FORESIGHT SOLAR & INFRASTRUCTURE VCT plc

UNAUDITED HALF-YEARLY FINANCIAL REPORT

31 DECEMBER 2018

Foresight group

Shareholder Information

Foresight Solar & Infrastructure VCT plc is managed by Foresight Group CI Limited which is licensed by the Guernsey Financial Services Commission. Past performance is not necessarily a guide to future performance. Stock markets and currency movements may cause the value of investments and the income from them to fall as well as rise and investors may not get back the amount they originally invested. Where investments are made in unquoted securities and smaller companies, their potential volatility may increase the risk to the value of, and the income from, the investment.

As part of our investor communications policy, shareholders can arrange a mutually convenient time to come and meet the Company's investment management team at Foresight Group. If you are interested, please call Foresight Group (see details below).

CONTACT US

Foresight Group is always keen to hear from investors. If you have any feedback about the service you receive or any queries, please contact the Investor Relations team:

Telephone: 020 3667 8181

Email: InvestorRelations@foresightgroup.eu

www.foresightgroup.eu

KEY DATES

Annual Results to 31 March 2019*	July 2019
Annual General Meeting	September 2019
Interim Results to 30 September 2019	December 2019

*The accounting year end for the Company has changed to 31 March

DIVIDENDS

Dividends are ordinarily paid to shareholders in April and November. Shareholders who wish to have dividends paid directly into their bank account rather than by cheque to their registered address can complete a Mandate Form for this purpose. Mandates can be obtained by telephoning the Company's registrar, Computershare Investor Services PLC (see back cover for details).

SHARE PRICE

The Company's Ordinary Shares are listed on the London Stock Exchange. The mid-price of the Company's Ordinary Shares is given daily in the Financial Times in the Investment Companies section of the London Share Service. Share price information can also be obtained from many financial websites.

WWW.INVESTORCENTRE.CO.UK

Investors can manage their shareholding online using Investor Centre, Computershare's secure website. Shareholders just require their Shareholder Reference Number (SRN), which can be found on any communications previously received from Computershare, to access the following:

Holding Enquiry Balances I Values History I Payments

Payments Enquiry Dividends I Other payment types

Address Change Change registered address to which all communications are sent

Bank Details Update Choose to receive dividend payments directly into your bank account instead of by cheque

Outstanding Payments Reissue payments using our online replacement service

Downloadable Forms Dividend mandates I Stock transfer I Change of address

Alternatively you can contact Computershare by phone on 0370 707 4017

TRADING SHARES

The Company's Ordinary Shares can be bought and sold in the same way as any other quoted company on the London Stock Exchange via a stockbroker. The primary market maker for Foresight Solar & Infrastructure VCT plc is Panmure Gordon & Co.

Investment in VCTs should be seen as a long-term investment and shareholders selling their shares within five years of their original purchase may lose any tax reliefs claimed. Investors who are in any doubt about selling their shares should consult their financial adviser.

Please call Foresight Group if you or your adviser have any questions about this process.

GROWTH INVESTOR 2017 AWARDS WINNER BEST VCT INVESTMENT MANAGER

INVESTMENT WEEK TAX EFFICIENCY AWARDS 2018/19 WINNER Best Generalist - VCT

Contents

Financial Highlights

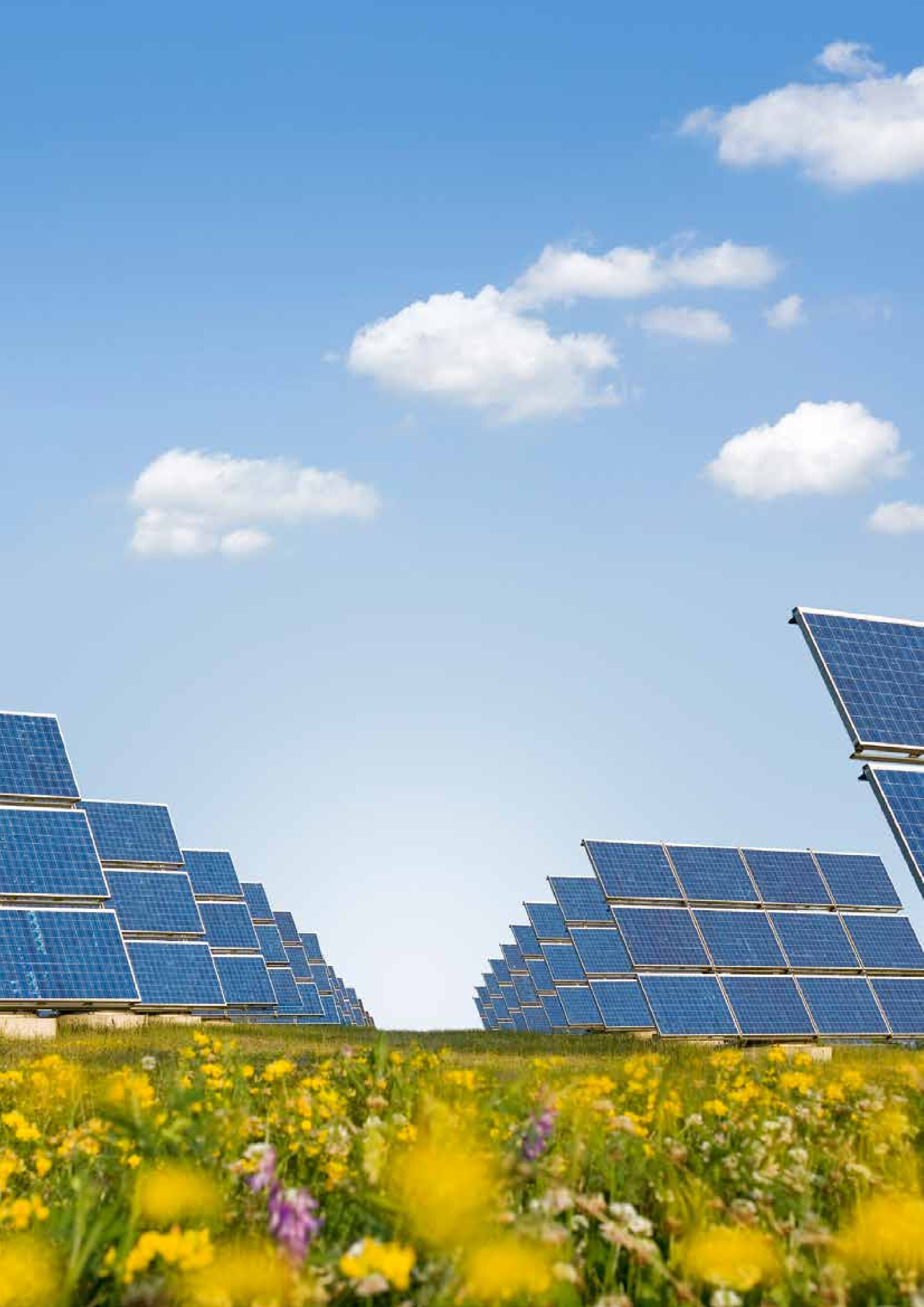
Ordinary Shares Net Assets as at 31 December 2018	Ordinary Shares Net Asset Value per share as at 31 December 2018	Ordinary Shares Dividends paid during the period ended 31 December 2018
£42.1m	97.3p	3.0p

