

PROPOSED MERGER AND OFFERS

Albion Venture Capital Trust PLC	("AAVC")	LEI Code 213800JKELS32V2OK421
Albion Technology & General VCT PLC	("AATG")	LEI Code 213800TKJUY376H3KN16
Albion Development VCT PLC	("AADV")	LEI Code 213800FDDMBD9QLHLB38
Albion Crown VCT PLC	("CRWN")	LEI Code 213800SYIQA3L3T1Q68
Albion Enterprise VCT PLC	("AAEV")	LEI Code 213800OVS RDHRJBMO720
Albion KAY VCT PLC	("KAY")	LEI Code 213800DK8H27QY3J5R45

(together the "Albion VCTs" or "Companies " and individually "Company")

12 November 2024

RECOMMENDED PROPOSALS RELATING TO:

- A Â Â Â merger of the Companies from six into three;
- A Â Â Â offers for subscription by AAEV, AATG and CRWN;
- A Â Â Â related party transactions with Albion Capital; and
- A Â Â Â related matters.

THE MERGERS

Summary

On 24 July 2024, the board of directors of the Albion VCTs ("Boards") announced that they had entered into discussions regarding the possibility of merging the six Albion VCTs into three (â€œ**Mergers**â€œ) to achieve, amongst other things, cost savings, administration efficiency and simplicity. The Boards stated that they would, subject to agreement in principle to implement the Mergers by all six Boards, put proposals to their respective shareholders so as to be able to implement these Mergers. Agreement in principle has now been reached.

The Companies have today issued a joint circular ("**Circular**") setting out proposals for, amongst other things, the Mergers, alongside a prospectus being published by AAEV, AATG and CRWN ("**Prospectus**") in respect of proposed offers for subscription ("**Offers**" and each an "**Offer**"). The Circular includes notices of general meetings of the Companies to be convened on 11 December 2024 and 19 December 2024 ("**General Meetings**" Â and each aÂ "**General Meeting**").

If Shareholders approve these Mergers and the Mergers proceed, AADV will be merged into AAEV, KAY will be merged into AATG and AAVC will be merged into CRWN (AAEV, AATG and CRWN being the â€œ **Acquirer VCTs**â€œ and AADV, KAY and AAVC being the â€œ**Target VCTs**â€œ). The Mergers will be effected pursuant to schemes of reconstruction under section 110 of IA 1986 whereby the assets and liabilities of the relevant Target VCT will be transferred to its relevant Acquirer VCT in exchange for new Shares in that Acquirer VCT which will be issued to the Target VCT's Shareholders (â€œ**Schemes**â€œ). A merger on this basis will be outside the provisions of the Takeover Code. In the case of the AAEV/AADV Scheme and the AATG/KAY Scheme the number of new Shares to be issued in that Acquirer VCT (â€œ**Consideration Shares**â€œ) will be calculated by reference to the respective net asset values of that Acquirer VCT and the relevant Target VCT, so as to avoid any dilution to either Acquirer or Target VCT Shareholders. In the case of the CRWN/AAVC Scheme, it is proposed that AAVC Shareholders will be issued a new class of shares in CRWN ("**New CRWN Shares**"), which will encompass the existing AAVC portfolio (with one New CRWN Share being issued for each AAVC Share that an AAVC Shareholder holds). This new share class will then convert into CRWN Shares in accordance with the New CRWN Articles by reference to the respective net asset values of the CRWN Share class and the New CRWN Share class as at 30 June 2026. It is expected that conversion of the New CRWN Shares will complete in November 2026. Given that CRWN has greater exposure to the more mature technology investments within the Albion portfolio, the purpose of the different approach in the case of the CRWN/AAVC Scheme is to allow the maturity profile of both portfolios to converge before the conversion is effected. The Merger of each of AAEV and AADV, AATG and KAY and CRWN and AAVC are not conditional on any of the other Mergers proceeding.

