

ALBION VENTURE CAPITAL TRUST PLC
LEI Code: 213800JKELS32V2OK421
Interim Management Statement

Introduction

I present Albion Venture Capital Trust PLC (the “Company”)’s interim management statement for the period from 1 October 2021 to 31 December 2021.

Performance and dividends

As announced on 11 February 2022, the Company's unaudited net asset value (NAV) as at 31 December 2021 was £54.8 million or 52.90 pence per share (excluding treasury shares). After taking account of the second special dividend of 7.00 pence per share paid on 31 December 2021 to shareholders on the register on 10 December 2021, this represents an increase of 1.10 pence per share (2.12 per cent.) since 30 September 2021.

After accounting for the second interim dividend for the year ending 31 March 2022 of 1.47 pence per share paid on 31 January 2022 to shareholders on the register on 7 January 2022, the NAV is 51.43 pence per share.

Albion VCTs Prospectus Top Up Offers 2021/22

The Company launched a prospectus top up offer of new Ordinary shares on 6 January 2022. On 16 February 2022 the Company was pleased to announce that it had reached its £10 million limit under its Offer which was fully subscribed and closed to further applications. The first allotment under the Offer was made on 25 February 2022.

The proceeds of the Offer will be used to provide further resources to our existing portfolio and to enable us to take advantage of new investment opportunities being seen.

Portfolio

The following material investment has been made during the period from 1 October 2021 to 31 December 2021:

Further investments	£000's	Activity
Elliptic Enterprises Limited	669	<i>Provider of Anti Money Laundering services to digital asset institutions.</i>

Top ten holdings (as at 31 December 2021)

Investment	Carrying value £000's	% of net asset value	Activity
Chonais River Hydro Limited	4,171	7.6%	<i>Owner and operator of a 2 MW hydro-power scheme in the Scottish Highlands.</i>
Radnor House School (TopCo) Limited	2,653	4.8%	<i>Independent school for children aged 2-18.</i>
Elliptic Enterprises Limited	2,626	4.8%	<i>Provider of Anti Money Laundering services to digital asset institutions.</i>
Credit Kudos Limited	2,417	4.4%	<i>Challenger credit bureau helping lenders to optimise and automate their affordability and risk assessments.</i>

The Evewell Group Limited	2,415	4.4%	<i>Operator and developer of women's health centres focusing on fertility.</i>
Gharagain River Hydro Limited	1,748	3.2%	<i>Owner and operator of a 1 MW hydro-power scheme in the Scottish Highlands.</i>
Cantab Research Limited (T/A Speechmatics)	1,710	3.1%	<i>Provider of low footprint automated speech recognition which can be deployed in the cloud, on premise or on device across over 31 languages.</i>
Phrasee Limited	1,596	2.9%	<i>AI platform that generates optimised marketing campaigns.</i>
Threadneedle Software Holdings Limited (T/A Solidatus)	1,262	2.3%	<i>Provider of data lineage software to enterprise customers in regulated sectors.</i>
The Street by Street Solar Programme Limited	1,199	2.2%	<i>Owner and operator of photovoltaic systems on domestic properties in the UK.</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/AAVC.

Share buy-backs

During the period from 1 October 2021 to 31 December 2021, the Company purchased 483,808 Ordinary shares at a cost of £239,000 including stamp duty. These shares were cancelled.

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.

Material events and transactions after the period end

After the period end, the Company had the following material investment transactions:

- Investment of £1,310,000 in an existing portfolio company, Seldon Technologies Limited, a software company that enables enterprises to deploy Machine Learning models in production; and
- Investment of £653,000 in an existing portfolio company, Cantab Research Limited (T/A Speechmatics), a provider of low footprint automated speech recognition which can be deployed in the cloud, on premise or on device across over 31 languages; and
- Investment of £202,000 in an existing portfolio company, NuvoAir Holdings Inc, a provider of digital therapeutics and decentralised clinical trials for respiratory conditions.

The Company issued the following new Ordinary shares of nominal value 1 penny per share under the Albion VCTs Prospectus Top Up Offers 2021/22:

Date	Number of shares issued	Issue price per share (including costs of issue)	Net proceeds £'000
25 February 2022	17,365,249	52.30p to 52.80p	8,941

Further information

The Company continues to offer a dividend reinvestment scheme to existing shareholders. Details of this Scheme can be found at www.albion.capital/funds/AAVC.

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/AAVC.

Richard Glover, Chairman
1 March 2022

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