

2024-25

Investor Guide

Albion VCTs' Prospectus Top-Up Offers



Important information

This is a prospectus advertisement issued by Albion Capital

The Prospectus, comprising the Securities Note, Registration Document and Summary, is available on our website www.albion.capital/offers

We recommend that you read the Prospectus to fully understand the risks involved before deciding whether this investment is right for you

Albion Capital does not provide financial or taxation advice or ensure the investment is suitable for you. We recommend you speak to a financial adviser

Albion Capital Group LLP is authorised and regulated by the Financial Conduct Authority. You are not a regulatory customer of Albion Capital

All data and information is correct as at 30 June 2024 unless otherwise stated

Introducing Albion

Specialist venture capital investor that has backed visionary founders and technologies since 1996.

Since 1996

For nearly three decades we have invested and delivered returns across several market cycles

£1bn AUM

With £1bn in AUM, (c.£700m in VCTs) we are one of the largest and most experienced VCT providers

100+ exits

Our investment expertise spans over 200 companies, with 100+ profitable exits

Industry
recognition

GROWTH
INVESTOR
2023 | AW.VRDS

WINNER
BEST VCT
INVESTMENT
MANAGER

bvca
Excellence
in ESG 2023



Venture capital trusts (VCTs) provide retail investors with access to private UK enterprises with the prospect of income, capital growth and attractive tax incentives

Tax advantages

VCTs offer upfront 30% income tax relief (if held for 5 years), tax-free dividends and no capital gains tax upon sale, depending on individual circumstances

Growth opportunities

Investing in early-stage companies can be risky but those that make it can scale into category leading businesses

Diversification benefits

VCTs offer exposure to unlisted private companies with lower correlation to publicly listed investments

Why Albion VCTs



Access to innovation

A focus on mission critical B2B companies with transformational growth potential



Deep expertise

Managed by a specialist team, many of whom have been doing this for decades and a proven investment process



Proven track record

Our VCTs have been delivering consistent returns to investors for nearly 30 years

Is a VCT investment right for you?

You must be able to hold the investment long-term - any income tax relief claimed is repayable if the shares are sold within 5 years

If you do not pay enough UK tax you cannot claim the full benefit of available tax reliefs

You may lose some or all of the capital you invest

VCTs do not provide guaranteed income

You may not be able to sell your investment immediately as the market for VCT shares is limited

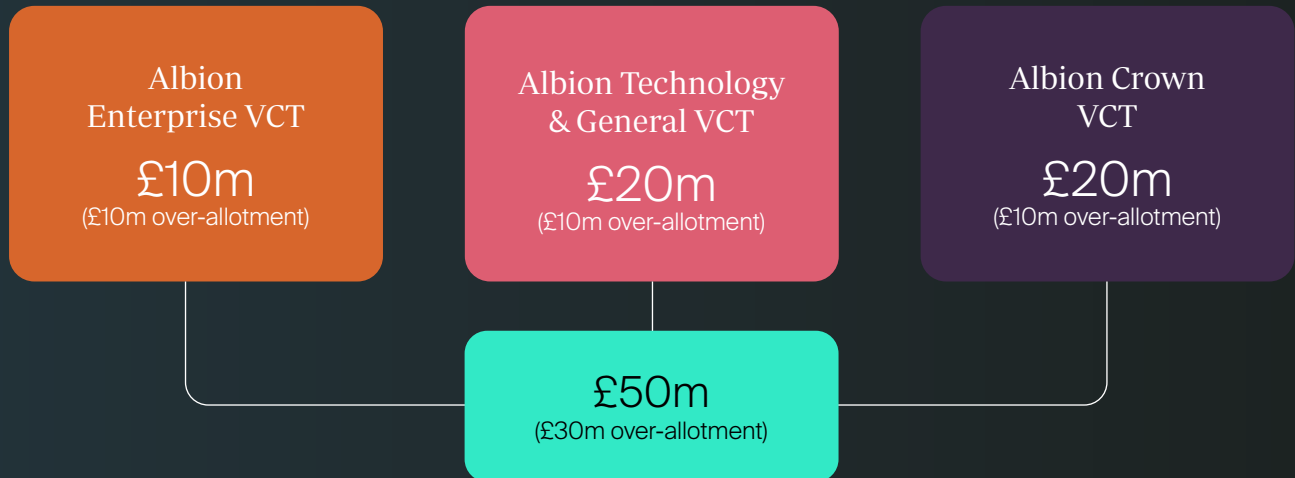
You may not be able to sell your shares at a price which reflects net asset value. Share buy back schemes operated by the Albion VCTs buy back at a discount to net asset value and are not guaranteed

