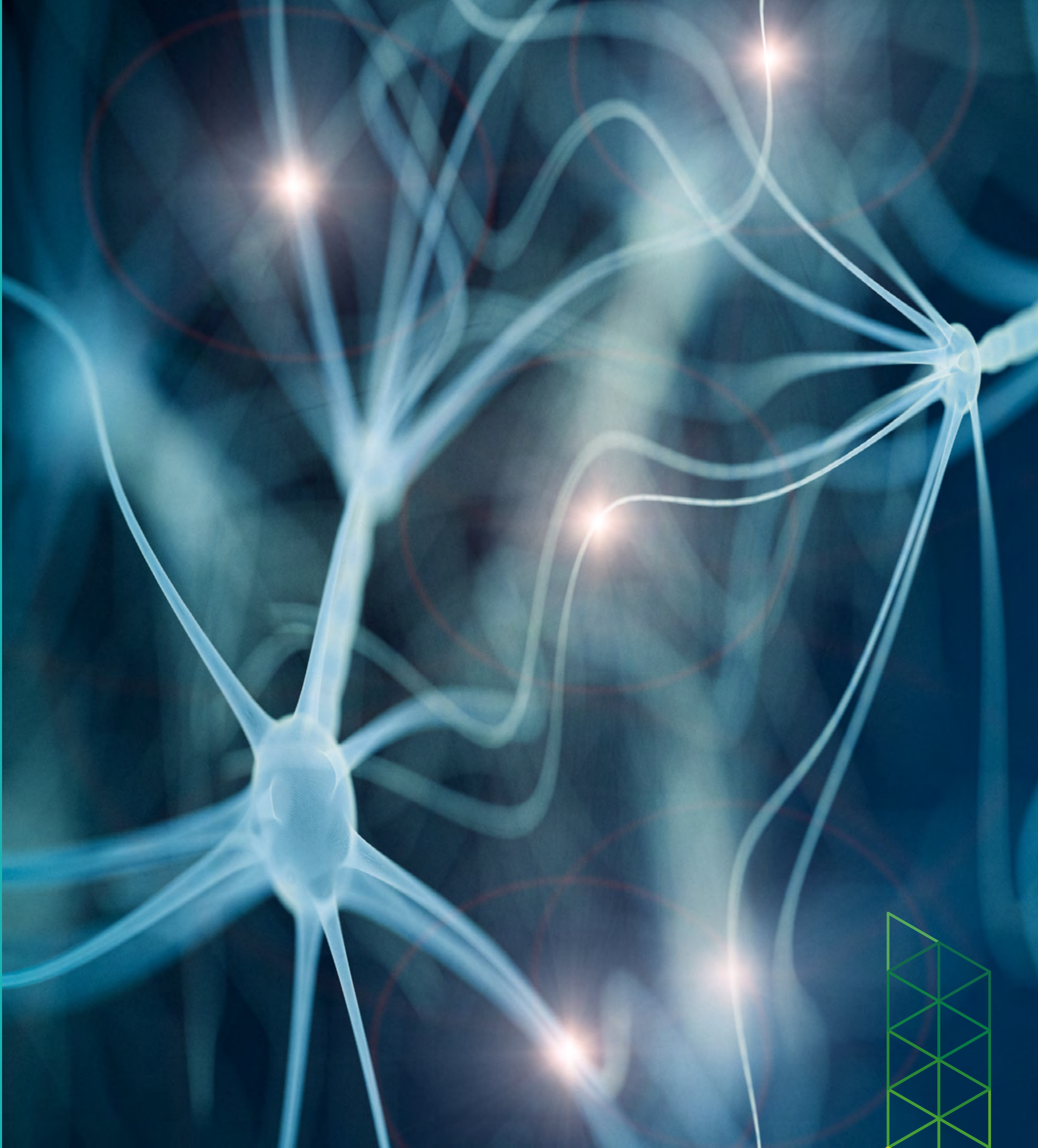


Downing FOUR VCT plc

Healthcare share class

Tax years 2021/22 and 2022/23

Downing

About this brochure

Welcome to this introduction to the Healthcare share class offer set out in the Downing FOUR VCT plc Prospectus dated 12 August 2021. You should not rely on this brochure to provide you with full information about Downing FOUR. Please talk to your financial adviser and read the Prospectus before making any decision to invest.

If you are in any doubt about the content of this brochure, the Prospectus, or any action that you should take, please seek advice from a financial adviser authorised under the Financial Services and Markets Act 2000 (FSMA) who specialises in advising on investments of this type.

This brochure constitutes a financial promotion in line with Section 21 of the FSMA. It is issued by Downing LLP (Downing), St Magnus House, 3 Lower Thames Street, London EC3R 6HD. Downing is authorised and regulated by the Financial Conduct Authority in the United Kingdom (Firm Reference Number 545025).

Downing has taken all reasonable care to ensure that the facts in this brochure are true and accurate in all material respects and that there are no other material facts whose omission would make any statement of fact or opinion misleading. All statements of opinion or belief contained in this brochure, and all views expressed and statements made regarding future events, represent Downing's own assessment and interpretation of information available to it at the date of the brochure.

No representation is made, or assurances given, that such statements or views are correct, or that the objectives of the offer will be achieved. Investors must determine for themselves what reliance they should place on such statements, views or forecasts, and Downing does not accept responsibility in respect of these.

Nothing in this brochure constitutes investment, tax, legal or other advice from Downing.

For UK investors only.

