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If you have sold or otherwise transferred all of your Shares in Foresight Solar & Technology VCT plc (formerly Foresight Solar & Infrastructure VCT plc) (the “**Company**”), please send this document and accompanying documents, as soon as possible, to the purchaser or transferee or to the stockbroker, independent financial adviser or other person through whom the sale or transfer was effected for delivery to the purchaser or transferee. This Circular and the accompanying documents should not, however, be sent or transmitted in, or into, any jurisdiction where this would contravene local regulations. BDO LLP (“**BDO**”) is acting for the Company and for no-one else in connection with this Circular 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 BDO nor for providing advice in relation to the proposals contained in this Circular. BDO is authorised and regulated in the United Kingdom by the Financial Conduct Authority.

Circular to Shareholders of FORESIGHT SOLAR & TECHNOLOGY VCT PLC

(Incorporated in England and Wales under the Companies Act 2006 with registered number 07289280)

and

NOTICE OF GENERAL MEETING

In connection with recommendations to approve, inter alia:

- (i) the creation of a new class of ‘Foresight Williams Technology Shares’ (“**FWT Shares**”) in the Company and the resolutions necessary to offer FWT Shares of that class to the public;
- (ii) proposed amendments to the Company’s articles of association and investment policy to reflect the creation of the FWT Share class; and
- (iii) separate management and performance fee arrangements with the Company’s manager in relation to the FWT Share class.

Application will be made to the FCA for the FWT Shares which, subject to the approval of Shareholders, are offered for subscription by Foresight Solar & Technology VCT plc pursuant to the Prospectus published today by the Company (the “**Offer**”), to be admitted to the Official List of the London Stock Exchange plc and to be admitted to trading on its market for listed securities. It is expected that admission to the Official List will become effective and that dealings in the FWT Shares will commence three Business Days following allotment. The Company’s existing issued Shares are traded on the London Stock Exchange’s market for listed securities. FWT Shares will be issued in both certificated form and uncertificated form (i.e. through CREST).

Your attention is drawn to the letter from the chairman of the Company set out in Part II of this document which contains a recommendation to vote in favour of the Resolutions. **Your attention is also drawn to the section headed ‘Risk Factors’ set out in Part II of this document.**

Copies of this document are also available from the Company’s website, at www.foresightgroup.eu and are also available for collection, free of charge, during normal business hours on any Business Day from the registered office of the Company until the date of the General Meeting.

You will find set out at the end of this document notice of the General Meeting to be held at 11.00 a.m. on 27 January 2020 at The Shard, 32 London Bridge Street, London SE1 9SG to approve the Resolutions. To be valid, the forms of proxy attached to this document should be returned not less than 48 hours before the General Meeting (excluding weekends and public holidays), either by post or by hand (during normal business hours) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY.

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PART I

DEFINITIONS

The following definitions apply throughout this document and in the accompanying form of proxy unless the context otherwise requires.

Articles	the articles of association of the Company in force from time to time
Board or Directors	the board of directors of the Company
CA 2006	the Companies Act 2006 (as amended from time to time)
Chairman's Letter	the letter from the chairman of the Board contained in Part II of this Circular
Circular	this document
Company	Foresight Solar & Technology VCT plc, formerly known as Foresight Solar & Infrastructure VCT plc (company number 07289280)
CREST	the computerised settlement system to facilitate the transfer of title to securities in uncertified form operated by Euroclear UK & Ireland Limited
Deferred Shares	means the separate 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 New Articles
Distributions	all payments of whatsoever nature including all income and capital distributions (whether in cash or in specie) made by the Company to Shareholders in respect of the Shares in issue (and including the Net Asset Value in the case of calculations of the hurdles applicable to the performance incentive arrangements between the Company and the Manager)
FCA	the Financial Conduct Authority
Foresight	references to "Foresight" in this document refer to the Manager and include Foresight Group LLP when acting as the Manager's investment adviser and administrative delegate and to the historic activities of Foresight Group more generally
Foresight Entities	Foresight Group LLP and/or the Manager and/or the Promoter (as the context dictates) (and each a "Foresight Entity")
Foresight Group	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
Foresight Group LLP	Foresight Group LLP, a limited liability partnership registered in England and Wales with registered number OC300878 which is authorised and regulated by the FCA with reference number 198020
FSMA	the Financial Services and Markets Act 2000 (as amended)
FWT Shares fund	all the assets and liabilities attributable to the FWT Shares

FWT Shares	the ordinary shares designated 'Foresight Williams Technology Shares' of 1p each in the capital of the Company to be created by the passing of the relevant Resolutions and, subject thereto, having the rights and restrictions attributed to them in the New Articles
General Meeting	the general meeting of the Company convened for 11.00 a.m. on 27 January 2020 at the offices of Foresight Group LLP at The Shard, 32 London Bridge Street, London SE1 9SG (or any adjournment thereof)
HMRC	HM Revenue & Customs
Investment Manager or Manager	Foresight Group CI Limited, a Guernsey company with registered number 51471, licensed by the Guernsey Financial Services Commission with reference number 2006518
Investor	a person who subscribes for FWT Shares under the Offer
ITA 2007	the Income Tax Act 2007 (as amended from time to time)
Listing Rules	the listing rules of the FCA
London Stock Exchange or LSE	London Stock Exchange plc
NAV or net asset value	net asset value of the Company or a Share (as the context dictates)
New Articles	the articles of association of the Company proposed to be adopted at the General Meeting
New Management Agreement and New Performance Incentive Agreement	a new management agreement and performance incentive agreement to be entered into between the Company and the Manager in respect of the FWT Shares fund, the principal terms of which are summarised in the Chairman's Letter
Offer	the public offer for FWT Shares made by the Company pursuant to the Prospectus
Official List	the official list of the FCA
Ordinary Shareholders	holders of Ordinary Shares
Ordinary Shares	ordinary shares of 1p each in the capital of the Company having, subject to the passing of the relevant Resolutions, the rights and restrictions attributed to them in the New Articles
Ordinary Shares fund	all the assets and liabilities attributable to the Ordinary Shares
Promoter	Foresight Group Promoter LLP, a limited liability partnership registered in England and Wales with registered number OC421343 which is an appointed representative of Foresight Group LLP with FCA reference number 806061
Promoter Agreement	the agreement proposed to be entered into appointing the Promoter as the promoter of the Offer
Prospectus	together the securities note, the registration document and the summary, each issued by the Company on 20 December 2019 and available from the website of the Manager at www.foresightgroup.eu/retail-investors/vct/
Resolutions	the resolutions to be proposed at the General Meeting (and each a Resolution)

Shareholder	a holder of Shares
Shares	Ordinary Shares and/or FWT Shares (as the context dictates)
UK	the United Kingdom
VCT or Venture Capital Trust	a company satisfying the requirements of Chapter 3 of Part 6 of ITA 2007 for venture capital trusts
Williams	the Williams Group of companies, of which Williams Grand Prix Holdings PLC is the ultimate parent company, and including Williams Advanced Engineering and Williams Technology Ventures Limited
Williams Advanced Engineering	Williams Advanced Engineering Limited

PART II

LETTER FROM THE CHAIRMAN

FORESIGHT SOLAR & TECHNOLOGY VCT PLC

(Registered in England and Wales with registered number 07289280)

Directors:

Ernie Richardson (Chairman)
Tim Dowlen
Mike Liston

Registered Office:

The Shard
32 London Bridge Street
London
SE1 9SG

20 December 2019

Dear Shareholder

Proposed launch of a new class of “FWT Shares” to raise funds for investment into disruptive technology companies**Introduction**

In previous Chairman’s statements, we have referred to the possibility of the Company launching a new Share class, separate from the Ordinary Shares, to invest in UK engineering and technology companies.

