

Kings Arms Yard VCT PLC Interim Management Statement

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Introduction

I am pleased to present Kings Arms Yard VCT PLC (the "Company")'s interim management statement for the period from 1 July 2018 to 30 September 2018.

Performance and dividends

The Company's unaudited net asset value (NAV) as at 30 September 2018 was £69.59 million or 22.81 pence per share (excluding treasury shares), an increase of 0.07 pence per share (0.31 per cent.) since 30 June 2018.

After accounting for the dividend paid of 0.60 pence per share on 31 October 2018 to shareholders on the register on 5 October 2018, the NAV is 22.21 pence per share.

Albion VCTs Prospectus Top Up Offers 2018/19

The Company announced on 6 November 2018 that, subject to obtaining the requisite regulatory approval, it is the Company's intention to launch a prospectus top up offer to raise up to £6 million before issue costs, with a further over-allotment facility of £2 million, of new Ordinary shares for subscription in the 2018/19 and 2019/20 tax years. Full details of the offer will be contained in a prospectus that is expected to be published in early January 2019.

Share buy-backs

During the period from 1 July 2018 to 30 September 2018, the Company purchased 522,000 shares for £108,000 at an average price of 20.6 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.

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 2018 to 30 September 2018:

<i>New investments</i>	£000s	Activity
Phrasee Limited	374	<i>AI platform that generates optimised marketing campaigns</i>
Areacor Limited	176	<i>Development of biopharmaceuticals through the application of a formulation technology platform</i>
Forward Clinical Limited	160	<i>A secure mobile communication and collaboration platform in healthcare</i>
ePatient Network Limited (T/A Raremark)	115	<i>Online community connecting people affected by rare diseases with up-to-date scientific information, community insights and medical research</i>
<i>Total new investments</i>	825	

<i>Follow on investments</i>	£000s	Activity
Locum's Nest Limited	300	<i>Provides a technology solution for the management of locum doctors for the NHS</i>
Quantexa Limited	248	<i>Network analytics platform to detect financial crime</i>
Elaterral Group Limited	200	<i>Provider of digital marketing software</i>
<i>Total follow on investments</i>	748	

Top ten holdings as at 30 September 2018:

Portfolio company	Carrying value £000s	% of net asset value	Activity
Active Lives Care Limited	7,248	10.4	<i>Owner and operator of a 75 bed care home in Cumnor Hill, Oxfordshire</i>
Ryefield Court Care Limited	5,162	7.4	<i>Owner and operator of a 60 bed care home in Hillingdon, Middlesex</i>
Chonais River Hydro Limited	3,378	4.9	<i>Owner and operator of a 2 MW hydro-power scheme in the Scottish Highlands</i>
Proveca Limited	2,930	4.2	<i>Reformulation of paediatric medicines</i>
Elaternal Group Limited	2,835	4.1	<i>Provider of digital marketing software</i>
Antenova Limited	2,621	3.8	<i>Supplier of integrated antennas and RF solutions</i>
Egress Software Technologies Limited	2,267	3.3	<i>Encrypted email & file transfer service provider</i>
Anthropics Technology Limited	1,952	2.8	<i>Provider of digital picture enhancement software</i>
The Street by Street Solar Programme Limited	1,816	2.6	<i>Owns and operates photovoltaic systems on domestic properties in the UK</i>
Quantexa Limited	1,816	2.6	<i>Network analytics platform to detect financial crime</i>

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

Material events and transactions after the period end

After the period end, the Company had no material transactions.

Further information

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

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

Robin Field, Chairman
14 November 2018

For further information please contact:
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