

pembroke VCT plc



HALF-YEARLY REPORT

for the six months ended 30 September 2017

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Investment Objective

Pembroke VCT plc (the "Company") is a generalist VCT focused on early-stage investments in the leisure and luxury brands sectors.

The Company invests in a diversified portfolio of small, principally unquoted companies, and selects those which Oakley Investment Managers LLP (the "Investment Adviser") believes will provide an opportunity for value appreciation.

The Board of Directors of the Company (the "Board") believes that the Company can benefit from leveraging the previous sector experience of the Investment Adviser and also that there are likely to be synergistic advantages from grouping similar businesses. Consequently, most investments fall within one of four sectors:

- Health and Fitness
- Hospitality
- Apparel and Accessories
- Media and Technology



Financial Summary

	Six months ended 30.09.17			Year ended 31.03.17			Six months ended 30.09.16		
	Ordinary Shares (unaudited)	B Ordinary Shares (unaudited)	Total (unaudited)	Ordinary Shares (audited)	B Ordinary Shares (audited)	Total (audited)	Ordinary Shares (unaudited)	B Ordinary Shares (unaudited)	Total (unaudited)
Net assets	£20,479,828	£26,175,535	£46,655,363	£20,706,329	£15,679,533	£36,385,862	£21,870,039	£13,509,164	£35,379,203
Number of shares in issue	18,093,173	25,346,738	43,439,911	18,092,297	15,285,811	33,378,108	18,091,202	12,482,091	30,573,293
Net asset value per share	113.19p	103.27p	n/a	114.45p	102.58p	n/a	120.89p	108.23p	n/a
Investment income	£158,134	£234,660	£392,794	£601,998	£603,037	£1,205,035	£300,572	£274,937	£575,509
Profit/(loss) on ordinary activities before tax									
Revenue	£49,135	£55,659	£104,794	£(412,942)	£254,506	£(158,436)	£189,410	£185,959	£375,369
Capital	£(95,724)	£(82,737)	£(178,461)	£1,327,698	£(329,829)	£997,869	£1,575,670	£378,996	£1,954,666
Total	£(46,589)	£(27,078)	£(73,667)	£914,756	£(75,323)	£839,433	£1,765,080	£564,955	£2,330,035
Return per share									
Revenue	0.22p	0.18p	n/a	(2.13)p	1.65p	n/a	0.83p	1.28p	n/a
Capital	(0.48)p	(0.29)p	n/a	7.34p	(2.49)p	n/a	8.82p	3.42p	n/a
Total	(0.26)p	(0.11)p	n/a	5.21p	(0.84)p	n/a	9.65p	4.70p	n/a

Chairman's Statement

I am pleased to present the half-year report for the six months ended 30 September 2017.

After having successfully raised £43.9 million in our Ordinary Share and B Ordinary Share offers since February 2013, the Board has agreed to launch a new share offer to raise up to £20 million in the B Ordinary Share class. The Investment Adviser continues to see a strong pipeline of new opportunities, alongside a number of chances to invest profitably in existing portfolio companies where follow-on investments would accelerate their growth.

We believe the Company's existing strategy was not materially affected by the regulatory changes which came into effect for VCTs in November 2015. Our focus continues to be on providing development capital to high-growth companies and we anticipate this objective will remain unchanged following publication of the government's Patient Capital Review in November 2017.

We have now invested £15.0 million from the Ordinary Share class and £14.0 million from the B Ordinary Share class in 27 companies.

During the period, the Total Return (NAV plus cumulative dividends paid) of the Ordinary Share class has fallen from 120.25 pence per share at 31 March 2017 to 119.79 pence per share at 30 September 2017. The Total Return of the B Ordinary Share class has risen from 104.58 pence per share at 31 March 2017 to 106.27 pence per share at 30 September 2017. These returns do not include the final dividend for the year ending 31 March 2017 of 2 pence per Ordinary and 2 pence per B Ordinary share discussed further below.

Investment Overview

During the period, Pembroke has invested £0.8 million in one new company (Heist Studios) and £1.7 million into follow-on investments in five companies (Boom Cycle, Plenish, KX U, La Bottega and Sourced Market) from the B Ordinary Share class.

There have been no revaluations of equity participations across the portfolio since the results for the year ending 31 March 2017, resulting in total investments valued at £35.7 million at the end of the period, representing a 18% increase on cost of £30.3 million. For further details please see the Investment Adviser's Review and Investment Portfolio on pages 8 to 14.

Dividends

In September 2017 the Company approved a dividend of 2 pence per Ordinary Share and 2 pence per B Ordinary Share which was paid on 26 October 2017. The Board retains its target of paying dividends of 3 pence per B Ordinary Share each year throughout the life of the Company, payable biannually in interim and final instalments.

Results

The Company made a loss of £0.1 million in the period to 30 September 2017, representing a weighted loss per Ordinary Share of (0.11) pence and a weighted loss per B Ordinary Share of (0.26) pence. Income arose from interest income, principally from loan notes provided to a number of the portfolio companies, totalling £0.4 million. This was offset by Company expenses and Investment Adviser fees amounting, in total, to £0.5 million. Total expenses in the Company (including Investment Adviser fees) are capped at 0.5% of NAV per quarter. NAV at 30 September 2017 was £46.7 million, equivalent to 113.19 pence per Ordinary share and 103.27 pence per B Ordinary share. This includes the cost to NAV of the issue costs of the B Ordinary Share offer.

Outlook

The Investment Adviser is positive about the current pipeline and sees a number of attractive opportunities to invest in 2018 and beyond.

Jonathan Djanogly
Chairman

27 October 2017



If you have any questions relating to your investment, please contact the company secretary on 0131 243 7210 or email info@pembrokevct.com. For further information refer to the Company's website www.pembrokevct.com.

Investment Adviser's Review

for the six months ended 30 September 2017

Overview

The Company has invested a total of £2.5 million during this period from the B Ordinary Share class, making one new investment and five follow-on investments of £1.7 million in a mix of debt and equity.

At the end of the period, the portfolio comprised 27 investments with a cost of £30.3 million and a fair valuation of £35.7 million representing a 17.8% increase.

Portfolio Review

The Company has made one new investment in the period from the B Ordinary Share class of £0.8 million in Heist Studios, an innovator producer of hosiery and shapewear and is an important addition to our holdings in the Apparel and Accessories segment.

The Company also committed further capital of £1.7 million from the B Ordinary Share class to five of its existing portfolio companies (Boom Cycle, Plenish, KX U, La Bottega and Sourced Market) to support their continued growth plans. In the case of Boom Cycle, this was used to support the acquisition of a new site in the City of London, offering a more central location than the previous Shoreditch site. The further investment in KX U saw this new pay-as-you-go gym concept open its doors to the public in September 2017.

