

Electra Kingsway VCT Plc

Interim Report & Accounts

31 March 2006

2006



Objective

The Company's objective is to maximise tax free income to shareholders from dividends and capital distributions. This will be achieved by investing in a portfolio of qualifying investments and in funds managed by Electra Partners.

Investment Strategy

The Company will seek to invest in a diversified portfolio of unquoted and AIM listed companies. Unquoted investments will typically be in companies that intend to float on a market within a two year period or those that have a well developed growth and cash generation strategy. Investments in start-up companies where levels of risk are unacceptably high, in particular the technology sector, will generally be avoided.



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References in this Report to Electra Kingsway VCT Plc have been abbreviated to 'the Company' or 'the Fund'. References to Electra Partners Group Limited and its subsidiaries, including the Investment Manager, Electra Quoted Management Limited, have been abbreviated to Electra Partners.

The financial information in this publication is unaudited and does not comprise Statutory Accounts. The Statutory Accounts for the year ended 30 September 2005 have been delivered to the UK Registrar of Companies and the Report of the Auditors on those accounts was unqualified.

Interim Report Financial Highlights

(unaudited)

| Six months ended 31 March | 2006 | (Restated) 2005 |
|--|----------------|--------------------|
| Net assets | £21.6m | £24.5m |
| Net asset value per share | 102.44p | 113.40p |
| Total dividend paid per ordinary share | 8.15p | 1.65p |
| Total Return per ordinary share (NAV plus dividends) | 110.59p | 115.05p |
| Total Return per ordinary share (over the Company's initial NAV of 95p) | 16.4% | 21.1% |

An interim dividend of 2.5p per ordinary share will be paid on 4 August 2006, to shareholders on the Company's Register of Members at close of business on 7 July 2006.

Interim Report Chairman's Statement

Performance

Since the launch of your Fund, good progress has been made. At 31 March 2006, the Fund showed a total return per ordinary share of 110.59p, which includes dividends paid to date of 8.15p. The Fund is now fully invested in a portfolio of qualifying investments which are well diversified by sector and offer the potential for significant capital upside as they start to mature. At 31 March 2006, the Fund had net assets of £21.6m, which translates into a net asset value (NAV) per share of 102.44p.

The NAV was down slightly from the valuation at 30 September 2005 which in part reflects volatility in AIM prices. In particular, Media Square, which is the largest holding in the Fund, saw its price fall by 19% despite announcing a good set of final results. In the unquoted portfolio, we have written down the carrying value of two investments, Keycom and ePOINT, and written up the carrying value of Gyro.

Portfolio Activity

During the period, two new investments were completed, Hill Station and Conquest Business Media. Hill Station is an AIM listed manufacturer of ice cream. Conquest Business Media is an unquoted publisher of business-to-business trade journals. We also had one disposal after the period end, when James & James was sold to a trade buyer for a gain of 68% on cost.

Dividend

Following the successful realisation of Nectar Taverns and James & James, the Board has approved an interim dividend of 2.5p per ordinary share which will be paid on 4 August 2006 to shareholders on the Register of Members at the close of business on 7 July 2006.

Following the Chancellor's Budget Statement of 22 March 2006, shareholders should be aware that, subject to individual circumstances, any new shares allotted under the Company's Dividend Reinvestment Scheme will attract income tax relief at the reduced rate of up to a maximum of 30%, whereas previously relief of up to 40% was available.

VCT Qualifying Status

Your Board continues to monitor the Company's VCT qualification status. I am pleased to report that all of the required tests in the period were met.

New Accounting Policies

The Company now complies with new UK financial reporting standards, which are reflected in these interim accounts for the first time. The most obvious change is that your Company's portfolio is now valued at the bid price of each holding, that is the price at which shares can be sold. Until now, your Company had used a mid market price. The comparative historic figures in this report have been restated to reflect this accounting change.

