

Monthly Report – December 2020

Monthly Investment Highlights

- Total NAV return generated for the month was 2.09%, comprised of gross revenue returns of 1.04% and gross capital returns of 1.91%. These returns were offset by expenses and fees of -0.71% and other capital returns of -0.15%;
- The gross capital returns were driven primarily by an unrealized gain increase on the Company's investment in Katapult Holdings, Inc. and the appreciation of the Elevate Credit, Inc. (NYSE: ELVT) publicly traded share price; and
- The Company made US\$22 million of debt investments during the month in new and existing portfolio companies.

The Company's Performance (As at 31 December 2020)¹

Net Asset Value ("NAV")	£270,537,108
NAV per Share ²	95.72p
Share Price (31 December 2020 Close)	78.70p
Premium / (Discount) to NAV	-17.77%
Trailing Twelve Month Dividend	8.00p
Trailing Twelve Month Dividend Yield	10.17%
Look-through Gearing Ratio	0.32x
Look-through Gearing Ratio – Company Level	0.14x
Look-through Gearing Ratio – Non-Recourse	0.18x

Ordinary Share Return Statistics (As at 31 December 2020)¹

NAV Returns (Total Returns)	Month To Date	Last Three Months	Last Twelve Months
Gross Revenue Returns	1.04%	3.11%	13.30%
Gross Capital Returns	1.91%	5.59%	0.73%
Expenses and Fees	-0.71%	-2.20%	-1.82%
F/X and Other Capital Returns	-0.15%	-0.45%	-1.09%
Total NAV Return	2.09%	6.05%	11.12%

Monthly Commentary

During the month, the Company made its initial debt investments in Cap Hill Brands, a technology driven consumer goods platform that will acquire and operate a diverse portfolio of branded Amazon third-party seller assets.

As disclosed previously, during December, Katapult Holdings, Inc. ("Katapult"), announced that it had entered into a Definitive Merger Agreement (the "Agreement") with FinServ Acquisition Corp (Nasdaq: FSRV) a publicly traded Special Purpose Acquisition Company focused on fintech investments. The unrealised gross NAV increase on Katapult during the month was 1.17%. As previously disclosed the Company will receive a combination of cash and newly issued shares in FSRV at closing and there will be a six month lock up on the shares post-closing. The transaction is expected to close in Q2, and the Company is currently valuing the position at a 30% discount to the current market value of the transaction.

The Company repurchased 479,192 ordinary shares at an average price of 73.26 pence per share and an average discount to NAV of 20.48%³. The Investment Manager purchased 61,850 shares of the Company with 20.0% of its monthly management fee.

Events Subsequent to 31 December 2020

On 11 January 2021, the Company disclosed that VPC Impact Acquisition Holdings (NASDAQ: "VIH"), a special purpose acquisition company sponsored by VPC Impact Acquisition Holdings Sponsor, LLC ("VPC Sponsor"), an affiliate of Victory Park Capital ("VPC"), announced it had entered into a definitive agreement to combine with Bakkt Holdings, LLC ("Bakkt"), a company launched by Intercontinental Exchange, Inc. in 2018. Through VPC Sponsor, the Company currently owns 2,220,530 Class B Shares and 2,697,467 private placement warrants in VIH, held at an aggregate cost basis of US\$2,713,994. The transaction is expected to close in the second quarter of 2021 and remains subject to VIH shareholder approval amongst other closing conditions. The full press release can be found [here](#).

From 1 January 2021 to 3 February 2021, the Company repurchased no ordinary shares. Following the announcement of the November NAV, the Investment Manager purchased 55,440 shares of the Company with 20.0% of its monthly management fee.

¹Please refer to the Glossary of Terms posted on the Company's website.

²Based on total shares outstanding, less shares held in treasury.

