

FORESIGHT 4 VCT plc

UNAUDITED HALF-YEARLY
FINANCIAL REPORT

30 SEPTEMBER 2019



Foresight
group

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

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 4 VCT plc, please contact the Investor Relations team:

020 3667 8181

**InvestorRelations@
foresightgroup.eu**

www.foresightgroup.eu

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 Company's investment management team at Foresight Group. 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 2020	July 2020
Annual General Meeting	September 2020
Interim Results to 30 September 2020	November 2020

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.

DIVIDEND REINVESTMENT SCHEME

A Dividend Reinvestment Scheme was introduced in the prior year 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](#) 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 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 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 September 2019

£127.8m

Dividend Paid
16 August 2019

£7.8m (4.0p)

Uplift in Portfolio Value
in period to 30 September 2019

£4.3m

- Diversified portfolio of 33 companies.
- Net asset value per share decreased by 3.7% in the period from 67.8p at 31 March 2019 to 65.3p. Including the payment of a 4.0p dividend made on 16 August 2019, NAV per share at 30 September 2019 was 69.3p, representing a positive total return of 2.2%.
- The Company completed two new investments, totalling £3.6 million.
- A total of £51 million was raised under the offer for subscription dated 14 June 2018, which closed on 7 June 2019.
- The portfolio has seen an uplift in valuation of £4.3 million in the last six months.

KEY METRICS

	30 September 2019	31 March 2019
Total net assets	£127.8m	£117.6m
Net asset value per share	65.3p	67.8p
Share price	58.0p	60.3p
Dividends paid in the period	4.0p	4.0p
Dividend yield % [^]	6.9%	6.6%
Ordinary Shares in issue	195,726,224	173,570,806

	30 September 2019	31 March 2019
Discount to NAV [^]	11.2%	11.1%
Average discount on buybacks [^]	10.1%	9.8%
Shares bought back during the period under review	1,886,153	10,300,443
Increase in net asset value total return during the period [^]	2.2%	3.2%
Ongoing charges ratio [^]	2.5%	2.2%

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

Chairman's Statement



Raymond Abbott
Chairman of
Foresight 4 VCT plc

I am pleased to present the Unaudited Half-Yearly Financial Report for Foresight 4 VCT plc for the period ended 30 September 2019.

DIVIDENDS

In line with the Board's objective on dividend payments, an interim dividend of 4.0p per share was declared on 18 July 2019 based on an ex-dividend date of 25 July 2019 and a record date of 26 July 2019. The dividend was paid on 16 August 2019. The cost of this dividend was £7.8 million, including shares allotted under the dividend reinvestment scheme.

The Board's objective is to maintain a sustainable level of dividend payments from an increased NAV on an annual basis. The investment rule changes will result in new investments taking longer to mature on average and may impact NAV growth in the future. The intention of the Board is to maintain dividends at a level of 5% of NAV plus special dividends in the event of material realisations.

TOP-UP SHARE ISSUES AND SHARE BUY-BACKS

Share buybacks took place on 11 July 2019 (650,000 shares at 61.0p), 24 July 2019 (500,000 shares at 61.0p) and 30 September 2019 (736,153 shares at 57.75p), all of which have enabled the enlarged VCT to achieve its target discount to NAV. In line with the Prospectus dated 14 June 2018 the Board has changed the buy back policy to buy back shares at a 7.5% discount to NAV, with a future aim of achieving a 5% discount to NAV.

The dividend reinvestment scheme saw 1,192,686 shares being allotted on 16 August 2019.

FUNDRAISING

The offer for subscription dated 14 June 2018, which sought to raise up to £50 million (with a £30m over-allotment facility), closed on 7 June 2019 having raised £51.1 million.

Funds raised under this offer have allowed the Company to take advantage of attractive investment opportunities and to increase portfolio diversification in line with the ongoing strategy of the Company.

