

Kings Arms Yard VCT PLC Interim Management Statement

LEI Code 213800DK8H27QY3J5R45

Introduction

I am pleased to present Kings Arms Yard VCT PLC's (the "Company") interim management statement for the period from 1 July 2020 to 30 September 2020.

Performance and dividends

The Company's unaudited net asset value (NAV) as at 30 September 2020 was £77.58 million or 20.71 pence per share (excluding treasury shares), an increase of 0.41 pence per share (2.0 per cent.) since 30 June 2020.

After accounting for the dividend paid of 0.51 pence per share on 30 October 2020 to shareholders on the register on 2 October 2020, the NAV is 20.20 pence per share.

Share buy-backs

During the period from 1 July 2020 to 30 September 2020, the Company purchased 1,705,566 shares for £331,000 at an average price of 19.29 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. The level of share buybacks for the sixth month period to 31 December 2020 will be limited to £1 million.

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 2020 to 30 September 2020:

<i>New investments</i>	<i>£'000</i>	<i>Activity</i>
The Voucher Market Limited (T/A WeGift)	361	<i>A cloud platform that enables corporates to purchase digital gift cards and to distribute them to employees and customers.</i>
<i>Total new investments</i>	<i>361</i>	

<i>Follow on investments</i>	<i>£'000</i>	<i>Activity</i>
Quantexa Limited	891	<i>Network analytics platform to detect financial crime.</i>
Phrasee Limited	274	<i>AI platform that generates optimised marketing campaigns.</i>
uMotif Limited	175	<i>A patient engagement and data capture platform for use in real world and observational research.</i>
ePatient Network Limited (T/A Raremark)	46	<i>Online community connecting people affected by rare diseases.</i>
The Ewell (Harley Street) Limited	29	<i>Operator of a women's health centre focusing on fertility.</i>
<i>Total follow on investments</i>	<i>1,415</i>	

Disposals

During the period from 1 July 2020 to 30 September 2020 contracts were exchanged for the sale of Perpetuum Limited, subject to regulatory approval.

Top ten holdings as at 30 September 2020:

Portfolio company	Carrying value £'000	% of net asset value	Activity
Proveca Limited	7,412	9.6	<i>Reformulation of medicines for paediatric use.</i>
Active Lives Care Limited	6,986	9.0	<i>Owner and operator of a 75 bed care home in Cumnor Hill, Oxfordshire.</i>
Ryefield Court Care Limited	4,900	6.3	<i>Owner and operator of a 60 bed care home in Hillingdon, Middlesex.</i>
Egress Software Technologies Limited	4,545	5.9	<i>Encrypted email & file transfer service provider.</i>
Quantexa Limited	4,300	5.5	<i>Network analytics platform to detect financial crime.</i>
Chonais River Hydro Limited	3,272	4.2	<i>Owner and operator of a 2 MW hydro-power scheme in the Scottish Highlands.</i>
Antenova Limited	2,350	3.0	<i>Supplier of integrated antennas and RF solutions.</i>
The Street by Street Solar Programme Limited	1,914	2.5	<i>Owner and operator of photovoltaic systems on domestic properties in the UK.</i>
Regenerco Renewable Energy Limited	1,674	2.2	<i>Generator of renewable energy from roof top solar installations.</i>
Alto Prodotto Wind Limited	1,458	1.9	<i>Owner and operator of community scale wind energy projects on brownfield sites in the UK.</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 undertook the following investment transactions:

- Proceeds of £419,000 received from the sale of Clear Review Limited on a cost of £203,000;
- Investment of £418,000 in a new portfolio company, Seldon Technologies Limited, a software company that enables enterprises to deploy Machine Learning models in production;
- Investment of £152,000 in a new portfolio company, uMedeor Limited (T/A uMed), a middleware technology platform that enables life science organisations to conduct medical research programmes;
- Investment of £123,000 in an existing portfolio company, Limitless Technology Limited, a provider of a customer service platform powered by the crowd and machine learning technology; and
- Investment of £84,000 in an existing portfolio company, Arecor Limited, which develops biopharmaceuticals through the application of a formulation technology platform.

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 October 2020 and 10 November 2020.

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
10 November 2020

For further information please contact:
Albion Capital Group LLP – Tel: 020 7601 1850