

### Monthly Investment Highlights

- The Company generated a total NAV return of 2.16% for October 2020. The revenue return was 0.25% and the capital return was 1.91% for the month;
- The Company made its initial balance sheet investment in PerchHQ, LLC as VPC continues to close on new deals to provide investment opportunities for the Company; and
- The capital return was driven by the unrealized increases in several equity positions and the decrease in the IFRS 9 reserve for expected credit losses driven by strong underlying performance across the portfolio.

### The Company's Performance (As at 31 October 2020)<sup>1</sup>

NAV (Cum Income)	£267,193,858
NAV (Ex Income)	£241,852,286
Monthly NAV (Cum Income) Return	2.16%
Monthly Income Return	0.25%
Monthly NAV (Ex Income) Return	1.91%
ITD Total NAV Return <sup>2</sup>	34.41%
NAV per Share (Cum Income) <sup>3</sup>	94.13p
NAV per Share (Ex Income) <sup>3</sup>	85.20p
Share Price (30 October 2020 Close)	64.00p
Issue Price	100.00p
Shares in Issue <sup>3</sup>	283,851,556
Market Capitalisation	£181,664,996
Trailing Twelve Month Dividend	8.00p
Trailing Twelve Month Dividend Yield	12.50%
Premium / (Discount) to NAV (Cum Income)	-32.01%
Look-through Gearing Ratio	0.40x
Look-through Gearing Ratio – Company Level	0.21x
Look-through Gearing Ratio – Non-Recourse	0.19x

### Monthly Commentary

During the month, the Company made its initial balance sheet investment in PerchHQ, LLC ("Perch"). Perch is a technology-enabled platform that acquires and operates a diverse portfolio of Amazon third-party seller assets. As part of the transaction the Company received warrants in exchange for providing the credit facility. Perch acquires winning consumer brands and uses its technology and operational expertise to drive growth through pricing strategy, advertising strategy, cost savings, supply chain efficiencies, and general Amazon account management optimisation. Perch was founded by CEO Chris Bell in October 2019 and is led by a team of former colleagues from Wayfair and Bain & Company.

Additionally, the Company holds common stock in fintech platform Bread which provides point of sale finance to e-commerce customers in the United States. Penny warrants were acquired in conjunction with a balance sheet facility that was refinanced during 2019 and recently converted to common stock. During the month it was announced that Bread signed a definitive agreement to be acquired by Alliance Data Systems Corporation (NYSE: ADS). The change in valuation contributed 0.43% to the return during the month and the transaction is anticipated to close by year end. More detail is available [here via a public press release](#).

From 1 October 2020 to 31 October 2020, the Company did not repurchase any shares through the share buyback programme. The Investment Manager purchased 66,951 shares of the Company with 20.0% of its monthly management fee

### Events Subsequent to 31 October 2020

In November, the Company announced it was named "Best Performing Debt Fund" in Citywire's Fourth Annual Investment Trust Awards.

Additionally, one of the Company's investments, Applied Data Finance, LLC ("ADF"), a leading technology-enabled lender and asset manager, announced that it had closed a \$14.2 million capital raise led by existing investors. The capital was raised through the issuance of convertible notes that, at the purchaser's election, can be converted into preferred stock of the company. The notes mature in July 2023 and the Company did not participate in the equity raise. Earlier this year, ADF ranked #8 on The Financial Times' The Americas' Fastest Growing Companies 2020 list and second overall in the Fintech category. Inc. Magazine also ranked ADF #345 on its annual Inc. 5000 list. These lists are considered the premier recognition of the most successful independent small businesses. More detail is available [here via a public press release](#). The Company also received a partial paydown of \$18.9 million on its balance sheet investment in ADF.

From 1 November 2020 to 24 November 2020, the Company repurchased 725,000 ordinary shares at an average price of 65.98 pence per share and an average discount to NAV of 28.40%<sup>4</sup>. Following the announcement of the September NAV, the Investment Manager purchased 66,048 shares of the Company with 20.0% of its monthly management fee.

<sup>1</sup>Please refer to the Glossary of Terms posted on the Company's website.

<sup>2</sup>Net of issue costs.

<sup>3</sup>Based on total shares outstanding, less shares held in treasury.