Investment Performance

There have not been any equity revaluations to the Company's portfolio in the period. While trading performance continues to progress across the portfolio, the period did not see any portfolio company raise additional equity which required a revaluation of our existing holdings. No assets have been revalued with reference to trading multiples as a result of current trading performance.

Recent investments have been held at cost, as they have performed in line with the Investment Adviser's expectation to date.

Please refer to the individual company profiles below for further details on performance.

Valuation

Investments held by the Company have been valued in accordance with the International Private Equity and Venture Capital Valuation Guidelines. Through these guidelines, investments are valued as defined at 'fair value'. Ordinarily, unquoted investments will be valued at cost for a limited period following the date of acquisition, being the most suitable approximation of fair value unless there is an impairment or significant accretion in value during the period.

Portfolio valuations are prepared by the Investment Adviser, reviewed and approved by the Board quarterly and subject to audit annually.

All of the investments, including the new investments made in the reporting period, are described in more detail in the Investment Review.

Andrew Wolfson
Oakley Investment Managers LLP



Investment Portfolio

Ordinary Share

	As at 30 September 2017			As at 31 March 2017			As at 30 September 2016		
	Cost £	Fair value £	% of net assets	Cost £	Fair value £	% of net assets	Cost £	Fair value £	% of net assets
Health and Fitness									
Boom Cycle	429,460	349,860	1.7	429,460	349,860	1.7	429,460	412,487	1.9
KX Gym	700,000	827,835	4.1	700,000	827,835	4.0	700,000	733,344	3.3
Plenish	325,000	1,416,375	6.9	325,000	1,416,375	6.8	325,000	1,416,375	6.5
Dilly & Wolf	270,000	–	–	270,000	–	–	270,000	270,000	1.2
Hospitality									
Chilango	549,850	729,792	3.6	549,850	729,792	3.5	549,850	729,792	3.3
Five Guys UK	1,512,800	3,179,495	15.5	1,512,800	3,179,495	15.3	1,512,800	3,211,687	14.7
La Bottega	1,960,000	885,808	4.3	1,960,000	885,808	4.3	1,960,000	1,000,000	4.6
Chucs Bar & Grill	614,278	591,729	2.9	614,278	591,729	2.9	614,278	822,170	3.8
Second Home	525,074	3,249,446	15.9	525,074	3,249,446	15.7	525,074	3,249,446	14.9
Sourced Market	830,000	903,612	4.4	830,000	903,612	4.4	830,000	760,353	3.5
Apparel and Accessories									
Kat Maconie	320,000	711,233	3.5	320,000	711,233	3.4	320,000	711,233	3.3
Troubadour Goods	590,000	1,171,722	5.7	590,000	1,171,722	5.7	590,000	1,106,265	5.0
Bella Freud	400,000	983,333	4.8	400,000	983,333	4.7	400,000	983,333	4.5
Bella Freud Perfume	190,000	122,500	0.6	190,000	122,500	0.6	190,000	130,306	0.6
Chucs	990,039	73,118	0.4	990,039	73,118	0.4	990,039	340,000	1.6
Media and Technology									
Boat International Media	2,100,000	1,741,491	8.5	2,100,000	1,741,491	8.4	2,100,000	1,315,824	6.0
Rated People	585,738	458,648	2.2	585,738	458,648	2.2	585,738	486,053	2.2
Zenos Cars	500,000	–	–	500,000	–	–	500,000	500,000	2.3
Blaze	200,000	284,920	1.4	200,000	284,920	1.4	200,000	233,117	1.1
Stillking Films	1,451,770	2,112,862	10.3	1,451,770	2,112,862	10.2	1,451,770	1,542,641	7.0
Investments before interest	15,044,009	19,793,779	96.7	15,044,009	19,793,779	95.6	15,044,009	19,954,426	91.3
Interest rolled up in fixed income investments*	638,544	638,544	3.1	483,420	483,420	2.3	967,093	967,093	4.4
Total investments	15,682,553	20,432,323	99.8	15,527,429	20,277,199	97.9	16,011,102	20,921,519	95.7
Net current assets	47,505	47,505	0.2	429,130	429,130	2.1	948,520	948,520	4.3
Net assets	15,730,058	20,479,828	100.0	15,956,559	20,706,329	100.0	16,959,622	21,870,039	100.0

*Added to investments in Financial Statements.

Investment Portfolio continued
B Ordinary Share

	As at 30 September 2017			As at 31 March 2017			As at 30 September 2016		
	Cost £	Fair value £	% of net assets	Cost £	Fair value £	% of net assets	Cost £	Fair value £	% of net assets
Health and Fitness									
Boom Cycle	924,979	924,979	3.5	724,979	724,979	4.6	—	—	—
Plenish	1,050,035	1,054,621	4.0	850,004	854,590	5.5	350,001	354,587	2.6
Dilly & Wolf	125,000	—	—	125,000	—	—	125,000	125,000	0.9
KX U	980,000	980,000	3.7	480,000	480,000	3.1	—	—	—
Hospitality									
Chilango	85,000	85,000	0.3	85,000	85,000	0.5	85,000	85,000	0.7
Five Guys UK	570,400	1,198,986	4.6	570,400	1,198,986	7.6	570,400	1,211,124	9.0
La Bottega	650,000	100,000	0.4	550,000	—	—	400,000	400,000	3.0
Chucs Bar & Grill	1,045,011	935,192	3.6	1,045,011	935,192	6.0	745,011	745,011	5.5
Second Home	960,022	1,623,551	6.2	960,022	1,623,551	10.4	960,022	1,623,551	12.0
Sourced Market	1,066,767	978,592	3.7	650,000	561,825	3.6	250,000	250,000	1.9
Bel-Air	300,000	300,000	1.1	300,000	300,000	1.9	300,000	300,000	2.2
Apparel and Accessories									
Kat Maconie	200,000	200,000	0.8	200,000	200,000	1.3	—	—	—
Troubadour Goods	150,000	158,859	0.6	150,000	158,859	1.0	150,000	150,000	1.1
Bella Freud	800,000	800,000	3.1	800,000	800,000	5.1	300,000	300,000	2.2
Bella Freud Perfume	50,000	50,000	0.2	50,000	50,000	0.3	50,000	50,000	0.4
Chucs	225,000	26,882	0.1	225,000	26,882	0.2	100,000	—	—
ME+EM	800,000	974,403	3.7	800,000	974,403	6.2	450,000	539,028	4.0
Alexa Chung	988,961	1,338,961	5.1	650,000	1,000,000	6.4	650,000	650,000	4.8
Heist	748,242	748,242	2.9	—	—	—	—	—	—
Cheekfrills	—	—	—	—	—	—	205,000	—	—
Media and Technology									
Boat International Media	1,300,000	1,300,000	5.0	1,300,000	1,300,000	8.3	1,100,000	1,100,000	8.1
Rated People	55,480	52,698	0.2	55,480	52,698	0.3	55,480	56,678	0.4
Zenos Cars	130,000	—	—	175,000	—	—	25,000	25,000	0.2
Blaze	352,697	413,134	1.6	352,697	413,134	2.6	352,697	338,019	2.5
Wishi	153,433	153,433	0.6	153,433	153,433	1.0	—	—	—
Unbolted	250,033	250,033	1.0	250,033	250,033	1.6	—	—	—
Investments before interest	13,961,060	14,647,566	56.0	11,502,059	12,143,565	77.5	7,223,611	8,302,998	61.5
Interest rolled up in fixed income investments*	651,636	651,636	2.5	453,210	453,210	2.9	257,709	257,709	1.9
Total investments	14,612,696	15,299,202	58.5	11,955,269	12,596,775	80.4	7,481,320	8,560,707	63.4
Net current assets	10,876,333	10,876,333	41.5	3,082,758	3,082,758	19.6	4,948,457	4,948,457	36.6
Net assets	25,489,029	26,175,535	100.0	15,038,027	15,679,533	100.0	12,429,777	13,509,164	100.0

