

UNAUDITED HALF-YEARLY FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2024

Financial Highlights

- Total net assets **£171.1 million**
- A special dividend of **5.0p** per share was paid on 19 January 2024, returning **£13.2 million** to Shareholders
- Post period end, an interim dividend of **3.3p** per share was paid on 12 July 2024, returning **£8.7 million** to Shareholders
- The value of the investment portfolio has increased by **£8.7 million** in the last six months
- Net Asset Value per share decreased by 1.7% in the period from **65.6p** at 31 December 2023 to **64.5p** at 30 June 2024
- Including the payment of a 5.0p dividend on 19 January 2024, NAV Total Return per share at 30 June 2024 was **69.5p** (being NAV at the end of the period plus dividends paid in the period), representing a positive NAV Total Return of **5.9%** in the period

Chair's Statement

I am pleased to present the unaudited Half-Yearly Financial Report for Foresight Enterprise VCT plc for the period ended 30 June 2024 and to report a Net Asset Value Total Return of 5.9% for the period, including a dividend yield of 8.6%.

The business environment is slowly improving with interest rates looking like they have peaked and inflationary pressures more stable, as are energy costs. All of these factors are key to a more stable business environment which is a prerequisite to building business confidence and, from this, hopefully growth. However, the spectre of a worsening geopolitical landscape continues to cause concern for citizens and investors alike. The threat of recession is receding, but markets remain uncertain with forthcoming US elections and a new UK Government and what that might mean for us all. The continuing issues in Ukraine and the Middle East only goes to add to the uncertainty and these matters influence the Manager's investment thinking too. Against that backdrop, I am delighted to say our portfolio is performing well with some good exits and a positive pipeline of new investment opportunities being considered. The Board is soon to embark upon our annual strategy review with the Manager. I believe the strong and growing team of investment professionals serves us well. The Manager's regional presence across core commercial centres in the UK further adds to the diversity of opportunities they can review and invest in. We will continue to have great focus to ensure the Company and sector selections are considered, well researched and suggest good value prior to investment.

In the six months ended 30 June 2024, 22 companies in the portfolio recorded a combined increase in valuation of £13.7 million, offset by 19 companies recording an aggregate fall in valuation of £5.0 million.

Strategy

The Board believes that it is in the best interests of Shareholders to continue to pursue a strategy of:

- Growth in Net Asset Value Total Return above a 5% annual target while continuing to grow the Company's assets
- Payment of annual dividends of at least 5% of the NAV per share based on the opening NAV per share of that financial year
- Implementation of a number of new and follow-on qualifying investments every year, exceeding deployment requirements to maintain VCT status
- Maintaining a programme of regular share buybacks at a discount of 5%, subject to market conditions

Central to the Company being able to achieve these objectives is the ability of the Manager to source and complete attractive new qualifying investment opportunities.

Whilst this task has not been made easier by the changes to VCT legislation since 2015, which (amongst other requirements) place greater emphasis on growth or development capital investment into younger companies, the Company is fortunate in that it has pursued a policy of seeking growth capital investments for several years prior to the rule changes and the Manager has an established track record in this area.

Performance and portfolio activity

During the period Net Asset Value per share decreased by 1.7% from 65.6p as at 31 December 2023 to 64.5p as at 30 June 2024. After adding back the payment of a 5.0p dividend paid on 19 January 2024, NAV Total Return per share at 30 June 2024 was 69.5p, representing a positive NAV Total Return of 5.9% in the period. This positive movement is a result of the strategy and business changes throughout the portfolio alluded to above.

On 13 October 2023, the Company launched an offer for subscription to raise up to £20 million, with an over-allotment facility to raise up to a further £10 million, through the issue of new shares. The offer was closed on 15 April 2024 having raised gross proceeds of £30.0 million, £28.8 million after expenses. We would like to thank those existing Shareholders who have supported the offer and welcome all new Shareholders to the Company.

During the period the Manager completed three new investments and three follow-on investments costing £6.5 million and £2.5 million respectively. The Manager successfully disposed of Callen-Lenz Associates Limited and Specac International Limited, generating proceeds of £34.3 million, with a further £3.6 million of deferred consideration included within debtors at the period end. Adding in the £1.5 million of cash returned in the investment period, this represents a combined return multiple of 6.4 times the original investment. The Manager also disposed of two challenged businesses, Crosstown Dough Limited and So-Sure Limited, during the period. Further details of these investments and realisations can be found in the Manager's Review.

