

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS DOCUMENT OR AS TO WHAT ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO SEEK YOUR OWN FINANCIAL ADVICE IMMEDIATELY FROM YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 ("FSMA").

THIS DOCUMENT HAS BEEN PREPARED IN ACCORDANCE WITH THE PROSPECTUS RULES MADE UNDER FSMA AND HAS BEEN APPROVED BY THE FINANCIAL CONDUCT AUTHORITY ("FCA") IN ACCORDANCE WITH FSMA AND CONSTITUTES A SUPPLEMENTARY PROSPECTUS (THE "SUPPLEMENTARY PROSPECTUS") ISSUED BY ALBION DEVELOPMENT VCT PLC, ALBION ENTERPRISE VCT PLC, ALBION TECHNOLOGY & GENERAL VCT PLC, ALBION VENTURE CAPITAL TRUST PLC, CROWN PLACE VCT PLC AND KINGS ARMS YARD VCT PLC (THE "COMPANIES"). THIS SUPPLEMENTARY PROSPECTUS IS SUPPLEMENTAL TO AND SHOULD BE READ IN CONJUNCTION WITH THE SECURITIES NOTE, REGISTRATION DOCUMENT AND SUMMARY, EACH DATED 5 SEPTEMBER 2017, TOGETHER CONSTITUTING A PROSPECTUS (THE "PROSPECTUS") ISSUED BY THE COMPANIES, SUCH PROSPECTUS CONTAINING OFFERS FOR SUBSCRIPTION OF NEW SHARES IN THE CAPITAL OF EACH OF THE COMPANIES ("NEW SHARES") ("THE OFFERS") AND A SUPPLEMENTAL PROSPECTUS ISSUED BY THE COMPANIES ON 9 OCTOBER 2017. EXCEPT AS EXPRESSLY STATED HEREIN, OR UNLESS THE CONTEXT OTHERWISE REQUIRES, THE DEFINITIONS USED OR REFERRED TO IN THE PROSPECTUS ALSO APPLY IN THIS SUPPLEMENTARY PROSPECTUS.

PERSONS RECEIVING THIS DOCUMENT SHOULD NOTE THAT HOWARD KENNEDY CORPORATE SERVICES LLP IS ACTING FOR THE COMPANIES AND NO-ONE ELSE IN CONNECTION WITH THE OFFERS AND THIS SUPPLEMENTARY PROSPECTUS AND, SUBJECT TO ITS RESPONSIBILITIES AND LIABILITIES IMPOSED BY FSMA OR THE REGULATORY REGIME ESTABLISHED HEREUNDER, WILL NOT BE RESPONSIBLE TO ANY OTHER PERSON FOR PROVIDING THE PROTECTIONS AFFORDED TO CUSTOMERS OF HOWARD KENNEDY CORPORATE SERVICES LLP OR FOR PROVIDING ADVICE IN CONNECTION WITH THE OFFERS. HOWARD KENNEDY CORPORATE SERVICES LLP IS AUTHORISED AND REGULATED BY THE FINANCIAL CONDUCT AUTHORITY.

THIS DOCUMENT HAS BEEN PREPARED FOR THE PURPOSES OF COMPLYING WITH THE PROSPECTUS DIRECTIVE, ENGLISH LAW AND THE RULES OF THE UKLA AND THE INFORMATION DISCLOSED MAY NOT BE THE SAME AS THAT WHICH WOULD BE DISCLOSED IF THIS DOCUMENT HAD BEEN PREPARED IN ACCORDANCE WITH THE LAWS OF A JURISDICTION OUTSIDE ENGLAND.

