

Oxford Technology Venture Capital Trust Plc

Unaudited Half-Yearly Report

For the period

1 March 2017 to 31 August 2017

Financial Headlines

	6 Months Ended 31 August 2017	Year Ended 28 February 2017
Net Assets at Period End	£2.85m	£2.89m
Net Asset Value per Share	52.6p	53.2p
Cumulative Dividend per Share	55.0p	54.0p
Total NAV Return per Share	107.6p	107.2p
Share Price at Period End	35.0p	35.0p
Earnings per Share	0.4p	(6.7)p



Select Technology – Scan2Everywhere

Statement on behalf of the Board

I am pleased to present the unaudited results for the six month period ended 31 August 2017.

Results and Dividends

The Company's net asset value (NAV) per share has decreased by 0.6p from 53.2p at 28 February 2017 to 52.6p at 31 August 2017. The underlying NAV per share rose by 0.4p but was offset by the payment of a 1p per share dividend on 21 July 2017.

Portfolio Review

The companies within the portfolio continue to develop.

Select Technology, a photocopier (or more generally Multi Function Device, or MFD) software company, remains the largest holding in your Company's portfolio. The company is profitable and continues to grow, despite the continued execution of a planned transition to reduce dependency on one particular supplier, which will have the effect of increasing business resilience. Taking these developments into account, we have reverted to a valuation methodology based on a sales multiple to more appropriately reflect the prospects of the business, although the impact of this is small during the half year period.

Scancell has a strong novel cancer related clinical development pipeline. SCIB1, targeting malignant melanoma, has had good Phase 1/2 results and a Phase 2 combination trial with an immune checkpoint inhibitor is planned for 2018. SCIB2 targets non-small lung cancer and Modi-1 targets breast and ovarian cancers and osteosarcoma. Four Phase 1/2 trials on each target are also planned for 2018. Scancell raised £5 million at 10p per share during the reporting period in an oversubscribed AIM placing – your company did not take part in this due to restrictive VCT rules. The net proceeds of the placing (£4.7 million after expenses) are being used to support the Company's clinical development pipeline of novel cancer immunotherapies and to continue to support the pipeline arising from the ImmunoBody platform.

The bid price of Scancell's shares used for the calculation of the Company's net asset value on 31 August 2017 was 14.0p, unchanged from the bid price on 28 February 2017.

The Directors along with the Investment Advisor continue to take an active interest in the remaining companies within the portfolio, both to support their management teams to achieve company development, but also to prepare companies for realisation at the appropriate time. It should be noted that the current portfolio is highly concentrated with Select representing 51% and Scancell 35% of the VCT's equity – your Company's NAV is therefore very sensitive to changes in the valuations of these two portfolio companies.

Liquidity

At period end we had net current assets of £123k.

VCT qualifying status

The Board has procedures in place to ensure that the Company continues to comply with the conditions laid down by HMRC for maintaining approval as a VCT.

Presentation of half-yearly report

In order to reduce the length of this report, we have omitted details of the Company's objectives and investment strategy, its Advisers and Registrar and how to buy and sell shares in the Company. These details are all included in the Annual Reports, which together with previous half-yearly reports, are available for viewing on the Oxford Technology website.

Outlook

Your directors continue to monitor changes to VCT legislation, and its potential impact on both the VCT and its investee companies. The recent publication of the Patient Capital Review makes many recommendations regarding investment into early stage high growth companies. It is expected that this may drive additional changes to tax efficient investment schemes. Your directors do not expect that this will have any material impact on the current portfolios or on current investors as the VCT is fully invested. Likewise, whilst the impact of Brexit

remains unclear, your directors do not expect its eventual outcome to have a material impact on portfolio valuations.

The directors' view remains that the portfolio, while concentrated, still holds significant potential over the medium term but is not without risk. In our previous quarterly update, the Board announced that it wishes to have in place appropriate plans to ensure any further realisations do not result in your VCT becoming sub-economic, and to this end the Board is continuing to consider all the options open to your VCT. Should the Board consider any such proposal to be in the best interests of existing shareholders, a further announcement will be made. However, there can be no certainty that any of these discussions will lead to a concrete proposal, at this time or in the future.

Finally, I would like to take this opportunity to thank shareholders, many whom we were able to welcome to our AGM in July, for their continued support.