The Board and the Manager are confident that a number of new and follow-on investments can be achieved this year, particularly with the increased investment activity noted above. Details of each of these new, existing and former portfolio companies can be found in the Manager's Review.

The Manager continues to see a strong pipeline of potential investments sourced through its regional networks and well-developed relationships with advisers and the SME community; however, it is also focused on supporting the existing portfolio through the current economic climate.

Responsible investing

The analysis of environmental, social and governance (ESG) issues is embedded in the Manager's investment process and, whilst the Company has no specific objective to invest in companies which have an ESG focus, these factors are more generally considered key in determining the quality of a business and its long-term success. Central to the Manager's responsible investment approach are five ESG principles that are applied to evaluate investee companies, acquired since May 2018, throughout the lifecycle of their investment, from their initial review and acquisition to their final sale. Every year, the portfolio companies are assessed and progress measured against these principles. More detailed information about the process can be found on pages 24 and 25 in the Unaudited Half-Yearly Financial Report.

Dividends

A special interim dividend of 5.0p per share was declared on 14 December 2023 based on an ex-dividend date of 4 January 2024 and a record date of 5 January 2024. The dividend was paid on 19 January 2024, returning £13.2 million to Shareholders. Additionally, an interim dividend of 3.3p per share was declared on 11 June 2024 based on an ex-dividend date of 27 June 2024 and a record date of 28 June 2024. The dividend was paid on 12 July 2024, returning £8.7 million to Shareholders.

The Board and the Manager continue to hope that additional 'special' dividends can be paid as and when particularly successful portfolio exits are made.

Buybacks

The Board is pleased to have achieved an average discount across all buybacks of 5.0% to the Net Asset Value per share in the period and continues to have an objective of maintaining buybacks at a discount of 5%, subject to market conditions.

Shareholder communication

We were delighted to hold the AGM on 11 June 2024. We hope many of you will be available to attend our next 'person investor forum event which will be announced in due course. These events have proven very popular with our Shareholders in the past and provide the opportunity to learn first-hand about some of our investee companies from their founders and management.

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.

VCT Sunset clause

I am pleased to report that the European Commission has decided not to raise objections in respect of the prolongation of the UK's VCT scheme by ten years to April 2035. This now removes any recent uncertainty and will help support further investment by the VCT sector in early stage companies.

Outlook

As I mentioned in my introduction, the business environment is improving with interest rates and inflationary pressures beginning to ease. However, the geopolitical landscape of the world is as hostile and uncertain as I have seen it. We are therefore carefully considering how all of these factors, in an ever-changing world, challenge the investment thesis.

We do, however, have the benefit of these developing companies in which we invest, on the whole being able to more swiftly adapt to the fast-moving environment in which we operate with the benefit of our Manager and a strong funding base.

We have a diverse portfolio of investments and we are confident that our continued focus on the wider business landscape, alongside the Manager's deep understanding of the individual investee companies in which we invest, will protect us from the most extreme market conditions.

We have a strong balance sheet with a diversified portfolio that we believe will provide sustainable long-term value for Shareholders.

Michael Gray

Chair

26 September 2024

Manager's Review

The Board has appointed Foresight Group LLP (the 'Manager') to provide investment management and administration services.

Portfolio summary

As at 30 June 2024, the Company's portfolio comprised 45 investments with a total cost of £71.4 million and a valuation of £102.7 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 17 to 20 in the Unaudited Half-Yearly Financial Report.

During the six months to 30 June 2024, the value of the investment portfolio decreased by £16.9 million as a result of successful realisations of several investments generating £34.5 million. This was partially offset by an increase of £8.7 million in the valuation of the remaining investments, plus £9.0 million of new and follow-on investments.

Overall, the portfolio has performed well despite uncertainty in the market with ongoing conflicts in Ukraine and Gaza, numerous elections taking place worldwide, fears of a potential recession in the US and continued domestic price inflation, coupled with high interest rates.

In line with the Board's strategic objectives, we remain focused on growing the Company through further development of Net Asset Value Total Return. For the six months to 30 June 2024, Net Asset Value Total Return was 5.9% and net assets increased by 1.5% to £171.1 million following the payment of a 5.0p per share dividend costing the Company £13.2 million, meaning that the Company has successfully met this objective in the period under review.

