

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT ABOUT WHAT ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO SEEK YOUR OWN FINANCIAL ADVICE IMMEDIATELY FROM YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 (“FSMA”).

This document is a registration document (the “**Registration Document**”) issued by Foresight Solar & Technology VCT plc (the “**Company**”) dated 5 January 2022 and has been prepared in compliance with Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**Prospectus Regulation**”).

The Company has also published additional information in a securities note (the “**Securities Note**”) and a separate summary (the “**Summary**”) written in non-technical language briefly setting out the essential characteristics and risks associated with the Company and the Foresight Williams Technology Shares of 1p each in the capital of the Company (the “**FWT Shares**”) which are being offered for subscription and which, together with this Registration Document, comprise a prospectus (the “**Prospectus**”) and you are advised to read the Prospectus in full.

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

Offer for Subscription by

Foresight Solar & Technology VCT plc

Registered in England and Wales under company number 07289280

**to raise up to £20 million (with an over-allotment facility to raise up to a further £10 million)
by way of issues of Foresight Williams Technology Shares of 1p each in the capital of the Company**

The Company and the Directors (whose names are set out on page 6) accept responsibility for the information contained in this Registration Document. To the best of the knowledge of the Company and the Directors, this Registration Document is in accordance with the facts and makes no omission likely to affect its import.

In connection with the Prospectus, BDO LLP (“**BDO**”) is acting as sponsor to the Company and for no-one else and (subject to the responsibilities and liabilities imposed by FSMA and the regulatory regime established thereunder) will not be responsible to anyone other than the Company for providing the protections afforded to customers of BDO nor for providing advice in relation to the Offer. BDO is authorised and regulated in the UK by the FCA with firm reference number 229378.

In connection with the Prospectus, Foresight Group Promoter LLP (the “**Promoter**”), which is an appointed representative of Foresight Group LLP and is registered with the FCA with firm reference 198020, is acting for the Company as the promoter of the Offer and no-one else and (subject to the responsibilities and liabilities imposed by FSMA and the regulatory regime established thereunder) will not be responsible to anyone other than the Company in relation to the Offer. The Promoter is an appointed representative of Foresight Group LLP registered with the FCA with firm reference number 806061.

Copies of this Registration Document, the Securities Note and the Summary are available (and any supplementary prospectus published by the Company will be available) free of charge from the Foresight website at www.foresightgroup.eu.

Your attention is drawn to the Risk Factors on pages 3 to 5. An investment in the Company is only suitable for investors who are capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss that might result from such investment.

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RISK FACTORS

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

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

General unquoted investment risk factors

- The value of unquoted shares, including FWT Shares issued by the Company, may fall as well as rise and an investor may not receive back the full amount invested.
- The past performance of investments made by the Company or other funds managed or advised by Foresight Entities should not be regarded as a reliable indication of the performance of investments to be made by the Company.
- Although the Company may receive conventional venture capital rights in connection with its investments, as a minority investor it will not be in a position fully to protect its interests.
- Investment in smaller and unquoted companies is likely to involve a higher degree of risk than investment in larger companies and those traded on the main market of the London Stock Exchange. Smaller companies generally may have limited product lines, markets or financial resources and may be more dependent on their management or key individuals than larger companies. Markets for smaller companies may not be regulated and are often less liquid, and this may cause difficulties in valuing and disposing of equity investments in such companies.
- 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.
- The Net Asset Value of the Shares will reflect the values and performance of the underlying assets in the respective portfolios. The value of the investments and income derived from them can rise and fall. Realisation of investments in unquoted companies can be difficult and may take considerable time. There may also be constraints imposed on the realisation of investments in order to maintain the VCT status of the companies which may restrict the Company's ability to obtain maximum value from its investments or to achieve the intended timing of distributions.
- Although the Company's Shares will be listed, it is highly unlikely that a liquid market for these Shares will develop as the initial VCT income tax relief is only available to those subscribing for new shares and there may never be two competitive market makers. It may, therefore, prove difficult for Shareholders to sell their Shares. In addition, there is no guarantee that the market price of the Shares will fully reflect their underlying net asset value or the ability to buy and sell at that price. It should be noted that shares held in VCTs usually trade at a discount to the VCT's net asset value.

VCT and taxation risk factors

- Changes to the VCT Rules in respect of investments made on or after 15 March 2018 have meant that VCTs may only invest in companies which pass a "risk to capital" gateway test requiring the Investee Company to have long term growth and development objectives and for the investment to carry a significant risk that invested capital will be lost over and above the net return to the Company irrespective of whether the return takes the form of income, capital growth, fees, other payments or anything else. This new test inherently increases the risk profile of companies in which the Company can invest going forward and stands in contrast to those in which the Company has historically invested, many of which may not have passed this gateway test due to their ownership of significant assets or their enjoyment of secured income streams.

- Further recent changes to the VCT Rules have prohibited the making of secured loans by VCTs. Future loan capital held by the Company will therefore be unsecured and will rank behind secured creditors of the Investee Company in question. As loan capital investments by a VCT are separately restricted to a maximum of 30% of any new investment, and Investee Companies which meet the above noted “risk to capital” test tend not to be able to provide significant assets against which to secure loans in any case, the Board does not consider that this restriction further materially increases the risk profile of new investments made by the Company.
- Venture capital trusts are now required to invest 30% of new funds raised within 12 months of the end of the accounting period in which they were raised. While the Company and the Manager believe this investment time horizon is achievable based on the Manager’s existing pipeline of investment opportunities without impacting the quality of potential investments, this added pressure on the Company to complete investments in a timely fashion could result in the less attractive investments being prioritized in order to meet the statutory requirement.
- The Finance (No.2) Act 2015 introduced changes to the VCT Rules which have placed greater restrictions on the range of investments into which the Company can deploy funds. As a result, the Company is required to invest in businesses which are less than seven years old (less than 10 years for ‘knowledge intensive’ companies) and VCT funds cannot be used to finance acquisitions by Investee Companies. The penalty for breaching these new rules is the loss of VCT status, so the Company and its investors may face a higher risk of the loss of tax benefits than under the previous rules. Qualifying Investee Companies are also now subject to a lifetime risk finance investment limit of £12 million (£20 million for ‘knowledge intensive’ companies), which may restrict the Company’s ability to make follow on investments.
- The Finance Act 2014 amended the VCT Rules, such that VCT status will be withdrawn if, in respect of shares issued on or after 6 April 2014, a dividend is paid (or other forms of distribution or payments are made to investors) from the capital received by the VCT from that issue within three years of the end of the accounting period in which shares were issued to investors. This may reduce the amount of distributable reserves available to the Company to fund dividends and share buybacks.
- The information, including tax rules, contained in this document is based on existing legislation. The tax rules or their interpretation in relation to an investment in the Company and/or the rates of tax, or other statutory provisions to which the Company is subject, may change during the life of the Company and such changes could be retrospective.
- While it is the intention of the Directors that the Company will be managed so as to continue to qualify as a Venture Capital Trust, there can be no guarantee that this status will be maintained. A failure to meet the qualifying requirements could result in the loss of tax reliefs previously obtained, resulting in adverse tax consequences for investors, including a requirement to repay the income tax relief obtained, and could also cause the Company to lose its exemption from corporation tax on capital gains.

Risks relating to Investee Companies

- Investee Companies of the FWT Share class will be of a higher-risk profile from those in which the Company has historically invested and which are currently held in the fully invested Ordinary Shares fund. In accordance with a refocusing of the VCT rules to encourage investment in higher risk, asset-poor, knowledge-intensive companies, the FWT Shares may not be suitable for all investors, including some existing investors in the Ordinary Shares.
- Investee Companies will be small, unquoted companies. Realisation of investments in unquoted companies can be difficult and may take considerable time. Proper information for determining their value or the risks to which they are exposed may also not be available. Investment in such companies by its nature is illiquid and uncertain and consequently involves a higher degree of risk than investment into quoted shares.
- Economic and global political uncertainty, including the continuing impact of Brexit, the COVID-19 pandemic and potential low levels of economic growth, continues to present significant challenges and is adversely affecting, and may continue to adversely affect, the performance of companies in which the Company has invested or may invest, which in turn may adversely affect the performance of the Company. This may also negatively impact the number or quality of investment opportunities available to the Company. It is possible that currently unknown and unanticipated events, either domestic or international, may occur and have a negative effect on economic activity

and adversely affect the future viability of the Company and/or the performance of companies in which the Company has invested or may invest which in turn may adversely affect the performance of the Company.

- On 4 January 2022, the National Security and Investment Act 2021 (“NSI Act”) came into force. Pursuant to the NSI Act, the Government has taken wide ranging powers to force the disclosure of, to call-in for review and to make orders to block or reverse investments in, or acquisitions of, entities or assets of specified descriptions, of which it becomes aware and which it reasonably suspects may give rise to a risk to national security. The new legislation is widely drafted and includes in its list of sensitive areas of the economy to which the NSI Act may apply: advanced materials, advanced robotics and artificial intelligence – all areas of focus for the FWT Shares class. Consideration of the application of this legislation going forward in respect of investments made by the Company, and attendant additional delays and costs, may slow the Company’s deployment programme and impact or prevent certain investments which might otherwise have been completed in a timely fashion. Certain investments which are ruled to require Government approval under the NSI Act but do not receive it may not go ahead and where the Government rules that the correct approval process was not followed, transactions may also be voided after the fact. The confluence of any of these factors may negatively impact the Company’s portfolio and ultimately its performance and returns to Shareholders.