PERFORMANCE AND PORTFOLIO ACTIVITY

During the period, the net asset value per share decreased by 3.7% from 67.8p at 31 March 2019 to 65.3p. Including the payment of a 4.0p dividend made on 16 August 2019, NAV per share at 30 September 2019 was 69.3p, representing a positive total return of 2.2%.

At the end of the period the Company held 33 investments in UK based businesses across a wide range of sectors. The performance of the portfolio has been steady during the period, with an increase of £4.3 million in value. Positive progress made by companies including Ixaris Group Holdings Limited has been offset by lower valuations for companies like Biofortuna Limited, as detailed in the Investment Manager's Review and the Top Ten Investment sections of this report.

[Read more on page 10](#)

Two new investments were completed during the period under review amounting to £3.6 million. Namely, Fourth Wall Creative Limited (a technology-led sports merchandising business) and Ten Health & Fitness Limited (a group of boutique fitness studios offering physiotherapy, massage therapy and fitness classes).

Chairman's Statement

The Investment Manager, Foresight Group, continues to see a strong pipeline of potential investments sourced through its regional networks and well-developed relationships with advisors and the SME community. Following both the successful fundraises launched in May 2017 and June 2018, the Company is in a position to fully exploit these attractive investment opportunities.

SHAREHOLDER COMMUNICATION

As part of its ongoing commitment to high quality investor relations, the Board encourages you to attend one of the popular Investor Forums hosted by the Investment Manager, Foresight Group. In addition to the annual event in London, the Manager has started to hold a series of regional Investor Forums around the country. Details of regional events will be sent to shareholders resident in the locality as and when they are organised.

As communicated in the Annual Report, the Board offered shareholders the opportunity to elect the method by which they receive shareholder communications. I am pleased to announce that 99% of communications to investors will now be provided electronically. The Board believe that in addition to further promoting sustainability, a key objective of the fund, this shift will result in some overall cost savings.

AUDITOR

The Board regularly reviews the Company's ongoing costs and launched a tender for its audit contract following the signing of the 2019 Annual Report and Accounts. The previous auditor, KPMG LLP, was invited to tender alongside several other firms. Following this competitive tender process, I am pleased to confirm that Deloitte LLP has been appointed as company auditor for the year ending 31 March 2020. The Board would like to thank

KPMG for their service over the last eight years. As announced earlier today, KPMG's section 519 statement will be enclosed with this report.

OUTLOOK

The persisting uncertainty over Brexit and worrying indicators for various areas of world trade are unhelpful for business in general. Foresight 4 VCT invests primarily in developing companies which by their nature benefit from general economic growth, and the current environment places additional demands upon them and their management teams. Foresight Group'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 ensure that they are able to make progress during these testing times. The Board and the Manager are optimistic that the existing portfolio has potential to grow further during the current year and beyond and that the present pipeline of potential investments includes some attractive opportunities.

Raymond Abbott
Chairman
29 November 2019



“ During the period, the portfolio saw an uplift in valuation of £4.3 million

Manager's Review

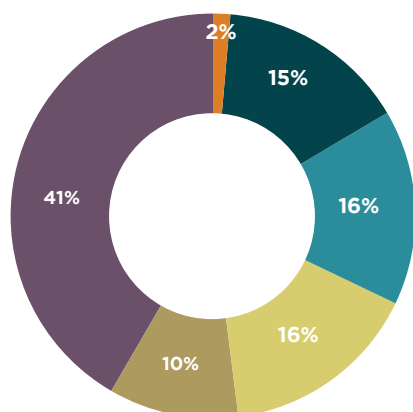
Portfolio Summary

As at 30 September 2019 the Company's portfolio comprised 33 investments with a total cost of £49.8 million and a valuation of £82.5 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.

