

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the contents of this document or as to what action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (“FSMA”).

This document has been prepared in accordance with the UK version of Regulation (EU) 2017/1129 (the “Prospectus Regulation”) and has been approved by the Financial Conduct Authority (“FCA”) in accordance with FSMA and constitutes a supplementary prospectus (the “Supplementary Prospectus”) issued by Downing FOUR VCT plc (“the Company”).

This supplementary prospectus is supplemental to, and should be read in conjunction with, the prospectus dated 12 August 2021, (the “Prospectus”) issued by the Company, such prospectus containing an offer (the “Offer”) to raise up to £10 million (with an over-allotment facility for up to a further £15 million) in each of the Ventures, Healthcare and AIM Share classes (“New Shares”). Except as expressly stated herein, or unless the context otherwise requires, the definitions used or referred to in the Prospectus also apply in this Supplementary Prospectus.

SPARK Advisory Partners Limited, which is authorised and regulated in the United Kingdom for the conduct of investment business by the FCA, is acting exclusively for the Company and for no one else in connection with the Offer and, subject to the responsibilities and liabilities imposed by FSMA or the regulatory regime established thereunder, will not be responsible to any person other than the Company for providing the protections afforded to customers of SPARK Advisory Partners Limited or for providing advice to them in relation to the Offer or any other matter referred to in this document. SPARK Advisory Partners Limited is not making any representation or warranty, express or implied, as to the contents of this document.

This document has been prepared for the purposes of complying with the Prospectus Regulation, English law and the rules of the FCA and the information disclosed may not be the same as that which would be disclosed if this document had been prepared in accordance with the laws of a jurisdiction outside England.

The Company and its Directors accept responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge of the Company and its Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplementary Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Downing FOUR VCT plc Supplementary Prospectus

(Registered in England and Wales with registered number 06789187)

Events arising since publishing the Prospectus

This Supplementary Prospectus is being published in relation to the Offer. The publication of this Supplementary Prospectus is a regulatory requirement under the Prospectus Regulation and Section 87G of FSMA following the changes to the board of directors of Downing FOUR VCT plc. The changes include details of the new directors who have joined the Board (including their shareholding, current and previous directorships, service contracts, and description of their CVs) and also notes the departure of another director from the board.

The Prospectus Regulation and Section 87G of FSMA require the issue of a supplementary prospectus if, in the relevant period (being, for these purposes, from the date of the issue of the Prospectus until the later of the closure of the Offer and the time when trading in the New Shares issued under the Offer on the London Stock Exchange begins), there exists or is noted a significant new factor, material mistake or inaccuracy relating to the information included in the Prospectus relating to the Offer. This Supplementary Prospectus has been approved for publication by the FCA.

The Offer is being made on the terms and subject to the conditions set out in full in the Prospectus. **Investors who have already submitted applications for New Shares which have been received on behalf of the Company, and who have not yet received delivery of New Shares with regard to such applications, may withdraw such applications with respect to the Offer, with the Company accepting withdrawals of such applications until 5:30 p.m. on 29 September 2021. Investors should seek their own legal advice in regard to such withdrawal rights. Investors who wish to withdraw their applications under the Offer should contact Downing on 020 7416 7780 or customer@downing.co.uk (no legal, tax or investment advice can be given).**

Copies of this Supplementary Prospectus and the Prospectus may be viewed on the National Storage Mechanism (NSM) of the FCA at data.fca.org.uk/#/nsm/nationalstoragemechanism, and this Supplementary Prospectus and the Prospectus are available free of charge on Downing’s website, www.downing.co.uk/d4 and from the Company’s registered office, St Magnus House, 3 Lower Thames Street, London EC3R 6HD.

1. Changes to board of directors

On 8 September 2021 the following changes were made to the board of directors: Chris Allner, Steven Clarke and Dr Andrew Mackintosh joined the board and Russell Catley left the board.

Details of the new directors (“New Directors”) are set out below:

Chris Allner

Chris Allner is a partner of Downing LLP and chairs the investment committee. Chris has 35 years of venture capital and private equity experience, most recently 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 and has sat on the boards of a number of unquoted and quoted portfolio companies across a variety of commercial sectors.

Steven Clarke

Steven Clarke has 30 years’ experience of investing in technology and data businesses including 21 years as a private equity investor with 3i, August Equity and ICG. Steven now supports founders through fundraising, international growth and exit as an investing non-executive director usually alongside a growth equity fund. Steven is also chair of the investment committee for Bethnal Green Ventures, a Tech for Good impact investor.