Fund related risk factors

- If the Company lacks sufficient cash reserves to support its buyback policy, and during Prohibited Periods when the Company is unable to purchase its own shares, the market price of such Shares may not fully reflect, and will tend to be at a discount to, their underlying net asset value. Such a discount may be exacerbated by the availability of income tax relief on the issue of new VCT shares.
- Although the FWT Share class is managed and accounted for separately from the Ordinary Shares, 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 maintain VCT status.
- Where more than one Foresight Fund wishes to participate in an investment opportunity, allocations will generally be made in proportion to the net cash raised for each such fund, other than where investments are proposed to be made in a company where one or more Foresight Funds has a pre-existing investment where the incumbent investor will have priority. Where an investment has been sourced from or introduced by Williams, the Foresight Williams Technology EIS Fund and the FWT Share class will always have priority over any other Foresight Fund. Implementation of this policy will also be subject to the availability of monies in each Foresight Fund to make the investment and other portfolio considerations such as portfolio diversity and regulatory or legislative requirements with respect to the Company’s portfolio of Qualifying Companies. This might mean that the FWT Share class could receive a greater or lesser allocation, for instance when co-investing with the Foresight Williams Technology EIS Fund, than would otherwise be the case.

CORPORATE INFORMATION

Directors (Non-executive)

Ernie Richardson (Chairman)
Tim Dowlen
Carol Thompson

Registered Office and Head Office

Foresight Group LLP
The Shard
32 London Bridge Street
London SE1 9SG

Company Registration Number

07289280

Website

www.foresightgroup.eu

Telephone Number

020 3667 8100

Investment Manager and Company Secretary

Foresight Group LLP
PO Box 156, Dorey Court
Admiral Park
St Peter Port
Guernsey GY1 4EU

Investment Adviser

Foresight Group CI Limited
Dorey Court
Admiral Park
St Peter Port
Guernsey GY1 4EU

Promoter

Foresight Group Promoter LLP
c/o Foresight Group LLP
The Shard
32 London Bridge Street
London SE1 9SG

Registrars

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ

Solicitors

RW Blears LLP
70 Colombo Street
London SE1 8PB

Broker

Panmure Gordon (UK) Limited
One New Change
London EC4M 9AF

Sponsor

BDO LLP
55 Baker Street
London W1U 8EW

Receiving Agent

Woodside Corporate Services Limited
4th Floor, 50 Mark Lane
London EC3R 7QR

Bankers

Barclays Bank plc
54 Lombard Street
London EC3P 3AH

Auditors

Deloitte LLP
20 Castle Terrace
Edinburgh EH1 2DB

DEFINITIONS

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

2019 Offer	the first offering by the Company of FWT Shares to the public made pursuant to a prospectus dated 20 December 2019
2020 Offer	the second offering by the Company of FWT Shares to the public made pursuant to a prospectus dated 30 December 2020
Admission	the date on which FWT Shares allotted pursuant to the Offer are listed on the Official List of the FCA and admitted to trading on the London Stock Exchange's market for listed securities
AIM	the Alternative Investment Market
Articles	the current articles of association of the Company (as amended from time to time)
BDO	BDO LLP, the Company's sponsor, which is authorised and regulated by the FCA with firm reference number 229378
Board or Directors	the board of directors of the Company
Business Days	any day (other than a Saturday or Sunday) on which clearing banks are open for normal banking business in sterling
CA 2006 or the Act	the Companies Act 2006 (as amended)
Closing Date	1 April 2022 in respect of the tax year 2021/2022 and 4 January 2023 in respect of the tax year 2022/2023, or as soon as full subscription is reached (unless closed earlier at the Board's discretion)
Company	Foresight Solar & Technology VCT plc (company number 07289280)
Companies Acts	the Companies Act 1985 and CA 2006
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 Articles
Distributions	amounts paid by way of dividends, tender offers, share buy-backs, proceeds on a sale or liquidation of the Company and any other proceeds or value received, or deemed to be received, by Shareholders in the Company in respect of Shares, excluding any income tax relief on subscription
Eligible Shares	in relation to a company which is a Qualifying Company, means shares which may carry a non-cumulative and non-discretionary preferential right to dividends but not to the assets of the company on its winding up, and which may carry no present or future right to be redeemed
FCA	the Financial Conduct Authority
Foresight	references to "Foresight" in this document refer to the Manager, the Investment Adviser and the historical activities of Foresight Group more generally
Foresight Entities	Foresight Group CI Limited and/or Foresight Group LLP and/or the Promoter (as the context dictates) (and each a " Foresight Entity ")
Foresight Funds	funds managed or advised by 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 or Offer Shares	the Foresight Williams Technology shares of 1p each in the capital of the Company proposed to be issued pursuant to the Prospectus
FWT Share class	the aggregate of the capital raised by subscriptions for FWT Shares issued by the Company under the 2019 Offer, 2020 Offer and this Offer, all income and assets derived therefrom and all expenses and liabilities attributable thereto
Group	the Company and its subsidiaries from time to time
Initial NAV	NAV as at the date of first admission of FWT Shares to the FCA's Official List in connection with the Offer
Inside Information	as defined in section 118C of FSMA
Investee Companies	companies in which the Company makes an investment (and each an Investee Company)
Investment Adviser	Foresight Group CI Limited, a Guernsey company with registered number 51471, licensed by the Guernsey Financial Services Commission with reference number 2006518
Investment Manager or Manager	Foresight Group LLP, a limited liability partnership registered in England and Wales with registration number OC300878 and which is authorised and regulated in the UK by the FCA with firm reference number 198020
Listing Rules	the listing rules of the FCA
London Stock Exchange	London Stock Exchange plc
Memorandum	the memorandum of association of the Company
NAV or Net Asset Value	the net asset value attributable to the FWT Shares calculated in accordance with the Company's normal accounting policies in force at the date of calculation
Offer or FWT Share Offer	the offer for subscription to raise in aggregate up to £20 million (with an over-allotment facility for up to an additional £10 million) by issues of FWT Shares by the Company pursuant to the Prospectus
Official List	the official list of the FCA maintained in accordance with section 74(1) of FSMA
Old C Shares	the C ordinary shares of 1p each in the capital of the Company, subsequently re-designated as Ordinary Shares pursuant to the Share Class Merger
Old D Shares	the D ordinary shares of 1p each in the capital of the Company, subsequently re-designated as Ordinary Shares pursuant to the Share Class Merger
Ordinary Shares fund	the aggregate of the capital raised by subscriptions for Ordinary Shares issued by the Company (and for Old C Shares and Old D Shares converted into Ordinary Shares pursuant to the Share Class Merger), all income and assets derived therefrom and all expenses and liabilities attributable thereto
Ordinary Shares	ordinary shares of 1p each in the capital of the Company
Promoter	Foresight Group Promoter LLP, a limited liability partnership registered in England and Wales with registration number OC421343 which is an appointed representative of Foresight Group LLP with FCA reference number 806061
Prospectus	together this Registration Document, the Securities Note and the Summary
Prospectus Regulation	Regulation (EU) 2017/1129 (as amended) as it forms part of domestic law pursuant to the European Union (Withdrawal) Act 2018

Qualifying Company	an unquoted (including an AIM-listed) company which satisfies the requirements of Part 4 of Chapter 6 of the Tax Act
Qualifying Investments	shares in, or securities of, a Qualifying Company held by a venture capital trust which meets the requirements described in Parts 3 and 4 of Chapter 6 of the Tax Act
Receiving Agent	Woodside Corporate Services Limited
Registrar	Computershare Investor Services plc
Registration Document	this document
Securities Note	the securities note issued by the Company dated 5 January 2022 in connection with the Offer
Share Class Merger	the merger of the Ordinary Shares with the Old C Shares and Old D Shares that was completed on 29 June 2018 by way of the re-designation of the Old C Shares and Old D Shares as Ordinary Shares with a conversion ratio of 0.9057 and 0.9917 respectively
Shareholder	a holder of Shares in the Company
Shares	FWT Shares and/or Ordinary Shares as the context dictates
Summary	the summary issued by the Company dated 5 January 2022 in connection with the Offer
Tax Act	the Income Tax Act 2007 (as amended)
UK	the United Kingdom
VCT Rules	the legislation, rules and HMRC interpretation and practice regulating the establishment and operation of venture capital trusts
VCT Value	the value of an investment calculated in accordance with Section 278 of the Tax Act
Venture Capital Trust or VCT	a venture capital trust as defined in Section 259 of the Tax Act

THE DIRECTORS AND FORESIGHT GROUP

As required by the Listing Rules, the Directors are independent of Foresight.

(A) THE DIRECTORS

1. Directors of Foresight Solar & Technology VCT plc

Ernie Richardson (71) (Chairman)

Ernie Richardson has over 30 years' experience in the venture capital sector and was until 2009 chief executive of venture capital investment firm MTI. He is a graduate chemical engineer and Fellow of the Chartered Institute of Management Accountants and has served as a member of the Council of the British Venture Capital Association and also served as Chair of the investment committee of the National Endowment for Science, Technology and the Arts. He also has over 20 years' operational management experience gained within businesses including British Steel Chemicals Division and chemicals company Laporte Industries and is chairman of several smaller companies. He has also served as Financial Controller of the European Division of the Royal Bank of Canada.

