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Private and Confidential

6 September 2024

The Directors
Foresight Enterprise VCT plc
The Shard
32 London Bridge Street
London SE1 9SG

and

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

Dear Sirs

**Proposed offer for subscription of new ordinary shares by Foresight Enterprise VCT plc
("Company") ("Offer")**

1 Introduction

- 1.1 This letter, together with the enclosures (the "Engagement Letter"), sets out the basis on which we are to provide professional services to Foresight Enterprise VCT plc (the "Engagement").
- 1.2 Our Engagement is solely with the Company however, we will also take instructions from Foresight Group LLP and if appropriate at the time we shall invoice Foresight Group LLP on behalf of the Company.
- 1.3 Our appointment as Sponsor to the Company in respect of the services set out in the Engagement Letter is on an exclusive basis.
- 1.4 The Engagement is not classified as a regulated activity according to FCA guidelines.

2 Scope of Professional Services

- 2.1 Our role is to provide the professional services detailed below (the "Services"). By accepting these terms you are agreeing that the scope of the Services set out in this Engagement Letter is appropriate for your needs. We will perform the Services with reasonable skill and care but our duties and responsibilities shall be limited to the matters expressly set out in the Engagement Letter.
- 2.2 You should note that (unless otherwise agreed by us in writing) we are not responsible for:
 - (a) providing legal or other advice outside the scope of the Engagement;
 - (b) conducting any due diligence, financial or other investigation;



- (c) reviewing (or otherwise being responsible for) the services provided by any other professional advisers retained by you;
 - (d) providing any other services or advice beyond the scope of the Engagement unless we expressly agree, in writing, to do so in which case an additional fee may be payable.
- 2.3 Our opinions, reports, letters, information and advice (“Deliverables”) will reflect relevant law and regulation at the time they are sought and provided and we accept no responsibility for the consequences of a change of law or regulation after such Deliverables have been provided.
- 2.4 We are not responsible for the appropriateness of any commercial or strategic decisions taken by you (including any decision to proceed or not to proceed with a particular transaction).
- 2.5 We shall not be responsible for any act or omission of or advice given by any other professional adviser, even where we have assisted in their appointment. You will enter into a direct contract with all such professional advisers and they will not be our sub-contractors.
- 3 Our Services**
- 3.1 As required under the UK Listing Rules of the Financial Conduct Authority (“FCA”) Handbook (“UK Listing Rules”) we are to be appointed as Sponsor in relation to the Offer and the issue of a prospectus which will comprise a registration document and securities note and summary (the “Prospectus”).
- 3.2 We will be working, where appropriate, in conjunction with you and your other advisers and our Services will comprise:
 - 3.2.1 reviewing and commenting on the documentation (including the Prospectus and if required any supplementary prospectuses) required to implement the Offer in compliance with the rules of the FCA, and other regulations;
 - 3.2.2 discharging our duties as Sponsor as set out in the UK Listing Rules including liaison with the FCA (as required) and the London Stock Exchange, provide any further written confirmations to the FCA and the London Stock Exchange as may be required in relation to Official List matters and matters relating to trading of the Company’s securities on the London Stock Exchange’s market for listed securities and address any comments raised by the FCA and the London Stock Exchange;
 - 3.2.3 advising the Company on compliance with Chapter 11 of the UK Listing Rules and providing guidance or advice, as applicable, as Sponsor with regard to any related party transaction;
 - 3.2.4 advising on the timing and contents of any announcements made in relation to the Offer; and
 - 3.2.5 attending board meetings and shareholder meetings as required.
- 3.3 You undertake that you will not and will procure that none of your affiliates or associates will, publish or procure or solicit the publication of any document, statement or communication in connection with the Offer or our services under the Engagement, without our prior written consent. If for any reason any such document, statement or



communication is made without our prior written consent or in such other circumstances as may reasonably be appropriate, you acknowledge that we shall be entitled to publish any documents, statements or communications as we think fit in our interests without liability.

- 3.4 You acknowledge that we are acting solely for the Company in relation to the subject matter of this Engagement Letter and no one else.

4 Authority and information

- 4.1 We will be entitled to assume that our instructions in relation to the Engagement have been properly authorised by you if they are given by one of your directors or senior executives (in relation to Foresight Group LLP only). You undertake to ensure that you and the parties connected with you retain all authorisations and comply with all laws and regulatory requirements relevant to the Engagement. We are authorised by you to take such steps as we consider necessary to comply with relevant laws or regulations and/or to complete the Engagement, including acting through agents, where appropriate.
- 4.2 To enable us to carry out the Engagement, we may require certain information from you. Without prejudice to our other obligations pursuant to this letter, we will rely on you to check that any such information supplied to us and/or third parties or otherwise published is true, fair, complete, accurate and not misleading. If you discover that this is not the case, you will notify us immediately. You will ensure that all statements and documents made and/or published by you or on your behalf in connection with the Engagement will only be made or published after consultation with us.
- 4.3 Further, we will be entitled to assume that issues which may be material for disclosure or otherwise in the context of the Engagement will be brought to our attention and will provide our services only on the basis of information disclosed to us.