ORDINARY SHARES FUND

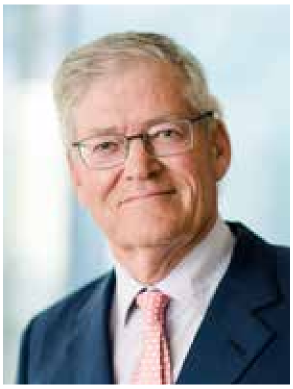
- Total net assets £42.1 million.
- After payment of 3.0p in dividends, Net Asset Value per Ordinary Share at 31 December 2018 was 97.3p (30 June 2018: 93.0p).
- At 31 December 2018, the fund held positions in 12 UK solar assets, with a total installed capacity of 74.7MW. During the period the portfolio generated 34.5 gigawatt hours of clean energy, sufficient to power approximately 11,000 UK homes for a year.
- At 31 December 2018, the fund also held positions in three Italian solar assets with a total installed capacity of 2.3MW.
- During the period, five UK solar assets (Basin Bridge, Beech Farm, Dove View, Hurcott & Stables) were acquired, increasing the portfolio's capacity by 25.8MW.
- During the period, two Italian solar assets (Avetrana Tre and Manduria Uno) were acquired through an investment in ForVEI II, increasing the portfolio capacity by 1.9 MW.

DIVIDEND HISTORY

Ordinary Shares	
Date	Dividend per share
23 November 2018	3.0p
27 April 2018	3.0p
24 November 2017	3.0p
7 April 2017	3.0p
18 November 2016	3.0p
8 April 2016	3.0p
13 November 2015	3.0p
10 April 2015	3.0p
14 November 2014	3.0p
4 April 2014	3.0p
25 October 2013	3.0p
12 April 2013	2.5p
31 October 2012	2.5p
Cumulative	38.0p



Chairman's Statement



David Hurst-Brown

Chairman of Foresight Solar & Infrastructure VCT plc

INTRODUCTION

I am pleased to present the Unaudited Half-Yearly Financial Report for Foresight Solar & Infrastructure VCT Plc for the six months ended 31 December 2018, the first period since the completion of the share class merger.

PERFORMANCE

The Net Asset Value per Ordinary Share increased to 97.3p at 31 December 2018, compared to 93.0p per share at 30 June 2018, after deducting the 3.0p per Ordinary Share dividend that was paid on 23 November 2018.

The increase in NAV was largely driven by the increase in valuation of the UK portfolio, with production 7.7% above expectations at 34.5 gigawatt hours of electricity, sufficient to power approximately 11,000 UK homes for a year.

The Board also notes that following its long running arbitration case with the Spanish Government with respect to retrospective changes to feed-in-tariffs on its previously held Spanish assets, the VCT has been awarded an amount of £2m-£2.5m, equivalent to 4.6-5.8p per share. However, no such awards against the Spanish Government have, as yet, been settled or collected and there remain significant challenges with respect to collectability. On that basis, the Board has not assigned any current value to the claim in the net asset value reported.

DIVIDENDS

The Board is pleased to announce that the next interim dividend, of 3.0p per Ordinary Share, will be paid on 26 April 2019. This will be based on an ex-dividend date of 11 April 2019 and a record date of 12 April 2019. This will bring the total dividends paid since launch to 41.0p per Ordinary Share, and a total return of 135.3p per Ordinary Share since launch.

The Board intends to pay an annual dividend of 5.0p per Ordinary Share each year, payable bi-annually via interim dividends of 2.5p per Ordinary Share in April and October. Since the launch of the Company, this target has been either achieved or exceeded in all years to date. The level of dividends is not, however, guaranteed.

PORTFOLIO ACTIVITY

During the period, existing portfolio companies completed the acquisition of five UK solar assets, Basin Bridge, Stables, Dove View, Beech Farm and Hurcott, adding a total of 25.8MW of capacity to the portfolio.

Read more on page 6

Existing portfolio companies also committed an amount into ForVEI II, the second joint venture partnership between Foresight and VEI Capital. During the period, ForVEI II successfully completed the acquisition of two plants totalling 1.9MW, each located in Apulia, Italy.

These additions support the Company's objective of continuing to deliver its target dividends and maximising long-term future returns for Shareholders.

MANAGEMENT FEES

The annual management fee of the Ordinary Shares fund is calculated as 1.5% of Net Assets and equated to £309,000 during the period.

SHARE ISSUES AND BUYBACKS

During the period, 663,597 Ordinary Shares were repurchased for cancellation. No new Shares were issued.

SHAREHOLDER COMMUNICATIONS

The Board are offering shareholders the opportunity to elect the method by which they receive shareholder communications. Further details of this are included in the letter appended to this report. The Board believes that in addition to further promoting sustainability, a shift towards electronic communications will result in some cost savings.

BOARD COMPOSITION, OUTLOOK & FUTURE FUND-RAISING

The performance of the Ordinary Shares since the fund was launched in 2010, as a result of the solar investments made, is broadly in line with the fund's original mandate and the Board is pleased with the success of those investments to date. As a result of past legislative and regulatory changes, we can no longer raise new monies to invest in energy generation activities in general or, specifically, new solar investments. Therefore, over the next four years or so, until all Shareholders have reached their minimum 5-year qualifying holding period, the Board and the Manager will seek to optimise the existing portfolio in terms of performance and pay dividends through a combination of income earned and realised gains made, and ultimately seek to offer all Ordinary Share shareholders a final exit at that point.

In the meantime, we will write to shareholders later this year with respect to the opportunity to participate in the next tender offer for shares.

The Board has also been considering the future direction of the VCT and future fund-raising opportunities and, in that regard, intends to seek Shareholder approval to raise funds for a new VCT share class for the Company which will invest monies in a number of exciting engineering and technology based companies. Further details about this proposed change will be sent to Shareholders in the coming months.

To that end, the Board was delighted to welcome Ernie Richardson as a Director of the Company. Ernie, who was appointed as a Non-Executive Director of the Company in January this year, has extensive experience in the venture capital industry and previously served as the Chief Executive Officer and Managing Partner of MTI Partners Limited.

CHANGE OF ACCOUNTING YEAR END

Following the decision to seek Shareholder approval to raise new funds for the Company, the Board has decided to change the accounting year end of the Company to 31 March 2019 (from 30 June 2019) to better align the Company with the tax year end.

David Hurst-Brown
Chairman
28 March 2019

Investment Manager's Review

PORTFOLIO SUMMARY

During the six months to 31 December 2018, existing portfolio companies made investments in five operational UK solar assets, with a total capacity of 25.8MW.

The first four solar projects were acquired in August 2018. Basin Bridge Solar and Stables Solar are situated in Leicestershire and have a capacity of 5.0MW and 2.0MW respectively. Dove View and Beech Farm are both in Staffordshire and have a capacity of 4.5MW and 4.3MW respectively.

In November 2018 a further investment was completed, acquiring Hurcott Solar in Somerset, with a total production capacity of 10.0MW.

These five ground-mounted solar projects, which benefit from long-term ROC subsidy payments, were acquired from other funds managed by Foresight and were supported by independent valuations from a third-party valuation expert. Previous Foresight ownership was beneficial in allowing for a more cost-efficient and lower risk acquisition process. Additionally, the assets had been in operation for a minimum period of two years and managed by Foresight Group's Asset Management team, thereby ensuring the quality of the assets as well as securing a clear advantage in continuing to manage these assets going forwards.

