

Albion Development VCT PLC Interim Management Statement

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Introduction

I present Albion Development VCT PLC (the “Company”)’s interim management statement for the period from 1 January 2019 to 31 March 2019.

I announce with great sadness that the Company’s longest serving director and Chairman, Geoffrey Vero, passed away on Sunday 19th May 2019. Geoffrey’s good humour and wise counsel, over many years, will be sorely missed. Our thoughts and condolences are with his family at this difficult time.

Performance and dividends

The Company’s unaudited net asset value (NAV) as at 31 March 2019 was £64.3 million or 86.16 pence per share (excluding treasury shares), an increase of 1.46 pence per share (2 per cent.) since 31 December 2018.

After accounting for the first dividend for the year ending 31 December 2019 of 2.25 pence per share (2018: first dividend of 2.0 pence per share) to be paid on 31 May 2019 to shareholders on the register on 3 May 2019, the NAV is 83.91 pence per share.

Portfolio

The following material investment has been made during the period from 1 January 2019 to 31 March 2019:

New investment	£000s	Activity
Avora Limited	400	<i>Developer of software to improve decision making through augmented analytics & machine learning</i>

Top ten holdings as at 31 March 2019:

Investment	Carrying value £’000	% of net asset value	Activity
Radnor House School (Holdings) Limited	6,594	10.3%	<i>Independent schools for children aged 5-18</i>
Egress Software Technologies Limited	6,447	10.0%	<i>Encrypted email & file transfer service provider</i>
Proveca Limited	3,687	5.7%	<i>Reformulation of paediatric medicines</i>
Quantexa Limited	3,010	4.7%	<i>Network analytics platform to detect financial crime</i>
Chonais River Hydro Limited	2,371	3.7%	<i>Owner and operator of a 2 MW hydro-power scheme in the Scottish Highlands</i>
The Street by Street Solar Programme Limited	2,267	3.5%	<i>Owns and operates photovoltaic systems on domestic properties in the UK</i>
Regenerco Renewable Energy Limited	1,977	3.1%	<i>Generator of renewable energy from roof top solar installations</i>
Mirada Medical Limited	1,958	3.0%	<i>Developer of medical imaging software using Deep Learning</i>
G.Network Communications Limited	1,839	2.9%	<i>Ultra-fast fibre optic broadband provider in central London</i>
Bravo Inns II Limited	1,478	2.3%	<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 ‘Fund reports’ section.

Share buy-backs

During the period from 1 January 2019 to 31 March 2019, the Company purchased 189,000 shares for £146,000 including stamp duty, at an average price of 76.76 pence per share. All of the shares are to be held in treasury.

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 the most recently announced net asset value, so far as market conditions and liquidity permit.

Material events and transactions after the period end

Portfolio

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

- Disposal of Earnside Energy for £1.4 million;
- Investment of £745,000 in an existing portfolio company, Proveca, which develops drugs specifically formulated for children;
- Investment of £440,000 in a new portfolio company, Limitless Technology, which provides a customer service platform powered by crowd and machine learning technology;
- Investment of £166,000 in a new portfolio company, Imandra, which provides automated software testing and an enhanced learning experience for artificial neural networks; and
- Investment of £140,000 in an existing portfolio company, OmPrompt, which provides process automation software.

Albion VCTs Prospectus Top Up Offers

The Board announced on 2 April 2019 that the Company had reached its £8 million limit under its offer pursuant to the Prospectus dated 7 January 2019, and so was closed. The proceeds of the Offer will be used to provide further resources at a time when a number of attractive investment opportunities are being seen.

The following new Ordinary shares of nominal value 1 penny per share were allotted under the Albion VCTs prospectus Top Up Offers 2018/19 after 31 March 2019:

Date of Allotment	Number of shares issued	Aggregate nominal value of shares £'000	Issue price per share (including costs of issue)	Net proceeds £'000
1 April 2019	8,014,075	80	86.0p to 86.9p	6,791
5 April 2019	680,623	7	86.9p	577
12 April 2019	518,260	5	86.0p to 86.9p	439
Total	9,212,958	92		7,807

Material events and transactions

There have been no further significant events or transactions between 1 April 2019 and 30 May 2019 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 under www.albion.capital/funds/AADV.

Ben Larkin, Director

30 May 2019

For further information please contact:

Albion Capital Group LLP – Tel: 020 7601 1850