I am pleased to write to you now, setting out formally the details of that proposal and to seek your support at general meeting of the Company to be held immediately following the meeting convened to the purposes of considering the proposed Ordinary Share tender offer.

In anticipation of Shareholder support for this development, on 18 December 2019, the Board resolved to change the name of the Company to “Foresight Solar & Technology VCT plc”.

This Circular contains notice of a General Meeting to be held on 27 January 2020 setting out resolutions to approve, inter alia, the allotment of new Shares, disapplication of pre-emption rights which are required to launch the new Share class and in addition a resolution to approve separate management and performance fee arrangements with the Manager in relation to the FWT Share class (further details are set out below). The approval of Shareholders is required under CA 2006 and the Articles to authorise the allotment of the FWT Shares, disapplication of pre-emption rights, authority to buyback the FWT Shares and to amend the Articles. The Manager is regarded as a related party of the Company under the Listing Rules and the entering into of the management and performance fee arrangements constitutes a related party transaction for the purpose of the Listing Rules and requires Shareholders’ approval.

In the event that the Resolutions are not passed by Shareholders, the Company will continue operating as it has done to date.

I would also like to take this opportunity to draw Shareholders’ attention to the recent change in the Company’s year end date from 30 June to 31 March. The Board resolved to make this change to better align the Company year end with the end of the tax year. The Company’s unaudited half yearly accounts made up to 30 September 2019 were published recently.

Background

As discussed in previous communications, VCT Rules have prohibited the making of new investments into energy generation businesses for some years now. These restrictions have recently been extended to prohibit the making of investments into companies which do not meet a widely drawn ‘risk to capital’ condition.

These legislative developments have not materially affected existing Ordinary Shareholders. The Ordinary Share class was fully invested before these changes took effect and, in the opinion of the Board and the Manager, is now optimally invested. The Company’s solar portfolio continues to generate a steady flow of dividends with limited scope for further development. Accordingly, once

all Ordinary Shareholders have reached their minimum 5-year qualifying holding period, the Board and the Manager will, if appropriate, begin a managed process of returning the value of the Ordinary Shares fund to its Shareholders.

In that context, the Board has therefore considered the future direction of the Company, noting that any new fundraising which the Company undertakes will need to have a different, but complementary, profile from its historic share classes. The Board believe that Foresight's well established collaboration with Williams Advanced Engineering provides an attractive solution through the formation of a new share class within the Company focusing on innovative technology investments; a class which is separate from the existing solar portfolio while still leveraging the expertise and experience of the Manager's energy, infrastructure and private equity teams, honed over many years of solar and technology investing.

The Proposals

The Board proposes to offer for subscription, to existing Shareholders and members of the public, a new class of Shares to be called 'Foresight Williams Technology Shares' ("**FWT Shares**").

This means that, subject to Shareholders' approval, potential investors will be invited to subscribe for FWT Shares in the Company pursuant to a Prospectus which has now been published and is available on the Foresight website at: www.foresightgroup.eu/retail-investors/vct/

To facilitate the above proposal, you are being asked to vote at a general meeting of the Company. The General Meeting has been convened to be held on 27 January 2020 and the Resolutions to be proposed are set out below.

If passed, the Resolutions to be proposed at this Meeting would:

- authorise the Directors to proceed with the Offer;
- disapply pre-emption rights so that FWT Shares can be allotted on a monthly basis without the need to make pre-emptive offers to existing investors;
- authorise future buybacks of FWT Shares;
- authorise the Company to enter into an investment management agreement and performance incentive agreement with Foresight Group LLP in relation to the FWT Shares fund;
- amend the Articles in order to set out the rights attaching to the FWT Shares; and
- authorise the Company to reduce the share premium account arising on the issue of FWT Shares under the Offer subject to confirmation by an order of the court.

A full explanation of the Resolutions, including the detailed amendments to be made to the Articles, is set out in Part IV of this document.

Reasons for the Offer

The Board believe the Offer will provide investors with the opportunity to:

- benefit from a world class engineering and technology adviser in the shape of the Williams Group to identify and support innovative UK businesses, alongside Foresight
- invest in disruptive technologies created by those businesses and realise capital gains from their potential for rapid growth
- leverage Foresight Group's 35-year track record of investment in small and medium sized enterprises
- invest in a new share class with a new investment strategy built on the four-year relationship between the Manager and Williams and an existing track record through the Foresight Williams Technology EIS Fund
- benefit from the generous suite of tax reliefs associated with VCT investment

The expansion of the Shareholder base will also benefit existing Shareholders by spreading the fixed costs of the Company over a larger number of shares, thereby reducing costs per Share.

Dividend Policy of the FWT Shares fund

Returns will be paid to investors in the form of tax free dividends, which are anticipated to be paid from year four onwards at a targeted average rate of 5% per annum of the NAV of the FWT Shares. Investors should note that this is an estimated average target over a number of years and in any given year the 5% target may not be met (or may be exceeded). This will be dependent primarily on profits generated from realisations within the portfolio and the timing of those realisations. 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 5% annual target.

The FWT Shares will rank *pari passu* with each other with regard to dividends and fractions of FWT Shares will not be issued.

Risk Factors

Shareholders should note the following risks that exist in relation to the Offer, to VCT investments generally and to the proposals to be put to Shareholders at the General Meeting.