Share Buybacks

The Company maintains an active share buyback programme, which is based on the purchase of shares for cancellation at a 10% discount to the last published NAV. During the period a total of 510,094 of the Company's shares were acquired for cancellation at an average price of 95.5p per share. Shareholders wishing to take advantage of the share buyback programme should contact the investor helpline, maintained by Downing Corporate Finance, on 020 7411 4700.

March 2006 Budget

In March 2006, the Chancellor's Budget Statement contained significant changes to VCT legislation which had implications for future VCT investments. The majority of the changes only impact on VCTs being raised in the 2006/7 tax year and thereafter and therefore will have no impact on your Company.

Outlook

Since inception, five portfolio companies have been sold for good gains and the current portfolio has significant upside potential. The level of dividend payments is expected to increase as the portfolio starts to mature.

Rupert Pennant-Rea, Chairman

20 June 2006

Interim Report Investment Manager's Review

Over the last year the NAV of the Fund has slipped back, mainly due to volatility in the AIM portfolio. In particular Brady and Music Copyright Solutions have seen significant share price weakness despite very low trading volumes. However, taking the AIM portfolio as a whole, we estimate that there is considerable upside from the current valuations as the majority are trading on conservative valuations. Within the unquoted portfolio, which represents 63% of qualifying investments, good progress has been made and we would anticipate some significant value to emerge as these companies start to mature. To date we have realised five qualifying investments at an average uplift over cost of 112%.

Portfolio Activity

The two new investments in the period were Hill Station and Conquest Business Media. Hill Station was a recent AIM investment where the company raised money to acquire two larger ice cream manufacturers. The strategy involved consolidating four manufacturing sites into one, thus creating significant cost savings. In its most recent trading update the Company reported that the integration programme was progressing well and the share price rose accordingly. The Fund invested £758,085 alongside Electra Kingsway VCT 2 for a combined equity stake of 16%. Conquest Business Media is a publisher of business-to-business journals. Its core magazines are *The Manufacturer*, *The Manufacturer US* and *British Industry* which it supports with additional conferences and exhibitions. The company has good organic growth potential as well as being a good platform from which to acquire other titles. The Fund invested £750,000 alongside Electra Kingsway VCT 2 for a combined equity stake of 43.4%.

The two main uplifts in the portfolio were Gyro and Hill Station. Gyro is a specialist brand and marketing agency with a focus on business-to-business technology marketing. The company reported good trading results and, using a conservative valuation multiple, the carrying value of the investment was increased. Declines in the period included Media Square, despite its strong underlying rate of profits growth. The company has made significant progress since we first invested and is now capitalised in excess of £60 million. The company is trading on a current year PE multiple of 8.5x, a significant discount to its peer group. Its shares like many AIM listed companies suffer from significant price volatility. The period also saw a write down in the carrying values of Keycom and ePOINT after both companies fell behind budget.

Shortly after the period end, James & James was sold to a trade buyer for an uplift of 68% over cost. James & James specialised in environmental business-to-business publishing and was an investment made in 2003.

Outlook

The Fund is fully invested in a well diversified portfolio of both unquoted and AIM listed qualifying investments. Although we have seen some significant volatility in our AIM portfolio the underlying companies are in the main trading well and offer good upside potential. The unquoted portfolio is also showing encouraging signs of potential value uplift.

Interim Report Portfolio Summary

(unaudited)

