



Foresight
FOR A SMARTER FUTURE

FORESIGHT 4 VCT plc

**UNAUDITED HALF-YEARLY
FINANCIAL REPORT**

30 SEPTEMBER 2020

Shareholder Information

Foresight 4 VCT plc is a Venture Capital Trust aiming to provide investors with attractive returns from a portfolio of investments in fast growing, unquoted UK companies.

Enquiries

The Manager is always keen to hear from investors. If you have any feedback about the service you receive or any queries relating to Foresight 4 VCT plc, please contact the Investor Relations team:

Telephone: 020 3667 8181

Email: InvestorRelations@foresightgroup.eu

www.foresightgroup.eu

Annual and Half-Yearly Reports, as well as quarterly Factsheets and information on new investments, can be viewed online.

As part of the Manager's investor communications policy, investor forums are held throughout the year. Shareholders can also arrange a mutually convenient time to meet the Manager's investment team. Please contact Investor Relations if you are interested.

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



KEY DATES

Annual Results to 31 March 2021	July 2021
Annual General Meeting	September 2021
Interim Results to 30 September 2021	December 2021

Dividends

The Board has decided that Foresight 4 VCT plc (the "Company") will no longer pay dividends by cheque. All future cash dividends will be credited to your nominated bank/building society account. Your options are:

- Receive your dividends in Sterling via direct credit to a UK domiciled bank account.
- Reinvest your dividends for additional shares in the Company through our Dividend Reinvestment Scheme.

Dividend Reinvestment Scheme

A Dividend Reinvestment Scheme was introduced in the year ended 31 March 2019 and the terms and conditions of the scheme took effect on 14 June 2018. Whilst able to sign up to this scheme from this date, it was only available for dividend's announced after 30 September 2018.

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 Please ensure bank details are up to date in order to receive your dividends

Outstanding Payments Reissue payments using our online replacement service

Downloadable Forms for 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 4 VCT plc is Panmure Gordon & Co.

You can contact Panmure Gordon by phone on 0207 886 2716 or 0207 886 2717

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 the Manager if you or your adviser have any questions about this process.

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Financial Highlights

Total Net Assets
as at 30 September 2020

£111.9m

Dividend Paid
28 August 2020

2.8p

Uplift in Portfolio Value
in period to 30 September 2020

£10.0m

NAV per Share
as at 30 September 2020

57.6p

- Total net assets £111.9 million.
- Net asset value per share increased by 3.2% in the period from 55.8p at 31 March 2020 to 57.6p. Including the payment of a 2.8p dividend made on 28 August 2020, NAV total return per share at 30 September 2020 was 60.4p, representing a positive total return of 8.2% in the period.
- An interim dividend of 2.8p per share was paid on 28 August 2020, costing £5.4 million.
- 1.1 million ordinary shares were issued as part of the Dividend Reinvestment Scheme on 28 August 2020.
- The portfolio has seen an uplift in valuation of £10.0 million in the last six months.

Key Metrics

	30 September 2020	31 March 2020
Total net assets	£111.9m	£108.7m
Net asset value per share	57.6p	55.8p
Movement in net asset value total return during the period [^]	8.2%	(11.8)%
Share price	49.5p	59.5p
Dividends paid in the period	2.8p	4.0p
Dividend yield % [^]	5.7%	6.7%
Ordinary Shares in issue	194,420,778	194,826,224

	30 September 2020	31 March 2020
(Discount)/premium to NAV [^]	(14.1)%	6.6%
Average discount on buybacks [^]	7.5%	9.1%
Shares bought back during the period under review	1,516,470	2,786,153
Shares issued under the dividend reinvestment scheme	1,111,024	1,192,686
Ongoing charges ratio [^] (based on average net assets)*	2.6%	2.2%

[^]Definitions of these Alternative Performance Measures (APMs) can be found in the Glossary on page 23.

* Expenses cap rebates will be assessed at year end.

Chairman's Statement



Raymond Abbott

Chairman of Foresight 4 VCT plc

I am pleased to present the un-audited Half-Yearly Report for Foresight 4 VCT plc for the period ended 30 September 2020.

Material events during the period

Before providing other details, I would like to draw attention to a material event that occurred during the period being the continuing impact of Covid-19 on the Company and its portfolio.

The Covid-19 virus has presented the Company and the management of every one of its portfolio companies with unprecedented challenges which it is anticipated will persist for a considerable time to come. The Manager has been working closely with the portfolio companies, in order to try to minimise any adverse impact of this virus, and it is a great credit to the quality of the management of the portfolio companies, that the fallout from the pandemic has not been even more significant. Until this virus is brought under worldwide control, it is impossible to assess its full impact. However, it is already clear that the value of every business in the Company's portfolio has been materially affected, a minority have benefitted but most have not.

At the end of last year the Company held eight investments, representing some 16% by value of its investment portfolio, in businesses involved in the travel, retail, entertainment and food and drink sectors. To date these sectors are amongst those most hard hit by the provisions of the lockdown imposed by the UK Government in response to the Covid-19 virus. I am pleased to report that since the easing of the initial lockdown provisions all the Company's investments in these sectors are continuing to trade and, with one possible exception, they are already pursuing revised business strategies which hold the potential for a return

to commercial viability in the short to medium term. It will, however, be some time before the value of most of these businesses is again at or above their pre-Covid levels.