- Funds raised by the issue of FWT Shares will need to be invested in qualifying investments within three years of the end of the accounting period in which they were raised, with the first 30% of any such funds so invested within a reduced period of 12 months. Failure to do so might result in the Company losing its qualifying status as a VCT resulting in adverse tax consequences for investors, including Ordinary Shareholders whether or not they participate in the Offer.
- While the FWT Shares fund will be managed separately from the Ordinary Shares fund (i) a number of the VCT Rules apply tests at VCT level and so matters affecting one Share class can affect the other and can impact on the VCT's overall qualification and (ii) certain costs of the Company, including some of those related to the launch of the Offer, will be met at VCT level and so be borne by Shareholders across both Share classes (which constitutes a risk to Ordinary Shareholders in the event the Offer is unsuccessful but a potential benefit to the extent the Offer is successful and the Company's fixed costs are accordingly spread across a larger asset base).
- As at present, while it is the intention of the Directors that the Company will be managed so as to continue to qualify as a VCT, there can be no guarantee that such status will be maintained.
- Shareholders who choose to subscribe under the Offer should ensure they read in full the risk factors set out in the Prospectus, noting in particular that:
 - VCT shares must be held by an investor for five years in order to qualify for VCT Relief
 - investment in VCTs which invest in unquoted companies carries a higher degree of risk than investments in blue chip stocks, including the partial or complete loss of capital invested
 - while the Company aims to facilitate investor buybacks at a 10% discount to NAV in the first five years (falling to 5% thereafter), there can be no guarantee that investors will be able to sell their Shares, or at what price, as there is a limited secondary market for VCT shares

The Manager believes that the net funds raised, if any, under the Offer can be successfully invested in the timescales required and will ultimately reduce costs to all Shareholders as the fixed administrative costs of both the FWT Shares fund and the existing Ordinary Shares fund will be spread across a wider asset base. As such, the Manager has advised the Board that it considers the risks to Ordinary Shareholders who do not participate in the Offer to be minimal.

For those who do wish to participate in the Offer, the Manager believes it will be able to create an attractive portfolio of unquoted technology companies. Investments in companies of this profile carry a greater risk of failure than solar and more traditional infrastructure investments, but with the possibility of greater returns if they are successful.

Costs of the launch of the FWT Shares fund

As at 30 September 2019, the Company had net assets of approximately £39.8 million and the fixed launch costs associated with the launch of the new FWT share class are expected to be approximately £100,000. If the Offer does not proceed, or if no FWT Shares are subscribed for under the Offer, the Offer will therefore have no material impact on the net assets of the Company.

If FWT Shares are subscribed for under the Offer then the net assets of the Company would be increased by the net amount subscribed, after costs, for the FWT Shares.

In relation to the Offer, and through the mechanism of a pricing formula, each Investor shall bear the cost of:

- a promoter's fee payable to Foresight Group Promoter LLP (the "**Promoter**") amounting to:
 - 2.5% of the amount subscribed for FWT Shares allotted to investors who subscribe through authorised intermediaries; or
 - 5.5% of the amount subscribed for FWT Shares allotted to investors who subscribe directly;
- payments to authorised intermediaries of:
 - 3% of the amount subscribed for FWT Shares in cases where commission is permissible; or
 - such initial advisory fees as may be agreed between Investors and their advisers (subject to a maximum of 4.5% of the amount subscribed) and communicated to the Company on an application for FWT Shares, and

the Company shall pay:

- annual trail commission to those authorised intermediaries entitled to receive it at the rate of 0.5% of the net asset base value of the FWT Shares as at the end of each financial year of the Company until a cumulative maximum of 3.0% has been reached.

The payment by the Company of the fees specified above (excepting annual trail commission) in association with each allotment of FWT Shares under the Offer to the Promoter and authorised intermediaries will, according to the pricing formula to be specified in the Prospectus, be reflected in bespoke issue prices being attributed to individual investors and financed through each such individual investor receiving a commensurately reduced number of Shares. This bespoke issue price for each investor will ensure that, apart from annual trail commission payments, the fees payable by the Company as specified above will be indirectly borne by individual investors and will be cost-neutral to the Company. The Board considers the Promoter's fee arrangements set out above to be in line with market practice.

The pricing formula per Share to be applied is: **Price = NAV/X** where X is calculated by subtracting from 1 the applicable promoter's fee and either any adviser's charge(s) or initial commission less any applicable discounts (expressed as a percentage in each case).

Related party transaction with the Promoter

The Promoter is associated with Foresight Group CI Limited (the Investment Manager to the Company) and is a related party of the Company for the purposes of the Listing Rules.

The Promoter's fee arrangement described above is, therefore, a related party transaction for the purposes of the Listing Rules. Assuming full subscription under the Offer utilising the over-allotment facility (i.e. raising £30 million) and assuming that all investors are investors who subscribe directly and no discounts apply, the maximum fee payable to the Promoter would be £1.65 million. It is likely that the majority of the investors will invest through intermediaries and as a result, the actual fee to the Promoter is expected to be much lower (in particular taking into account the discounts being made available by the Promoter for early investment and shareholder loyalty). The Listing Rules, however, require the maximum possible fee amount to be taken into account when assessing related party transaction requirements. The maximum fee that could be paid to the Promoter constitutes a related party transaction under Listing Rule 11.1.10R.

Proposed amendments to Articles

Currently, the Company has Ordinary Shares in issue and, following the share class merger completed in 2018, a pool of Deferred Shares with an entitlement to a Set Aside Fund of £2.

In order to create the FWT Shares, it is proposed a particular article (Article 6) of the Company's Articles will be amended in order to provide for the net assets, expenses and liabilities attributable to the capital raised by the issue of FWT Shares to be accounted for separately from the Ordinary Shares. Accordingly, the assets, expenses, liabilities, and the associated revenue and capital profits attributable to each class can be identified, divided and paid to the shareholders in each class on any

distribution of profits or return of capital. Additionally, Article 6 also provides for various class rights to protect the interests of each Share class. The rights attaching to the Deferred Shares will remain unaltered.

Further detail of proposed change to the Articles is set out in Part IV of this document.

Proposed amendments to the Company's investment policy

In order to allow for the monies raised by the issue of FWT Shares to be invested in technology companies which meet the VCT qualifying investment criteria, it is proposed that the Company's investment policy be amended as set out in Part V of this document.

Material changes to a premium listed closed-ended funds investment policy requires Shareholders' approval in accordance with Listing Rule 15.4.8.

The principal features of the proposed New Management Agreement and New Performance Incentive Agreement for the FWT Shares fund

Set out below are the key terms of the new arrangements to be entered into between the Company and Foresight in respect of the on-going management of the FWT Shares fund.

The full terms of the New Management Agreement and New Performance Incentive Agreement will be available at the General Meeting and from the Company's registered office.

<i>Annual management fee</i>	2.0% of net assets plus VAT per annum
<i>Secretarial and accounting fee</i>	0.3% of net assets (subject to a minimum of £60,000) per annum
<i>Performance incentive</i>	20% of Distributions (including capital distributions of NAV) above 110p per FWT Share, subject to an annual adjustment of the hurdle in line with the Retail Price Index
<i>Term of Agreement</i>	Fixed term to expire after five years and thereafter rolling on 12 months' notice

The Manager is regarded as a related party of the Company under the Listing Rules. Therefore, the entering into of the New Management Agreement and New Performance Incentive Agreement constitutes a related party transaction for the purpose of the Listing Rules and requires Shareholders' approval.

The Board, which has been so advised by BDO LLP, considers the New Management Agreement and New Performance Incentive Agreement to be fair and reasonable so far as Shareholders as a whole are concerned. In providing this advice, BDO LLP has taken into account the Board's commercial assessment of the New Management Agreement and Performance Incentive Agreement.

