

# VPC Specialty Lending Investments PLC

## VICTORY PARK CAPITAL

Monthly Report – May 2024

### Ordinary Share Return Statistics (As at 31 May 2024)

NAV Returns (Total Returns)	Month To Date	Last Three Months	Last Twelve Months
Gross Revenue Returns	0.62%	1.84%	10.35%
Gross Capital Returns	-3.42%	-1.12%	-19.33%
Expenses and Fees	-0.37%	-1.00%	-3.94%
F/X and Other Returns	0.10%	-0.46%	-0.09%
Total NAV Return	-3.07%	-0.74%	-13.01%

### The Company's Performance (As at 31 May 2024)

Net Asset Value ("NAV")	£ 198,268,848
NAV per Share <sup>1</sup>	71.25p
Share Price (31 May 2024 Close)	44.00p
Premium / (Discount) to NAV	-38.24%
Trailing Twelve Month Dividend	8.00p
Trailing Twelve Month Dividend Yield	18.18%
Look-through Gearing Ratio	0.17x
Look-through Gearing Ratio – Company Level	0.17x
Look-through Gearing Ratio – Non-Recourse	0.00x

### Portfolio Update

For the month of May, the Company generated a gross revenue return of 0.62% (0.46p), a gross capital return of -3.42% (-2.52p), and a total NAV return of -3.07% (-2.26p). The impact of expenses and fees during the month was -0.37% (-0.27p), and other capital returns were 0.10% (0.08p).

The Company and Investment Manager will continue to monitor the discussions between Wefox and its shareholders and provide updates as they become available. Further details on the Wefox positions held by the Company can be found below.

As announced by Wefox on 1 July 2024, "Wefox is actively seeking additional funding to address its financial situation. The board has approved a convertible loan agreement worth approximately \$27m from investors Chrysalis Investments and Target Global." As such, the Investment Manager has updated the valuation of Wefox positions held by the Company based on the terms of the new funding agreement, resulting in an unrealised loss of £8.5 million (-4.16% / -3.05p) for the month. Learn more: [here](#).

Position	No. of Shares/Units	Price	Carrying Value
Preferred A1 Shares	85,400	37.30 CHF	£ 2,771,134
Preferred A2 Shares	45,150	37.30 CHF	£ 1,465,066
Preferred B Shares	60,400	€ 38.15	£ 1,960,769
Preferred C2 Shares	58,350	€ 38.15	£ 1,894,219
Convertible Term Note	500,000	€ 1.00	£ 425,466
Total	749,300		£ 8,516,654

### Investment Profile Maturity Update

- On 10 May 2024, the Company distributed the initial B Share redemption to Shareholders which represented a 4.26p return as calculated below. On 13 May 2024, the Company received proceeds of \$6.6 million related to its convertible notes investment in L&F Acquisition Holdings Fund, LLC, which represents a full exit of the position and a realised gain of \$1.1 million.

B-Share Distribution	
(A) Total Distribution Amount	11,858,999
(B) Shares Outstanding as at 18 April 2024	278,276,392
C = A / B	4.26

- On 23 May 2024, the Company received proceeds of \$0.8 million related to partial return of capital of its investment in Keller Lenkner LLC.
- On 13 June 2024, the Company declared a dividend of 1.89p, which represents a 2.00p equivalent dividend after adjusting for the reduction to NAV as a consequence of the B-Shares redeemed.
- In June 2024, the Company completed a restructuring of its investment in Integra Credit Holdings, LLC. As a result of the amendment, a portion of the accrued interest will be capitalized into a new non-interest-bearing note, which will be reflected as investment activity within the June investment roll forward. Additionally, the maturity date has been extended to 31 December 2025, which will be reflected in the June maturity profile.
- As announced in June 2024, the Investment Manager facilitated transactions resulting in a merger of four leading Amazon aggregators: Juvo Plus, Cap Hill Brands, Dragonfly, and Moonshot Brands. The resultant company, [Infinite Commerce](#), is one of the world's largest developers and sellers of consumer products on eCommerce marketplaces. Learn more [here](#).
- One of the Company's investments, Caribbean Financial Group, has a maturity date of 31 December 2024. The Investment Manager received a partial repayment of \$1.6 million on 28 June 2024, with full repayment of the facility expected at the stated maturity date of 31 December 2024.
- As previously stated, while maturity dates may be extended on certain investments, the Investment Manager and the Company will continue to look for ways to exit the investments before the stated maturity date, where possible, realising the Company's assets in an orderly manner that achieves a balance between maximising the value received from investments and making timely returns of cash to Shareholders.

