

FORESIGHT VCT plc

UNAUDITED HALF-YEARLY
FINANCIAL REPORT

30 JUNE 2018



Foresight
group

Shareholder Information

Foresight VCT plc is a generalist fund aiming to provide investors with attractive returns from a portfolio of investments in fast growing, unquoted UK companies.

ENQUIRIES

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

020 3667 8159

**InvestorRelations@
foresightgroup.eu**

www.foresightgroup.eu

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. Please contact us if you are interested.



We respect your privacy and are committed to protecting your personal data. If you like to find out more about the measures we take in processing your personal information, please refer to our privacy policy, which can be found at <http://www.foresightgroup.eu/privacy-cookies/>

KEY DATES

Annual Results to 31 December 2018	April 2019
Annual General Meeting	May 2019
Interim Results to 30 June 2019	August 2019

DIVIDENDS

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 contacting the Company's registrar, Computershare Investor Services plc.

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](#) [Values History](#) [Payments](#) [Reinvestments](#)

[Payments Enquiry](#) [Dividends](#) [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 [Stock transfer](#) [Dividend reinvestment](#) [Change of address](#)

Alternatively you can contact Computershare by phone on 0370 703 6385

TRADING SHARES

The Company's shares are listed on the London Stock Exchange. Share price information is available on Foresight's website and can also be obtained from many financial websites.

The Company's 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 VCT plc is Panmure Gordon & Co.

You can contact Panmure Gordon by phone on 020 7886 2500

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

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

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Financial Highlights

Total Net Assets
as at 30 June 2018

£134.2m

Dividend paid
4 May 2018

5.0p

Increase in Portfolio Value
in period to 30 June 2018

£2.7m

- Total net assets £134.2 million.
- An interim dividend of 5.0p per Ordinary Share was paid on 4 May 2018.
- The portfolio has seen an uplift in valuation of £2.7 million in the last six months.
- Net Asset Value per Ordinary Share increased by 1.5% from 80.0p at 31 December 2017 to 81.2p before dividends. After payment of a 5.0p dividend made on 4 May 2018, NAV at 30 June 2018 was 76.2p.
- Diversified portfolio of 30 actively managed companies.
- Three new investments, totalling £6.5 million were made during the period. Follow on funding of £1.4 million was made to two existing investments during the period.
- Two further new investments were made post period end, totalling £2.4 million.
- The Company successfully exited ICA Group and Thermotech Solutions, realising a total of £3.0 million compared to an investment cost of £1.2 million.

KEY METRICS

	30 June 2018	31 December 2017
Total net assets	£134.2m	£140.4m
Net asset value per share	76.2p	80.0p
Net asset value total return*	219.2p	218.7p
Share price	68.0p	72.0p
Share price total return*	216.0p	215.7p
Dividends paid in the period	5.0p	9.0p
Dividend yield	7.4%	12.5%
Ordinary Shares in issue	176,180,654	175,601,977

*Based on an original 100.0p invested at launch in 1997.

	30 June 2018	31 December 2017
Discount to NAV	10.8%	10.0%
Average discount on buybacks	10.0%	10.1%
Shares bought back during the period under review	1,492,724	1,995,263
Increase in net asset value during period (after adding back dividends)	1.5%	6.5%
Ongoing charges ratio	2.1%	2.2%

Chairman's Statement



John Gregory
Chairman of
Foresight VCT plc

I am pleased to present the Unaudited Half-Yearly Financial Report for Foresight VCT plc for the period ended 30 June 2018. In the Annual Report I provided shareholders with detailed information on the wind-down of both the Planned Exit and Infrastructure Share classes, which were removed shortly after the year end. As a consequence, the Company now consists solely of Ordinary Shares.

STRATEGY

The Directors, together with the Manager,¹ have an agreed enduring strategy for the Company which includes the following four key objectives:

- Increasing and then maintaining the Company's net asset value (NAV) significantly above £150 million
- Paying an annual dividend to shareholders of at least 5.0p per Ordinary Share and endeavouring to maintain, or increase, NAV per Ordinary Share year on year, after payment of dividends
- Completing a significant number of new and follow on qualifying investments every year
- Offering a programme of regular share buy backs at a discount of approximately 10% to the prevailing NAV.

NET ASSET VALUE

During the period ended 30 June 2018 the NAV per share rose by 1.2p, an increase of 1.5%. However, following the payment of a dividend on 4 May 2018, the NAV of the Company decreased from £140.4m at 31 December 2017 to £134.2 million as at 30 June 2018. It remains the Board's belief that to support the other key objectives, it would be beneficial to increase the Company's net assets over the coming years but with some

£48.3 million of funds currently available for investment, it is not the Board's intention to raise more money in the near future.

DIVIDENDS

In line with the Board's objective on dividend payments, an interim dividend of 5.0p per share was paid on 4 May 2018 based on an ex-dividend date of 19 April 2018, with a record date of 20 April 2018.

The Board notes that the Company has achieved its target of paying an annual dividend of at least 5p per share for each of the past eight years. During this period, however, the total return per share has remained relatively static, rising 5.6% from 207.5p per share on 1 January 2011 to 219.2p per share at 30 June 2018.

INVESTMENT PERFORMANCE AND PORTFOLIO ACTIVITY

A detailed analysis of the investment portfolio performance over the period is given in the Manager's Review.

[Read more on page 6](#)

The Board feels that the recent increase in NAV is encouraging and believes it reflects the benefit of the enlarged and diversified portfolio of qualifying investments which the Manager has built up over the past few years. However, the rate of increase in NAV per share is still somewhat behind that envisaged in the corporate strategy. The Board and Manager believe this should improve when investments made over the past few years mature and cash currently held for future investment is more fully deployed.

1. References to the "Manager" are to Foresight Group CI Limited and shall, where the context requires, also include its investment advisor, Foresight Group LLP.

Chairman's Statement

The Board and the Manager believe that it is important for the long-term performance of the Company to identify a regular flow of new investments. The Manager completed three new investments amounting to £6.5 million during the period under review and two further new investments of £2.4 million since the end of the period. Details of these new portfolio companies can be found in the Manager's Review.