Also in July 2018, existing portfolio companies invested into the ForVEI II platform, which made investments into two ground-mounted solar assets in the Apulia region of southern Italy, which have been operational since 2010, and have a total capacity of 1.9MW. The plants receive long-term subsidies under the Italian Feed-in Tariff regime.

Other existing portfolio companies completed the debt refinancing of the Laurel Hill site in August 2018, provided by Royal Bank of Scotland. The refinancing proceeds have been used to repay the majority of the borrowings originally used to finance the acquisition.

PORTFOLIO PERFORMANCE

Performance of the assets was positive during the period 1 July 2018 to 31 December 2018 with total electricity production 7.7% above expectations. The UK assets generated a total of 34.5GWh, enough clean electricity to power more than 11,000 homes. This strong performance reflects higher than average irradiation levels and good availability of the solar plants.

There will be variances in performance caused by irradiation or the efficiency of the plants but this does not require adjustment to the long term forecasts. Further details on performance of the individual assets are included on pages 10 to 16.

REGULATORY AND MARKET CHANGES

In December 2018, total installed solar capacity in the UK reached c.13,096MW across c.976,200 installations, an increase of 2.1% (c.268MW) since December 2017. This modest growth was predominantly supported by new domestic roof-top installations and some ground mounted assets in Northern Ireland. This reduction in growth results from the closure of the Renewables Obligation ("RO") scheme in April 2017. As anticipated, there have been no new large-scale solar assets constructed in the UK following the closure of the RO scheme. We expect this to remain the case in the foreseeable future, with investment activity in the sector focused on secondary market acquisitions of operational assets.

The UK solar market continued to experience a period of consolidation with a significant number of secondary transactions taking place in 2018. The level of activity in the secondary market, associated with the absence of new construction of large-scale solar assets, resulted in increased competition for the acquisition of operational assets.

In November 2018, Ofgem released a consultation on the Targeted Charging Review ("TCR"), which was launched initially in August 2017 as part of a review into residual network charging arrangements. The update included a number of proposed reforms, which would likely result in a reduction in revenues received by UK embedded generation assets which currently benefit from embedded benefits and could also result in an increase in network charges. Whilst the exact nature of the proposed changes is still to be confirmed, if taken forward in their present form they would be phased in from 2021. It should be noted, embedded benefits revenue represents c.2.5% of revenues for the portfolio during the period.

Despite limited growth in the solar market, the UK renewables market has continued to thrive. In September 2018, the capacity of renewable energy overtook that of fossil fuels in the UK for the first time with 41.9GW of generation from wind, solar, biomass and hydropower exceeding the 41.2GW of capacity from coal, gas and oil-fired power generation assets. In the five years to 2018 renewable capacity has tripled while fossil fuel capacity has fallen by a third due to the decommissioning of fossil fuel generators.

BREXIT

At the time of going to print, the outcome of Brexit remains unclear. The Investment Manager does not consider the Company to be particularly sensitive to the various possible scenarios that the UK Government could pursue. The energy market in the UK is closely aligned with European markets and this is not expected to change over the long term. As an example, the draft political declaration made in November 2018 sets out a desire to "consider cooperation on carbon pricing by linking a United Kingdom national greenhouse gas emissions trading system with the EUs Emissions Trading System".

An exit from the EU would likely cause volatility in the energy markets, that volatility in itself could lead to slightly higher electricity prices in the short term. Longer term impacts such as weaker economic demand and the availability of unskilled labour are not deemed material to the future operations of the Company.

REVENUES

During the period, 57% of revenue from UK portfolio investments came from subsidies (predominantly under the ROC scheme) and other green benefits to an offtaker. These revenues are directly and explicitly linked to inflation for 20 years from the accreditation date under the ROC regime and subject to Retail Price Index ("RPI") inflationary increases applied by Ofgem in April of each year. The majority of the remaining 43% of revenues derive from electricity sales by our portfolio companies which are subject to wholesale electricity price movements.

The average power price achieved during the period was £55.79 per MWh, representing an increase on the price achieved in the 12 months to 30 June 2018 (£46.77 per MWh.) Electricity spot prices initially increased during the period, reaching a peak of approximately £67/MWh in September due to increasing commodity prices. From September, prices stabilised.

During the period 1 July 2018 to 31 December 2018 there was a 3.4% increase in long term power price forecasts. The Investment Manager uses forward looking power price assumptions to assess the likely future income of the portfolio investments for valuation purposes. The Company's assumptions are formed from a blended average of the forecasts provided by third party consultants and are updated on a quarterly basis. The Investment Manager's forecasts continue to assume an increase in power prices in real terms over the medium to long-term of 0.56% per annum (30 June 2018: 1.08%), driven by higher gas and carbon prices.

Power Purchase Agreements ("PPAs") are entered into between each portfolio company and offtakers in the UK electricity supply market. Under the PPAs, each portfolio company will sell the entirety of the generated electricity and ROCs to the designated offtaker. Under the terms of a PPA, electricity can be supplied at a fixed price for an agreed duration, or at a variable rate.

The PPA strategy adopted by our portfolio companies seeks to optimise their revenues from the power generated, while keeping the flexibility to manage their solar assets appropriately. The Boards of our portfolio companies, with assistance from Foresight, constantly assess conditions in the electricity market and set their pricing strategy on the basis of likely future movements.

As at 31 December 2018, 42% of the UK solar portfolio had fixed power price arrangements in place, offering a premium over the long-term power price forecasts providing good visibility over future revenues. Our portfolio companies retain the option to fix the PPAs of their portfolio assets at any time. Power prices for c.31MW of the UK portfolio capacity have been fixed until 31 December 2019, thereby reducing the exposure to power price volatility. As part of the ongoing efforts by our portfolio companies to maximise the commercial performance of their businesses, a PPA tendering process has been undertaken across all assets, which has seen a significant reduction in fees charged to them by the offtakers.

SUSTAINABLE INVESTING

Sustainability lies at the heart of the Manager's approach, and the Manager believes that investing responsibly, seeking to make a positive social and environmental impact, is critical to its long-term success. These factors have been integrated into the investment process, and are actively supported by all involved, regardless of seniority.

Over the course of 2018, Foresight has been seeking to refine its sustainability tracking to further improve its investment processes, enhance the sustainability performance of existing assets and demonstrate more comprehensively the environmental benefits and social contribution of the Company's activities, implementing Foresight Group's Sustainable Investing in Infrastructure Strategy. This strategy focuses on ensuring all assets are evaluated prior to acquisition and throughout their ownership, in accordance with Foresight Group's Sustainability Evaluation Criteria.

There are five central themes to the Criteria, which cover the key areas of sustainability.

The five criteria are:

1. Sustainable Development Contribution: The development of affordable and clean energy and improved resource and energy efficiency.
2. Environmental Footprint: Assessing potential environmental impact such as emissions to air, land and water, effects on biodiversity and noise and light pollution
3. Social Engagement: Engagement and consultation with local stakeholders. Ensuring a positive local economic and social impact, community engagement and the health and wellbeing of stakeholders.
4. Governance: Compliance with relevant laws and regulations and ensuring best practice is followed.
5. Third Party Interactions: Third party due diligence is conducted on key counterparties to ensure adherence to the aforementioned criteria where relevant.

