power of attorney or a copy thereof duly certified by a solicitor or bank with the Application Form; and
  - (w) consent to the information provided on the Application Form being provided to the Registrars to process shareholding details and send notifications to you.
4. No action has been or will be taken in any jurisdiction by, or on behalf of, the Company which would permit a public offer of Ordinary Shares in any jurisdiction where action for that purpose is required, other than the United Kingdom, nor has any such action been taken with respect to the possession or distribution of the Prospectus other than in the United Kingdom. No person receiving a copy of this document or any supplementary prospectus filed with the FCA or an Application Form in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to them nor should they in any event use such Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to them or such Application Form could lawfully be used without contravention of any registration or other legal requirements. It is the responsibility of any person outside the United Kingdom wishing to make an application for Ordinary Shares to satisfy themselves as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.
5. The Ordinary Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States. In addition, the Company has not been and will not be registered under the United States Investment Company Act of 1940, as amended. No subscription will be accepted if it bears an address in the USA.
6. The basis of allocation will be determined by the Company (after consultation with SPARK, the Promoter and the Receiving Agent) in its absolute discretion. It is intended that Applications will be accepted in the order in which they are received. The Offer will be closed on 30 April 2026 or as soon as full subscription is reached (unless closed earlier or extended at the Board's discretion). The right is reserved, notwithstanding the basis so determined, to reject in whole or in part and/or scale down any Application, in particular multiple and suspected multiple Applications which may otherwise be accepted, and to allot Ordinary Shares notwithstanding that the Offer is not fully subscribed. Application monies not accepted or if the Offer is withdrawn will be returned to the Applicant in full (without interest) by means of a transfer back to the account from which it was received or, alternatively, the bank account details provided on the Application Form. The right is also reserved to treat as valid any Application not complying fully with these terms and conditions of Application or not in all respects complying with the application procedures set out on pages 57 to 59. In particular, but without limitation, the Company (after consultation with SPARK, the Promoter and the Receiving Agent) may accept Applications made otherwise than by completion of an Application Form where the Applicant has agreed in some other manner to apply in accordance with these terms and conditions. The Offer is not underwritten. The Offer will be suspended if at any time the Company is prohibited by statute or other regulations from issuing Ordinary Shares.

## Applications for Ordinary Shares

7. Save where the context requires otherwise, terms defined in the Prospectus and any supplementary prospectus filed with the FCA bear the same meaning when used in these terms and conditions of Application and in the Application Form.
8. Authorised financial intermediaries who, acting on behalf of their clients, return valid Application Forms (in each case bearing their stamp and FCA number) following the provision of restricted advice to their professional clients or in respect of execution-only transactions in each case where they can demonstrate and confirm to the Company that their duty to act honestly, fairly and professionally in the best interest of the client is not impaired and that they provide an enhanced value service in accordance with COBS 2.3A.6 to 2.3A.9, will normally be paid 3% commission on the amount payable in respect of the Ordinary Shares allotted pursuant to each such Application Form. In addition, provided they continue to act for their client and the client continues to hold such Ordinary Shares, such intermediaries will be paid an annual trail commission of 0.5% of the net asset base value for each such Ordinary Share. For this purpose, "net asset base value" means the net assets attributable to the Ordinary Share in question as determined from the audited annual accounts of the Company as at the end of the preceding financial year. It is expected that annual trail commission will be paid quarterly 12 months in arrears. The administration of annual trail commission will be managed on behalf of the Promoter by Foresight Group LLP which will maintain a register of intermediaries entitled to trail commission. The Company and Foresight Group LLP shall be entitled to rely on a notification from a client that they have changed their adviser, in which case, the trail commission will cease to be payable to the original adviser and will be payable to the new adviser if one is appointed.

No payment of trail commission shall be made to the extent that the cumulative trail commission would exceed 3% of the Offer price of each such Ordinary Share or in respect of any period commencing after the sixth anniversary of the closing date of the Offer.

Financial intermediaries should keep a record of Application Forms submitted bearing their stamp to substantiate any claim for commission. The Promoter will collate the Application Forms bearing the financial intermediaries' stamps and calculate the initial commission payable which will be paid within one month of the allotment.