The increasing complexity surrounding qualification for VCT investment inevitably limits the opportunity for the Company to make new investments and the Manager's ability to source new deals is pivotal to the Company's future performance. The level of investment activity over the past two years has been encouraging and reflects the Manager's ongoing ability to source and transact growth capital investment into qualifying companies. The Board closely monitors the extent and nature of the pipeline of investment opportunities and the Manager anticipates being able to increase the level of new investments during the remainder of the year.

BUYBACKS

During the period the Company repurchased 1.5 million Ordinary Shares for cancellation at an average discount of 10%. The Board and the Manager consider that the ability to offer to buy back shares at a target discount of approximately 10% is fair to both continuing and selling shareholders, and is an appropriate way to help underpin the discount to NAV at which the shares trade.

MANAGEMENT CHARGES, CO-INVESTMENT AND INCENTIVE ARRANGEMENTS

The annual management fee is an amount equal to 2.0% of net assets, excluding cash balances above £20 million which are charged at a reduced rate of 1.0%. This has produced an ongoing charges ratio for the period ended 30 June 2018 of 2.1% of net assets, which is among the lower when compared to competitor VCTs.

Since March 2017, co-investments made by the Manager and individual members of Foresight Group's private equity team have totalled £0.4 million alongside the Company's investments of £23.8 million. Currently the 'fund as a whole' threshold has not been achieved and no performance incentive payment is due.

BOARD COMPOSITION

As announced in the Annual Report, Peter Dicks, a founder member of the Board and a past Chairman decided to retire at the Annual General Meeting held in May 2018. Peter has been a highly valued member of the Board and the Directors and Manager all wish him a happy retirement.

SHAREHOLDER COMMUNICATION

As part of its ongoing commitment to good investor relations, the Manager continues to host its popular investor forums. In addition to the annual event in London, the Manager will be holding several regional investor forums around the country over the next twelve months. Details will be sent to investors living in the area close to each location later in the year.

OUTLOOK

The Board and the Manager believe that the value of investments currently held within the portfolio should grow further through 2018 and that the current pipeline will provide worthwhile new investment opportunities in the months ahead. Provided the current level and quality of new investment is maintained, the Board believes that the Company will be well positioned to meet its key objectives and provide shareholders with regular dividends and maintained capital growth.

John Gregory

Chairman

Telephone 01296 682751

Email: j.greg@btconnect.com

31 August 2018



“ During the period, the portfolio saw an uplift in valuation of £2.7 million

Manager's Review

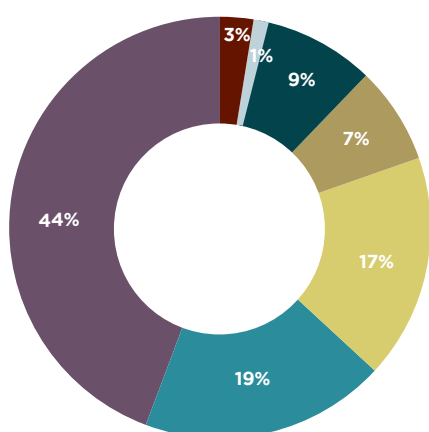
Portfolio Summary

As at 30 June 2018 the Company's portfolio comprised 30 actively managed investments with a total cost of £72.4 million and a valuation of £85.4 million. The portfolio is diversified by sector,

transaction type, and maturity profile. Details of the ten largest investments by valuation, including an update on their performance, are provided on pages 10 to 14.

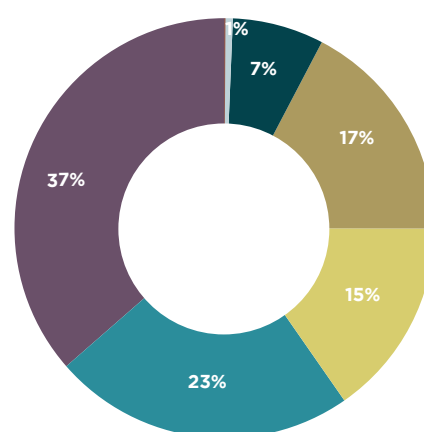
PORTFOLIO DIVERSIFICATION

Sector by Cost



Technology, Media and Telecommunications
Business Services
Healthcare
General

Sector by Valuation



Consumer and Leisure
Industrials and Manufacturing
Environmental

NEW INVESTMENTS AND FOLLOW-ON FUNDING

The pace of investment set last year has been maintained in the first six months of 2018, with the Company committing a total of £6.5 million. This included three new investments: Luminet Networks, a provider of fixed wireless access, Mologic, a health diagnostics company and The Naked Deli, a Newcastle-based group of 'clean eating' restaurants. Follow-on investments totalling £1.4 million were also made in two existing portfolio companies. Further details of each of these are provided below.



In April, the Company made a £2.4 million development capital investment in Luminet Networks, an award-winning provider of connectivity and managed IT services to businesses. Founded in 2005, Luminet was one of the first companies to offer commercial wireless broadband solutions to businesses and has grown its client base to more than 550. The investment will be used to scale up the company's marketing and sales functions, grow the client base and to expand the business's footprint as well as improve network density by adding additional base stations to the existing infrastructure.



Also in April, the Company committed £2.4 million to a Foresight-led £4.0 million growth capital investment round in Bedford-based Mologic. The business is a Point of Care diagnostics company that provides contract research and manufacturing services. Mologic is also developing a broad and promising portfolio of proprietary products, including diagnostics for infectious diseases, respiratory disease exacerbations and sepsis, which affect hundreds of millions of people around the world every year. The investment will enable the management team to focus on expanding the contract research activities and revenues while driving its own products through to commercialisation.



THE NAKED DELI

In May 2018, the Company completed a £1.7 million growth capital investment in The Naked Deli, a Newcastle-based group of 'clean eating' restaurants

offering eat-in casual dining and grab-and-go options. Established in 2014, The Naked Deli serves a tasty range of healthy gluten and dairy-free, vegan and paleo dishes. The group uses unprocessed whole and natural state foods, with a clear pathway from origin to plate. This 'clean eating' concept has demonstrated attractive growth in recent years, driven by increased health concerns around processed foods. The investment will be used to bolster systems and infrastructure and continue the rollout of additional sites around the UK. This growth is already underway, with the company's fourth outlet opened in Newcastle Airport during August.