LAND MANAGEMENT

Foresight Group remains a working partner of the Solar Trade Association's Large Scale Asset Management Working Group. Foresight is a signatory to the Solar Farm Land Management Charter and seeks to ensure that the solar farms operated by all of our portfolio companies are managed in a manner that maximises the agricultural, landscaping, biodiversity and wildlife potential, which can also contribute to lowering maintenance costs and enhancing security. As such, Foresight Group regularly inspects sites and advises portfolio companies to develop site specific land management and biodiversity enhancement plans to secure long term gains for wildlife and ensure that the land and environment are maintained to a high standard.

This includes:

- Management of grassland areas within the security fencing to promote wildflower meadows and sustainable sheep grazing;
- Planting and management of hedgerows and associated hedge banks;
- Management of field boundaries between security fencing and hedgerows;
- Sustainable land drainage and pond restoration;
- Installation of insect hotels and reptile hibernacula;
- Installation of boxes for bats, owls and kestrels; and
- Installation of beehives by local beekeepers.

Most solar parks are designed to enable sheep grazing and the remaining plants are investigated for alterations to ensure that the farmland on which the solar assets are located can remain useful in agricultural production, which is a frequent desire of local communities.

SOCIAL AND COMMUNITY ENGAGEMENT

Foresight Group actively seeks to engage with the local communities around the solar assets operated by our portfolio companies and regularly attends parish meetings to encourage community engagement and promote the benefits of their solar assets.

HEALTH AND SAFETY

There were no reportable health and safety incidents during the period.

Safety, Health, Environment and Quality ("SHEQ") performance and risk management are a top priority at all levels for Foresight Group. To further improve the management of SHEQ risks, reinforce best practice and ensure non-compliance with regulations is avoided, Foresight Group has appointed an independent health and safety consultant who regularly visits the portfolio assets operated by our portfolio companies to ensure they not only meet, but exceed, industry and legal standards. The consultant has confirmed that all sites are in compliance with applicable regulations. Recommendations have been implemented to help raise standards further, including improvements to security arrangements for two of the plants.

OUTLOOK

It has been another positive period for the Company with a number of attractive acquisitions completed by portfolio companies and strong performance from both new and existing assets. Plant optimisation will continue to be a core objective both from an operational perspective and in respect of their ability to support a sustainable level of debt to enhance returns to the fund. During 2019, the Company will focus on embedding the recently acquired UK and Italian assets and continuing to deliver strong operational performance across the portfolio.

Foresight Group CI Limited
Investment Manager
28 March 2019

Investing for a smarter future
for more than 30 years

Sustainable Infrastructure
Foresight's Five criteria

£2BN
invested into clean energy projects worldwide

More than
1.6GW
of renewable generation assets

Investment strategies that support sustainable economic and social development

1 Sustainable development contribution

- Affordable, clean energy
- Resilient industry, innovation & sustainable infrastructure
- Positive contribution to climate action

2 Environmental footprint

- Reduction in CO_2
- Species protection & promotion
- Responsible waste management
- Feedstock sustainability
- Control of emissions, effluents & wastes in all conditions

3 Social engagement

- Health and wellbeing of staff & third parties
- Local economic & social impact
- Positive community engagement & contribution
- Positive decommissioning plan

4 Governance

- Legislation compliance
- Employment & human rights
- Robust anti-bribery & corruption policies
- Appropriate management structure
- Experienced board

5 Third party interactions

- Legislation compliance
- Supply chain monitoring
- Protecting reputation

One of the first external fund managers appointed by the UK Green Investment Bank

Helped shape the Green Investment Handbook

Portfolio Overview

Turweston Solar Farm, Northamptonshire

16.4 MW

Investment date December 2014

During the period 1 July 2018 to 31 December 2018 the portfolio companies trading on the site performed above the expected level of production due to the good availability of the plant and high irradiance levels.

	Period ended 31 December 2018
Voting rights in the relevant portfolio companies	49%
Current cost	£19,771,001
Valuation	£23,027,990

	Year ended 31 December 2018
Income	£2,580,922
EBITDA	£372,632
Net liabilities	(£678,989)

Laurel Hill Solar Farm, County Down

14.2 MW

Investment date September 2017

The site connected to the grid in February 2018 and provisionally achieved its Performance Acceptance Certificate during the period.

	Period ended 31 December 2018
Voting rights in the relevant portfolio companies	49%
Current cost	£5,332,478
Valuation	£7,965,408

	Year ended 31 December 2018
Income	£1,354,921
EBITDA	£1,184,043
Net assets	£837,967

Littlewood Solar Farm, Nottinghamshire

5.0 MW

Investment date August 2017

During the period 1 July 2018 to 31 December 2018 the portfolio company trading on the site performed above the expected level of production due to the good availability of the plant and high irradiance levels.

	Period ended 31 December 2018
Voting rights in the relevant portfolio company	49%
Current cost	£5,087,340
Valuation	£6,603,331

	Year ended 31 December 2018
Income	£714,420
EBITDA	£565,427
Net assets	£153,943

Hurcott Solar, Somerset

10.0 MW

Investment date November 2018

Since acquisition, the portfolio company trading on the site performed in line with the expected level of production.

	Period ended 31 December 2018
Voting rights in the relevant portfolio company	49%
Current cost	£4,149,938
Valuation	£4,324,443

	Year ended 31 December 2018
Income	£2,186,101
EBITDA	£436,530
Net liabilities	(£36,634)

Saron Solar Farm, Carmarthenshire

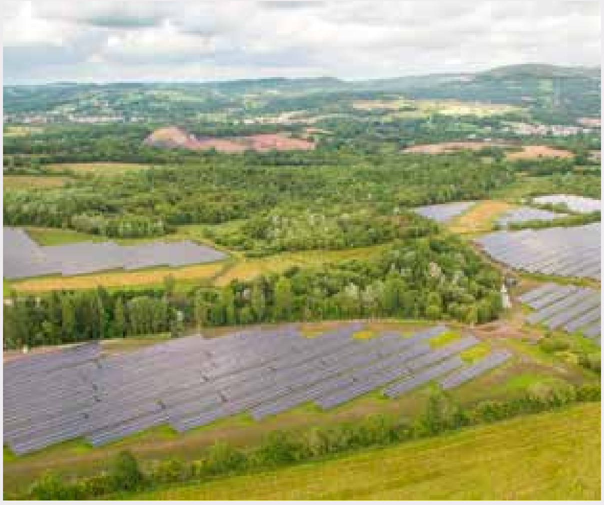
6.3 MW

Investment date March 2015

During the period 1 July 2018 to 31 December 2018 the portfolio company trading on the site performed above the expected level of production due to the good availability of the plant and high irradiance levels.

	Period ended 31 December 2018
Voting rights in the relevant portfolio company	49%
Current cost	£3,412,909
Valuation	£3,394,662

	Year ended 31 December 2018
Income	£772,394
EBITDA	£457,675
Net liabilities	(£905,172)



Marchington Solar Farm, Staffordshire

5.0 MW

Investment date July 2016

During the period 1 July 2018 to 31 December 2018 the portfolio company trading on the site performed above the expected level of production due to the good availability of the plant and high irradiance levels.

