

# DEVELOP NORTH PLC

## QUARTERLY FACTSHEET 30 NOVEMBER 2022

Develop North PLC (DVNO) is an investment company listed on the LSE Main Market. It targets a 4.0p annual dividend and 5% NAV total return, through a diversified portfolio of fixed rate loans:

- Secured over land and/or property in the UK, primarily regional (i.e. loans to property developers)
- Targeted towards both residential and commercial property developments

### KEY FACTS

<b>Ticker</b>	DVNO
<b>Launched</b>	24 January 2017
<b>Domicile</b>	UK
<b>Listing</b>	LSE Main Market
<b>Ordinary shares</b>	26,924,063
<b>Market cap</b>	£23.1m
<b>Share price</b>	86.0p
<b>NAV per share (cum income)</b>	81.79p
<b>Price premium to NAV</b>	3.7%
<b>Forecast Yield</b>	4.65%
<b>Dividends</b>	1.0p/quarter
<b>Dividend cover</b>	0.48
<b>Gearing</b>	18.2% (max. 30%)
<b>Portfolio Manager</b>	Tier One Capital Ltd
<b>Annual Management Fee (% of net assets)</b>	
0.25%	On assets from £0m to £100m
0.50%	On assets above £100m
<b>Financial year end</b>	30 November
<b>Dividend payment dates</b>	Jan, Apr, Jul, Oct
<b>OCF</b>	2.76%

### REVIEW OF THE YEAR TO 30 NOVEMBER 2022

Key themes during 2022 have been rising interest rates, soaring inflation, government U-turns on a broad range of policies from windfall tax to fracking were reversed within weeks which unsettled business confidence, and construction supply chain issues. This was the background against which Develop North continued to go about its business during the year, adding new and strongly financed loans to the portfolio while managing older projects as they gradually exited.

On 4 May 2022, the Company changed its name to Develop North PLC. The Company has rebranded to highlight its Northern UK credentials and aspirations.

Despite the testing market conditions described above, the Company has adhered to the dividend policy established in 2021, namely to pay dividends at a rate of 1 penny per share per quarter, equivalent to 4 pence per share per year in aggregate.

The year saw two new deals being written, both in the North East of England and both in the residential sector with a combined value of £4.1m. Post year end in January 2023, a new facility was provided to fund the purchase and development of The Croft Hotel, Croft on Tees, Yorkshire. There were three exits in the year, bringing the total number of exits to 15 since inception.

2.3% NAV total return	Attributed as follows (as a % of 30 Nov 2021 NAV): <ul style="list-style-type: none"><li>• for the twelve months to 30 November 2022</li></ul>
1.0p dividends declared	Interim dividends of 1.0p for the quarter to 30 November 2022 were declared March 2023.

## PORTFOLIO AT A GLANCE

17 Loans

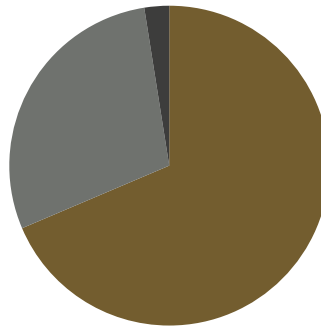
£25.5m Portfolio value

£1.45m Average loan size

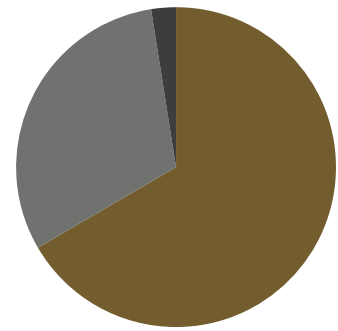
8.0% Average coupon

100% Secured

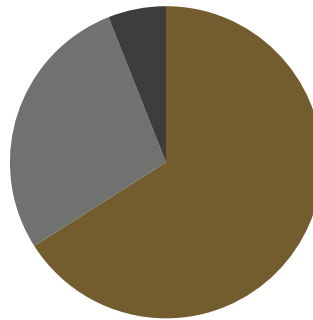
66.8% LTV



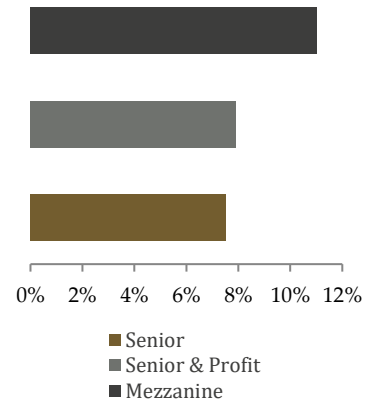
■ Residential  
■ Commercial  
■ Cash



■ North East  
■ Scotland  
■ Cash



■ Senior & Profit  
■ Senior  
■ Mezzanine



## FURTHER INFORMATION

### PORTFOLIO MANAGER

Tier One Capital Ltd

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Newcastle upon Tyne NE4 7YD

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### BROKER

finncap

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## INVESTMENT RISKS

The value of investments and any income will fluctuate, and investors may not get back the full amount invested. When making an investment into an investment trust you are buying shares in a company that is listed on a stock exchange. The price of the shares will be determined by supply and demand. Consequently, the share price of an investment trust may be higher or lower than the underlying net asset value of the investments in its portfolio and there can be no certainty that there will be liquidity in the shares. The investment trust may use borrowings to invest in the market. The use of borrowings may enhance total return when the investment trust's assets are rising, but it will have the opposite effect when asset values fall. The use of borrowings may increase the volatility of the share price and the net asset value per share. In certain circumstances the investment trust may be required to repay borrowings, and this could adversely affect income and capital returns.

## IMPORTANT INFORMATION

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