

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 2020 to 31 March 2020.

Impact of coronavirus (Covid-19) and Net asset value

The Board has been monitoring the ongoing disruption caused by the coronavirus (Covid-19) pandemic and its current impact on portfolio companies. These are unprecedented times with major uncertainty as to the ongoing economic and societal impact of the coronavirus (Covid-19) pandemic, the extent of which is still unknown.

In light of this, the Company announces its unaudited net asset value (NAV) as at 31 March 2020 of £71.85 million or 77.66 pence per share (excluding treasury shares), which represents a decrease of 5.81 pence per share (7.0 per cent.) since 31 December 2019. This reflects reductions across the portfolio, which is carried at fair value, as a result of market conditions arising from the healthcare pandemic. The Board has reassessed the carrying values of all companies within the portfolio and has reduced those which are affected by the current situation. The portfolio is well diversified and has weightings in sectors that are less badly affected by coronavirus (Covid-19) and many companies within the portfolio are well suited to operating in a remote environment.

The Company will pay a dividend of 2.25 pence per share on 29 May 2020 to shareholders on the register on 11 May 2020. After accounting for the dividend the NAV will be 75.41 pence per share.

Fundraising and share issues

During the period from 1 January 2020 to 31 March 2020, the Company issued the following new Ordinary shares of nominal value 1 penny per share under the Albion VCTs Prospectus Top Up Offers 2019/20:

Date	Number of shares issued	Issue price per share (including costs of issue)	Net proceeds £'000
31 January 2020	9,034,377	84.8p to 85.7p	7,549

Share buy-backs

Given the uncertainty on valuations caused by coronavirus (Covid-19) and its impact on financial markets in recent times, the Board agreed to suspend the Company's buy back operation on 18 March 2020 until such time as the Company could provide an updated valuation as at 31 March 2020 of the portfolio and the Company's NAV.

With this announcement of the NAV of the Company at 31 March 2020, the Board is pleased to announce the resumption of its share buy-back policy, 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. However, the level of share buybacks until the announcement of the Company's interim results, expected during September 2020 shall be limited to £500,000.

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.

Portfolio

The following investments have been made during the period from 1 January 2020 to 31 March 2020:

New investment	£000s	Activity
Concirus Limited	575	<i>A software provider bringing real-time behavioural data analytics to the marine and transport insurance industries</i>
Credit Kudos Limited	287	<i>Challenger credit bureau helping lenders optimise and automate their affordability and risk assessments</i>
Total new investments	862	

Top ten holdings as at 31 March 2020:

Investment	Carrying value £'000	% of net asset value	Activity
Egress Software Technologies Limited	6,447	9.0%	<i>Encrypted email & file transfer service provider</i>
Proveca Limited	4,600	6.4%	<i>Reformulation of paediatric medicines</i>
Quantexa Limited	3,010	4.2%	<i>Network analytics platform to detect financial crime</i>
Radnor House School (TopCo) Limited	2,547	3.5%	<i>Independent school for children aged 5-18</i>
Chonais River Hydro Limited	2,339	3.3%	<i>Owner and operator of a 2 MW hydro-power scheme in the Scottish Highlands</i>
The Street by Street Solar Programme Limited	2,327	3.2%	<i>Owns and operates photovoltaic systems on domestic properties in the UK</i>
Regenerco Renewable Energy Limited	1,894	2.6%	<i>Generator of renewable energy from roof top solar installations</i>
Mirada Medical Limited	1,544	2.1%	<i>Developer of medical imaging software using Deep Learning</i>
G.Network Communications Limited	1,479	2.1%	<i>Ultra-fast fibre optic broadband provider in central London</i>
Alto Prodotto Wind Limited	1,242	1.7%	<i>Owns and operates community scale wind energy projects on brownfield sites in the UK</i>

Material events and transactions after the period end

There have been no further significant events or transactions between 1 April 2020 and 22 April 2020 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, Chairman

22 April 2020

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