	Period ended 31 December 2018
Voting rights in the relevant portfolio company	49%
Current cost	£1,031,975
Valuation	£2,260,319

	Year ended 31 December 2018
Income	£535,073
EBITDA	£115,080
Net liabilities	(£379,184)

Basin Bridge Solar Farm, Leicestershire

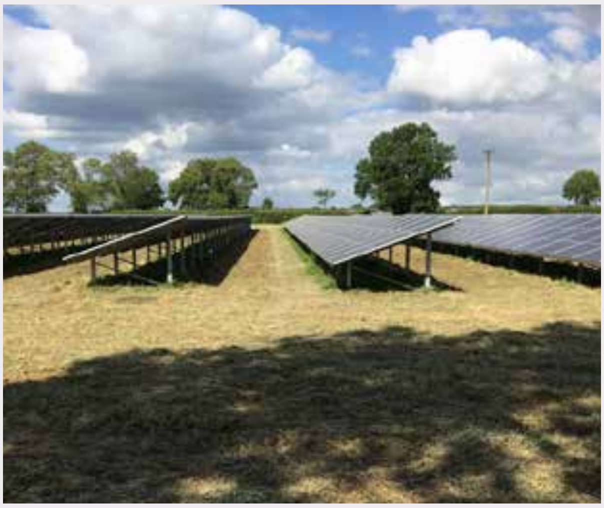
5.0 MW

Investment date August 2018

Since acquisition, the portfolio company trading on the site performed above the expected level of production due to the good availability of the plant and high irradiance levels.

	Period ended 31 December 2018
Voting rights in the relevant portfolio company	49%
Current cost	£1,707,972
Valuation	£2,167,824

	Year ended 31 December 2018
Income	£1,119,667
EBITDA	£752,188
Net liabilities	(£568,576)



Dove View Solar Farm, Staffordshire

4.5 MW

Investment date August 2018

Since acquisition, the portfolio company trading on the site performed above the expected level of production due to the good availability of the plant and high irradiance levels.

	Period ended 31 December 2018
Voting rights in the relevant portfolio company	49%
Current cost	£1,673,880
Valuation	£1,926,399

	Year ended 31 December 2018
Income	£921,220
EBITDA	£356,823
Net liabilities	(£405,408)

Beech Farm Solar, Wiltshire

4.3 MW

Investment date August 2018

Since acquisition, the portfolio company trading on the site performed above the expected level of production due to the good availability of the plant and high irradiance levels.

	Period ended 31 December 2018
Voting rights in the relevant portfolio company	49%
Current cost	£1,421,984
Valuation	£1,549,501

	Year ended 31 December 2018
Income	£967,700
EBITDA	£314,328
Net liabilities	(£687,151)

Italian Solar

1.9 MW

Investment date July 2018

These plants are owned by an investment fund called ForVEI II, a joint venture partnership between Foresight and VEI Capital. During the period 1 July 2018 to 31 December 2018, ForVEI II invested into two ground-mounted solar assets, Avetrana Tre and Manduria Uno, which have a capacity of 1.0MW and 0.9MW respectively.

	Period ended 31 December 2018
Voting rights within each project investment vehicle	25.7%
Current cost	£1,177,241
Valuation	£1,177,241

Stables Solar Farm, Leicestershire

2.0 MW

Investment date August 2018

Since acquisition, the portfolio company trading on the site performed above the expected level of production due to the good availability of the plant and high irradiance levels.

	Period ended 31 December 2018
Voting rights in the relevant portfolio company	49%
Current cost	£711,206
Valuation	£813,468

	Year ended 31 December 2018
Income	£332,657
EBITDA	£141,409
Net liabilities	(£641,503)

New Kaine Solar Farm, Kent

1.9 MW

Investment date March 2015

During the period 1 July 2018 to 31 December 2018 the portfolio company trading on the site performed above the expected level of production due to the good availability of the plant and high irradiance levels.

	Period ended 31 December 2018
Voting rights in the relevant portfolio company	49%
Current cost	£673,363
Valuation	£610,853

	Year ended 31 December 2018
Income	£242,185
EBITDA	£89,444
Net liabilities	(£241,458)

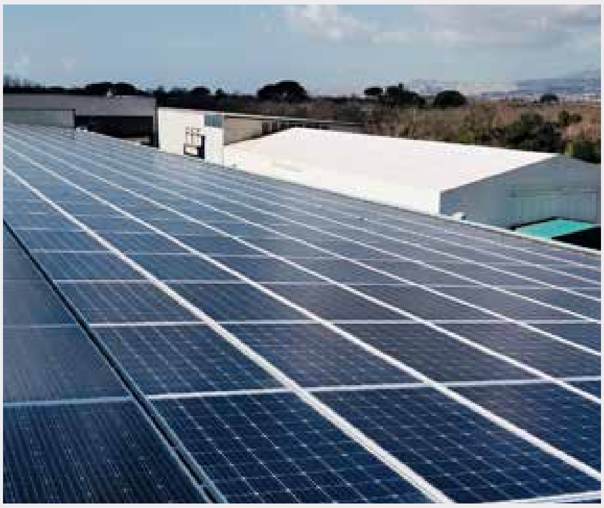
Telecomponenti Rooftop Solar, Campania, Italy

400 KW

Investment date November 2017

During the period 1 July 2018 to 31 December 2018 production by the plant was slightly below expectations due to lower than average irradiation.

	Period ended 31 December 2018
Voting rights in the relevant portfolio company	49%
Current cost	£407,797
Valuation	£407,797