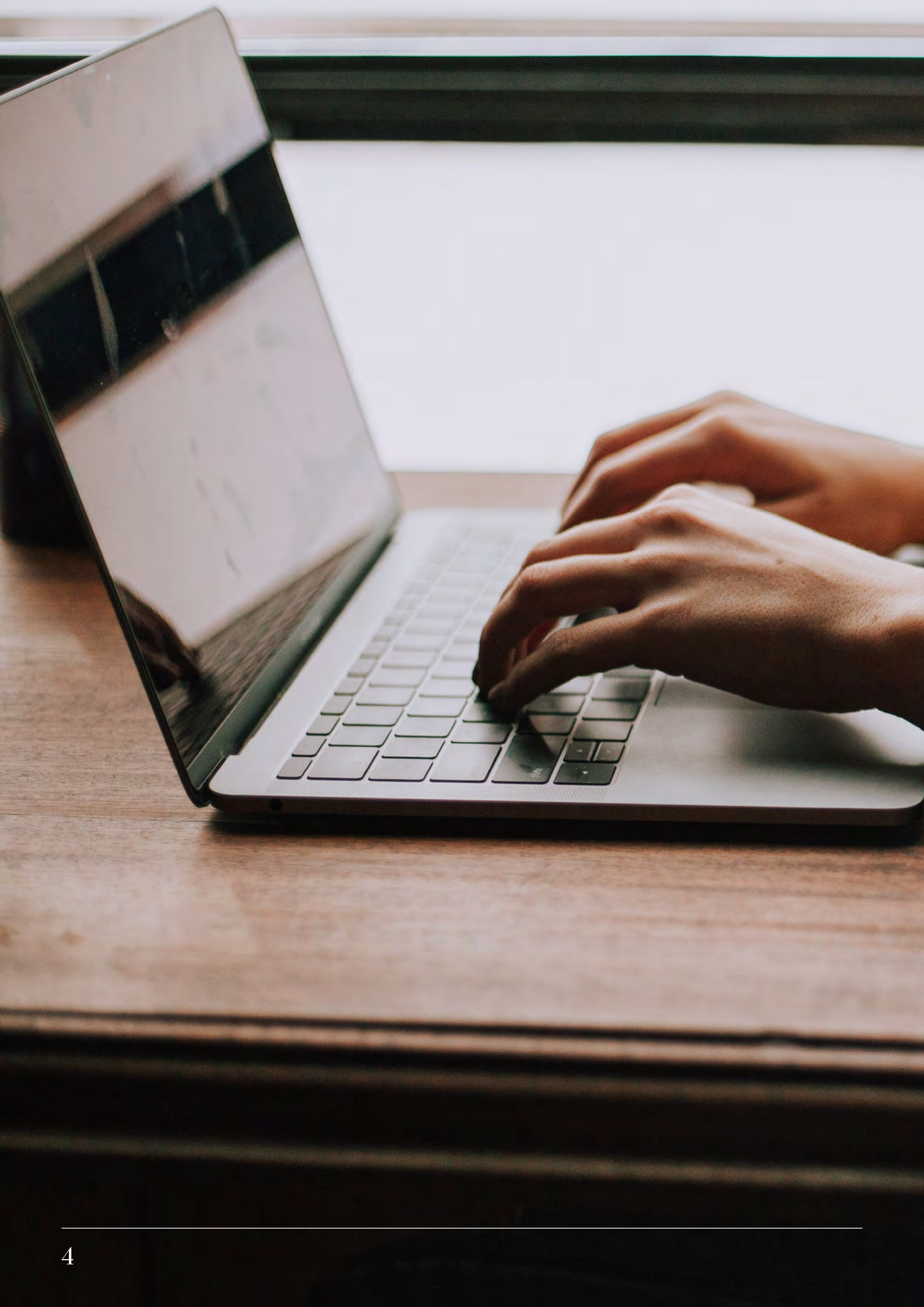
Information correct as at 12 August 2021.

If you have any questions, please email us at sales@downing.co.uk or call us on 020 7630 3319. (Calls may be recorded for monitoring purposes.)

Please note: It's important you understand the risks of investing in a VCT, which are set out on page 20 of this brochure and detailed in the Prospectus.

VCT investments are high risk and not appropriate for everyone. The value of your investment may go down as well as up and you may not get back the full amount you invest. Tax rules and regulations depend on personal circumstances and are subject to change.

What's inside?



About Downing LLP

Our purpose is to make investment more rewarding: rewarding by being profitable for our investors, rewarding by being supportive to the businesses we fund and, through their success, ultimately rewarding for society.

Our role comes with the responsibility of striving to make better returns for our investors from worthwhile businesses.

Central to Downing's ethos is a commitment to the principles of responsible investment. This means we assess opportunities for both their profitability - the level of return compared to the risk - and their environmental and social impact.

We believe that putting both these criteria at the core of our business will enhance rather than constrain returns.

As a firm, we share three values that guide our decisions and behaviour

- We are bold and ambitious, coming up with solutions that solve both business challenges and investment objectives for our customers.
- We aim to be as straightforward as possible – with simple, jargon-free interactions that make what we do accessible to all.
- We believe in the power of relationships and mutual support. Downing invests more than money: we provide help and expertise to build lasting relationships with the companies we back and the investors who trust us with their money.

Founded 1986

c. £1.5 billion of assets under management (31 May 2021)

Managing VCTs since 1996

Total VCT assets of over £170 million (31 May 2021)

PRI Principles for Responsible Investment

HealthInvestor Awards 2020 WINNER Private equity investor of the year

GROWTH FINANCE AWARDS 2019 WINNER BEST FUND MANAGER

Why invest in a venture capital trust (VCT)?

A VCT is a tax-efficient way for you to invest in the growth of smaller UK companies. VCTs were introduced by the government in 1995 to encourage investment in entrepreneurial businesses in return for attractive tax reliefs.