Foresight Group CI Limited, as a related party of the Company under the Listing Rules, cannot vote (and, as it does not hold any Shares in the Company, would not be entitled to vote) on Resolution 4, which includes approval of the new management agreement and performance incentive agreement, to be proposed at the General Meeting. Foresight Group CI Limited will take all reasonable steps to ensure that its associates (including any of its members, partners or employees) will also not vote on Resolution 4 to be proposed at the General Meeting.

General Meeting

You will find set out at the end of this document a notice of the General Meeting to be held at 11.00 a.m. on 27 January 2020 to be held at the offices of Foresight Group LLP, The Shard, 32 London Bridge Street, London SE1 9SG to approve the Resolutions.

The resolutions to be proposed at the General Meeting will, if passed, approve:

- the issue of FWT Shares to the public and the disapplication of pre-emption rights requiring them to be first offered to existing Shareholders;
- the amendments to the Articles described on pages 16 and 17 of this Circular;
- the amendments to the Company's investment policy described on pages 18 and 19 of this Circular;

- entry by the Company into the New Management Agreement and New Performance Incentive Agreement relating to the FWT Shares fund;
- future buybacks of FWT Shares; and
- the cancellation of the Company's share premium account.

Action to be taken

Before taking any action, you are recommended to read the further information set out in this document.

Your approval of the proposals is required in accordance with the Companies Act 2006 and the Listing Rules.

Form of Proxy

Shareholders will find enclosed with this document a form of proxy for use at the General Meeting. Whether or not you propose to attend the General Meeting you are requested to complete and return the form of proxy attached so as to be received not less than 48 hours before the time appointed for holding of the General Meeting (excluding weekends and public holidays). Completion and return of a form of proxy will not prevent you from attending and voting in person at the General Meeting should you wish to do so.

Recommendations

The Board believes that the proposals described in this Circular are in the best interests of the Company and its Shareholders as a whole and unanimously recommends all Shareholders to vote in favour of the Resolutions to be proposed at the General Meeting.

The Directors intend voting in favour of the Resolution in respect of their own beneficial shareholdings in the Company which, at the date of this Circular, total 29,558 Ordinary Shares (representing approximately 0.07% of the Company's issued Ordinary Share capital).

Yours sincerely

Ernie Richardson
Chairman

PART III

ADDITIONAL INFORMATION

1. Responsibility

The Company and the Directors, whose names appear on page 27, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Share Capital

- 2.1 As at 19 December 2019 (being the latest practicable date prior to the publication of this document), the Company's issued ordinary share capital comprised 42,953,814 Ordinary Shares and 1,222,778 Deferred Shares.
- 2.2 As at 19 December 2019 (being the latest practicable date prior to the publication of this document), no share or loan capital of the Company was under option or had been agreed, conditionally or unconditionally, to be put under option, nor did either Company hold any share capital in treasury.
- 2.3 Other than the payment of a dividend of 3.0p per Ordinary Shares on 22 November 2019, there has been no significant change in the Company's financial or trading positions since 30 September 2019, the date of the Company's most recent unaudited report and accounts.

3. Directors and their Interests

- 3.1 The Board comprises three non-executive directors, two of whom are independent of Foresight, the exception being Mike Liston. The Board has substantial experience of venture capital and technology-based businesses and has overall responsibility for the Company's affairs, including its investment policy.
- 3.2 Mike Liston and Tim Dowlen were appointed on 6 July 2010 as directors of the Company. Ernie Richardson joined the board as a director of the Company on 1 January 2019. None of the Directors has a service contract and may resign at any time by giving six months' notice in writing to the Board or by mutual consent. All Directors are subject to retirement by rotation. Their appointment does not confer any right to hold office for any period nor any right to compensation if they cease to be directors. The annual remuneration receivable by Ernie Richardson as chairman of the Company is £28,250. The annual remuneration receivable by each of Mike Liston and Tim Dowlen is £22,500. The office of non-executive director of the Company is not pensionable. Directors' emoluments in respect of qualifying services for the nine month period ended 31 March 2019 amounted to £60,563 (plus applicable VAT). The Directors estimate that the total amount payable to them by the Company for the year ended 31 March 2020 will be £83,850 (plus applicable VAT).
- 3.3 Mike Liston is a director of the general partner of Foresight Group's first solar power fund, Foresight European Solar Fund GP Limited. He is also a non-executive director of JTC plc who are engaged by Foresight Group to provide a range of fund administration services to funds under Foresight Group's management. Other than this, there are no potential conflicts of interest between any duties to the Company of the Directors and their private interests and other duties.
- 3.4 No Director is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company and which was effected by the Company in the period since its incorporation and remains in any respect outstanding or unperformed.
- 3.5 The Directors' interests in the share capital of the Company as at the date of this document were as follows:

Director	Ordinary Shares
Tim Dowlen	29,558
Mike Liston	-
Ernie Richardson	-

4. Substantial Shareholders

The Company is not aware of any person who, as at the date of this document, is directly or indirectly, interested in 3% or more of the issued share capital of the Company and who is or who will be required to notify such interest in accordance with the Disclosure Guidance & Transparency Rules or who directly or indirectly controls, or who will directly or indirectly control, the Company.

5. Material Contracts

The following contracts, not being contracts entered into in the ordinary course of business, are all of the contracts which have been entered into by the Company and remain in effect during the two years immediately preceding the date of this document and which are, or may be, material, or have been entered into by the Company and contain provisions under which the Company has obligations or entitlements which are material to it at the date of this document.

- 5.1 An investment management agreement dated 31 August 2010 between the Company (1) Foresight Group LLP (2) and Foresight Fund Managers Limited (3) whereby Foresight Group LLP was appointed to act as the investment manager on a discretionary basis for an initial five-year period and thereafter on 12 months' notice by either side in return for an annual management fee (payable quarterly in advance) of 1.5% (plus VAT, if any, at the applicable rate) of the net assets of the Company plus a performance incentive fee. The Company has agreed to indemnify Foresight Group LLP against all or any actions, proceedings, losses, claims, demands and liabilities whatsoever arising out of the proper performance of the investment manager's duties. There are no value or time limits attached to the indemnity other than the statutory time limit of twelve years which applies to agreements signed as deeds. Foresight Group LLP retains the right to charge arrangement, exit and syndication fees to investee companies, and will be responsible for all costs of an investment that does not proceed. Foresight Group LLP will receive an annual fee of 0.3% of net funds raised under the Ordinary Share Offer (subject to a minimum of £60,000 per annum) index-linked for undertaking the secretarial and accounting requirements of the Company, attributable to the Ordinary Shares fund.
- 5.2 A carried interest agreement dated 31 August 2010 between the Company (1) and Foresight Group LLP pursuant to which Foresight Group LLP is entitled to the performance incentive (in cash or new Shares in the Company issued at par) to a value equal to 20% of Distributions in excess of 100p per Ordinary Share until total Distributions reach 130p per share and thereafter equal to 30% of Distributions over that level. By way of a deed of variation dated 4 May 2017, an additional growth hurdle of 5% per annum was implemented requiring Distributions for the year ended 30 June 2018 to reach 136.5p (and 143.3p in the following year and so on). No performance incentive was to be distributed to Foresight Group LLP until shareholders have received Distributions of 100p per Ordinary Share.
- 5.3 A novation agreement dated 7 June 2011 between the Company (1) Foresight Group LLP (2) Foresight Group CI Limited (3) and Foresight Fund Managers Limited (4) whereby all the rights and obligations of Foresight Group LLP under the investment management agreement described at 5.1 above were novated to Foresight Group CI Limited.
- 5.4 A deed of variation dated 28 September 2012 between the Company (1) Foresight Group CI Limited (2) and Foresight Fund Managers Limited (3) amending the investment management agreement noted at 5.1 above.
- 5.5 A deed of variation dated 4 May 2017 between the Company (1) and Foresight Group CI Limited (2) amending the carried interest agreement noted at 5.2 above.