Greenersite Solar Farm, Herefordshire

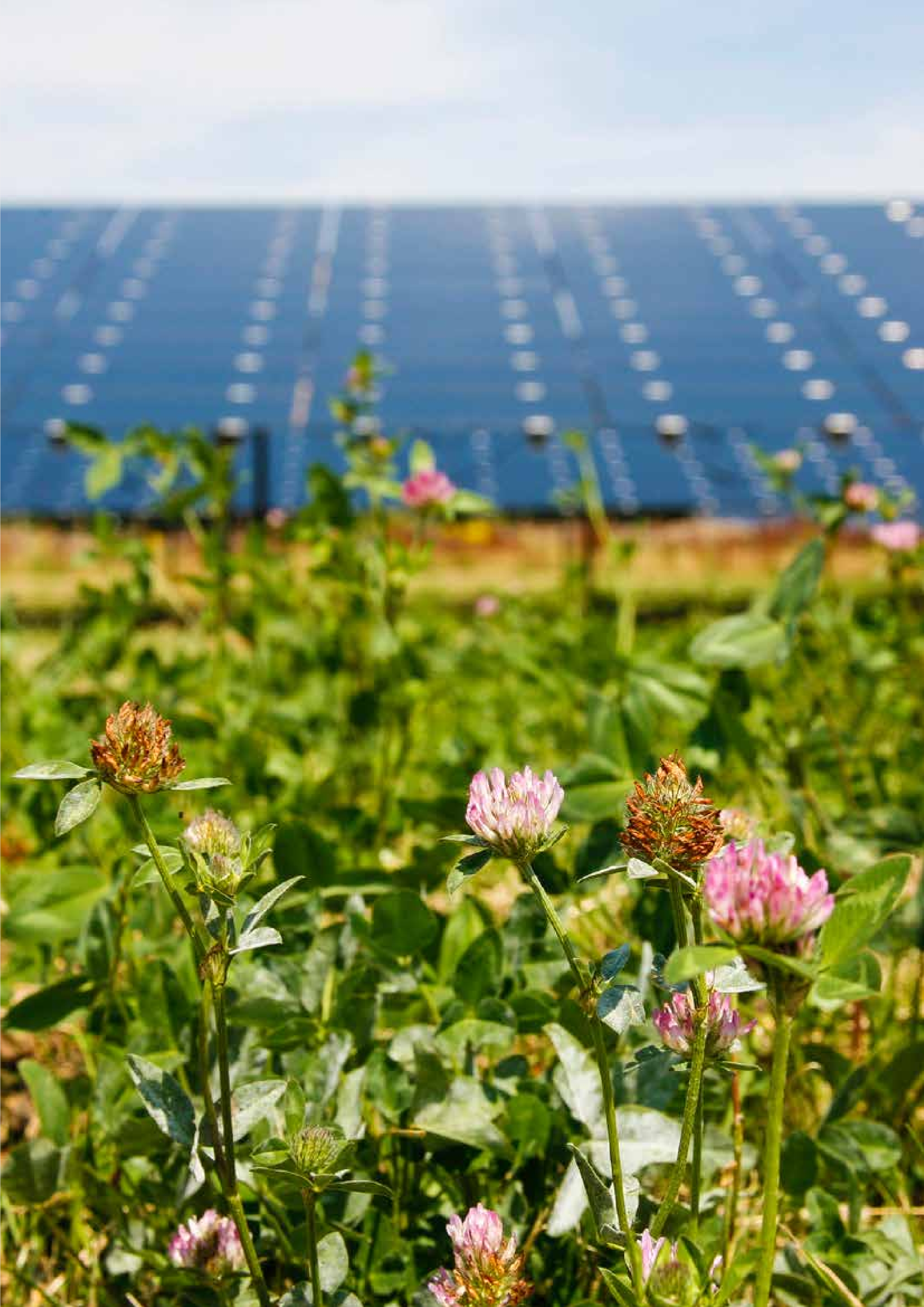
100 KW

Investment date March 2013

During the period 1 July 2018 to 31 December 2018 the site performed above the expected level of production due to the good availability of the plant and high irradiance levels.

	Period ended 31 December 2018
Voting rights in the relevant portfolio company	100%
Current cost	£325,878
Valuation	£371,109

	Year ended 31 December 2018
Income	£31,432
EBITDA	£1,860
Net assets	£261,674



Portfolio Analysis

Portfolio details as at 31 December 2018 were as follows:

		31 December 2018			30 June 2018	
Name of asset	Date of investment	Current cost† (£)	Valuation (£)	Valuation Methodology	Current cost (£)	Valuation (£)
Turweston Solar Farm	December 2014	19,771,001	23,027,990	Discounted cashflow	19,771,001	22,061,202
Laurel Hill Solar Farm	September 2017	5,332,478	7,965,408	Discounted cashflow	—	14,593,193
Littlewood Solar Farm	August 2017	5,087,340	6,603,331	Discounted cashflow	—	6,547,433
Hurcott Solar	November 2018	4,149,938	4,324,443	Discounted cashflow	—	—
Saron Solar Farm	March 2015	3,412,909	3,394,662	Discounted cashflow	3,412,909	3,221,491
Marchington Solar Farm	July 2016	1,031,975	2,260,319	Discounted cashflow	1,031,975	2,318,223
Basin Bridge Solar Farm	August 2018	1,707,972	2,167,824	Discounted cashflow	—	—
Dove View Solar Farm	August 2018	1,673,880	1,926,399	Discounted cashflow	—	—
Beech Farm Solar Farm	August 2018	1,421,984	1,549,501	Discounted cashflow	—	—
Italian Solar	July 2018	1,177,241	1,177,241	Cost	—	—
Stables Solar Farm	August 2018	711,206	813,468	Discounted cashflow	—	—
New Kaine Solar Farm	March 2015	673,363	610,853	Discounted cashflow	673,363	543,006
Telecomponenti Rooftop Solar	November 2017	407,797	407,797	Cost	407,797	407,797
Greenersite Solar Farm	March 2013	325,878	371,109	Discounted cashflow	325,878	378,951
Other net assets held by the portfolio companies		—	348,681		—	3,280,308
Total			**56,949,026**			**53,351,604**

†Current cost is the initial purchase price of assets by the relevant underlying portfolio companies net of any returns of capital. Returns of capital can include the proceeds of refinancing activities, which could also have an impact on the valuation above.

Portfolio companies will either trade on a solar site themselves or a wholly owned subsidiary will do so.

The portfolio companies, or their wholly owned subsidiaries, may borrow to fund acquisitions and may also employ proceeds from the disposal of assets.

Unaudited Half-Yearly Results and Responsibilities Statements

Principal Risks and Uncertainties

The principal risks faced by the Company are as follows:

- Performance;
- Regulatory;
- Operational; and
- Financial.

The Board reported on the principal risks and uncertainties faced by the Company in the Annual Report and Accounts for the year ended 30 June 2018. A detailed explanation can be on found on page 20 of the Annual Report and Accounts which is available on Foresight Group's website www.foresightgroup.eu or by writing to Foresight Group at The Shard, 32 London Bridge Street, London, SE1 9SG.

In the view of the Board, there have been no changes to the fundamental nature of these risks since the previous report and these principal risks and uncertainties are equally applicable to the remaining six months of the financial year as they were to the six months under review.

DIRECTORS' RESPONSIBILITY STATEMENT

The Disclosure and Transparency Rules ('DTR') of the UK Listing Authority require the Directors to confirm their responsibilities in relation to the preparation and publication of the Unaudited Half-Yearly Financial Report for the six months ended 31 December 2018.

The Directors confirm to the best of their knowledge that:

(a) the summarised set of financial statements has been prepared in accordance with FRS 104;

(b) the Unaudited Half-Yearly Financial Report for the six months ended 31 December 2018 includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months of the year and a description of principal risks and uncertainties that the Company faces for the remaining six months of the year);

(c) the summarised set of financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as required by DTR 4.2.4R; and

(d) the interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein).

GOING CONCERN

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report in the 30 June 2018 Annual Report and Accounts. The financial position of the Company, its cash flows, liquidity position and borrowing facilities are described in the Chairman's Statement, Strategic Report and Notes to the Accounts of the 30 June 2018 Annual Report and Accounts. In addition, the Annual Report and Accounts includes the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.
The Company has considerable financial resources together with investments and income generated therefrom, which benefit from Renewable Obligation Certificates guaranteed by the UK Government. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

Cash flow projections have been reviewed and show that the Company has sufficient funds to meet both its contracted expenditure and its discretionary cash outflows in the form of the share buy-back programme and dividend policy. The Company has no external loan finance in place and therefore is not exposed to any gearing covenants.

The Directors have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The Half-Yearly Financial Report for the six months ended 31 December 2018 has not been audited or reviewed by the auditors.

