

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 2017 to 17 May 2017.

Performance and dividends

The Company's unaudited net asset value (NAV) as at 31 March 2017 was £60.91 million or 22.25 pence per share (excluding treasury shares), an increase of 0.84 pence per share (4 per cent.) since 31 December 2016.

After accounting for the dividend paid of 0.50 pence per share on 28 April 2017 to shareholders on the register on 7 April 2017, the NAV is 21.75 pence per share.

Share issues

During the period from 1 January 2017 to 17 May 2017, the Company issued new Ordinary shares under the Albion VCTs Prospectus Top Up Offers 2016/2017:

Date	Number of shares issued	Issue price per share (including costs of issue)	Net proceeds £'000
31 January 2017 to 7 April 2017	27,993,183	20.9p to 22.1p	5,824

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.

The Board announced on 22 February 2017 that the Company had reached its £6 million limit under its offer pursuant to the Prospectus dated 29 November 2016, and so was closed.

In addition, the following shares were issued under the dividend reinvestment scheme on 28 April 2017:

Date	Number of shares issued	Issue price per share	Net invested £'000
28 April 2017	704,941	20.91p	146

Share buy-backs

During the period from 1 January 2017 to 17 May 2017, the Company purchased 1,975,000 shares for £390,000 at an average price of 19.76 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 January 2017 to 17 May 2017:

<i>New investments</i>	<i>£000s</i>	<i>Activity</i>
MPP Global Solutions Limited	550	<i>Offers a cloud billing platform for enterprise subscription businesses in the media, sport and retail sectors.</i>
Quantexa Limited	190	<i>Predictive analytics platform to protect and detect complex financial crime.</i>

Beddlestead Farm Limited	6	<i>Develop and operate dedicated wedding venues in the UK</i>
Total new investments	746	

Further investments	£000s	Activity
Black Swan Data Limited	123	<i>Data analysis that supports corporate decision making</i>
Grapeshot Limited	84	<i>Provider of digital marketing software</i>
Panaseer Limited	63	<i>Data analytics software platform</i>
Mirada Medical Limited	24	<i>Developer of medical imaging software</i>
Total further investments	294	

Disposals

The following disposals were made during the period from 1 January 2017 to 17 May 2017:

Portfolio company	£000s	
Oxford Immunotec Global PLC	373	Partial disposal of investment
ErgoMed PLC	210	Partial disposal of investment
Total proceeds	583	

Top ten holdings as at 31 March 2017:

Investment	Carrying value £000s	% of net asset value	Activity
Active Lives Care Limited	6,185	10.1	<i>Owner and operator of a care home for the elderly in Oxford</i>
Ryefield Court Care Limited	4,496	7.4	<i>Owner and operator of a care home for the elderly in Hillingdon</i>
Elaternal Group Limited	4,425	7.3	<i>Provider of digital marketing software</i>
Chonais River Hydro Limited	2,989	4.8	<i>Hydropower project in Scotland</i>
Proveca Limited	2,955	4.9	<i>Reformulation of paediatric medicines</i>
Antenova Limited	2,724	4.5	<i>Supplier of integrated antennas and RF solutions</i>
ErgoMed PLC	2,035	3.3	<i>Clinical stage contract research organisation</i>
Oxford Immunotec Global PLC	1,944	3.2	<i>A global, commercial-stage diagnostic company in the field of immunology</i>
Egress Software Technologies Limited	1,930	3.2	<i>Encrypted email & file transfer service provider</i>
Hilson Moran Holdings Limited	1,617	2.7	<i>Multi-disciplinary engineering consultancy</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-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 January 2017 and 17 May 2017.

Further information

The Company continues to offer a dividend reinvestment scheme to existing shareholders. Details of this Scheme can be found on the Company's webpage on the Manager's website 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 Company's webpage on the Manager's website under www.albion-ventures.co.uk/funds/KAY.

Robin Field, Chairman
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