*Added to investments in Financial Statements.

Segment analysis

The charts below show the segment analyses of the investment portfolio based on cost at 30 September 2017.

Investments at cost:
Ordinary Share



- 11.5% Health and Fitness
- 39.8% Hospitality
- 16.6% Apparel and Accessories
- 32.2% Media and Technology

Investments at cost:
B Ordinary Share



- 22.1% Health and Fitness
- 33.5% Hospitality
- 28.4% Apparel and Accessories
- 16.1% Media and Technology

Investment Review



Health and Fitness

Boom Cycle



Cost	£1,354,439
Valuation	£1,274,839
Interest rolled up in fixed income investment	£3,008
Basis of valuation	Multiples
Equity holding	29.2%
Investment in the period at cost	£200,000
Total income recognised in the period	£3,008

Boom Cycle is an indoor cycling concept which offers a fun, high-intensity cardiovascular workout. The business currently has four studios based in London (City, Holborn, Hammersmith and Battersea) where they combine indoor spin cycling with various exercise classes for both upper and lower body work-outs. Boom Cycle is one of the foremost dedicated spinning studios in London, and is on track to replicate the success of some of the larger players in the US.

KX Gym



Cost	£700,000
Valuation	£827,835
Interest rolled up in fixed income investment	£nil
Basis of valuation	Trading multiple
Equity holding	11.8%
Investment in the period at cost	£nil
Total income recognised in the period	£nil

KX Gym, founded in 2002, is a private members' gym and spa, which includes a restaurant and clubroom, located in Chelsea, London. KX offers members an exclusive holistic approach to wellbeing, incorporating fitness, diet and relaxation.

Plenish



Cost	£1,375,035
Valuation	£2,470,996
Interest rolled up in fixed income investment	£17,995
Basis of valuation	Price of recent investment
Equity holding	33.4%
Investment in the period at cost	£200,031
Total income recognised in the period	£6,016

Plenish, founded in 2012, is one of the leading cold-pressed juicing businesses in the UK, offering 100% raw organic (unpasteurised) juice. The company has supplemented its juice range with four varieties of nut milk, which has been well received by the wholesale and retail markets and is now stocked by several of the UK's major supermarket groups.

Dilly & Wolf



Cost	£395,000
Valuation	£nil
Interest rolled up in fixed income investment	£nil
Basis of valuation	Fair value
Equity holding	27.0%
Investment in the period at cost	£nil
Total income recognised in the period	£nil

Founded in 2013, Dilly & Wolf is a premium snack brand. The company produces tasty and nourishing food using globally inspired recipes such as kabuki beans, quinoa and fava beans. Following disappointing sales of their product at the supermarket multiples, the company has halted its current strategy and is assessing its options.

KX Urban



Cost	£980,000
Valuation	£980,000
Interest rolled up in fixed income investment	£21,501
Basis of valuation	Cost
Equity holding	11.3%
Investment in the period at cost	£500,000
Total income recognised in the period	£19,035

KX Urban (KX U) is a pay-as-you-go development of the established KX luxury gym brand. It offers a range of gym classes including Hiit & Run, Body Barre, yoga, boxing and spinning within a high quality gym environment with a healthy food and beverage offering. It opened its first site in London's Sloane Square in September 2017.

Hospitality

Chilango



Cost	£634,850
Valuation	£814,792
Interest rolled up in fixed income investment	£nil
Basis of valuation	Last equity raise
Equity holding	3.0%
Investment in the period at cost	£nil
Total income recognised in the period	£nil

Chilango is a fast-casual Mexican restaurant chain concept based on successful US business models. There are currently eleven restaurants across high footfall areas of Central London, plus a Manchester outlet that forms the basis for the brand's regional roll-out.

Five Guys UK



Cost	£2,083,200
Valuation	£4,378,481
Interest rolled up in fixed income investment	£404,798
Basis of valuation	Multiples
Equity holding ¹	2.1%
Investment in the period at cost	£nil
Total income recognised in the period	£143,192

Five Guys was founded in 1986 in the US. The company serves a range of hand-made burgers made with fresh locally sourced beef and cooked on a grill, along with fresh-cut fries, served with unlimited toppings. It now has 74 outlets in the UK with the estate now close to reaching maturity.

¹Equity holding is partnership interest.

La Bottega



Cost	£2,610,000
Valuation	£985,808
Interest rolled up in fixed income investment	£nil
Basis of valuation	Multiples
Equity holding	40.0%
Investment in the period at cost	£100,000
Total income recognised in the period	£3,010

La Bottega is an Italian chain of delicatessens in London, which serve high quality authentic Italian food and coffee. Currently, there are four shops trading in London in Chelsea, Belgravia, South Kensington and Victoria.

Chucs Bar & Grill



Cost	£1,659,289
Valuation	£1,526,921
Interest rolled up in fixed income investment	£278,314
Basis of valuation	Last equity raise
Equity holding	26.6%
Investment in the period at cost	£nil
Total income recognised in the period	£67,958

Chucs Bar & Grill is a restaurant concept reflecting the style and branding of the Chucs retail brand. The first restaurant opened on Dover Street in Mayfair, London in 2014, the second on Westbourne Grove, with two new prestigious sites under development due to open in 2018.

Second Home



Cost	£1,485,096
Valuation	£4,872,997
Interest rolled up in fixed income investment	£nil
Basis of valuation	Last equity raise
Equity holding	4.6%
Investment in the period at cost	£nil
Total income recognised in the period	£nil

Second Home offers flexible and modern office space for fast-growing technology firms and creative businesses. Combining architectural design with first class amenities, Second Home provides users with an impressive office environment in which to locate their business for the short, medium and long term. Following the opening of their initial site in east London, a second site has opened in Lisbon with a further two London sites opening by Spring 2018.