The overall impact of the Covid virus could be seen in the material fall in the valuation of the Company's portfolio at 31 March 2020. On a positive note, I can say that since the year end date the trading position of many of these businesses has improved resulting in a modest increase in portfolio value in the period to 30 September 2020. On behalf of the Board I would like to thank the Manager for the considerable work it has done and is continuing to do alongside the management teams at each and every one of the companies within the portfolio.

Performance and portfolio activity

During the period Net Asset Value per share increased by 3.2% from 55.8p at 31 March 2020 to 57.6p at 30 September 2020. Including the payment of a 2.8p dividend made on 28 August 2020, NAV total return per share at 30 September 2020 was 60.4p, representing a positive total return of 8.2% during the same six month period.

During the period under review the Manager made no new investments, as it focused on supporting the current portfolio during the ongoing Covid-19 Coronavirus outbreak.

Foresight Group LLP, the Company's investment manager, continues to see a pipeline of potential investments sourced through its regional networks and well-developed relationships with advisors and the SME community,

Chairman's Statement

however, it is also focused on supporting the existing portfolio through the Covid-19 pandemic. Following both the successful fundraises launched in May 2017 and June 2018, the Company is in a position to fully support the portfolio, where appropriate, and exploit potential attractive investment opportunities.

Dividends

An interim dividend of 2.8p per Share was declared on 6 August 2020 based on an ex-dividend date of 13 August 2020 and a record date of 14 August 2020. The dividend was paid on 28 August 2020.

As noted in the Annual Report and Accounts and in light of the change in portfolio towards earlier stage, higher risk companies, as required by the new VCT rules, the Board felt it prudent to adjust the dividend policy towards a targeted annual dividend yield of 5% of NAV per annum. The Board and the Manager hope that this may be enhanced by additional 'special' dividends as and when particularly successful portfolio exits are made. The impact of Covid-19 will be taken into consideration when the Board considers dividends in the near term.

Shareholder communication

As a result of the travel restrictions imposed due to Covid-19, the Manager's popular investor forums have been temporarily put on hold. Once it is possible to do so, details of both a London event and regional events will be sent to shareholders resident in the locality as and when they are organised. The Manager held an investor webinar on 25 August 2020, details of which had been previously communicated to investors. It is the intention of the Manager to continue to hold investor webinars whilst the investor forums are on hold and details of any future events will be communicated to investors.

Board composition

The Board continues to review its own performance and undertakes succession planning to maintain an appropriate level of independence, experience, diversity and skills in order to be in a position to discharge all its responsibilities. As noted in the Annual Report and Accounts the Board and Nomination Committee were seeking to appoint a new non-executive director. The Board are delighted to announce that Gaynor Coley was appointed to the Board on 10 September 2020 and as Chair of the Audit Committee on 19 November 2020.

Outlook

The persisting uncertainty over the full impact of Covid-19 and the negotiations in relation to Brexit create truly exceptional challenges for every business. The Company invests primarily in developing companies which by their nature benefit from general economic growth and the current environment places considerable demands upon them and their management teams. The Manager's private equity team is well aware of the management and business needs of each of the companies within the investment portfolio and is working closely with them to help them progress during these testing times.

Until the pandemic is brought under worldwide control there will inevitably be further, mainly unhelpful, implications for many UK based businesses. Notwithstanding this, the Board and the Manager have been impressed by the resilience shown by the significant majority of the Company's investments and are optimistic that the existing portfolio has potential to add value once the virus has been successfully contained.

Raymond Abbott

Chairman

4 December 2020



“ The portfolio
has seen
an uplift
in valuation of £10.0
million in the last six
months.

Manager's Review

Portfolio Summary

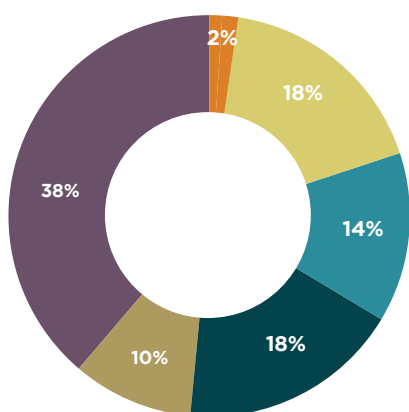
As at 30 September 2020 the Company's portfolio comprised 34 investments with a total cost of £52.5 million and a valuation of £76.2 million. The portfolio is diversified by sector, transaction type and maturity profile. Details of the ten largest investments by valuation, including an update on their performance, are provided on pages 10 to 14.

The investment team remain focused on supporting an annual dividend to shareholders of at least 5% of the NAV per share whilst retaining a stable NAV. The Company is currently on target as whilst dividends have remained at 5%, NAV per share has also increased by 3.2% in the period.

During the period, the value of unquoted investments increased overall by £10.0 million as the portfolio began to recover following the steep decline experienced in the quarter to March as the country entered the first peak of Covid-19. Whilst the recovery has been mixed across the portfolio depending on sector, in aggregate the recovery is reflective of the portfolio's ability to successfully navigate the impacts of Covid-19 and the general uptick in economic activity following the reopening of businesses over the summer. Since the end of September, the country has had to face a second lockdown, which will bring further volatility to trading. Nevertheless, the portfolio is well prepared to weather this period of uncertainty with strong foundations laid during the first lockdown.