New investments

Three new investments were completed in the six months to 30 June 2024, totalling £6.5 million. New investments were across children's play centres, engineering solutions and cybersecurity. Follow-on investments totalling £2.5 million were also made in three existing investee companies. There is a strong pipeline of opportunities that we expect to convert during the second half of 2024.

Family Adventures Group Limited

In January 2024, the Company invested £2.5 million of growth capital into Family Adventures Group, a provider of daycare nurseries and children's leisure sites that combines soft play areas with theatrical role play facilities. All inspected sites have been rated 'Good' by Ofsted and have an average score of 9.9/10 on daynurseries.co.uk; whilst the leisure sites have market-leading Net Promoter Scores and high repeat visits. The investment will be used to aid the business with a continued rollout of nursery and leisure sites across the South West and the Midlands.

Evolve Dynamics Limited

In March 2024, the Company completed a £2.0 million investment into Evolve Dynamics. Founded in 2016, the company designs and manufactures smaller Unmanned Aerial Systems ('UAS') with capabilities for intelligence, surveillance and reconnaissance. The company's UAS products are also widely deployed within UK and international police forces, fire services, energy inspection and search & rescue organisations. The investment will help scale the business and aid in new product launches.

Lepide Group Holding Company Limited

In March 2024, the Company invested £2.0 million into Lepide, a cyber security software solution that helps organisations to protect their unstructured data. Lepide actively monitors event logs within Windows Active Directory in order to detect suspicious activity and help organisations to manage over-exposure of data. The investment will help scale the business and accelerate growth initiatives.

Follow-on investments

The Company made follow-on investments in three companies during the six months to 30 June 2024, totalling £2.5 million. Further details of each of these are provided below.

The additional equity injections in the period were used to support further growth plans, such as launching new products, and expansion of commercial capabilities. We continue to successfully navigate the volatility that has been felt across the markets over the course of the year and remain vigilant about the health of the portfolio and the need for follow-on funding during the second half of 2024. Given the size of the portfolio, further opportunities to deploy capital into growing existing investments are expected.

HomeLink Healthcare Limited

In March 2024, the Company completed a £1.0 million follow-on investment into HomeLink Healthcare. The Company first invested into HomeLink in March 2022. Contracting with the NHS, the business provides patients with wound care, physiotherapy and intravenous therapies in their own home. HomeLink is also a leader in remote patient monitoring practices, offers a virtual ward solution and has now saved the NHS over 150,000 hospital bed days. The investment will support the organic expansion of the company.

Hexarad Group Limited

In June 2024, the Company completed a £0.7 million follow-on investment into Hexarad Group. The Company initially invested £0.9 million into Hexarad in June 2021, which preceded a £0.7 million follow-on in August 2022. Hexarad is a teleradiology company, supporting NHS and private healthcare providers with access to a diversified pool of radiologists in order to provide fast, accurate diagnosis and enable more timely and higher quality patient care. The latest investment forms part of a larger funding round, including a new third-party investor, to support the ongoing development of the technology, as well as the expansion of the commercial and operational teams.

Sprintroom Limited

In March 2024, the Company completed a £0.8 million follow-on investment into Sprintroom, which trades as Sprint Electric. The business designs and manufactures drives for controlling electric motors in light and heavy industrial applications, as well as recovering and reusing otherwise lost energy. The investment will be used to drive continued revenue growth and develop further iterations of the new product range.

Post period end activity

After the period end, the Company completed three follow-on investments totalling £2.2 million into NorthWest EHealth Limited, which provides software and services to the clinical trials market; Strategic Software Applications Ltd, a London-based SaaS technology provider supporting financial institutions in meeting their regulatory compliance obligations; and Red Flag Alert Technology Group Limited, a Manchester-

based proprietary SaaS intelligence platform with modular capabilities spanning compliance, prospecting, risk management and financial health assessments.

