

Albion Development VCT PLC
Interim Management Statement as at 31 March 2018
 LEI Code 213800FDDMBD9QLHLB38

Introduction

I am pleased to present Albion Development VCT PLC (the “Company”)'s interim management statement for the period from 1 January 2018 to 31 March 2018.

Performance and dividends

The Company's unaudited net asset value (NAV) as at 31 March 2018 was £58.0 million or 78.2 pence per share (excluding treasury shares), an increase of 4.4 pence per share (6.0 per cent.) since 31 December 2017.

A major contributor of the increase was the successful sale of Grapeshot Limited which completed after the period end. If the full escrow amount is received, we will have realised approximately 10 times our original investment.

After accounting for the first dividend for the year ending 31 December 2018 of 2.0 pence per share (2017: first dividend of 2.0 pence per share) to be paid on 31 May 2018 to shareholders on the register on 4 May 2018, the NAV is 76.2 pence per share.

Albion VCTs Prospectus Top Up Offers 2017/18

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

Date	Number of shares issued	Aggregate nominal value of shares £'000	Issue price per share (including costs of issue)	Net proceeds £'000
31 January 2018	1,903,510	19	74.0p	1,373

The Board announced on 26 February 2018 that the Company had reached its £6 million limit under its offer pursuant to the Prospectus dated 6 September 2017, and so was closed.

The proceeds of the Offer are being used to provide further resources to the Company at a time when a number of attractive new investment opportunities are being seen.

Share buybacks

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

It remains the Board's policy to buy back shares in the market, subject to the overall constraint that such purchases are in the Company's interest, including the maintenance of sufficient resources for investment in existing and new portfolio companies and the continued payment of dividends to shareholders.

It is the Board's intention for such buy-backs to be at around a 5 per cent. discount to net asset value, so far as market conditions and liquidity permit.

Portfolio

The following investments have been made during the period from 1 January 2018 to 31 March 2018:

<i>New qualifying investments</i>	£'000	Activity
Koru Kids Limited	272	<i>Online marketplace connecting parents and nannies</i>
<i>Total new qualifying investments</i>	272	

<i>Follow on investments into existing portfolio companies</i>	£'000	Activity
Panaseer Limited	309	<i>Provider of cyber security services</i>
Convertr Media Limited	175	<i>Digital lead generation software</i>
<i>Total further investments</i>	484	

Top ten holdings as at 31 March 2018:

Investment	Value £'000	% of net asset value	Activity
Grapeshot Limited	6,102	10.5	<i>Provider of digital marketing software</i>
Radnor House School (Holdings) Limited	5,930	10.2	<i>Independent schools for children aged 3-18</i>
Egress Software Technologies Limited	3,216	5.5	<i>Encrypted email & file transfer service provider</i>
Chonais River Hydro Limited	2,372	4.1	<i>Owns and operates a 2 MW hydro-power scheme in the Scottish Highlands</i>
Proveca Limited	2,354	4.1	<i>Reformulation of paediatric medicines</i>
The Street by Street Solar Programme Limited	2,115	3.6	<i>Owns and operates photovoltaic systems on domestic properties in the UK</i>
Regenerco Renewable Energy Limited	1,827	3.1	<i>Generator of renewable energy from roof top solar installations</i>
Alto Prodotto Wind Limited	1,397	2.4	<i>Owns and operates community scale wind energy projects on brownfield sites in the UK</i>
Mirada Medical Limited	1,382	2.4	<i>Developer of medical imaging software</i>
Bravo Inns II Limited	1,377	2.4	<i>Owner and operator of freehold pubs</i>

A full breakdown of the Company's portfolio can be found on the Company's webpage on the Manager's website at www.albion.capital/funds/AADV, by following the 'Portfolio of Investments' link under the 'Funds reports' section.

Material events and transactions after the period end**Portfolio**

After the period end, the Company undertook the following investment transactions:

- As announced on 24 April 2018, contracts were exchanged for the sale of Grapeshot Limited, which subsequently completed on 15 May 2018. The valuation of the holding as at 31 March 2018 includes discounts to the total estimated consideration to reflect completion and other risks.
- Investment of £899,000 in an existing portfolio company Sandcroft Avenue Limited, which provides flexible access to gyms trading as PayasUgym.com;
- Investment of £239,000 in an existing portfolio company, Black Swan Data Limited, which provides data analysis that supports corporate decision making;
- Investment of £180,000 in an existing portfolio company, InCrowd Sports Limited, which is a developer of mobile apps for professional sports clubs;
- Investment of £160,000 in an existing portfolio company, Abcodia Limited, which focuses on the validation and discovery of serum biomarkers;
- Investment of £100,000 into a new portfolio company, Healios Limited, which provides online delivery of mental health therapy services;
- Investment of £56,000 in an existing portfolio company, DySIS Medical Limited, which is a developer of medical devices for the detection of cervical cancer; and

Albion VCTs prospectus Top Up Offers

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

Date	Number of shares issued	Aggregate nominal value of shares £'000	Issue price per share (including costs of issue)	Net proceeds £'000
5 April 2018	964,862	10	75.7p	712
11 April 2018	214,652	2	75.0p to 75.7p	158

There have been no further significant events or transactions between 1 April 2018 and 29 May 2018 that the Board is aware of which would have had a material impact on the financial position of the Company.

Further information

The Company continues to offer a Dividend Reinvestment Scheme to existing shareholders. Details of this Scheme can be found on the Company's webpage on the Manager's website at www.albion.capital/funds/AADV.

Further information regarding historic and current financial performance and other useful shareholder information can be found on the Company's webpage on the Manager's website at www.albion.capital/funds/AADV.

Geoffrey Vero, Chairman

29 May 2018

For further information please contact:

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