Portfolio Diversification

Sector by Cost



Technology, Media and Telecommunications

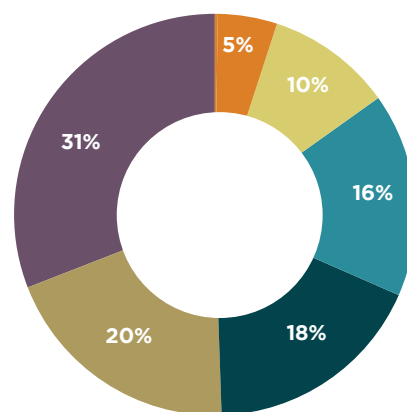
Healthcare

Business Services

General

Industrials and Manufacturing

Sector by Valuation



Consumer and Leisure

Manager's Review

New investments

Given the challenges of completing transactions during lockdown and the broader uncertainty during the period, no new investments were made in the six months to September. Smaller companies remained focused largely on survival rather than strategic growth. In addition, the

investment team were primarily focused on managing and supporting the existing portfolio through these unprecedented times. Where possible, portfolio companies are trying to maximise any commercial opportunities arising from Covid-19, with some thriving in the current climate.

Follow-on investments

With very active portfolio management and use of the various forms of Government support, such as the furlough scheme and the Coronavirus Business Interruption Loan Scheme, there have been no follow-on investments during the six months to 30 September 2020.

However, as these schemes unwind and the economic climate remains depressed due to further lockdowns, the Company anticipates multiple requirements for follow-on investment in the coming months. In addition, the Company will seek to make strategic follow-on investments into businesses to support new growth plans or opportunities that have stemmed from the new economic landscape.

Exits and realisations

Whilst the M&A climate has been challenging in the period, with most trade acquirers focused on survival and private equity investors focused on their existing portfolios or on

distressed acquisitions, the Investment Manager is seeing acquisition interest returning, particularly in the healthcare, technology and E-commerce sectors.

Pipeline

At 30 September 2020, the Company had cash in hand of £34.9 million, which will be used to fund new and follow-on investments, dividends, buybacks and running expenses. Foresight Group is seeing a recovery in the pipeline of potential investments and has a number of opportunities under exclusivity or in due diligence. The Company remains well positioned to continue pursuing these potential investment opportunities.

The onset of Covid-19 and the resulting economic downturn has resulted in lower new investment activity across the market in the first three quarters of 2020. As the economy recovers from the worst effects of the virus, we expect company valuations to be attractive and demand for funding to increase, driving some particularly interesting opportunities for investment.

Manager's Review

Key Portfolio Developments

Overall, the value of unquoted investments held increased by £10.0 million to £76.2 million in the period, driven by an increase in the value of existing investments. A disciplined approach to investment valuations has been maintained in light of Covid-19. In the quarter to March, the onset of the Covid-19 pandemic drove significant economic uncertainty and the portfolio saw a substantial decrease in value of £20.6 million. In the quarter to June, as the portfolio adapted to the new economic climate, and started adapting

their business models fair values saw a slight recovery in aggregate, increasing by £3.3 million. This upwards trend has continued, with valuations rebounding a further £6.7 million in the quarter to September. Material changes in valuation, defined as increasing or decreasing by £1.0 million or more since 31 March 2020, are detailed below. Updates on these companies are included below, or in the Top Ten Investments section on pages 10 to 14.

Key valuation changes in the period

Company	Valuation (£)	Valuation change (£)
Biofortuna Limited	5,163,636	4,165,696
Procam Television Holdings Limited	2,179,243	2,179,243
FFX Group Limited	5,057,127	1,758,346
Hospital Services Group Limited	3,089,081	1,531,512
Specac International Limited	7,011,068	1,232,162



Procam is a broadcast hire company, supplying equipment and crew for location TV and film production and also has a division (True Lens Services) focused on the manufacture and maintenance of camera lenses. During Covid-19, Procam's rental business had to largely close due to the halting of television and film production. Conversely, its True Lens Services division

continued to trade positively, back to pre-Covid-19 levels. As challenging trading conditions continued, Procam required a formal restructuring and the Company supported a sale of the trade and assets of Procam's rental division and spun out its True Lens Service division into a separate company, supporting a substantial recovery in value.

Manager's Review

Outlook

In light of rapidly evolving Government guidance, we now face a second countrywide lockdown. Most businesses had fully reopened by September, with the Manager supporting its portfolio through a transition to the 'new normal', working closely with them to implement safe working environments and resilient business models. It is now crucial that we act quickly and administer the same tools as the first lockdown to support our portfolio companies. We will increase our dialogue with management teams to closely monitor ongoing performance and cash levels. We have also been working with companies to revise business plans and budgets to manage creditor stretch and debt build-up, and to prepare them for an eventual reduction of Government support. We are ensuring that finance directors at the portfolio companies continue to tightly manage overheads, reduce capital expenditure and work through longer-term cost reduction plans given the uncertain macro environment. It is important that management teams are well prepared for a sustained period of weaker consumer and business demand. The Company's portfolio is diversified by sector and market, and the SME sector has historically proven to be resilient and nimble enough to weather periods of volatility.

