

17 October 2025

Develop North PLC
(the “**Company**” or “**DVNO**”)

Investment Policy

The Company will seek to achieve its investment objective through a diversified portfolio of fixed rate loans predominantly secured over land and/or property in the UK.

The Company will attempt to reduce downside risk by focusing on secured debt with both quality collateral and contractual protection.

The Company will make investments primarily through senior secured loans although other loans such as bridging loans, subordinated loans, selected loan financings and other debt instruments may be considered if appropriate.

The Company anticipates that the typical loan term will be between one and five years. The Company retains absolute discretion to make investments for either shorter or longer periods.

Loan to value

The Company will typically seek to originate debt where the effective loan to real estate value ratio of any investment is between 40 per cent. and 100 per cent. at the time of origination. The Company will typically seek to achieve a blended LTV across the Portfolio of no more than 75 per cent. (based on the initial valuations at the time of loan origination) once fully invested.

Sector

The Company's portfolio is intended to be appropriately diversified by sector and will be predominantly split between:

- regional residential housebuilding across the UK, with a preliminary focus on non-London based property;
- small to medium commercial property development across the UK primarily focusing on small serviced office space, hotel developments and wedding and conferencing venues; and
- direct sale and leaseback vehicles primarily operating in the professional sectors of dentists, accountants, solicitors and finance professionals.

Investment restrictions

The Company will observe the following investment restrictions:

- the Company will derive its income from a portfolio of not less than five loans;
- no more than 100 per cent. of the Gross Asset Value will be exposed to the regional residential housebuilding sector, calculated at the time of investment;
- no more than 100 per cent. of the Gross Asset Value will be exposed to the small to medium commercial property development sector, calculated at the time of investment;

- no more than 30 per cent. of the Net Asset Value will be exposed to direct sale and leaseback vehicles, at the time of investment;
- no more than 50 per cent. of the Net Asset Value will be exposed to subordinated loans, calculated at the time of investment and/or subsequent subordination;
- no more than 50 per cent. of the Net Asset Value will be exposed to bridging loans, selected loan financings and other debt instruments, calculated at the time of investment;
- no more than 5 per cent. of the Net Asset Value will be exposed to unsecured loans, calculated at the time of investment;
- no single investment, or aggregate investments secured on a single property or group of properties or connected with related borrowers, will exceed 20 per cent. of the Net Asset Value, calculated at the time of investment;
- no more than 20 per cent. of the Net Asset Value will be exposed to any one borrower or related borrowers or developer or related developer entities calculated at the time of investment;
- no more than 10 per cent. of the Net Asset Value will be exposed to any sector other than regional residential housebuilding and, small to medium commercial property development and direct sale and leaseback vehicles; and
- the Company will not invest in other listed closed-ended investment companies.

Borrowing

The Company may use gearing if it believes it will enhance Shareholder returns over the longer term. If the Company does decide to introduce gearing it would intend to limit the Company's borrowings to a maximum of 35 per cent. of the Net Asset Value at the time of drawdown.

Cash management

The Company may from time- to-time have surplus cash. It is expected that any surplus cash will be temporarily invested in cash or cash equivalents, money market instruments, bonds, commercial paper or other debt obligations with banks or other counterparties having a single-A (or equivalent) or higher credit rating as determined by an internationally recognised rating agency or gilts or otherwise approved by the Board.

Use of derivatives and hedging

The Company may invest through derivatives for efficient portfolio management. In particular, the Company may engage in interest rate hedging or otherwise seek to mitigate the risk of interest rate increases as part of the Company's efficient portfolio management.

In the event of a breach of the investment policy or the investment restrictions set out above, the Investment Adviser shall inform the Directors upon becoming aware of the same and if the Directors consider the breach to be material, notification will be made to a Regulatory Information Service.

No material change will be made to the investment policy without the approval of Shareholders by ordinary resolution.