An established part of the investment landscape, £685 million was invested in VCTs in the 2020/21 tax year.*

But there are many investment opportunities out there, so why should you consider a VCT? Investors with a variety of financial planning goals and aspirations put their money into VCTs and here are just a few reasons why you may want to consider investing.

Generous tax benefits

In return for supporting early stage, potentially high growth companies, you can benefit from attractive tax reliefs on investments up to £200,000 each tax year.

> **Reduce your income tax**

You can claim upfront 30% tax relief on the amount you invest. For example, if you invest £20,000 then £6,000 can be taken off your income tax bill. Note, you can only claim tax relief up to your total tax liability.

> **Tax-free dividends**

You won't need to declare any dividends on your tax return.

> **Tax-free growth**

You don't have to pay capital gains tax on any gains you make from your VCT investment.

Note, you shouldn't invest in a VCT solely for the tax benefits, which depend on your personal circumstances and could change in future. Also, you must remain invested in a VCT for five years to retain your income tax relief. Finally, tax reliefs depend on a VCT maintaining its qualifying status, which isn't guaranteed.

*Source: Association of Investment Companies (April 2021)

Potential for tax-free capital growth

VCTs give you immediate exposure to the potential tax-free growth of smaller companies not listed on a main stock exchange.

But with smaller size comes higher risk. In particular, you may not get back the full amount you invest.

Create a more diversified investment portfolio

You may already invest in funds that track the stock market or are actively managed by a fund manager. With a VCT, you can diversify your investments and shift the balance of your portfolio away from mainstream funds.

VCT shares can be sold on the open market

You can use a stockbroker to sell some or all of your VCT shares should you need access to your capital. Note, there may be tax consequences if you do this.

Invest in the UK's thriving entrepreneurial landscape

We believe that investments can be more than just financial. VCTs invest in companies at the smaller end of the spectrum who may find it hard to get funding from traditional sources, such as banks, to develop innovative new products and services. Backing them can help create jobs, develop the economy and boost the UK's prosperity.

A tax-friendly complement to retirement savings

High earning individuals with excess cash face restrictions on the amount they can contribute each year to their pension.

Perhaps you've hit your maximum annual pension contribution or have seen the amount you can contribute decline as your salary has gone up. Or you may not want to tie your savings up in a pension, but have capped out this year's ISA allowance.

With either option a VCT can be an alternative way to complement more mainstream ways of investing.

Bear in mind that a VCT carries risks that you need to be aware of before you invest. We go through these in more detail on page 16 and in the Prospectus. If you are unsure as to whether a VCT may be suitable for you, please speak to your financial adviser.

For more information on VCTs please ask your financial adviser or visit our website at: www.downing.co.uk/investor/products/vct

Downing FOUR VCT: Healthcare share class

Downing FOUR VCT Healthcare share class gives you the opportunity to invest in a VCT with a portfolio of ambitious healthcare and life sciences companies.

Your money will be invested in a Healthcare share class with an existing portfolio of companies and carefully selected new opportunities with a focus on capital growth.

Key Features

Target raise: £10 million (with capacity for an additional £15 million).

Dividend: Target annual dividend of 4% of the net asset value of the share class. This is not guaranteed.

Investment limits: Minimum lump sum - £5,000 (which can be split over two tax years and across all Downing FOUR share classes). Maximum per tax year - £200,000.

Access to your capital: It is Downing FOUR VCT's policy to buy back shares at nil discount to its net asset value - see across.

Share buy-back policy

To retain income tax relief you need to remain invested for a minimum of five years.

However, we realise that sometimes investors may need to access their money. Although they are listed investments VCTs are not liquid, which means it's usually relatively hard to sell shares to release cash. To enhance liquidity, Downing FOUR VCT's policy is to buy back shares that become available on the market at a nil discount to its net asset value.

This is subject to applicable regulations, market conditions and the VCT having available reserves.

Making investment more rewarding

What's special about the Healthcare share class?

Below are some of the features we believe make this share class stand out from the VCT crowd.

Exclusive focus on healthcare and life sciences, giving you a specialist portfolio of companies making an impact on health and well being

The offer is designed to give you the opportunity to benefit from a rigorously researched portfolio of existing healthcare companies already in Downing-managed VCT or EIS funds, as well as new opportunities chosen by our specialist investment team.

Your money will be invested in a carefully selected series of opportunities in healthcare and life sciences, sectors that are central to improvements in the quality of our lives.

True active management

Our investment managers have close relationships with the portfolio companies (often introducing suitable Non-Executive Directors or advisers to the company, or taking board seats themselves). Through proactive engagement, the aim is to identify both challenges and opportunities as early as possible.

What does that mean?

EIS: Enterprise Investment Scheme - a government backed scheme to encourage investment into early stage companies in return for generous tax benefits.

EIS investments are often earlier stage than VCT investments, which means they can provide good follow-on funding opportunities.

Spreading risk by investing in companies at different stages of maturity and in various healthcare sub-sectors

Healthcare & life sciences is a broad and diverse sector. We aim to invest your capital across a range of sub-sectors, like diagnostics, digi-health and medical devices, and in companies at varying stages in the business life cycle.

This share class, however, will be less diverse than others in the Downing FOUR VCT.

At a higher level, the Healthcare share class can be used as a tax-efficient way to complement your existing portfolio, which may weigh towards more mainstream investments such as FTSE 100 companies.

Investing your money wisely

The share class initially aims to raise £10 million. This covers the funding needs of our current portfolio and expected pipeline of investment opportunities. It should allow us to deploy your capital effectively and efficiently. It also aims to avoid holding too much cash, which can act as a drag on returns.