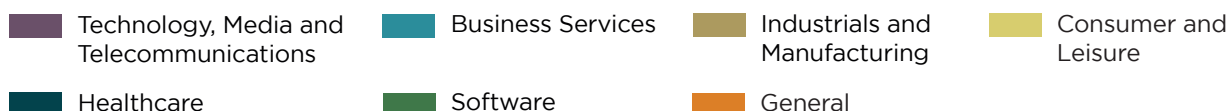
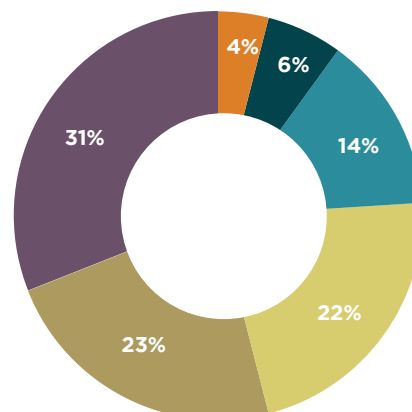
Foresight is pleased to report an uplift in the existing portfolio's value of £4.3 million in the period, although NAV was reduced by payment of a £7.8 million dividend and performance was therefore behind target. Progress has been slower in regards new investments with two completed in the six-month period, deploying £3.6 million. Post-period end a £1.5 million investment has been made into one company and a healthy pipeline of other opportunities are in due diligence. Foresight continue to support the Board in management of the Company's resources to ensure sufficient liquidity for new and follow-on investments, dividends and regular buybacks, with the Company repurchasing 1.9 million shares at an average discount of 10.1% in the period under review. As the portfolio mix evolves in line with the new VCT rules we believe the Board's new target dividend of 5% of NAV per annum, enhanced by the opportunity for special dividends following successful portfolio exits, more appropriately reflects likely returns from the underlying portfolio.

PORTFOLIO DIVERSIFICATION

Sector by Cost



Sector by Valuation



NEW INVESTMENTS AND FOLLOW-ON FUNDING

The Company invested a total of £3.6 million during the six months to 30 September 2019. This was spread across two companies; Fourth Wall Creative, a technology-led sports merchandising business, and Ten Health & Fitness, a boutique group of health and fitness studios. Post-period end a £1.5 million investment was made into Biotherapy Services, a pharmaceutical biotech company.



In April 2019 the Company invested £2.0 million in Fourth Wall Creative, a technology-led sports merchandising business. Founded in 2010, the core business is the design and distribution of membership welcome packs on behalf of football clubs and a technology platform that manages logistics and communications. The Company mainly serves premier league teams with clients including Liverpool and Tottenham Hotspur. The investment will fund growth through the development of new services, expanding the customer base and exploring other sports opportunities.



Post-period end, in November 2019, the Company invested £1.5 million in Biotherapy Services, a pharmaceutical biotech company specialising in wound treatment regenerative medicine, with a focus on chronic diabetic foot ulcers and complex wounds. The investment will support the completion of medical trials and facilitate product development.



In June 2019 the Company invested £1.6 million in Ten Health & Fitness, a group of boutique fitness studios offering a range of services including physiotherapy, massage therapy and fitness classes. Founded in 2007, Ten Health was developed to bridge the gap in the market between traditional healthcare and mainstream fitness. The investment will be used to further develop Ten Health's non-fitness services and to support a roll-out of new studios.

FOLLOW-ON INVESTMENTS

There have been no follow-on investments during the six months to 30 September 2019.

EXITS AND REALISATIONS

Other than Evance Wind Turbines Limited and Autologic Diagnostics Group Limited being dissolved in the period, there have been no exits during the six months to 30 September 2019. 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.

Manager's Review

PIPELINE

Foresight Group continues to see a strong pipeline of potential investments and has a number of opportunities under exclusivity or in due diligence. The investment team currently consists of 26 experienced private equity professionals operating from seven offices in the UK. We review nearly 1,500 business plans of potential investee companies per year, with an increasing number of prospects originated directly by the investment team. This approach allows us to seek off-market opportunities which are often better value as there is less competition in the process. Foresight Group are on track to review a record number of businesses

in 2019 thanks to our expanding regional footprint, having opened the Edinburgh office this quarter. The Company focuses on SMEs in all sectors across the UK, seeking funding of £1-5 million.

