

Kings Arms Yard VCT PLC Interim Management Statement

Introduction

I am pleased to present Kings Arms Yard VCT PLC's interim management statement for the period from 1 July 2016 to 9 November 2016.

Performance and dividends

The Company's unaudited net asset value (NAV) as at 30 September 2016 was £52.06 million or 20.94 pence per share (excluding treasury shares), an increase of 1.28 pence per share (6.5 per cent.) since 30 June 2016.

After accounting for the dividend paid of 0.50 pence per share on 31 October 2016 to shareholders on the register as at 7 October 2016, the NAV is 20.44 pence per share.

Share issues

During the period from 1 July 2016 to 9 November 2016, the Company issued the following new Ordinary shares under the dividend reinvestment scheme:

Date	Number of shares issued	Issue price per share	Net proceeds £'000
31 October 2016	649,493	19.16 pence	123

Share buy-backs

During the period from 1 July 2016 to 9 November 2016, the Company purchased 1,187,000 shares for £215,000 at an average price of 18.13 pence per share. All of the shares are to be held in treasury.

It remains the Board's policy to buy back shares in the market, subject to the overall constraint that such purchases are in the Company's interest, including the maintenance of sufficient resources for investment in existing and new portfolio companies and the continued payment of dividends to shareholders. As mentioned in the Interim management report of the latest Half-yearly Financial Report, the Company intends to limit the sum available for share buy-backs for the six month period ending 31 December 2016 to £750,000 unless a material exit occurs.

It is the Board's intention for such buy-backs to be at around a 5 per cent. discount to net asset value, so far as market conditions and liquidity permit.

Portfolio

The following investments have been made during the period from 1 July 2016 to 9 November 2016:

<i>New investments</i>	£000's	Activity
Secured By Design Limited	260	<i>Research and consulting for the global automotive sector</i>
Convertr Limited	284	<i>Digital lead generation software</i>
Oviva AG	91	<i>Medical nutritional therapy</i>
<i>Total new investments</i>	635	

<i>Further investments</i>	£000's	Activity
Active Lives Care Limited	490	<i>Owner and operator of a care home for the elderly in Oxford</i>
Ryefield Court Care Limited	486	<i>Owner and operator of a care home for the elderly in Hillingdon</i>
Abcodia Limited	121	<i>Validation and discovery of serum biomarkers</i>
Elatel Group Limited	100	<i>Provider of digital marketing software</i>
Proveca Limited	56	<i>Reformulation of pediatric medicines</i>
Shinfield Lodge Care Limited	10	<i>Owner and operator of a care home for the</i>

		<i>elderly in Shinfield, Berkshire</i>
Total further investments	1,263	

Disposals

The following disposals were made during the period from 1 July 2016 to 9 November 2016:

Portfolio company	£000's	
Oxford Immunotec Global PLC	1,055	Partial disposal of investment (October 2016)
Hilson Moran Holdings Limited	60	Loan stock and redemption premium repayment
Total proceeds	1,115	

Top ten holdings as at 30 September 2016:

Investment	Carrying value £000's	% of net asset value	Activity
Elaternal Group Limited	5,801	11.1	<i>Provider of digital marketing software</i>
Active Lives Care Limited	5,396	10.4	<i>Owner and operator of a care home for the elderly in Oxford</i>
Ryefield Court Care Limited	3,902	7.5	<i>Owner and operator of a care home for the elderly in Hillingdon</i>
Chonais River Hydro Limited	2,839	5.5	<i>Hydropower project in Scotland</i>
Oxford Immunotec Global PLC	2,773*	5.3	<i>A global, commercial-stage diagnostic company in the field of immunology</i>
Proveca Limited	2,206	4.2	<i>Reformulation of pediatric medicines</i>
Sift Limited	1,627	3.1	<i>Web based provision of online business and community management solutions</i>
The Street by Street Solar Programme Limited	1,544	3.0	<i>Builds, owns and operates photovoltaic systems on domestic properties in the UK</i>
Alto Prodotto Wind Limited	1,539	3.0	<i>Owns and operates community scale wind energy projects on brownfield sites in the UK</i>
Perpetuum Limited	1,421	2.7	<i>Provider of vibration harvester powered wireless sensing systems for the rail and industrial sectors</i>

*Prior to the sale of shares totalling £1,055,000 as noted in Disposals above.

A full breakdown of the Company's portfolio can be found on the Fund's webpage on the Manager's website at www.albion-ventures.co.uk/funds/KAY, by following the 'Portfolio of Investments' link under the 'Funds reports' section.

Material events and transactions

There have been no further significant events or transactions that the Board is aware of which would have a material impact on the financial position of the Company between 1 July 2016 and 9 November 2016.

Further information

The Company continues to offer a dividend reinvestment scheme to existing shareholders. Details of this Scheme can be found at www.albion-ventures.co.uk/funds/KAY.

Further information regarding historic and current financial performance and other useful shareholder information can be found on the Fund's webpage on the Manager's website under www.albion-ventures.co.uk/funds/KAY.

Robin Field, Chairman

9 November 2016

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