Where possible, we are trying to maximise any commercial opportunities arising from the current situation. For example, there are also a number of companies, particularly in the healthcare and life sciences sectors, which have traded strongly during this period due to the increased demand for the services they offer. Examples of this include Mologic, which received a grant of c.£1m to fund Covid-related diagnostic development. Molecular diagnostics business, Biofortuna moved quickly on a number of opportunities to help manufacture 20 million Covid-19 test kits and will explore further commercial possibilities in the space. Another of the portfolio companies, HSL, has had very considerable success supplying PPE to Irish and Northern Irish hospitals and has also seen increased demand for mobile x-ray machines, as chest x-rays are

part of the treatment pathway for Covid-19. Other portfolio companies are benefitting from wider trends that have stemmed from the pandemic, such as power tools and building materials supplier FFX, which has seen an upsurge in sales due to increased DIY spend and a boost in E-commerce.

A proportion of the portfolio companies are particularly at risk due to the sectors they operate in, such as travel, hospitality and leisure. Many of these businesses will now be stuck in a prolonged period of closures and uncertainty on when they will be allowed to reopen. The Manager is working extensively with these businesses, paying particular attention to managing creditors and cash preservation. It is important to highlight that some of the Company's leisure investments demonstrated market leading site metrics pre-Covid and will have the ability to weather this temporary period of suppressed trading. Once reopened, even with capacity limitations, we expect several of our leisure businesses to return to profit and cash generation over time thanks to a loyal customer base and favourable customer demographic.

Notwithstanding this backdrop, we continue to see encouraging levels of activity from smaller UK companies seeking growth capital and expect this to increase as companies begin to recover from the impact of Covid-19 with requirements for permanent funding to working capital. VCTs are still viewed by many entrepreneurs as an attractive source of capital that provides scale-up funding to businesses at an early stage of their growth, when other sources of funding may not be readily available or alongside other sources of funding, including the Government measures for supporting businesses during Covid-19. Despite the current challenges for Covid-19 in the medium and long term, the UK remains an excellent place to start, scale and sell a business, with broad pools of talent and an entrepreneurial culture.

Russell Healey

Head of Private Equity
Foresight Group
4 December 2020

Manager's Review

Top Ten Investments

By value as at 30 September 2020

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



SECTOR:
TMT



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

30 September 2020 Update

Prior to the outbreak of Covid-19, Datapath continued to generate material profits, helped by an improved gross margin. The company has invested in new product development and its sales channels over recent years, notably strengthening its worldwide sales team. Whilst Covid-19 has created some short-term volatility, the company has still outperformed its revised budgets. The team are working hard on product development which should see some exciting new product ranges enter the market in 2021.

Initial investment	September 2007
Amount invested (£)*	2,000,000
Accounting cost (£)**	11,081,243
Investment value (£)	13,175,116
Basis of valuation	Discounted earnings multiple
Equity held (%)	26.7%

*Including the amount of initial investment by Foresight 3 VCT plc ("F3").

**The accounting cost reflects the valuation of the F3 investment in Datapath at the point it was transferred from F3 to the Company as part of the merger in June 2017.

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



SECTOR:
INDUSTRIALS &
MANUFACTURING



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

30 September 2020 Update

Specac has had a solid period of trading, mainly driven by higher sales volumes and improved gross margins. Management has revised forecasts in light of Covid-19 and the company has since overachieved estimates. The order book is currently healthy, and the company continues to export a large proportion of its production.

Initial investment	April 2015
Amount invested (£)*	1,300,000
Accounting cost (£)**	2,554,761
Investment value (£)	7,011,068
Basis of valuation	Discounted earnings multiple
Equity held (%)	39.2%

*Including the amount of initial investment by F3.

**The accounting cost reflects the valuation of the F3 investment in Specac International at the point it was transferred from F3 to the Company as part of the merger in June 2017.

Manager's Review

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



SECTOR: INDUSTRIALS & MANUFACTURING



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

30 September 2020 Update

TFC continued to generate strong sales despite the impact of Covid-19. The business has remained profitable and has outperformed revised forecasts. TFC has used this period to review its pricing model, strengthen its balance sheet and overall focus on increasing market share to drive value in the long-term.

Initial investment	March 2007
Amount invested (£)*	1,408,638
Accounting cost (£)**	2,149,307
Investment value (£)	5,696,957
Basis of valuation	Discounted earnings multiple
Equity held (%)	42.5%

*Including the amount of initial investment by F3.

**The accounting cost reflects the valuation of the F3 investment in TFC Europe at the point it was transferred from F3 to the Company as part of the merger in June 2017.

BIOFORTUNA LIMITED
www.biofortuna.com **WIRRAL**



SECTOR: HEALTHCARE



Biofortuna, established in 2008, is a molecular diagnostics business based in the North West that manufactures freeze dried, stabilised DNA tests.

30 September 2020 Update

Biofortuna's technical ability and freeze-drying capability allowed it to support several clients, manufacturing their Covid-19 testing kits, with over 20 million manufactured since April 2020. This has transformed the company's financial performance, with material revenue growth and maiden profits generated. Biofortuna continues to explore new commercial opportunities unrelated to Covid-19.