At 30 September 2019, the Company had cash in hand of £29.9 million, which 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.

KEY PORTFOLIO DEVELOPMENTS

Overall, the value of investments held rose to £82.5 million, driven by £3.6 million of deployment and an increase in the value of existing investments by £4.3 million. Material changes in valuation, defined as

increasing or decreasing by £0.5 million or more since 31 March 2019, 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 (£)
Ixaris Group Holdings Limited	13,818,721	3,261,738
Aerospace Tooling Holdings Limited	3,297,692	878,114
FFX Group Limited	3,948,863	580,509
Clubspark Limited	1,383,465	523,464
Biofortuna Limited	293,652	(1,596,425)



ClubSpark

ClubSpark, a sports club management and reporting platform, has increased revenues by over 150% compared with this time last year. The pipeline of new clients continues to be encouraging, with several large deals with international cricket associations entering the next stage of the process.



Biofortuna, a molecular diagnostics business which develops and manufactures DNA tests, has had a weak period of trading. A new sales team is aiming to improve the company's fortunes.

OUTLOOK

Yet again the Brexit deadline has been extended, and there remains ongoing uncertainty around the UK's withdrawal from the EU. It is likely that economic growth will stay subdued, or even slip into negative territory, as companies delay investment to build up a cash cushion in anticipation of challenging economic conditions ahead. Contractions have now been recorded in four of the past five months in the private sector, marking the worst spell since 2009 during the global financial crisis. There is a likely period of volatility ahead, nonetheless Foresight Group remains positive about the prospects of the existing diversified 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 has undertaken an in-depth review of the impact of Brexit on the investment portfolio, with the aim of pre-empting potential challenges that could arise as a result where possible. Given the diverse nature of businesses in the portfolio, with a combination of UK-centric and EU importers and exporters, Foresight Group remains confident the Company is well positioned to endure potential volatility. Nevertheless, the investment team are diligently planning for all eventual outcomes. We will continue to monitor investments closely and adapt to market changes to ensure the Company's portfolio is well-placed to deliver returns to its investors.

Russell Healey

Head of Private Equity
Foresight Group
29 November 2019

Manager's Review

Top Ten Investments

By value as at 30 September 2019

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 2019 Update

Datapath continued to generate material profits ahead of budget helped by an improved gross margin. The company has invested in new product development and its sales channels, including a new US sales team. We have begun to see traction in the US with sales growth tracking ahead of Europe and Asia.

Initial investment	September 2007
Amount invested (£)*	2,000,000
Accounting cost (£)**	11,081,243
Investment value (£)	16,196,112
Basis of valuation	Discounted earnings multiple
Equity held (%)	25.9%

*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.

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 2019 Update

The company continues to build traction in the travel sector and is now entirely focused on the payments platform business, which grew by over 70% during 2018 and processed over \$2bn of payments during the year. New hires in the sales team have secured several new contracts and are helping to stimulate growth across the company.

Initial investment	March 2006
Amount invested (£)*	2,047,817
Accounting cost (£)**	3,479,188
Investment value (£)	13,818,721
Basis of valuation	Discounted revenue multiple
Equity held (%)	12.28%

*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.

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 2019 Update

TFC continued to generate strong sales and has achieved record levels of EBITDA. Management remain focused on their plan for organic growth and Foresight are working closely with the new Chairman to execute the strategy. The company are now targeting a diverse range of sectors and new contracts have been won.

Initial investment	March 2007
Amount invested (£)*	1,408,638
Accounting cost (£)**	2,149,307
Investment value (£)	8,297,032
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.

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 2019 Update

Specac has had a solid period of trading, mainly driven by higher sales volumes and improved gross margins. The office relocation has taken place allowing for expansion, while cash generation is good. The order book remains healthy and in line with expectations.

Initial investment	April 2015
Amount invested (£)*	1,300,000
Accounting cost (£)**	2,554,761
Investment value (£)	6,466,441
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

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 2019 Update

FFX continues to trade strongly, with revenue and EBITDA up significantly compared to prior year, and comfortably ahead of budget. The direct sales team has grown materially and is expanding market share. The multi-channel approach is making good progress and the team continues to invest in additional resource.