5 Legal and regulatory requirements

- 5.1 You acknowledge that we may be prohibited from disclosing information to the Company and Foresight Group LLP by reason of law or duties of confidentiality owed to other persons or the FCA rules.
- 5.2 In carrying out our services to the Company pursuant to this Engagement Letter, we are subject to the range of applicable laws, rules and regulations. You agree that our duty to you will not restrict our freedom to take all steps that we consider to be necessary to comply with the laws, rules and regulations applicable to us.

6 Indemnity

- 6.1 Foresight Enterprise VCT plc agrees promptly and fully to indemnify and keep indemnified to the fullest extent permitted by law, BDO LLP, its staff members and associated BDO entities and their staff members (the "Indemnified Persons") against all actions, demands, investigations, proceedings and claims which may be brought or threatened against the Indemnified Persons and all losses, damages, costs and expenses (including reasonable legal and other professional fees) relating thereto which may be suffered or incurred by an Indemnified Person where such claim directly or indirectly arises out of or in connection with the Engagement and/or the Offer (a "Claim") except to the extent that the Claim is finally and judicially determined by a court of competent jurisdiction to have arisen out of the wilful default, bad faith, wilful misconduct or gross negligence of an Indemnified Person or out of any breach by us or an associated BDO entity of our or their duties and obligations to the Company and/or Foresight Group LLP.



- 6.2 The Company and Foresight Group LLP will notify us of any third party claim or potential claim (a “Claim”) it becomes aware of that in turn may lead to a claim against an Indemnified Person. You will take reasonable steps to mitigate losses which are the subject of the Claim. The Indemnified Persons shall be entitled to retain separate professional advisers to advise them in relation to any Claim. You agree to keep the Indemnified Persons informed of the progress of any relevant Claim, to cooperate and to consult with the Indemnified Persons about the handling of any such Claim, and to have regard to any reasonable request that the Indemnified Persons may make in connection with any such Claim.
- 6.3 This paragraph 6 is in addition to, and does not limit, affect or prejudice any other rights or remedy which the Indemnified Persons may have at common law or otherwise, including (but not limited to) any right of contribution. This paragraph 6 shall remain in force and effect notwithstanding the completion of all matters and arrangements in this Engagement (including termination of the Engagement).
- 6.4 The benefit of this paragraph 6 is held by us on trust for each Indemnified Person, but we are entitled to waive any entitlement under it (or otherwise make settlements with respect to it) to such extent as we may in our absolute discretion think fit having regard to our interests.

7 Your responsibilities

- 7.1 It is your responsibility to provide us with complete, accurate and timely instructions and information relevant to our Engagement and we will not therefore be responsible for any losses caused by any failure by you or your agents to do so.
- 7.2 You shall use all reasonable endeavours to procure that your affiliates and associates shall comply with all legal and regulatory provisions relating to the Engagement in any jurisdiction including (without limitation) the UK Listing Rules, Prospectus Regulation, the Prospectus Regulation Rules, Disclosure Guidance and Transparency Rules, the Companies Acts 2006, Part V of the Criminal Justice Act 1993 (insider dealing) and the Financial Services and Markets Act 2000.
- 7.3 You undertake to procure, so far as you are able, that without consulting with us first no shares, securities or options are purchased or sold on your behalf or by any of your affiliates save for market purchases made by the Company allowable under the UK Listing Rules.
- 7.4 You undertake that you will at all times keep us fully informed of all strategies, developments and discussions relevant to the Offer and that no initiatives relevant to the Offer will be taken without prior consultation with us.

8 Personnel

- 8.1 John Stephan is the Partner responsible for the conduct of this Engagement on our behalf and Susan Jarram will be the Director leading our work. Our contact details are as follows:

John Stephan
Direct telephone: 07979 706731
Email address: john.stephan@bdo.co.uk

Susan Jarram
Telephone: 07817 751948
Email: susan.jarram@bdo.co.uk



9 Fees

- 9.1 Our fee will be £30,000 for our work as described in this letter payable upon the posting of the Prospectus however if it has not been posted by the end of November 2024, we shall invoice £15,000 at that time and the remainder shall be invoiced upon the posting of the Prospectus. In the event that the Prospectus is not posted, we shall invoice our time costs up to a maximum of £30,000, excluding any payment already made by yourselves. Our fees and expenses are payable by the Company, or Foresight Group LLP, in particular, should the Transaction be terminated by the Board prior to the posting of the Prospectus.
- 9.2 In addition a fee of £5,000 for providing advice as Sponsor with regard to a related party transaction in connection with compliance with Chapter 11 of the UK Listing Rules.
- 9.3 The above fees do not include fees in respect of tax advice or any legal fees or other expenses incurred by us on your behalf in relation to the Engagement. Such fees, subject to agreement with you in advance, will be paid by you.
- 9.4 You will also reimburse us (whether or not the transaction proceeds) for any disbursements and out-of-pocket expenses incurred during the Engagement. We will add VAT as applicable. Our additional standard terms for fees and the basis on which our work is charged are set out in the Terms of Business.
- 9.5 In addition a fee of £1,000 for each supplementary prospectus to be issued in connection with the Offer, payable upon the publication of any supplementary prospectus.
- 9.6 In the event that we are required to carry out additional work in connection with this Engagement we reserve the right to submit revised fee proposals.