Tim Dowlen (74)

A director of insurance broking companies from 1973 to 2016, Tim was most recently a divisional director of City-based Lloyd's broking firm Tasker & Partners where he was responsible for developing the retail insurance broking activities of the firm. Tim has specialised in the venture capital sector since starting his own insurance firm in 1974. He currently acts as a director and trustee of registered charity Woking Street Angels.

Carol Thompson (59)

Carol has over 25 years' experience in governance and strategic financial management and has spent large parts of her career as a board member in technology and regulated businesses. She has held senior positions at Hellman & Friedman, a leading private equity investment firm, and JP Morgan. She has also held non-executive and advisory roles at a number of firms including Livingbridge, DWF and JP Morgan. Carol serves as a non-executive director and also chairs the Company's audit committee.

2. Current and Past Directorships

The Directors are currently or have been within the last 5 years, a member of the administrative, management or supervisory bodies or partners of the companies and partnerships mentioned below:

Ernie Richardson	Current	Past 5 Years
	The Company Thermentum Limited Thomas Swan Holdings Limited Thomas Swan & Co. Limited Eastwood Langley Limited Zeti Limited	Boundary Capital Partners LLP
Tim Dowlen	Current	Past 5 Years
	The Company Woking Street Angels	-
Carol Thompson	Current	Past 5 Years
	The Company AAA Rated Limited Maintel Holdings plc	-

(B) FORESIGHT GROUP CI LIMITED, FORESIGHT GROUP LLP AND FORESIGHT GROUP PROMOTER LLP

Foresight Group CI Limited is a private company registered in Guernsey with registered number 51471 and which was incorporated on 12 February 2010. Its registered office is Dorey Court, St Peter Port, Guernsey GY1 4EU and its legal entity identifier number is 213800DLIOEGME1LYV31. Foresight Group CI Limited is licensed by the Guernsey Financial Services Commission with reference number 2006518 to undertake controlled investment business as defined in The Protection of Investors (Bailiwick of Guernsey) Law 1987. Foresight Group CI Limited is the investment adviser to the Company and to the Manager.

Foresight Group LLP is a limited liability partnership registered in England and Wales under number OC300878 pursuant to the Limited Liability Partnerships Act 2000 and was formed on 25 October 2001. Its registered office is The Shard, 32 London Bridge Street, London SE1 9SG and its legal identifier number is 213800WOK59EEP4B4Q11. Foresight Group LLP is authorised and regulated by the FCA to advise on investments, arrange deals in investments and to make arrangements with a view to transactions in investments. Foresight Group LLP provides investment management and administration services to the Company.

Foresight Group Promoter LLP is a limited liability partnership registered in England and Wales under number OC421343 pursuant to the Limited Liability Partnerships Act 2000 and was formed on 7 March 2018 (telephone number: 020 3667 8100, registered office: The Shard, 32 London Bridge Street, London SE1 9SG). Foresight Group Promoter LLP is an appointed representative of Foresight Group LLP with FCA reference number 806061. Foresight Group Promoter LLP is the promoter of the Offer.

MEMORANDUM AND ARTICLES OF ASSOCIATION

The Companies Act 2006 ("CA 2006") significantly reduced the constitutional significance of a company's memorandum, providing that a memorandum will record only the names of subscribers and the number of shares each subscriber agreed to take in the company.

The material provisions of the Articles are as detailed below.

(a) Share rights

i. Defined terms

"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;

"Manager" means the investment adviser or manager appointed by the Company from time to time;

"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; and

"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.

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

ii. 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 Shares 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 shares certificates in respect of the Deferred Shares.

iii. 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, (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 managers and advisers to manage the Company's assets so that such undertakings can be complied with by the Company.

iv. Voting rights

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.

v. 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 (ii) above.

vi. 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.

vii. Class consents and variation of rights

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

(b) Issue and transfer of Shares

i. The Board has general and unconditional authority to exercise all the powers of the Company to allot relevant securities up to an aggregate nominal amount equal to the section 551 amount, for each prescribed period. The prescribed period means any period for which the authority conferred by the Articles is given by ordinary or special

resolution stating the section 551 amount and/or the power conferred by the Articles is given by special resolution stating the section 561 amount. The section 551 amount means, for any prescribed period, the amount stated in the relevant special resolution. Under the CA 2006, the section 561 amount means, for any prescribed period, the amount stated in the relevant special resolution. The authority so given may at any time (subject to the said section 551) be renewed or further renewed for a further period not exceeding five years, revoked or varied by ordinary resolution of the Company in general meeting.

ii. The Board is empowered for each prescribed period to allot equity securities for cash pursuant to an authority conferred under the Articles as if section 561(1) of the CA 2006 did not apply to any such allotment provided that its power is limited to the allotment or deemed allotment of equity securities in connection with a preemptive issue and otherwise, the allotment of equity securities up to the section 561 amount.

iii. Subject to such of the restrictions of the Companies Acts as may be applicable, any member may transfer all or any of his Shares by an instrument of transfer in writing in any usual form or in any other form approved by the Board. Such instruments shall be signed by or on behalf of the transferor and (except in the case of a fully paid share) the transferee.

iv. The Board may decline to register any transfer unless the instrument of transfer, duly stamped, is lodged with the Company accompanied by the certificate for the Shares to which it relates together with such other evidence as the Board may reasonably require, and the transfer is in respect of only one class of share and, in the case of a transfer to joint holders, the number of joint holders does not exceed four.

v. The Shares of the Company are in registered form. All transfers of Shares in certificated form may be effected by a transfer in writing in any usual form or any other form approved by the Board. The instrument of transfer of any such certificated Shares shall be executed by or on behalf of the transferor and, in the case of partly paid Shares, by or on behalf of the transferee. The Board may refuse to register any transfer of a partly paid Share, provided that such refusal does not prevent dealings taking place on an open and proper basis. The Board may also refuse to register the transfer of a certificated share unless the instrument of transfer: (a) is lodged, duly stamped (if stampable), at the office or at another place appointed by the Board accompanied by the certificate for the share to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; (b) is in respect of only one class of shares; and (c) is in favour of not more than four transferees. The Board may refuse to register the transfer of an uncertificated share in the circumstances set out in the uncertificated securities rules or in the event that the proposed transfer is in favour of more than four joint holders.

(c) Directors

i. Unless and until otherwise determined by ordinary resolution of the Company, the Directors of the Company (disregarding alternate Directors) shall be not more than seven nor less than three in number.

ii. Subject to the Articles and to any directions given by special resolution, the business of the Company shall be managed by the Board which may exercise all the powers of the Company, including, without limitation, the power to dispose of all or any part of the undertaking of the Company.

iii. The Board may authorise any matter which would otherwise involve a director breaching his duty under the Companies Acts to avoid conflicts of interest ("**Conflict or Conflicts**").

iv. A director seeking authorisation in respect of a Conflict shall declare to the Board the nature and extent of his interest in a Conflict as soon as is reasonably practicable. The director shall provide the Board with such details of the relevant matter as is necessary for the Board to decide how to address the Conflict together with such additional information as may be requested by the Board. Any director (including the relevant director) may propose that the relevant director be authorised in relation to any matter the subject of a Conflict. Such proposal may be proposed to and resolved upon by the Board save that: the relevant director and any other director with a similar interest shall not count towards the

quorum nor vote on any resolution giving such authority; and the relevant director and any other director with a similar interest may, if the other members of the Board so decide, be excluded from any Board meeting while the Conflict is under consideration.

v. Where the Board gives authority in relation to a Conflict: the Board may (whether at the time of giving the authority or subsequently): (A) require that the relevant director is excluded from the receipt of information, participation in discussion and/or the making of decisions (whether at meetings of the Board or otherwise) related to the Conflict; and (B) impose upon the relevant director such other terms for the purpose of dealing with the Conflict as it may determine; the relevant director will be obliged to conduct himself in accordance with any terms imposed by the Board in relation to the Conflict; the Board may provide that where the relevant director obtains (otherwise than through his position as a director of the Company) information that is confidential to a third party, the director will not be obliged to disclose that information to the Company, or to use or apply the information in relation to the Company's affairs, where to do so would amount to a breach of that confidence; the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded); and the Board may revoke or vary such authority at any time but this will not affect anything done by the relevant director prior to such revocation in accordance with the terms of such authority.

vi. Where a director is or becomes a director of one or more other venture capital trust(s) managed by the same manager appointed by the Company and seeks Board approval for his other office(s) and a general authorisation in respect of the Conflict which might arise, if the Board gives its approval and authority, the Board may not subsequently require that the relevant director is excluded from the receipt of information, participation in discussion and/or the making of decisions (whether at meetings of the Board or otherwise) related to such Conflicts, nor impose upon the relevant director other terms for the purpose of dealing with the Conflicts.

vii. If a director is in any way directly or indirectly interested in a proposed contract with the Company or a contract that has been entered into by the Company, he must declare the nature and extent of that interest to the directors in accordance with the Companies Acts.