Each Company and the directors of each of the Companies accept responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge of each Company and its Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplementary Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

---

**Albion Development VCT PLC**

*(Incorporated in England and Wales with registered number 03654040)*

**Albion Enterprise VCT PLC**

*(Incorporated in England and Wales with registered number 05990732)*

**Albion Technology & General VCT PLC**

*(Incorporated in England and Wales with registered number 04114310)*

**Albion Venture Capital Trust PLC**

*(Incorporated in England and Wales with registered number 03142609)*

**Crown Place VCT PLC**

*(Incorporated in England and Wales with registered number 03495287)*

**Kings Arms Yard VCT PLC**

*(Incorporated in England and Wales with registered number 03139019)*

---

#### **Events arising since publishing the Prospectus**

The publication of this Supplementary Prospectus is a regulatory requirement under the Prospectus Rules and Section 87G of FSMA following the publication of the draft Finance Bill 2017-19 on 1 December 2017 and Guidance Notes issued by HMRC on 4 December 2017. The Prospectus Rules and section 87G of FSMA require the issue of a supplementary prospectus if, in the relevant period (being, for these purposes, the later of the closure of the relevant Offer and the time when trading in the New Shares issued under that Offer on the London Stock Exchange begins), there exists or is noted a significant new factor, material mistake or inaccuracy

relating to the information included in the prospectus relating to the relevant Offer. This Supplementary Prospectus has been approved for publication by the FCA.

Save as otherwise amended in this Supplementary Prospectus, the Offers are being made on the terms and subject to the conditions set out in full in the Prospectus. Investors who have already submitted applications for New Shares which have been received on behalf of the Companies and who have not yet received an allotment of New Shares with regard to such applications may withdraw such applications, with the Companies accepting withdrawals of such applications until 5 p.m. on 28 December 2017. Investors should seek their own legal advice in regard to such withdrawal rights. Investors who wish to withdraw their applications under the Offers should contact Albion Capital Group LLP ("Albion Capital") at 1 King's Arms Yard, London EC2R 7AF on telephone number 0207 601 1874 (no investment advice can be given). Withdrawals of applications can be made by telephone.

Copies of this Supplementary Prospectus and the Prospectus may be viewed on the National Storage Mechanism (NSM) of the UKLA at <http://www.morningstar.co.uk/uk/NSM>, and this Supplementary Prospectus, the supplementary prospectus issued by the Company on 9 October 2017 and the Prospectus are available free of charge from the offices of the Companies' investment manager, Albion Capital, 1 King's Arms Yard, London, EC2R 7AF and the Albion Capital website: [www.albion-capital.co.uk](http://www.albion-capital.co.uk).

## 1. **SIGNIFICANT NEW FACTOR**

- 1.1 The Prospectus contained a risk factor and a section in the letter from the chairmen pointing out that in August 2017 HM Treasury had published "Financing growth in innovative firms" as part of its 'Patient Capital Review'. This was designed to review options for ensuring access to long-term investment for innovative firms, including the effectiveness of tax-efficient schemes such as VCTs. The risk factor anticipated that the Autumn Budget 2017 could contain announcements applicable to VCTs. It was noted that this could impact the investment policies of the Companies and the level of tax reliefs available.
- 1.2 On 1 December 2017 HM Treasury published the draft Finance Bill 2017-19 (the "**Bill**"), setting out a number of changes to the legislation governing venture capital trusts such as the Companies, as proposed in the Autumn Budget delivered on 22 November 2017. The publication of the Bill is a significant new factor in the context of the Prospectus and as such the Prospectus is supplemented by this Supplementary Prospectus as set out below.

## 2. **SUPPLEMENTS TO THE SECURITIES NOTE**

- 2.1 As a result of the publication of the Bill, the Securities Note, which forms part of the Prospectus, is hereby supplemented as follows:
- 2.2 On Page 5 under the heading "Risk Factors" by the deletion of the 4th paragraph and on page 9 in the Letter from the Chairman by the deletion of the 4th paragraph and replacing them with the following text:

"In the Autumn Budget on 22 November 2017 the Chancellor of the Exchequer announced certain changes to the rules relating to VCTs. Draft legislation was set out in the Finance Bill 2017-19 which was published on 1 December 2017 and supporting Guidance Notes were issued on 4 December 2017. These proposals are not yet law and are subject to consultation in respect of the Guidance Notes, and parliamentary scrutiny, process and approval in respect of the Finance Bill 2017-19. The proposed changes are as follows:-