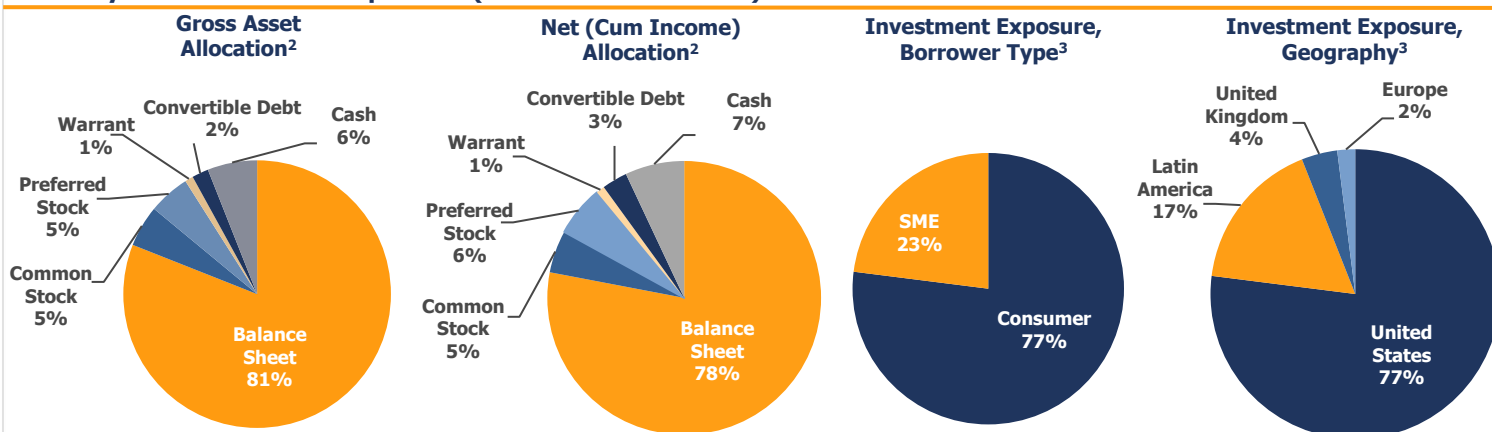
<sup>4</sup>Calculated as the weighted average repurchase price of the shares less the latest announced NAV as at the date of the repurchase divided by the latest announced NAV as at the date of the repurchase.

# VPC Specialty Lending Investments PLC

## VICTORY PARK CAPITAL

Monthly Report – October 2020

### Ordinary Share Portfolio Composition (As at 31 October 2020)<sup>1</sup>



### Ordinary Share Gross Return Statistics (As at 31 October 2020)<sup>1</sup>

Gross NAV (Cum Income) Returns (Total Returns)	Month To Date	Last Three Months	Last Twelve Months
Balance Sheet Loans	1.83%	5.05%	12.88%
Marketplace Loans	0.00%	0.04%	0.13%
Securitisation Residuals	0.05%	0.06%	0.23%
Equity	1.16%	2.59%	-1.00%
F/X	-0.07%	-0.17%	-1.02%
<b>Total Gross NAV (Cum Income) Returns</b>	<b>2.97%</b>	<b>7.57%</b>	<b>11.22%</b>
Gross Income Returns (Gross Revenue Returns)	Month To Date	Last Three Months	Last Twelve Months
Balance Sheet Loans	1.05%	3.42%	14.51%
Marketplace Loans	0.00%	0.00%	0.00%
Securitisation Residuals	N/A	N/A	N/A
Equity	N/A	N/A	N/A
F/X	N/A	N/A	N/A
<b>Total Gross Income Returns</b>	<b>1.05%</b>	<b>3.42%</b>	<b>14.51%</b>
Gross NAV (Ex Income) Returns (Gross Capital Returns)	Month To Date	Last Three Months	Last Twelve Months
Balance Sheet Loans	0.78%	1.63%	-1.63%
Marketplace Loans	0.00%	0.04%	0.13%
Securitisation Residuals	0.05%	0.06%	0.23%
Equity	1.16%	2.59%	-1.00%
F/X	-0.07%	-0.17%	-1.02%
<b>Total Gross NAV (Ex Income) Returns<sup>4</sup></b>	<b>1.92%</b>	<b>4.15%</b>	<b>-3.29%</b>

### Portfolio Statistics<sup>1,5</sup>

	Balance Sheet Loans
Weighted Average Coupon	10.71%
Weighted Average Remaining Life (months)	29.69

<sup>1</sup>Please refer to the Glossary of Terms posted on the Company's website.

<sup>2</sup>Percentages calculated on a look-through basis to the Company's investee entities and SPVs.

<sup>3</sup>Calculations using gross asset exposure and not reduced for gearing. Excludes cash.

<sup>4</sup>The Gross and Net NAV (Ex Income) Returns disclosed in this report are the same, excluding the impact of share buybacks on the return, as there are no operating and other expenses of the Company allocated to the NAV (Ex Income) Return as defined within the Glossary of Terms listed on the Company's website.