The use of any additional capacity will depend on the pipeline of opportunities.

*Source: Downing LLP

How is your money is invested?

Why should you choose to invest in Healthcare with Downing? The key reason is our specialist team and their thematically driven approach, which involves focusing on sectors where we have significant subject matter expertise as investors and also as operators and advisers.

Making the most of global opportunities

Through our experienced specialist healthcare team and global network of industry connections, we can cast the net wide to source high-quality, early-stage investment opportunities.

In the UK, we focus on technology companies in two important centres of research and innovation: the 'golden triangle' of Oxford, Cambridge and London, and the 'Silicon Gorge' area of the South West, around Bristol and Bath. We also work with experienced investment partners from angel investors to venture capital funds, including BGF Ventures and Unilever Ventures.

Using our venture partners in innovation hubs such as Israel and the US, we try to help our portfolio companies capitalise on global opportunities for sales and fundraising. Some of our businesses already have a presence in the US and have attracted funding from investors based there.

A rigorous due diligence process aims to reduce risk

We use our network of healthcare sector specialists to undertake customer, intellectual property, tech, product, market and financial reviews for both new and follow-on investments. While we look at a large number of investment opportunities, we only progress with a select few.

In the last twelve months we carefully selected just two companies to add to the Downing healthcare portfolio, having reviewed substantially more.

Individual members of our experienced investment committee typically meet management teams before terms are agreed. With appropriate input from our venture partners, our investment committee reviews all research findings and approves all decisions to invest.

Our additional support can help the portfolio companies prosper

We're about more than just funding. Our portfolio companies can also benefit from:

> access to our global networks

> support with recruitment, sales, marketing and PR

> a calendar of networking events with input from subject matter and sector experts

> a dedicated in-house support team

Follow-on funding for businesses we already know well gives management more time focus on creating value for investors

We often participate in follow-on funding rounds for existing portfolio companies - regularly with co-investors, which can include other Downing-managed funds. In the last 12 months, we supported seven of our 17 existing healthcare portfolio companies with follow-on funding.

This funding support is given as a company matures and can continue into later funding rounds, allowing entrepreneurs to spend more time making their business a success.

Why invest in Healthcare?

The UK has world-leading tertiary education and research institutions and a functioning ecosystem that fosters innovation as a global healthcare and life sciences hub. We believe the time to invest in the future of healthcare is now and these key themes and trends are driving our investment decisions in this growing market:

From intervention to prevention

Even before Covid-19 struck, healthcare institutions in the UK suffered from over-capacity, under-resourcing and excessive bureaucracy. As digitalisation opens up the possibility of data led decision-making, democratising this patient data allows end users and practitioners to make well-informed choices and lifestyle improvements to reduce the likelihood of needing healthcare access in the first place. This results in vastly improved patient outcomes and increased bandwidth for primary care providers.

Point of care changes

The existing centralised approach centres on patients being sent to health workers with dedicated and specialised diagnostic machinery. Miniaturisation and the robustness and portability of equipment, added to advances in artificial intelligence (AI) and software, are enabling a quicker diagnosis where the patient is located. The training and experience required to operate medical machinery or analyse data that historically took decades to put together is being supplemented by AI and in the long term will likely be replaced by it.

More personalised care

The total cost of healthcare is trending upwards as people live longer and new, more expensive technologies come to market. Personalised therapeutics, either through dose or mechanism, can provide better patient outcomes in a targeted and safe manner.

Future Pharma

As new and complex therapies come to market and transform standards of care, the healthcare industry must keep pace with updates in infrastructure and logistics. We believe the opportunity lies not only in therapeutic technologies themselves but also the surrounding infrastructure needed to make them work.

What types of companies do we support?

We look to invest your funds in a variety of areas in the healthcare & life sciences sector. Below are the four main areas we concentrate on and some of the companies in our healthcare portfolios.

Pharmaceutical Services

The end-to-end development pathway of new medicines is costly from a time, risk and financial perspective. We seek to invest in companies delivering solutions that seek to de-risk any of these areas.

Medical Devices

We look for entrepreneurs applying advancements in material sciences to medical services and equipment.

Therapeutics

We search for new therapies and platforms that can transform outcomes for patients by personalising medication, making them safer and more effective.

Digital Health

We find companies making a leap forward in healthcare computing and software, with the aim of improving decision making for practitioners and patients.

Diagnostics

Moving from intervention to prevention, we find companies with innovative technologies that support wider coverage and improved precision for diagnosis.

Over the last seven years, we have invested more than £30 million into 17 companies in the healthcare and life sciences sector through our EIS and VCT funds (to 31 July 2021). Those companies are now valued at a total of c.£40 million, an uplift of c.33%.

Please note that the returns stated above are based on unrealised valuations and are not indications of returns for an individual client as they include both EIS and VCT investments and only include those made into companies in the healthcare and life sciences sectors. Past performance is not a reliable guide to future returns.

Responsible investment

Downing LLP aims to protect and enhance returns for investors by taking an integrated approach to environmental, social and governance (ESG) issues throughout the investment lifecycle.

An integrated approach to ESG

By taking a long-term, sustainable approach to analysis, decision-making and stewardship, Downing strives to take ESG issues into account, mitigate risks and maximise opportunities - the ultimate goal being value creation both through financial returns to shareholders and wider benefits for society as a whole.

Our approach is ESG integration rather than negative screening: holdings in businesses with known ESG risks can be taken provided Downing feels these are reflected in the current valuation, and there is sufficient visibility and influence on management teams to foster change and value creation through an active ownership approach.