OLLIE QUINN

Portfolio company Ollie Quinn, a branded retailer of prescription glasses and sunglasses which the Company first committed to in March 2017, received follow-on investments from the Company in January and April, totalling £1.4 million. This supports Ollie Quinn's working capital needs and site optimisation strategy, which focuses on addressing issues with underperforming locations. Further funding is anticipated later this year as Ollie Quinn moves towards profitability. Sales and cash movements have tracked broadly in line with plan over the last few months and operational improvements and cost reductions earlier in the year are beginning to have a positive impact. However, due to slower than projected revenue growth, a 25% provision has been made against the cost of this investment.



In January a small follow-on investment of £52,889 was also made in data analysis software platform, Idio, as part of a larger funding round to support further growth.

Since the end of the period, a further £3.2 million has been invested, including follow-on funding of £0.5 million for 200 Degrees, £0.2 million for Biofortuna and £0.1 million for Idio. Investments totalling £2.4 million have also been completed in two new businesses.



In July the Company invested £0.7 million in Codeplay, a software developer specialising in Artificial Intelligence. Building on its proven expertise in the fields of games and mobile phones, Codeplay has developed a new technology which supports the deployment of Artificial Intelligence applications into mass produced devices, with an initial focus on the automotive sector and, specifically, Advanced Driver Assistance Systems ("ADAS") and autonomous vehicles.



In August, the Company completed one new investment totalling £1.7 million in Accrosoft, which offers Software as a Service ("SaaS") products targeted at companies in the recruitment and education sectors. Further details will be provided in the Annual Report.

PIPELINE

Foresight Group continues to see a strong pipeline of potential investments. Opportunities are originated by a growing investment team of 19 experienced private equity professionals, operating from five offices in the UK. Typically, around 1,300 business plans are reviewed each year, allowing Foresight Group to select only the highest quality prospects for the Company. The team's origination strategy is focused on building relationships with advisors and professional service firms at a national and local level, attending and organising networking events, as well as approaching businesses directly. Foresight Group is one of the most active private equity investors in its preferred market, focusing on SMEs in all sectors across the UK, seeking

funding of £1-5 million. The number of transactions completed by the team each year supports Foresight Group's reputation and helps maintain the flow of the deals potentially available for investment by the Company.

At 30 June 2018, the Company had cash in hand of £48.3 million, which together with proceeds received from recent realisations, will be used to fund new and follow-on investments, buybacks and running expenses. The Company remains well positioned to continue pursuing the potential investment opportunities in the pipeline.

Manager's Review

REALISATIONS

During the period, total proceeds of £3.0m were generated from the disposal of two investments.



In February, ICA, which provides document management solutions to businesses in London and the South East, was acquired by Automated Systems Ltd, a large independent print solution supplier. ICA was acquired during the merger with Foresight 2 VCT plc ("F2") in December 2015 at F2's holding value of £885,232. Overall, including returns to F2 pre-merger, the ICA investment generated a 2.4x return.



In May, the Company completed the successful sale of facilities management provider Thermotech to Servest Group, a global facilities management group headquartered in South Africa, generating a return of 2.3x on original investment. Thermotech, acquired in August 2013, provides customised air conditioning and fire sprinkler systems for retail, commercial and residential properties, with clients including M&S, John Lewis and Selfridges & Co. Under the Company's ownership Thermotech was able to expand its high-quality customer base and develop further recurring maintenance revenue streams, as well as complete a strategic acquisition.

Foresight Group continues to engage with a range of potential acquirers of several portfolio companies, with demand for these high growth businesses demonstrated by both private equity and trade buyers.

DISPOSALS IN THE PERIOD ENDED 30 JUNE 2018

Company	Detail	Original Cost/ Take-On Value (£)	Proceeds (£)	Realised Gain (£)	Valuation at 31 December 2017 (£)
ICA Group Limited	Full disposal	885,232	1,118,863*	233,631	1,290,701
Thermotech Solutions Limited	Full disposal	300,000	1,900,090**	1,600,090	1,915,331
Total disposals		1,185,232	3,018,953	1,833,721	3,206,032

*In addition £158,411 of shareholder loan interest was received on completion and £81,224 of deferred consideration was received in May 2018.

**Plus £80,115 of deferred consideration received post-period end.

Deferred consideration of £257,846 was also received by the Company from the sale of Simulity Labs Limited on 21 February 2018.

KEY PORTFOLIO DEVELOPMENTS

The valuation of the portfolio has shown an increase of £2.7 million over the period. Material changes in valuation, defined as increasing or decreasing by £0.5 million or more since 31 December 2017,

are detailed below. Updates on these companies are included below, or in the Top Ten Investments section on pages 10 to 14.

Company	Valuation Methodology	Valuation Change (£)
Fresh Relevance Limited	Discounted revenue multiple	1,220,010
Itad Limited	Discounted earnings multiple	935,106
FFX Group Limited	Discounted earnings multiple	611,127
Aerospace Tooling Holdings Limited	Discounted earnings multiple	595,805
TFC Europe Limited	Discounted earnings multiple	570,756
CoGen Limited	Nil value	(550,734)
Online Poundshop Limited	Discounted revenue multiple	(575,447)
Powerlinks Media Limited	Cost less impairment	(677,340)

FRESH RELEVANCE

In March 2017, the Company completed a £2.1 million investment in Fresh Relevance, a high growth, marketing technology business, providing online retailers with marketing tools. Since investment the business has been trading strongly, with increased recurring revenues driving the valuation up by £1.2 million.

AEROSPACE TOOLING LIMITED

Aerospace Tooling is an engineering company specialising in the refurbishment of high-value aerospace and industrial gas turbine components. A sustained improvement has been seen in the year to June 2018 with robust margin performance and EBITDA 20% ahead of the ambitious budget.

ONLINE POUNDSHOP LIMITED

While sales at Poundshop.com, an online-only single price retailer, have doubled since investment in 2017, they remain behind budget and the valuation has been reduced by £575k. Consequently, the management team have been bolstered with an experienced CEO and a new E-commerce Director. A follow-on funding round of £1.0 million, led by the Company, is anticipated shortly to provide further growth capital and take advantage of any opportunities arising from changes in the market landscape.