Initial investment	September 2015
Amount invested (£)*	1,372,002
Accounting cost (£)	1,372,002
Investment value (£)	3,948,863
Basis of valuation	Discounted earnings multiple
Equity held (%)	16.9%

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 2019 Update

ATL has had a positive start to the financial year, with strong trading and good cash generation. The growth has been a result of both a healthy order book and serving a larger number of accounts month-on-month. The sales team has recently been bolstered by the addition of a new Business Development Manager who is focused on developing new geographical and product markets.

Initial investment	June 2013
Amount invested (£)*	2,000,000
Accounting cost (£)**	415,255
Investment value (£)	3,297,692
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.

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 September 2019 Update

Protean continues to trade well and operating profit has improved. Recurring revenue growth remains strong and the company has also won a couple of large new contracts recently. The focus continues to be on developing the entry level SaaS product and making customer adoption and support as simple as possible.

Initial investment	July 2015
Amount invested (£)*	1,500,000
Accounting cost (£)**	1,795,229
Investment value (£)	3,261,614
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.

THE BUSINESS ADVISORY LIMITED
www.govgrant.co.uk **HERTFORD**

GovGrant 

SECTOR:
BUSINESS
SERVICES



The Business Advisory Limited provides support services and contingent advice to UK based SME businesses seeking to gain access to Government tax incentives.

30 September 2019 Update

The Business Advisory Limited continues to perform well, with revenues up 30% on prior year. Profit growth was driven primarily by increased R&D claim sizes and improvements to operational efficiency. 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 (£)	2,936,445
Basis of valuation	Discounted earnings multiple
Equity held (%)	14.0%

*Including the amount of initial investment by F3.

**The accounting cost reflects the valuation of the F3 investment in The Business Advisory 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

FOURTH WALL CREATIVE LIMITED
www.fourthwallcreative.com **WIRRAL**



SECTOR:
TMT



Fourth Wall Creative provides fan engagement services to Premier League football clubs. They specialise in the design, sourcing and fulfilment of football club membership welcome packs and related products.

30 September 2019 Update

Since investment in April, Fourth Wall continues to trade well and in line with budget. Foresight has worked to strengthen the senior management team with a number of key hires including a Chairman, Business Development Director and Finance Director. The team remain focused on securing new strategic relationships with new football clubs for the upcoming season.

Initial investment	April 2019
Amount invested (£)	2,000,000
Accounting cost (£)	2,000,000
Investment value (£)	2,000,000
Basis of valuation	Discounted earnings multiple
Equity held (%)	14.0%

SPEKTRIX LIMITED
www.spektrix.com **LONDON**



SECTOR: CONSUMER
& LEISURE



Spektrix is an enterprise software company, providing ticketing, CRM, marketing, and fundraising software to companies in the performing arts sector.

30 September 2019 Update

Spektrix continues to trade well with revenues up 22% on prior year. The team remains focused on finding new partnerships with UK based arts businesses as well as exploring the US market, which is starting to bear fruit.

Initial investment	December 2018
Amount invested (£)	1,500,000
Accounting cost (£)	1,500,000
Investment value (£)	1,878,751
Basis of valuation	Discounted revenue multiple
Equity held (%)	4.1%



