

FORESIGHT SOLAR & TECHNOLOGY VCT PLC

SUMMARY

SECTION 1: INTRODUCTION

This summary document forms part of a prospectus dated 20 December 2019 (the “**Prospectus**”) issued by Foresight Solar & Technology VCT plc and which has been approved, on that date, by the Financial Conduct Authority, the competent authority for the United Kingdom under Part IV of the Financial Services and Markets Act 2000. The Prospectus is constituted of this summary, a registration document and securities note published by Foresight Solar & Technology VCT plc.

The Prospectus describes a public offer by the Company of a new class of equity shares, Foresight Williams Technology Shares of 1p each (“**FWT Shares**”). The Company is proposing to raise up to £20 million pursuant to the Offer (with an over-allotment facility for up to a further £10 million). The securities being offered pursuant to the Offer are Foresight Williams Technology Shares of 1 penny each (ISIN: GBO0BKF2JH04).

The FCA may be contacted at:

Financial Conduct Authority
12 Endeavour Square
London E20 1JN

The Issuer’s contact details are:

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Warning: This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities described herein should be based on a consideration of the prospectus as a whole by the prospective investor. Investors could lose all or part of the invested capital. Where a claim relating to the information contained in a prospectus is brought before a court, the claimant investor might, under national law, have to bear the costs of translating the prospectus before the legal proceedings are initiated. Civil liability attaches to those persons who have tabled the Summary including any translation thereof, but only if the Summary is misleading, inaccurate or inconsistent when read together with other parts of the Prospectus or it does not provide, when read together with other parts of the Prospectus, key information in order to aid Investors when considering whether to invest in the FWT Shares.

SECTION 2: KEY INFORMATION ON THE ISSUER

Who is the Issuer of the securities?

The issuer of the securities which are the subject of this Prospectus is Foresight Solar & Technology VCT plc (formerly Foresight Solar & Infrastructure VCT plc) (the “**Company**”).

The Company is a public limited liability company which is registered in England and Wales with registered number 07289280. It's Legal Entity Identifier is: 21380013CXOR8N6OD977. The Company is approved by HMRC as a venture capital trust (VCT) in accordance with the VCT Rules. It is intended that the business of the Company be carried on so as to maintain its VCT status.

The Company has no parent company and is owned by individuals, none of whom owns more than 3% of its ordinary share capital. The Company has three non-executive directors - Ernie Richardson, David Hurst-Brown, Tim Dowlen and Mike Liston.

The Company has four wholly owned subsidiaries, Youtan Limited (company number 09834432), Adriou Limited (company number 09834637), Greenersite Limited (company number 06518330) and Foresight VCT (Lux) 1 Sarl, and one 55% owned subsidiary, Skibo Solar III Limited, each of which has the same registered office as the Company save for Foresight VCT (Lux) 1 Sarl whose registered office is 68-70 Boulevard de la Petrusse, L-2320 Luxembourg.

The Company's auditors are KPMG LLP of 15 Canada Square, London E14 5GL.

What is the key financial information regarding the Issuer?

Certain key historical information of the Company is set out below:

	Unaudited half year end to 30 September 2019 (£ '000)	Audited period end to 31 March 2019 (£ '000)	Unaudited half year end to 31 December 2018 (£ '000)	Audited year end to 30 June 2018 (£ '000)	Audited year end to 30 June 2017 (£ '000)	Audited year end to 30 June 2016 (£ '000)
Net Assets	39,765	41,686	42,101	40,818	<i>Ordinary Share fund: 26,197</i> <i>Former C Share fund: 11,267</i> <i>Former D Share fund: 5,455</i> Total: 42,919	<i>Ordinary Share fund: 38,553</i> <i>Former C Share fund: 10,067</i> <i>Former D Share fund: 1,986</i> Total: 50,606
Number of shares in issue	42,953,814	43,247,592	43,247,592	43,911,189	27,324,838 Ordinary Shares 12,509,247 former C Shares 5,636,181 former D Shares	38,290,862 Ordinary Shares 12,509,245 former C Shares 1,997,691 former D Shares
Net asset value per Share	92.6p per Ordinary Share	96.4p per Ordinary Share	97.3p per Ordinary Share	93.0p per Ordinary Share	<i>Ordinary Shares: 95.9p</i> <i>Former C Shares: 90.1p</i> <i>Former D Shares: 96.8p</i>	<i>Ordinary Shares: 100.7p</i> <i>Former C Shares: 80.5p</i> <i>Former D Shares: 99.4p</i>
Dividends paid per Share in the period	3.0p per Ordinary Share	3.0p per Ordinary Share	3.0p per Ordinary Share	6.0p per Ordinary Share 5.0p per former C share	6.0p per Ordinary Share 5.0p per former C Share	6.0p per Ordinary Share 5.0p per former C Share