<sup>5</sup>Underlying portfolio data as of most recent available reporting period.

# VPC Specialty Lending Investments PLC

# VICTORY PARK CAPITAL

Monthly Report – October 2020

## Ordinary Share Performance and Dividend Summary (As at 31 October 2020)<sup>1</sup>

NAV (Cum Income) Return <sup>2</sup>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD	ITD <sup>4</sup>
2020	0.89%	0.08%	-3.55%	0.91%	1.26%	1.08%	1.30%	1.25%	2.29%	2.16%			7.28%	34.41%
2019	0.58%	0.46%	0.73%	1.03%	0.56%	2.39%	1.04%	0.84%	0.98%	0.95%	0.96%	0.73%	11.34%	
2018	-0.17% <sup>5</sup>	0.49%	0.62%	0.95%	1.03%	1.38%	1.15%	1.01%	1.03%	0.51%	0.52%	0.46%	8.96% <sup>5</sup>	
2017	0.51%	0.31%	0.57%	0.06%	-0.68%	0.04%	0.51%	0.26%	0.42%	0.26%	0.55%	0.29%	3.07%	
2016	0.33%	0.41%	0.41%	0.37%	-0.62%	0.58%	0.60%	0.10%	0.16%	-1.25%	-0.28%	0.04%	0.85%	
2015	-	-	-0.12%	0.63%	0.33%	0.81%	0.77%	0.51%	0.63%	0.68%	0.69%	0.77%	5.80%	

Income Return <sup>2</sup>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD	ITD <sup>4</sup>
2020	0.79%	1.00%	1.68%	0.85%	1.08%	1.17%	0.95%	0.64%	0.50%	0.25%			8.67%	46.18%
2019	0.78%	0.56%	0.72%	0.91%	0.59%	0.93%	0.96%	0.85%	0.82%	0.92%	0.92%	0.80%	9.83%	
2018	0.99%	0.81%	0.89%	0.86%	0.94%	0.99%	0.93%	0.93%	1.20%	1.41%	0.82%	0.56%	11.41%	
2017	0.48%	0.51%	0.56%	0.58%	0.62%	0.66%	0.76%	0.83%	0.75%	0.85%	0.82%	0.96%	8.23%	
2016	0.63%	0.47%	0.23%	0.36%	0.38%	0.27%	1.22%	0.42%	0.40%	0.78%	0.48%	0.49%	6.01%	
2015	-	-	-0.10%	0.09%	0.29%	0.65%	0.74%	0.43%	0.72%	0.44%	0.62%	0.35%	4.31%	

NAV (Ex Income) Return <sup>2</sup>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD	ITD <sup>4</sup>
2020	0.10%	-0.92%	-5.23%	0.06%	0.18%	-0.09%	0.35%	0.61%	1.79%	1.91%			-1.39%	-11.77%
2019	-0.20%	-0.10%	0.01%	0.12%	-0.03%	1.46%	0.08%	-0.01%	0.16%	0.03%	0.04%	-0.07%	1.51%	
2018	-1.16% <sup>5</sup>	-0.32%	-0.27%	0.09%	0.09%	0.39%	0.22%	0.08%	-0.17%	-0.90%	-0.30%	-0.10%	-2.45% <sup>5</sup>	
2017	0.03%	-0.20%	0.01%	-0.52%	-1.30%	-0.62%	-0.25%	-0.57%	-0.33%	-0.59%	-0.27%	-0.67%	-5.17%	
2016	-0.30%	-0.06%	0.18%	0.01%	-1.00%	0.31%	-0.62%	-0.32%	-0.24%	-2.03%	-0.76%	-0.45%	-5.15%	
2015	-	-	-0.02%	0.54%	0.04%	0.16%	0.03%	0.08%	-0.09%	0.24%	0.07%	0.42%	1.49%	

Share Price Performance <sup>3</sup>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD	ITD <sup>4</sup>
2020	3.32%	-4.70%	-29.87%	-12.59%	35.81%	2.96%	0.00%	-5.15%	2.24%	0.00%			-18.16%	-36.00%
2019	1.56%	-0.77%	-6.46%	-1.38%	-2.24%	3.44%	8.03%	-3.46%	5.44%	-4.53%	0.00%	3.17%	1.82%	
2018	3.85%	-3.70%	-0.51%	0.52%	0.26%	1.02%	5.05%	-4.33%	1.01%	-1.50%	-2.78%	0.00%	-1.54%	
2017	-1.27%	-1.93%	-1.31%	6.64%	2.18%	0.91%	-2.72%	-1.86%	-1.27%	-0.64%	-3.55%	4.35%	-0.95%	
2016	0.00%	-3.44%	-4.66%	5.46%	-5.45%	-3.17%	-4.76%	1.25%	-1.23%	-0.31%	-10.03%	9.76%	-16.67%	
2015	-	-	0.50%	0.25%	1.24%	0.00%	1.96%	-2.88%	1.98%	-4.37%	-2.54%	-1.56%	-5.50%	