VCTs are not authorised financial services firms and investments in them are not covered by the Financial Services Compensation Scheme

Top-up offers for 2024/25

Albion Capital offers investors an opportunity to acquire new shares in three Albion VCTs through the Albion VCTs' Prospectus Top-Up Offers 2024/2025.

Should a VCT reach full capacity, the default option is that investment will be spread equally across the remaining open VCTs.



Details of the offer

Minimum investment

£6,000 in aggregate and £2,000 per VCT

Maximum Investment

£200,000 in aggregate per investor for the current tax year

Initial fee

3%. Details of the pricing formula to calculate the offer price are set out in the Securities Note

Early bird discount

1% for existing and 0.5% for new shareholders on the first £10m raised, which may be reached soon after launch

Annual costs

Average annual management fee of 2% with an average cap on annual running cost of 2.75%

Deep expertise: A diverse & skilled team

Our exceptional team possess key skills that are not only vital to evaluating the businesses we invest in, but also allows us to offer valuable strategic support to help them scale to become global success stories.

Diverse

Qualified

- 3 Medicine
- 4 PhDs
- 6 Start-ups
- 13 Finance & consulting

Committed

- 6 yrs average tenure for all staff
- 9 yrs average partner tenure

Nationality



Gender

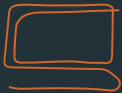
- 56% female
- 44% male

Background



Access to innovation

Our investment strategy focuses on investment opportunities that redefine the future.



Software

Already immersed in all facets of life, software has long-term structural growth potential as technology adoption continues to accelerate



Healthcare

The Covid pandemic has shown that technology will be a critical enabler in reshaping the future of healthcare to deliver real impact and returns



DeepTech

Deeply technical, IP rich opportunities that can help solve some of the world's biggest problems and unlock enormous value for all stakeholders

ClimateTech AI & Data
FinTech Digital risk

HealthTech
Life sciences

Intellectual property-rich
companies

Proven history of consistent long-term returns

Average annual return over 1, 3, 5 and 10 years to 30 June 2024.

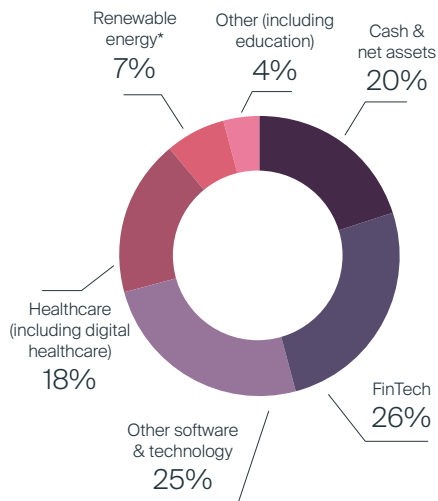
Returns	1 Year	3 years	5 years	10 years
All Albion VCTs (six)	4.7%	4.3%	5.5%	7.4%
Albion VCTs in the Offers (three)	5.8%	4.8%	5.8%	7.4%

Past performance is not a guide to future performance.

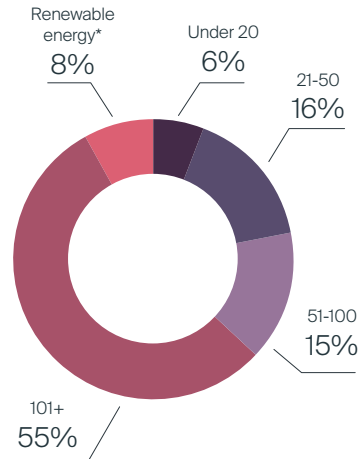
Shows the average annual performance of all Albion VCTs (six pre-merger) and the three Albion VCTs in the offers over one year, three years, five years and ten years to 30 June 2024, being the cumulative return for the period comprising dividends paid and change in net asset value. The returns are unaudited and do not include tax relief