Sourced Market



Cost	£1,896,767
Valuation	£1,882,204
Interest rolled up in fixed income investment	£3,644
Basis of valuation	Multiples
Equity holding	30.8%
Investment in the period at cost	£400,000
Total income recognised in the period	£26,795

Sourced Market, launched in 2007, is a retail, café and restaurant concept that offers a curated selection of locally sourced fresh produce replicating the products and ambience found at a farmers market. The company's flagship site in St Pancras International in King's Cross has been complemented by three further sites in Marylebone, Victoria and Barbican.

Bel-Air Inc



Cost	£300,000
Valuation	£300,000
Interest rolled up in fixed income investment	£nil
Basis of valuation	Cost
Equity holding	7.7%
Investment in the period at cost	£300,000
Total income recognised in the period	£nil

Founded in 2015, Bel-Air Inc is a Californian-inspired café offering distinctive fresh meats, fish and salads to the premium London breakfast and lunchtime dining market. Its mission is to deliver delicious fresh meals that are nutritious and packed with whole foods. Bel-Air's first site in Shoreditch has been joined by two further outlets in office locations in Farringdon and the City.

Apparel and Accessories

Kat Maconie



Cost	£520,000
Valuation	£911,233
Interest rolled up in fixed income investment	£17,458
Basis of valuation	Last equity raise
Equity holding	22.3%
Investment in the period at cost	£nil
Total income recognised in the period	£12,033

Kat Maconie, founded in 2008, designs and manufactures distinctive ladies' boots and shoes which are sold online, in department stores and in boutiques globally. In Summer 2017 the company collaborated with a Korean cosmetics major, resulting in significant expansion in sales in the Asian market.

Troubadour Goods



Cost	£740,000
Valuation	£1,330,581
Interest rolled up in fixed income investment	£nil
Basis of valuation	Last equity raise
Equity holding	37.8%
Investment in the period at cost	£nil
Total income recognised in the period	£nil

Troubadour Goods is a London-based luxury men's accessories brand specialising in designing and creating superior handcrafted leather and textile goods.

Bella Freud



Cost	£1,200,000
Valuation	£1,783,333
Interest rolled up in fixed income investment	£101,104
Basis of valuation	Last equity raise
Equity holding	27.8%
Investment in the period at cost	£nil
Total income recognised in the period	£nil

Bella Freud is a fashion designer producing a range of high-end men's and women's clothing, focusing on knitwear. Currently her products are available at her own flagship store on Chilton Street in London, online and through a range of luxury boutiques and department stores in the UK, Asia and the US.

Bella Freud Parfum



Cost	£240,000
Valuation	£172,500
Interest rolled up in fixed income investment	£28,077
Basis of valuation	Last equity raise
Equity holding	22.5%
Investment in the period at cost	£nil
Total income recognised in the period	£nil

With the continuing success of her fashion brand, Bella Freud has launched a series of fragrances blending modernity and heritage, including Je t'Aime Jane, Ginsberg is God and the 1970. The scents are available in eau de parfum and candle format. Bella Freud Parfum is now stocked in a range of boutiques and department stores globally.

Chucs



Cost	£1,215,039
Valuation	£100,000
Interest rolled up in fixed income investment	£nil
Basis of valuation	Fair value
Equity holding	11.7%
Investment in the period at cost	£nil
Total income recognised in the period	£nil

Chucs is a luxury brand of men's leisure wear. The company will seek routes to realise value in the Chucs brand through commercial partnerships with partners worldwide.

ME+EM



Cost	£800,000
Valuation	£974,403
Interest rolled up in fixed income investment	£nil
Basis of valuation	Last equity raise
Equity holding	12.4%
Investment in the period at cost	£nil
Total income recognised in the period	£nil

ME+EM, founded in 2008, is a contemporary womenswear brand founded by Clare Hornby, designing and producing its collections primarily through catalogues and online, with two retail sites in Connaught Street, Bayswater and Elizabeth Street, Belgravia. The range now consists of dresses, knitwear, denim, separates and accessories. The brand targets women aged 30-55 who are busy and fashion conscious, offering a classic aesthetic embodying designer quality at an affordable price.

Alexa Chung



Cost	£988,961
Valuation	£1,338,961
Interest rolled up in fixed income investment	£nil
Basis of valuation	Last equity raise
Equity holding	18.6%
Investment in the period at cost	£338,961
Total income recognised in the period	£nil

The iconic model and designer, launched her own fashion label in May 2017. It offers accessible luxury womenswear and has already achieved substantial wholesale success across its first three seasonal collections. The business will produce four in-season collections per year internationally, with a large number of wholesale stockists in over 15 countries, supplemented by a direct online sales channel.

Heist



Cost	£748,242
Valuation	£748,242
Interest rolled up in fixed income investment	£nil
Basis of valuation	Cost
Equity holding	8.4%
Investment in the period at cost	£748,242

Established in 2015, Heist is a premium hosiery manufacturer that seeks to redefine how tights can feel and wear. Its ambitions are to evolve rapidly from being a London fashion editors' favourite to become the go-to shapewear brand for discerning women worldwide.

Media and Technology

Boat International Media



Cost	£3,400,000
Valuation	£3,041,491
Interest rolled up in fixed income investment	£414,281
Basis of valuation	Multiples
Equity holding	21.6%
Investment in the period at cost	£nil
Total income recognised in the period	£110,280

Recognised as a significant worldwide media group serving the superyacht industry, Boat International Media provides information and services across traditional print, digital media and high quality events. In 2016 the team re-branded Show Boats magazine under the Boat International USA title.

Rated People



Cost	£641,218
Valuation	£511,346
Interest rolled up in fixed income investment	£nil
Basis of valuation	Last equity raise
Equity holding	2.2%
Investment in the period at cost	£nil
Total income recognised in the period	£nil

Rated People, founded in 2005, is one of the UK's leading online market places for homeowners to find tradesmen for home improvement jobs. The company embarked on a new funding round in 2017 at an improved valuation, having implemented a number of cost-saving initiatives and enhancing its customer service offering.

Blaze



Cost	£552,697
Valuation	£698,054
Interest rolled up in fixed income investment	£nil
Basis of valuation	Fair value
Equity holding	6.5%
Investment in the period at cost	£nil
Total income recognised in the period	£nil

Blaze designs products which enhance bike safety. Their flagship product is the Blaze Laserlight, which projects a laser image onto the ground five to six metres ahead of the cyclist to ensure other road users know that you are present. The company has entered the global cycle-hire market with a broadened product offer, being featured throughout London's current and forthcoming new Santander Cycle fleet.