Material contracts subject to Shareholder approval at the General Meeting

- 5.6 An investment management agreement between the Company (1) Foresight Group LLP ("Foresight") (2) and Foresight Group CI Limited (3) whereby Foresight will act as the investment manager in respect of the FWT Shares fund on a discretionary basis for an initial five-year period and thereafter on 12 months' notice by either side in return for an annual management fee (payable quarterly in advance) of 2.0% (plus VAT, if any, at the applicable rate) of the net assets of the FWT Shares fund. The Company will agree to indemnify Foresight against all or any actions, proceedings, losses, claims, demands and liabilities whatsoever arising out of the proper performance of the investment manager's duties. There are no value or time limits attached to the indemnity other than the statutory time limit of twelve years which applies to agreements

signed as deeds. Foresight retains the right to charge arrangement, exit and syndication fees to investee companies, and will be responsible for all costs of an investment that does not proceed. Foresight will receive an annual fee of 0.3% of net asset value of the FWT Shares (subject to a minimum of £60,000 per annum index-linked) for undertaking the secretarial and accounting requirements of the Company, attributable to the FWT Shares fund.

- 5.7 A performance incentive agreement between the Company (1) and Foresight (2). Pursuant to this agreement, after actual Distributions (including capital distributions of NAV) of 110p per FWT Share (issued under the Offer and remaining in issue at the date of calculation) have been paid to FWT Shareholders by the Company, including the offer of such a Distribution which Shareholders elect not to accept by remaining invested, Foresight will become entitled to a performance incentive which will be calculated at the rate of 20% of Distributions in excess of 110p (including the most recently announced NAV) per FWT 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 FWT Shares to Foresight at its discretion.
- 5.8 A promoter agreement dated 20 December 2019 between the Company (1) the Promoter (2) and Foresight Group LLP (3). The agreement contains warranties and indemnities given by the Company to the Promoter. The Promoter will receive a fee of either 2.5% or 5.5% of the initial NAV per FWT Share dependent on the type of investor. All other costs, charges and expenses of or incidental to the Offer shall be paid by the Promoter from its fees save for trail commission (where permissible) which shall be paid by the Company and initial commission and the facilitation of up-front adviser charges each of which shall be paid by the Company through the application of a pricing formula. In respect of each investor, the Promoter's fee will be reduced by loyalty and early investment discounts. Foresight Group LLP has provided a guarantee to the Company in respect of the obligations of the Promoter under this agreement.

6. Other

- 6.1 The Company was incorporated and registered in England and Wales under CA 2006 as a public company with limited liability on 18 June 2010 with the name Foresight Solar VCT plc, with registered number 07289280. The Company changed its name to Foresight Solar & Infrastructure VCT plc on 1 February 2016. The Company changed to its present name on 19 December 2019. The Company is domiciled in England. The Company carries on business as a Venture Capital Trust. Financial statements of the Company for the years ended 30 June 2016, 30 June 2017 and 30 June 2018 in respect of which the Company's auditor has made unqualified reports under CA 2006, have been delivered to the Registrar of Companies. KPMG LLP, Registered Auditor, of 15 Canada Square, London E14 5GL are the Company's auditors.
- 6.2 On 28 March 2019, the Company shortened its accounting year end from 30 June 2019 to 31 March 2019.
- 6.3 BDO LLP and RW Blears LLP have each consented, and neither has withdrawn such consent, to the use of their respective names in the form and context in which they appear in this document.
- 6.4 Save for those material contracts listed in paragraph 5 above, there are no other arrangements into which the Company has entered with a related party during such period.
- 6.5 There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) since the Company's incorporation which may have, or have had in the recent past, a significant effect on the Company's financial position or profitability.
- 6.6 The Company has no material shareholders with different voting rights.

7. Documents Available for Inspection

Copies of the following documents will be available for inspection during normal business hours on any day (Saturdays, Sundays, and public holidays excepted) from the date of this document until the close of the Offer at the registered office of the Company and at the offices of RW Blears LLP, 29 Lincoln's Inn Fields, London WC2A 3EG:

- the current articles of association of the Company and the proposed New Articles;

- the proposed Sponsor and Promoter Agreement, New Management Agreement and New Performance Incentive Agreement with the Manager;
- the audited reports and accounts of the Company for the years ended 30 June 2016, 30 June 2017 and 30 June 2018 and the period ended 31 March 2019;
- the unaudited half-yearly reports and accounts for the periods ended 31 December 2018 and 30 September 2019; and
- this Circular.

20 December 2019

PART IV

PROPOSED CHANGES TO THE COMPANY'S ARTICLES OF ASSOCIATION

The following changes are proposed to the Company's articles of association, giving effect to the rights and restrictions attaching to the FWT Shares and clarifying that the continuation vote provision refers only to the Ordinary Share class.

THAT:

Article 2 be amended by the inclusion of the following definition:

FWT Shares means the separate class of shares of one penny each in the capital of the Company entitled "FWT Shares" which have the rights and are subject to the restrictions attributed to FWT Shares in these Articles;

THAT:

a new Article 6 be adopted in substitution for existing Article 6 to read as follows:

6.

(A) Definitions

The following provisions apply in respect of this Article 6:

"FWT Share Surplus" means the net assets of the Company attributable to the FWT Shares (including, for the avoidance of doubt, any income and/or revenue arising from or relating to such assets) less such proportion of the Company's liabilities including the fees and expenses of liquidation or return of capital (as the case may be) as the Directors or the liquidator (as the case may be) shall reasonably allocate to the assets of the Company attributable to the holders of FWT Shares;

"Ordinary Share Surplus" means the net assets of the Company attributable to the Ordinary Shares (including, for the avoidance of doubt, any income and/or revenue arising from or relating to such assets) less such proportion of the Company's liabilities including the fees and expenses of liquidation or return of capital (as the case may be) as the Directors or the liquidator (as the case may be) shall reasonably allocate to the assets of the Company attributable to the holders of Ordinary Shares;

"Set Aside Fund" means the sum of £2 attributed to the Deferred Shares in order to create a set aside pool in which all holders of Deferred Shares in common will hold an interest corresponding to the proportionate value of their respective holdings of Deferred Shares which set aside pool shall be described as the 'Set Aside Fund' in accordance with a special resolution contained in a notice of general meeting of the Company dated 5 June 2018; and

"Statutes" means the Act as amended and supplemented by the Companies Act 2006 and every other statute for the time being in force affecting the Company.