Initial investment	March 2012
Amount invested (£)*	3,517,537
Accounting cost (£)**	3,517,537
Investment value (£)	5,163,636
Basis of valuation	Discounted revenue multiple
Equity held (%)	36.2%

*Including the amount of initial investment by F3.

**The accounting cost reflects the valuation of the F3 investment in Biofortuna at the point it was transferred from F3 to the Company as part of the merger in June 2017.

Manager's Review

Top Ten Investments continued

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 September 2020 Update

FFX has navigated market conditions well and continues to build its service levels and customer base. It has continued to trade very strongly, with revenue and EBITDA forecast to be significantly higher than prior year. This is due to a combination of greater DIY spend during lockdown, customers increasingly moving online for their power tool purchases and also an expansion in the direct sales team. The multi-channel sales approach is making good progress and the team continues to expand.

Initial investment	September 2015
Amount invested (£)*	1,372,002
Accounting cost (£)	1,372,002
Investment value (£)	5,057,127
Basis of valuation	Discounted earnings multiple
Equity held (%)	16.9%

INNOVATION CONSULTING GROUP LIMITED
www.govgrant.co.uk HERTFORD



SECTOR:
BUSINESS SERVICES



Innovation Consulting Group Limited provides support services and contingent advice to UK based SME businesses seeking to gain access to Government tax incentives.

30 September 2020 Update

Innovation Consulting Group Limited ended its financial year positively, with revenues up and EBITDA up significantly versus prior year. Profit growth was driven primarily by larger R&D claims and improved operational efficiencies. The company has recruited a strong senior management team which is driving growth and improving margins.

Initial investment	September 2015
Amount invested (£)*	1,650,000
Accounting cost (£)**	1,938,046
Investment value (£)	3,768,744
Basis of valuation	Discounted earnings multiple
Equity held (%)	36.7%

*Including the amount of initial investment by F3.

**The accounting cost reflects the valuation of the F3 investment in Innovation Consulting Group at the point it was transferred from F3 to the Company as part of the merger in June 2017.

Manager's Review

IXARIS GROUP HOLDINGS LIMITED
www.ixaris.com LONDON



**SECTOR: CONSUMER
& LEISURE**



Ixaris is a payments platform enabling efficient global payments, targeted in particular at the travel sector.

30 September 2020 Update

Ixaris had a strong financial year to December 2019 but has since seen a severe downturn in trading due to the collapse of the travel sector in the wake of the pandemic. The platform technology has demonstrated its scalability and there is potential for recovery as the travel industry recovers next year, although continued investment needs to be made in the technology.

Initial investment	March 2006
Amount invested (£)*	2,047,817
Accounting cost (£)**	3,479,188
Investment value (£)	3,733,798
Basis of valuation	Discounted revenue multiple
Equity held (%)	12.3%

*Including the amount of initial investment by F3.

**The accounting cost reflects the valuation of the F3 investment in Ixaris at the point it was transferred from F3 to the Company as part of the merger in June 2017.

HOSPITAL SERVICES GROUP LIMITED
www.hsl.ie NOTTINGHAM



SECTOR: HEALTHCARE



Hospital Services Limited ("HSL") distributes, installs and maintains high quality healthcare equipment and consumables from global partners such as Hologic, Fujifilm and Shimadzu. HSL has strengths in the radiology, ophthalmic, endoscopy and surgical sectors, as well as a building presence in telehealth and broader healthcare IT.

30 September 2020 Update

HSL has performed exceptionally well throughout 2020 with revenues and profits materially ahead of prior year. The management team moved quickly to develop a PPE supply chain and provided significant quantities of protective equipment to Irish and Northern Irish health services in response to Covid-19. We anticipate a slowdown in this department towards the end of the year as PPE stockpiles are high. Importantly, the company's traditional business divisions have, overall, continued to perform well during the period.

Initial investment	September 2015
Amount invested (£)*	1,200,000
Accounting cost (£)	1,200,000
Investment value (£)	3,089,081
Basis of valuation	Discounted earnings multiple
Equity held (%)	16.3%

Manager's Review

Top Ten Investments continued

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



SECTOR:
TMT



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

30 September 2020 Update

Protean traded resiliently at the start of its financial year, with revenues tracking the revised Covid-19 budget, albeit 20% down on prior year. Activity has begun to pick up in the last quarter thanks to the reopening of clients' sites, which has enabled the business to continue implementation projects. A further iteration of their new software as a service product is being developed for release in the coming year.

Initial investment	July 2015
Amount invested (£)*	1,500,000
Accounting cost (£)**	1,795,229
Investment value (£)	2,811,755
Basis of valuation	Discounted earnings multiple
Equity held (%)	23.8%

*Including the amount of initial investment by F3.

**The accounting cost reflects the valuation of the F3 investment in Protean Software at the point it was transferred from F3 to the Company as part of the merger in June 2017.

AEROSPACE TOOLING HOLDINGS LIMITED
www.atlturbineservices.co.uk **DUNDEE**



SECTOR:
INDUSTRIALS &
MANUFACTURING



Founded in 2007, Aerospace Tooling Holdings ("ATL") is a niche engineering company based in Dundee. ATL provides specialist inspection, maintenance, repair and overhaul (MRO) services for components in high-specification aerospace and turbine engines.