Stillking Films



Cost	£1,451,770
Valuation	£2,112,862
Interest rolled up in fixed income investment	£nil
Basis of valuation	Multiples
Equity holding	5.0%
Investment in the period at cost	£nil
Total income recognised in the period	£nil

Stillking Films is a prolific producer of commercials, TV series, feature films and music videos. The company has created commercials for almost all Dow Jones and FTSE advertisers. They have co-produced a number of successful feature films, including Casino Royale, Narnia, Mission Impossible 4 and The Bourne Identity, and created music videos for artists including Beyoncé, Kanye West, Blur, Madonna and One Direction.

Investment Review

for the six months ended 30 September 2017

Wishi Fashion



Cost	£153,433
Valuation	£153,433
Interest rolled up in fixed income investment	£nil
Basis of valuation	Cost
Equity holding	4.7%
Investment in the period at cost	£nil
Total income recognised in the period	£nil

Wishi is an innovative fashion technology business that brings together personal styling and online wardrobe management functionality to help fully exploit an individual's current wardrobe and provide new clothing suggestions personalised to their look.

Unbolted



Cost	£250,033
Valuation	£250,033
Interest rolled up in fixed income investment	£nil
Basis of valuation	Cost
Equity holding	4.4%
Investment in the period at cost	£nil
Total income recognised in the period	£nil

Unbolted provides a platform for peer-to-peer secured lending, offering short-term liquidity to individuals seeking bridging facilities, or advance sale loans for personal or small business use.



Principal Risks and Uncertainties

The principal risks facing the Company are Venture Capital Trust Status risk and investment valuation and liquidity risk. These risks, and the way in which they are managed are described in more detail under the heading Risk management within the Strategic Report of the Annual Report and Financial Statements for the year ended 31 March 2017.

The Company's assets consist of equity and fixed interest investments and cash. The main risks arising from the Company's financial instruments are credit risk, investment valuation risk, interest rate risk and liquidity risk. These risks, and the way in which they are managed, are described in more detail in Note 20 to the Financial Statements in the Company's Annual Report and Financial Statements for the year ended 31 March 2017.

The Company's principal risks and uncertainties have not changed materially since the date of that report.



Statement of Directors' Responsibilities in respect of the Half-Yearly Report

We confirm that to the best of our knowledge:

- The condensed set of financial statements has been prepared in accordance with the FRS 104 'Interim Financial Reporting';
- The Chairman's Statement (constituting the interim management report) includes a fair review of the information required by DTR 4.2.7R of the "Disclosure and Transparency Rules", being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements;
- The statement of "Principal Risks and Uncertainties" on page 30 is a fair review of the information required by DTR 4.2.7R, being a description of the principal risks and uncertainties for the remaining six months of the year; and
- The financial statements include a fair review of the information required by DTR 4.2.8R of the "Disclosure and Transparency Rules", being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

For and on behalf of the Board

Jonathan Djanogly
Chairman
27 October 2017



Income Statement

for the six months ended 30 September 2017

	Note	Six months ended 30.09.17 (unaudited)			Year ended 31.03.17 (audited)			Six months ended 30.09.16 (unaudited)		
		Revenue £	Capital £	Total £	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Realised/unrealised gains on investments		–	45,000	45,000	–	1,300,433	1,300,433	–	2,103,961	2,103,961
Income		392,794	–	392,794	1,205,035	–	1,205,035	575,509	–	575,509
Investment adviser's fees		(70,620)	(211,861)	(282,481)	(97,522)	(292,564)	(390,086)	(49,766)	(149,295)	(199,061)
Other expenses		(217,380)	(11,600)	(228,980)	(1,265,949)	(10,000)	(1,275,949)	(150,374)	–	(150,374)
Profit/(loss) before tax		104,794	(178,461)	(73,667)	(158,436)	997,869	839,433	375,369	1,954,666	2,330,035
Tax		(19,000)	19,000	–	(22,646)	22,077	(569)	(80,000)	30,000	(50,000)
Profit/(loss) attributable to equity shareholders		85,794	(159,461)	(73,667)	(181,082)	1,019,946	838,864	295,369	1,984,666	2,280,035
Return per share										
Ordinary Share	4	0.22p	(0.48)p	(0.26)p	(2.13)p	7.34p	5.21p	0.83p	8.82p	9.65p
B Ordinary Share	4	0.18p	(0.29)p	(0.11)p	1.65p	(2.49)p	(0.84)p	1.28p	3.42p	4.70p

The total column of this Income Statement represents the profit and loss of the Company, prepared in accordance with Financial Reporting Standards ("FRS"). The supplementary revenue return and capital return columns are prepared in accordance with the Statement of Recommended Practice, "Financial Statements of Investment Trust Companies and Venture Capital Trusts" ("SORP") revised in November 2014 and updated in January 2017. A separate Statement of Comprehensive income has not been prepared as all comprehensive income is included in the income statement.

All revenue and capital items in the above statement derive from continuing operations.

Income Statement continued

Unaudited Non-Statutory Analysis between Ordinary and B Ordinary Shares

For the six months ended 30 September 2017	Ordinary Shares			B Ordinary Shares		
	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Realised/unrealised gains on investments	–	–	–	–	45,000	45,000
Income	158,134	–	158,134	234,660	–	234,660
Investment adviser's fees	(31,908)	(95,724)	(127,632)	(38,712)	(116,137)	(154,849)
Other expenses	(77,091)	–	(77,091)	(140,289)	(11,600)	(151,889)
Profit on ordinary activities before tax	49,135	(95,724)	(46,589)	55,659	(82,737)	(27,078)
Tax on ordinary activities	(9,000)	9,000	–	(10,000)	10,000	–
Profit attributable to equity shareholders	40,135	(86,724)	(46,589)	45,659	(72,737)	(27,078)

For the year ended 31 March 2017	Ordinary Shares			B Ordinary Shares		
	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Realised/unrealised gains on investments	–	1,514,066	1,514,066	–	(213,633)	(213,633)
Income	601,998	–	601,998	603,037	–	603,037
Investment adviser's fees	(62,123)	(186,368)	(248,491)	(35,399)	(106,196)	(141,595)
Other expenses	(952,817)	–	(952,817)	(313,132)	(10,000)	(323,132)
Profit on ordinary activities before tax	(412,942)	1,327,698	914,756	254,506	(329,989)	(75,323)
Tax on ordinary activities	27,239	–	27,239	(49,885)	22,077	(27,808)
Profit attributable to equity shareholders	(385,703)	1,327,698	941,995	204,621	(307,752)	(103,131)

For the six months ended 30 September 2016	Ordinary Shares			B Ordinary Shares		
	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Realised/unrealised gains on investments	–	1,674,713	1,674,713	–	429,248	429,248
Income	300,572	–	300,572	274,937	–	274,937
Investment adviser's fees	(33,015)	(99,043)	(132,058)	(16,751)	(50,252)	(67,003)
Other expenses	(78,147)	–	(78,147)	(72,227)	–	(72,227)
Profit on ordinary activities before tax	189,410	1,575,670	1,765,080	185,959	378,996	564,955
Tax on ordinary activities	(40,000)	20,000	(20,000)	(40,000)	10,000	(30,000)
Profit attributable to equity shareholders	149,410	1,595,670	1,745,080	145,959	388,996	534,955