(B) Deferred Shares

Subject to any special rights which are or may be attached to any other class of shares (i) 1% of the cumulative profits of the Company within and derived solely from the assets attributable to the Set Aside Fund which are available (if any) to be paid as a dividend amongst the holders of the Deferred Shares (but no other profits of the Company) and (ii) on a winding up or liquidation, voluntary or otherwise, the assets of the Company within and attributable to the Set Aside Fund shall belong, in each case, to the holders of the Deferred Shares and shall be divided amongst them in proportion to the amounts paid up or credited as paid up on the Deferred Shares held by them respectively.

The Deferred Shares may be repurchased by the Company for an aggregate purchase price of 1p at any time after the date falling five years from the date of their issue or the date of issue of any Share which has been converted into such a Deferred Share and the Company shall not be obliged in any circumstances to account to any holder of Deferred Shares for such repurchase monies in respect of those Deferred Shares nor to issue share certificates in respect of the Deferred Shares.

(C) Undertakings

The Company shall, without prejudice to its obligations under the Statutes (i) procure that the Company's records and bank accounts shall be operated so that the assets attributable to the holders of Ordinary Shares and FWT Shares can, at all times, be separately identified and, in particular but without prejudice to the generality of the foregoing, the Company shall procure that a separate income and expenditure account (or if applicable, profit and loss account), balance sheet and cash flow account and such other separate accounts as may, in the opinion of the Directors, be desirable to ensure compliance by the Company with the provisions of section 259 of Part 6 of the Income Tax Act 2007 as amended, shall be created and maintained in the books of the Company for the assets attributable to the holders of Ordinary Shares and FWT Shares respectively, (ii) allocate to the assets attributable to the holders of Ordinary Shares and FWT Shares such proportion of the expenses and liabilities of the Company incurred or accrued as the Directors fairly consider to be allocable to the Ordinary Shares and FWT Shares and (iii) give appropriate instructions to the Company's investment manager and advisers to manage the Company's assets so that such undertakings can be complied with by the Company.

(D) Voting

The Ordinary Shares and the FWT Shares shall rank *pari passu* as to rights to attend and vote at any general meeting of the Company. The Deferred Shares shall carry no rights to attend and vote at any general meeting of the Company.

(E) Dividends

The rights of the Company's members to receive dividends are as follows:

- (i) the holders of Ordinary Shares shall be entitled to receive, in that capacity, any dividends paid out of the net income or capital derived from the assets attributable to the Ordinary Shares;
- (ii) the holders of FWT Shares shall be entitled to receive, in that capacity, any dividends paid out of the net income or capital derived from the assets attributable to the FWT Shares; and
- (iii) the holders of Deferred Shares shall not be entitled to receive, in that capacity, any dividends save as set out in (B) above.

(F) Distribution of assets on liquidation

The capital and assets of the Company (less any assets attributable to the Set Aside Fund) shall on a winding up or on a return of capital shall be applied as follows:

- (i) the Ordinary Share Surplus shall be divided amongst the holders of the Ordinary Shares pro rata according to their holdings of Ordinary Shares; and
- (ii) the FWT Surplus shall be divided amongst the holders of the FWT Shares pro rata according to their holdings of FWT Shares.

(G) Class consents and variation of rights

The holders of Ordinary Shares, as a class, and the holders of the FWT Shares, as a class, shall be required to approve any variation or derogation of the rights attaching to their respective Shares.

THAT:

a new Article 194 be adopted in substitution for existing Article 194 to read as follows:

In order for the term of the Ordinary Share class to be determined by the holders of Ordinary Shares the directors shall, provided they believe it is in the best interests of the Company, at a class meeting of the Ordinary Shareholders which shall be convened on the same day as the annual general meeting of the Company falling after the fifth anniversary of the last allotment (from time to time) of Ordinary Shares and thereafter at three yearly intervals, propose a resolution that the Ordinary Share class should be wound up and, if such a resolution is not passed by the Ordinary Shareholders, invite those members to consider and debate the future of the Ordinary Share class and as soon as practicable following that meeting shall convene a further class meeting of the Ordinary Shareholders to propose such resolution as the members attending the earlier class meeting may by ordinary resolution require.

PART V

PROPOSED CHANGES TO THE COMPANY'S INVESTMENT POLICY

The Company's existing investment policy, which was most recently approved by Shareholders when the Company launched its D share fund and subsequently revised when the D shares ceased to exist following the merger of the Company's share classes in 2018, is shown below.

Shareholders are now being asked to vote to amend that policy as set out below. The proposed amendments are shown as additions to the policy are underlined and proposed deletions struck through.

INVESTMENT POLICY

The Company will target unquoted companies which it believes will achieve the objective of producing attractive returns for Shareholders.

INVESTMENT SECURITIES

The Company invests in a range of securities including, but not limited to, ordinary and preference shares, loan stock, convertible securities, and fixed-interest securities as well as cash. Unquoted investments are usually structured as a combination of ordinary shares, preference shares and loan stock. Pending investment in unquoted and AIM listed securities, cash will be primarily held in a range of interest-bearing accounts as well as a range of permitted non-qualifying investments may include holdings in money-market instruments, short-dated bonds, unit trusts, OEICs, structured products, guarantees to banks or third parties providing loans or other investment into investee companies and other assets where Foresight believes that the risk/return portfolio is consistent with the overall investment objectives of the portfolio including alternative investment funds and listed shares. The Company may invest in other funds managed by Foresight (or its associates).

UK COMPANIES

The companies in which investments are made must satisfy a number of tests set out in Part 6 of the Income Tax Act 2007 to be classed as VCT qualifying holdings, including that they have a permanent establishment in the UK.

ASSET MIX

The Company has The Ordinary Share class is fully invested in unquoted companies that seek to generate solar electricity and, in most cases, benefit from long-term government-backed price guarantees.

~~Investments may be made in companies seeking to generate renewable energy from other sources provided that these benefit from similar long-term government-backed price guarantees. No investments of this nature have been made to date. The Board has always ensured that at least 70% of net share capital raised has been invested in Qualifying Companies whose primary business is the generation of solar electricity. Any uninvested funds are held in cash, interest bearing securities or other investments.~~

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.

RISK DIVERSIFICATION AND MAXIMUM EXPOSURES

~~Risk in the Ordinary Share portfolio has been spread by investing in a number of different companies which have targeted a variety of separate locations for their solar power assets. The value of an investment is expected to increase over time as a result of trading progress and a continuous~~

~~assessment is made of its suitability for sale. Although risk is spread across different portfolio companies, concentration risk is fairly high given that a number of these companies trade on the same UK solar parks. a significant portion are UK Solar projects owned by Qualifying Companies, in which Qualifying Investments were made by the Ordinary Shares fund and the C Shares fund, which have been merged to form larger trading groups.~~

Risk in the FWT Share class will be spread by investing in a number of different companies developing different technologies which are applicable to different target markets and at different levels of the value chains within those markets and with a targeted minimum of five investments.