Provided he has declared his interest, a director may: be party to, or otherwise interested in, any contract with the Company or in which the Company has a direct or indirect interest; hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of director for such period and upon such terms, including as to remuneration, as the Board may decide; act by himself or through a firm with which he is associated in a professional capacity for the Company or any other company in which the Company may be interested (otherwise than as an auditor); be or become a director or other officer of, or employed by or otherwise be interested in any subsidiary company of the Company or any other company in which the Company may be interested; and be or become a director of any other company in which the Company does not have an interest and which cannot reasonably be regarded as giving rise to a Conflict at the time of his appointment as a director of that other company.

viii. A director shall not, by reason of his office or of the fiduciary relationship thereby established, be liable to account to the Company for any remuneration, profit or other benefit: which he derives from any matter which involves a Conflict if that Conflict has been authorised by the Board; or realised by reason of his having any type of interest authorised or permitted and no contract shall be liable to be avoided on the grounds of a director having any type of interest authorised or permitted.

ix. The ordinary remuneration of the directors who do not hold executive office for their services shall be such amount as the Board may from time to time determine and shall be divided among the non-executive directors in such proportion or manner as the Board may determine. The directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of the Board or committees of the Board, general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties.

x. The Board may exercise all the powers of the Company to purchase and maintain insurance for or for the benefit of any person who is or was: a director, officer, or employee of the Company, or anybody which is or was the holding company or subsidiary undertaking of the Company, or in which the Company or such holding company or subsidiary undertaking has or had any interest (whether direct or indirect) or with which the Company or such holding company or subsidiary undertaking is or was in any way allied or associated; including without limitation insurance against any liability incurred by such person in respect of any act or omission in the actual or purported execution or discharge of his duties or in the exercise or purported exercise of his powers or otherwise in relation to his duties, powers or offices in relation to the relevant body or fund.

xi. The Company may indemnify any director, officer or employee of the Company or of any associated company against any liability and may purchase and maintain for any director, officer or employee of the Company or of any associated company insurance against any liability. No director of the Company or of any associated company shall be accountable to the Company or the members for any such benefit and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company.

(d) Borrowing Powers

i. The Board may exercise all the powers of the Company to borrow money, to guarantee, to indemnify, to mortgage or charge its undertaking, property, assets (present and future) and uncalled capital, and to issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

ii. The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (but as regards subsidiary undertakings, only so far as by the exercise of such rights or powers of control the Board can secure) that, save with the previous sanction of an ordinary resolution and subject as provided below, no money shall be borrowed 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 audited consolidated balance sheet provided that prior to their publication such aggregate principal amount shall be limited to 90% of the amount paid up or credited as paid up (whether in respect of nominal value or premium) on the allotted or issued share capital of the Company.

(e) Dividends

i. The members of the Company may declare a final dividend in accordance with the respective rights of the members by passing an ordinary resolution at a general meeting of the Company. No such dividend may exceed the amount recommended by the directors.

The directors may at any time and in accordance with the Companies Acts:

(i) recommend to the shareholders that a final dividend be declared and recommend the amount of any such dividend; and

(ii) pay a distribution by way of an interim dividend out of the profits of the Company.

However, no such recommendation shall be made or interim dividend paid unless it appears to the directors to be justified by the position of the Company in accordance with the respective rights of the members.

ii. The Company shall be entitled to cease sending dividend warrants and cheques by post or otherwise to a member if those instruments have been returned undelivered to, or left uncashed by, that member on at least two consecutive occasions, or, following one such occasion, reasonable enquiries have failed to establish the member's new address. Any dividend which has remained unclaimed for 12 years from the date when it became due for payment shall, if the Board so resolves and directs, be paid by the Company into an account separate from the Company's own account where it will be held on trust for and from time to time donated to such charitable causes as the Board may, in its absolute discretion, determine having regard, in particular, to the duties of directors under section 172(1) of the CA 2006. Alternatively, the Board may resolve that any dividend which has remained unclaimed for 12 years from the date when it became due for payment may be forfeited, shall cease to remain due for payment by the Company and shall constitute a windfall appropriated for the benefit of the Company.

(f) Distribution of Realised Capital Profits

At any time when the Company has given notice in the prescribed form (which has not been revoked) to the Registrar of Companies of its intention to carry on business as an investment company under section 833 of the CA 2006 (a **"Relevant Period"**) distribution of the Company's capital profits shall be prohibited otherwise than by way of the redemption or purchase of any of the Company's own shares in accordance with Chapter 3 or 4 of Part 18 of the CA 2006. The directors shall establish a reserve to be called the capital reserve. During a Relevant Period, all surpluses arising from the realisation or revaluation of investments and all other monies realised on or derived from the realisation, payment off of or other dealing with any capital asset in excess of the book value thereof and all other monies which are considered by the directors to be in the nature of accretion to capital shall be credited to the capital reserve. Subject to the provisions of the CA 2006, the directors may determine whether any amount received by the Company is to be dealt with as income or capital or partly one way and partly the other. During a Relevant Period, any loss realised on the realisation or payment off of or other dealing with any investments or other capital assets and, subject to the provisions of the CA 2006, any expenses, loss, liability (or provision therefor) which the directors consider to relate to a capital item or which the directors otherwise consider appropriate to be debited to the capital reserve, shall be carried to the debit of the capital reserve.

During a Relevant Period, all sums carried and standing to the credit of the capital reserve may be applied for any of the purposes for which sums standing to the credit of any revenue reserves are applicable except and provided that notwithstanding any other provision of these Articles, during a Relevant Period no part of the capital reserve or any other money in the nature of accretion to capital shall be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution (as defined by section 830 (2) of the CA 2006) or be applied in paying dividends on any shares of the Company. In any other period other than a Relevant Period any amount standing to the credit of the capital reserve may be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution (subject to and as defined in section 830 (2) of the CA 2006) or be applied in paying dividends on any shares of the Company.

(g) Continuation Vote

In order for the term of the Ordinary Share class to be determined by the holders of the 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.

(h) Reduction of Share Premium Account of the Company

Under the CA 2006 the Company may by special resolution confirmed by the court reduce the amount standing to the credit of the share premium account at the time of such application.

(i) General Meetings

i. Subject to the provisions of the Companies Acts, annual general meetings shall be held at such time and place as the Board may determine. General meetings may be convened by the Board whenever it thinks fit and by Shareholders in accordance with section 303 of the CA 2006.

ii. An annual general meeting shall be convened by not less than 21 clear days' notice in writing. All other general meetings shall also be convened by not less than 21 days' notice in writing unless conditions A to C of section 307A of the CA 2006 are complied with.

(j) Miscellaneous

i. There are no provisions in the Articles that would have the effect of delaying, deferring or preventing a change of control of the Company.

ii. Failure by any Shareholder to provide the Company with the information as requested by any notice served in accordance with section 793 of the CA 2006 (notice by company requiring information about interests in its shares) may result in that Shareholder being disenfranchised in respect of his shareholdings and, inter alia, the withholding of any dividends payable to him.

PART TWO

FORESIGHT SOLAR & TECHNOLOGY VCT PLC

(A) GENERAL INFORMATION

1 Incorporation and registered office

- 1.1 The legal and commercial name of the Company is Foresight Solar & Technology VCT plc.
- 1.2 The Company was incorporated and registered in England and Wales as a public company with limited liability on 18 June 2010 with registered number 07289280 under the name Foresight Solar VCT plc. The Company was issued with a trading certificate under section 761 of CA 2006 on 20 July 2010. The Company changed its name to Foresight Solar & Infrastructure VCT plc by a resolution of the Board on 1 February 2016. The Company changed its name to its current name by a resolution of the Board on 18 December 2019 with effect from 19 December 2019.
- 1.3 The principal legislation under which the Company operates is the CA 2006 and regulations made thereunder.
- 1.4 The Company's registered office and principal place of business is at The Shard, 32 London Bridge Street, London SE1 9SG. The Company is domiciled in England.
- 1.5 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, 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 does not hold, nor has it since its incorporation held, any shares in itself.
- 1.6 The Company does not have nor has it had since incorporation any employees.
- 1.7 HM Customs & Revenue has approved the Company as a VCT under section 274 of the Tax Act and it is intended that the business of the Company be carried on so as to comply with that section.
- 1.8 KPMG LLP was the Company's auditor since 25 March 2014 until its replacement by Deloitte LLP in December 2020.
- 1.9 The Company has previously given notice to the Registrar of Companies pursuant to section 833 of CA 2006 of its intention to carry on business as an investment company. This notice was revoked in accordance with section 833(4) of the CA 2006 on 16 January 2013.
- 1.10 The Company accounting reference date for the period from incorporation to 28 March 2019 was 30 June. On 28 March 2019, the Board resolved to change the accounting year end to 31 March, shortening the period current at the time. The Company's audited accounts for the period ended 31 March 2021 were published on 27 August 2021 and its half yearly report to 30 September 2021 was published on 17 December 2021.
- 1.11 The Company's Ordinary Shares and FWT Shares are admitted to the official list of the FCA.
- 1.12 The Company is a "small registered UK AIFM" for the purposes of the Alternative Investment Fund Managers Regulations 2013 but is not otherwise regulated. As a venture capital trust and an entity with a premium listing on the London Stock Exchange the Company is required to comply with the Listing Rules, the Disclosure Guidance and Transparency Rules and the relevant sections of Part 6 of Income Tax Act 2007.

