

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

Introduction

I am pleased to present Albion Venture Capital Trust PLC (the “Company”)’s interim management statement for the period from 1 October 2020 to 31 December 2020.

Performance and dividends

The Company's unaudited net asset value (NAV) as at 31 December 2020 was £73.7 million or 73.48 pence per share (excluding treasury shares), an increase of 3.89 pence per share (5.6 per cent.) since 30 September 2020. The uplift in NAV is predominantly a result of the sale of the Company’s care home investments after the period end, which are reflected in the 31 December 2020 NAV, and further information on the disposal can be found below.

After accounting for the dividend paid of 1.74 pence per share on 29 January 2021 to shareholders on the register on 8 January 2021, the NAV is 71.74 pence per share.

Portfolio

The following investments have been made during the period from 1 October 2020 to 31 December 2020:

<i>New investments</i>	£000’s	Activity
Seldon Technologies Limited	902	<i>Software company that enables enterprises to deploy Machine Learning models in production.</i>
uMedeor Limited (T/A uMed)	334	<i>A middleware technology platform that enables life science organisations to conduct medical research programmes.</i>
<i>Total new investments</i>	<i>1,236</i>	

<i>Further investments</i>	£000’s	Activity
Limitless Technology Limited	151	<i>Provider of a customer service platform powered by the crowd and machine learning technology.</i>
Arecor Limited	69	<i>Development of biopharmaceuticals through the application of a formulation technology platform.</i>
<i>Total further investments</i>	<i>220</i>	

Disposals

The following material disposals were made during the period from 1 October 2020 to 31 December 2020:

<i>Portfolio company</i>	£000’s	
G. Network Communications Limited	1,281	<i>Disposal of investment on a cost of £228,000.</i>
Clear Review Limited	793	<i>Disposal of investment on a cost of £384,000.</i>

Total proceeds	2,074	
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Top ten holdings (as at 31 December 2020)

Investment	Carrying value £000's	% of net asset value	Activity
Shinfield Lodge Care Limited	14,088	19.1%	<i>Owner and operator of a 66 bed care home in Shinfield, Berkshire.</i>
Active Lives Care Limited	8,713	11.8%	<i>Owner and operator of a 75 bed care home in Cumnor Hill, Oxfordshire.</i>
Ryefield Court Care Limited	7,328	9.9%	<i>Owner and operator of a 60 bed care home in Hillingdon, Middlesex.</i>
Chonais River Hydro Limited	4,266	5.8%	<i>Owner and operator of a 2 MW hydro-power scheme in the Scottish Highlands.</i>
Radnor House School (TopCo) Limited	2,122	2.9%	<i>Independent school for children aged 3-18.</i>
Gharagain River Hydro Limited	1,784	2.4%	<i>Owner and operator of a 1 MW hydro-power scheme in the Scottish Highlands.</i>
The Street by Street Solar Programme Limited	1,273	1.7%	<i>Owner and operator of photovoltaic systems on domestic properties in the UK.</i>
Elliptic Enterprises Limited	1,244	1.7%	<i>Provider of Anti Money Laundering services to digital asset institutions.</i>
Cantab Research Limited (T/A Speechmatics)	1,144	1.6%	<i>Provider of low footprint automated speech recognition which can be deployed in the cloud, on premise or on device across 29 languages.</i>
The Evewell (Harley Street) Limited	1,080	1.5%	<i>Operator of a women's health centre focusing on fertility.</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 2020 to 31 December 2020, the Company purchased 389,868 Ordinary shares at a cost of £259,000 including stamp duty. 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 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

Portfolio

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

- Investment of £1,262,000 in a new portfolio company, Threadneedle Software Holdings Limited (T/A Solidatus), a provider of data lineage software to enterprise customers in

regulated sectors, which allows them to rapidly discover, visualise, catalogue and understand how data flows through their systems;

- Investment of £503,000 in an existing portfolio company, Healios Limited, provider of an online platform delivering family centric psychological care primarily to children and adolescents; and
- Investment of £44,000 in an existing portfolio company, ePatient Network Limited (T/A Raremark), provider of an online community connecting people affected by rare diseases.

Care home portfolio disposal

The Board is pleased to announce that, following the period end, the Company completed the sale of its three care homes for the elderly; Active Lives Care Limited, Ryefield Court Care Limited, and Shinfield Lodge Care Limited. The purpose built residential care homes situated across the South of England, offer luxury living with all-inclusive service and an excellent level of care. The homes were trading at mature occupancy levels.

The first investments in the homes were made over 5 years ago and the sale will generate a 2.4x return on cost (including interest received), an excellent result for the Company.

Following the sale, which results in the Company holding significant cash, the Board intends to consider the options available to the Company, including the potential payment of a special dividend, and will provide an update to shareholders in the Annual Report and Financial Statements for the year ended 31 March 2021.

There have been no other 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 January 2021 and 4 March 2021.

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
4 March 2021

For further information please contact:
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