POWERLINKS MEDIA LIMITED

A 25% provision has been made against the cost of PowerLinks Media, a real-time trading platform for native digital advertisements, reducing the value by £677k. The company experienced a quiet first quarter, but has since won several exciting customers and work is underway to streamline the

cost base and convert the large sales pipeline. To help fund growth, PowerLinks is seeking to raise additional funding later this year.

OUTLOOK

Inevitably, the lack of certainty around the outcome of Brexit negotiations remains a preoccupation throughout the UK economy. Nonetheless, Foresight Group remains positive about the prospects of the existing portfolio and continues to see encouraging levels of activity from smaller UK companies seeking growth capital, as well as from potential acquirers of portfolio companies. Your investment management team remains focused on targeting companies in markets with sound fundamentals, with attractive growth attributes and strong management teams. Foresight Group will continue to monitor and adapt to market and regulatory changes to ensure the Company and its portfolio is well-placed to deliver returns to its investors.

Russell Healey
Head of Private Equity
Foresight Group
31 August 2018

Manager's Review

Top Ten Investments

By value as at 30 June 2018

DATAPATH GROUP LIMITED
www.datapath.co.uk **DERBY**

DATAPATH
EXCELLENCE BY DESIGN

SECTOR:
TMT



Datapath is a UK manufacturer of PC-based multiscreen computer graphics cards and video capture hardware, specialising in video wall and data wall technology.

30 June 2018 Update

The company has continued to increase revenues and both revenues and profits are ahead of budget following a strong start to the financial year. This is reflected in a slight increase in valuation. The sales mix, and in particular an increase in software sales, has helped boost the gross margin and the order book remains strong. Sales to Original Equipment Manufacturers are ahead of forecast, performance is also slightly ahead of plan in EMEA but slightly behind the ambitious growth target in Asia. The finance team will be tightening cost controls to ensure operational expenses are kept within budget.

Initial Investment*	September 2007
Amount invested (£)*	1,000,000
Accounting cost (£)**	7,563,365
Valuation (£)	9,929,633
Basis of valuation	Discounted earnings multiple
Equity held (%)	12.9%

*The amount and date of initial investment by Foresight 2 VCT plc ("F2").

**The accounting cost reflects the valuation of the F2 investment in Datapath at the point it was transferred from F2 to the Company as part of the merger in December 2015.

The sum of £3.7 million, representing 3.7x the original investment, had been returned to the F2 Ordinary Shares Fund pre-merger by way of loan repayments and dividends.

PROTEAN SOFTWARE LIMITED
www.proteansoftware.co.uk **COVENTRY**

Protean Software

SECTOR:
TMT



Protean develops and sells field service management software for organisations involved in the supply, installation, maintenance and hire of equipment.

30 June 2018 Update

Protean concluded the financial year to March with revenues and profit ahead of budget, after investing in a development centre in Poland to accelerate development of the Service Sight product. The business continues to advance product development with multi-currency support added and various other modules including time-zone support and mobile payment integration in planning. Protean has switched to a new marketing agency, which is helping drive an improvement in digital marketing conversion. The business has also been buoyed by its largest customer win to date. With a significant demand for installations and increasing pressure on the support team, the business is recruiting some additional headcount in this area.

Initial Investment	July 2015
Amount invested (£)*	2,500,000
Accounting cost (£)**	2,500,000
Valuation (£)	4,903,137
Basis of valuation	Discounted revenue multiple
Equity held (%)	39.7%

*Including the amount of initial investment by F2.

**The accounting cost includes the value at which F2's holding was transferred to the Company as part of the merger in December 2015.

FFX GROUP LIMITED
www.ffx.co.uk **KENT**



SECTOR:
BUSINESS SERVICES



FFX is a multi-channel supplier of high quality hand tools, power tools and accessories, fixings, fasteners and general building products.

30 June 2018 Update

FFX has maintained positive momentum, showing a pleasing increase in revenues, which supports the uplift in valuation. The website, eBay and wholesale continue to be strong sales channels. The direct sales division continues to make steady progress with several customers and will be expanded in the coming months. A new Marketing Manager, with expertise in digital marketing, has joined recently and is already making a positive impact. Operationally the warehouse has coped well with recent high volumes and calls to customer services are down on last year. The roll-out of the back-office IT system has been slower than hoped but its completion will be a major milestone for the business and facilitate greater efficiencies.

Initial Investment	September 2015
Amount invested (£)*	2,676,426
Accounting cost (£)**	2,676,426
Investment value (£)	4,661,327
Basis of valuation	Discounted earnings multiple
Equity held (%)	32.7%

*Including the amount of initial investment by F2.

**The accounting cost includes the value at which F2's holding was transferred to the Company as part of the merger in December 2015.

IXARIS SYSTEMS LIMITED
www.ixaris.com **LONDON**



SECTOR: CONSUMER
& LEISURE



Ixaris Systems operates EntroPay, a prepaid electronic payment service integrated with the Visa network. Consumers deposit funds by credit card, cash at payment points or via normal bank transfers.

30 June 2018 Update

The company continues to increase revenues, while a slightly lower EBITDA reflects an investment in building the team. EntroPay has maintained a strong performance, and progress continues towards building a consumer service with more emphasis on transfers and FX. The cost base for the Ixaris division has been reduced, driving improvements in EBITDA, which are expected to continue. The company also believes it is close to signing a deal with a significant customer to in turn provide a payments solution to large companies managing short-term employment contracts, which would generate significant revenues over a five-year term.

Initial Investment*	March 2006
Amount invested (£)*	822,858
Accounting cost (£)**	2,266,036
Investment value (£)	4,589,771
Basis of valuation	Discounted revenue multiple
Equity held (%)	5.6%

*The amount and date of initial investment by Foresight 2 VCT plc ("F2").

**The accounting cost reflects the valuation of the F2 investment in Ixaris at the point it was transferred from F2 to the Company as part of the merger in December 2015.