| | Cost at 31 March 2006 £ | Valuation at 31 March 2006 £ | % of Portfolio by Value % |
|------------------------------------|-------------------------------|------------------------------------|---------------------------------|
| Qualifying Investments: | | | |
| Media Square | 1,730,000 | 2,157,857 | 10.15 |
| Hill Station | 758,085 | 1,326,650 | 6.23 |
| James & James | 750,000 | 1,263,298 | 5.93 |
| Sanastro | 1,000,000 | 1,000,000 | 4.70 |
| Find Portal | 1,000,000 | 1,000,000 | 4.70 |
| Happy Times | 999,375 | 999,375 | 4.69 |
| Hallmarq | 849,996 | 972,090 | 4.57 |
| Keycom | 1,704,963 | 751,313 | 3.53 |
| Ma Hubbards | 750,000 | 750,000 | 3.52 |
| Amber Taverns | 750,000 | 750,000 | 3.52 |
| Conquest Business Media | 750,000 | 750,000 | 3.52 |
| Advanced Medical Solutions | 500,000 | 661,765 | 3.11 |
| Gyro | 375,000 | 657,960 | 3.09 |
| Centurion Electronics | 1,197,275 | 649,364 | 3.05 |
| 1st Dental | 750,000 | 587,500 | 2.76 |
| Signature Brands Group | 750,000 | 375,000 | 1.76 |
| Quadnetics | 399,999 | 369,810 | 1.74 |
| ePOINT | 550,000 | 275,000 | 1.29 |
| Music Copyright Solutions | 500,004 | 176,472 | 0.83 |
| Brady | 750,000 | 166,667 | 0.78 |
| Immedia Broadcasting | 275,000 | 67,500 | 0.32 |
| | 17,089,697 | 15,707,621 | 73.79 |
| Non-Qualifying Investments: | | | |
| Electra Private Equity | 1,862,149 | 3,572,031 | 16.78 |
| Electra Active Management | 1,550,147 | 2,007,234 | 9.43 |
| | 3,412,296 | 5,579,265 | 26.21 |
| Cash | 20,501,993 | 21,286,886 | 100.00 |
| | | 526,854 | |
| Total | | 21,813,740 | |

Interim Report Co-investment Arrangements

Co-investment Arrangements with other Electra Kingsway VCTs

The Directors welcome the fact that the Investment Manager has three VCT funds ("Electra Kingsway VCTs") it can use for co-investment. This allows the Company to spread its investment risk and gain access to larger investments than it could do on its own. Where a co-investment opportunity arises between the Company and either or both of the other two funds, the Company will invest in an agreed and consistent proportion on the same terms and in the same securities as the Electra Kingsway VCTs with which it co-invests. Costs associated with any such investment will be borne by each fund pro-rata to its investment.

In more detail, the Company's Board has adopted a set of guidelines on its co-investment arrangements with the Electra Kingsway VCTs and the Investment Manager as follows:-

- Other than as set out below, investments will be allocated between the Company and the Electra Kingsway VCTs on a pro-rata basis by reference to each fund's available cash resources.
- Where an opportunity arises for a second or subsequent round of investment in a company in which the Company or one of the Electra Kingsway VCTs has invested at an earlier stage, the fund holding the existing investment will have a preferential right to take up any pro-rata entitlement it may have in the new financing round. The amount it invests on this basis will not be taken into account in determining its co-investment share thereafter.
- The Company will make an investment in which one or more of the Electra Kingsway VCTs have existing investments only when the Board considers that to be in the best interests of the Company.
- Any potential conflict of interest in a proposed investment by one or more of the Electra Kingsway VCTs will be referred by the Investment Manager to the Board of the Company and the other relevant Boards.
- In the event of a possible conflict of interest between the Investment Manager and the Company, the matter will be decided by those directors who are independent of the Investment Manager.

The Board of the Company acknowledges that the Investment Manager may occasionally recommend an allocation of investments on a different basis from the one described above. For example, an exception may be made to ensure that one or more of the Electra Kingsway VCTs maintain their status as an HMRC approved VCT, or in the interests of balancing their portfolios. A different basis may also be necessary to meet the requirements of potential investee companies.