9. Financial intermediaries may agree to waive initial commission in respect of your application. If this is the case, the Pricing Formula will operate to increase your allocation by an amount equivalent to the amount of commission waived.
10. Where Application Forms are returned by you or on your behalf by an authorised financial intermediary and on which an adviser charge figure is specified, your agreement to this charge being validated by your completion of the relevant section of the Application Form, the Company will facilitate the payment of this adviser charge up to a maximum of 4.5% of your subscription amount. The amount of the agreed Adviser Charge will be facilitated by the Company through the application of the Pricing Formula and a payment made on your behalf to your intermediary and the number of Ordinary Shares which are issued to you will be commensurately reduced.

11. There has been no material disparity in the past year (from the date of this document), nor shall there be under the Offer in the effective cash cost of Ordinary Shares to members of the public as compared with the effective cash cost of Ordinary Shares to members of the Company's management (including its administrative and supervisory bodies) or their affiliates.
12. Where Application Forms are returned on your behalf by an authorised financial intermediary, the Promoter at its sole discretion will determine the Promoter's Fee applicable to your application for Ordinary Shares, subject to a maximum of 2.5% of the amount subscribed.
13. The Company may publish revised Application Forms from time to time. Applicants and financial intermediaries should, therefore, check when completing an Application Form that no subsequent version has been published or made available by the Company (which will be downloadable from <https://www.foresight.group/products/foresight-ventures-vct-plc>).
14. The Company and Foresight Group LLP respect your privacy and are committed to protecting your personal information. If you would like to find out more about how the Company and Foresight Group LLP use and look after your personal information, please refer to their privacy notices, which can be found at <https://www.foresight.group/privacy-policy/> and <https://www.foresight.group/cookie-policy/>.

The Receiving Agent respects your privacy and is committed to protecting your personal information. If you would like to find out more about how the Receiving Agent uses and looks after your personal information, please refer to its privacy notices, which is available on request from the Receiving Agent.

You have certain rights in relation to your personal information, including the right to receive a copy of the information that is held about you. For more details, please see the privacy notice referred to above.

## Applications for Ordinary Shares

15. Certain information may be shared with the Company's and/or Foresight Group's delegates, Foresight Entities, and/or the Registrars for the purposes of processing an Application Form and in relation to an investor's ongoing investment in the Company. Information may also be shared with regulatory bodies to the extent any of the above entities or the Receiving Agent are required, or consider obliged, to do so in accordance with any statute or regulation or if governmental, judicial and law enforcement bodies require.
16. You authorise the Company, Foresight Group LLP and their delegates to provide any information as provided by or to you in connection with your Application, and any information in relation to your ongoing investment in the Company, to your authorised financial intermediary detailed on your Application Form or other authorised financial intermediary notified to Foresight Group and/or the Company from time to time. You acknowledge that any such communication may be sent to your authorised financial intermediary prior to or, where requested, in place of, being sent to you in such form as may be agreed with your authorised financial intermediary. You also authorise the Company, Foresight Group LLP and its delegates to accept instructions relating to your investment in the Company and changes to your personal details as provided by such authorised financial intermediary (subject to such evidence and/or verification as the Company, Foresight Group and/or their delegates may request).
17. The Company may, in its absolute discretion, make non-material amendments to these terms and conditions without giving notice to investors.

### Lodging of Application Forms and Dealing Arrangements

Applications to invest in Ordinary Shares can now be submitted through Foresight's online portal for advisers at <https://city-ora.uk/offers/fven-2526> or via email to [ForesightVenturesVCT@city.uk.com](mailto:ForesightVenturesVCT@city.uk.com). Completed Application Forms with the appropriate remittance must be posted or delivered by hand on a Business Day between 9.00am and 5.30pm to the Receiving Agent.