Alex Starling
Chairman
20 October 2017

Investment Portfolio as at 31 August 2017

Company	Description	Net Cost of investment £'000	Carrying value at 31/8/17 £'000	Change in value for the 6 month period £'000	% Equity held OT1	% Equity held All OT	% of fund investment value
Select Technology	Photocopier interfaces	488	1,400	21	30.0	58.6	51.3
Scancell (bid price 14p)	Antibody based cancer therapeutics	344	964	-	2.2	3.8	35.3
Getmapping	Aerial photography	518	249	21	3.9	3.9	9.1
Biocote	Bactericidal powder coating	85	119	13	6.6	6.6	4.3
Total Investments		1,435	2,732	55			100%
Other Net Assets			123				
Net Assets			2,855				

Responsibility Statement of the Directors in respect of the half-yearly report

We confirm that to the best of our knowledge:

- the half-yearly financial statements have been prepared in accordance with the statement “Interim Financial Reporting” issued by the Financial Reporting Council;
- the half-yearly report includes a fair review of the information required by the Financial Services Authority Disclosure and Transparency Rules, being:
 - an indication of the important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements.
 - a description of the principal risks and uncertainties for the remaining six months of the year.
 - a description of related party transactions that have taken place in the first six months of the current financial year that may have materially affected the financial position or performance of the Company during that period and any changes in the related party transactions described in the last annual report that could do so.

On behalf of the Board:

Alex Starling - Chairman
20 October 2017

Income Statement

	Six months to 31 Aug 2017			Six months to 31 Aug 2016			Year to 28 February 2017		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gain/(Loss) on disposal of fixed asset investments	-	-	-	-	-	-	-	-	-
Unrealised gain/(loss) on valuation of fixed asset investments	-	55	55	-	30	30	-	(393)	(393)
Investment income	7	-	7	-	-	-	110	-	110
Investment management fees	(4)	(11)	(15)	(4)	(13)	(17)	(8)	(25)	(33)
Other expenses	(27)	-	(27)	(24)	-	(24)	(51)	-	(51)
Return on ordinary activities before tax	(24)	44	20	(28)	17	(11)	51	(418)	(367)
Taxation on ordinary activities	-	-	-	-	-	-	-	-	-
Return on ordinary activities after tax	(24)	44	20	(28)	17	(11)	51	(418)	(367)
Earnings per share – basic and diluted	(0.4)p	0.8p	0.4p	(0.5)p	0.3p	(0.2)p	1.0p	(7.7)p	(6.7)p

- The ‘Total’ column of this statement is the profit and loss account of the Company; the supplementary Revenue return and Capital return columns have been prepared under guidance published by the Association of Investment Companies.
- All revenue and capital items in the above statement derive from continuing operations.
- The accompanying notes are an integral part of the half-yearly report.
- The Company has only one class of business and derives its income from investments made in shares and securities and from bank and money market funds.

The Company has no recognised gains or losses other than the results for the period as set out above. Accordingly a Statement of Comprehensive Income is not required.

Balance Sheet

	As at 31 Aug 2017		As at 31 Aug 2016		As at 28 February 2017	
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed asset investments*		2,732		3,102		2,678
Current assets:						
Debtors	14		18		2	
Creditors: Amounts falling due within one year	(9)		(6)		(8)	
Cash at Bank	118		131		217	
Net current assets		123		143		211
Net assets		2,855		3,245		2,889
Called up equity share capital		543		543		543
Share premium		176		176		176
Unrealised capital reserve		1,297		1,666		1,242
Profit and Loss account reserve		839		860		928
Total equity shareholders' funds		2,855		3,245		2,889
Net asset value per share		52.6p		59.7p		53.2p