2. Share capital

- 2.1 The issued share capital of the company as at 1 July 2017 was 27,324,838 Ordinary Shares, 12,509,247 Old C Shares and 5,636,181 Old D Shares. The share capital history of the Company from that date is as set out below.
- 2.2 The following Shares have been bought back by the Company for cancellation during the period from 1 July 2017 to the date of this document:

Class	Number	Date
Ordinary Shares	80,900	28 September 2017
Old C Shares	37,677	29 December 2017
Ordinary Shares	217,722	29 December 2017
Ordinary Shares	320,237	2 July 2018
Ordinary Shares	115,981	19 July 2018
Ordinary Shares	227,379	21 December 2018
Ordinary Shares	112,462	5 April 2019
Ordinary Shares	181,316	10 September 2019
Ordinary Shares	57,837	23 December 2019
Ordinary Shares	7,435,016	26 March 2020
Ordinary Shares	351,929	12 February 2021
Ordinary Shares	515,409	30 September 2021

- 2.3 On 29 June 2018, the Ordinary Share class was merged with the Old C Shares and the Old D Shares at a conversion ratio of 0.9057 Old C Shares for each Ordinary Share and 0.9917 Old D Shares for each Ordinary Share.
- 2.4 As at 4 January 2022, being the latest practicable date prior to the publication of this document, the issued share capital of the Company comprised 34,593,623 Ordinary Shares, 14,875,700 FWT Shares, none of which were held in treasury, and 1,222,778 Deferred Shares created pursuant to the Share Class Merger.
- 2.5 Save for the conditional right of the Manager and the Adviser to receive Shares pursuant to their carried interest agreement with the Company, no share or loan capital of the Company is under option or has been agreed, conditionally or unconditionally, to be put under option.
- 2.6 No shares of the Company represent anything other than capital. There are no convertible securities, exchangeable securities or securities with warrants attached to them currently in issue by the Company.
- 2.7 The Company will be subject to the continuing obligations of the Listing Rules with regard to the issue of securities for cash and the provisions of Section 561 of the Act (which confers on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash) will apply to the capital of the Company which is not subject to the disapplication referred to in paragraph 2.9 below.
- 2.8 Following the issue of FWT Shares pursuant to the Offer, assuming full take up of the Offer but no utilization of the over-allotment facility, the issued share capital of the Company is expected to be approximately as follows:

	Number	Nominal value (£)
Ordinary Shares	34,593,623	345,936.23
FWT Shares	14,875,700	148,757.00
Deferred Shares	1,222,778	12,227.78

Other than as disclosed in this document, there have been no changes in the share capital of the Company during the period.

- 2.9 The following resolutions, inter alia, were passed at the annual general meeting of the Company held on 23 September 2021 as ordinary and special resolutions as indicated.

Authority to allot shares (Ordinary Resolution)

THAT, in addition to all existing authorities, the directors be and they are hereby authorised to allot relevant securities generally, in accordance with Section 551 of the Companies Act 2006, up to a nominal amount of £300,000 (representing approximately 63% of the current issued ordinary share capital) provided that the authority and power conferred by this Resolution [8] will expire on the fifth anniversary of the passing of this resolution.

Disapplication of pre-emption rights (Special Resolution)

THAT, in addition to all existing authorities, the directors be and they are empowered pursuant to section 570 and 573 of the Companies Act 2006 to allot equity securities (within the meaning of section 560 of that Act) pursuant to the authority conferred by Resolution [8] as if section 561(1) of that 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 £300,000 by way of issue of ordinary shares of 1p each ("Ordinary Shares") and/or £300,000 by way of issues of Foresight Williams Technology shares ("FWT Shares"), in each case pursuant to offer(s) for subscription.*
- *the allotment of equity securities with an aggregate nominal value of up to 10% of the issued share capital of the Company by way of an issue of Ordinary Shares and/or FWT Shares pursuant to the performance incentive arrangements with Foresight Group LLP; and*
- *the allotment of equity securities with an aggregate nominal value of an amount up to or equal to 10% of the issued Ordinary Share capital of the Company and/or 10% of the issued FWT Share capital of the Company from time to time,*

in each case, where the proceeds of such issue may in whole or part be used to purchase the Company's shares. This authority will expire at the conclusion of the Annual General Meeting to be held in 2022.

Market purchase of FWT Shares (Special Resolution)

THAT, in addition to all existing authorities, the Company be empowered to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of its own shares provided that:

- *the aggregate number of shares to be purchased shall not exceed 5,262,844 Ordinary Shares and 1,882,475 FWT Shares or, if lower such number of shares rounded down to the nearest whole share as shall equal 14.99% of the Company's Ordinary Shares and FWT Shares in issue at the date of passing this resolution;*
- *the minimum price which may be paid for a share is 1p (the nominal value thereof);*
- *the maximum price which may be paid for shares is the higher of (1) an amount equal to 105% of the average of the middle market quotation for shares taken from the London Stock Exchange daily official list for the five business days immediately preceding the day on which the shares are purchased; and (2) the amount stipulated by Article 5(6) of the Market Abuse Regulation;*
- *the authority conferred by this resolution shall expire on the conclusion of the Annual General Meeting of the Company to be held in 2022 unless such authority is renewed prior to such time; and*
- *the Company may make a contract to purchase 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 shares pursuant to such contract.*

- 2.10 Save in connection with the Offer or as set out in paragraph 2.9, no material issue of FWT Shares (other than pro rata to existing holdings) will be made within one year from the date of this document without the approval of the FWT Shareholders in a general meeting.
- 2.11 Subject to any special rights or restrictions attaching to any shares or any class of shares issued by the Company in the future, the holders of fully paid FWT Shares will be entitled *pari passu* amongst themselves in proportion to the number of FWT Shares held by them to share in the whole of the profits of the Company attributable to the FWT Share Fund which are paid out as dividends and in the whole of any surplus attributable to the FWT Shares in the event of a liquidation of the Company.
- 2.12 The FWT Shares are separate from the Company's existing Ordinary Share class and Deferred Share class. All investments and cash attributable to existing share classes will be kept separate from the FWT Share fund.
- 2.13 The FWT Shares are in registered form and no temporary documents of title will be issued. The Company is registered with CREST, a paperless settlement system and those Shareholders who wish to hold their FWT Shares in electronic form may do so. The FWT Shares are freely transferable.
- 2.14 Save as mentioned in paragraph 2.9 above, the provisions of section 561 of the 2006 Act (which, to the extent not disapplied, confer on shareholders rights of pre-emption in respect of the allotment of equity securities which are or are to be paid in cash) apply to the issue of shares in the capital of the Company.
- 2.15 The Directors are not aware of any person who directly or indirectly is interested in 3% or more of the capital of the Company or who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.

3. Directors' and other interests

- 3.1 The Board comprises three non-executive directors, all of whom are independent of Foresight. 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 The Directors' interests in the share capital of the Company as at the date of this document was as follows:

Director	Ordinary Shares	FWT Shares
Ernie Richardson	-	40,000
Tim Dowlen	29,558	-
Carol Thompson	-	-

- 3.3 Biographical details for each of the Directors are set out on page 10 of this document.
- 3.4 Tim Dowlen was appointed on 6 July 2010 as a director of the Company. Ernie Richardson was appointed as a director of the Company on 1 January 2019 and became chairman on the retirement of David Hurst-Brown on 19 September 2019. Carol Thompson was appointed on 22 March 2021.
- 3.5 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 total annual remuneration receivable by Ernie Richardson as chairman of the Company is £28,250. The total annual remuneration receivable by each of Tim Dowlen and Carol Thompson is £22,500. The office of non-executive director of the Company is not pensionable. Directors' emoluments in respect of qualifying services for the year ended 31 March 2021 amounted to £70,452 (plus applicable VAT). The Directors estimate that the total amount payable to them by the Company for the year ended 31 March 2022 will be £73,250 (plus applicable VAT).

- 3.6 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.
- 3.7 No loan or guarantee has been granted or provided by the Company to or for the benefit of any of the Directors.
- 3.8 The Company has taken out directors' and officers' liability insurance for the benefit of its directors, which is renewable on an annual basis. There is no cover against fraudulent or dishonest activities.
- 3.9 The Directors are currently or have been within the last five years, a member of the administrative, management or supervisory bodies or partners of the companies and partnerships as set out on page 10 of this document.
- 3.10 No Director has any convictions in relation to fraudulent offences during the previous five years.
- 3.11 None of the Directors has, during the previous five years, been associated with any bankruptcies, receiverships or liquidations in relation to an entity for which they have been acting as members of the administrative, management or supervisory bodies or as a senior manager who was relevant to establishing that that entity had the appropriate expertise and experience for the management of its business, nor were they a founder or partner with unlimited liability (in the case of a limited partnership with share capital) in any such entities.
- 3.12 There has been no official public incrimination and/or sanction of any Director by statutory or regulatory authorities (including designated professional bodies) and no Director has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company during the previous five years.
- 4. Management, administration and regulatory environment**
- 4.1 The Company will, at all times, invest and manage its assets in a way which is consistent with its objective of spreading investment risk and in accordance with its published investment policy. The Company's investment policy is in line with Chapter 15 of the Listing Rules and Part 6 of the Tax Act, which are the two central components of the regulatory environment in which the Company operates, as a premium listed venture capital trust. The Company will not make material changes to its investment policy without shareholder approval. The Company will be subject to and will comply with the restrictions regarding investments for closed ended investment funds that are contained in the Listing Rules.
- 4.2 The Company is not required to be, and is therefore not, regulated by the FCA. In order to obtain venture capital trust status, the Company must, however, be approved by HMRC. The conditions which must be satisfied to obtain and retain such status are summarised in the Securities Note and they include the following:
- (i) at least 80% by value of the Company's investments (including any uninvested funds held) must be represented by shares or securities in Qualifying Holdings, of which at least 70% by value must be represented by holdings of ordinary shares; additionally at least 10% by value of investments in single companies or groups must be in ordinary shares which carry no preferential rights on a return of capital but may carry preferential rights to dividends which are neither cumulative nor discretionary; and
- (ii) not more than 15% by value of the Company's investments can (at the time of investment) be held in a single company or group (other than a VCT) and the Company must not control the VCT-qualifying Investee Companies in which it invests in such a way as to render them subsidiary undertakings.
- 4.3 The Company has no borrowings and no present intention of incurring any borrowings.
- 4.4 The Company is regulated by Part 6 of the Tax Act in respect of the investments it makes. The Company has appointed RW Blears LLP as its VCT status adviser. RW Blears LLP will report twice yearly to the Company in its annual and interim reporting obligations. In respect of any breach of the VCT rules, the Company will report the matter immediately to HMRC.
- 4.5 The Company will not invest more than 15% in any single company or other listed closed-ended investment fund nor will the Company control the companies in which it invests in such a way as to render them subsidiary

undertakings until it has obtained approval as a VCT from HMRC.