Realisations

The M&A climate has proven more challenging in recent years in light of macroeconomic conditions, including higher interest rates and geopolitical uncertainty alluded to above. Despite this, we are pleased to report the particularly strong realisations of Callen-Lenz Associates Limited and Specac International Limited, as well as the disposal of two challenged businesses within the portfolio: Crosstown Dough Ltd and So-Sure Limited. Two loans totalling £0.6 million were also fully repaid in the period. We continue to engage with a range of potential acquirers of several portfolio companies and to carefully consider the timing of an exit for each. Demand from both private equity and trade buyers remains for high-quality, high-growth businesses.

Callen-Lenz Associates Limited

In May 2024, the Company achieved the successful exit of Callen-Lenz Associates, returning £23.4 million to the Company. Including a further £2.9 million of earnout recognised at the period end, the sale implies a 5.4x cash-on-cash return on the total investment made of £4.9 million, equivalent to an IRR of 124%.

Since investment, we have worked with the board to expand both non-executive and executive leadership, which led to successful product launches and a significant increase in headcount and revenue. With the business focus successfully transitioned from R&D to commercial sales, the exit will facilitate continued growth.

Crosstown Dough Limited

In June 2024, the Company realised its investment in Crosstown Dough, a doughnut vendor operating from 31 sites including a mix of bricks and mortar, food trucks and market stalls. Crosstown's core products are made at its central production unit in Battersea. The sale of Crosstown to Karali Group, a large franchise operator of Burger King in the UK and US, allowed distributions to be made to creditors whilst facilitating the continuation of the business. The business had been impacted by wage and supply chain inflation.

Specac International Limited

In March 2024, the Company announced the sale of Specac International, a leading manufacturer of high-specification sample analysis and preparation equipment used in testing and research laboratories worldwide, primarily supporting infrared spectroscopy. The transaction generated proceeds of £11.2 million at completion. When added to £1.5 million of cash returned pre-exit, this implies a total cash-on-cash return of 10.3x, equivalent to an IRR of 33%, with a further £704,000 of deferred consideration recognised at the period end. Since investment, the business has grown to sell globally through both original equipment manufacturers (OEMs) and distributors. We also engaged with the team to support management team changes, improvements in governance, headcount and numerous product launches, as well as a major site move. The exit will facilitate the continued growth of the business.

So-Sure Limited

In March 2024, the investment in So-Sure was fully written off as it failed to perform in line with the management plan proposed at the Manager's Investment Committee. So-Sure Limited is a technology company acting as a Managing General Agent for insurers. The company's mission is to offer a more trusted proposition, greater pricing transparency and improved customer experience through its customer-centric digital platform.

Realisations in the period ended 30 June 2024

Company	Detail	Total invested (£)	Accounting cost at date of disposal (£)	Exit proceeds and deferred consideration (£)	Total return (£)
Callen-Lenz Associates Limited ¹	Full disposal	4,875,000	4,875,000	26,266,395	26,266,395
Specac International Limited ²	Full disposal	1,300,000	2,054,761	11,876,787	13,326,804
Crosstown Dough Ltd	Full disposal	1,500,000	1,500,000	–	–
So-Sure Limited ³	Full disposal	1,600,000	1,600,000	11,429	11,429
Spektrix Limited	Loan repayment	112,873	112,873	112,873	112,873
Positive Response Corporation Ltd	Loan repayment	100,000	100,000	100,000	100,000
		9,487,873	10,242,634	38,367,484	39,817,501

1. Includes £2,894,000 of deferred consideration which has been recognised within debtors.

2. Includes £704,000 of deferred consideration which has been recognised within debtors. Accounting cost includes an uplift of £1,254,761 on transfer into the Company on merger with Foresight 3 VCT plc.

3. Includes £11,000 of deferred consideration which has been recognised within debtors.

Pipeline

As at 30 June 2024, the Company had cash reserves of £64.5 million, which will be used to fund new and follow-on investments, buybacks, dividends and corporate expenditure. We are seeing a strong pipeline of new opportunities, with several opportunities in due diligence or in exclusivity, with further deal completions expected to be announced in the months to follow.

The outlook for the UK economy is more favourable during the year to date, with inflation returning to historic norms over the last 12 months. Consumer spending remains squeezed however, resulting from stubbornly higher interest rates and the effects of a recent high inflation still being felt. Conflicts in Ukraine and Gaza continue to impact supply chains and erode confidence.

Global markets have proven to be exceptionally volatile so far in 2024, which recently gave rise to some concern within the market about a US recession which would have far-reaching consequences globally. Against this unsettled backdrop, the UK economy is performing reasonably well and UK companies continue to seek both the capital and experience to help deliver growth in uncertain times.