Full details of the Mergers are set out in the Circular available for download from each Company's website referred to below and the National Storage Mechanism at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

Benefits of the Merger

The Mergers are expected to bring a number of benefits for Shareholders, as follows:

- Aggregate annual cost savings of approximately Â£1.5 million (Â£746,000 in respect of AAEV/AADV, Â£443,000 in respect of AATG/KAY and Â£315,000 in respect of CRWN/AAVC). Of this saving, Â£452,000 relates to a reduction in the management and administration fees payable to Albion Capital.
- Simplicity for Shareholders, many of whom are invested across more than one of the six Albion VCTs.
- A payback period of between 15 to 24 months based on the estimated Merger costs and annual cost savings post-Merger.
- The Mergers should result in a more stable and resilient base for providing long-term returns to Shareholders.

- Both Albion Capital and the Boards believe the amalgamation of the Companies' portfolios and operations will result in more efficient management and administration processes, which in turn should increase Albion Capital's ability to focus on investment and portfolio management.
- The Enlarged Acquirer VCTs should be in a better position to meet regulatory requirements, providing more flexibility when considering investment realisations (which, together with the reduced cost base as a result of being larger VCTs, should support dividend payments to Shareholders).
- The Mergers should result in a standardised product offering that will reduce the complexity for existing and new Shareholders and their advisers in understanding the current structure of the Albion VCTs.

OFFERS

As the Acquirer VCTs are required to prepare a prospectus in connection with the Merger, the opportunity has been taken to also include offers for subscription in respect of the Acquirer VCTs. This will provide Shareholders and new investors with the opportunity to invest in the Acquirer VCTs and benefit from the VCT tax reliefs available to qualifying investors. Investors (whether Shareholders or new investors) should note that following the Chancellor's Autumn Statement on 22 November 2023 the VCT scheme has now been extended and will continue until at least April 2035.

The amount sought under the Offers is:

- **AAEV Offer:** up to £10 million, with an over-allotment facility for raise up to a further £10 million;
- **AATG Offer:** up to £20 million, with an over-allotment facility for raise up to a further £10 million; and
- **CRWN Offer*:** up to £20 million, with an over-allotment facility for raise up to a further £10 million.

* Under the CRWN Offer, an investor's subscription will be into the existing CRWN Share class "A" and not into the New CRWN Shares (which will only be issued pursuant to the CRWN/AAVC Scheme)

The Offers will open on 6 January 2025 and will close to applications on 4 April 2025 (unless an Offer is closed earlier or extended by the relevant Enlarged Acquirer VCT's Board). Each Offer is not conditional on completion of the relevant Acquirer VCT's Merger.

RELATED PARTY TRANSACTIONS

It is proposed that, following the Mergers, AAEV and CRWN's arrangements with its investment manager, Albion Capital, will be amended. As well as other changes to AAEV's management and administration fees, the AAEV and CRWN Boards propose to introduce revised performance incentive arrangements to bring the current arrangements into line with those that apply to AATG. AATG's performance incentive arrangements were recently amended, with Shareholder approval, in May 2022 with the purpose of aligning Albion Capital's remuneration more closely with the outcomes delivered to Shareholders. Following reviews by their respective Boards, each of AAEV and CRWN believe that AATG's performance incentive arrangements are the most appropriate arrangements for its own Company and Shareholders. Further details are set out in the Circular.

The arrangements to change the management, performance and administration fees (as applicable) of AAEV and CRWN, and for each of those Acquirer VCTs to pay a promoter fee to Albion Capital in respect of its Offer, constitute 'relevant related party transactions' for each of AAEV and CRWN under the Listing Rules ("**Relevant Related Party Transactions**"). This is because Albion Capital, as investment manager, is considered a related party of each Acquirer VCT for the purposes of the Listing Rules. In the case of AAEV and CRWN, these 'relevant related party transactions' require the approval of the relevant Acquirer VCT's Shareholders under the Listing Rules.

