

Albion Enterprise VCT PLC Interim Management Statement

Introduction

I am pleased to present Albion Enterprise VCT PLC (the “Company”)’s interim management statement for the period from 1 October 2015 to 11 February 2016.

Performance and dividends

The Company’s unaudited net asset value (NAV) as at 31 December 2015 was £39.59 million or 98.21 pence per share (excluding treasury shares), an increase of 0.53 pence per share (0.5 per cent.) since 30 September 2015. This is a result of an increase in investment valuations and an excess of investment income over expenses.

After accounting for a dividend of 2.50 pence per share, due to be paid on 29 February 2016 to shareholders on the register as at 12 February 2016, the NAV will be 95.71 pence per share.

Share issues

During the period from 1 October 2015 to 11 February 2016, the Company issued the following new Ordinary shares under the Albion VCTs Prospectus Top Up Offers 2015/2016:

| Date | Number of shares issued | Issue price per share (including costs of issue) | Net proceeds £’000 |
|-----------------|-------------------------|--|--------------------|
| 29 January 2016 | 2,023,935 | 99.70 pence | 1,977 |
| 29 January 2016 | 1,149,078 | 100.20 pence | 1,123 |
| Total | 3,173,013 | | 3,100 |

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.

A Securities Note which forms part of the Prospectus can be found on the website www.albion-ventures.co.uk. The Offer will close on 30 September 2016 (unless fully subscribed earlier).

Portfolio

The following investments have been made during the period from 1 October 2015 to 11 February 2016:

| Name | £000’s | Activity |
|---|------------|---|
| Further investments | | |
| Relayware Limited | 304 | <i>Business collaboration and communication solutions</i> |
| DySIS Medical Limited | 211 | <i>Develops imaging systems for the non-invasive, in-vivo detection of cancer</i> |
| Grapeshot Limited | 115 | <i>Provider of digital marketing software</i> |
| Earnside Energy Limited (formerly TEG Biogas (Perth) Limited) | 80 | <i>An anaerobic digestion plant</i> |
| Aridhia Informatics Limited | 76 | <i>Healthcare informatics and analytics</i> |
| Sandcroft Avenue Limited (PayAsUGym.com) | 48 | <i>Online gym directory and seller of gym passes</i> |
| Process Systems Enterprise Limited | 41 | <i>Process modelling software and services</i> |
| Total further investments | 875 | |

| New investments | £000’s | Activity |
|---|--------|--|
| Dickson Financial Services Limited (t/a Innovation Broking) | 84 | <i>Corporate insurance broking services</i> |
| Panaseer Limited | 80 | <i>Provider of cyber security threat analysis</i> |
| InCrowd Sports Limited | 66 | <i>A mobile platform providing online access at live sports events</i> |

| | |
|------------------------------|------------|
| Total new investments | 230 |
|------------------------------|------------|

Disposals and loan stock repayment

The following amounts were received from portfolio companies during the period from 1 October 2015 to 11 February 2016:

| Name | £000's | |
|---------------------------------|--------|--|
| Lowcosttravelgroup Limited | 123 | <i>Disposal of investment</i> |
| Hilson Moran (Holdings) Limited | 32 | <i>Loan stock and redemption premium repayment</i> |

Top ten holdings as at 31 December 2015:

| Investment | Carrying value £000's | % of net asset value | Activity |
|--|-----------------------|----------------------|---|
| Radnor House School (Holdings) Limited | 5,272 | 13.3% | <i>Independent schools for children aged 7-18</i> |
| Bravo Inns II Limited | 2,193 | 5.5% | <i>Owner and operator of freehold pubs</i> |
| Mirada Medical Limited | 1,727 | 4.4% | <i>Developer of medical imaging software</i> |
| Regenerco Renewable Energy Limited | 1,640 | 4.1% | <i>Generator of renewable energy from rooftop solar installations</i> |
| Earnside Energy Limited | 1,585 | 4.0% | <i>Anaerobic digestion plant</i> |
| Greenenerco Limited | 1,527 | 3.9% | <i>Owner and operator of a wind project</i> |
| Exco Intouch Limited | 1,476 | 3.7% | <i>Provider of mobile patient data solutions</i> |
| Alto Prodotto Wind Limited | 1,474 | 3.7% | <i>Owner and operator of three wind projects</i> |
| Relayware Limited | 1,384 | 3.5% | <i>Business collaboration and communication solutions</i> |
| Egress Software Technologies Limited | 1,289 | 3.3% | <i>Provider of cloud-based email and file encryption software</i> |

A full breakdown of the Company's portfolio can be found on the Company's webpage on the Manager's website at <http://www.albion-ventures.co.uk/ourfunds/AAEV.htm>, by following the "Portfolio of Investments" link under the "Investor Centre" section.

Share buy-backs

During the period from 1 October 2015 to 11 February 2016, the Company purchased 98,000 shares for £89,000 at an average price of 90.9 pence per share. All 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 Company's intention that, subject to the sufficiency of cash resources and any market constraints, the price at which shares are bought back should be in the region of a 5 per cent. discount to net asset value.

Dividend reinvestment scheme

The Company continues to offer a dividend reinvestment scheme to existing shareholders. Details of this scheme can be found at <http://www.albion-ventures.co.uk/ourfunds/AAEV.htm>.

Material events and transactions

There have been no further significant events or transactions that the Board is aware of which would have a material impact on the financial position of the Company between 1 October 2015 to 11 February 2016.

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 <http://www.albion-ventures.co.uk/ourfunds/AAEV.htm>.

Maxwell Packe

Chairman

11 February 2016

For further information please contact:

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