Manager's Review

Top Ten Investments continued

AQUASIAM TECHNOLOGY LIMITED
www.aquasium.com **CAMBRIDGE**



AQUASIAM TECHNOLOGY LTD

SECTOR:
INDUSTRIALS AND
MANUFACTURING



Aquasium Technology designs, manufactures and markets bespoke electron beam welding (EBW) and vacuum furnace equipment used in a wide range of manufacturing industries including automotive, electronics, medical, power generation and aerospace.

30 June 2018 Update

The business remains robustly profitable and has a strong cash position, however revenues and EBITDA for the first half of 2018 were slightly behind budget. This reflects an investment into the company's new EBFLOW technology, designed specifically for large structure welding. The current pipeline of opportunities has also been slower than anticipated. The team remains active in a wide range of conversations and demonstrations of the EBFLOW technology including with manufacturers of steel, wind turbines and ultra large pressure vessels. In July, a project with ship builder Cammell Laird was publicly announced to develop electron beam welding technology in the ship building, offshore and nuclear sectors.

Initial Investment	October 2001
Amount invested (£)	1,930,000
Accounting cost (£)	333,333
Valuation (£)	4,474,514
Basis of valuation	Discounted earnings multiple
Equity held (%)	33.3%

TFC EUROPE LIMITED
www.tfc.eu.com **EAST SUSSEX**



SECTOR: INDUSTRIALS &
MANUFACTURING



TFC Europe is one of Europe's leading technically focused suppliers of fixing and fastening products to customers across a wide range of industries, including aerospace, automotive, oil & gas and mechanical engineering.

30 June 2018 Update

TFC is performing particularly well at present, with the valuation increasing £571k during the period. The company is seeing good year-on-year growth across all sites, with nearly all locations trading ahead of budget in both the UK and Germany. Management are rolling out a new, organic growth focused three-year plan across the sites, which has been well-received. TFC is also making preparations for Brexit, with the German operation playing a strategically significant role, particularly in the event of a hard or no deal Brexit scenario.

Initial Investment*	March 2007
Amount invested (£)*	939,092
Accounting cost (£)**	3,614,612
Investment value (£)	4,413,703
Basis of valuation	Discounted earnings multiple
Equity held (%)	26.7%

*The amount and date of initial investment by Foresight 2 VCT plc ("F2").

**The accounting cost reflects the valuation of the F2 investment in TFC at the point it was transferred from F2 to the Company as part of the merger in December 2015.

INDUSTRIAL EFFICIENCY II LIMITED
LONDON



SECTOR:
BUSINESS
SERVICES



Industrial Efficiency II focuses on the provision of large scale energy efficiency and energy cost reduction improvements to commercial customers. The funding provided has enabled the company to provide energy efficiency fuel switching services through the installation of gas and electricity delivery equipment at nine industrial sites across the UK.

30 June 2018 Update

During the period, the company's sites have operated well with no downtime. Revenues were slightly below budget in the quarter to 30 June due to lower gas usage. The timing of invoices for asset inspections also meant EBITDA was lower than expected. Despite this, the cash position continues to grow strongly.

Initial Investment	July 2014
Amount invested (£)	2,603,260
Accounting cost (£)	2,603,260
Valuation (£)	3,901,795
Basis of valuation	Discounted cash flow
Equity held (%)	18.8%

ITAD LIMITED
www.itad.com **EAST SUSSEX**



SECTOR:
BUSINESS
SERVICES



Itad, established in 1984, is a consulting firm focused on monitoring and evaluating the impact of international development money and aid on behalf of governments, NGOs, foundations and charities in the UK and overseas. The company advises on the impact of aid programmes throughout the world, largely in developing countries.

30 June 2018 Update

Itad continues to make strong progress, with revenue and EBITDA ahead of prior year for the period to June, which is reflected in the £935k increase in valuation. Changes to the sales processes implemented over the last 18 months are improving the conversion rates for new contracts, with new work won in the financial year to date exceeding budget. Overall, the company has been helped by a period of stability at the Department for International Development. Itad is also looking to increase its activity in the US. In early April, with Foresight Group's support, Itad strengthened the management team structure, promoting individuals from within the business.

Initial Investment	October 2015
Amount invested (£)*	2,750,000
Accounting cost (£)**	2,750,000
Valuation (£)	3,894,608
Basis of valuation	Discounted earnings multiple
Equity held (%)	24.1%

*Including the amount of initial investment by F2.

**The accounting cost includes the value at which F2's holding was transferred to the Company as part of the merger in December 2015.

Manager's Review

Top Ten Investments continued

SPECAC INTERNATIONAL LIMITED
www.specac.com **KENT**



SECTOR:
INDUSTRIALS &
MANUFACTURING



Specac International is a leading manufacturer of high specification sample analysis and sample preparation equipment used in testing and research laboratories worldwide.

30 June 2018 Update

Specac had a strong end to the year, achieving sales and EBITDA ahead of budget. March was a record month for sales, exceeding December 2017 (the previous highest month). This was supported by buoyant Original Equipment Manufacturer and dealer sales, and in particular, increased sales of its core Quest product. In other developments, Specac has won a Queen's Award for International Trade for outstanding continuous growth in overseas sales over the last six years. Looking ahead, key areas of focus include delivering purchasing and operating efficiencies.

Initial Investment	April 2015
Amount invested (£)	1,345,000
Accounting cost (£)	1,300,000
Valuation (£)	3,842,704
Basis of valuation	Discounted earnings multiple
Equity held (%)	37.9%

ABL INVESTMENTS LIMITED
www.abl-uk.com **NORTHAMPTONSHIRE**



SECTOR:
BUSINESS SERVICES



ABL distributes power modules, monitor arms, cable management systems and CPU holders to office furniture dealers and manufacturers across the UK and Europe.

30 June 2018 Update

Growth has slowed slightly during the period, although revenue still tracked marginally ahead of the prior year. The UK sales team has been restructured, with the team now divided into two key areas, telemarketing and customer service, which is expected to improve lead generation and conversion rates. A new price list, along with refreshed marketing material, has provided the opportunity to re-engage with customers. New product development remains a focus with the launch of a 'Type C' charger, for example. Overseas sales have continued to grow, with the development of European markets remaining a strategic priority for the team.