The maximum amount invested by the Company in any one company is limited to 15% of the portfolio at the time of investment.

BORROWING POWERS

The Company's Articles permit borrowing, to give a degree of investment flexibility. Under the Company's Articles no money may be borrowed without the sanction of an ordinary resolution if the principal amount outstanding of all borrowings by the Company and its subsidiary undertakings (if any), then exceeds, or would as a result of such borrowing exceed, a principal amount equal to the aggregate of the share capital and consolidated reserves of the Company and each of its subsidiary undertakings as shown in the latest available audited consolidated balance sheet. The underlying portfolio companies in which the Company invests may utilise bank borrowing or other debt arrangements to finance asset purchases but such borrowing would be non-recourse to the Company.

PART VI

NOTICE OF GENERAL MEETING

FORESIGHT SOLAR & TECHNOLOGY VCT PLC

(Registered in England and Wales with registered number 07289280)

NOTICE IS HEREBY GIVEN that a general meeting of Foresight Solar & Technology VCT plc (the “**Company**”) will be held at The Shard, 32 London Bridge Street, London SE1 9SG at 11.00 a.m. on 27 January 2020 for the purposes of considering and, if thought fit, passing the following resolutions which will be proposed as ordinary and special resolutions as indicated.

For the purpose of these Resolutions, words and expressions defined in the circular to shareholders of the Company dated 20 December 2019 shall have the same meanings herein, save where the context requires otherwise.

1. Authority to allot FWT Shares (Ordinary Resolution)

THAT the Directors be generally and unconditionally authorised pursuant to section 551 of the CA 2006 to allot FWT Shares having the rights and being subject to the restrictions set out in the articles of association of the Company as proposed to be amended pursuant to Resolution 6 below and to grant rights to subscribe for or to convert any security into FWT Shares in the Company up to an aggregate nominal amount of £350,000 provided that this authority shall expire on the fifth anniversary of the date of the passing of this resolution save that the Company may before such expiry make an offer or agreement which would or might require FWT Shares to be allotted or rights to subscribe for or to convert securities into FWT Shares to be granted after such expiry and the Directors may allot shares or grant rights to subscribe for or to convert securities into FWT Shares in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

This resolution is additional to and does not revoke or replace existing and unexercised authorities previously granted to the Directors to allot Shares or grant rights to subscribe for or convert securities into Shares. This resolution is conditional on the passing of all other Resolutions to be proposed save for Resolutions 3 and 7.

2. Disapplication of pre-emption rights (Special Resolution)

THAT the Directors be and hereby are given the general power to allot equity securities (as defined by section 560 of the Act) for cash pursuant to the authority conferred by Resolution 1 as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall:

- be limited to the allotment of equity securities with an aggregate nominal value not exceeding £350,000 in connection with an offer for subscription of FWT Shares published on or around the date of this Notice;
- an offer of securities by way of rights;
- the allotment, subject to the passing of Resolution 4 below, of equity securities in connection with performance incentive arrangements to be granted to Foresight Group CI Limited in connection with its appointment as the investment manager in respect of the capital to be raised by the issue of FWT Shares;
- the allotment of FWT Shares with an aggregate nominal value not exceeding £10,000 pursuant to any dividend investment scheme operated from time to time by the Company;
- the allotment of FWT Shares with an aggregate nominal value of up to 14.99% of the issued FWT Share capital of the Company immediately following the close of the Offer where the proceeds of the allotment are to be used in whole or in part to purchase the Company's FWT Shares in the market; and
- the allotment of equity securities from time to time with an aggregate nominal value of up to 5% of the issued FWT Share capital of the Company immediately following close of the Offer.

The power granted by this resolution will expire on the fifth anniversary of the date of the passing of this resolution save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity

securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

This resolution is additional to and does not revoke or replace existing and unexercised powers previously granted to the Directors to allot equity securities as if section 561(1) of the Act did not apply. This resolution is conditional on the passing of all other Resolutions to be proposed save for Resolutions 3 and 7.

3. Market purchase of FWT Shares (Special Resolution)

THAT, conditionally upon the passing of Resolutions 1 and 6, the Company generally and unconditionally be authorised to make market purchases (within the meaning of section 693(4) of the Act) of FWT Shares of 1p each provided that:

- the aggregate nominal amount of the FWT Shares to be purchased shall not exceed 14.99% of the issued FWT Shares following the close of the Offer;
- the minimum price (excluding expenses) which may be paid for each FWT Share is 1p;
- the maximum price (excluding expenses) which may be paid for each FWT Share is the higher of (i) 105% of the average of the middle market quotation for FWT Shares taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the FWT Shares are purchased; and (ii) the value of a FWT Share calculated on the basis of the higher of the price quoted for the last independent trade of, and the highest current independent bid for, any number of the Company's FWT Shares on the trading venue where the purchase is carried out.

The authority conferred by this resolution shall expire on the conclusion of the next annual general meeting of the Company unless such authority is renewed prior to such time save that the Company may make a contract to purchase FWT Shares under the authority conferred by this resolution prior to the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority and may make a purchase of FWT Shares pursuant to such contract. All FWT Shares purchased will be cancelled.

4. Arrangement with the Company's Manager (Ordinary Resolution)

THAT, conditionally upon the passing of Resolutions 1, 2, 5 and 6, the proposed appointment of Foresight Group LLP as the investment manager in relation to the capital to be raised by the Offer on the terms described in the Circular dated 20 December 2019, accompanying this notice, be and are hereby approved.

This resolution is conditional on the passing of all other Resolutions to be proposed save for Resolutions 3 and 7.

5. Amendments to the Company's articles of association (Special Resolution)

THAT the articles of association of the Company be amended as set out in Part IV of the Circular accompanying this notice.

This resolution is conditional on the passing of all other Resolutions to be proposed save for Resolutions 3 and 7.

6. Amendments to the Company's investment policy (Ordinary Resolution)

THAT the Company's investment policy be amended as set out in Part V of the Circular accompanying this notice.

This resolution is conditional on the passing of all other Resolutions to be proposed save for Resolutions 3 and 7.

7. Cancellation of share premium account (Special Resolution)

THAT the Company's share premium account be cancelled.

Dated 20 December 2019

Foresight Group LLP
Company Secretary

Registered Office:

The Shard, 32 London Bridge Street, London SE1 9SG

Information regarding the General Meeting, including the information required by section 311A of CA 2006, is available from: www.foresightgroup.eu

The articles of association (as proposed to be amended pursuant to Resolution 5) shall be available for inspection in their amended form at the place of the meeting 15 minutes prior to the meeting and during the meeting, as well as at the Company's registered office from the date of this notice until conclusion of the meeting, including any adjournments.