“ 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 September 2019			31 March 2019	
	Accounting Cost £	Investment Value £	Basis of valuation	Accounting Cost £	Investment Value £
Datapath Group Limited	11,081,243	16,196,112 *	Discounted earnings multiple	11,081,243	16,128,276
Ixaris Group Holdings Limited	3,479,188	13,818,721 *	Discounted revenue multiple	3,479,188	10,556,983
TFC Europe Limited	2,149,307	8,297,032 *	Discounted earnings multiple	2,149,307	8,791,960
Specac International Limited	2,554,761	6,466,441 *	Discounted earnings multiple	2,554,761	6,459,470
FFX Group Limited	1,372,002	3,948,863 *	Discounted earnings multiple	1,372,002	3,368,353
Aerospace Tooling Holdings Limited	415,255	3,297,692 *	Discounted earnings multiple	415,255	2,419,578
Protean Software Limited	1,795,229	3,261,614 *	Discounted earnings multiple	1,795,229	3,149,252
The Business Advisory Limited	1,938,046	2,936,445 *	Discounted earnings multiple	1,938,046	2,475,885
Fourth Wall Creative Limited	2,000,000	2,000,000 *	Discounted earnings multiple	—	—
Spektrix Limited	1,500,000	1,878,751 *	Discounted revenue multiple	1,500,000	1,500,000
Itad Limited	1,371,726	1,762,081	Discounted earnings multiple	1,371,726	1,949,296
Steamforged Games Limited	1,600,000	1,731,465	Discounted revenue multiple	1,600,000	1,600,000
Ten Health & Fitness Limited	1,600,000	1,600,000	Discounted revenue multiple	—	—
ABL Investments Limited	1,494,075	1,443,364	Discounted earnings multiple	1,494,075	1,648,050
Hospital Services Group Limited	1,200,000	1,411,112	Discounted earnings multiple	1,200,000	1,330,319
Clubspark Limited	860,000	1,383,465	Discounted revenue multiple	860,000	860,000
Positive Response Communications Limited	1,009,195	1,291,692	Discounted revenue multiple	1,009,195	1,286,336
Mologic Ltd	1,059,000	1,217,008	Discounted revenue multiple	1,059,000	1,059,000
Iphigenie Limited	100	1,140,194	Net assets	100	1,177,183
Galinette Limited	100	1,105,852	Net assets	100	1,116,810
Accrosoft Limited	750,000	908,032	Discounted revenue multiple	750,000	750,000
Procam Television Holdings Limited	2,162,929	874,926	Discounted earnings multiple	2,162,929	1,300,255
Luminet Networks Limited	600,000	769,776	Discounted earnings multiple	600,000	600,000
The Naked Deli Ltd	750,000	719,432	Discounted revenue multiple	750,000	750,000
Whitchurch PE 1 Limited	378,000	652,081	Net assets	378,000	652,603
Codeplay Software Limited	300,000	560,097	Discounted revenue multiple	300,000	300,000
Fertility Focus Limited	375,000	402,191	Discounted revenue multiple	375,000	375,000
Cole Henry PE 2 Limited	200,000	369,526	Net assets	200,000	370,039
Flowrite Refrigeration Limited	513,368	352,765	Received offer	513,368	352,981
Biofortuna Limited	3,217,535	293,652	Discounted revenue multiple	3,217,535	1,890,077
Kingsclere PE 3 Limited	100,000	212,694	Net assets	100,000	213,158
Sindicatum Carbon Capital Limited	544,538	184,575	Cost less impairment	544,538	184,575
Vector Command Limited	1,468,750	—	Nil value	1,468,750	—
Autologic Diagnostics Group Limited	—	—	Dissolved	2,162,787	—
E Vance Wind Turbines Limited	—	—	Dissolved	1,490,420	—
Total	49,839,347	82,487,651		49,892,554	74,615,439

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

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 March 2019. 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

2019 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
29 November 2019

Financial Statements

Unaudited Income Statement

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

	Six months ended 30 September 2019 (Unaudited)			Six months ended 30 September 2018 (Unaudited)			Year ended 31 March 2019 (Audited)		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment holding gains	—	7,900	7,900	—	887	887	—	5,292	5,292
Realised (losses)/gains on investments	—	(3,623)	(3,623)	—	1,201	1,201	—	(514)	(514)
Income	420	—	420	340	—	340	744	—	744
Investment management fees	(330)	(991)	(1,321)	(223)	(669)	(892)	(498)	(1,494)	(1,992)
Other expenses	(315)	—	(315)	(348)	—	(348)	(568)	—	(568)
(Loss)/return on ordinary activities before taxation	(225)	3,286	3,061	(231)	1,419	1,188	(322)	3,284	2,962
Taxation	—	—	—	—	—	—	—	—	—
(Loss)/return on ordinary activities after taxation	(225)	3,286	3,061	(231)	1,419	1,188	(322)	3,284	2,962
(Loss)/return per share	(0.1)p	1.7p	1.6p	(0.2)p	1.0p	0.8p	(0.2)p	2.2p	2.0p