30 September 2020 Update

ATL has had a positive start to the financial year, with strong trading ahead of a revised Covid-19 budget in both its aviation and industrial divisions. The company's pipeline of prospective customers remains strong with a number of new orders expected in the upcoming quarter, although Covid-19 will likely have some medium-term impact on trading given ATL has a minority of clients in the commercial aviation industry.

Initial investment	June 2013
Amount invested (£)*	2,000,000
Accounting cost (£)**	415,255
Investment value (£)	2,641,672
Basis of valuation	Discounted earnings multiple
Equity held (%)	28.8%

*Including the amount of initial investment by F3.

**The accounting cost reflects the valuation of the F3 investment in Aerospace Tooling at the point it was transferred from F3 to the Company as part of the merger in June 2017.



“Regenerative biological therapies are at the vanguard of innovative clinical applications and we are delighted to have Foresight as our strategic partner to support us in the development of our product that we hope may provide a new treatment option for patients, physicians and other healthcare professionals.”

*Janet Hadfield,
CEO and Co-Founder of
Biotherapy Services*

Manager's Review

Investment	30 September 2020			31 March 2020	
	Accounting Cost £	Investment Value £	Basis of valuation	Accounting Cost £	Investment Value £
Datapath Group Limited	11,081,243	13,175,116 *	Discounted earnings multiple	11,081,243	14,123,905
Specac International Limited	2,554,761	7,011,068 *	Discounted earnings multiple	2,554,761	5,778,906
TFC Europe Limited	2,149,307	5,696,957 *	Discounted earnings multiple	2,149,307	5,530,146
Biofortuna Limited	3,517,537	5,163,636 *	Discounted revenue multiple	3,517,537	997,940
FFX Group Limited	1,372,002	5,057,127 *	Discounted earnings multiple	1,372,002	3,298,781
Innovation Consulting Group Limited	1,938,046	3,768,744 *	Discounted earnings multiple	1,938,046	3,099,139
Ixaris Group Holdings Limited	3,479,188	3,733,798 *	Discounted revenue multiple	3,479,188	3,962,806
Hospital Services Group Limited	1,200,000	3,089,081 *	Discounted earnings multiple	1,200,000	1,557,569
Protean Software Limited	1,795,229	2,811,755 *	Discounted earnings multiple	1,795,229	3,006,677
Aerospace Tooling Holdings Limited	415,255	2,641,672 *	Discounted earnings multiple	415,255	2,482,022
Procam Television Holdings Limited	2,162,929	2,179,243	Price of last funding round	2,162,929	—
Mologic Ltd	1,059,000	1,703,078	Discounted revenue multiple	1,059,000	1,534,161
Clubspark Limited	860,000	1,615,697	Discounted revenue multiple	860,000	1,219,079
Biotherapy Services Limited	1,500,000	1,512,500	Discounted revenue multiple	1,500,000	1,470,000
Itad Limited	1,371,726	1,507,049	Discounted earnings multiple	1,371,726	1,708,838
Steamforged Games Limited	1,600,000	1,365,652	Discounted revenue multiple	1,600,000	1,324,589
Spektrix Limited	1,500,000	1,343,248	Discounted revenue multiple	1,500,000	1,043,713
Fourth Wall Creative Limited	2,000,000	1,333,549	Discounted earnings multiple	2,000,000	1,582,050
Roxy Leisure Ltd	1,500,000	1,258,807	Discounted earnings multiple	1,500,000	1,564,288
Iphigenie Limited	100	1,257,458	Net assets	100	1,202,520
Galinette Limited	100	1,247,037	Net assets	100	1,125,122
Positive Response Communications Limited	1,009,195	1,154,064	Discounted revenue multiple	1,009,195	1,284,853
ABL Investments Limited	1,494,075	986,493	Discounted earnings multiple	1,494,075	1,288,860
Accrosoft Limited	750,000	941,118	Discounted revenue multiple	750,000	810,794
Ten Health & Fitness Limited	1,600,000	906,634	Discounted revenue multiple	1,600,000	1,230,478
Rovco Ltd	950,000	764,469	Venture capital method	950,000	950,000
Codeplay Software Limited	300,000	690,427	Discounted revenue multiple	300,000	599,577
Whitchurch PE 1 Limited	378,000	651,241	Net assets	378,000	651,870
Fertility Focus Limited	525,569	572,102	Discounted revenue multiple	525,569	363,400
Luminet Networks Limited	960,000	476,853	Discounted earnings multiple	960,000	647,923
Cole Henry PE 2 Limited	200,000	368,685	Net assets	200,000	369,310
Kingsclere PE 3 Limited	100,000	211,807	Net assets	100,000	212,434
Sindicatum Carbon Capital Limited	544,538	—	Nil value	544,538	184,575
The Naked Deli Ltd	669,000	—	Nil value	669,000	—
Total	52,536,800	76,196,165		52,536,800	66,206,325

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

Governance

Principal Risks and Uncertainties

The principal risks faced by the Company are as follows:

- Performance;
- Regulatory;
- Economic (external shocks);
- 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 March 2020. A detailed explanation can be found on page 25 of the Annual Report and Accounts which is available on Foresight 4 VCT's website www.foresight4vct.com 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 Half-Yearly Financial 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 March 2020 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