Notes to the notice of general meeting of Foresight Solar & Technology VCT plc**Entitlement to attend and vote**

1. All members registered on the Company's register of members at 10.00 p.m. on 23 January 2020 (or in the case of an adjourned meeting, 48 hours before the time for that meeting) shall be entitled to attend and vote at the General Meeting.

Foresight Group LLP website provides information regarding the Meeting

2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, is available from <http://www.foresightgroup.eu>.

Attending in person

3. If you wish to attend the meeting in person, please bring with you the attendance card provided.

Appointment of proxies

4. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a form of proxy with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.

5. If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in this "Appointment of proxies" section. Please read the section "Nominated persons" below.

6. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the form of proxy are set out in the notes to the form of proxy. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.

7. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different Shares. You may not appoint more than one proxy to exercise rights attached to any one Share.

8. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If you either select the "Discretionary" option or if no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

Appointment of proxy using hard copy form of proxy

9. The notes to the form of proxy explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the form of proxy, the form must be: completed and signed; sent or delivered to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY; and be received by Computershare Investor Services PLC no later than 11.00 a.m. on 23 January 2020.

In the case of a member, which is a company, the form of proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power

of attorney or any other authority under which the form of proxy is signed (or a duly certified copy of such power or authority) must be included with the form of proxy.

Electronic Proxy Appointment

10. You may appoint a proxy electronically at www.investorcentre.co.uk/eproxy. To appoint a proxy electronically, you will be asked to provide the Control Number, Shareholder Reference Number and PIN which are detailed on your proxy form. This is the only acceptable means by which proxy instructions may be submitted electronically and all electronic proxy appointments must be received no later than 11.00 a.m. on 23 January 2020.

Electronic Proxy Appointment through CREST

11. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/site/public/EUI>). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID3RA50) no later than 11.00 a.m. on 23 January 2020. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

Appointment of proxy by joint members

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

Changing proxy instructions

13. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard copy form of proxy and would like to change the instructions using another hard copy form of proxy, please contact Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY; If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

14. In order to revoke a proxy instruction you will need to inform the Company by the following method: By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY. In the case of a member, which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of

attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 11.00 a.m. on 23 January 2020. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, your proxy appointment will remain valid. Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

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

Issued shares and total voting rights

16. As at 19 December 2019, the Company's issued share capital comprised 42,953,814 Ordinary Shares and 1,222,778 Deferred Shares. Each Ordinary Share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 19 December 2019 is 42,953,814. The website referred to in note 2 will include information on the number of shares and voting rights.

Questions at the Meeting

17. Under section 319A of the Companies Act 2006, the Company must answer any question asked by a Shareholder relating to the business being dealt with at the meeting unless: answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; the answer has already been given on a website in the form of an answer to a question; or it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Communication

18. Except as provided above, members who have general queries about the Meeting should call the Foresight Investor Relations team on 0203 667 8181.

Nominated persons

19. If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights (Nominated Person): You may have a right under an agreement between you and the member of the Company who has nominated you to have information rights (Relevant Member) to be appointed or to have someone else appointed as a proxy for the Meeting. If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights. Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

PART VII

EXPLANATION OF RESOLUTIONS

Resolution 1: Grant of authority to allot FWT Shares

If passed, this resolution authorises the Directors to allot FWT Shares and to grant rights to subscribe for the new class of FWT Shares in accordance with section 551 of the Act up to a maximum nominal amount of £350,000 of FWT Shares (equating to 35 million FWT Shares). The authority granted by this resolution will expire on the fifth anniversary of the date of the passing of this resolution. The Directors intend to exercise this authority in order to allot FWT Shares pursuant to the Offer. This resolution is additional to and does not revoke the authority granted in relation to the Ordinary Shares of the Company at the Company's last annual general meeting. This resolution is conditional on the passing of Resolutions 2, 4, 5 and 6.

Resolution 2: Disapplication of pre-emption rights

If passed, this resolution will give the Directors power, pursuant to the authority granted by Resolution 1, to allot equity securities (as defined by section 560 of the Act) without first offering them to existing Shareholders in proportion to their existing holdings, up to a maximum nominal amount of £350,000 of FWT Shares. The Directors intend to exercise this power in order to allot FWT Shares pursuant, inter alia, to the Offer.

The power granted by this resolution will expire on the fifth anniversary of the passing of this resolution save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

This resolution is additional to and does not revoke or replace existing and unexercised powers previously granted to the Directors to allot equity securities as if section 561(1) of the Act did not apply, but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities. This resolution is conditional on the passing of Resolutions 1, 4, 5 and 6.

Resolution 3: Grant of authority for market purchase of FWT Shares

If passed, this resolution will give the Directors power, on behalf of the Company, to make market purchases of FWT Shares, subject to the key terms set out on page 21, such authorisation being necessary under section 701 of the Act.

Resolution 4: Approval of arrangements with Company's investment manager

If passed, this resolution will authorise the proposed fee arrangements to be entered into between the Company and Foresight Group CI Limited in its proposed capacity as investment manager of the FWT Shares fund pursuant to the terms of an Investment Management Agreement and a Carried Interest Agreement. Foresight Group CI Limited is already the investment manager of the Ordinary Share Fund, and the new arrangement with Foresight Group CI Limited would constitute a Related Party Transaction under Chapter 11 of the Listing Rules. The proposed arrangement with Foresight Group CI Limited therefore requires Shareholders' approval. This resolution is conditional on the passing of Resolutions 1, 2, 5 and 6.

Resolution 5: Amendments to the Articles

If passed this resolution will adopt the amendments to the Articles, as set out in Part IV of this Circular, in order to allow for the rights and obligations attaching to the FWT Shares to be issued under the Offer to be included in the Articles. Such an amendment requires Shareholders' approval in accordance with section 21 of the Act. This resolution is conditional on the passing of Resolutions 1, 2, 4 and 6.

Resolution 6: Amendments to Investment Policy

If passed this resolution will adopt the amendments to the Company's investment policy, as set out in Part V of this Circular, in order to allow for the monies raised by the issue of FWT Shares to be invested in technology companies which meet the VCT qualifying investment criteria. Material changes to a

premium listed closed-ended funds investment policy require Shareholders' approval in accordance with Listing Rule 15.4.8. This resolution is conditional on the passing of Resolutions 1, 2, 4 and 5.

Resolution 7: Cancellation of the Company's share premium account

If passed this resolution will then allow, subject to court approval, the Company's share premium account to be cancelled. If the share premium account is cancelled then, unless the court orders otherwise, the reserve created by the cancellation will be treated as a realised profit. Shareholders' approval for a reduction of share capital of the Company, including its share premium, is necessitated by section 641 of the Act.

Each of Resolutions 1, 2, 4, 5 and 6 are conditional on the approval of each of those Resolutions.

If these Resolutions are not approved, the Company will continue in its current form and the proposed Offer will not be launched.

CORPORATE INFORMATION

Directors (Non-executive)

Ernie Richardson (Chairman)
Tim Dowlen
Mike Liston

Company Secretary

Foresight Group LLP
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