Approval of the Relevant Related Party Transactions is being sought at the General Meetings of the relevant Acquirer VCTs. As a result, each of the Relevant Related Party Transactions with the relevant Acquirer VCT has been entered into conditional on Shareholder approval at the relevant Acquirer VCT General Meeting.

The Board of the relevant Acquirer VCT considers the Relevant Related Party Transactions between their Company and Albion Capital to be fair and reasonable so far as their Shareholders as a whole are concerned and, in coming to this view, those Directors have been so advised by Howard Kennedy Corporate Services ("**Howard Kennedy**") in its role as sponsor to that Company. In providing this advice, Howard Kennedy has taken into account the relevant Board's commercial assessment of the Relevant Related Party Transaction.

In relation to the AATG Offer, and pursuant to an offer agreement dated 12 November 2024 relating to the Offers between, among others, Albion Technology & General VCT PLC and Albion Capital, Albion Capital will receive a promoter fee of an amount equal to 3% of the gross proceeds of the AATG Offer in consideration for procuring subscribers under that offer. As the investment manager of the Company, Albion Capital is a related party of the Albion Technology & General VCT PLC and the payment of such a fee by that company to Albion Capital is also a Relevant Related Party Transaction. When aggregated with the promoter fee paid to Albion Capital by Albion Technology & General VCT PLC under an offer agreement dated 15 December 2023 (together the "**Transaction**"), the Transaction is of a size such that UKLR 8.2.1R and 8.2.2R apply. The Board of the Company considers this Transaction is fair and reasonable as far as the shareholders of the Company are concerned and have been provided with written confirmation of this by the Company's sponsor, Howard Kennedy Corporate Services LLP.

EXPECTED TIMETABLES

MERGER OF AAEV AND AADV

Expected timetable for AAEV*

Latest time for receipt of forms of proxy for the AAEV General Meeting	10 a.m. on 9 December 2024
AAEV General Meeting	10 a.m. on 11 December 2024
Calculation Date	after 5 p.m. on 18 December 2024
Effective Date for the transfer of AADV assets and liabilities to AAEV and the issue of Consideration Shares pursuant to the AAEV/AADV Scheme***	19 December 2024
Announcement of the results of the AAEV/AADV Scheme	19 December 2024
Admission of and dealings in Consideration Shares issued pursuant to the AAEV/AADV Scheme to commence	8 a.m. on 20 December 2024
CREST accounts credited with Consideration Shares issued pursuant to the AAEV/AADV Scheme	20 December 2024
Certificates for Consideration Shares issued pursuant to the AAEV/AADV Scheme dispatched	8 January 2025

Expected timetable for AADV*

Date from which it is advised that dealings in AADV Shares should only be for cash settlement and immediate delivery of documents of title	5 December 2024
Latest time for receipt of forms of proxy for the AADV First General Meeting	12 noon on 9 December 2024
AADV First General Meeting	12 noon on 11 December 2024
Latest time for receipt of forms of proxy for the AADV Second General Meeting	10 a.m. on 17 December 2024
Calculation Date	after 5 p.m. on 18 December 2024
AADV register of members closed and Record Date for AADV Shareholders' entitlements under the AAEV/AADV Scheme	5 p.m. on 18 December 2024
Dealings in AADV Shares suspended	7.30 a.m. on 19 December 2024
AADV Second General Meeting	10 a.m. on 19 December 2024
Effective Date for the transfer of the assets and liabilities of AADV to AAEV and the issue of Consideration Shares pursuant to the AAEV/AADV Scheme**	19 December 2024
Announcement of the results of the AAEV/AADV Scheme	19 December 2024
Cancellation of the AADV Shares' listing	8 a.m. on 20 December 2024

*Â Â Â Â The dates set out above in relation to implementation of the AAEV/AADV Scheme may be adjusted by AAEV and AADV, in which case details of the revised dates will be notified through a Regulatory Information Service provider.