Portfolio composition

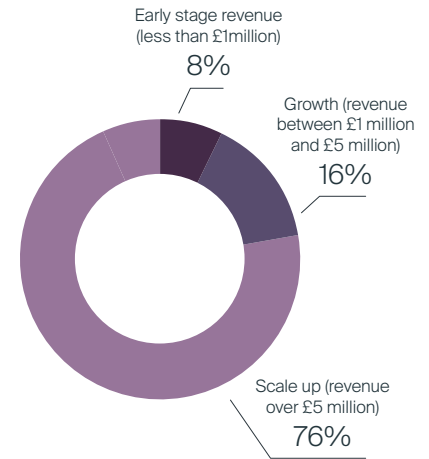
Sector split






Number of employees



Stage of investment



Top three holdings

Company	Investment date	Cost	Holding Value
 <p>Uses the latest advances in big data analytics and artificial intelligence to help its banking, insurance and government customers detect financial crime</p>	2017	£9.9m	£125.5m
 <p>Pharmaceutical company which develops medicines designed specifically for children</p>	2012	£12.6m	£44.0m
 <p>Europe's leading digital health company focused on obesity and weight loss</p>	2016	£11.1m	£24.1m

Recent investment activities

Over the last three years to June 2024, there have been:

25

New investments

£83.5m

Amount invested

16

Exits

£132m

Exit proceeds

Sample recent investments

DeepTech



ClimateTech



Data/AI



Some recent exit success stories

 Acquired by 

10 yrs

investment period

7.2x

return

£60.8m

return to VCTs

 Acquired by



2 yrs

investment period

5.2x

return

£15.5m

return to VCTs

Streamlining our VCTs - Mergers

The Albion VCTs' boards of directors have proposed the merger of the six Albion VCTs into three.

Target VCT	Acquirer VCT	Pre-merger NAV	Post-merger NAV	If approved:
Albion Development VCT	Albion Enterprise VCT	£153m	£265m	<ul style="list-style-type: none">• each Target VCT will be placed into members' voluntary (solvent) liquidation• all the assets and liabilities of the Target VCT will be transferred to the relevant Acquirer VCT in return for the issue of shares in the Acquirer VCT• the mergers would be complete in December 2024
Albion KAY VCT	Albion Technology & General VCT	£144m	£250m	
Albion Venture Capital Trust	Albion Crown VCT	£97m	£150m	

Key mergers benefits for shareholders & advisers



Cost savings

Larger VCTs results in meaningful reductions in the management and administration fees



Simplified fee structure

The same fee structure for all VCTs



Reduced administration

Material reduction in administration and simplification for shareholders & advisers by holding investments in 3 instead of 6 VCTs



Streamlined offers

VCT share offer documents relating to fewer VCTs will be less complex to read and the costs and administrative burden of producing them will be reduced

Top-up offer 2024/25 provides investors with unique benefits

Investing in Albion VCTs with AUM of £720m provides access to:

Established portfolio

- Exposure to ~65 companies operating across Albion's target sectors and stages of maturity

High growth

- Specialist investment strategy focused on backing high-growth mission critical technology companies

Tax free income

- Targeting a regular and predictable income yield of c.5%

Compounded return

- Dividend reinvestment scheme - dividends can be reinvested without dealing costs and with 30% tax relief

How to apply

Full details of our current offers, including the Prospectus (comprising the Securities Note, Registration Document and Summary), are on our website. www.albion.capital/offers.

Applications or cheques by post will not be accepted.

We encourage shareholders to receive communications electronically. New investors who subscribe will be deemed to consent to electronic communication.

The online application form will be made available on our website on 6 January 2025. You cannot apply before then.

Subscription monies must be paid electronically in full, within 2 business days of the application submission, to secure the application and the position of priority for any early bird discount and any offer remaining open.

Existing investors will retain their current communication preferences. If your registered preference is "deemed consent", Albion will update your e-communications details with the email address provided in the Application Form. If you would like to change your registered communication preference, please contact the VCTs' Registrar, Computershare Investor Services PLC.

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Offers open from:

6 January 2025

Applications can be made at:

albion.capital/offers

Have questions?

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