

RNS Number: 9938X  
17 January 2014

## **Edge Performance VCT plc (the "Company")**

### **INTERIM MANAGEMENT STATEMENT**

#### **for the period from 1 September 2013 to 17 January 2014**

In accordance with Rule 4.3 of the UK Listing Authority's Disclosure and Transparency Rules, the Company presents an Interim Management Statement for the period from 1 September 2013 to 17 January 2014.

#### Further H Share Offer

An offer for subscription of up to 7.5 million H Shares of 10p each in the capital of the Company was launched on 8 November 2013.

As at 17 January 2014, applications for a total of 1.3 million H Shares (assuming an issue price of 95.50p per share) had been received by the Company.

#### Dividends

On 15 November 2013, the Company paid dividends totalling £5.53 million, as follows:

- 7p per E Share, bringing total cumulative dividends per E Share to 28p;
- 7p per F Share, bringing total cumulative dividends per F Share to 21p;
- 7p per G Share, bringing total cumulative dividends per G Share to 14p; and
- a maiden dividend of 7p per I Share.

On 13 December 2013, the Company paid an interim dividend of 31p per D Share. This brought the total dividends paid in respect of D Shares to 59p per D Share, representing a cumulative cash distribution to holders of C Shares of 84% of their net cost of investment (assuming income tax relief was obtained at 30% of the amount originally invested).

On 4 November 2013, the board of directors of the Company announced that an interim dividend of 3.5p per H Share will be paid on 2 May 2014.

#### New Venture Capital Investments

##### *VCT-Qualifying Investments*

During the period, the Company invested £350,000, by way of follow-on investment in MirriAd Limited, an existing portfolio company. This investment was part of a larger fundraising round undertaken by MirriAd and which was led by a third party investor. For the purposes of the round, the value placed on MirriAd was some 26% higher than the value at which the Company originally invested in MirriAd; consequently, the Company has revalued upwards its existing holding in MirriAd, and that revised valuation is reflected in the net asset values of the F, G, H and I Shares shown in the table below.

The Company also invested £125,000 on a VCT-qualifying basis in existing investee company Intent HQ Limited, as part of a larger third party-led fundraising round by Intent HQ.

As a consequence of the disposal of its investments in WP Acquisitions Limited and Beast Quest Acquisitions Limited, as referred to below, the Company's holding in North Promotions Limited increased.

### Non-Qualifying Investments

In addition to the VCT-qualifying investment referred to above, the Company invested £139,000 on a non-qualifying basis in Intent HQ Limited, by way of a short term loan, which is to be repaid on the completion of its fundraising round.

### Realisation of Venture Capital Investments

During the period, the Company realised, for cash, its investments in Challi Productions Limited, HTM Promotions Limited, Rose Promotions Limited, TRP 2009 Limited and Granon Entertainment Limited. The total proceeds of those realisations amounted to £6.54 million, the proportion of which attributable to the D Share fund was included in the 31p dividend paid on 13 December 2013.

During the period, the Company also sold its entire holdings in WP Acquisitions Limited and Beast Quest Acquisitions Limited, to North Promotions Limited, on a share-for-share basis. The price at which those holdings were sold represented a gain of £1.7 million over the Company's cost of investment of £5.4 million. These acquisitions by North Promotions form part of its broader growth strategy, and will, in the investment manager's view, position the company well to deliver returns to the Company's shareholders.

### Net Asset Values per Share

as at 30 November 2013

Share Class	Net Assets (£'000)	Shares in Issue	Net Asset Value per Share (p)	Net Asset Value Total Return per Share (p)
C	2,965	9,330,098	31.78	99.78
D	13,758	19,172,500	71.76 *	99.76
E	6,253	9,801,952	63.79	91.79
F	21,648	29,379,532	73.68	94.68
G	18,639	24,056,803	77.48	91.48
H	6,283	6,924,978	90.73	94.23
I	14,046	15,766,414	89.09	96.09

\* As the net asset values shown in the table above are as at 30 November 2013, the net asset value per D Share above is prior to the payment on 13 December 2013 of the dividend of 31p per D Share. The adjusted net asset value per D Share, following that dividend payment, is therefore 40.76p.

### Valuation of Portfolio

Under the Company's valuation policy, venture capital investments in the Company's portfolio are normally valued at cost for the first 12 months from the date of investment. Thereafter, an appropriate basis of valuation will be used, in line with the International Private Equity and Venture Capital Valuation Guidelines. Unquoted investments in the portfolio are normally valued bi-annually, as at the Company's half-year end (31 August) and the Company's year end (28 February). The net asset values shown in the table above therefore reflect the valuation of the Company's venture capital investments as at

31 August 2013 save in any instance where there has been, in the Board's opinion, a material change in the position of the relevant investee company since that date.

The valuation of the Company's holding in Intent HQ Limited continues, as before, to be based on the assumption that the fundraising round referred to above will close in full, and that Intent HQ will have sufficient working capital to meet its costs until such time as it is profitable.

The Company is not aware of any significant event or transaction which has occurred between 1 September 2013 and 17 January 2014 not detailed above which has had a material effect on the financial position of the Company.

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