The Offer opens on 14 October 2025 and will close on 30 April 2026, save where closed earlier or extended at the discretion of the Directors. If you post your Application Form, you are recommended to use first class post and to allow at least two Business Days for delivery to ensure it arrives before the applicable Closing Date. In order that cleared funds are available for allotment prior to the 2025/2026 tax year end on 5 April 2026, Applicants submitting Applications with a cheque should allow seven working days for their funds to clear.

It is expected that dealings in the Ordinary Shares will commence three Business Days following allotment and that share certificates will be dispatched within ten business days of the allotment of the Ordinary Shares. Allotments will be announced on an appropriate Regulatory Information Service. Temporary documents of title will not be issued. Dealings prior to receipt of share certificates will be at the risk of applicants. A person so dealing must recognise the risk that an application may not have been accepted to the extent anticipated or at all. To the extent that any application is not accepted any excess payment will be returned without interest by means of a transfer back to the account from which it was received or, alternatively, the bank account details provided on the Application Form.

# Application Procedure



# Application Procedure

Before making an Application, investors should consider whether to (i) consult an independent financial adviser authorised under FSMA, (ii) submit their Application through an 'execution only' intermediary or (iii) apply directly.

The Offer will open to Applications at 12 noon on 14 October 2025 and may close at any time thereafter, but, in any event, not later than 5:30pm on 31 March 2026 in the case of the 2025/2026 offer, and 5:30pm on 30 April 2026, in the case of the 2026/2027 offer (unless, in either case, the Offer has been fully subscribed by an earlier date). The closing date of the Offer, and the deadline for receipt of Applications for the final allotments with respect to the 2026/2027 offer, may be extended by the Directors at their absolute discretion.

Applications under an Offer will be accepted on a 'first-come, first-served' basis, subject always to the discretion of the relevant Board. For these purposes **'first-come, first-served' shall be assessed based on the date and time of receipt of a fully completed Application, subject to receipt of Application monies (in full, including those making multiple payments) in cleared funds within five Business Days thereafter (or, if earlier, before an Offer deadline or close of the Offer) to retain the Applicant's position of priority.** If Application monies are not received within such time, the relevant date and time shall be when the Applicant's actual Application monies (in full) are received in cleared funds. An Application may not be considered as 'complete' until identity verification is completed and/or, where relevant, information or supporting evidence required for the Application remains outstanding.

You may complete and submit your Application Form online via <https://www.foresight.group/products/foresight-ventures-vct-plc> once the offer opens to applications on 14 October 2025.

From a speed of processing perspective and to reduce the Offer's carbon footprint, the Company recommends the use of the online Application Form and to remit monies (in full) via bank transfer.

## Offline Applications

You may also download an editable PDF copy of the Application Form at <https://www.foresight.group/products/foresight-ventures-vct-plc>. Please complete and send your PDF Application Form via email to [ForesightVenturesVCT@city.uk.com](mailto:ForesightVenturesVCT@city.uk.com) or via post/hand delivery to the Receiving Agent:

Foresight Ventures VCT plc Offer  
The City Partnership (UK) Ltd  
The Mending Rooms, Park Valley Mills  
Meltham Road  
Huddersfield  
HD4 7BH

It is recommended that you use Royal Mail Special Delivery or Tracked mail and allow at least two Business Days for delivery.

If you submit your Application Form to the Receiving Agent via email, please do not send a hard copy by post.

If you or your financial intermediary submit a hard copy, scanned, or PDF Application, the Receiving Agent will manually enter your Application into the online facility and send you a copy of the online submission by email or post for your review and written confirmation. Please note that only upon receipt of your written confirmation of the content of the online submission will the Receiving Agent process your Application. For confirmed Applications, the associated date and time of receipt shall be determined in accordance with the 'first-come, first-served' basis detailed above.

## Nominee Applications

If you are a nominee applying on behalf of beneficial owners, you must complete and submit an Application Form for each beneficial owner with the relevant nominee details (CREST or otherwise) in Section 5. Subject to the number of beneficial owners within the nominee, the Receiving Agent may configure an online Application Form pre-filled with the nominee's details to expedite the subscription process. Nominees should contact the Receiving Agent regarding the remittance of the associated subscription monies to ensure compliance with the Money Laundering Regulations.

