

## 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 2016 to 18 May 2016.

### Performance and dividends

The Company's unaudited net asset value (NAV) as at 31 March 2016 was £50.06 million or 19.96 pence per share (excluding treasury shares), a decrease of 0.15 pence per share (0.7 per cent.) since 31 December 2015.

After accounting for the dividend paid of 0.50 pence per share on 29 April 2016 to shareholders on the register as at 15 April 2016, the NAV is 19.46 pence per share.

### Share issues

During the period from 1 January 2016 to 18 May 2016, the Company issued a total of 29,404,208 new Ordinary shares under the Albion VCTs Prospectus Top Up Offers 2015/2016. The Offer closed on 23 March 2016 having been fully subscribed and raising net proceeds of £5.88 million, which is made up as follows:

Date	Number of shares issued	Issue price per share (including costs of issue)	Net proceeds £'000
29 January 2016	8,861,834	20.20 pence	1,754
29 January 2016	4,851,404	20.30 pence	961
31 March 2016	15,306,074	20.80 pence	3,088
6 April 2016	175,236	20.60 pence	35
6 April 2016	44,280	20.70 pence	9
6 April 2016	165,380	20.80 pence	34
<b>Total</b>	<b>29,404,208</b>		<b>5,881</b>

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 23 March 2016 that the Company had reached its £6 million limit under its offer pursuant to the Prospectus dated 17 November 2015, and so was closed.

In addition, the following shares were issued under the dividend reinvestment scheme on 29 April 2016:

Date	Number of shares issued	Issue price per share	Net proceeds £'000
29 April 2016	636,545	19.61 pence	123

### Share buy-backs

During the period from 1 January 2016 to 18 May 2016, the Company purchased 2,252,000 shares for £409,000 at an average price of 18.18 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 ending 30 June 2016 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 investments have been made during the period from 1 January 2016 to 18 May 2016:

<b>New investments</b>	<b>£000's</b>	<b>Activity</b>
Earnside Energy Limited	835	<i>An anaerobic digestion plant</i>
InCrowd Sports Limited	36	<i>Develops mobile apps for professional sports clubs</i>
<b>Total new investments</b>	<b>871</b>	

<b>Further investments</b>	<b>£000's</b>	<b>Activity</b>
Ryefield Court Care Limited	635	<i>Develop and operate a care home in Hillingdon, Middlesex</i>
Active Lives Care Limited	635	<i>Develop and operate a care home in Oxford</i>
Perpetuum Limited	301	<i>Provider of vibration harvester powered wireless sensing systems for the rail and industrial sectors</i>
Shinfield Lodge Care Limited	205	<i>Develop and operate a care home in Shinfield, Berkshire</i>
Proveca Limited	179	<i>Repositioning of pediatric medicines</i>
Aridhia Informatics Limited	25	<i>Healthcare informatics and analytics</i>
<b>Total further investments</b>	<b>1,980</b>	

## Disposals

During the period from 1 January 2016 to 18 May 2016, the Company sold its investment in Silent Herdsman Holdings Limited for £137,000 (of which £44,000 is deferred and held in escrow) on a cost of £153,000.

## Top ten holdings as at 31 March 2016:

<b>Investment</b>	<b>Carrying value £000's</b>	<b>% of net asset value</b>	<b>Activity</b>
Elatel Group Holdings Limited	5,721	11.4	<i>Provider of digital marketing software</i>
Active Lives Care Limited	3,226	6.4	<i>Develop and operate a care home in Oxford</i>
Chonais River Hydro Limited	2,946	5.9	<i>Hydropower project in Scotland</i>
Sift Limited	2,741	5.5	<i>Web based provision of online business and community management solutions</i>
Oxford Immunotec Global PLC	1,974	3.9	<i>A global, commercial-stage diagnostic company in the field of immunology</i>
Ryefield Court Care Limited	1,919	3.8	<i>Develop and operate a care home in Hillingdon, Middlesex</i>
Haemostatix Limited	1,647	3.3	<i>Develops haemostatic therapies for applications during surgery</i>
Alto Prodotto Wind Limited	1,529	3.1	<i>Owns and operates community scale wind energy projects on brownfield sites in the UK</i>
The Street by Street Solar Programme Limited	1,474	2.9	<i>Builds, owns and operates photovoltaic systems on domestic properties in the UK</i>
Perpetuum Limited	1,417	2.8	<i>Provider of vibration harvester powered wireless sensing systems for the rail and industrial sectors</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/funds/KAY](http://www.albion-ventures.co.uk/funds/KAY).

**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 2016 and 18 May 2016.

**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/funds/KAY](http://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 Fund's web page under [www.albion-ventures.co.uk/funds/KAY](http://www.albion-ventures.co.uk/funds/KAY).

Robin Field, Chairman  
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