- a) With effect from Royal Assent to the Finance Bill 2017-19, which is expected in Spring 2018, the question of whether a company's activities or investments can be considered as lower risk so as to enable the company to qualify for VCT tax reliefs will be considered using a 'principles based approach' known as the 'risk-to-capital' condition. This condition has two parts, namely:-
  - whether the company has an objective to grow and develop over the long term; and
  - whether there is a significant risk that there could be a loss of capital to the investor of an amount exceeding the net return.
- b) From 4 December 2017, applications for advance assurance will not be considered by HMRC unless the 'risk-to-capital' condition is met.
- c) For investments from 6 April 2018 the annual limits for investment in Knowledge Intensive Companies will be increased from £5 million to £10 million.
- d) Previously no investment could be made by a VCT in a company whose first commercial sale was more than 7 years (or 10 years in the case of a Knowledge Intensive Company). It has been proposed that from 6 April 2018 Knowledge Intensive Companies may elect for this period to commence from the date at which the company's annual turnover exceeds £200,000 rather than its first commercial sale.
- e) For accounting periods beginning on or after 6 April 2019 a VCT will be required to invest 80% of its total investments in VCT qualifying holdings (previously 70%).

- f) From 6 April 2018, qualifying investments made by VCTs from funds raised before 6 April 2011 will be included in the requirement that at least 70% of qualifying holdings are in eligible shares.
- g) From 6 April 2018, the grandfathering of older VCT funds, permitting those funds to be invested in certain asset backed trades (such as hotels and nursing homes) will be removed.
- h) For new funds raised in accounting periods beginning after 5 April 2018 a VCT must invest at least 30% of the funds raised in VCT qualifying holdings within 12 months of the end of the accounting period in which the shares are issued."

The boards of the Companies will be reviewing what amendments may need to be made to the Companies' investment policies in light of the proposed changes and amendments may require approval from Shareholders in due course. In the meantime, the Albion Venture Capital Trust Offer remains suspended.

### 3. **SUPPLEMENTS TO THE REGISTRATION DOCUMENT**

3.1 As a result of the publication of the Bill, the Registration Document which forms part of the Prospectus, is hereby supplemented as follows:

3.2 On Page 6 under the heading "Risks Relating to Taxation and Regulation" by the deletion of the final paragraph and replacing it with the following text:

"In the Autumn Budget on 22 November 2017 the Chancellor of the Exchequer announced certain changes to the rules relating to VCTs. Draft legislation was set out in the Finance Bill 2017-19 which was published on 1 December 2017 and supporting Guidance Notes were issued on 4 December 2017. These proposals are not yet law and are subject to consultation in respect of the Guidance Notes, and parliamentary scrutiny, process and approval in respect of the Finance Bill 2017-19. The proposed changes are as follows:-

- i) With effect from Royal Assent to the Finance Bill 2017-19, which is expected in Spring 2018, the question of whether a company's activities or investments can be considered as lower risk so as to enable the company to qualify for VCT tax reliefs will be considered using a 'principles based approach' known as the 'risk-to-capital' condition. This condition has two parts, namely:-
  - whether the company has an objective to grow and develop over the long term; and
  - whether there is a significant risk that there could be a loss of capital to the investor of an amount exceeding the net return.
- j) From 4 December 2017, applications for advance assurance will not be considered by HMRC unless the 'risk-to-capital' condition is met.
- k) For investments from 6 April 2018 the annual limits for investment in Knowledge Intensive Companies will be increased from £5 million to £10 million.
- l) Previously no investment could be made by a VCT in a company whose first commercial sale was more than 7 years (or 10 years in the case of a Knowledge Intensive Company). It has been proposed that from 6 April 2018 Knowledge Intensive Companies may elect for this period to commence from the date at which the company's annual turnover exceeds £200,000 rather than its first commercial sale.
- m) For accounting periods beginning on or after 6 April 2019 a VCT will be required to invest 80% of its total investments in VCT qualifying holdings (previously 70%).