# Application Procedure

## Payment Instructions

Payment can be made by bank transfer or cheque, and the associated instructions can be found in the Application Form and in the Notes on the Application Form, both of which will be published and available at <https://www.foresight.group/products/foresight-ventures-vct-plc> when the Offer opens to Applications on 14 October 2025.

## Tracking the Status of Your Application Form & Application Monies

In addition to email/post communications from the Receiving Agent concerning receipt of your Application and associated monies, you may use the Receiving Agent's online tracking service to track the status of your Application Form and download a PDF copy of your Application Form.

For any new shares for which your application is accepted, the Receiving Agent will issue an email notification concerning the availability of the associated allotment letter and income tax relief certificate for download via the online tracking service within 3 Business Days following the allotment. The Receiving Agent will issue the associated allotment correspondence by post within 10 Business Days following the allotment for applicants who do not provide an email address. The Registrar will issue the related share certificate (where applicable) by post within 10 Business Days following the allotment.

The Receiving Agent's online tracking service is at <https://city-ora.uk/offers/fven-2526/tracking>.

To access the service, you need to provide (i) your unique Application reference number (starting "FVEN-2526"), which will be noted on the Receiving Agent's correspondence to you, (ii) your date of birth, and (iii) your National Insurance number or Unique Taxpayer Reference, as provided in your Application Form.

## Administrative Queries

If you have any administrative questions regarding the completion and return of the Application Form, please contact the Receiving Agent, The City Partnership (UK) Limited, on 01484 240 910 (Monday to Friday, excluding English public holidays, 9.00 am - 5.30 pm) or at [ForesightVenturesVCT@city.uk.com](mailto:ForesightVenturesVCT@city.uk.com).

## Money Laundering Notice – Important

The identity of the Applicant will need to be verified. The personal information that you provide on the Application Form will be used to verify your, or third party account holder's, identity with a third party agency. In some circumstances you may also be required to provide the following documents before your Application is accepted:

1. a certified copy of either the passport or the driving licence of the applicant; and
2. an original bank or building society statement or utility bill (no more than three months old), or recent tax bill, in the name of the Applicant.

Copies should be certified by your financial adviser, a solicitor or bank. Original documents will be returned by post at your risk.

# Corporate Information



# Corporate Information

## Directors (Non-executive)

Atul Devani (Chairman)  
Christopher Allner  
Dr Andrew Mackintosh  
Stella Panu

## Registered Office and Head Office

### Foresight Group LLP

The Shard  
32 London Bridge Street  
London SE1 9SG

## Company Registration Number

03150868

## Website

[foresight.group/products/foresight-ventures-vct-plc](https://foresight.group/products/foresight-ventures-vct-plc)

## Telephone Number

020 3667 8100

## Investment Adviser, Promoter and Company Secretary

### Foresight Group LLP

The Shard  
32 London Bridge Street  
London SE1 9SG

## Registrar and Receiving Agent

### The City Partnership (UK) Limited

Orchard Brae House Suite 2  
Ground Floor  
30 Queensferry Road  
Edinburgh EH4 2HS

## Sponsor

### SPARK Advisory Partners Limited

5 St. John's Lane  
London EC1M 4BH

## Solicitors

### RW Blears LLP

6 Kinghorn Street  
London EC1A 7HT

## Auditors

### BDO LLP

55 Baker Street  
London W1U 7EU

## Broker

### Panmure Liberum Limited

Level 12 Ropemaker Place  
25 Ropemaker Street  
London EC2Y 9LY

## VCT Status Adviser

### Philip Hare & Associates LLP

Hamilton House  
1 Temple Avenue  
London EC4Y 0AH

## Bankers

### Royal Bank of Scotland

Liverpool CSC,  
Stephenson Way  
Wavertree  
Liverpool L13 1HE



Invest Build Grow

Foresight Ventures VCT plc

The Shard  
32 London Bridge Street  
London  
SE1 9SG

[foresight.group/products/foresight-ventures-vct-plc](https://foresight.group/products/foresight-ventures-vct-plc)