Condensed Balance Sheet

as at 30 September 2017

Note	30.09.17 (unaudited) £	31.03.17 (audited) £	30.09.16 (unaudited) £
Fixed assets			
Investments	35,731,525	32,873,974	29,482,226
Current assets			
Debtors	1,638,569	2,087,936	3,324,338
Cash at bank and in hand	9,693,034	2,154,677	2,946,038
	11,331,603	4,242,613	6,270,376
Creditors: amounts falling due within one year	(407,765)	(730,725)	(373,399)
Net current assets	10,923,838	3,511,888	5,896,977
Net assets	46,655,363	36,385,862	35,379,203
Capital and reserves			
Called up share capital	434,399	333,781	305,733
Share premium account	27,526,580	16,856,191	13,824,943
Capital redemption reserve	500	500	500
Special reserve	14,241,799	14,669,638	15,281,104
Capital reserve	4,016,836	4,176,297	5,141,017
Revenue reserve	435,249	349,455	825,906
Total shareholders' funds	46,655,363	36,385,862	35,379,203
Net asset value per Ordinary share	4	113.19p	120.89p
Net asset value per B Ordinary share		103.27p	108.23p

The accompanying notes are an integral part of the balance sheet.

Condensed Balance Sheet continued
Non-Statutory Analysis between the Ordinary and B Ordinary Share Funds

As at 30 September 2017	Ordinary Shares £	B Ordinary Shares £	Total £
Fixed assets			
Investments	20,432,323	15,299,202	35,731,525
Current assets			
Debtors	39,014	1,599,555	1,638,569
Cash at bank and in hand	207,171	9,485,863	9,693,034
	246,185	11,085,418	11,331,603
Creditors: amounts falling due within one year	(198,680)	(209,085)	(407,765)
Net current assets	47,505	10,876,333	10,923,838
Net assets	20,479,828	26,175,535	46,655,363
Capital and reserves			
Called up share capital	180,932	253,467	434,399
Share premium account	1,601,914	25,924,666	27,526,580
Capital redemption reserve	500	–	500
Special reserve	14,738,357	(496,558)	14,241,799
Capital reserve	3,857,442	159,394	4,016,836
Revenue reserve	100,683	334,566	435,249
Total shareholders' funds	20,479,828	26,175,535	46,655,363
Net asset value per share	113.19p	103.27p	n/a

Condensed Balance Sheet continued
Non-Statutory Analysis between the Ordinary and B Ordinary Share Funds

As at 31 March 2017	Ordinary Shares £	B Ordinary Shares £	Total £
Fixed assets			
Investments	20,277,199	12,596,775	32,873,974
Current assets			
Debtors	46,786	2,041,150	2,087,936
Cash at bank and in hand	653,658	1,501,019	2,154,677
	700,444	3,542,169	4,242,613
Creditors: amounts falling due within one year	(271,314)	(459,411)	(730,725)
Net current assets	429,130	3,082,758	3,511,888
Net assets	20,706,329	15,679,533	36,385,862
Capital and reserves			
Called up share capital	180,923	152,858	333,781
Share premium account	1,600,912	15,255,279	16,856,191
Capital redemption reserve	500	–	500
Special reserve	14,919,280	(249,642)	14,669,638
Capital reserve	3,944,166	232,131	4,176,297
Revenue reserve	60,548	288,907	349,455
Total shareholders' funds	20,706,329	15,679,533	36,385,862
Net asset value per share	114.45p	102.58p	n/a

Condensed Balance Sheet continued

Non-Statutory Analysis between the Ordinary and B Ordinary Share Funds

As at 30 September 2016	Ordinary Shares £	B Ordinary Shares £	Total £
Fixed assets			
Investments	20,921,519	8,560,707	29,482,226
Current assets			
Debtors	56,839	3,267,499	3,324,338
Cash at bank and in hand	1,112,998	1,833,040	2,946,038
	1,169,837	5,100,539	6,270,376
Creditors: amounts falling due within one year	(221,317)	(152,082)	(373,399)
Net current assets	948,520	4,948,457	5,896,977
Net assets	21,870,039	13,509,164	35,379,203
Capital and reserves			
Called up share capital	180,912	124,821	305,733
Share premium account	1,599,724	12,225,219	13,824,943
Capital redemption reserve	500	–	500
Special reserve	15,281,104	–	15,281,104
Capital reserves	4,212,138	928,879	5,141,017
Revenue reserves	595,661	230,245	825,906
Total shareholders' funds	21,870,039	13,509,164	35,379,203
Net asset value per share	120.89p	108.23p	n/a

Statement of Changes in Equity

For the six months ended 30 September 2017	Share capital £	Share premium £	Capital redemption reserve £	Special reserve £	Capital reserve £	Revenue reserve £	Total £
Opening balance as at 1 April 2017	333,781	16,856,191	500	14,669,638	4,176,297	349,455	36,385,862
Shares issued	100,618	10,901,678	–	–	–	–	11,002,296
Share issue expenses	–	(231,289)	–	–	–	–	(231,289)
Dividend paid	–	–	–	(427,839)	–	–	(427,839)
(Loss)/profit for the period	–	–	–	–	(159,461)	85,794	(73,667)
Closing balance as at 30 September 2017	434,399	27,526,580	500	14,241,799	4,016,836	435,249	46,655,363

For the year ended 31 March 2017	Share capital £	Share premium £	Capital redemption reserve £	Special reserve £	Capital reserve £	Revenue reserve £	Total £
Opening balance as at 1 April 2016	262,080	9,452,414	500	15,281,104	3,156,351	530,537	28,682,986
Shares issued	71,701	7,468,378	–	–	–	–	7,540,079
Share issue expenses	–	(64,601)	–	–	–	–	(64,601)
Dividend paid	–	–	–	(611,466)	–	–	(611,466)
Profit/(loss) for the year	–	–	–	–	1,019,946	(181,082)	838,864
Closing balance as at 31 March 2017	333,781	16,856,191	500	14,669,638	4,176,297	349,455	36,385,862

For the six months ended 30 September 2016	Share capital £	Share premium £	Capital redemption reserve £	Special reserve £	Capital reserve £	Revenue reserve £	Total £
Opening balance as at 1 April 2016	262,080	9,452,414	500	15,281,104	3,156,351	530,537	28,682,986
Shares issued	43,653	4,468,497	–	–	–	–	4,512,150
Share issue expenses	–	(95,968)	–	–	–	–	(95,968)
Profit for the period	–	–	–	–	1,984,666	295,369	2,280,035
Closing balance as at 30 September 2016	305,733	13,824,943	500	15,281,104	5,141,017	825,906	35,379,203