Initial Investment*	September 2015
Amount invested (£)*	2,750,000
Accounting cost (£)**	2,750,000
Valuation (£)	3,552,705
Basis of valuation	Discounted earnings multiple
Equity held (%)	37.3%

*Including the initial investment by F2.

**The accounting cost includes the value at which F2's holding was transferred to the Company as part of the merger in December 2015.



“ Working with Foresight was very straightforward; it was a pleasure negotiating with sensible, pragmatic backers. We are very excited by the potential of this fast-growing business.

Tim Horrell, Managing Director, FFX

Manager's Review

Portfolio Overview

Investment	30 June 2018			31 December 2017	
	Amount invested £	Valuation £	Valuation Methodology	Amount invested £	Valuation £
Datapath Group Limited	7,563,365	9,929,633 *	Discounted earnings multiple	7,563,365	9,475,569
Protean Software Limited	2,500,000	4,903,137 *	Discounted revenue multiple	2,500,000	4,585,683
FFX Group Limited	2,676,426	4,661,327 *	Discounted earnings multiple	2,676,426	4,050,200
Ixaris Systems Limited	2,266,036	4,589,771 *	Discounted revenue multiple	2,266,036	4,574,743
Aquasium Technology Limited	333,333	4,474,514 *	Discounted earnings multiple	333,333	4,044,103
TFC Europe Limited	3,614,612	4,413,703 *	Discounted earnings multiple	3,614,612	3,842,947
Industrial Efficiency II Limited	2,603,260	3,901,795 *	Discounted cash flow	2,603,260	3,895,075
Itad Limited	2,750,000	3,894,608 *	Discounted earnings multiple	2,750,000	2,959,502
Specac International Limited	1,300,000	3,842,704 *	Discounted earnings multiple	1,300,000	3,834,553
ABL Investments Limited	2,750,000	3,552,705 *	Discounted earnings multiple	2,750,000	3,313,766
Nano Interactive Group Limited	3,448,969	3,448,969	Cost	3,448,969	3,448,969
Fresh Relevance Limited	2,117,750	3,337,760	Discounted revenue multiple	2,117,750	2,117,750
Ollie Quinn Limited	4,314,606	3,158,099	Cost less impairment	2,955,000	2,216,250
Hospital Services Group Limited	3,320,000	2,943,527	Discounted earnings multiple	3,320,000	2,880,204
Mologic Ltd	2,434,483	2,434,483	Cost	-	-
Luminet Networks Limited	2,364,532	2,364,532	Cost	-	-
Cinelabs International Limited	2,216,250	2,216,250	Cost	2,216,250	2,216,250
Procam Television Holdings Limited	1,664,893	2,209,745	Discounted earnings multiple	1,664,893	2,315,637
Aerospace Tooling Holdings Limited	150,000	2,087,215	Discounted earnings multiple	150,000	1,491,410
Powerlinks Media Limited	2,709,360	2,032,020	Cost less impairment	2,709,360	2,709,360
The Business Advisory Limited	1,650,000	1,987,833	Discounted earnings multiple	1,650,000	1,781,794
The Naked Deli Ltd	1,724,139	1,724,139	Cost	-	-
Mowgli Street Food Limited	1,526,750	1,526,750	Cost	1,526,750	1,526,750
Positive Response Communications Limited	1,000,000	1,304,474	Discounted revenue multiple	1,000,000	1,259,486
Online Poundshop Limited	1,700,000	1,124,553	Discounted revenue multiple	1,700,000	1,700,000
200 Degrees Holdings Limited	935,960	935,960	Cost	935,960	935,960
Idio Limited	869,548	669,094	Discounted revenue multiple	816,659	830,847
Biofortuna Limited	909,755	632,660	Discounted revenue multiple	909,755	909,755
Flowrite Refrigeration Limited	209,801	556,387	Discounted earnings multiple	209,801	574,817
Mitgjorn Limited	100	353,501	Net assets	100	353,501
Kingsclere PE 3 Limited	100,000	64,857	Net assets	100,000	100,000
Sindicatum Carbon Capital Limited	246,075	61,519	Cost less impairment	246,075	61,519
Cole Henry PE 2 Limited	100,000	48,217	Net assets	100,000	100,000
Whitchurch PE 1 Limited	100,000	19,633	Net assets	100,000	100,000
CoGen Limited	1,603,491	-	Nil value	1,603,491	550,734
Oxonica plc	2,804,473	-	Nil value	2,804,473	-
Autologic Diagnostics Group Limited	3,782,272	-	Nil value	3,782,272	-
ICA Group Limited	-	-	Sold	885,232	1,290,701
Thermotech Solutions Limited	-	-	Sold	300,000	1,915,331
Total	72,360,229	85,406,074		65,609,822	77,963,166

* Top ten investments by value shown on pages 10 to 14 .

** The Company also has five investments totalling £500 in five seeded companies.

Governance

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 31 December 2017. A detailed explanation can be found on page 30 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 Interim Report and financial statements.

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 interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year);
- (c) the summarised set of financial statements gives 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 of the Annual Report. 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 31 December

2017 Annual Report. In addition, the Annual Report includes the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk.

The Company has considerable financial resources together with investments and income generated therefrom across a variety of industries and sectors. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully.

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 has not been audited nor reviewed by the auditors.