Interim Accounts Profit and Loss Account

| | Notes | For the six months ended 31 March 2006 (unaudited) £ | Restated For the six months ended 31 March 2005 (unaudited) £ | Restated For the year ended 30 September 2005 (unaudited) £ |
|--|-------|---|---|---|
| Loss on realisation of investments | | (56,400) | (210,356) | (70,536) |
| Unrealised gains/(losses) on revaluation of investments | | (249,184) | 772,845 | 556,852 |
| Income | 2 | 95,149 | 170,221 | 229,279 |
| | | (210,435) | 732,710 | 715,595 |
| Investment Management fee | | (220,609) | (278,868) | (503,710) |
| Other expenses | | (166,615) | (143,474) | (321,322) |
| | | (387,224) | (422,342) | (825,032) |
| Profit/(Loss) before tax | | (597,659) | 310,368 | (109,437) |
| Tax on ordinary activities | | – | – | – |
| Profit/(Loss) after tax | | (597,659) | 310,368 | (109,437) |
| Dividends | | – | – | (1,410,096) |
| Retained Profit/(Loss) | | (597,659) | 310,368 | (1,519,533) |
| Earnings per share | 3 | (2.78)p | 1.43p | (0.50)p |

The amounts dealt with in the Profit and Loss Account are all derived from continuing activities.

No operations were acquired or discontinued in the period.

There are no recognised gains or losses other than those included in the Profit and Loss Account.

The notes on pages 11 to 12 form part of these Financial Statements.

Reconciliation of Total Shareholders' Funds

| | For the six months ended 31 March 2006 (unaudited) £ | Restated For the six months ended 31 March 2005 (unaudited) £ | Restated For the year ended 30 September 2005 (unaudited) £ |
|--|---|---|---|
| Total gains and losses for the period | (597,659) | 310,368 | (109,437) |
| Ordinary shares issued | – | – | 179,395 |
| Repurchase of Ordinary shares | (487,146) | (145,549) | (292,423) |
| Dividend on ordinary shares | – | – | (1,410,096) |
| Movements in Total Shareholders' Funds | (1,084,805) | 164,819 | (1,632,561) |
| Total Shareholders' Funds at start of period as restated | 22,686,745 | 24,319,306 | 24,319,306 |
| Total Shareholders' Funds | 21,601,940 | 24,484,125 | 22,686,745 |

Interim Accounts Balance Sheet

As at 31 March 2006

| Notes | As at 31 March 2006 (unaudited) | | Restated As at 31 March 2005 (unaudited) | | Restated As at 30 September 2005 (unaudited) | |
|---|------------------------------------|------------------------------------|--|---|--|---|
| | £ | £ | £ | £ | £ | £ |
| Fixed Assets | | | | | | |
| Investments | 4 | 21,286,886 | 20,884,195 | | 22,153,592 | |
| Current Assets | | | | | | |
| Debtors | | 98,617 | 180,923 | | 173,935 | |
| Cash at bank | | 526,854 | 3,529,565 | | 449,857 | |
| | | 625,471 | 3,710,488 | | 623,792 | |
| Creditors: amounts falling due within one year | | | | | | |
| Creditors | | 310,417 | 110,558 | | 90,639 | |
| | | 310,417 | 110,558 | | 90,639 | |
| Net Current Assets | | 315,054 | 3,599,930 | | 533,153 | |
| Net Assets | | 21,601,940 | 24,484,125 | | 22,686,745 | |
| Capital and Reserves | | | | | | |
| Called-up share capital | | 210,869 | 215,917 | | 215,970 | |
| Share premium account | | 13,951,929 | 13,774,186 | | 13,951,929 | |
| Capital redemption reserve | | 9,051 | 2,353 | | 3,950 | |
| Special reserve | | 5,881,960 | 6,864,452 | | 6,717,580 | |
| Revaluation reserve | | 784,893 | 2,116,799 | | 2,048,682 | |
| Profit and loss account | | 763,238 | 1,510,418 | | (251,366) | |
| Total Equity Shareholders' Funds | | 21,601,940 | 24,484,125 | | 22,686,745 | |
| Net Asset Value per Ordinary Share | | 102.44p | 113.40p | | 105.05p | |
| | | | | | | |
| | | As at 31 March 2006 (unaudited) | As at 31 March 2005 (unaudited) | | As at 30 September 2005 (audited) | |
| Number of ordinary shares in issue at end of period | | 21,086,962 | 21,591,663 | | 21,597,056 | |