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 2019

Registered Number: 03506579

	As at 30 September 2019 £'000	As at 30 September 2018 £'000	As at 31 March 2019 £'000
Fixed assets			
Investments held at fair value through profit or loss	82,488	68,552	74,615
Current assets			
Debtors	15,874	13,205	10,331
Cash and cash equivalents	29,893	20,655	33,185
	45,767	33,860	43,516
Creditors			
Amounts falling due within one year	(497)	(770)	(506)
Net current assets	45,270	33,090	43,010
Net assets	127,758	101,642	117,625
Capital and reserves			
Called-up share capital	1,957	1,438	1,736
Share premium account	79,466	42,856	63,676
Capital redemption reserve	494	459	475
Special distributable reserve	60,911	77,110	70,094
Capital reserve	(47,720)	(40,566)	(43,106)
Revaluation reserve	32,650	20,345	24,750
Equity shareholders' funds	127,758	101,642	117,625
Net asset value per share	65.3p	70.7p	67.8p

Unaudited Reconciliation of Movements in Shareholders' Funds

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

	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 2019	1,736	63,676	475	70,094	(43,106)	24,750	117,625
Share issues in the period	240	16,480	—	—	—	—	16,720
Expenses in relation to share issues	—	(690)	—	—	—	—	(690)
Repurchase of shares	(19)	—	19	(1,130)	—	—	(1,130)
Realised losses on disposal of investments	—	—	—	—	(3,623)	—	(3,623)
Investment holding gains	—	—	—	—	—	7,900	7,900
Dividends paid	—	—	—	(7,828)	—	—	(7,828)
Management fees charged to capital	—	—	—	—	(991)	—	(991)
Revenue loss for the year	—	—	—	(225)	—	—	(225)
As at 30 September 2019	1,957	79,466	494	60,911	(47,720)	32,650	127,758

*Reserve is available for distribution, total distributable reserves at 30 September 2019 are £13,191,000 (31 March 2019: £26,988,000).

Financial Statements

Unaudited Cash Flow Statement

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

	Six months ended 30 September 2019 £'000	Six months ended 30 September 2018 £'000	Year ended 31 March 2019 £'000
Cash flow from operating activities			
Investment income received	196	276	549
Dividends received from investments	28	7	35
Deposit and similar interest received	111	54	149
Investment management fees paid	(1,267)	(1,016)	(2,104)
Secretarial fees paid	(85)	(83)	(166)
Other cash payments	(248)	(322)	(450)
Net cash outflow from operating activities	(1,265)	(1,084)	(1,987)
Cash flow from investing activities			
Purchase of investments	(3,600)	(3,947)	(8,281)
Net proceeds on sale of investments	—	1,267	2,082
Net proceeds on deferred consideration	31	134	513
Net cash outflow from investing activities	(3,569)	(2,546)	(5,686)
Cash flow from financing activities			
Proceeds of fund raising	10,021	19,960	43,562
Expenses of fund raising	(314)	(587)	(972)
Repurchase of own shares	(1,098)	(5,739)	(6,480)
Expenses in relation to tender offer	—	(38)	—
Equity dividends paid	(7,067)	34*	(5,907)
Net cash inflow from financing activities	1,542	13,630	30,203
Net (decrease)/increase in cash in the period	(3,292)	10,000	22,530

*Dividends unclaimed after twelve years, returned to the Company.