- n) From 6 April 2018, qualifying investments made by VCTs from funds raised before 6 April 2011 will be included in the requirement that at least 70% of qualifying holdings are in eligible shares.
- o) From 6 April 2018, the grandfathering of older VCT funds, permitting those funds to be invested in certain asset backed trades (such as hotels and nursing homes) will be removed.
- p) For new funds raised in accounting periods beginning after 5 April 2018 a VCT must invest at least 30% of the funds raised in VCT qualifying holdings within 12 months of the end of the accounting period in which the shares are issued."

3.3 The boards of the Companies will be reviewing what amendments may need to be made to the Companies' investment policies in light of the proposed changes and amendments may require approval from Shareholders in due course. In the meantime, the Albion Venture Capital Trust Offer remains suspended.

#### 4. **SUPPLEMENTS TO THE SUMMARY**

4.1 As a result of the publication of the Bill, the Summary which forms part of the Prospectus, is hereby supplemented as follows:

4.2 By the insertion of a new risk factor in D1 on page 13 as follows:

"In the Autumn Budget on 22 November 2017 the Chancellor of the Exchequer announced certain changes to the rules relating to VCTs. Draft legislation was set out in the Finance Bill 2017-19 which was published on 1 December 2017 and supporting Guidance Notes were issued on 4 December 2017. These proposals are not yet law and are subject to consultation in respect of the Guidance Notes, and parliamentary scrutiny, process and approval in respect of the Finance Bill 2017-19. The proposed changes are as follows:-

- q) With effect from Royal Assent to the Finance Bill 2017-19, which is expected in Spring 2018, the question of whether a company's activities or investments can be considered as lower risk so as to enable the company to qualify for VCT tax reliefs will be considered using a 'principles based approach' known as the 'risk-to-capital' condition. This condition has two parts, namely:-
  - whether the company has an objective to grow and develop over the long term; and
  - whether there is a significant risk that there could be a loss of capital to the investor of an amount exceeding the net return.
- r) From 4 December 2017, applications for advance assurance will not be considered by HMRC unless the 'risk-to-capital' condition is met.
- s) For investments from 6 April 2018 the annual limits for investment in Knowledge Intensive Companies will be increased from £5 million to £10 million.
- t) Previously no investment could be made by a VCT in a company whose first commercial sale was more than 7 years (or 10 years in the case of a Knowledge Intensive Company). It has been proposed that from 6 April 2018 Knowledge Intensive Companies may elect for this period to commence from the date at which the company's annual turnover exceeds £200,000 rather than its first commercial sale.
- u) For accounting periods beginning on or after 6 April 2019 a VCT will be required to invest 80% of its total investments in VCT qualifying holdings (previously 70%).

- v) From 6 April 2018, qualifying investments made by VCTs from funds raised before 6 April 2011 will be included in the requirement that at least 70% of qualifying holdings are in eligible shares.
- w) From 6 April 2018, the grandfathering of older VCT funds, permitting those funds to be invested in certain asset backed trades (such as hotels and nursing homes) will be removed.
- x) For new funds raised in accounting periods beginning after 5 April 2018 a VCT must invest at least 30% of the funds raised in VCT qualifying holdings within 12 months of the end of the accounting period in which the shares are issued."

The boards of the Companies will be reviewing what amendments may need to be made to the Companies' investment policies in light of the proposed changes and amendments may require approval from Shareholders in due course. In the meantime, the Albion Venture Capital Trust Offer remains suspended.

5. **NO SIGNIFICANT CHANGE**

Save as disclosed in the supplemental prospectus issued on 9 October 2017 and save for the publication of the Bill, as disclosed in this document, there has been no significant change and no significant new matter relating to the Companies since the publication of the Prospectus.

Dated: 21 December 2017