Income statement

	Unaudited half year end to 30 September 2019 (£ '000)	Audited period end to 31 March 2019 (£ '000)	Unaudited half year end to 31 December 2018 (£ '000)	Audited year end to 30 June 2018 (£ '000)	Audited year end to 30 June 2017 (£ '000)	Audited year end to 30 June 2016 (£ '000)
Investment holding gains less (realised losses)	36	3,612	3,794	835	7,938	1,372
Realised losses on investments	-	(197)	(197)	-	(3,318)	(569)
Net Profit / (Loss) after taxation	(348)	2,809	3,213	538	3,051	(1,786)
Investment management fees	(304)	(467)	(309)	(822)	(1,873)	(3,078)
Other expenses	(221)	(374)	(235)	(647)	(567)	(484)
Profit / (Loss) per Share	(0.8)p	6.5p	7.4p	1.2p	3.5p per Ordinary Shares 14.9p per Former C Shares (3.1)p per Former D Share	(2.7)p per Ordinary Shares (6.0)p per Former C Shares (0.6)p per Former D Share

Balance Sheet

	Unaudited half year end to 30 September 2019 (£ '000)	Audited period end to 31 March 2019 (£ '000)	Unaudited half year end to 31 December 2018 (£ '000)	Audited year end to 30 June 2018 (£ '000)	Audited year end to 30 June 2017 (£ '000)	Audited year end to 30 June 2016 (£ '000)
Fixed assets						
Investments held at fair value through profit or loss	54,023	56,767	56,949	53,352	53,752	51,665
Current assets						
Debtors	221	405	948	465	432	1,040
Cash and cash equivalents	3,358	2,334	2,102	4,853	5,694	1,871
Creditors						
Amounts falling due within one year	(17,837)	(17,820)	(2,898)	(2,852)	(1,986)	(3,979)
Capital and reserves						
Called up share capital	430	432	432	439	454	528
Share premium account	7,026	7,032	7,037	7,050	7,061	3,549
Capital redemption reserve	124	122	122	115	112	2
Profit and loss account	32,185	34,282	34,510	33,214	35,292	46,527
Equity Shareholders' Funds	39,765	41,686	42,101	40,818	42,919	50,606
Net asset value per share						
Ordinary Share	92.6p	96.4p	97.3p	93.0p	95.9p	100.7p
Former C Share	-	-	-	-	90.1p	80.5p
Former D Share	-	-	-	-	96.8p	99.4p

The Company's former C Shares and D Shares were merged with the Ordinary Shares on 29 June 2018 at a conversion ratio of 0.9057 for the C Shares and 0.9917 for the D Shares.

The Company's Net Asset Value per Ordinary Share has fallen from 100.7p at 30 June 2016 to 96.4p per Share at 30 September 2019, and dividends of 18.0p in aggregate have been paid per Ordinary Share during that time. This has largely flowed from the sale of some of the Company's investments and subsequent returns of approximately £11 million of capital to shareholders by way of a tender offer undertaken in May 2017.

On 28 March 2019, the Company announced that it had shortened its year end from 30 June to 31 March and its accounts for the period ended 31 March 2019 were released on 30 July 2019.

On 26 April 2019 and 22 November 2019, the Company paid dividends of 3.0p per Ordinary Share; a total payment of £1.3 million in each case.

Save for as set out above, in the period covered by the historical financial information set out above and to the date of publication of the Prospectus, there has been no significant change to the Company's financial condition or operating results.

What are the key risks that are specific to the Issuer?

- There can be no assurances that the Company will meet its objectives, identify suitable investment opportunities or be able to diversify its portfolio. The past performance of Foresight Group and funds managed or advised by Foresight Group and its related entities is not a reliable guide to future performance and the value of an investment in the Company. The value of FWT Shares may fall as well as rise and an investor may not receive back the full amount invested.
- There can be no guarantee that the Company will retain its status as a VCT, the loss of which could lead to adverse tax consequences for investors, including a requirement to repay the 30% income tax relief.
- Recent changes to the VCT legislation require VCTs to invest in younger, higher risk companies than has historically been the case and require invested capital to be at risk to an extent greater than the post-tax relief return.
- The tax rules, or their interpretation, in relation to an investment in the Company and/or the rates of tax may change during the life of the Company and may apply retrospectively which could affect tax reliefs obtained by Shareholders and the VCT status of the Company.
- Investments made by the Company will be in companies which have a higher risk profile than larger "blue chip" companies and whose securities are not readily marketable and therefore may be difficult to realise.
- Although the Company may receive customary venture capital rights in connection with its investments, as a minority investor it will not be in a position to protect its interests fully.