Downing uses a proprietary ESG tool to conduct qualitative research on the material ESG considerations for the sectors invested in. ESG factors are included in all investment papers, are discussed throughout the decision-making process and are a mandatory items at our Investment Committee.

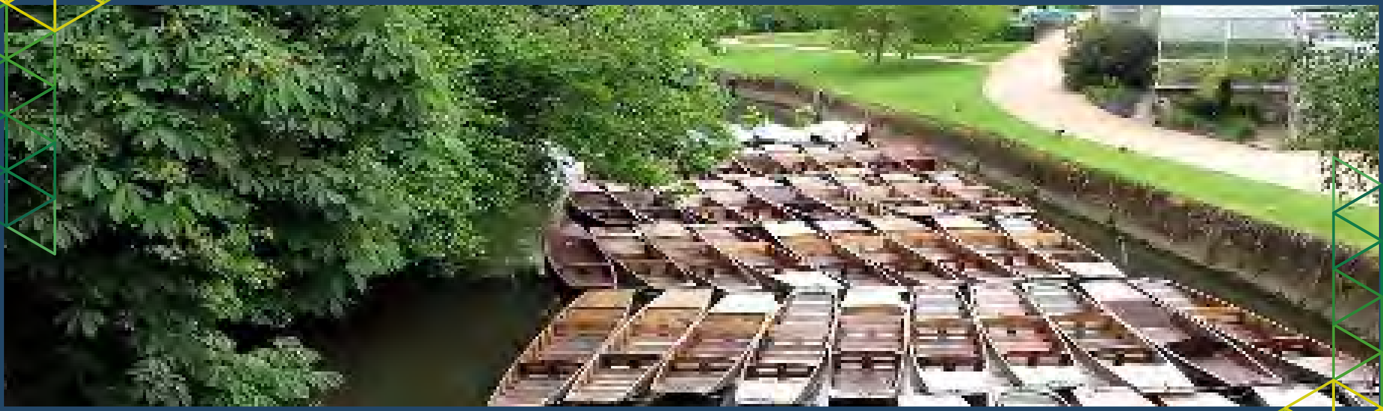
Special focus on good health and wellbeing

The purpose of the UN's Sustainable Development Goal no.3 is to 'ensure healthy lives and promote well-being for all at all ages.'

Working towards this goal is at the core of the activities of our healthcare and life sciences portfolio companies: from creating new medical services and life-saving vaccines to developing transformative diagnostic techniques.

And that means that your investment in Downing FOUR is making a valuable contribution to achieving this Sustainable Development Goal.

The Downing healthcare investment team are convinced of the need for further innovation and advancement to deliver sustainable and meaningful improvements in people's health and well-being. This is crucial to enable societies across the world to prosper and is the driving force behind our funding and support for our target companies in this sector.



Meet our healthcare team

We have a dedicated team specialising in healthcare and life sciences, led by Dr William Brooks, who was previously at Quest for Growth, a large pan-European healthcare fund, where his fund delivered a return of 3.2x with an IRR of 32%.*

Dr William Brooks, Investment Director

Will joined Downing in August 2018 to direct the healthcare activities of the Downing venture funds. He has over 30 years' experience in healthcare and biotechnology with over 18 years' experience in venture capital across Europe and the USA.

Dr Koujiro Tambara, Principal

Kouj joined the team in September 2018 and focuses on originating, transacting and monitoring investment opportunities. Prior to Downing, he was Head of Operations at AssetVault, a Techstars cohort business based in London. Kouj holds a PhD in Chemistry from the University of Cambridge.

Matt Pierce, Principal

Matt joined Downing in 2018, having qualified as a chartered accountant at Deloitte, where he focused on life science clients. After that he worked at Berenberg in the healthcare equity research team. Matt holds a degree in Biotechnology from the University of Edinburgh.

Source: Quest for Growth. Please note, past performance is not a reliable guide to future returns.

The wider investment team

The Healthcare investment team is supported by the wider Ventures team and the Investment Committee, as well as four of Downing's Venture Partners based in the UK, the US and Israel.

Chris Allner, Partner & Chair of the Ventures Investment Committee

Chris has 35 years' venture capital and private equity experience, previously as head of private equity at Octopus Investments. Prior to this, he was a director at Beringea and Bridgepoint, with previous experience at 3i and Charterhouse. Chris has transacted over 50 investments, from start-ups to well-established companies, and has sat on the boards of a number of unquoted and quoted portfolio companies across a variety of commercial sectors.

Kostas Manolis, Partner, Head of Unquoted Investments

Kostas has over 15 years' private equity experience. He was previously at PwC, the private equity team at Bank of Scotland and Caird Capital, which managed a successful spin-out of a £0.5 billion private equity portfolio from Lloyds Banking Group. Kostas holds a degree in Biochemistry and a PhD in Molecular Genetics.

Richard Lewis, Partner, Downing Ventures

Richard focuses on supporting businesses seeking growth capital. His 15 years' experience includes nine years at Mitsui & Co, completing growth and venture capital investments in the UK, US and Israel. Prior to joining Downing, Richard worked at Radius Equity as the Head of Investment. He has an MBA from Manchester Business School.

Jack Eadie, Partner, Downing Ventures

Jack joined Downing in June 2020 to help build out the Downing Ventures business. He came from Next47, a $1 billion VC fund backed by Siemens, where he focused on DeepTech and Enterprise globally across Series A to D. Prior to this, he was at Eight Roads Ventures, Fidelity's proprietary VC fund, focusing on Enterprise Software Series A and B in Europe. Jack started at Goldman Sachs researching the healthcare and mid-cap technology sectors. He holds a BSc in Economics from the University of Bath.