With a broad network of deal introducers across the UK and internationally, and through its growing network of regional offices, we continue to see a large volume of attractive investment opportunities. This is not expected to change in the medium term. We continue to pursue a balanced strategy, targeting companies from a range of sectors and at different stages of maturity to combat market volatility.

Key portfolio developments

Material changes in valuation, defined as increasing or decreasing by £1.0 million or more since 31 December 2023, are detailed below. Updates on these companies are included on page 12 and in the Top Ten Investments section on pages 17 to 20 in the Unaudited Half-Yearly Financial Report.

Key valuation changes in the period

	Valuation methodology	Valuation change (£)
TLS Holdco Limited ¹	Discounted earnings multiple	2,135,763
Hexarad Group Limited ¹	Price of last funding round	1,685,755
Aerospace Tooling Corporation Limited	Discounted earnings multiple	(1,417,100)

1. Updates included in Top Ten Investments section on pages 17 to 18 in the Unaudited Half-Yearly Financial Report.

Outlook

2024 has so far been a year of market volatility. Global markets performed strongly in the first six months of the year, with US indexes such as the S&P 500 and NASDAQ delivering consistent gains, albeit largely driven by a handful of high-performing technology companies. Increasing unemployment rates created a sense of anxiety in the US, whilst volatility across the market is expected to continue in the medium term as a result of the ongoing wars in Ukraine and Gaza, which threaten to morph into global conflicts. In addition, nations representing approximately half of the global population are holding or have held elections in 2024, with the polarising US election taking place later in the year. This political uncertainty deepens the sense of instability in the markets.

Despite this challenging backdrop, the UK economy continues to perform relatively well. The FTSE 100 has shown steady gains throughout the year, rather than the significant gains and losses driven by highly valued technology companies seen in the US. GDP growth forecasts for the year are modest but exceed the expectations set earlier in 2024. Inflation has returned to historic levels, despite evidence which suggests that increased costs continue to be passed on to consumers, eroding spending power. As a result, the base interest rate has been held at 5% or over until September, with further reductions likely to be measured. The first Labour government in over a decade appears relatively moderate and business-friendly, but is yet to announce its first budget, which could have wide-ranging consequences for small businesses in the UK.

In light of the volatile global economy and geopolitical environment, and a UK economy that is showing moderate signs of growth, the Company has performed well in the year to date. NAV Total Return in the year to date is 5.9%. Strong exits from Specac and Callen-Lenz have significantly contributed to the 3.3p dividend paid in July and a very attractive dividend yield of 14.3% (based on the mid-market share price as at 30 June 2024 of 58.0p). The disappointing exits of So-Sure and Crosstown, however, exemplify the current challenges faced by businesses linked to consumer spending. The Company maintains a balanced portfolio across different sectors and stages of the business lifecycle, which should stand it in good stead to face the volatility ahead. Our hands-on approach to challenges and exit planning continues to add value to the portfolio companies.

Looking to the remainder of 2024 and beyond, it would be reasonable to expect further volatility given the geopolitical and economic environment. The US election could have far-reaching consequences, while few concrete details have yet emerged on the new UK government's first budget. Interest rates are likely to remain relatively high in the medium term, although this may create opportunities for equity investors to support SMEs put off by the cost of debt.

On the optimistic side, the UK's relatively low market volatility and moderate government should mean it remains an attractive place to do business. We expect to see continuing interest in UK companies as acquisition targets for overseas corporations. The UK continues to invest heavily in innovation through world-class universities and support networks, generating a good flow of attractive investment opportunities for us.

We are pleased with the performance in the year to date, with a successful fundraising, high-potential new investments and attractive exits. With inflation returning to historic norms and consumer confidence hopefully improving, there is cause for some optimism looking to the future. Crucially, the portfolio remains diversified across sectors and with a mix of higher-growth and cash-generative businesses, the Company is resilient to headwinds and challenges. The Company has further strengthened its position in the rankings against its peers in the VCT market, which remains an important source of capital for UK entrepreneurs.