**Â Â Â Â Â This will be the final expected date of trading of the AADV Shares. If the AAEV/AADV Scheme becomes effective in accordance with the above expected timetable, it is anticipated that the listing of the Shares will be cancelled on 20 December 2024.

***Â Â Â Â Â The Consideration Shares issued to AADV Shareholders under the AAEV/AADV Scheme will rank *pari passu* with the existing AAEV Shares and will be listed on the Official List and admitted for trading on the main market of the London Stock Exchange

MERGER OF AATG AND KAY

Expected timetable for AATG*

Latest time for receipt of forms of proxy for the AATG General Meeting	11 a.m. on 9 December 2024
AATG General Meeting	11 a.m. on 11 December 2024
Calculation Date	after 5 p.m. on 18 December 2024
Effective Date for the transfer of KAY assets and liabilities to AATG and the issue of Consideration Shares pursuant to the AATG/KAY Scheme***	19 December 2024
Announcement of the results of the AATG/KAY Scheme	19 December 2024

Admission of and dealings in Consideration Shares issued pursuant to the AATG/KAY Scheme to commence	8 a.m. on 20 December 2024
CREST accounts credited with Consideration Shares issued pursuant to the AATG/KAY Scheme	20 December 2024
Certificates for Consideration Shares issued pursuant to the AATG/KAY Scheme dispatched	8 January 2025

Expected timetable for KAY*

Date from which it is advised that dealings in KAY Shares should only be for cash settlement and immediate delivery of documents of title	5 December 2024
Latest time for receipt of forms of proxy for the KAY First General Meeting	1 p.m. on 9 December 2024
KAY First General Meeting	1 p.m. on 11 December 2024
Latest time for receipt of forms of proxy for the KAY Second General Meeting	11 a.m. on 17 December 2024
Calculation Date	after 5 p.m. on 18 December 2024
KAY register of members closed and Record Date for KAY Shareholders' entitlements under the AATG/KAY Scheme	5 p.m. on 18 December 2024
Dealings in KAY Shares suspended	7.30 a.m. on 19 December 2024
KAY Second General Meeting	11 a.m. on 19 December 2024
Effective Date for the transfer of the assets and liabilities of KAY to AATG and the issue of Consideration Shares pursuant to the AATG/KAY Scheme**	19 December 2024
Announcement of the results of the AATG/KAY Scheme	19 December 2024
Cancellation of the KAY Shares' listing	8 a.m. on 20 December 2024

**^ ^ ^ ^ ^ The dates set out above in relation to implementation of the AATG/KAY Scheme may be adjusted by AATG and KAY, in which case details of the revised dates will be notified through a Regulatory Information Service provider.*

***^ ^ ^ ^ ^ This will be the final expected date of trading of the KAY Shares. If the AATG/KAY Scheme becomes effective in accordance with the above expected timetable, it is anticipated that the listing of the Shares will be cancelled on 20 December 2024.*

****^ ^ ^ ^ ^ The Consideration Shares issued to KAY Shareholders under the AATG/KAY Scheme will rank pari passu with the existing AATG Shares and will be listed on the Official List and admitted for trading on the main market of the London Stock Exchange.*

MERGER OF CRWN AND AAVC

Expected timetable for CRWN*

Latest time for receipt of forms of proxy for the CRWN General Meeting	2 p.m. on 9 December 2024
CRWN General Meeting	2 p.m. on 11 December 2024
Calculation Date	after 5 p.m. on 18 December 2024
Effective Date for the transfer of AAVC assets and liabilities to CRWN and the issue of Consideration Shares pursuant to the CRWN/AAVC Scheme***	19 December 2024
Announcement of the results of the CRWN/AAVC Scheme	19 December 2024
Admission of and dealings in Consideration Shares issued pursuant to the CRWN/AAVC Scheme to commence	8 a.m. on 20 December 2024
CREST accounts credited with Consideration Shares issued pursuant to the CRWN/AAVC Scheme	20 December 2024
Certificates for Consideration Shares issued pursuant to the CRWN/AAVC Scheme dispatched	8 January 2025