Statement of Changes in Equity continued

Unaudited Non-Statutory Analysis between Ordinary and B Ordinary Shares

Ordinary Shares for the six months ended 30 September 2017	Share capital £	Share premium £	Capital redemption reserve £	Special reserve £	Capital reserve £	Revenue reserve £	Total £
Opening balance as at 1 April 2017	180,923	1,600,912	500	14,919,280	3,944,166	60,548	20,706,329
Shares issued	9	1,002	–	–	–	–	1,011
Dividend paid	–	–	–	(180,923)	–	–	(180,923)
(Loss)/profit for the period	–	–	–	–	(86,724)	40,135	(46,589)
Closing balance as at 30 September 2017	180,932	1,601,914	500	14,738,357	3,857,442	100,683	20,479,828

B Ordinary Shares for the six months ended 30 September 2017	Share capital £	Share premium £	Capital redemption reserve £	Special reserve £	Capital reserve £	Revenue reserve £	Total £
Opening balance as at 1 April 2017	152,858	15,255,279	–	(249,642)	232,131	288,907	15,679,533
Share issue	100,609	10,900,675	–	–	–	–	11,001,284
Share issue expenses	–	(231,288)	–	–	–	–	(231,288)
Dividend paid	–	–	–	(246,916)	–	–	(246,916)
(Loss)/profit for the period	–	–	–	–	(72,737)	45,659	(27,078)
Closing balance as at 30 September 2017	253,467	25,924,666	–	(496,558)	159,394	334,566	26,175,535

Statement of Changes in Equity continued

Unaudited Non-Statutory Analysis between Ordinary and B Ordinary Shares

Ordinary Share for the year ended 31 March 2017	Share capital £	Share premium £	Capital redemption reserve £	Special reserve £	Capital reserve £	Revenue reserve £	Total £
Opening balance as at 1 April 2016	180,912	1,599,724	500	15,281,104	2,616,468	446,251	20,124,959
Shares issued	11	1,188	–	–	–	–	1,199
Dividend paid	–	–	–	(361,824)	–	–	(361,824)
Profit/(loss) for the year	–	–	–	–	1,327,698	(385,703)	941,995
Closing balance as at 31 March 2017	180,923	1,600,912	500	14,919,280	3,944,166	60,548	20,706,329

B Ordinary Share for the year ended 31 March 2017	Share capital £	Share premium £	Capital redemption reserve £	Special reserve £	Capital reserve £	Revenue reserve £	Total £
Opening balance as at 1 April 2016	81,168	7,852,690	–	–	539,883	84,286	8,558,027
Shares issued	71,690	7,467,190	–	–	–	–	7,538,880
Share issue expenses	–	(64,601)	–	–	–	–	(64,601)
Dividends paid	–	–	–	(249,642)	–	–	(249,642)
(Loss)/profit for the year	–	–	–	–	(307,752)	204,621	(103,131)
Closing balance as at 31 March 2017	152,858	15,255,279	–	(249,642)	232,131	288,907	15,679,533

Statement of Changes in Equity continued

Unaudited Non-Statutory Analysis between Ordinary and B Ordinary Shares

Ordinary Shares for the six months ended 30 September 2016	Share capital £	Share premium £	Capital redemption reserve £	Special reserve £	Capital reserve £	Revenue reserve £	Total £
Opening balance as at 1 April 2016	180,912	1,599,724	500	15,281,104	2,616,468	446,251	20,124,959
Profit for the period	–	–	–	–	1,595,670	149,410	1,745,080
Closing balance as at 30 September 2016	180,912	1,599,724	500	15,281,104	4,212,138	595,661	21,870,039

B Ordinary Shares for the six months ended 30 September 2016	Share capital £	Share premium £	Capital redemption reserve £	Special reserve £	Capital reserve £	Revenue reserve £	Total £
Opening balance as at 1 April 2016	81,168	7,852,690	–	–	539,883	84,286	8,558,027
Share issued	43,653	4,468,497	–	–	–	–	4,512,150
Share issue expenses	–	(95,968)	–	–	–	–	(95,968)
Profit for the period	–	–	–	–	388,996	145,959	534,955
Closing balance as at 30 September 2016	124,821	12,225,219	–	–	928,879	230,245	13,509,164

Cash Flow Statement

for the six months ended 30 September 2017

	Six months ended 30.09.17 (unaudited) £	Year ended 31.03.17 (audited) £	Six months ended 30.09.16 (unaudited) £
Operating activities			
Investment income received – qualifying	18,000	530,496	501,143
Deposit and similar interest received – non-qualifying	1,467	1,756	1,595
Investment adviser's fees paid	(333,412)	(239,402)	(133,472)
Cash paid to and on behalf of Directors	(23,597)	(33,864)	(17,605)
Tax	(35,470)	–	–
Other cash payments	(134,773)	(172,219)	(81,216)
Net cash (outflow)/inflow from operating activities	(507,885)	86,767	270,445
Cash flow from investing activities			
Purchase of investments	(1,537,234)	(3,927,888)	(2,097,873)
Sale of investments	–	552,898	552,898
Long-term loans made	(1,200,000)	(2,645,000)	(2,104,280)
Long-term loans repaid	45,000	764,400	464,400
Short-term loans made	–	(1,461,825)	(300,000)
Net cash outflow from investing activities	(2,692,234)	(6,717,415)	(3,484,855)
Net cash outflow before financing	(3,200,119)	(6,630,648)	(3,214,410)
Cash flow from financing activities			
Net proceeds from share issues	11,166,315	7,089,851	3,853,508
Equity dividend paid	(427,839)	(611,466)	–
Net cash inflow from financing	10,738,476	6,478,385	3,853,508
Increase/(decrease) in cash and cash equivalents	7,538,357	(152,263)	639,098
Net cash and cash equivalents at the beginning of period	2,154,677	2,306,940	2,306,940
Net cash and cash equivalents at the end of period	9,693,034	2,154,677	2,946,038

The accompanying notes are an integral part of the statement.