* At fair value through profit and loss

Statement of Changes in Equity

	Share Capital £'000	Share Premium £'000	Unrealised Capital Reserve £'000	Profit & Loss Reserve £'000	Total £'000
As at 1 March 2016	543	176	1,346	1,262	3,327
Revenue return on ordinary activities after tax	-	-	-	(28)	(28)
Expenses charged to capital	-	-	-	(13)	(13)
Current period gains on fair value of investments	-	-	30	-	30
Prior years' unrealised losses now realised	-	-	290	(290)	-
Dividends paid	-	-	-	(71)	(71)
Balance as at 31 August 2016	543	176	1,666	860	3,245
As at 1 March 2016	543	176	1,346	1,262	3,327
Revenue return on ordinary activities after tax	-	-	-	51	51
Expenses charged to capital	-	-	-	(25)	(25)
Current period losses on fair value of investments	-	-	(393)	-	(393)
Prior years' unrealised losses now realised	-	-	289	(289)	-
Dividends paid	-	-	-	(71)	(71)
Balance as at 28 February 2017	543	176	1,242	928	2,889
As at 1 March 2017	543	176	1,242	928	2,889
Revenue return on ordinary activities after tax	-	-	-	(24)	(24)
Expenses charged to capital	-	-	-	(11)	(11)
Current period gains on fair value of investments	-	-	55	-	55
Dividends paid	-	-	-	(54)	(54)
Balance as at 31 August 2017	543	176	1,297	839	2,855

Statement of Cash Flows

	Six months to 31 Aug 2017 £'000	Six months to 31 Aug 2016 £'000	Year to 28 February 2017 £'000
Cash flows from operating activities			
Return on ordinary activities before tax	20	(11)	(367)
Adjustments for:			
Increase in debtors	(12)	(15)	-
Increase/(decrease) in creditors	2	(4)	(1)
Gain on disposal of fixed asset investments	-	-	-
(Gain)/loss on valuation of fixed asset investments	(55)	(30)	393
(Outflow)/inflow from operating activities	(45)	(60)	25
Cash flows from investing activities			
Purchase of fixed asset investments	-	-	-
Sale of fixed asset investments	-	9	10
Total cash flows from investing activities	-	9	10
Cash flows from financing activities			
Dividends paid	(54)	(71)	(71)
Total cash flows from financing activities	(54)	(71)	(71)
Increase/(decrease) in cash and cash equivalents	(99)	(122)	(36)
Opening cash and cash equivalents	217	253	253
Closing cash and cash equivalents	118	131	217

Notes to the Half-Yearly Report

1. Basis of preparation

The unaudited half-yearly results which cover the six months to 31 August 2017 have been prepared in accordance with the Financial Reporting Council's (FRC) Financial Reporting Standard 104 Interim Financial Reporting ('FRS 104') and the Statement of Recommended Practice (SORP) for Investment Companies re-issued by the Association of Investment Companies in November 2014. Details of the accounting policies and valuation methodologies are included in the Annual Report.

2. Publication of non-statutory accounts

The unaudited half-yearly results for the six months ended 31 August 2017 do not constitute statutory accounts within the meaning of Section 415 of the Companies Act 2006. The comparative figures for the year ended 28 February 2017 have been extracted from the audited financial statements for that year, which have been delivered to the Registrar of Companies. The independent auditor's report on those financial statements, in accordance with chapter 3, part 16 of the Companies Act 2006, was unqualified. This half-yearly report has not been reviewed by the Company's auditor.

3. Earnings per share

The calculation of earnings per share for the period is based on the return attributable to shareholders divided by the weighted average number of shares in issue during the period. There are no potentially dilutive capital instruments in issue and, therefore, no diluted returns per share figures are relevant.

4. Net asset value per share

The net asset value per share is based on the net assets at the period end divided by the number of shares in issue at that date (5,431,655 in each case).

5. Principal risks and uncertainties

The Company's assets consist of equity and fixed interest investments, cash and liquid resources. Its principal risks are therefore market risk, credit risk and liquidity risk. Other risks faced by the Company include economic, loss of approval as a Venture Capital Trust, investment and strategic, regulatory, reputational, operational and financial risks. These risks, and the way in which they are managed, are described in more detail in the Company's Annual Report and Accounts for the year ended 28 February 2017. The Company's principal risks and uncertainties have not changed materially since the date of that report.

6. Related party transactions

OT1 Managers Ltd, a wholly owned subsidiary, provides investment management services to the Company for a fee of 1% of net assets per annum.

7. Copies of this statement are available from Oxford Technology Management, The Magdalen Centre, Oxford Science Park, Oxford OX4 4GA and on the Company's website – www.oxfordtechnology.com/vct1.

Board Directors: Alex Starling, Robin Goodfellow, Richard Roth and David Livesley

Investment Manager: OT1 Managers Ltd with services contracted to Oxford Technology Management Ltd

Website: www.oxfordtechnology.com/vct1