

RANGER

DIRECT LENDING¹



MARCH 2017

Net Assets (Cum Income)	\$242,905,079
Net Assets (Ex Income)	\$237,763,366
Monthly NAV Return Before Loss Reserve	1.08%
Monthly Loss Reserve	-0.34%
Monthly NAV Net Return	0.74%
Loan Loss Reserve Balance as % of NAV	-0.38%
YTD NAV Return ²	2.28%
Shares in Issue	16,122,931
Current Price Per Share ³	\$13.87 / £11.05
Issue Price	\$15.42 / £10.02
NAV Per Share (Cum Income)	\$15.07 / £12.00
NAV Per Share (Ex Income)	\$14.75 / £11.75
Premium/(Discount) to NAV (Cum Income)	-7.95%

FUND FACTS

Type of Fund	Closed End Fund
Listing	London Stock Exchange (Main Market – Premium Segment)
Dividend	Quarterly
NAV Calculation	As of last day of each month
Management Fee	1%
Performance Fee	10%
ISIN	GB00BW4NPD65

SERVICE PROVIDERS

Investment Advisor	Ranger Alternative Management II, LP
Administrator	Sanne Fiduciary Services Limited
Corporate Broker	Liberum Capital Limited
Auditor	Deloitte LLP
Custodian	Merrill Lynch
Registrar	Capita Asset Services
Company Secretary	Capita Company Secretarial Services Limited

BACKGROUND AND INVESTMENT OBJECTIVE

The investment objective of the Ranger Direct Lending Fund plc (the “Company”) is to generate attractive returns, principally in the form of quarterly income distributions, by acquiring a portfolio of debt obligations, including without limitation, loans, invoice receivables and asset financing arrangements (the “Debt Instruments”). Debt Instruments are generally originated or issued by direct lending platforms. A majority of the Debt Instruments in the portfolio are secured against assets and/or personal guarantees and have relatively short maturities (average 2 years).

Direct lending platforms are an increasing source of liquidity, in particular for small and medium sized enterprises and consumers. Opportunities are presenting themselves as banks continue to retreat from SME lending as a result of new regulatory requirements. Direct lending platforms will typically focus on a particular category of borrower and/or underlying industry asset class. By investing in Debt Instruments originated or issued by a number of different direct lending platforms, the Company seeks to reduce concentration and interest rate risk by constructing a diversified portfolio comprised of loans with differing industries, geographic areas and loan maturities.

INVESTMENT HIGHLIGHTS

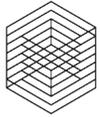
- Loan portfolio approximately 75% secured⁴ and diversified across multiple platforms.
- 12%-13% targeted unlevered annual returns (after accrual for loan loss reserves or write-offs and gross of fees and expenses to the fund) with respect to portfolio investments within the fund.
- 10% targeted dividend on issue price when fully invested and leverage applied, payable quarterly.
- Sophisticated AI software has track record of enhancing returns with applicable investments.
- VC equity opportunities available for investment by the Company.

¹ Please refer to important disclosures on Page 4.

² As the fund is denominated in US dollars, all references to performance and balances are also in US dollars unless specifically noted otherwise.

³ Share price as at 31 March 2017.

⁴ A secured Debt Instrument is defined by the Company as a payment obligation in which property, revenue (including receivables), or a payment guaranty has been pledged, mortgaged or sold to the Company as partial or full security with respect to such obligation.

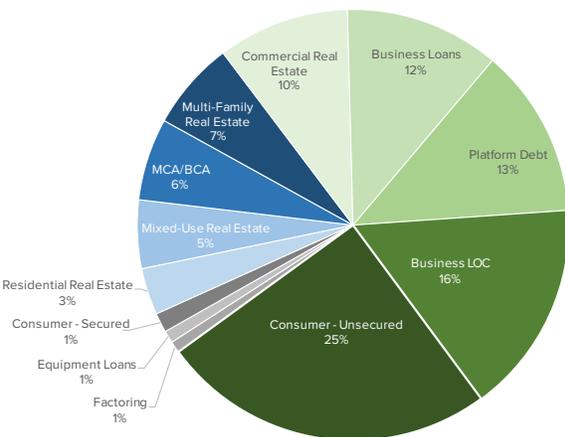


FUND PERFORMANCE¹

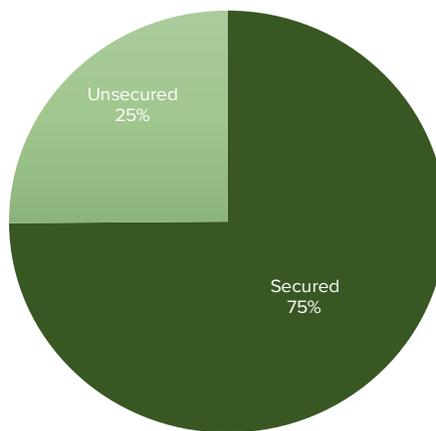
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
%NAV (Ordinary Share)	2015					-0.17%	0.26%	0.18%	0.25%	0.40%	0.52%	0.45%	0.53%	2.45%
	2016	0.48%	0.75%	0.77%	0.78%	0.82%	0.74%	0.79%	0.72%	0.75%	0.82%	0.83%	-2.80%	5.54%
	2017	0.87%	0.66%	0.74%										
Share Price (Ordinary Share)	2015					4.30%	1.63%	-0.71%	0.05%	0.66%	-0.66%	-1.23%	-1.44%	2.50%
	2016	-6.15%	-0.31%	-2.50%	2.14%	2.62%	-1.02%	6.19%	3.69%	3.56%	5.97%	-3.50%	-6.72%	2.93%
	2017	-0.19%	1.61%	3.27%										
Dividend Per Share (Ordinary Share)	2015											8.36p		8.36p
	2016		14.62p			20.45p			26.87p			27.67p		89.61p
	2017		28.51p											28.51p