# VPC Specialty Lending Investments PLC

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### Top Investment Holdings

The Asset Backed Lending Investments table represents the investments held by the company at amortised cost under IFRS 9. These investments are included in the Loans at amortised cost as disclosed in the Company's reporting. These values are shown net of any expected credit loss reserves. The ECL table provides the movement and ending provision across all loans held at amortised cost.

The Investment Assets Designated as held at Fair Value Through Profit or Loss represent the investments held by the Company that are valued at fair market value in the Company's reporting, represented by the carrying values disclosed within the table. The investments in associates are also included in Investment assets designated as held at fair value through profit or loss on the Company's reporting.

### Top Ten Asset Backed Lending Investments & Equity Market Value Roll Forward (as at 31 May 2024)<sup>2</sup>

Loans at Amortised Cost					
Portfolio Company	Beginning Carrying Value	Investment Activity <sup>3</sup>	Change in Valuation	Change in Fx <sup>4</sup>	Ending Carrying Value <sup>5</sup>
Deinde Group, LLC (d/b/a, Integra Credit)	£ 38,820	£ -	£ -	£ (766)	£ 38,053
Razor Group GmbH	21,824	-	-	(431)	21,393
FinAccel Pte Ltd	17,982	-	-	(355)	17,627
Heyday Technologies, Inc.	12,054	-	-	(238)	11,816
Infinite Commerce Holdings, LLC	10,954	893	(7)	(216)	11,624
Counsel Financial Holdings LLC	8,475	-	-	(167)	8,308
Caribbean Financial Group Holdings, L.P.	4,261	-	-	(84)	4,177
Dave, Inc.	3,842	-	-	(76)	3,766
SellerX Germany GMBH & Co. KG	2,148	1	-	(42)	2,107
Kueski, Inc.	2,059	-	-	(41)	2,018

Investment Assets Designated as held at Fair Value Through Profit or Loss					
Portfolio Company	Beginning Carrying Value	Investment Activity <sup>3</sup>	Change in Valuation	Change in Fx <sup>4</sup>	Ending Carrying Value <sup>5</sup>
Razor Group GmbH	£ 11,816	£ -	£ 113	£ (233)	£ 11,694
wefox Holding AG	17,054	-	(8,500)	(37)	8,517
Caribbean Financial Group Holdings, L.P.	6,199	-	-	(122)	6,077
FinAccel Pte Ltd	4,079	-	-	(81)	3,998
Sunbit, Inc.	3,523	-	-	(70)	3,454
West Creek Financial, Inc.	2,599	5	(5)	(51)	2,548
Calumet Capital Partners, LLC	2,126	-	30	(42)	2,114
Keller Lenkner LLC	2,793	(630)	630	(55)	2,738
Statera Capital Partners, LLC	1,918	122	10	(38)	2,012
Pattern Brands, LLC	2,050	-	-	(40)	2,009

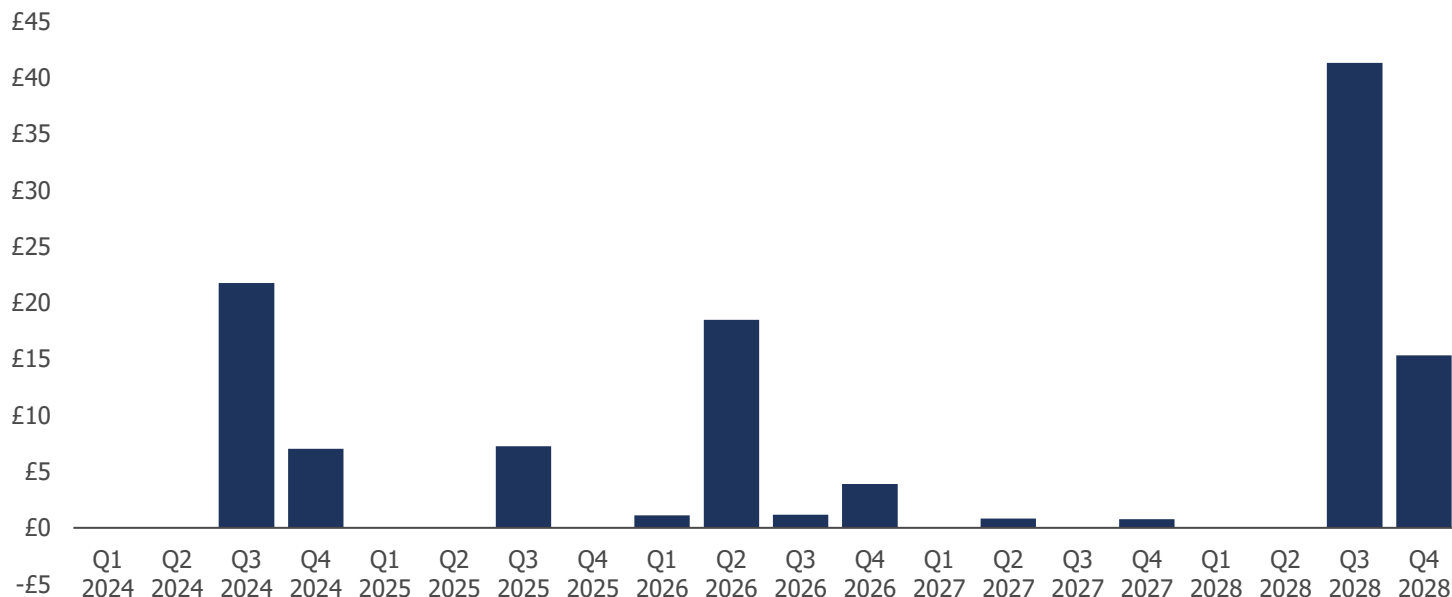
Fund Investments					
Name of Associate	Beginning Carrying Value	Investment Activity <sup>3</sup>	Change in Valuation	Change in Fx <sup>4</sup>	Ending Carrying Value <sup>5</sup>
VPC Synthesis, L.P.	£ 16,301	£ -	£ 469	£ (322)	£ 16,449
VPC Offshore Unleveraged Private Debt Fund Feeder, L.P.	682	-	-	(13)	668