Dr Andrew Mackintosh

Dr Andrew Mackintosh has had a distinguished career in industry and investment as a former CEO of FTSE 250 company, Oxford Instruments, before later leading the creation of the Royal Society Enterprise Fund, a pioneering initiative in bringing together scientific expertise and early-stage investment. He was a Board Member of the Intellectual Property Office and a trustee of the Design Council and is currently chairman of Sphere Fluidics Limited, a high-growth biotechnology tools company. He has recently become chairman of UKI2S, a government-backed venture capital fund supporting companies from the UK’s scientific research base.

He has a longstanding interest in enhancing the commercialisation and wider economic impact of UK research. Since 2015 he has been a non-executive director of Ploughshare Innovations Limited, the technology transfer organisation for the UK Ministry of Defence. In 2019 he led a Treasury project which resulted in the publication in April this year of ‘The Mackintosh Report: Getting smarter: a strategy for knowledge & innovation assets in the public sector’ and the launch of an initiative with £17m of government funding to support commercialisation of publicly owned technologies and ideas. Dr Mackintosh has a PhD in physics from the University of Cambridge, is a Fellow of the Institute of Physics and of Hughes Hall, Cambridge and a trustee of City, University of London.

2. Board Committees

Chris Allner, Steven Clarke and Dr Andrew Mackintosh will join the Remuneration Committee and Nomination Committee. Steven Clarke and Dr Andrew Mackintosh will join the Audit Committee.

3. Shares held by Directors

In addition to the holdings of the existing directors disclosed in the Prospectus, Shares held by the New Directors both now and as expected following the close of the Offers (assuming Full Subscription under the Offers) are as follows:

New Directors

| | Ventures | Healthcare | AIM | DSO D | DP67 |
|------------------------------------|----------|------------|--------|--------|--------|
| Number of Shares | Shares | Shares | Shares | Shares | Shares |
| Chris Allner | 8,000 | 2,000 | - | - | - |
| Steven Clarke | - | - | - | - | - |
| Dr Andrew Mackintosh | - | - | - | - | - |
| Percentage of Issued Share Capital | Ventures | Healthcare | AIM | DSO D | DP67 |
| | Shares | Shares | Shares | Shares | Shares |
| Chris Allner | 0.02% | 0.01% | - | - | - |
| Steven Clarke | - | - | - | - | - |
| Dr Andrew Mackintosh | - | - | - | - | - |

4. Service Agreements

Each of Chris Allner, Steven Clarke and Dr Andrew Mackintosh has entered into an agreement with the Company, whereby they are required to devote such time to the Company as the Board reasonably requires consistent with their respective roles as non-executive directors. Each director was appointed as a director on 8 September 2021. The Directors' agreements with the Company are terminable on three months' notice by either party.

Dr Mackintosh and Mr Clarke are entitled to receive a fee of £20,000 per annum. Mr Allner will receive no fee. The Company plans to review the level of Directors' Remuneration in the coming months in light of funds raised under the Offer and to ensure they are aligned with market rates.

5. Directorships

In addition to the directorships for the existing directors disclosed in the Prospectus, the following are directorships (unless otherwise stated) and partnerships held by the New Directors in the five years prior to the date of this document and the principal activities of the New Directors outside the Company where these are significant with respect to the Company:

| | Current | Past 5 Years |
|-----------------------------|---|---|
| Dr Andrew Mackintosh | Angel CoFund Ploughshare Innovations Ltd Sphere Fluidics Limited | Oxford Quantum Circuits Limited |
| Steven Clarke | Ellmorsa Limited Planixs GRP Limited Quotevine Limited | Clinical Cube Limited Coupra Limited LNT Chemicals Research Limited Mavuno Limited Pixelpin Ltd |
| Chris Allner | Downing LLP (LLP Member) Downing ONE VCT plc Firefly Learning Limited | Claresys Limited Curo Compensation Limited Vital Invest CIC Vital Regeneration Xupes Ltd |

Steven Clarke was a non-executive director of Pixelpin Ltd until February 2020. Pixelpin appointed an administrator in February 2021 and had an estimated deficit to creditors of £100,095.

Save for the above, none of the New Directors has for at least the previous five years:

- (i) had any convictions in relation to fraudulent offences; or
- (ii) been associated with bankruptcies, receiverships or liquidations in relation to an entity for which they have been acting as members of the administrative, management or supervisory bodies or senior management who was relevant to establishing that the entity had the appropriate expertise and experience for the management of its business; or
- (iii) been subject to any official public incrimination and/or sanctions by any statutory or regulatory authority (including designated professional bodies) or been disqualified by a Court from acting as a director or member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any issuer.

22 September 2021