26 September 2024

Unaudited Half-Yearly Results And Responsibilities Statements

Principal risks and uncertainties

The principal risks faced by the Company are as follows:

- Market risk
- Strategic and performance risk
- Internal control risk
- Legislative and regulatory risk
- VCT qualifying status risk
- Investment valuation and liquidity risk

The Board reported on the principal risks and uncertainties faced by the Company in the Annual Report and Accounts for the year ended 31 December 2023. A detailed explanation can be found on pages 47 to 49 of the Annual Report and Accounts, which is available on Foresight Enterprise VCT's website www.foresightenterprisevct.com or by writing to Foresight Group LLP 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 Annual Report and Accounts. The emerging risks identified in the previous report included those of climate change, inflationary pressures, interest rates, supply chain issues, energy prices and geopolitical tensions. These emerging risks continue to apply and be monitored. The Board and the Manager continue to follow all emerging risks closely with a view to identifying where changes affect the areas of the market in which portfolio companies operate. This enables the Manager to work closely with portfolio companies, preparing them so far as possible to ensure they are well positioned to endure potential volatility.

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.

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 Half-Yearly Financial 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
- d) The Half-Yearly Financial 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 Chair's Statement, Strategic Report and Notes to the Accounts of the 31 December 2023 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

Michael Gray
Chair

26 September 2024

Unaudited Income Statement

For the six months ended 30 June 2024

	Six months ended			Six months ended			Year ended		
	30 June 2024			30 June 2023			31 December 2023		
	(Unaudited)			(Unaudited)			(Audited)		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Realised gains on investments	â€”	25,300	25,300	â€”	3,411	3,411	â€”	5,366	5,366
Investment holding (losses)/gains	â€”	(13,044)	(13,044)	â€”	1,950	1,950	â€”	6,405	6,405
Income	1,750	â€”	1,750	1,048	â€”	1,048	2,683	â€”	2,683
Investment management fees	(434)	(2,614)	(3,048)	(373)	(1,573)	(1,946)	(759)	(3,845)	(4,604)
Other expenses	(420)	â€”	(420)	(417)	â€”	(417)	(790)	â€”	(790)
Return on ordinary activities before taxation	896	9,642	10,538	258	3,788	4,046	1,134	7,926	9,060
Taxation	(183)	183	â€”	â€”	â€”	â€”	(225)	225	â€”
Return on ordinary activities after taxation	713	9,825	10,538	258	3,788	4,046	909	8,151	9,060
Return per share	0.3p	3.6p	3.9p	0.1p	1.7p	1.8p	0.4p	3.5p	3.9p

The total columns of this statement are 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.

The Company has only one class of business and one reportable segment, the results of which are set out in the Income Statement and Balance Sheet.

There are no potentially dilutive capital instruments in issue and, therefore, no diluted earnings per share figures are relevant. The basic and diluted earnings per share are, therefore, identical.

Unaudited Reconciliation Of Movements In Shareholders' Funds

For the six months ended 30 June 2024

	Called-up share capital	Share premium account	Capital redemption reserve	Distributable reserve ¹	Capital reserve ¹	Revaluation reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
As at 1 January 2024	2,567	102,801	679	44,046	(31,047)	49,430	168,476
Share issues in the period	171	10,894	â€”	â€”	â€”	â€”	11,065
Expenses in relation to share issues	â€”	(348)	â€”	â€”	â€”	â€”	(348)
Repurchase of shares	(88)	â€”	88	(5,460)	â€”	â€”	(5,460)
Realised gains on disposal of investments	â€”	â€”	â€”	â€”	25,300	â€”	25,300
Investment holding losses	â€”	â€”	â€”	â€”	â€”	(13,044)	(13,044)
Dividends paid	â€”	â€”	â€”	(13,200)	â€”	â€”	(13,200)
Management fees charged to capital	â€”	â€”	â€”	â€”	(2,614)	â€”	(2,614)
Revenue return for the period before taxation	â€”	â€”	â€”	896	â€”	â€”	896
Taxation for the period	â€”	â€”	â€”	(183)	183	â€”	â€”
As at 30 June 2024	2,650	113,347	767	26,099	(8,178)	36,386	171,071

1. Reserve is available for distribution, total distributable reserves at 30 June 2024 are £17,921,000 (31 December 2023: £12,999,000)