See "Endnotes" at the end of this newsletter. Please refer to the Glossary of Terms posted on the Company's website.

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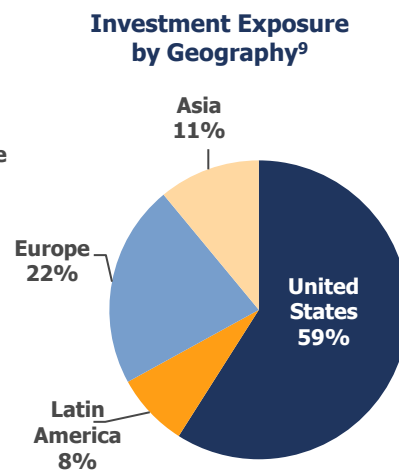
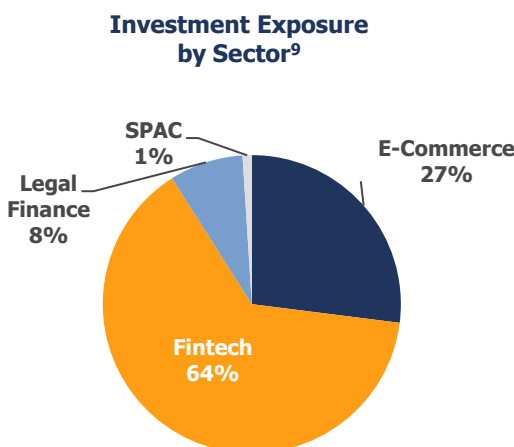
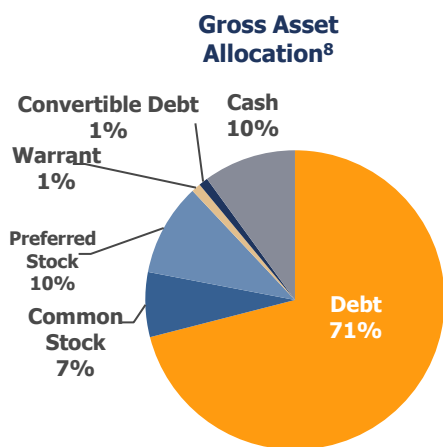
## Asset Backed Lending Investments: Contractual Maturities less Projected Borrowing Paydowns (As at 31 May 2024)<sup>6,7</sup>



## Asset Backed Lending Investments: Expected Credit Loss Reserve Roll Forward (As at 31 May 2024)

Beginning Provision for Expected Credit Losses	Change in Expected Credit Losses	Currency Translation on Expected Credit Losses	Ending Provision for Expected Credit Losses
£ 1,959,715	-£ 1,695	-£ 37,786	£ 1,920,234

## Ordinary Share Portfolio Composition (As at 31 May 2024)<sup>8</sup>



See "Endnotes" at the end of this newsletter. Please refer to the Glossary of Terms posted on the Company's website.