Expected timetable for AAVC*

Date from which it is advised that dealings in AAVC Shares should only be for cash settlement and immediate delivery of documents of title	5 December 2024
Latest time for receipt of forms of proxy for the AAVC First General Meeting	3 p.m. on 9 December 2024
AAVC First General Meeting	3 p.m. on 11 December 2024

Latest time for receipt of forms of proxy for the AAVC Second General Meeting	12 noon on 17 December 2024
Calculation Date	after 5 p.m. on 18 December 2024
AAVC register of members closed and Record Date for AAVC Shareholders' entitlements under the CRWN/AAVC Scheme	5 p.m. on 18 December 2024
Dealings in AAVC Shares suspended	7.30 a.m. on 19 December 2024
AAVC Second General Meeting	12 noon on 19 December 2024
Effective Date for the transfer of the assets and liabilities of AAVC to CRWN and the issue of Consideration Shares pursuant to the CRWN/AAVC Scheme**	19 December 2024
Announcement of the results of the CRWN/AAVC Scheme	19 December 2024
Cancellation of the AAVC Shares' listing	8 a.m. on 20 December 2024

**^ ^ ^ ^ The dates set out above in relation to implementation of the CRWN/AAVC Scheme may be adjusted by CRWN and AAVC, in which case details of the revised dates will be notified through a Regulatory Information Service provider.*

***^ ^ ^ ^ ^ ^ This will be the final expected date of trading of the AAVC Shares. If the CRWN/AAVC Scheme becomes effective in accordance with the above expected timetable, it is anticipated that the listing of the Shares will be cancelled on 20 December 2024.*

****^ ^ ^ ^ ^ ^ The Consideration Shares issued to AAVC Shareholders under the CRWN/AAVC Scheme (being New CRWN Shares which will form a separate share class from the existing CRWN Shares) will be listed on the Official List and admitted for trading on the main market of the London Stock Exchange.*

THE OFFERS*

Offers open	9 a.m. on 6 January 2025
First allotment of Offer Shares**	21 March 2025
Closing date for Applications***	5.30 p.m. on 4 April 2025
Effective date for the listing of Offer Shares and commencement of dealings	within three business days following allotment
CREST accounts credited	within three business days following allotment
Allotment notification letters to be dispatched	within three business days following allotment
Share and tax certificates to be dispatched	within approximately 30 business days following allotment

**^ ^ ^ ^ ^ The Offers are not conditional on the implementation of the Mergers and will open, subject to relevant Shareholder approval, on 6 January 2025.*

***^ ^ ^ ^ ^ ^ The AAEV Board, the AATG Board and/or the CRWN Board (as relevant) reserve the right to accept applications and allot and arrange for the listing of the AAEV Offer Shares, the AATG Offer Shares or the CRWN Offer Shares, as applicable, as it sees fit.*

****^ ^ ^ ^ ^ ^ An Offer will be closed to applications earlier than the date stated above if it is fully subscribed or otherwise at the discretion of the AAEV Board, the AATG Board and/or the CRWN Board (as relevant).*

DOCUMENTS AND AVAILABILITY

A copy of the Circular and the Prospectus has been submitted to the FCA and shall shortly be available for download from the Companies' website referred to below and the National Storage Mechanism.

Website: www.albion.capital

National Storage Mechanism: <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>

FURTHER INFORMATION

For further information, please contact:

Vikash Hansrani
Operations Partner
Albion Capital Group LLP
Telephone: 020 7601 1850

Howard Kennedy Corporate Services LLP, which is authorised and regulated in the United Kingdom by the FCA, is acting as sponsor for the Companies (and no-one else) and will (subject to the responsibilities and liabilities imposed by the Financial Services and Markets Act 2000 or the

regulatory regime established thereunder) not be responsible to any other person for providing the protections afforded to customers of Howard Kennedy Corporate Services LLP for providing advice in connection with any matters referred to herein.