- 4.6 Foresight is responsible for the determination and calculation of the net asset value of the Company. The net asset value of the Company will be determined quarterly and published on a regulatory information service. In accordance with the International Private Equity and Venture Capital Association (“IPEVC”) valuation guidelines, the value of investments will be determined according to their listing status. Quoted securities will be valued at bid price unless the investment is subject to restrictions or the holding is significant in relation to the share capital of a small quoted company, in which case a discount may be appropriate as per the IPEVC guidelines. Unquoted investments will normally be valued on a cost basis in the first year and reviewed subsequently on the basis of the progression of the business. The net asset value of the Company will be communicated to investors through a Regulatory Information Service provider at the same frequency as the determinations. In the event of any suspension valuations are held at the suspended price and a view is taken with consideration to best market practice and information from advisers.
- 4.7 Foresight may retain for its own benefit and without liability to account to the Company (subject to full disclosure having been made to the Board) any arrangement fees and directors’ or monitoring fees which it receives in connection with any investments made by the Company. The Company will not be liable for legal, accounting and any other fees incurred on potential investments which do not proceed to completion.
- 4.8 The Company does not intend to appoint an external custodian and its assets (other than the non-Qualifying Investments) will be held in certificated form.
- 4.9 The Directors do not anticipate any circumstances arising under which the calculation of the net asset value may be suspended. Should the determination of net asset value differ from that set out above then this will be communicated to investors in the Company through a Regulatory Information Service provider.
- 4.10 The Company will not conduct any significant trading activity.
- 4.11 The Company has and will continue to have custody of its own assets:
- the Company’s monetary assets will be held in bank accounts and/or money market accounts in the Company’s own name; and
 - the Company’s investments in both quoted and unquoted investments and the corresponding share certificates will also be held in the Company’s own name.
- 4.12 Where the circumstances are appropriate, the Directors propose that an appropriate and reasonable proportion of the management expenses of the Company, to be determined after consultation with the Company’s auditors, but not to exceed 75%, will be charged to capital.
- 4.13 At the date of this document the Company complies with the principles of the UK Code of Corporate Governance (the “Code”) save that:
- the Company’s 2018 annual general meeting was convened on at least 24 days’ notice but not 20 business days’ notice as recommended in the Code;
 - there is no formal induction programme for directors; and
 - the Company has not appointed a chief executive officer, deputy chairman or a senior independent non-executive director as recommended by Code and the provisions which relate to the division of responsibilities between a chairman and a chief executive officer are, accordingly, not applicable to the Company.
- 4.15 The Company has no employees (other than the Directors). The Company has an Audit Committee, composed of the Directors who are independent of Foresight Group, which meets at least twice each year and is responsible for making recommendations to the Board on the appointment of the auditors and the audit fee, for reviewing the conduct and control of the annual audit and for reviewing the operation of the internal financial controls. It also has responsibility for the proper reporting of the financial performance of the Company and for reviewing financial statements prior to publication.
- 4.16 The Company has a Nomination Committee, comprising Carol Thompson, Tim Dowlen and Ernie Richardson

which intends to meet at least annually to consider the composition and balance of skills, knowledge and experience of the Board and to make nominations to the Board in the event of a vacancy. New Directors are required to resign at the annual general meeting following appointment and then every three years by rotation.

- 4.17 The Company's Management Engagement & Remuneration Committee (which has responsibility for reviewing the remuneration of the Directors) comprises Carol Thompson, Tim Dowlen and Ernie Richardson and meets at least annually to consider the levels of remuneration of the Directors, specifically reflecting the time commitment and responsibilities of the role. The Management Engagement & Remuneration committee also undertakes external comparisons and reviews to ensure that the levels of remuneration paid are broadly in line with industry standards. The Management Engagement & Remuneration Committee also reviews the appointment and terms of engagement of the Manager.
- 4.18 The Board must be able to demonstrate that it will act independently of the Manager. In particular, a majority of the Board (including the Chairman) must not be:
- (a) directors, employees, partners, officers or professional advisers of or to Foresight Group or any other company in the Foresight Group;
 - (b) directors, employees or professional advisers of or to any other VCT managed by Foresight Group or any other company in the Foresight Group. Any Director who falls within (a) above or (b) is subject to annual re-election by Shareholders.
- 4.19 The Company does not assume responsibility for the withholding of tax at source.
- 4.20 The Company confirms that it has taken all reasonable steps to ensure that its auditors, Deloitte LLP, being a member firm of the Institute of Chartered Accountants in England & Wales, are independent of it and has obtained written confirmation from the auditors that they comply with the guidelines on independence issued by their national accounting and auditing bodies.
- 4.21 Definitive share certificates for the FWT Shares to be allotted under the FWT Share Offer will be issued in registered form and are to be dispatched to Shareholders within ten Business Days of allotment. FWT Shares may also be held in CREST as a participating security. Shareholders who are direct or sponsored members of Euroclear will be able to dematerialise their FWT Shares in accordance with the rules and practices instituted by Euroclear. The Company will not issue temporary documents of title.
- 4.22 The results of the Offer will be announced through a regulatory information service.
- 4.23 Save as mentioned above, as at the date of this document, there are believed to be no governmental, economic, monetary, political or fiscal policies and factors which have or could materially affect the Company's operations.
- 4.24 For the period covered by the financial information set out in Part Two (C) and up to the date of this document, save as mentioned in paragraph 7 below, there have been no related party transactions.

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 in the last two years and/or 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 27 January 2020 between the Company (1) the Manager (2) and the Adviser (3) whereby the Manager is appointed to act as the investment manager on a discretionary basis and the Adviser as investment adviser 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% of the net assets of the Ordinary Share fund and 2.0% of the net assets of the FWT Share class (plus VAT in each case, if any, at the applicable rate). The Company has agreed to indemnify the Manager and the Adviser 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. The Manager 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. The Manager will receive an annual fee equal to the greater of 0.3% of Net Asset Value of each of the Ordinary Shares and the FWT Shares (subject to a minimum of £60,000 per annum in each case) index-linked for the secretarial and accounting requirements of the Company.

- 5.2 A carried interest agreement dated 27 January 2020 between the Company (1) the Manager (2) and the Adviser (3) pursuant to which the Manager and the Adviser (in such proportions as shall be determined by the Adviser) will be entitled to performance incentive payments (in cash or new Shares in the Company issued at par) to a value (i) equal to 30% of Distributions in excess of 130p per Ordinary Share, subject to an annual growth hurdle of 5% commencing from 30 June 2017 and (ii) equal to 20% of Distributions in excess of 110p per FWT Share, subject to adjustment of the hurdle in line with the retail price index. In each case, 'Distributions' shall include the offer of such a Distribution which Shareholders elect not to accept in favour of remaining invested.
- 5.3 A promoter agreement dated 30 December 2020 between the Company (1) the Promoter (2) the Manager (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. The amount that may be received by the Promoter pursuant to this agreement is capped at £1.35 million. 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. The Manager has provided a guarantee to the Company in respect of the obligations of the Promoter under this agreement.
- 5.5 A promoter agreement dated 5 January 2022 between the Company (1) the Promoter (2) the Manager (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. The amount that may be received by the Promoter pursuant to this agreement is capped at £1.35 million. 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. The Manager has provided a guarantee to the Company in respect of the obligations of the Promoter under this agreement.

6.1 Investment policy

The Company's existing investment policy, which was approved by Shareholders at a General Meeting held on 27 January 2020 is shown below.

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 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 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.

The FWT Share class invests 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. 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.

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.

6.2 Co-investment policy

Foresight Group currently manages other funds which may invest alongside the FWT Share class, including the Foresight Williams Technology EIS Fund. Investment opportunities will normally be offered initially to the FWT Share class on a basis which is pro rata to the net cash raised pursuant to the Offer and any future FWT Share offer compared to the net cash raised by the other Foresight Funds, other than where investments are proposed to be made in a company where one or more Foresight Funds has a pre-existing investment, where the incumbent investor will have priority. Implementation of this policy will be subject to the availability of monies to make the investment and other portfolio considerations, such as portfolio diversity and the need to maintain VCT status.

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

Save for the above, there are no material potential conflicts of interests which the Manager, the Adviser and the Foresight Group more widely, may have as between its duty to the Company duties owed by each to third parties and their interests.

6.3 Dividend Policy

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.