Raymond Abbott

Chairman

4 December 2020

Financial Statements

Unaudited Income Statement

for the six months ended 30 September 2020

	Six months ended 30 September 2020 (Unaudited)			Six months ended 30 September 2019 (Unaudited)			Year ended 31 March 2020 (Audited)		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment holding gains/(losses)	—	9,990	9,990	—	7,900	7,900	—	(11,081)	(11,081)
Realised losses on investments	—	—	—	—	(3,623)	(3,623)	—	(5,251)	(5,251)
Income	324	—	324	420	—	420	3,673	—	3,673
Investment management fees	(295)	(884)	(1,179)	(330)	(991)	(1,321)	(545)	(1,633)	(2,178)
Other expenses	(270)	—	(270)	(315)	—	(315)	(594)	—	(594)
(Loss)/return on ordinary activities before taxation	(241)	9,106	8,865	(225)	3,286	3,061	2,534	(17,965)	(15,431)
Taxation	—	—	—	—	—	—	—	—	—
(Loss)/return on ordinary activities after taxation	(241)	9,106	8,865	(225)	3,286	3,061	2,534	(17,965)	(15,431)
(Loss)/return per share	(0.1)p	4.7p	4.6p	(0.1)p	1.7p	1.6p	1.3p	(9.2)p	(7.9)p

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 September 2020

Registered Number: 03506579

	As at 30 September 2020 £'000	As at 30 September 2019 £'000	As at 31 March 2020 £'000
Fixed assets			
Investments held at fair value through profit or loss	76,196	82,488	66,206
Current assets			
Debtors	971	15,874	726
Cash and cash equivalents	34,884	29,893	41,872
	35,855	45,767	42,598
Creditors			
Amounts falling due within one year	(124)	(497)	(104)
Net current assets	35,731	45,270	42,494
Net assets	111,927	127,758	108,700
Capital and reserves			
Called-up share capital	1,944	1,957	1,948
Share premium account	80,002	79,466	79,443
Capital redemption reserve	518	494	503
Special distributable reserve	56,678	60,911	63,127
Capital reserve	(50,874)	(47,720)	(49,990)
Revaluation reserve	23,659	32,650	13,669
Equity shareholders' funds	111,927	127,758	108,700
Net asset value per share	57.6p	65.3p	55.8p

Unaudited Reconciliation of Movements in Shareholders' Funds

for the six months ended 30 September 2020

	Called-up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Special distributable reserve* £'000	Capital reserve* £'000	Revaluation reserve £'000	Total £'000
As at 1 April 2020	1,948	79,443	503	63,127	(49,990)	13,669	108,700
Share issues in the period	11	578	—	—	—	—	589
Expenses in relation to share issues	—	(19)	—	—	—	—	(19)
Repurchase of shares	(15)	—	15	(795)	—	—	(795)
Investment holding gains	—	—	—	—	—	9,990	9,990
Dividends paid	—	—	—	(5,413)	—	—	(5,413)
Management fees charged to capital	—	—	—	—	(884)	—	(884)
Revenue loss for the period	—	—	—	(241)	—	—	(241)
As at 30 September 2020	1,944	80,002	518	56,678	(50,874)	23,659	111,927

*Reserve is available for distribution, total distributable reserves at 30 September 2020 are £5,804,000 (31 March 2020: £13,137,000).

Financial Statements

Unaudited Cash Flow Statement

for the six months ended 30 September 2020

	Six months ended 30 September 2020 £'000	Six months ended 30 September 2019 £'000	Year ended 31 March 2020 £'000
Cash flow from operating activities			
Loan interest received on investments	29	196	559
Dividends received from investments	—	28	2,835
Deposit and similar interest received	26	111	238
Investment management fees paid	(1,179)	(1,267)	(2,579)
Secretarial fees paid	(79)	(85)	(169)
Other cash payments	(147)	(248)	(418)
Net cash (outflow)/inflow from operating activities	(1,350)	(1,265)	466
Cash flow from investing activities			
Purchase of investments	—	(3,600)	(8,361)
Net proceeds on sale of investments	—	—	434
Net proceeds on deferred consideration	—	31	31
Net cash outflow from investing activities	—	(3,569)	(7,896)
Cash flow from financing activities			
Proceeds of fund raising	—	10,021	25,586
Expenses of fund raising	(19)	(314)	(336)
Repurchase of own shares	(795)	(1,098)	(2,067)
Equity dividends paid	(4,824)	(7,067)	(7,066)
Net cash (outflow)/inflow from financing activities	(5,638)	1,542	16,117
Net (outflow)/inflow in cash in the period	(6,988)	(3,292)	8,687

Analysis of changes in net debt

	At 1 April 2020 £'000	Cash Flow £'000	At 30 September 2020 £'000
Cash and cash equivalents	41,872	(6,988)	34,884

Financial Statements

- 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 March 2020. Unquoted investments have been valued in accordance with IPEV 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 30 September 2020 and 30 September 2019 has been neither audited nor formally reviewed. Statutory accounts in respect of the year ended 31 March 2020 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 March 2020 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 via their chosen method 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.

	Net assets	Shares in Issue
30 September 2020	£111,927,000	194,420,778
30 September 2019	£127,758,000	195,726,224
31 March 2020	£108,700,000	194,826,224

5 Return per share

The weighted average number of shares used to calculate the respective returns are shown in the table below.