10 The Market Abuse and Transparency Directive

- 10.1 We will take all reasonable steps to maintain the security of all Material Non Public Information which we hold, and where it is necessary to disclose such information to other persons, we will impose contractual obligations on them to maintain the security of such information.
- 10.2 We will maintain an Insider List in respect of BDO personnel as required by the FCA's Disclosure Guidance and Transparency Rules in the FCA Handbook, and we will provide that list to you as soon as possible on request.

11 Use of our Deliverables

- 11.1 Any Deliverables will be provided in writing and addressed to you. The Services are provided solely for the purpose set out in the Engagement Letter and we will not be liable for any losses arising from any other use of our Deliverables. Any Deliverables should not be reproduced or referred to in any other document or made available to any third party without our prior written consent, unless the exceptions noted at paragraph 6.2 of the Terms of Business apply and we shall not be liable for any losses arising from any third party using or relying upon our Deliverables.



12 Liability

- 12.1 Subject to paragraphs 19.3 and 19.4 of the Terms of Business, you agree that our aggregate liability to you, of whatever nature whether in contract, tort or otherwise, for any loss whatsoever and howsoever caused by or arising from this Engagement, shall not exceed £1 million or, if greater 3 times the total of fees invoiced under this Engagement Letter.
- 12.2 Where any loss is suffered by you for which we would otherwise be jointly and severally liable with any third parties, the extent to which such loss shall be recoverable by you from us, as opposed to the third party, shall be limited so as to be in proportion to our contribution to the overall fault for such damage or loss, as agreed between the parties, or in the absence of agreement, as finally determined by an English Court (ignoring for these purposes the ability of the third party to pay or any limitation of liability that you might have agreed with such third party).
- 12.3 Any claims must be formally commenced against BDO LLP within 2 years of the date you become aware (or ought reasonably to have become aware) of the facts which give rise to the claim and, in any event, within 4 years of the date that the cause of action accrued.
- 12.4 We refer you to paragraphs 19 and 20 of the attached Terms of Business which sets out other limitations on our liability to you. Please consider these provisions carefully as your continuing instructions will be an acknowledgement that the liability limitations in this paragraph and in the Terms of Business are reasonable having regard to all the circumstances.

13 Terms

- 13.1 A copy of our Terms of Business is enclosed. You should ensure that you read and understand these as they contain important terms including those in connection with your responsibilities, fees, use of our advice, our liability and termination. The Terms of Business, together with the other schedules, form part of the Engagement Letter. Should any of the terms included in the Terms of Business (or the schedule(s)) conflict with any of the other terms in this letter, the terms of this letter will prevail.
- 13.2 For this Engagement only, we agree to delete the words “together with a recharge of support costs at 5.0% of the above fees” from Clause 2.1 in the attached Terms of Business.
- 13.3 You agree and understand that the terms in the Engagement Letter apply to all services provided by us pursuant to the Engagement, whether such services were or are performed or provided before or after the signing of the Engagement Letter. The Engagement Letter will remain in place and fully effective until varied or replaced by written agreement between us.
- 13.4 By signing and returning a copy of this permission you agree that BDO is entitled to use any logos or branding owned or controlled by you in promotional and other material it produces for circulation to third parties. You hereby grant any necessary permission and non-exclusive licence required for such use. Provided always that you give us reasonable notice you are always entitled to withdraw such permission. BDO shall not be liable, if acting with your permission hereby granted, for any direct, indirect, special or consequential loss howsoever arising. No trademark rights shall pass to BDO by this usage or otherwise.
- 13.5 Please confirm your agreement to the terms in this Engagement Letter by signing and returning to us the enclosed copy. If you do not do so, your continuing instructions will amount to an acceptance of these terms.



The Directors
Foresight Enterprise VCT plc
6 September 2024

Yours faithfully

John Stephan, Partner
For and on behalf of BDO LLP

**Proposed offer for subscription of new ordinary shares by Foresight Enterprise VCT plc
("Company") ("Offer")**

To BDO LLP

I hereby confirm that BDO LLP is appointed to carry out the Engagement in accordance with the terms set out in this Engagement Letter.

For and on behalf of Foresight Enterprise VCT plc

DocuSigned by:

6EAE4FC436648D...

Signature
Michael Gray

Name
Chair

Position

12 September 2024 | 10:01:11 PDT

Date

For and on behalf of Foresight Group LLP

DocuSigned by:

A123AB63D0FD40C...

Signature
Stephen Thayer

Name
Partner, Group Finance Director

Position

19 September 2024 | 22:39:46 BST

Date