

# Key Information Document



# DEVELOP NORTH

## Develop North PLC

ISIN: GB00BD0ND667

The Company is registered with the Financial Conduct Authority as Small UK Alternative Investment Fund Manager and is subject to the Listing Rules, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation and the Prospectus Rules as applicable to closed-ended investment companies. The Company is subject to the oversight of the Financial Conduct Authority generally and in relation to the content and preparation of this document.

If you should have a query regarding the preparation of this document this should be directed in the first instance to the PRIIP Manufacturer, Apex Fund Administration Services (UK) Limited, Hamilton Centre, Rodney Way, Chelmsford, Essex, CM1 3BY, tel: 01245 398 950, email: priips@apexgroup.com.

Date of Publication 03/04/2025

## What is this product?

The information contained in this document and the methodologies for calculating risks, costs and potential returns are prescribed by EU rules.

The Company is a closed-ended investment company whose shares are listed on the London Stock Exchange and an alternative investment fund under the Alternative Investment Fund Managers Directive. The Company's shares are therefore available to the general public.

The Company's investment objective is to provide Shareholders with a consistent and stable income and the potential for an attractive total return over the medium to long term while managing downside risk through a diversified portfolio of fixed rate loans predominantly secured over land and/or property in the UK.

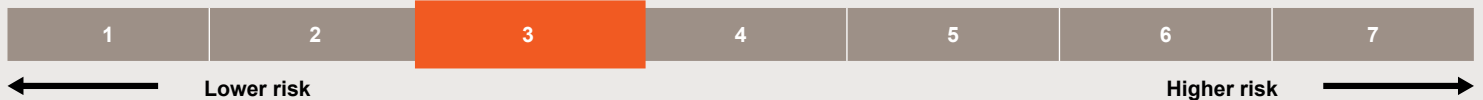
The target investors are institutions and individual retail investors.

There is no fixed maturity date. There is no ability for the Company to terminate holdings unilaterally or for the shares to be terminated automatically.

The shares of the Company are bought and sold via markets. Typically, at any given time on any given day, the price you pay for a share will be higher than the price at which you could sell it.

## What are the risks and what could I get in return?

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.



**The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you sell your shares at an early stage and you may get back less than you invested. You may not be able to sell your shares or you may have to sell at a price that significantly impacts on how much you get back. You will incur costs in buying and selling your shares.**

**The underlying asset class within the investment trust is that of property development, where projects supported are typically between 2 and 5 years in duration.**



In accordance with legislation, we have classified this product as 3, which is a low to medium risk class. Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases.

The summary risk indicator only reflects historical share price volatility of the Company's shares.

Gearing, exposure to emerging markets, unlisted investments, foreign currencies, derivatives and the ability of the Company to buy back its own shares may increase risk. This product does not include any protection from future market performance so you could lose some or all of your investment.

## Investment performance information

The underlying net asset value of the Company is largely based on its loan book valuation. This value can be affected by various loan specific factors including security position, net interest return, maturity term, probability of loss, deployment levels, cost of capital and deployment rate of return. Wider market and economic factors can further affect the value of the Company's shares due to market demand.

The Company references both the AIC Property-Debt sector and the AIC Debt-Loans sector as potential benchmarks in the financial statements. Historically, the Company's shares have experienced low volatility levels largely due to its size. Given the closed-ended nature of the Company, the outcome for an investor during severely adverse market conditions will be dictated by market demand for the Company's shares.

What could affect my return positively?

The Company should perform well during periods of low interest rates, low inflation, low unemployment and an adequate supply of skilled labour. We would also expect to see positive performance during turbulent economic conditions as demand for a consistent and regular income becomes more attractive to investors.

What could affect my return negatively?

A high cost and high interest rate environment, together with a disruptive property market could see a reduction in the underlying value of the Company.

## What happens if the company is unable to pay out?

As a shareholder of a listed company you would not be able to make a claim to the Financial Services Compensation Scheme about the Company in the event the Company becomes insolvent. A default by the Company or any of the underlying holdings could affect the value of your investment.

## What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest £10,000 each year. The figures are estimates and may change in the future.

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment £10000.00			
Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in at 5 years
Total costs	£0.00	£0.00	£0.00
Impact on return (RIY) per year	0.00%	0.00%	0.00%

What are the costs? (Continued)			
One-off costs	Entry costs	0.00%	The impact of the costs you pay when entering your investment.
	Exit costs	0.00%	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.00%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	0.00%	The impact of the costs that are incurred each year for managing your investments and running the Company.
Incidental costs	Performance fees	-	The impact of performance fees on your investment.
	Carried interests	-	The impact of carried interests on your investment.

## How long should I hold it and can I take money out early?

The recommended minimum holding period of 5 years has been selected for illustrative purposes only and reflects the long-term nature of the Company's investment objectives, but investors may elect to sell their shares on the market at any time without penalty by the Company. The value of shares and the income derived from them (if any) may go down as well as up, and investors may not get back the full value of their investments. Whilst the shares are traded on the main market, it is possible that there may not be a liquid market in the shares and investors may have difficulty selling them.

## How can I complain?

If you have a complaint this should be directed in the first instance to the Company Secretary, Apex Fund Administration Services (UK) Limited, Hamilton Centre, Rodney Way, Chelmsford, Essex, CM1 3BY, tel: 01245 398 950, email: cosec-uk@apexgroup.com.

## Other relevant information

The cost, performance and risk calculations included in this document follow the methodology prescribed by EU rules.

For the purpose of Article 6 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (the "Disclosures Regulation"), the AIFM, in consultation with the Investment Advisor, has made a determination that sustainability risks are not currently relevant to the investment decisions being made in respect of the Company, based on its investment strategy (see further the section of the Supplement entitled "Investment Objectives and Strategy") and has further determined that sustainability risks are not likely to have a material impact on the returns of the Company.

The AIFM in consultation with the Investment Advisor, may consider it appropriate to integrate sustainability risks into their investment decisions for the Company in the future and this disclosure will be updated in accordance with the Disclosures Regulation to reflect any such decision. The Investment Advisor does not currently consider the principal adverse impacts of investment decisions on sustainability factors with the meaning of SFDR in respect of the Company, as the relevant information required to appropriately assess and consider the principal adverse impacts of investment decisions on sustainability factors, is not yet available.

The Investment Advisor will keep the decision to not consider the principal adverse impacts of investment decisions on sustainability factors within the meaning of SFDR under regular review.

Other relevant information on the Company can be obtained from the Company's web pages: <http://www.developnorth.co.uk>.

## **Operating Expenses**

This KID should be considered only in conjunction with the Prospectus which is available on the parent company's website: <http://www.developnorth.co.uk> ; along with other information about the Company, including its Annual Report and Half Yearly Report.

As a listed company, the Company incurs operating expenses, for example, arising in relation to the management of the portfolio. For the avoidance of doubt; the operating expenses are not an additional cost paid by shareholders to the Company. The Company's published net asset value is net of all costs / fees incurred by the Company or within the underlying investment portfolio.