On behalf of the Board

David Hurst-Brown
Chairman
28 March 2019

Unaudited Income Statement

FOR THE SIX MONTHS ENDED 31 DECEMBER 2018

	Six months ended 31 December 2018 (unaudited)			Six months ended 31 December 2017* (unaudited)			Year ended 30 June 2018 (audited)		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment holding gains	—	3,794	3,794	—	2,808	2,808	—	835	835
Realised losses on investments	—	(197)	(197)	—	—	—	—	—	—
Income	368	—	368	374	—	374	1,543	—	1,543
Investment management fees	(77)	(232)	(309)	(88)	(496)	(584)	(173)	(649)	(822)
Loan interest payable	(208)	—	(208)	(200)	—	(200)	(371)	—	(371)
Other expenses	(235)	—	(235)	(299)	—	(299)	(647)	—	(647)
(Loss)/profit on ordinary activities before taxation	(152)	3,365	3,213	(213)	2,312	2,099	352	186	538
Taxation	—	—	—	—	—	—	—	—	—
(Loss)/profit on ordinary activities after taxation	(152)	3,365	3,213	(213)	2,312	2,099	352	186	538
(Loss)/profit per share:									
Ordinary Share	(0.3)p	7.7p	7.4p	(0.6)p	7.5p	6.9p	0.8p	0.4p	1.2p

*Company Income Statement includes C and D Shares.

The total column of this statement is the profit and loss account of the Company and the revenue and capital columns represent supplementary information.

All revenue and capital items in the above Income Statement are derived from continuing operations. No operations were acquired or discontinued in the period.

The Company has no recognised gains or losses other than those shown above, therefore no separate statement of total recognised gains and losses has been presented.

Unaudited Balance Sheet

AT 31 DECEMBER 2018

Registered Number: 07289280

	As at 31 December 2018 (unaudited) £'000	As at 31 December 2017* (unaudited) £'000	As at 30 June 2018 (audited) £'000
Fixed assets			
Investments held at fair value through profit or loss	**56,949**	55,697	53,352
Current assets			
Debtors	**948**	312	465
Money market securities and other deposits	**9**	9	9
Cash	**2,093**	4,616	4,844
	3,050	4,937	5,318
Creditors			
Amounts falling due within one year	**(2,898)**	(2,120)	(2,852)
Net current assets	**152**	2,817	2,466
Creditors			
Amounts falling due greater than one year	**(15,000)**	(15,000)	(15,000)
Net assets	**42,101**	43,514	40,818
Capital and reserves			
Called-up share capital	**432**	451	439
Share premium	**7,037**	7,050	7,050
Capital redemption reserve	**122**	115	115
Profit and loss account	**34,510**	35,898	33,214
Equity shareholders' funds	**42,101**	43,514	40,818
Net asset value per share			
Ordinary Share	**97.3p**	99.6p	93.0p

*Company Balance Sheet includes C and D Shares.

Unaudited Reconciliation of Movements in Shareholders' Funds

FOR THE SIX MONTHS ENDED 31 DECEMBER 2018

	Called-up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total £'000
As at 1 July 2018	439	7,050	115	33,214	40,818
Expenses in relation to prior year share issues	—	(13)	—	—	(13)
Repurchase of shares	(7)	—	7	(613)	(613)
Dividends	—	—	—	(1,304)	(1,304)
Profit for the period	—	—	—	3,213	3,213
As at 31 December 2018	432	7,037	122	34,510	42,101

Financial Statements

Unaudited Cash Flow Statement

FOR THE SIX MONTHS ENDED 31 DECEMBER 2018

	Six months ended 31 December 2018 (unaudited) £'000	Six months ended 31 December 2017 (unaudited) £'000	Year ended 30 June 2018 (audited) £'000
Cash flow from operating activities			
Deposit and similar interest received	**6**	2	8
Investment management fees paid	**(301)**	(462)	(791)
Performance incentive fee paid	**(131)**	—	—
Secretarial fees paid	**(66)**	(177)	(269)
Other cash (payments)/receipts	**(538)**	(513)	107
Net cash outflow from operating activities	**(1,030)**	(1,150)	(945)
Cash flow from investing activities			
Purchase of investments	**—**	(149)	(97)
Net proceeds on sale of investments	**—**	1,012	1,332
Investment income received	**—**	484	1,515
Net cash inflow from investing activities	**—**	1,347	2,750
Cash flow from financing activities			
Expenses of fund raising	**(13)**	(67)	(80)
Repurchase of own shares	**(404)**	(78)	(322)
Equity dividends paid	**(1,304)**	(1,130)	(2,253)
Net cash outflow from financing activities	**(1,721)**	(1,275)	(2,655)
Net outflow of cash in the period	**(2,751)**	(1,078)	(850)
Reconciliation of net cash flow to movement in net funds			
Decrease in cash for the period	**(2,751)**	(1,078)	(850)
Net cash at start of period	**4,853**	5,703	5,703
Net cash at end of period	**2,102**	4,625	4,853

Analysis of changes in net debt	At 1 July 2018 £'000	Cash Flow £'000	**At 31 December 2018 £'000**
Cash and cash equivalents*	4,853	(2,751)	**2,102**

* Including money market securities and other deposits

Notes to the Unaudited Half-Yearly Results

FOR THE SIX MONTHS ENDED 31 DECEMBER 2018

1 The Unaudited Half-Yearly results have been prepared on the basis of accounting policies set out in the statutory accounts of the Company for the year ended 30 June 2018. Unquoted investments have been valued in accordance with International Private Equity and Venture Capital Valuation guidelines.

2 These are not statutory accounts in accordance with S436 of the Companies Act 2006 and the financial information for the six months ended 31 December 2018 and 31 December 2017 has been neither audited nor reviewed. Statutory accounts in respect of the year to 30 June 2018 have been audited and reported on by the Company's auditor and delivered to the Registrar of Companies and included the report of the auditor which was unqualified and did not contain a statement under S498(2) or S498(3) of the Companies Act 2006. No statutory accounts in respect of any period after 30 June 2018 have been reported on by the Company's auditor or delivered to the Registrar of Companies.

3 Copies of the Unaudited Half-Yearly Financial Report for the six months ended 31 December 2018 have been sent to shareholders and are available for inspection at the Registered Office of the Company at The Shard, 32 London Bridge Street, London, SE1 9SG. Copies are also available electronically at www.foresightgroup.eu.

4 NET ASSET VALUE PER SHARE

The net asset value per share is based on net assets attributable to the Ordinary Shares fund at the end of the period and on the number of Ordinary Shares in issue at that date.

	Net assets £'000	Number of Shares in issue
31 December 2018	**42,101**	**43,247,592**
31 December 2017	26,929	27,026,216
30 June 2018	40,818	43,911,189

5 RETURN PER SHARE

The weighted average number of shares for the Ordinary Shares fund used to calculate the respective returns are shown in the table below:

	Number of Shares
Six months ended 31 December 2018	**43,474,464**
Six months ended 31 December 2017	27,324,838*
Year ended 30 June 2018	45,273,865

* Note the weighted average number of shares have not been adjusted to take account of the O, C and D share class merger on 29 June 2018.