Warren Rogers, Partner, Downing Ventures

Hailing from Iowa, USA, Warren founded the RHI Group and then was a founding partner of DeepWell Ventures, a deep-tech focused, early stage venture capital fund, while also a Ventures Partner at Airbus. He has co-managed a directional hedge fund portfolio focused on natural resources and commodities and has led the global derivatives trading for Janus Henderson in Denver and Singapore, managing billions of dollars of AUM exposures across a wide array of developed and frontier markets.

The investment team is also supported by UK-based Ventures Consultant, Russ Cummings, and our global network of Ventures Partners, including Joe Raffa and Dr William Denman in the US, and Gideon Shmuel in Israel. All these investors have a track record of investing in the healthcare and life sciences sectors.

Case study: Arecor plc

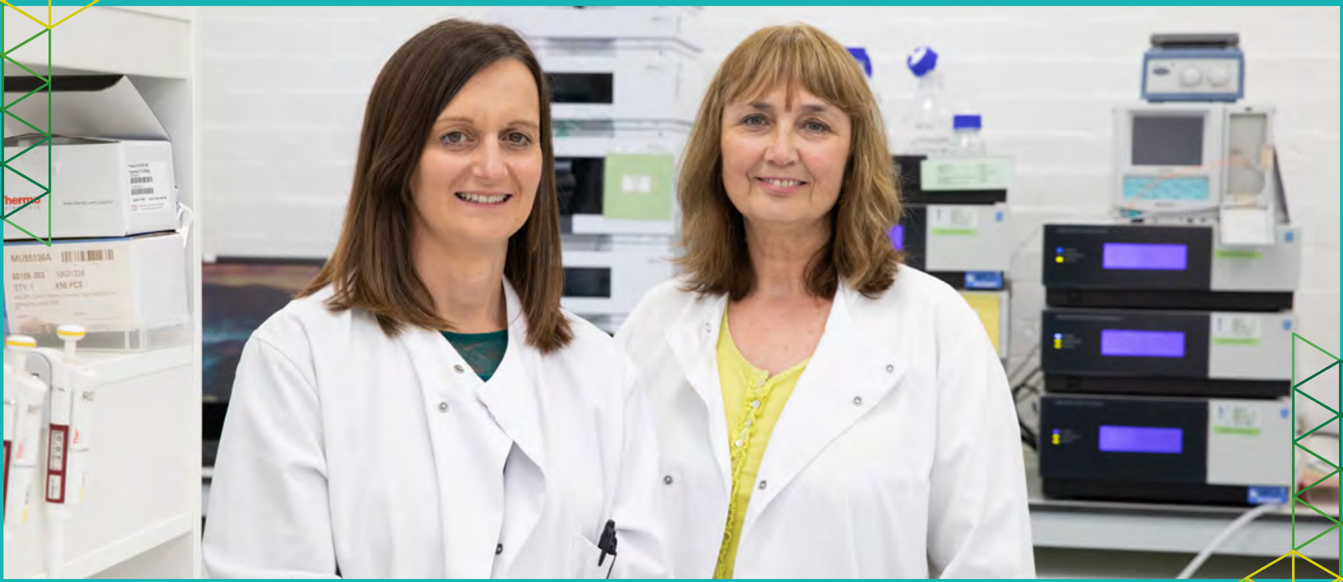
Arecor is a leader in developing superior biopharmaceuticals through the application of its innovative formulation technology platform.

The company is developing a portfolio of proprietary products enabling improved treatments for diabetes care via the innovative reformulation of approved proteins and peptides.

It also partners with leading pharmaceutical and biotech companies to deliver superior reformulations of their proprietary products.

Why we invested

- Unique technology with expansive addressable market with its formulation technology platform, Arestat™
- World leading products, including super concentrated and rapid acting insulin forms that place it above its peers
- Commercial traction and early licensing opportunities - Arestat™ is validated with development deals with Hikma, Lilly and Par as well as used for in-house development purposes
- Impressive management team led by CEO Dr Sarah Howell, who has transformed the business into a clinical stage biotechnology company



Case study: FundamentalVR

FUNDAMENTALVR

FundamentalVR is developing the next-generation flight simulator for surgeons to accelerate the adoption of new medical and life sciences products and procedures remotely and cost-effectively by using immersive technology.

Their mission is to drive better patient outcomes by facilitating improved training outcomes and using data-driven metrics to predict and measure surgical competence, risk and performance.

Why we invested

- Strong management team: co-founders Richard Vincent (CEO) & Chris Scattergood (Chief Revenue Officer) previously co-founded and exited Smartfusion
- Favourable trends in global demographics: large countries have ageing populations, increasing demand for surgical interventions, as well as the need for greater oversight, regulation and alignment of a surgeon and medical practitioner's skillset and experience
- Strong defence against competition: the company's proprietary haptics technology is one of the first movers in this field and provides a strong barrier to entry for new entrants