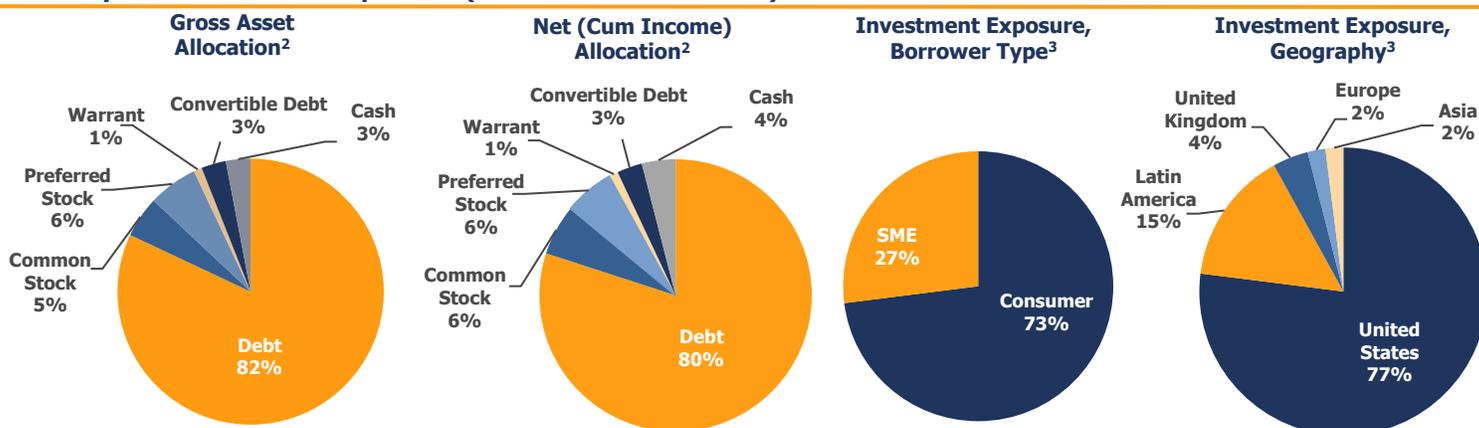
³Calculated as the weighted average repurchase price of the shares less the latest announced NAV as at the date of the repurchase divided by the latest announced NAV as at the date of the repurchase.

VPC Specialty Lending Investments PLC

VICTORY PARK CAPITAL

Monthly Report – December 2020

Ordinary Share Portfolio Composition (As at 31 December 2020)¹



Ordinary Share Performance and Dividend Summary (As at 31 December 2020)¹

NAV Return	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
2020	0.89%	0.08%	-3.55%	0.91%	1.26%	1.08%	1.30%	1.25%	2.29%	2.16%	1.73%	2.09%	11.12%
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% ⁵	0.49%	0.62%	0.95%	1.03%	1.38%	1.15%	1.01%	1.03%	0.51%	0.52%	0.46%	8.96% ⁴

Share Price Performance ⁵	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
2020	3.32%	-4.70%	-29.87%	-12.59%	35.81%	2.96%	0.00%	-5.15%	2.24%	0.00%	12.19%	9.61%	0.64%
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%

Dividend Per Share	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
2020	-	-	2.00p	-	2.00p	-	-	2.00p	-	-	2.00p	-	8.00p
2019	-	-	2.00p	-	2.00p	-	-	2.00p	-	-	2.00p	-	8.00p
2018	-	-	1.80p	-	2.00p	-	-	2.00p	-	-	2.00p	-	7.80p

Portfolio Statistics^{1,6}

	Balance Sheet Loans
Weighted Average Coupon	10.79%
Weighted Average Remaining Life (months)	29.15

¹Please refer to the Glossary of Terms posted on the Company's website.

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

³Calculations using gross asset exposure and not reduced for gearing. Excludes cash.

⁴This 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.

⁵Based on issue price of 100p.

⁶Underlying portfolio data as of most recent available reporting period.

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.

This report is provided for the purpose of information only, and if you are unsure of the suitability of this investment you should take independent advice. NAV performance is not linked to share price performance and shareholders may realise returns that are lower or higher in performance.

Issued in the U.K. by VPC. This report may not be distributed or transmitted in or into the United States of America, Canada, Australia or Japan, or in any other country outside the United Kingdom where such distribution may lead to a breach of law of regulatory requirements, or transmitted, distributed or sent to or by any national, resident or citizen of such countries. The distribution of this document in certain jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any such distribution could result in a violation of the law of such jurisdiction.

The Company is registered in England (registered number 9385218) with its registered office at 6th 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

6th Floor, 65 Gresham Street
London
EC2V 7NQ
United Kingdom
Website: www.vpcspecialtylending.com

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.

For Enquires Please Contact:

Investor Relations
Telephone (U.S.): (+001) 312 705 2789
Email: info@vpcspecialtylending.com