6 INCOME

	Six months ended 31 December 2018 (unaudited) £'000	Six months ended 31 December 2017 (unaudited) £'000	Year ended 30 June 2018 (audited) £'000
Loan stock interest	**362**	300	572
Dividends receivable	**—**	72	963
Bank interest	**6**	2	8
	368	374	1,543

Financial Statements

7 INVESTMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

	Total £'000
Book cost at 1 July 2018	31,444
Investment holding gains	21,908
Valuation at 1 July 2018	53,352
Movements in the period:	
Purchases at cost	—
Disposal proceeds	—
Realised losses*	(197)
Investment holding gains	3,794
Valuation at 31 December 2018	**56,949**
Book cost at 31 December 2018	31,247
Investment holding gains	25,702
Valuation at 31 December 2018	**56,949**

*Realised losses at cost represents the removal of legal costs incurred in relation to the disposal of the FiT assets and refinancing of Turweston assets.

8 TRANSACTIONS WITH THE MANAGER

Details of arrangements of the Company with the Manager are given in the Annual Report and Accounts for the year ended 30 June 2018, in the Directors' Report and Notes 3 and 13. All arrangements and transactions were on an arms length basis.

The Company's Investment Manager earned fees of £309,000 in the six months ended 31 December 2018 (31 December 2017: £350,000; 30 June 2018: £692,000). At the period end date, management fees due to the Manager amounted to £6,000 (31 December 2017: £19,000 due from the manager; 30 June 2018: £2,000 due from the Manager). The Manager also earned performance incentive fees of £nil during the period (31 December 2017: £234,000; 30 June 2018: £130,000). The amount accrued in respect of performance incentive fees as at 30 June 2018 was paid to the Manager during the period.

Foresight Group LLP, to whom the Manager delegated the function of Company Secretary from November 2017, earned fees amounting to £64,000 in the six months ended 31 December 2018 (31 December 2017: £nil; 30 June 2018: £102,000), of which £nil remained payable at the period end date (31 December 2017: £nil; 30 June 2018: £2,000).

Foresight Fund Managers Limited, the delegated Company Secretary until November 2017, earned fees of £nil during the period (31 December 2017: £99,000; 30 June 2018: £100,000). No amounts were due to Foresight Fund Managers Limited at the period end date (31 December 2017: £16,000 due from Foresight Fund Managers Limited; 30 June 2018: £nil).

The Manager recharged fund expenses incurred on behalf of the Company of which £18,000 (31 December 2017: £127,000; 30 June 2018: £158,000) remained payable at the year end date.

9 RELATED PARTY TRANSACTIONS

There were no related party transactions in the period.

Glossary of Terms

CfD
Contract for Difference

DCF
Discounted Cash Flows

EBITDA
Earnings before Interest, Taxation, Depreciation and Amortisation

FiT
Feed-in Tariff

MANAGER/INVESTMENT MANAGER
The Manager, Foresight Group CI Limited, has appointed Foresight Group LLP as its investment adviser and to which it has delegated the company secretarial, accounting and administration services. References to "the Manager" of "Investment Manager" throughout this report refer to the activities of Foresight Group CI Limited and include the activities of Foresight Group LLP when acting as the Manager's investment adviser and administrative delegate.

NET ASSET VALUE (NAV)
The Net Asset Value (NAV) is the amount by which total assets exceed total liabilities, i.e. the difference between what the company owns and what it owes. It is equal to shareholders' equity, sometimes referred to as shareholders' funds.

NAV TOTAL RETURN
The sum of the published NAV per share plus all dividends paid per share (for the relevant share class) over the lifetime of the Company.

ONGOING CHARGES RATIO
The sum of expenditure incurred in the ordinary course of business expressed as a percentage of the Net Asset Value at the reporting date.

QUALIFYING COMPANY OR QUALIFYING HOLDING
A Qualifying Holding consists of shares or securities first issued to the VCT (and held by it ever since) by a company satisfying certain conditions. The conditions are detailed but include that the company must be a Qualifying Company, under the VCT Rules which requires, amongst other things, that it has gross assets not exceeding £15 million immediately before and £16 million immediately after the investment, employ the money raised for the purposes of a qualifying trade within a certain time period and not be controlled by another company. Additionally, in any twelve month period the company can receive no more than £5 million from VCT funds and Enterprise Investment Schemes, and any other European State-aided risk capital source. The company must have fewer than 250 full time (or equivalent) employees at the time of making the investment. VCT funds raised after 5 April 2012 cannot be used by a Qualifying Company to fund the purchase of shares in another company. Funds raised after 5th April 2017 cannot be invested in companies which generate or export electricity, heat or energy and, after the date of Royal Assent to Finance Act 2017-18, may only be invested in companies which satisfy a new risk-to-capital condition which requires that at the time of investment it is reasonable to conclude there is a significant risk that there will be a loss of capital of an amount greater than the net investment return.

ROC
Renewable Obligation Certificate

VCT RULES
The provisions of Part 6 of the Income Tax Act 2007, statutory instruments made thereunder and prevailing guidelines, custom and practise of HMRC all of which are subject to change from time to time.

Financial Conduct Authority

Beware of share fraud

Fraudsters use persuasive and high-pressure tactics to lure investors into scams.

They may offer to sell shares that turn out to be worthless or non-existent, or to buy shares at an inflated price in return for an upfront payment.

While high profits are promised, if you buy or sell shares in this way you will probably lose your money.

How to avoid share fraud

1. Keep in mind that firms authorised by the FCA are unlikely to contact you out of the blue with an offer to buy or sell shares.
2. Do not get into a conversation, note the name of the person and firm contacting you and then end the call.
3. Check the Financial Services Register from **www.fca.org.uk** to see if the person and firm contacting you is authorised by the FCA.
4. Beware of fraudsters claiming to be from an authorised firm, copying its website or giving you false contact details.
5. Use the firm's contact details listed on the Register if you want to call it back.
6. Call the FCA on **0800 111 6768** if the firm does not have contact details on the Register or you are told they are out of date.
7. Search the list of unauthorised firms to avoid at **www.fca.org.uk/scams**.
8. Consider that if you buy or sell shares from an unauthorised firm you will not have access to the Financial Ombudsman Service or Financial Services Compensation Scheme.
9. Think about getting independent financial and professional advice before you hand over any money.
10. **Remember:** if it sounds too good to be true, it probably is!

5,000 people contact the Financial Conduct Authority about share fraud each year, with victims losing an average of £20,000

Report a scam

If you are approached by fraudsters please tell the FCA using the share fraud reporting form at **www.fca.org.uk/scams**, where you can find out more about investment scams.

You can also call the FCA Consumer Helpline on **0800 111 6768**.

If you have already paid money to share fraudsters you should contact Action Fraud on **0300 123 2040**.

In association with:

icsa Registrars Group

Notes

Notes

Corporate Information

REGISTERED NUMBER
07289280

DIRECTORS
David Hurst-Brown (Chairman)
Mike Liston
Tim Dowlen
Ernie Richardson (appointed 1 January 2019)

COMPANY SECRETARY
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EC4M 9AF

Important information:

The Company currently conducts its affairs so that the shares issued by Foresight Solar & Infrastructure VCT plc can be recommended by IFAs to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream pooled investment products and intends to continue to do so for the foreseeable future.

The shares are excluded from the FCA's restrictions which apply to non-mainstream pooled investment products because they are shares in a VCT.

Foresight Solar & Infrastructure VCT plc

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www.foresightgroup.eu

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