Interim Accounts Cash Flow Statement

| | For the six months ended 31 March 2006 (unaudited) | | For the six months ended 31 March 2005 (unaudited) | | For the year ended 30 September 2005 (audited) | |
|---|--|------------------|--|------------------|--|--------------------|
| | £ | £ | £ | £ | £ | £ |
| Operating Activities | | | | | | |
| Investment income received | 109,298 | | 189,447 | | 324,536 | |
| Bank interest received | 4,983 | | 18,539 | | 25,044 | |
| Investment management fees paid | (173,124) | | (224,078) | | (534,174) | |
| Other cash payments | (163,534) | | (194,221) | | (325,666) | |
| Net Cash Outflow from Operating Activities | | (222,377) | | (210,313) | | (510,260) |
| Capital Expenditure and Financial Investments | | | | | | |
| Sale of investments | 2,683,057 | | 4,620,837 | | 6,064,781 | |
| Acquisition of investments | (2,121,935) | | (3,520,927) | | (6,314,212) | |
| Net Cash Inflow/(Outflow) from Capital Expenditure and Financial Investments | | 561,122 | | 1,099,910 | | (249,431) |
| Equity Dividends Paid | | – | | – | | (1,230,475) |
| Cash Inflow/(Outflow) before Financing and Management of Liquid Resources | | 338,745 | | 889,597 | | (1,990,166) |
| Financing | | | | | | |
| Repurchase of ordinary shares | (261,748) | | (103,715) | | (303,660) | |
| Net Cash Outflow from Financing | | (261,748) | | (103,715) | | (303,660) |
| Increase/(Decrease) in Cash for the Period | | 76,997 | | 785,882 | | (2,293,826) |

Interim Accounts Statement of Accounting Policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the current period, is set out below:

a) Presentation of financial statements

In order to enable the Company to make capital distributions, the Company has revoked its investment company status and is accordingly unable to take advantage of the accounting exemptions that status permits. The results of the Company have been prepared in accordance with the requirements of Schedule IV of the Companies Act 1985.

Following an application to the court a special reserve was created from a reduction in the share premium account. The special reserve has been utilised to facilitate a share buy back programme and to eliminate realised losses transferred from the profit and loss account.

Reference to revenue and capital in the financial statements reflects the basis on which the taxation is calculated and the treatment applied in determining the amounts available for revenue dividend distribution.

b) Basis of accounting

The accounts have been prepared under the historical cost convention, modified to include the revaluation of investments, and in accordance with applicable accounting standards in the United Kingdom.

c) Valuation of investments

Listed investments and investments traded on AIM are stated at closing bid prices. Previously all investments were valued using closing mid market prices. Comparative figures have been restated accordingly. The impact of this restatement on the previously reported Net Asset Value of the Company is set out in Note 1.

Unquoted investments and investments traded on OFEX are stated at Directors' valuation.

In valuing unlisted investments, the Directors follow a number of general principles in accordance with the latest International Private Equity and Venture Capital ("IPEVC") valuation guidelines.

Realised gains or losses on the disposal of investments are taken to the revenue reserve.

Unrealised gains or losses on the revaluation of investments are taken to the unrealised capital reserve.

The impact of the move from using mid market prices to bid prices is set out in Note 1.

d) Income

Dividends receivable from equity investments are brought into account on the ex-dividend date.

Fixed returns on non-equity investments and on debt securities are recognised on a time apportionment basis, which reflects the effective yield.

Interest receivable on cash deposits is accounted for on an accruals basis.

e) Expenses

All expenses are accounted for on an accruals basis and are charged through the profit and loss account, except as follows:

- expenses which are incidental to the acquisition of an investment are included in the cost of investment;
- expenses incurred as a result of an issue of shares are allocated against the share premium account.

f) Taxation

The charge for taxation is based on the net revenue for the period. Deferred tax is provided on all timing differences that have originated but not reversed by the balance sheet date. Deferred tax assets are only recognised to the extent that they are recoverable.