Unaudited Balance Sheet

At 30 June 2024

Registered number: 03506579

	As at 30 June 2024 (Unaudited) £'000	As at 30 June 2023 (Unaudited) £'000	As at 31 December 2023 (Audited) £'000
Fixed assets			
Investments held at fair value through profit or loss	102,729	107,332	119,587
Current assets			
Debtors	5,418	3,341	2,726
Cash and cash equivalents	64,515	39,012	47,843
Total current assets	69,933	42,353	50,569
Creditors			
Amounts falling due within one year	(1,591)	(1,531)	(1,680)
Net current assets	68,342	40,822	48,889
Net assets	171,071	148,154	168,476
Capital and reserves			
Called-up share capital	2,650	2,337	2,567
Share premium account	113,347	83,327	102,801
Capital redemption reserve	767	606	679
Distributable reserve	26,099	47,864	44,046
Capital reserve	(8,178)	(30,955)	(31,047)
Revaluation reserve	36,386	44,975	49,430
Equity Shareholders' funds	171,071	148,154	168,476
Net Asset Value per share	64.5p	63.4p	65.6p

Unaudited Cash Flow Statement

For the six months ended 30 June 2024

	Six months ended 30 June 2024 (Unaudited) £'000	Six months ended 30 June 2023 (Unaudited) £'000	Year ended 31 December 2023 (Audited) £'000
Cash flow from operating activities			
Loan interest received from investments	401	636	1,238
Dividends received from investments	165	â€”	175
Other income received from investments	â€”	â€”	71
Deposit and similar interest received	979	412	1,190
Investment management fees paid	(1,747)	(1,485)	(3,029)
Performance incentive fee paid	(1,115)	â€”	(734)
Secretarial fees paid	(101)	(91)	(197)
Other cash payments	(240)	(288)	(549)
Net cash outflow from operating activities	(1,658)	(816)	(1,835)
Cash flow from investing activities			
Purchase of investments	(8,969)	(7,608)	(17,652)
Net proceeds on sale of investments	34,486	16,430	20,572
Net proceeds on deferred consideration	1,057	â€”	669
Net cash inflow from investing activities	26,574	8,822	3,589
Cash flow from financing activities			
Proceeds of fundraising	9,182	14,685	34,910
Expenses of fundraising	(535)	(360)	(474)
Repurchase of own shares	(5,432)	(1,448)	(6,504)

Equity dividends paid	(11,459)	(6,685)	(6,657)
Net cash (outflow)/inflow from financing activities	(8,244)	6,192	21,275
Net inflow of cash in the period	16,672	14,198	23,029
Reconciliation of net cash flow to movement in net funds	£	£	£
Increase in cash and cash equivalents for the period	16,672	14,198	23,029
Net cash and cash equivalents at start of period	47,843	24,814	24,814
Net cash and cash equivalents at end of period	64,515	39,012	47,843

Analysis of changes in net debt

	At 1 January 2024	Cash flow	At 30 June 2024
	£'000	£'000	£'000
Cash and cash equivalents	47,843	16,672	64,515

Notes To The Unaudited Half-Yearly Results

For the six months ended 30 June 2024

1

The Unaudited Half-Yearly Financial Report has been prepared on the basis of the accounting policies set out in the statutory accounts of the Company for the year ended 31 December 2023. Unquoted investments have been valued in accordance with IPEV Valuation Guidelines (as updated in December 2022 including further COVID-19 guidance in March 2020).

2

These are not statutory accounts in accordance with S436 of the Companies Act 2006 and the financial information for the six months ended 30 June 2024 and 30 June 2023 has been neither audited nor formally reviewed. Statutory accounts in respect of the year ended 31 December 2023 have been audited and reported on by the Company's auditors and delivered to the Registrar of Companies and included the report of the auditors which was unqualified and did not contain a statement under S498(2) or S498(3) of the Companies Act 2006. No statutory accounts in respect of any period after 31 December 2023 have been reported on by the Company's auditors.

