

Quarterly factsheet 29 February 2024

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

Review of the Quarter to 29 Feb 2024

The first quarter of the new financial year has seen the base rate remain at 5.25% at the time of writing (April 2024). CPI inflation for March 2024 fell to 3.2% and is expected to fall below the 2% target in April 2024. The latest annual house price inflation was -0.2% for the year to February 2024 (source: ONS), suggesting that the market has stabilised. The North-East housing market saw the highest annual percentage increase of all English regions in the 12 months to February 2024 at 2.9%.

Within DVNO, this quarter year saw one new facility being provided in the north-east of England. In addition two of the existing projects were extended and repriced.

There were no exits in the quarter but post quarter end, there was another exit bringing the total number of exits to nineteen since inception. The investment adviser reports a healthy pipeline and an anticipation of further completed deals over the coming months.

In November and December 2023 1,256,207 shares were bought back by the company. In April 2024, a further 689,655 shares were bought back by the company.

1.56% NAV total return for the first three quarters of this financial year	Attributed as follows (as a % of 30 Nov 2023 NAV): <ul style="list-style-type: none"> • 1.27% increase in dividends paid • 0.29% increase in NAV per share
1.0p dividends declared	Interim dividends of 1.0p for the quarter to 30 Nov 2023 were declared March 2023.

Key facts

Ticker
DVNO

Launched
24 January 2017

Domicile
UK

Listing
LSE Main Market

Ordinary shares
24,978,201

Market cap
£21.0m

Share price
78p

NAV per share (cum income)
79.15p

Price discount to NAV
1.45%

Forecast Yield
5.13%

Dividends
1.0p/quarter

Dividend cover
1.06

Gearing
8% (max. 30%)

Portfolio Manager
Tier One Capital Ltd

Annual Management Fee (% of net assets)
0.25% on assets from £0m to £100m
0.50% on assets above £100m

Financial year end
30 November

Dividend payment dates
Jan, Apr, Jul, Oct

OCF
2.8%

Portfolio at a glance

18

Loans

£21.8m

Portfolio value

£1.2m

Average loan size

9.1%

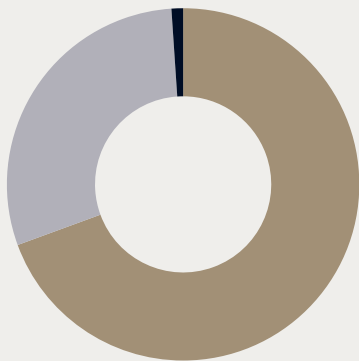
Average coupon

100%

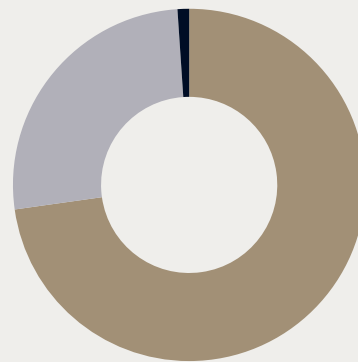
Secured

75%

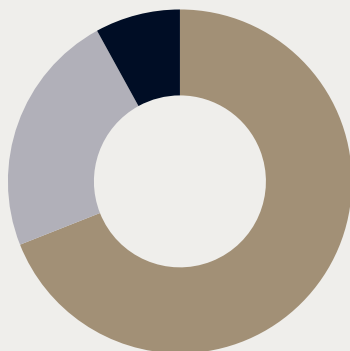
LTV



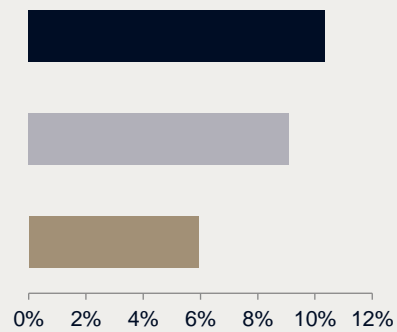
■ Residential
■ Commercial
■ Cash



■ North East
■ Scotland
■ Cash



■ Senior & Profit
■ Senior
■ Mezzanine



■ Senior
■ Senior & Profit
■ Mezzanine

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

This document is marketing material and is not intended as a recommendation to invest in any particular asset class, security or strategy.

Regulatory requirements that require impartiality of investment/investment strategy are therefore not applicable nor are any prohibitions to trade before publication. The information provided is for illustrative purposes only, it should not be relied upon as a recommendation to buy or sell securities.

Where individuals or the business have expressed opinions, they are based on current on current market conditions, they may differ from those of other investment professionals and are subject to change without notice. For more information on our products, please refer to the relevant Key Information Document (KID), Alternative Investment Fund Managers Directive document (AIFMD), and the latest Annual or Half Yearly Financial Reports. This information can be found at www.developnorth.co.uk.

Further information

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