On behalf of the Board

John Gregory
Chairman
31 August 2018

Financial Statements

Unaudited Income Statement

FOR THE SIX MONTHS ENDED 30 JUNE 2018

	Six months ended 30 June 2018 (Unaudited)			Six months ended 30 June 2017 (Unaudited)			Year ended 31 December 2017 (Audited)		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Realised gains/(losses) on investments	—	2,192	2,192	—	(1,933)	(1,933)	—	12,550	12,550
Investment holding gains	—	523	523	—	13,684	13,684	—	4,107	4,107
Income	735	—	735	1,020	—	1,020	1,570	—	1,570
Investment management fees	(293)	(879)	(1,172)	(360)	(1,501)*	(1,861)*	(729)	(3,051)**	(3,780)**
Other expenses	(213)	—	(213)	(368)	—	(368)	(1,199)	—	(1,199)
Return/(loss) on ordinary activities before taxation	229	1,836	2,065	292	10,250	10,542	(358)	13,606	13,248
Taxation	(32)	32	—	(37)	37	—	—	—	—
Return/(loss) on ordinary activities after taxation	197	1,868	2,065	255	10,287	10,542	(358)	13,606	13,248
Return/(loss) per share:									
Ordinary Share	0.1p	1.1p	1.2p	(0.2)p	6.1p	5.9p	(0.3)p	6.0p	5.7p
Planned Exit Share	—	—	—	(0.2)p	0.1p	(0.1)p	(0.4)p	0.3p	(0.1)p
Infrastructure Share	—	—	—	1.7p	2.3p	4.0p	0.8p	10.9p	11.7p

*Includes £422,000 accrued performance incentive fee for the Infrastructure Shares Fund.

**Includes £863,000 accrued performance incentive fee for the Infrastructure Shares Fund.

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 30 JUNE 2018

Registered Number: 03421340

	As at 30 June 2018 £'000	As at 30 June 2017* £'000	As at 31 December 2017* £'000
Fixed assets			
Investments held at fair value through profit or loss	85,407	108,419	77,963
Current assets			
Debtors	723	1,556	887
Money market securities and other deposits	44,582	59,431	60,482
Cash	3,669	7,304	1,517
	48,974	68,291	62,886
Creditors			
Amounts falling due within one year	(181)	(578)	(420)
Net current assets	48,793	67,713	62,466
Net assets	134,200	176,132	140,429
Capital and reserves			
Called-up share capital	1,762	2,199	2,194
Share premium account	99,172	96,504	97,687
Capital redemption reserve	908	435	455
Distributable reserve	13,566	63,389	23,169
Capital reserve	5,596	(8,645)	4,251
Revaluation reserve	13,196	22,250	12,673
Equity shareholders' funds	134,200	176,132	140,429
Net asset value per share:			
Ordinary Share	76.2p	83.8p	80.0p
Planned Exit Share	N/A	7.7p	0.0p
Infrastructure Share	N/A	85.6p	0.0p

*Company Balance Sheet includes Planned Exit and Infrastructure Shares.

Unaudited Reconciliation of Movements in Shareholders' Funds

FOR THE SIX MONTHS ENDED 30 JUNE 2018

Company	Called-up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Distributable reserve £'000	Capital reserve £'000	Revaluation reserve £'000	Total £'000
As at 1 January 2018	2,194	97,687	455	23,169	4,251	12,673	140,429
Removal of share classes	(438)	—	438	—	—	—	—
Share issues in the period*	21	1,533	—	—	—	—	1,554
Expenses in relation to share issues	—	(48)	—	—	—	—	(48)
Repurchase of shares	(15)	—	15	(1,033)	—	—	(1,033)
Realised gains on disposal of investments	—	—	—	—	2,192	—	2,192
Investment holding gains	—	—	—	—	—	523	523
Dividends paid	—	—	—	(8,767)	—	—	(8,767)
Management fees charged to capital	—	—	—	—	(879)	—	(879)
Tax credited to capital	—	—	—	—	32	—	32
Revenue return for the period	—	—	—	197	—	—	197
As at 30 June 2018	1,762	99,172	908	13,566	5,596	13,196	134,200

*Relating to the dividend reinvestment scheme.

Financial Statements

Unaudited Cash Flow Statement

FOR THE SIX MONTHS ENDED 30 JUNE 2018

	Six months ended 30 June 2018 £'000	Six months ended 30 June 2017 £'000	Year ended 31 December 2017 £'000
Cash flow from operating activities			
Investment income received	577	1,337	2,457
Deposit and similar interest received	108	45	113
Investment management fees paid	(1,172)	(1,464)	(3,797)
Secretarial fees paid	(56)	(56)	(113)
Other cash payments	(319)	(246)	(902)
Net cash outflow from operating activities	(862)	(384)	(2,242)
Returns on investing activities			
Purchase of unquoted investments	(7,936)	(6,773)	(17,869)
Net proceeds on sale of investments	3,019	2,258	48,394
Net proceeds on deferred consideration	339	199	561
Net proceeds on liquidation of investments	20	—	—
Net cash (outflow)/inflow from investing activities	(4,558)	(4,316)	31,086
Financing			
Proceeds of fund raising	—	39,384	39,384
Expenses of fund raising	(48)	(1,150)	(1,247)
Repurchase of own shares	(1,104)	—	(1,336)
Equity dividends paid	(7,176)	(9,136)	(45,983)
Movement in money market funds	15,900	(28,455)	(29,506)
Net cash inflow/(outflow) from financing activities	7,572	643	(38,688)
Net increase/(decrease) in cash in the period	2,152	(4,057)	(9,844)

Analysis of changes in net debt

	At 1 January 2018 £'000	Cash Flow £'000	At 30 June 2018 £'000
Cash and cash equivalents	1,517	2,152	3,669

Notes to the Unaudited Half-Yearly Results

FOR SIX MONTHS ENDED 30 JUNE 2018

- 1 The Unaudited Half-Yearly Financial Report has been prepared on the basis of the accounting policies set out in the statutory accounts of the Company for the year ended 31 December 2017. Unquoted investments have been valued in accordance with IPEV Valuation Guidelines. Quoted investments are stated at bid prices in accordance with the IPEV Valuation Guidelines and UK Generally Accepted Accounting Practice.
- 2 These are not statutory accounts in accordance with S436 of the Companies Act 2006 and the financial information for the six months ended 30 June 2018 and 30 June 2017 has been neither audited nor formally reviewed. Statutory accounts in respect of the period to 31 December 2017 have been audited and reported on by the Company's auditors and delivered to the Registrar of Companies and included the report of the auditors 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 31 December 2017 have been reported on by the Company's auditors or delivered to the Registrar of Companies.
- 3 Copies of the Unaudited Half-Yearly Financial Report will be sent to shareholders and will be available for inspection at the Registered Office of the Company at The Shard, 32 London Bridge Street, London, SE1 9SG.

