

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 January 2015 to 14 May 2015.

Performance and dividends

The Company's unaudited net asset value (NAV) as at 31 March 2015 was £41.75 million or 20.14 pence per share (excluding treasury shares), an increase of 0.83 pence per share (4.3 per cent.) since 31 December 2014. This is mainly as a result of an increase in investment valuations.

After accounting for the dividend paid of 0.50 pence per share on 30 April 2015, to shareholders on the register as at 10 April 2015, the NAV is 19.64 pence per share.

Share issues

During the period from 1 January 2015 to 14 May 2015, the Company issued a total of 20,169,218 new Ordinary shares under the Albion VCTs Prospectus Top Up Offers 2014/2015. These issues raised net proceeds of £3.92 million, which is made up as follows:

Date	Number of shares issued	Issue price per share (including costs of issue)	Net proceeds £'000
30 January 2015	3,630,710	19.90 pence	708
30 January 2015	2,026,810	20.00 pence	395
2 April 2015	14,511,698	20.00 pence	2,815
Total	20,169,218		3,918

The proceeds of the Offer are being used to provide further resources to the Company at a time when a number of attractive new investment opportunities are being seen.

A Securities Note which forms part of the Prospectus can be found on the website www.albion-ventures.co.uk. The Offer will close on 30 September 2015 (unless fully subscribed earlier).

In addition, the following shares were issued under the dividend reinvestment scheme on 30 April 2015:

Date	Number of shares issued	Issue price per share	Net proceeds £'000
30 April 2015	411,322	18.81 pence	75

Share buy-backs

During the period from 1 January 2015 to 14 May 2015, the Company purchased 2,984,000 shares for £528,000 at an average price of 17.70 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 Chairman's statement of the latest Annual Report, the Company intends to limit the sum available for share buy-backs for the six month period to 30 June 2015 to £750,000.

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 further investments have been made during the period from 1 January 2015 to 14 May 2015:

Further investments	£000's	Activity
Chonais Holdings Limited	550	<i>Hydropower project in Scotland</i>
Elatel Group Holdings Limited	300	<i>Provider of digital marketing software</i>
Proveca Limited	179	<i>Repositioning of pediatric medicines</i>
Abcodia Limited	130	<i>Validation and discovery of molecular biomarkers linked to age related diseases</i>
Green Highland Renewables (Ledgowan) Limited	104	<i>Hydropower project in Scotland</i>
Haemostatix Limited	75	<i>Develops haemostatic therapies for applications during surgery</i>
Regenerco Renewable Energy Limited	53	<i>Generator of renewable energy from roof top solar installations</i>
Cisiv Limited	37	<i>Software and services for non-interventional clinical trials</i>
AVESI Limited	24	<i>Generator of renewable energy from roof top solar installations</i>
Silent Herdsman Holdings Limited	20	<i>Remote animal health monitoring</i>
Total further investments	1,472	

Disposals

During the period from 1 January 2015 to 14 May 2015, the Company sold Orchard Portman Group (Taunton Hospital Limited) for proceeds of £225,000, realising a gain on cost of £51,000. In addition, part of its holding in Oxford Immunotec Global PLC was sold for proceeds of £472,000, realising a gain on cost of £262,000.

Top ten holdings as at 31 March 2015:

Investment	Carrying value £000's	% of net asset value	Activity
Elatel Group Holdings Limited	4,998	12.0	<i>Provider of digital marketing software</i>
Oxford Immunotec Global PLC	3,185	7.6	<i>A global, commercial-stage diagnostic company in the field of immunology</i>
Chonais Holdings Limited	2,692	6.4	<i>Hydropower project in Scotland</i>
Sift Limited	2,639	6.3	<i>Web based provision of online business and community management solutions</i>
Active Lives Care Limited	1,985	4.8	<i>Develop and operate an elderly care home in Oxford</i>
Cluster Seven Ltd	1,794	4.3	<i>Design and development of spreadsheet management software for risk control and compliance</i>
Haemostatix Limited	1,496	3.6	<i>Develops haemostatic therapies for applications during surgery</i>
Alto Prodotto Wind Limited	1,462	3.5	<i>Owns and operates community scale wind energy projects on brownfield sites in the UK</i>
The Street by Street Solar Programme Limited	1,428	3.4	<i>Builds, owns and operates photovoltaic systems on domestic properties in the UK</i>
Lab M Holdings Limited	1,342	3.2	<i>Microbiological testing products</i>

A full breakdown of the Company's portfolio can be found on the funds website under current portfolio at www.albion-ventures.co.uk/ourfunds/KAY.htm.

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 January 2015 and 14 May 2015.

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/ourfunds/KAY.htm.

Further information regarding historic and current financial performance and other useful shareholder information can be found on the Fund's web page under www.albion-ventures.co.uk/ourfunds/KAY.htm.

Robin Field, Chairman
14 May 2015

For further information please contact:
Patrick Reeve, Albion Ventures LLP – Tel: 020 7601 1850