SECTION 3: KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?

The securities being offered pursuant to the Offer are Foresight Williams Technology Shares of 1 penny each (ISIN: GB00BKF2JH04). The FWT Shares will be created pursuant to resolutions to be passed by the Shareholders of the Company eligible to vote at a general meeting of the Company to be held on 19 September 2019.

The FWT Shares will rank equally in all respects with each other and with the existing Shares. The holders of FWT Shares will have the exclusive right to distributions from the assets within the FWT Shares fund but not from the assets attributable to the Ordinary Shares save at the Board's determination, acting in the interests of the Company as a whole. Equally the holders of other shares will continue to have the exclusive right to distributions from assets attributable to such shares but not from assets attributable to FWT Shares. No change may be made to the rights attaching to FWT Shares without the approval of the holders of FWT Shares.

FWT Shareholders will be entitled to receive certificates in respect of their FWT Shares and will also be eligible for electronic settlement.

The FWT Shares will be listed on the premium segment of the Official List and, as a result, will be freely transferable.

Where will the securities be traded?

Applications will be made to the FCA for the FWT Shares offered for subscription pursuant to the Prospectus to be admitted to the premium segment of the Official List of the FCA. Application will also be made to the London Stock Exchange for such FWT Shares to be admitted to trading on its main market for listed securities. It is expected that admission will become effective and that trading in the FWT Shares will commence three business days following allotment.

Is there a guarantee attached to the securities?

There is no guarantee attached to the FWT Shares.

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

- Investors may find it difficult to realise their investment and the price at which Shares are traded may not reflect their net asset value.
- If an investor who subscribes for Shares disposes of those Shares within five years, the investor is likely to be subject to clawback by HMRC of any income tax relief originally obtained on subscription.
- Although the FWT Shares fund (if FWT Shares are issued) will be managed and accounted for separately from the Ordinary Shares fund, a number of company regulations and VCT requirements are assessed at company level and, therefore, the performance of one fund may impact adversely on the other fund and restrict the ability to make distributions, realise investments and/or meet requirements to meet VCT status.
- Although the existing Ordinary Shares issued by the Company have been (and it is anticipated that the FWT Shares will be) admitted to the Official List of the UK Listing Authority and traded on the London Stock Exchange's main market for listed securities, it is unlikely that there will be a liquid market as there is a limited secondary market for VCT shares and investors may find it difficult to realise their investments. The market price of the Shares may not fully reflect, and will tend to be at a discount to, their underlying net asset value.
- VCTs are prohibited from returning capital to investors within three years of the end of the accounting period in which the relevant shares were issued and this, as well as other factors, may affect the availability of dividends in the early years of the FWT Share fund.

SECTION 4: KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC

Under which conditions and timetable can I invest in this security?

The Offer opens on the date of the Prospectus and will close on 18 December 2020 (or earlier at the discretion of the directors or if full subscription is reached). Investors must be over 18 years old.

Application has been made to the FCA for the FWT Shares offered for subscription pursuant to this Prospectus to be admitted to the Official List of the FCA. Application will also be made to the London Stock Exchange for such FWT 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 FWT Shares will commence three Business Days following allotment.

FWT Shares issued under the Offer will be at an offer price determined by the following pricing formula (rounded down to the nearest whole Share):

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

where:

NAV = 100p on first allotment and, on each subsequent allotment, the latest net asset value per FWT Share

X = 1 - Total Net Fees

Total Net Fees = Promoter's fee plus Up-front adviser charge or commission; less early bird and/or loyalty discount as applicable to each Investor

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.

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.

Why is this prospectus being produced?

The Offer is being made, and its proceeds will be used, to enable the Company to invest in a portfolio of qualifying companies selected by the Company's manager, Foresight Group, in accordance with its investment policy. The FWT Share class intends to invest principally in early stage UK technology companies and funds raised by the inaugural FWT Share offer will, no later than three years following the end of the accounting period in which those shares are issued, be invested as to at least 80% in unquoted disruptive UK technology companies with 30% of such funds so invested within the first 12 months. The remainder of such funds raised will be held in cash or other permitted non-qualifying investments. Funds raised in the future will be invested in accordance with prevailing VCT rules at the time of investment.

The Offer is not underwritten.

As far as the Issuer is aware, no person involved in the issue of the FWT Shares has an interest material to the Offer and there are no conflicts of interest which are material to the Offer.