The tax effects of different items in the Profit and Loss Account are allocated between capital and revenue on the same basis as the particular item to which they relate using the Company's effective rate of tax for the accounting period.

Interim Accounts Notes to the Accounts

1 Restatement of Unrealised Capital Reserves and Net Assets as at 31 March 2005 and 30 September 2005.

FRS 26 "Financial Instruments Measurement", requires investments to be valued at bid price rather than mid market price.

FRS 21 "Events after the Balance Sheet Date" requires that dividends paid by the Company are shown as a liability in the period when they are paid and not the period when they are declared.

A reconciliation of reserves incorporating the adjustments required by the adoption of FRS 21 and FRS 26 is illustrated below:-

| | As at 31 March 2005 £ | As at 30 September 2005 £ |
|---|--------------------------|------------------------------|
| Reconciliation of unrealised capital reserves | | |
| Unrealised capital reserves previously reported at period end | 2,506,815 | 2,260,796 |
| Adjustment as required by adoption of FRS 26 | (390,016) | (212,114) |
| Unrealised capital reserves as restated | 2,116,799 | 2,048,682 |
| Reconciliation of net assets | | |
| Net assets previously reported at period end | 23,464,045 | 22,898,859 |
| Adjustment as required by adoption of FRS 26 | (390,016) | (212,114) |
| Adjustment as required by adoption of FRS 21 | 1,410,096 | - |
| Net assets as restated | 24,484,125 | 22,686,745 |

2. Income

| | For the six months ended 31 March 2006 (unaudited) £ | For the six months ended 31 March 2005 (unaudited) £ | For the year ended 30 September 2005 (audited) £ |
|---------------------------------------|---|---|---|
| Franked investment income | 80,791 | 95,990 | 128,977 |
| Interest from fixed income securities | 9,375 | 55,692 | 75,258 |
| Interest from bank deposits | 4,983 | 18,539 | 25,044 |
| | 95,149 | 170,221 | 229,279 |

3. Return to Shareholders per Ordinary Share

Basic and diluted earnings/loss per share is based on the loss from ordinary activities after taxation of £597,659 (31.03.2005: profit of £310,368 and 30.09.2005: loss of £109,437) and on 21,509,928 (31.03.2005: 21,672,926 and 30.09.2005: 21,701,176) ordinary shares, being the weighted average number of ordinary shares in issue during the period.

Interim Accounts Notes to the Accounts

4 Investments

| | Qualifying Investments | | | Non-qualifying Investments | | | | Total £ |
|---|------------------------|------------------------|---------------|--|--|-----------------------|--------------------------------------|-------------|
| | Traded on AIM £ | Traded on OFEX £ | Unlisted £ | Open-ended Investment Company £ | Closed-ended Investment Company £ | Traded on AIM £ | Fixed Interest Securities £ | |
| Cost at 1 October 2005 | 4,919,783 | 1,400,963 | 8,464,520 | 2,000,000 | 1,862,149 | 932,495 | 525,000 | 20,104,910 |
| Unrealised gains/(losses) at 1 October 2005 (restated) | (245,316) | (593,963) | 998,376 | 689,767 | 1,214,996 | 8,647 | (23,825) | 2,048,682 |
| Valuation at 1 October 2005 (restated) | 4,674,467 | 807,000 | 9,462,896 | 2,689,767 | 3,077,145 | 941,142 | 501,175 | 22,153,592 |
| Purchases at cost | 1,008,085 | 304,000 | 809,850 | - | - | - | - | 2,121,935 |
| Disposals at 1 October 2005 valuation | - | - | (1,621,282) | (617,000) | - | - | (501,175) | (2,739,457) |
| Unrealised gains/(losses) in period | (67,950) | (359,687) | 141,259 | (65,533) | 494,886 | (392,159) | - | (249,184) |
| Valuation at 31 March 2006 | 5,614,602 | 751,313 | 8,792,723 | 2,007,234 | 3,572,031 | 548,983 | - | 21,286,886 |
| Cost at 31 March 2006 | 5,927,868 | 1,704,963 | 8,524,371 | 1,550,147 | 1,862,149 | 932,495 | - | 20,501,993 |
| Unrealised gains/(losses) at 31 March 2006 | (313,266) | (953,650) | 268,352 | 457,087 | 1,709,882 | (383,512) | - | 784,893 |
| Valuation at 31 March 2006 | 5,614,602 | 751,313 | 8,792,723 | 2,007,234 | 3,572,031 | 548,983 | - | 21,286,886 |