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	Number of shares in issue
30 June 2024	£171,071,000	265,024,186
30 June 2023	£148,154,000	233,691,676
31 December 2023	£168,476,000	256,728,468

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 June 2024	271,618,784
Six months ended 30 June 2023	225,472,482
Year ended 31 December 2023	230,692,970

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

6 Income

	Six months ended 30 June 2024	Six months ended 30 June 2023	Year ended 31 December 2023
	£'000	£'000	£'000
Deposit and similar interest received	979	412	1,190
Loan stock interest	606	636	1,247
Dividends receivable	165	â€”	175

Other income	â€”	â€”	71
Total income	1,750	1,048	2,683

7 Investments at fair value through profit or loss

Â	Â£â€™000
Book cost as at 1 January 2024	72,698
Investment holding gains	46,889
Valuation at 1 January 2024	119,587
Movements in the period:	Â
Purchases	8,969
Disposal proceeds ¹	(34,486)
Realised gains ²	24,243
Investment holding losses ³	(15,584)
Valuation at 30 June 2024	102,729
Book cost at 30 June 2024	71,424
Investment holding gains	31,305
Valuation at 30 June 2024	102,729

1. The Company received Â£34,486,000 from the disposal of investments during the period. The book cost of these investments when they were purchased was Â£10,243,000. These investments have been revalued over time and until they were sold, any unrealised gains or losses were included in the fair value of the investments.
2. Realised gains in the Income Statement include deferred consideration receipts from Datapath Group Limited (Â£583,000), Codeplay Software Limited (Â£463,000) and Mologic Ltd (Â£11,000).
3. Investment holding losses in the Income Statement include the deferred consideration debtor increase of Â£2,540,000. The debtor movement reflects the recognition of amounts receivable from Callen-Lenz Associates Limited (Â£2,894,000), Specac International Limited (Â£704,000) and So-Sure Limited (Â£11,000) offset by receipts from Datapath Group Limited (Â£583,000), Codeplay Software Limited (Â£463,000) and Mologic Ltd (Â£11,000) and a provision made against the balance potentially due from Ixaris Systems Ltd (Â£12,000).

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 Performance incentive fee

In order to incentivise the Manager to generate enhanced returns for Shareholders, the Manager is entitled to a performance incentive fee, designated a share-based payment due to its nature. This fee is equal to 15% of dividends paid to Shareholders, subject to the total return (Net Asset Value plus cumulative dividends paid per share on or after 11 January 2011) exceeding 100p (â€œHigh Watermarkâ€), both immediately before and after the performance incentive fee is paid. After each distribution is made to Shareholders where a performance incentive is paid, the High Watermark required to be achieved by the Company to trigger a further performance incentive fee will be amended to take account of the dividend paid.

A Â£1,115,000 performance incentive fee was paid during the period (31 December 2023: Â£734,000) following the January 2024 dividend. The High Watermark as at 19 January 2024 was at 110.3p. The total return as at 19 January 2024 was 113.1p. As a result of performance incentive fee payments made in the current and previous years, the High Watermark as at 30 June 2024 was 112.7p (31 December 2023: 110.3p). The total return as at 30 June 2024 was 117.2p (31 December 2023: 113.1p). At 30 June 2024, the Company has accrued an amount of Â£1,312,000 in relation to future performance incentive fees as it is considered likely such payment will become due over the medium term (31 December 2023: Â£1,115,000).

10 Transactions with the Manager

Foresight Group LLP advises the Company on investments under an agreement dated 30 July 2004. During the period, Foresight Group LLP earned fees of Â£1,736,000 (30 June 2023: Â£1,492,000; 31 December 2023: Â£3,035,000). A performance incentive fee of Â£1,115,000 (30 June 2023: Â£nil; 31 December 2023: Â£734,000) was paid in the period with an additional provision of Â£1,312,000 (30 June 2023: Â£734,000; 31 December 2023: Â£1,115,000) recognised as at the period end.

During the period, administration services of a total cost of Â£101,000 (30 June 2023: Â£91,000; 31 December 2023: Â£197,000) were delivered to the Company by Foresight Group LLP, Company Secretary.

At 30 June 2024, the amount due from Foresight Group LLP was Â£46,000 (30 June 2023: Â£nil; 31 December 2023: (Â£8,000)).

A copy of the Unaudited Half-Yearly Financial Report will be submitted to the National Storage Mechanism in accordance with UK Listing Rules (â€œUKLRâ€) 11.4.1 / UKLR 6.4.1 and UKLR 6.4.3.

END

For further information, please contact:

Company Secretary
Foresight Group LLP
Contact: Stephen Thayer Tel: 0203 667 8100

Investor Relations
Foresight Group LLP
Contact: Andrew James Tel: 0203 667 8181