4 NET ASSET VALUE PER SHARE

The net asset value per share is based on net assets at the end of the period and on the number of shares in issue at the date.

	Ordinary Shares Fund		Planned Exit Shares Fund		Infrastructure Shares Fund	
	Net assets £'000	Number of Shares in Issue	Net assets £'000	Number of Shares in Issue	Net assets £'000	Number of Shares in Issue
30 June 2018	134,200	176,180,654	—	—	—	—
30 June 2017	147,447	176,051,960	882	11,404,314	27,803	32,495,246
31 December 2017	140,429	175,601,977	—	11,404,314	—	32,495,246

5 RETURN PER SHARE

The weighted average number of shares for the Ordinary Shares, Planned Exit Shares and Infrastructure Shares funds used to calculate the respective returns are shown in the table below.

	Ordinary Shares Fund (Shares)	Planned Exit Shares Fund (Shares)	Infrastructure Shares Fund (Shares)
Six months ended 30 June 2018	175,775,983	N/A	N/A
Six months ended 30 June 2017	156,000,564	11,404,314	32,495,246
Year ended 31 December 2017	165,748,167	11,404,314	32,495,246

Earnings for the period should not be taken as a guide to the results for the full year.

6 INCOME

	Six months ended 30 June 2018 £'000	Six months ended 30 June 2017 £'000	Year ended 31 December 2017 £'000
Loan stock interest	568	578	820
Dividends	60	397	637
Overseas based Open Ended Investment Companies ("OEICs")	100	45	113
Bank interest	7	—	—
	735	1,020	1,570

Financial Statements

Notes to the Unaudited Half-Yearly Results continued

FOR SIX MONTHS ENDED 30 JUNE 2018

7 INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Company £'000
Book cost as at 1 January 2018	65,611
Investment holding gains	12,352
Valuation at 1 January 2018	77,963
Movements in the period:	
Purchases	7,936
Disposal proceeds	(3,019)
Realised gains*	1,833
Investment holding gains**	694
Valuation at 30 June 2018	85,407
Book cost at 30 June 2018	72,361
Investment holding gains	13,046
Valuation at 30 June 2018	85,407

*Deferred consideration of £258,000 (Simulity) and £81,000 (ICA) was received by the Company during the period and is included within realised gains in the income statement. This was offset by a decrease in the deferred consideration debtor for Simulity (£258,000). Realised gains on investments in the income statement include final administration proceeds of £20,000 received in the period; £10,000 relating to Evance Wind Turbines, £7,000 to Closed Loop Recycling and £3,000 to Global Immersion.

**Deferred consideration debtors relating to the sale of Trilogy were adjusted during the period, generating an unrealised gain of £7,000 and deferred consideration of £80,000 relating to the sale of Thermotech was recognised during the period.

8 RELATED PARTY TRANSACTIONS

No Director has, or during the period had, a contract of service with the Company. No Director was party to, or had an interest in, any contract or arrangement (with the exception of Directors' fees) with the Company at any time during the period under review or as at the date of this report.

9 TRANSACTIONS WITH THE MANAGER

Foresight Group CI Limited acts as manager to the Company in respect of its investments. During the period, services of a total value of £1,172,000 (30 June 2017: £1,861,000; 31 December 2017: £3,780,000) were purchased by the Company from Foresight Group CI Limited. At 30 June 2018, the amount due to Foresight Group CI Limited was £nil (30 June 2017: £nil; 31 December 2017: £nil).

Any transaction with Foresight Group LLP, as Secretary of the Company since November 2017, is also considered to be a transaction with the manager. During the period, services of a total value of £56,000 excluding VAT were purchased by the Company from Foresight Group LLP. At 30 June 2018, the amount due to Foresight Group LLP included within creditors was £nil.

Glossary of Terms

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 PER SHARE

Net Asset Value expressed as an amount per share.

NAV TOTAL RETURN

The sum of the published NAV per share plus all dividends paid per share. This allows performance comparisons to be made between venture capital trusts.

SHARE PRICE TOTAL RETURN

The sum of the current share price plus all dividends paid per share. This allows performance comparisons to be made between venture capital trusts.

DIVIDEND YIELD

The sum of dividends paid during the year expressed as a percentage of the share price at the year end date.

DISCOUNT TO NAV

A discount to NAV is the percentage by which the mid-market share price of the Company is lower than the net asset value per share.

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 INVESTMENT

An investment which consists of shares or securities first issued to the VCT (and held by it ever since) by a Qualifying Company and satisfying certain conditions under the venture capital trust provisions.

QUALIFYING COMPANY

A company satisfying certain conditions under the venture capital trust provisions. The conditions are detailed but include that the company must be unquoted (which includes AIM), have a permanent establishment in the UK, apply the money raised for the purposes of growth and development for a qualifying trade within a certain time period and not be controlled by another company. There are additional restrictions relating to the size and stage of the company to focus investment into earlier stage businesses, as well as maximum investment limits (certain of such restrictions and limits being more flexible for 'knowledge intensive' companies). VCT funds cannot be used by a Qualifying Company to acquire shares in another company or a trade.

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**.

Corporate Information

COMPANY NUMBER

03421340

DIRECTORS

John Gregory (Chairman)
Jocelin Harris
Gordon Humphries
Margaret Littlejohns (appointed 01/10/17)
Peter Dicks (Retired 22/05/18)

COMPANY SECRETARY

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

MANAGER

Foresight Group CI Limited
PO Box 156
Dorey Court
St Peter Port
Guernsey
GY1 4EU

AUDITOR

KPMG LLP
15 Canada Square
London
E14 5GL

SOLICITORS AND VCT STATUS ADVISERS

Shakespeare Martineau LLP
No. 1 Colmore Square
Birmingham
B4 6AA

and

60 Gracechurch Street
London
EC3V 0HR

REGISTRAR

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

MARKET MAKER

Panmure Gordon & Co
One New Change
London
EC4M 9AF

BANKER

Lloyds Bank plc
25 Gresham Street
London
EC2V 7HN

Important information:

The Company currently conducts its affairs so that the shares issued by Foresight 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 VCT plc is managed by Foresight Group CI 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.



Foresight Group LLP

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www.foresightgroup.eu

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