Additional Information Pro forma Statement of Total Return

(incorporating the Revenue Account)

The Company's results set out on page 7 have been prepared in accordance with the requirements of Schedule IV of the Companies Act 1985, which requires that realised gains and losses, including those arising from the disposal of investments, are included in the profit for the period and unrealised capital gains are excluded from the profit for the period.

To enable investors to compare the results of the Company with other VCTs, the Directors have prepared the Statement of Total Return that is required for investment companies.

| | For the six months ended 31 March 2006 (unaudited) | | | Restated For the six months ended 31 March 2005 (unaudited) | | | Restated For the year ended 30 September 2005 (unaudited) | | |
|--|--|--------------|------------|--|--------------|------------|--|--------------|------------|
| | Revenue £ | Capital £ | Total £ | Revenue £ | Capital £ | Total £ | Revenue £ | Capital £ | Total £ |
| Unrealised gains/(losses) on investments | - | (249,184) | (249,184) | - | 772,845 | 772,845 | - | 556,852 | 556,852 |
| Realised losses on investments | - | (56,400) | (56,400) | - | (210,356) | (210,356) | - | (70,536) | (70,536) |
| Income | 95,149 | - | 95,149 | 170,221 | - | 170,221 | 229,279 | - | 229,279 |
| | 95,149 | (305,584) | (210,435) | 170,221 | 562,489 | 732,710 | 229,279 | 486,316 | 715,595 |
| Investment management fees | (55,152) | (165,457) | (220,609) | (69,717) | (209,151) | (278,868) | (125,927) | (377,783) | (503,710) |
| Other expenses | (166,615) | - | (166,615) | (143,474) | - | (143,474) | (321,322) | - | (321,322) |
| Return on Ordinary Activities after Taxation | (126,618) | (471,041) | (597,659) | (42,970) | 353,338 | 310,368 | (217,970) | 108,533 | (109,437) |
| Tax on ordinary activities | - | - | - | - | - | - | - | - | - |
| Return on Ordinary Activities after Taxation | (126,618) | (471,041) | (597,659) | (42,970) | 353,338 | 310,368 | (217,970) | 108,533 | (109,437) |
| Return per ordinary share | (0.59p) | (2.19p) | (2.78p) | (0.20p) | 1.63p | 1.43p | (1.00p) | 0.50p | (0.50p) |

Additional Information Contacts/Dividend Reinvestment Scheme

Electra Kingsway VCT Plc

Board of Directors

Rupert Pennant-Rea (Chairman)
Michael Broke
David Donnelly
Nicholas Ross
David Sebire

Investment Manager and Administrator

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Secretary and Registered Office

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Company Number

4286368

Registered Independent Auditors and VCT Advisers

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Telephone +44 (0)8701 623124
www.capitaregistrars.com

Any change of address of a shareholder or other relevant amendment to shareholder details should be communicated to the Company's Registrar, Capita Registrars.

Dividend Reinvestment Scheme

The Company has established a Dividend Reinvestment Scheme. Any shareholder wishing to participate in or withdraw from this Scheme should contact Capita Registrars.



