

## 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 2018 to 31 March 2018.

### Performance and dividends

The Company's unaudited net asset value (NAV) as at 31 March 2018 was £67.01 million or 22.69 pence per share (excluding treasury shares), an increase of 1.09 pence per share (5.0 per cent.) since 31 December 2017.

After accounting for the dividend paid of 0.60 pence per share on 30 April 2018 to shareholders on the register on 13 April 2018, the NAV is 22.09 pence per share.

### Albion VCTs Prospectus Top Up Offers 2017/18

During the period from 1 January 2018 to 31 March 2018, the Company issued new Ordinary shares under the Albion VCTs Prospectus Top Up Offers 2017/18:

Date	Number of shares issued	Aggregate nominal value of shares £000	Issue price per share (including costs of issue)	Net proceeds £'000
31 January 2018	5,979,493	60	21.9p	1,277

The Board announced on 5 March 2018 that the Company had reached its £8 million limit under its offer pursuant to the Prospectus dated 6 September 2017, and so was closed.

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.

### Share buy-backs

During the period from 1 January 2018 to 31 March 2018, there were no share buybacks undertaken by the Company.

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 2018 to 31 March 2018:

<b><i>New qualifying investments</i></b>	<b>£000s</b>	<b>Activity</b>
Koru Kids Limited	204	<i>Online marketplace connecting parents and nannies</i>
<b><i>Total new qualifying investments</i></b>	<b>204</b>	

<b><i>Follow on investments into existing portfolio companies</i></b>	<b>£000s</b>	<b>Activity</b>
Panaseer Limited	141	<i>Provider of cyber security services</i>
Elaterral Group Limited	125	<i>Provider of digital marketing software</i>
Convertr Media Limited	85	<i>Digital lead generation software</i>
<b><i>Total follow on investments</i></b>	<b>351</b>	

### Top ten holdings as at 31 March 2018:

<b>Portfolio company</b>	<b>Carrying value £000s</b>	<b>% of net asset value</b>	<b>Activity</b>
Active Lives Care Limited	6,826	10.2	<i>Owns and operates a 75 bed care home in Cumnor Hill, Oxfordshire</i>
Ryefield Court Care Limited	5,191	7.7	<i>Owns and operates a 60 bed care home in Hillingdon, Middlesex</i>
Grapeshot Limited	3,956	5.9	<i>Provider of digital marketing software</i>
Chonais River Hydro Limited	3,377	5.0	<i>Owns and operates a 2 MW hydro-power scheme in the Scottish Highlands</i>
Proveca Limited	2,983	4.5	<i>Reformulation of paediatric medicines</i>
Elateral Group Limited	2,761	4.1	<i>Provider of digital marketing software</i>
Antenova Limited	2,625	3.9	<i>Supplier of integrated antennas and RF solutions</i>
Egress Software Technologies Limited	2,267	3.4	<i>Encrypted email and file transfer service provider</i>
Anthropics Technology Limited	1,775	2.6	<i>Provider of digital picture enhancement software</i>
The Street by Street Solar Programme Limited	1,757	2.6	<i>Owns and operates photovoltaic systems on domestic properties 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](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 had the following material investment transactions:

- An investment of £189,000 in an existing portfolio company, Black Swan Data Limited, which provides data analysis that supports corporate decision making;
- An investment of £145,000 in an existing portfolio company, Abcodia Limited, which focuses on the validation and discovery of serum biomarkers;
- An investment of £90,000 in an existing portfolio company, InCrowd Sports Limited, which is a developer of mobile apps for professional sports clubs; and
- As announced on 24 April 2018, contracts were exchanged for the sale of Grapeshot Limited which subsequently completed on 15 May 2018. The valuation of the holding as at 31 March 2018 includes discounts to the total estimated consideration to reflect completion and other risks.

### Albion VCTs prospectus Top Up Offers

The following new Ordinary shares of nominal value 1 penny per share were allotted under the Albion VCTs prospectus Top Up Offers 2017/18 after 31 March 2018:

<b>Date</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>
5 April 2018	9,261,391	93	22.2p	2,005
11 April 2018	2,514,181	25	22.0p to 22.2p	544

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 2018 to 16 May 2018.

**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  
16 May 2018

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