Analysis of changes in net debt

	At 1 April 2019 £'000	Cash Flow £'000	At 30 September 2019 £'000
Cash and cash equivalents	33,185	(3,292)	29,893

Notes to the Unaudited Half-Yearly Results

FOR SIX MONTHS ENDED 30 SEPTEMBER 2019

- 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 2019. 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 2019 and 30 September 2018 has been neither audited nor formally reviewed. Statutory accounts in respect of the year ended 31 March 2019 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 2019 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.

	Net assets	Shares in Issue
30 September 2019	£127,758,000	195,726,224
30 September 2018	£101,642,000	143,783,031
31 March 2019	£117,625,000	173,570,806

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 2019	195,728,848
Six months ended 30 September 2018	135,704,832
Year ended 31 March 2019	147,007,155

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 2019 £'000	Six months ended 30 September 2018 £'000	Year ended 31 March 2019 £'000
Loan stock interest	281	278	560
Dividends	28	7	35
Deposit and similar interest received	111	55	149
	420	340	744

Financial Statements

7 INVESTMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

	£'000
Book cost as at 1 April 2019	49,892
Investment holding gains	24,723
Valuation at 1 April 2019	74,615
Movements in the period:	
Purchases	3,600
Disposal proceeds	—
Realised losses*	(3,654)
Investment holding gains**	7,927
Valuation at 30 September 2019	82,488
Book cost at 30 September 2019	49,838
Investment holding gains	32,650
Valuation at 30 September 2019	82,488

*Realised losses on investments in the income statement include deferred consideration of £31,000 received from the sale of Thermotech Solutions Limited.

**Investment holding gains in the income statement have been reduced by the offset in the deferred consideration debtor of £27,000, relating to Thermotech Solutions Limited.

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 CI Limited acts as manager to the Company. During the period, services of a total cost of £1,321,000 (30 September 2018: £892,000; 31 March 2019: £1,992,000) were purchased by the Company from Foresight Group CI Limited. At 30 September 2019, the amount due to Foresight Group CI Limited was £nil (30 September 2018: £470,000; 31 March 2019: £nil).

During the period, administration services of a total cost of £85,000 (30 September 2018: £83,000; 31 March 2019: £166,000) were delivered to the Company by Foresight Group LLP, Company Secretary. At 30 September 2019, the amount due to Foresight Group LLP was £nil (30 September 2018: £41,000; 31 March 2019: £nil).

10 POST - BALANCE SHEETS EVENTS

On 1 October 2019 £15.6 million was received into the bank, being the remaining balance from the June 2018 fund raise.

The Company made one new investment of £1.5 million into Biotherapy Services Limited in November 2019.

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.

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 VCTs.

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 VCTs.

DIVIDEND YIELD

The sum of dividends paid during the period expressed as a percentage of the share price at the period 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 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

The Company has appointed Foresight Group CI Limited as its manager ("The Manager") to provide investment management and administration services. Foresight Group CI Limited has appointed Foresight Group LLP to be its investment adviser. The Manager has also delegated secretarial, accounting and other administration services to Foresight Group LLP.

References to "the Manager" throughout this report refer to the activities of Foresight Group CI Limited and include the activities of Foresight Group LLP when acting as the Manager's investment adviser and administrative delegate.

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

COMPANY SECRETARY

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MANAGER

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AUDITOR

Deloitte LLP (appointed 29 November 2019)

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EH1 2DB

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B4 6AA

and

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EC3V 0HR

REGISTRAR

Computershare Investor Services plc

The Pavilions

Bridgwater Road

Bristol

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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.

The Company has appointed the Manager, which is licensed by the Guernsey Financial Services Commission, to provide investment management services. The Manager has, as is permitted and as approved by the Board, appointed Foresight Group LLP to act as its investment adviser. Foresight Group LLP is a subsidiary undertaking of the Manager and is authorised and regulated by the Financial Conduct Authority.

The Company has appointed the Manager to provide services which include company secretarial, accounting and other administration services required in connection with the business and the operation of the Company. All of these services have been delegated to Foresight Group LLP, the company secretary.

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 4 VCT plc

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