PORTFOLIO COMPOSITION (EX CASH) AS AT 31 MARCH 2017

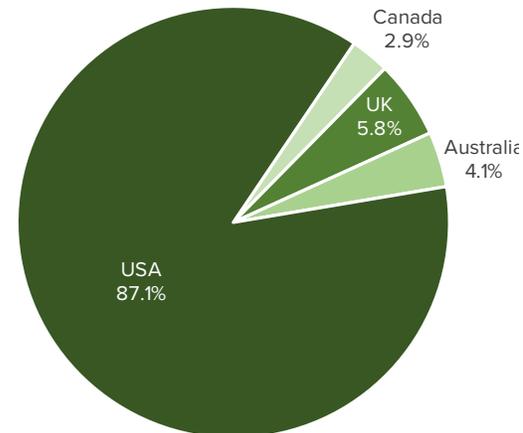
Investments by Lending Category



Secured³ Versus Unsecured Loans



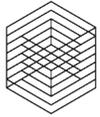
Geographic Breakdown



¹ Performance is presented cum income.

² The organization costs for starting the new share class exceeded the income accrued on the deployed assets.

³ A secured Debt Instrument is defined by the Company as a payment obligation in which property, revenue (including receivables), or a payment guaranty has been pledged, mortgaged or sold to the Company as partial or full security with respect to such obligation.



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MONTHLY COMMENTARY

As noted in the Annual Financial Report dated 28 April 2017, an impairment taken by Princeton in regards to its loans to Argon Credit, has resulted in the Company taking an impairment which in turn has had a negative impact on the audited NAV as at 31 December 2016 recording a monthly NAV depreciation of 2.8%.

It is worth noting, that the Company's investment in Princeton is unique in the Company's portfolio. All other investments are structured to provide the Company with much greater transparency in terms of monitoring underlying performance. The Company is pleased with the performance of the remainder of the portfolio which continues to perform in line with the Company's expectations at IPO.

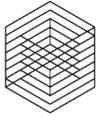
The Ranger Direct Lending Fund plc (the "Company") announces that in March 2017, the NAV for the Company's ordinary shares appreciated by 1.08%, and after applying a loss reserve of 0.34% netted a .74% appreciation. Year to date performance increased to 2.28%. On 24 February 2017, the Company declared an interim dividend of 28.51 pence per ordinary share for the 3-month period to 31 December 2016 was paid on 7 April 2017. In 2016, a total of 89.61p was paid in dividends to Ordinary shareholders.

As noted in an announcement on 12 May 2017, the Company currently expects to declare an interim dividend of USD 34.33 cents (approximately GBP 26.51 pence based on then prevailing exchange rates) per Ordinary Share following the Company's annual general meeting on 15 June 2017. This dividend is in respect of income and interest received from the portfolio in the first quarter of 2017. Also during the upcoming annual general meeting the Company is noting that it intends to renew its buyback authorities.

The Company is invested in debt instruments from multiple direct lending platforms within a diverse group of asset classes, including real estate loans, SME loans, invoice receivables, and equipment finance. The Company continues its geographic diversification by allocating capital to non-US lending platforms, which include investments in the UK, Australia and Canada, in amounts equal to approximately 13% of the portfolio as at 31 March 2017.

The Company raised £23.8 million through a ZDP Shares Offering on 4 November 2016. The proceeds of the ZDP Shares were fully deployed by 31 December 2016. This recent ZDP Offering along with the ZDP Offering completed on 1 August 2016 and the decrease in AUM due to the Princeton impairment, has increased the Company's gearing to approximately 28% as at 31 March 2017. Additional information regarding the terms of the ZDP Shares can be found in the associated Prospectus on the Company's website

Upon the commencement of each investment, the Company may assign a loss reserve that will be accrued over the term of such investment, or pool of investments, for the purpose of offsetting potential future write-offs that may be realised with respect to such investment. On the first page of this report, the Monthly and Cumulative Loss Reserve reflects the total of such accruals. With the portfolio maturing and anticipated write-offs being realised, the Investment Manager continues to actively manage the reserves.



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IMPORTANT DISCLOSURES

This newsletter is published in the United Kingdom by Ranger Direct Lending Fund plc (the “Company”). It is provided for the purpose of information only, and if you are unsure of the suitability of this investment you should take independent advice. Net Asset Value (NAV) performance is not linked to share price performance and shareholders may realise returns that are lower or higher in performance.

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 the Company’s investment manager, Ranger Alternative Management II, LP as at the time of writing. These are subject to change without notice and do not constitute investment advice. Although the Company and Ranger Alternative Management II, LP have used reasonable efforts to ensure the accuracy of the information contained in this newsletter, neither the Company nor Ranger Alternative Management II, LP make any warranties or representations with respect to the completeness or accuracy of the information set forth herein. Examples of investment process, risk management, due diligence, position sizes, diversification, leverage, assessment of risk and similar information (together, the “Investment Programme”) are presented as general guidelines used for illustration purposes only and are subject to change without notice to investors at any time at the sole discretion of the Ranger Alternative Management II, LP. In addition, the composition and size of, and risks associated with, current or future investments of the Company may differ substantially from examples set forth in this newsletter. Accordingly, actual implementation of the Investment Programme may vary from the examples presented herein.

All data in this newsletter is at or to the final day of the calendar month identified in the heading of the newsletter’s front page unless otherwise stated.

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Ranger Direct Lending Fund plc

Registered office 40 Dukes Place, London, EC3A 7NH.

Registered as an investment company in England under section 833 of the Companies Act 2006.

Registered Number 09510201