# VPC Specialty Lending Investments PLC

## VICTORY PARK CAPITAL

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### Ordinary Share Performance and Dividend Summary (As at 31 May 2024)

NAV Return	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
2024	-0.03%	-0.97%	0.64%	-1.05%	-3.07%								-4.20%
2023	1.05%	0.47%	-2.45%	0.34%	0.49%	-1.90%	1.53%	0.05%	-1.39%	0.40%	-1.09%	-7.77%	-9.45%
2022	-2.07%	-0.26%	2.54%	-1.94%	0.38%	-2.77%	1.47%	-0.25%	-3.26%	0.61%	-0.25%	-1.22%	-6.97%
2021	7.14%	1.89%	-0.18%	0.85%	1.03%	3.87%	0.36%	3.89%	2.01%	14.44%	-4.78%	-3.97%	27.60%
Share Price Performance <sup>10</sup>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
2024	-7.40%	-13.54%	0.00%	-8.68%	-9.09%								-33.53%
2023	0.36%	0.48%	-9.31%	5.00%	-4.51%	-9.19%	5.49%	-4.11%	-1.86%	-0.44%	0.29%	-33.53%	-20.34%
2022	0.22%	-1.08%	-1.75%	-3.12%	0.00%	-4.14%	-4.08%	-1.25%	-5.57%	9.79%	1.34%	0.12%	-9.87%
2021	9.78%	3.01%	-5.84%	2.63%	-1.40%	-0.94%	5.71%	-2.82%	1.97%	8.18%	-3.36%	0.22%	17.15%
Dividend Per Share	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
2024	-	2.00p	-	-	-								-
2023	-	-	2.00p	-	-	-	2.00p	-	2.00p	-	2.00p	-	8.00p
2022	-	-	2.00p	-	-	2.00p	-	-	2.00p	-	-	2.00p	8.00p
2021	-	-	2.00p	-	2.00p	-	-	2.00p	-	-	2.00p	-	8.00p

### Performance Fee Attribution (As at 31 May 2024)

Month to Date (as a percentage of NAV)	Revenue Return	Capital Return	Total Return
NAV Return before Performance Fee	0.25%	-3.32%	-3.07%
Performance Fee	0.00%	0.00%	0.00%
Total Return	0.25%	-3.32%	-3.07%
Month to Date (pence per share)	Revenue Return	Capital Return	Total Return
Return per Ordinary Share before Performance Fee	0.19p	-2.44p	-2.26p
Performance Fee	0.00p	0.00p	0.00p
Total Return per Ordinary Share	0.19p	-2.44p	-2.26p

See "Endnotes" at the end of this newsletter. Please refer to the Glossary of Terms posted on the Company's website.

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## 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 2007, the Investment Manager has been actively involved in the specialty lending marketplace and has made more than \$9.5 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.

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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.

## VPC Specialty Lending Investments PLC

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United Kingdom  
Website: [www.vpcspecialtylending.com](http://www.vpcspecialtylending.com)

## The Company’s Investment Objective

The Company’s investments will be realised in an orderly manner, that is, with a view to achieving a balance between returning cash to Shareholders promptly and maximising value.

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 “Asset Backed Lending.” Asset Backed 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:

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### Endnotes

1. Based on total shares outstanding, less shares held in treasury.
2. Amounts shown in thousands. The tables represent the monthly roll forward of the top ten Asset Backed Lending and Equity positions held as at 31 May 2024 from 31 March 2024. The carrying values are not inclusive of interest/fees received.
3. Investment activity is inclusive of follow on fundings, paydowns and PIK capitalized during the period.
4. The change in F/X represents the unrealized F/X income (loss) on the investment and does not include any impact of the Company's hedging program. The Company's hedging policy on non-GBP investment exposure can be found in the Company's prospectus.
5. Totals may not foot due to rounding.
6. The Gross Asset Value has been converted to the reporting currency of the Company and may fluctuate month over month due to changes in the foreign exchange rates. Non-GBP investment exposure is hedged by the Company and the hedging policy can be found in the Company's prospectus.
7. Amounts shown in millions. The table reflects the current stated maturities on the underlying asset backed lending investment facilities and the amounts shown reflect the current carrying value of the investments less projected paydowns on the Company's gearing facility. These investments can and may be held for a longer period than the current stated maturities with a view to enabling their inherent value to be realised successfully. The strategy for realising individual investments and repaying the Company's gearing facility will be flexible and may need to be altered to reflect changes in the circumstances of a particular investment or in the prevailing market conditions. Amounts shown in £ millions. Please refer to the Glossary of Terms posted on the Company's website.
8. Percentages calculated on a look-through basis to the Company's investee entities and SPVs.
9. Calculations using gross asset exposure and not reduced for gearing. Excludes cash.
10. Based on issue price of 100p.