Cash Flow Statement continued
Non-Statutory Analysis between the Ordinary and B Ordinary Share Funds

	Six months ended 30.09.17			Year ended 31.03.17			Six months ended 30.09.16		
	Ordinary Shares £	B Ordinary Shares £	Total £	Ordinary Shares £	B Ordinary Shares £	Total £	Ordinary Shares £	B Ordinary Shares £	Total £
Operating activities									
Investment income received – qualifying	–	18,000	18,000	430,151	100,345	530,496	430,151	70,992	501,143
Deposit and similar interest received – non-qualifying	–	1,467	1,467	82	1,674	1,756	82	1,513	1,595
Investment adviser's fees paid	(177,463)	(155,949)	(333,412)	(159,384)	(80,018)	(239,402)	(93,187)	(40,285)	(133,472)
Cash paid to and on behalf of Directors	(11,716)	(11,881)	(23,597)	(19,643)	(14,221)	(33,864)	(11,325)	(6,280)	(17,605)
Tax	(26,040)	(9,530)	(35,570)	–	–	–	–	–	–
Other cash payments	(51,356)	(83,417)	(134,773)	(114,864)	(57,355)	(172,219)	(58,279)	(22,937)	(81,216)
Net cash (outflow)/inflow from operating activities	(266,575)	(241,310)	(507,885)	136,342	(49,575)	86,767	267,442	3,003	270,445
Cash flow from investing activities									
Purchase of investments	–	(1,537,234)	(1,537,234)	–	(3,927,888)	(3,927,888)	–	(2,097,873)	(2,097,873)
Disposal of investments	–	–	–	106,583	446,315	552,898	106,583	446,315	552,898
Long-term loans made	–	(1,200,000)	(1,200,000)	–	(2,645,000)	(2,645,000)	–	(2,104,280)	(2,104,280)
Long-term loans repaid	–	45,000	45,000	250,000	514,400	764,400	250,000	214,400	464,400
Short-term loans made	–	–	–	–	(1,461,825)	(1,461,825)	–	(300,000)	(300,000)
Net cash (outflow)/inflow from investing activities	–	(2,692,234)	(2,692,234)	356,583	(7,073,998)	(6,717,415)	356,583	(3,841,438)	(3,484,855)
Net cash (outflow)/inflow before financing	(266,575)	(2,933,544)	(3,200,119)	492,925	(7,123,573)	(6,630,648)	624,025	(3,838,435)	(3,214,410)
Cash flow from financing activities									
Net proceeds from share issues	1,011	11,165,304	11,166,315	7,105	7,082,746	7,089,851	–	3,853,508	3,853,508
Equity dividends paid	(180,923)	(246,916)	(427,839)	(361,824)	(249,642)	(611,466)	–	–	–
Net cash (outflow)/inflow from financing	(179,912)	10,918,388	10,738,476	(354,719)	6,833,104	6,478,385	–	3,853,508	3,853,508
(Decrease)/Increase in cash and cash equivalents	(446,487)	7,984,844	7,538,357	138,206	(290,469)	(152,263)	624,025	15,073	639,098

Notes to the Financial Statements

for the six months ended 30 September 2017

1. The half-yearly financial report covers the six months ended 30 September 2017. The Company applies FRS 102 and the AIC's Statement of Recommended Practice revised in November 2014 and updated in January 2017 as adopted for its financial year ended 31 March 2017. The financial statements for this six-month period have been prepared in accordance with FRS 104 and on the basis of the same accounting policies as set out in the Company's Annual Report and Financial Statements for the year ended 31 March 2017.

The comparative figures for the financial year ended 31 March 2017 have been extracted from the latest published audited Annual Report and Financial Statements. Those accounts have been reported on by the Company's auditor and lodged with the Registrar of Companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

2. Going Concern

The Board of Directors is satisfied that the Company has adequate availability of funding in order to continue as a going concern. Therefore, the Company continues to adopt the going concern basis in preparing these Financial Statements.

3. The return per Ordinary Share is based on the profit attributable to Ordinary shareholders for the period and the weighted average number of shares in issue during the period of 18,092,852 (31 March 2017: 18,091,658; 30 September 2016: 18,091,202).

The return per B Ordinary Share is based on the profit attributable to B Ordinary shareholders for the period and the weighted average number of shares in issue during the period of 24,711,784 (31 March 2017: 12,383,649; 30 September 2016: 11,377,273).

4. The net asset value per Ordinary Share at 30 September 2017 is based on net assets of £20,479,828 (31 March 2017: £20,706,329; 30 September 2016: £21,870,039) and the number of shares in issue of 18,093,173 (31 March 2017: 18,092,297; 30 September 2016: 18,091,202).

The net asset value per B Ordinary Share at 30 September 2017 is based on net assets of £26,175,535 (31 March 2017: £15,379,533; 30 September 2016: £13,509,164) and the number of shares in issue of 25,346,738 (31 March 2017: 15,285,811; 30 September 2016: 12,482,091).

5. The Company has one reportable segment, being investing primarily in unquoted companies.
6. The Company is required to report the category of fair value measurements used in determining the value of its investments, to be disclosed by the source of inputs, using a three-level hierarchy:

Quoted market prices in active markets – "Level 1"

Inputs to Level 1 fair values are quoted prices in active markets for identical assets. An active market is one in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis. The Company has no investments classified in this category.

Valued using models with significant observable market parameters – "Level 2"

Inputs to Level 2 fair values are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. The Company has no investments classified in this category.

Valued using models with significant unobservable market parameters – "Level 3"

Inputs to Level 3 fair values are unobservable inputs for the asset. Unobservable inputs may have been used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset at the measurement date (or market information for the inputs to any valuation models). As such, unobservable inputs reflect the assumptions the Company considers that market participants would use in pricing the asset. All the Company's investments are classified within this category.

7. Related Party Transactions

The Company retains Oakley Investment Managers LLP ("OIM") as its Investment Adviser.

Peter Dubens, a non-executive Director of the Company, is a member of OIM. During the six months ended 30 September 2017, £282,481 (30 September 2016: £199,061) was payable to the Investment Adviser for investment adviser services of which £143,435 (30 September 2016: £109,272) was owed to the Investment Adviser at the period end.

Oakley Capital Limited ("OCL"), a company over which Peter Dubens has significant control, acted as promoter for the offer during the period. The fees in the period amounted to £348,380 (30 September 2016: £85,218) out of which OCL cover the costs of the offer. The costs paid by the Company in the period amounted to £148,653 (30 September 2016: £31,725), resulting in a balance of £112,112 owed from OCL to the Company at the period end (September 2016: OCL owed the Company £118,311).

The number of ordinary shares (all of which are held beneficially) by the Directors and certain members of the management team of the Investment Adviser are:

		Shares held at 30 September 2017		
		Ordinary Shares	B Ordinary Shares	Total
Jonathan Djanogly	Director	25,000	25,000	50,000
Laurence Blackall	Director	200,000	100,000	300,000
Peter Dubens	Director	400,000	400,000	800,000
Stewart Porter	Investment adviser	75,000	–	75,000

Save as disclosed in this paragraph there is no conflict of interest between the Company, the duties of the Directors, the duties of the designated members of the Investment Adviser and their private interests and other duties.

8. Copies of the Half-Yearly Report are being sent to all shareholders. Further copies are available free of charge from the Company's registered office.

Corporate Information

Directors (all non-executive)

All of the registered office and principal place of business

Independent

Jonathan Simon Djanogly
(Chairman)
Laurence Charles Neil Blackall

3 Cadogan Gate
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Non-independent

Peter Adam Daiches Dubens

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Investment Adviser

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Reporting calendar

for year ending 31 March 2018

Results announced:

Interim – October 2017

Annual – July 2018





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