Some of our other investments

Congenica

Enabling genomic medicine

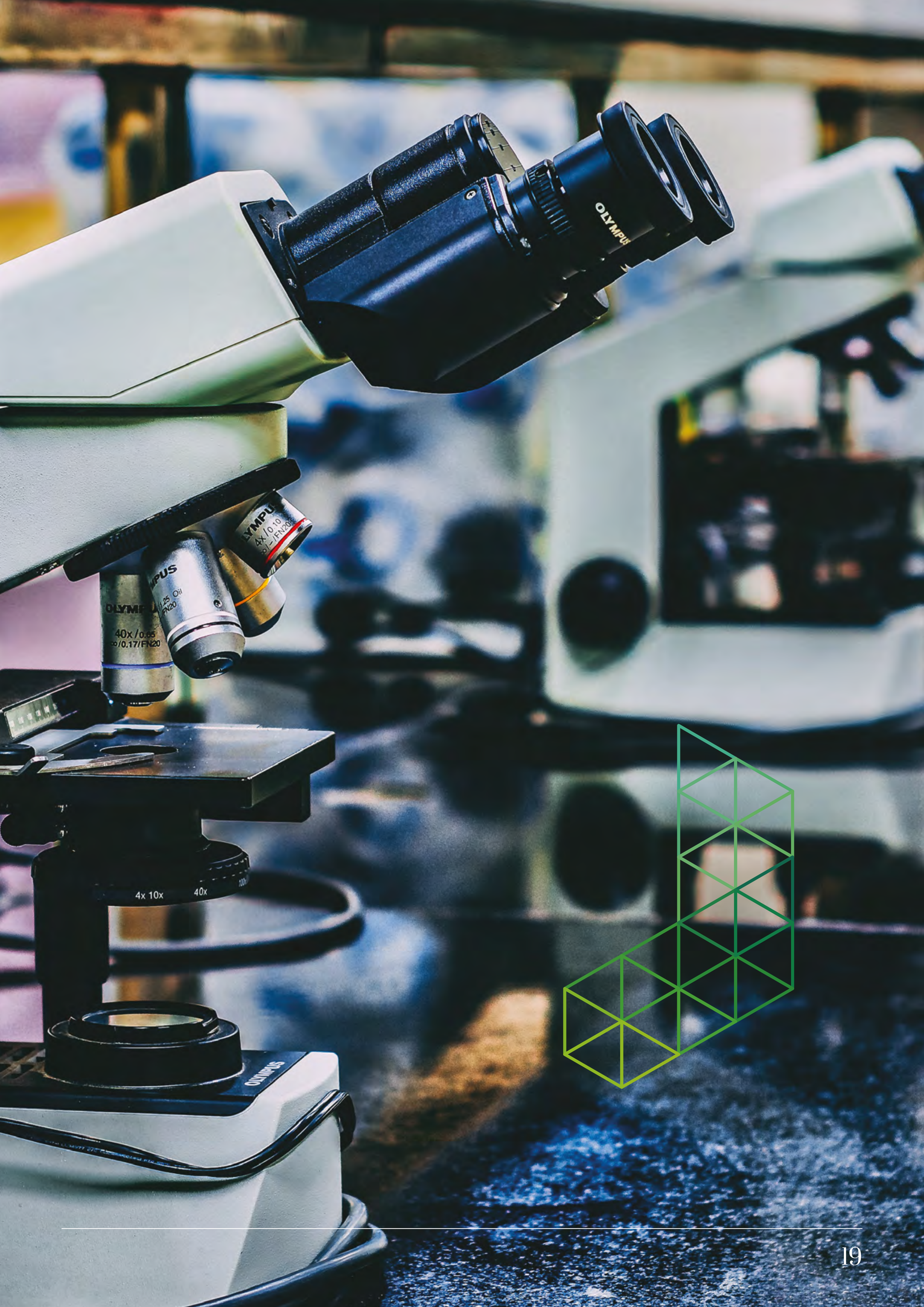
Congenica is a digital health business that has developed a genomics-based diagnostic decision support platform called Sapientia, which helps doctors identify rare diseases in patients. Sapientia analyses DNA data to suggest a diagnosis, speed up the time to diagnosis, and to support clinical trials and drug development. Downing invested in 2019, and in November 2020 the company closed a $50m Series C fundraise co-led by Tencent and Legal & General.

open bionics

Open Bionics creates low-cost bionic hands through 3D-printing, revolutionising the design and fitting process for amputees and clinicians. Through a royalty-free partnership with Disney, the company has developed prosthetic arms for children, with covers from the Star Wars, Marvel and Frozen universes. Open Bionics was named by Forbes as one of the 'British medical start-ups to watch in 2018' and has also featured in Business Insider, BBC News, ITV and The Guardian.

INVIZIUS

Invizius is a UK biotech on a mission to transform lives globally by improving patient outcomes in dialysis and other extra-corporeal treatments. Its core patented technology applies an invisibility cloak to the surfaces of the devices and aims to reduce inflammatory responses in dialysis patients. These inflammatory responses reduce a patient's remaining life expectancy to one third of what it would otherwise be, on average. Downing invested in September 2019 alongside Mercia and Solvay Ventures.


OLYMPUS
OLYMPUS
40x / 0.65
∞/0.17/FN20
4x / 0.10
4x 10x
40x
OLYMPUS

Key risks

There are always risks involved with investing. Please make sure you are familiar with the following key risks before you invest.

Tax

The availability of the tax reliefs depends on the portfolio companies maintaining their qualifying status. If the VCT loses its status, you could lose the 30% income tax relief and all other tax benefits.

Also, VCT tax reliefs depend on your personal circumstances, tax regulations and may change in the future.

HMRC provides further details on VCT tax reliefs at www.gov.uk/guidance/venture-capital-schemes-tax-relief-for-investors, or you can speak to your financial adviser.

Investment

Selling shares: It may be difficult for shareholders to sell their shares at a fair price, or at all. Downing FOUR's policy is to buy back shares at nil discount to the latest published net asset value. However, this depends on liquidity, cash resources, regulations, board policy and is subject to change.

Risk level: Downing FOUR VCT Healthcare share class will invest in small, unquoted companies, which, by their nature, are higher risk than larger 'blue-chip' companies listed on a main stock exchange.

Past performance: This is not a reliable guide to future returns.

