

## 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 January 2019 to 31 March 2019.

### Performance and dividends

The Company's unaudited net asset value (NAV) as at 31 March 2019 was £70.76 million or 23.38 pence per share (excluding treasury shares), an increase of 0.60 pence per share (2.6 per cent.) since 31 December 2018.

After accounting for the dividend paid of 0.60 pence per share on 30 April 2019 to shareholders on the register on 5 April 2019, the NAV is 22.78 pence per share.

### Share buy-backs

During the period from 1 January 2019 to 31 March 2019, the Company purchased 897,000 shares for £191,000 at an average price of 21.21 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 2019 to 31 March 2019:

<b><i>New investments</i></b>	<b>£000s</b>	<b>Activity</b>
Avora Limited	510	<i>Developer of software to improve decision making through augmented analytics &amp; machine learning</i>
<b><i>Total new investments</i></b>	<b>510</b>	

<b><i>Follow on investments</i></b>	<b>£000s</b>	<b>Activity</b>
Elaternal Group Limited	125	<i>Provider of digital marketing software</i>
Beddlestead Limited	104	<i>Wedding venue operator</i>
Convertr Media Limited	45	<i>Digital lead generation software</i>
Mirada Medical Limited	13	<i>Developer of medical imaging software using Deep Learning</i>
<b><i>Total follow on investments</i></b>	<b>287</b>	

### Top ten holdings as at 31 March 2019:

<b>Portfolio company</b>	<b>Carrying value £000s</b>	<b>% of net asset value</b>	<b>Activity</b>
Active Lives Care Limited	7,621	10.8	<i>Owner and operator of a 75 bed care home in Cumnor Hill, Oxfordshire</i>
Ryefield Court Care Limited	5,439	7.7	<i>Owner and operator of a 60 bed care home in Hillingdon, Middlesex</i>
Proveca Limited	4,677	6.6	<i>Reformulation of medicines for paediatric use</i>
Egress Software Technologies Limited	4,545	6.4	<i>Encrypted email &amp; file transfer service provider</i>

Chonais River Hydro Limited	3,376	4.8	<i>Owner and operator of a 2 MW hydro-power scheme in the Scottish Highlands</i>
Antenova Limited	2,731	3.9	<i>Supplier of integrated antennas and RF solutions</i>
Perpetuum Limited	2,268	3.2	<i>Provider of vibration harvester powered wireless sensing systems for the rail and industrial sectors</i>
The Street by Street Solar Programme Limited	1,828	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>
Anthropics Technology Limited	1,677	2.4	<i>Provider of digital image enhancement software</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](http://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**

#### **Portfolio**

After the period end, the Company undertook the following investment transactions:

- Disposal of the remaining shares in ErgoMed Plc for £1.2 million;
- Disposal of Earnside Energy for £950,000;
- Investment of £955,000 in an existing portfolio company, Proveca, which develops drugs specifically formulated for children;
- Investment of £262,000 in an existing portfolio company, Perpetuum, which provides vibration harvester powered wireless sensing systems for the rail and industrial sectors;
- Investment of £260,000 in a new portfolio company, Limitless Technology, which provides a customer service platform powered by crowd and machine learning technology;
- Investment of £180,000 in an existing portfolio company, OmPrompt Holdings, which provides process automation software;
- Investment of £145,000 in an existing portfolio company, Symetrica, a designer and manufacturer of radiation detection equipment;
- Investment of £125,000 in an existing portfolio company, Elateral Group, which provides digital marketing software;
- Investment of £91,000 in a new portfolio company, lmandra, which provides automated software testing and an enhanced learning experience for artificial neural networks; and
- Investment of £27,000 in an existing portfolio company, Aridhia Informatics, a healthcare informatics and analysis provider.

#### **Albion VCTs prospectus Top Up Offers 2018/19**

The Board was delighted to announce on 5 April 2019 that the Offer pursuant to the Prospectus dated 7 January 2019 had closed having reached its £8 million limit. The proceeds of the Offer will be used to provide further resources at a time when a number of attractive investment opportunities are being seen.

The following new Ordinary shares of nominal value 1 penny per share were allotted under the Albion VCTs prospectus Top Up Offers 2018/19 after 31 March 2019:

<b>Date of allotment</b>	<b>Number of shares issued</b>	<b>Aggregate nominal value of shares £'000</b>	<b>Issue price per share (including costs of issue)</b>	<b>Net proceeds £'000</b>
1 April 2019	26,943,087	269	23.2 to 23.4	6,149
5 April 2019	5,377,583	54	23.4	1,227
12 April 2019	1,923,552	19	22.6 to 22.8	428
<b>Total</b>	<b>34,244,222</b>	<b>342</b>		<b>7,804</b>

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 April 2019 to 21 May 2019.

#### **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](http://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](http://www.albion.capital/funds/KAY).

Robin Field, Chairman  
21 May 2019

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