6.4 Company undertakings

- i. The Company's income is intended to be derived wholly or mainly from shares or other securities, as this phrase is interpreted by HMRC.
- ii. The Company will not conduct trading activity which is significant in the context of its group as a whole.
- iii. Not more than 10% in aggregate of the value of the total assets of the Company at the time of Admission will be invested in other closed-ended investment funds.
- iv. It is the intention of the Directors that the Company will pay dividends or make distributions from revenue profits and profits realised from the sale of investments.
- v. The Company intends to direct its affairs in respect of each of its accounting periods so as to qualify as a venture capital trust. Accordingly:
 - it will not control the companies in which it invests in such a way as render them subsidiary undertakings;
 - none of the investments will represent more than 15% by VCT Value of the Company's investments; and
 - not more than 20% of the Company's gross assets will at any time be invested in the securities of property companies.
- vi. Foresight Group personnel have and will have sufficient and satisfactory relevant experience in advising on investments of the size and type in which the Company proposes to make. The Directors will also ensure that the board of the Company and any additional or replacement investment advisers have and will have sufficient and satisfactory experience in advising on such investments.
- vii. In the event of a breach of the investment restrictions which apply to the Company as described in paragraph 6.1 above, shareholders will be informed by means of the interim and/or the annual report or through a public announcement.
- viii. The Directors act and will continue to act independently of the Foresight Entities. No majority of the Directors will be directors or employees of, or former directors or employees of, or professional advisers to Foresight Entities or any other company in the same group as a Foresight Entity.
- ix. The investment policy set out above, in the absence of unforeseen circumstances, will be adhered to by the Company for at least three years following the date of close of the Offer. Any material change to the Company's investment policy in any event (in respect of the Ordinary Share Fund and/or the FWT Share Fund) will only be made with the approval of the Shareholders, and separately of the relevant class of Shareholders, of the Company by ordinary resolution.

7 Related Party Disclosures

- 7.1 Foresight Entities received management and administration fees, in each case plus VAT where appropriate, of £894,000 during the year ended 30 June 2018, £564,000 during the financial period ended 31 March 2019, £718,000 in the year ended 31 March 2020, £623,000 in the year ended 31 March 2021 and £401,000 in the period since 31 March 2021 to the date of this document.

Foresight Group CI Limited also received performance incentive payments of £130,000 during the period ended 31 March 2019 in each case plus VAT where appropriate. No performance incentive payments were made during the years ended 30 June 2018, 31 March 2020, 31 March 2021 or in the current financial year to date.

- 7.2 Save for the fees paid to Directors (set out in 3.5 above), the fees paid to the Manager and the Adviser (as set out in 7.1 above) and promotion fees paid to the Manager and the Promoter of £67,000 in respect of the 2019 Offer and £185,000 in respect of the 2020 Offer, there have been no related party transactions or fees paid by the Company during the years or periods ended 30 June 2018, 31 March 2019, 31 March 2020 or 31 March 2021 or to date in the current financial year.

8 Overseas investors

- 8.1 No person receiving a copy of the Prospectus or accompanying application form in any territory other than the UK may treat it as constituting an offer or invitation to him to subscribe for or purchase FWT Shares in the Company.
- 8.2 No action has been taken to permit the distribution of this document in any jurisdiction outside the UK where such action is required to be taken. All applicants under the Offer will be required to warrant that they have observed all the laws of their relevant territory in connection with the Offer.

9 Taxation

The following paragraphs, which are intended as a general guide only and are based on current legislation and HMRC practice, summarise advice received by the Directors as to the position of the Company's Shareholders who hold Ordinary Shares or FWT Shares other than for trading purposes. Any person who is in any doubt as to his taxation position or is subject to taxation in any jurisdiction other than the UK should consult his professional advisers.

- 9.1 Taxation of dividends - under current law, no tax will be withheld by the Company when dividend is paid.
- 9.2 Stamp duty and stamp duty reserve tax – the Company has been advised that no stamp duty or stamp duty reserve tax will be payable on the issue of the FWT Shares. The Company has been advised that the transfer of FWT Shares will, subject to any applicable exemptions, be liable to ad valorem stamp duty at the rate of 0.5% of the consideration paid. An unconditional agreement to transfer such shares if not completed by a duly stamped stock transfer will be subject to stamp duty reserve tax generally at the rate of 0.5% of the consideration paid.
- 9.3 Close company - the Directors believe that the Company is not and expect that following completion of the Offer will not be a close company within the meaning of the Tax Act. If the Company were a close company in any accounting period, approval as a venture capital trust would be withdrawn.

10 Miscellaneous

- 10.1 There has been no significant change in the financial position of the Company since 30 September 2021, the end of the last financial period for which unaudited financial statements of the Company have been published.
- 10.2 The Board believes that the Offer will result in a significant change to the Company, including an increase in its earnings and in the net assets of an amount equivalent to the net proceeds received under the Offer, expected to be approximately £20 million assuming full subscription, no use of the over-allotment facility, early investment or loyalty bonuses and subscription entirely by investors in respect of whom commission is payable to an intermediary.

- 10.3 Foresight Group Promoter LLP is the promoter of the Offer and Foresight Group CI Limited is the investment manager to the Company and, save as disclosed in paragraph 7 above, no amount of cash, securities or benefits has been paid by the Company, issued or given to the promoter or the investment manager and none is intended to be paid, issued or given by the Company.
- 10.4 There are no governmental, legal or arbitration proceedings (including any such proceedings which are or were pending or threatened of which the Company is aware) during the period from the incorporation of the Company which may have or had in the recent past significant effects on the Group's financial position or profitability.
- 10.5 The issue costs payable by the Company under the Offer (including irrecoverable VAT and sales commissions) have been fixed by the Directors at 5.5% of total funds subscribed (but excluding annual trail commission in respect of applications where this is permissible and payable). The Promoter and the Manager have agreed to indemnify the Company in respect of any excess costs of the Offer over 5.5% of the gross proceeds of the issue of FWT Shares under the Offer. The net proceeds for the Company from the Offer, with the assumptions set out in 10.2 above, will therefore amount to approximately £18.9 million.
- 10.6 The issue premium for the FWT Shares will be the difference between the issue price of the FWT Shares under the Offer and their nominal value of 1 penny. The Offer is not underwritten.
- 10.7 The Company has paid dividends amounting to a total of 17.0p per Ordinary Share during the years or periods ended 30 June 2018, 31 March 2019, 31 March 2020 and 31 March 2021 and in the current financial year to date. No dividends have yet been paid in respect of the FWT Shares.
- 10.8 The Company's capital resources are restricted insofar as they may be used only in putting into effect the investment policies described in paragraph 6 above.
- 10.9 The Company does not have any major shareholders and no shareholders have different voting rights. To the best of the knowledge and belief of the Directors, the Company is not directly controlled by any other party and at the date of the Prospectus, there are no arrangements in place that may, at a subsequent date, result in a change of control of the Company.
- 10.10 The typical investor for whom investment in the Company is designed is a retail investor who is an individual higher rate tax payer aged 18 or over, with an investment range of £5,000 and £200,000, who is capable of understanding and is comfortable with the risks of VCT investment, and who is resident in the UK.
- 10.11 Foresight Group is responsible for the determination and calculation of the Company's net asset value, which will be prepared quarterly for approval by the Directors.
- 10.12 Deloitte LLP were appointed as auditors to the Company following a tender process which completed in December 2020. Deloitte LLP are registered to carry on audit work and is authorised to carry on investment business by the Institute of Chartered Accountants in England and Wales.

(B) ANALYSIS OF THE INVESTMENT PORTFOLIO

Information on the current Ordinary Shares and FWT Shares portfolio as at the date of this document is detailed below. Information on investments held and valuation in respect of investments made by the Ordinary Shares fund have been extracted from the Company's accounting records and unaudited financial information as at 30 September 2021 and there have been no material changes to this analysis, which is extracted from the unaudited half yearly financial report of the Company for the six months ended on 30 September 2021, to the date of this document. Information on investments held and valuation in respect of investments made by the FWT Share class have been extracted from the Company's accounting records and unaudited management accounts.

In respect of the financial information regarding the solar projects below, the interests in which are held by Investee Companies of the Ordinary Shares fund have been taken from the latest financial year end accounts published by those Investee Companies and such information is, for the purpose of this section (B), "Third Party Information". The Third Party Information has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by those third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Ordinary Shares Fund

Turweston Solar Farm, Northamptonshire

Capacity (MW)	16.4
Investment date	December 2014
Voting rights in the relevant portfolio companies	49%
Valuation	£6,387,569

Laurel Hill Solar Farm, County Down

Capacity (MW)	14.2
Investment date	September 2017
Voting rights in the relevant portfolio companies	49%
Valuation	£5,958,948

Hurcott Solar, Somerset

Capacity (MW)	10
Investment date	November 2018
Voting rights in the relevant portfolio companies	49%
Valuation	£4,145,410

Saron Solar Farm, Carmarthenshire

Capacity (MW)	6.3
Investment date	March 2015
Voting rights in the relevant portfolio companies	49%
Valuation	£3,381,213

Basin Bridge Solar Farm, Leicestershire

Capacity (MW)	5.0
Investment date	August 2018
Voting rights in the relevant portfolio companies	49%
Valuation	£2,022,366

Marchington Solar Farm, Staffordshire

Capacity (MW)	5.0
Investment date	July 2016
Voting rights in the relevant portfolio companies	49%
Valuation	£2,041,998

Dove View Solar Farm, Staffordshire

Capacity (MW)	4.5
Investment date	August 2018
Voting rights in the relevant portfolio companies	49%
Valuation	£2,037,582

Beech Farm Solar, Wiltshire

Capacity (MW)	4.3
Investment date	August 2018
Voting rights in the relevant portfolio companies	49%
Valuation	£1,408,335

Stables Solar Farm, Leicestershire

Capacity (MW)	2.0
Investment date	August 2018
Voting rights in the relevant portfolio companies	49%
Valuation	£790,671

New Kaine Solar Farm, Kent

Capacity (MW)	1.9
Investment date	March 2015
Voting rights in the relevant portfolio companies	49%
Valuation	£557,322

Greenersite Solar Farm, Herefordshire

Capacity (MW)	0.1
Investment date	March 2013
Voting rights in the relevant portfolio companies	100%
Valuation	£339,013

The valuations of the above projects result in an aggregate net asset value of the Company's holdings of approximately £25 million.