	Shares
Six months ended 30 September 2020	194,054,492
Six months ended 30 September 2019	195,728,848
Year ended 31 March 2020	195,581,908

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

6 Income

	Six months ended 30 September 2020 £'000	Six months ended 30 September 2019 £'000	Year ended 31 March 2020 £'000
Loan stock interest	278	281	597
Dividends	—	28	2,835
Deposit and similar interest received	26	111	241
Other income	20	—	—
	324	420	3,673

Financial Statements

7 Investments held at fair value through profit or loss

	£'000
Book cost as at 1 April 2020	52,537
Investment holding gains	13,669
Valuation at 1 April 2020	66,206
Movements in the period:	
Purchases	—
Disposal proceeds	—
Realised gains	—
Investment holding gains	9,990
Valuation at 30 September 2020	76,196
Book cost at 30 September 2020	52,537
Investment holding gains	23,659
Valuation at 30 September 2020	76,196

8 Related party transactions

No Director has an interest in any contract to which the Company is a party other than their appointment and payment as directors.

9 Transactions with the manager

Foresight Group LLP acts as manager to the Company and was appointed on 27 January 2020. During the period, services of a total cost of £1,179,000 (30 September 2019: £nil; 31 March 2020: £3,000) were purchased by the Company from Foresight Group LLP. Foresight Group CI Limited, which acted as Manager to the Company until 27 January 2020 earned £nil in the period (30 September 2019: £1,321,000, 31 March 2020: £2,175,000).

During the period, administration services of a total cost of £79,000 (30 September 2019: £85,000; 31 March 2020: £169,000) were delivered to the Company by Foresight Group LLP, Company Secretary.

At 30 September 2020, the amount due from Foresight Group LLP was £452,000 (30 September 2019: £nil; 31 March 2020: £452,000) and the amount due to Foresight Group CI Limited was £nil (30 September 2019: £nil, 31 March 2020: £nil).

10 Post balance sheet events

On 27 October 2020 the Company purchased 260,827 shares for cancellation based on a NAV of 50.32p per share.

Glossary of Terms

VCT

A Venture Capital Trust as defined in the Income Tax Act 2007.

Net Asset Value or 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.

Net Asset Value per share or NAV per share

Net asset value expressed as an amount per share.

Dividend Yield

The sum of dividends paid during the period of 2.8p (31 March 2020: 4.0p) expressed as a percentage of the mid-market share price at the period end date of 49.5p (31 March 2020: 59.5p). This giving a dividend yield of 5.7% (31 March 2020: 6.7%).

Premium/discount to NAV

A premium/discount to NAV is the percentage by which the mid-market share price of the Company of 49.5p (31 March 2020: 59.5p) is lower/higher than the net asset value per share of 57.6p (31 March 2020: 55.8p). This giving a (discount)/premium to NAV of (14.1)% (31 March 2020: 6.6%).

Ongoing Charges Ratio

The sum of expenditure incurred in the ordinary course of business being £1.4m (31 March 2020: £2.7m) expressed as a percentage of the average Net Asset Value during the period being £111.5m (31 March 2020: £124.5m), adjusted for the number of months in the period in order to give an annual figure.

Movement in Net Asset Value Total Return

This is the movement in the NAV per share at the start of the period to the NAV per share at the end of the period plus all dividends paid per share in the period. The NAV at the start of the period was 55.8p (31 March 2019: 67.8p), dividends paid during the period were 2.8p (31 March 2020: 4.0p) with NAV at the end of the period being 57.6p (31 March 2020: 55.8p) as such NAV total return at the end of the period was 60.4p (31 March 2020: 59.8p). Therefore the movement in net asset value total return in the period is 8.2% (31 March 2020: (11.8)%).

Average discount on buybacks

The average of the percentage by which the buyback price is lower than the Net Asset Value per share at the point of the buyback.

Dividends paid in the period

The total dividends paid in the period per share of 2.8p (31 March 2020: 4.0p).

Shares bought back in the period

The total number of shares which were bought back in the period being 1,516,470 (31 March 2020: 2,786,153).

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 VCT legislation.

Qualifying Company

A company satisfying certain conditions under the VCT legislation. The conditions are detailed but include that the company must be unquoted (companies listed on AIM can qualify), 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.

Manager

Foresight Group LLP as the Company's manager. References to "the Manager" throughout this report refer to the activities of Foresight Group LLP and, in relation to activities prior to 27 January 2020 when the investment management and administration arrangements were novated from Foresight Group CI Limited to the Manager, include the activities of Foresight Group CI Limited when acting as the Company's previous manager.

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:

Corporate Information

COMPANY NUMBER

03506579

DIRECTORS

Raymond Abbott (Chairman)
Simon Jamieson
Michael Gray
Gaynor Coley (appointed 10 September 2020)

COMPANY SECRETARY

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

MANAGER

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

AUDITOR

Deloitte LLP
20 Castle Terrace
Edinburgh
EH1 2DB

SOLICITORS AND VCT STATUS ADVISERS

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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

Important information:

Foresight 4 VCT plc currently conducts its affairs so that its shares 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.

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 increases the risk to the value of, and the income from, the investment.

Foresight

FOR A SMARTER FUTURE

Foresight 4 VCT plc

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