Dividend Per Share	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD	ITD <sup>4</sup>
2020	-	-	2.00p	-	2.00p	-	-	2.00p	-	-			6.00p	37.59p
2019	-	-	2.00p	-	2.00p	-	-	2.00p	-	-	2.00p	-	8.00p	
2018	-	-	1.80p	-	2.00p	-	-	2.00p	-	-	2.00p	-	7.80p	
2017	-	-	1.50p	-	-	1.50p	-	-	1.70p	-	1.80p	-	6.50p	
2016	2.00p	-	-	-	1.50p	-	-	1.50p	-	-	1.50p	-	6.50p	
2015	-	-	-	-	-	-	-	0.90p	-	-	1.89p	-	2.79p	

<sup>1</sup>Please refer to the Glossary of Terms posted on the Company's website.

<sup>2</sup>Net of issue costs.

<sup>3</sup>Based on issue price of 100p.

<sup>4</sup>Inception to Date ("ITD"). Inception date is 17 March 2015 for the Ordinary Shares.

<sup>5</sup>This return excludes the effect of the initial recognition of IFRS 9 disclosed in the Company's Annual Report of 1.11% as at 31 December 2017 which is brought forward through capital as it impacts the inception to date returns.

### Company Overview

VPC Specialty Lending Investments PLC (“VSL” or the “Company”) is a UK-listed investment trust focused on asset-backed lending to emerging and established businesses (“Portfolio Companies”) with the goal of building long-term, sustainable income generation. VSL identifies investment opportunities across various industries and geographies to offer shareholders access to a diversified portfolio of opportunistic credit investments, originated by non-bank lenders with a focus on the rapidly developing technology-enabled lending sector. The Company completed its IPO on 17 March 2015 with a premium listing on the Official List of the U.K. Listing Authority and trading on the Main Market of the London Stock Exchange. The Company’s trading symbol is VSL for the Ordinary Shares.

The Company’s investment manager is Victory Park Capital Advisors, LLC (“VPC” or the “Investment Manager”). VPC is an SEC-registered investment adviser and acts as the AIFM of the Company.

Since 2010, the Investment Manager has been actively involved in the specialty lending marketplace and has made more than \$8.8 billion of investments and commitments across various financial technology Portfolio Companies, spanning multiple geographies, products and structures and continues to deploy capital into existing and new Portfolio Companies.

### Important Information

All data in this monthly report (the “report”) is at or to the final day of the calendar month identified in the heading of the report’s front page unless otherwise stated.

**Past performance should not be seen as an indication of future performance.** The value of investments and any income may fluctuate and investors may not get back the full amount invested. The views expressed are those of VPC at the time of writing, are subject to change without notice and do not constitute investment advice. Whilst VPC has used all reasonable efforts to ensure the accuracy of the information contained in this report, we cannot guarantee the reliability, completeness or accuracy of the content.

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The Company is registered in England (registered number 9385218) with its registered office at 6<sup>th</sup> Floor, 65 Gresham Street, London, EC2V 7NQ, United Kingdom.

The Citywire award won by the Company does not constitute any form of advice or recommendation and is not intended to be relied upon by shareholders in making (or refraining from making) any investment decisions. Shareholders shall seek independent professional advice for any investment decisions.

### VPC Specialty Lending Investments PLC

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### The Company’s Investment Objective

The Company’s investment objectives are to:

- ❖ generate an attractive total return for shareholders of consistent distributable income and capital growth through asset-backed lending;
- ❖ achieve portfolio diversification to emerging and established businesses across different industries and geographies with the goal of building long-term, sustainable value; and
- ❖ enable shareholders to benefit from equity upside through equity-linked securities issued in conjunction asset-backed lending.

VPC identifies and finances emerging and established businesses globally and seeks to provide the Company with attractive yields on its portfolio of credit investments. VPC offers a differentiated private lending approach by financing Portfolio Companies through asset-backed delayed draw term loans, which is referred to as “Balance Sheet Lending.” Balance Sheet Lending affords various structural protections and covenants which are designed to limit downside risk while providing shareholders with strong income returns.

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