FWT Share Class

Since the launch of the FWT Share class on 20 December 2019, it has raised approximately £14.9 million. The FWT Share class provides investors with the opportunity to invest in a portfolio of early-stage companies with high growth-potential, developing innovative and occasionally transformational technologies across a range of different sectors.

As at 30 September 2021, the FWT Share class had made eleven investments, a selection of which are described below.

Audioscenic

The FWT Share class's £360,000 investment into Audioscenic, a developer of immersive 3D audio software, was completed in October 2020. The company is a spin-out from the Institute of Sound and Vibrational Research ("ISVR") at the University of Southampton. By integrating computer vision into a soundbar, its speaker technology can monitor the location of a listener's head, beaming separate sound waves to their left and right ears. An immersive 3D audio experience can be created from a single, compact soundbar. An experience that is normally available to consumers only through headphones. The investment will support the commercialisation of the company's products and team expansion.

Refeyn

In November 2020, the FWT Share class invested £360,000 into Refeyn, a life sciences instrumentation company that span-out from the University of Oxford. The company is commercialising a disruptive technology ("Mass Photometry") that uses light to measure the mass of molecules (such as proteins). Identifying and characterising protein molecules through mass measurement is an integral part of life sciences research, particularly in the development of new medicines. Refeyn's instruments are easier to use, significantly faster and lower cost than existing techniques.

AMT

The FWT Share class's original £360,000 investment into AMT was made in October 2020 as part of a £2.5 million round alongside existing shareholders and the UK Government through its Future Fund scheme. FWT Share class invested a further £840,000 recently as part of a £9 million funding round that will enable AMT to grow its sales and distribution internationally, bring new products to market and target cashflow breakeven. AMT's technology is built around four pillars of sustainability: zero waste; better chemistries; less labour and less consumables. The company also ensures Health & Safety forms an integral part of the planning and execution of all staff activities. Moreover, by replacing a manual finishing process such as depowdering or surface smoothing of 3D printed parts, which often produces a large amount of dust, AMT's fully enclosed systems improve the quality and safety of the working environment.

VividQ

In May 2021, the FWT Share class invested £1.1 million in holography company VividQ as part of a £2.1 million overall commitment by Foresight. Conventional methods for producing a holographic image require an exponential increase in the computational power with the resolution of the image. VividQ has developed a patented approach that breaks down the image into a series of layers, reducing the computing power required. This breakthrough should mean that holographic display systems can now be integrated into compact, wearable devices such as augmented reality ("AR") glasses. In the near-term, VividQ is also targeting the automotive Head-up Display ("HUD") market, which presents a nearer-term route to market.

Previsico

Previsico's FloodMap Live platform predicts flood impacts, including surface water flooding, and automated alerts allow users to protect assets and minimise damage. The FWT Share class' investment in August 2021 of £600k (part of a £1.75 million overall Foresight commitment) will enable further product development, team expansion and support sales growth, in the UK and beyond.

Machine Discovery

Machine Discovery is commercialising a new software platform, based on a new type of algorithm developed in the University of Oxford's Department of Physics, to make machine learning simulations much faster, easier and less costly. Spun out of the University of Oxford in 2019, its initial algorithms were so successful that they were published in high-profile academic journals and attracted worldwide attention. The FWT Share class invested £200k in March 2021 as part of a £600k overall commitment.

(C) FINANCIAL INFORMATION

Audited financial information on the Company published in its annual report and accounts for the last four financial periods as set out below.

The annual report and accounts were all prepared in accordance with UK generally accepted accounting practice (GAAP) including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”, the fair value rules of the CA 2006 and in accordance with the Statement of Recommended Practice (SORP) “Financial Statements of Investment Trust Companies and Venture Capital Trusts” issued in November 2014 and updated in February 2018.

KPMG LLP, registered auditor of 15 Canada Square, London E14 5GL has reported without qualification and without statements under section 498 of the CA 2006 In respect of the statutory accounts for the year ended 30 June 2018 (2018 Annual Report), the period ended 31 March 2019 (2019 Annual Report) and the year ended 31 March 2020 (2020 Annual Report). KPMG LLP were replaced as the Company's auditor by Deloitte LLP following a tender process which completed in December 2020. Deloitte LLP, whose registered office is 1 New Street Square, London, United Kingdom, EC4A 3BZ has reported without qualification and without statements under section 498 of the CA 2006 In respect of the statutory accounts for the year ended 31 March 2021 (2021 Annual Report).

The annual report and accounts include the information set out below on the pages specified in the tables below, which are being incorporated into the document by reference can be accessed at the Foresight website (www.foresightgroup.eu) and are also available for inspection at the National Storage Mechanism accessed at www.data.fca.org.uk/#/nsm/nationalstoragemechanism It should be noted that other sections of such documents that are not incorporated herein by reference are either not relevant to investors and others or are covered elsewhere in the Prospectus.

Where these documents make reference to other documents, such other documents are not incorporated into and do not form part of the Prospectus.

Description	Unaudited Half-Year report for the period ended 30 September 2021 <i>(page number)</i>	2021 Annual Report <i>(page number)</i>	Unaudited Half-Year report for the period ended 30 September 2020 <i>(page number)</i>	2020 Annual Report <i>(page number)</i>	2019 Annual Report <i>(page number)</i>	2018 Annual Report <i>(page number)</i>
Balance Sheet	29	66	25	58	50	46
Income Statement (or equivalent)	28	64	24	56	48	44
Statement showing all changes in equity (or equivalent)	29	65	25	57	49	45
Cash Flow Statement	30	67	26	59	51	47

Accounting Policies and Notes	31	68	27	60	52	48
Auditor's Report	-	56	-	51	43	39

This information has been prepared in a form consistent with that which will be adopted in the Company's next published annual financial statements having regard to accounting standards and policies and legislation applicable to those financial statements.

Such information also includes operating/financial reviews as follows:

Description	Unaudited Half-Year report for the period ended 30 September 2021 <i>(page number)</i>	2021 Annual Report <i>(page number)</i>	Unaudited Half-Yearly report for the period ended 30 September 2020 <i>(page number)</i>	2020 Annual Report <i>(page number)</i>	2019 Annual Report <i>(page number)</i>	2018 Annual Report <i>(page number)</i>
Financial Highlights	2	2	2	2	2	2
Results & Dividend	2	3	2	2	3	3
Portfolio review	8	12	8	6	6	6
Valuation Policy	27	36	27	33	26	22
Outlook	5, 9, 10	6, 11	5, 9, 10	6, 12	5, 9	5, 9
Investment Summary	20	18, 22	20	22	6	6

Certain financial information on the Company is also set out below:

	Unaudited Half-Year report for the period ended 30 September 2021	2021 Annual Report	Unaudited Half-Yearly report for the period ended 30 September 2020	2020 Annual Report	2019 Annual Report	2018 Annual Report
Investment income	£558,000	£17,667,000	£16,275,000	£3,385,000	£546,000	£1,543,000
Profit/(loss) before taxation	£5,563,000	£(836,000)	£(263,000)	£(6,870,000)	£2,809,000	£538,000

Profit/(loss) per Ordinary Share	16.4p	(1.8)p	(0.5)p	(16.0)p	6.5p	1.2p
Profit/(loss) per FWT Share	(1.5)p	(5.0)p	(3.9)p	(0.8)p	-	-
Dividends per Ordinary Share	-	2.0p	2.0p	6.0p	3.0p	6.0p
Dividends per FWT Share	-	-	-	-	-	-
Total net assets	£42,355,000	£33,996,000	£28,617,000	£26,923,000	£41,686,000	£40,818,000
NAV per Ordinary Share	85.4p	68.9p	70.2p	72.7p	96.4p	93.0p
NAV per FWT Share	97.0p	98.0p	97.1p	99.1p	-	-

As at 30 September 2021, the unaudited net asset value per Ordinary Shares was 84.5p and the unaudited net asset value per FWT Share was 97.0p.

Effect of the Offer

As at 30 September 2021, the date to which the most recent unaudited half-yearly report and accounts of the Company have been drawn up, the Company had net assets of approximately £42,355,000. The Company is now seeking to raise up to £20 million (with an over-allotment facility of up to an additional £10 million) through the Offer for which the associated expenses will not exceed 5.5% of the gross proceeds. The impact of the Offer on the Company's earnings should be accretive in the medium term. The net assets of the Company will be increased by the net proceeds of the Offer.

PART THREE
DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during usual business hours on weekdays (Saturdays and public holidays excepted), at the offices of Foresight Group LLP, The Shard, 32 London Bridge Street, London SE1 9SG and at www.foresightgroup.eu, whilst the Offer is open:

- the Memorandum and Articles of the Company;
- the annual accounts and reports of the Company for the years or periods ended 30 June 2018, 31 March 2019, 31 March 2020 and 31 March 2021;
- the half-yearly reports for the periods ended 30 September 2020 and 30 September 2021;
- this Registration Document;
- the Securities Note; and
- the Summary.

5 January 2022