Investment restrictions: The VCT's ability to obtain maximum value from its investments may be limited by the VCT rules. Changes to the VCT rules may be applied retrospectively and may reduce the level of returns or increase the level of risk for investors.

Investment term: You should be prepared to hold VCT shares for a minimum of five years to qualify for income tax relief.

Concentration: The VCT aims to invest in a concentrated number of healthcare companies, which may vary by sub-sector and value. The relatively small number of holdings in your portfolio can create more risk compared to investing in a wider portfolio of companies.

Capital and income

Capital: As with all investments, the money you invest is at risk. You may not receive back the full amount you put in. Making money from a VCT is not guaranteed and the value of your shares can go down as well as up.

Income: Although there is an annual target dividend of 4% of the net asset value of the company, this is not guaranteed.

For a full list of the risks associated with investing in the Healthcare share class, see pages 7 and 8 of the Prospectus.

Charges and fees

There are a variety of costs involved in building, managing and exiting the portfolio of investments in a VCT. We value transparency, so here are the fees designed to cover these costs. For further details please see pages 17-19 of the Prospectus.

Early bird special offers

1.0% reduction in initial fee for applications received by 29 October 2021 (1.5% reduction for existing Downing investors); 0.5% reduction in initial fee for applications received between 30 October 2019 and 11 February 2022 (1.0% reduction for existing Downing investors).

Charge	Amount	Paid by
Initial fee[1] (before any discounts)	2.5% of the sum invested (via an adviser) **or** 4.5% of the sum invested (dIrect or via an intermediary)	Investor
Annual management charge	2.5% p.a. of the net assets of the Healthcare share class[2]	Downing FOUR VCT
Performance fee	20% of all dividends paid when total returns are above a hurdle[3]	Downing FOUR VCT

[1] Also referred to as 'promoter's fee' in the Prospectus.

[2] Total running costs are capped at 3.5% p.a. of the net assets of the share class. This includes all the usual running costs (e.g. Downing's annual management charge, administration fees and secretarial costs) and is inclusive of VAT where applicable.

[3] See page 19 of the Prospectus for details of the performance fee hurdle.

Downing may also receive the following from the portfolio companies:
- arrangement fees: capped at 3.0% of the sum invested by the VCT.
- monitoring fees: capped at the higher of £10,000 p.a. or 0.5% p.a. of the cost of the investment. This includes any directors' fees for sitting on the boards of the companies.

Downing also charges a trail commission fee to the VCT of 0.25% p.a. of the net asset value of the new shares issued, for five years. Downing uses this to pay the costs of trail commission to the intermediary, where appropriate. If the total cost of trail commission is less than the above amount, Downing will reimburse the VCT for the difference.

The offer

Please read the Prospectus to make sure you understand the key features of the offer.

Price of the offer

The offer price will be calculated on the latest net asset value (NAV), adjusted to reflect Downing LLP's initial fee and, if applicable, any adviser charges, waived commission or early application discounts.

The number of shares to be issued to each applicant will be calculated on the following pricing formula (rounded down to the nearest whole share):

Number of offer shares	=	Amount subscribed, less: (i) Downing's initial charge and (ii) initial adviser charge (if any)	÷	Latest published NAV per offer share

Closing date

The closing date for applications is 3pm on 5 April 2022 for the 2021/22 tax year, and 3pm on 31 May 2022 for the 2022/23 tax year (unless the offer is fully subscribed before then, or extended at the discretion of the VCT's directors).

Online portal

Downing FOUR VCT has an online portal for investors and advisers, which is provided through its Registrar, City Partnership. Investors and advisers can use the portal to view shareholdings, transactions and dividend history - as well as update personal information and get an up-to-date valuation.

Applications for the Healthcare share class can be made through City Partnership's online receiving agent service.

Reporting

In July each year, we will send you the annual report and accounts to 31 March.

Each January, we'll also send you a half-yearly report for the six months to 30 September of the previous year.

Conflicts of interest policy

Downing FOUR VCT may co-invest alongside other funds managed or advised by Downing LLP. This can allow the VCT to invest in a broader range of transactions or access larger scale investments than it might otherwise be able to do on its own.

With these relationships, there's a chance that the interests of one group of investors will be in conflict with the interests of another group, or with the interests of Downing.

The VCT's co-investment policy is summarised in the Prospectus. In the event of a conflict of interest, the VCT directors will work with Downing to ensure that any conflicts are resolved fairly and in accordance with Downing's conflicts policy.

What does that mean?

Net asset value (NAV) per offer share: the total value of the assets of the share class less its total liabilities per share.

What to do now

Before you apply, please read the Prospectus, paying particular attention to the risks, and the Key Information Document - or get in touch with your financial adviser to discuss whether this VCT is suitable for you. Please note, Downing does not provide investment or tax advice.

1. When you're ready to invest...

You or your adviser should fill in the online application form, which you can access by going to www.downing.co.uk/d4offer (select Healthcare share class and then scroll down to 'How to invest'), or by contacting our Sales team.

2. After we receive your application...

You and your adviser will receive an email confirming receipt of the application, so that you can arrange to transfer the funds for your investment. We will send you another email confirming that your money has been received.

We intend to make share allotments, i.e. create and issue shares, at least once per quarter. Shortly after your shares have been allotted, we'll send you and your adviser an email containing a PDF version of your tax certificate that you can use to claim income tax relief.

You will receive a share certificate in the post within 10 working days of the allotment.

If you need any more information, call our helpline on **020 7630 3319**, email us at **sales@downing.co.uk**, or visit **www.downing.co.uk/investor/products/vct.**

Downing

12 August 2021

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