In fulfilment of its obligations under section 6.3.5(1) of the Disclosure Guidance and Transparency Rules, Ranger Direct Lending ZDP Plc hereby releases the unedited full text of its 2017 Unaudited Half-Yearly Financial Report.

This information is extracted, in full unedited text, from the Company's printer-friendly version of the half-yearly financial report available on the Company's website:

http://www.rangerdirectlending.uk/ranger-direct-lending-zdp-plc/

The full text of the of the report follows:

RANGER DIRECT LENDING ZDP PLC

(Registered No. 10247619)

HALF-YEARLY FINANCIAL REPORT (UNAUDITED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

CHAIRMAN'S STATEMENT

I am pleased to present the Company's Half Year Report for the period from 1 January 2017 to 30 June 2017.

The Company is a wholly owned subsidiary of Ranger Direct Lending Fund Plc ("RDLF") and was established solely for the purpose of issuing zero dividend preference shares of GBP 0.01 each in the capital of the Company ("ZDP Shares").

Since incorporation, the Company has carried out two placings of ZDP Shares, issuing a total of 53 million ZDP Shares for aggregate gross proceeds of GBP 53.8 million. The entirety of these gross proceeds were lent to RDLF pursuant to the terms of a loan agreement between the Company and RDLF dated 25 July 2016 (the "Loan" and the "Loan Agreement"). The proceeds of the Loan are required to be utilised in accordance with RDLF's investment policy and for working capital purposes.

As a condition of the Loan Agreement, RDLF was required to grant an undertaking in favour of the Company dated 25 July 2016 (the "Undertaking") pursuant to which RDLF undertook to subscribe for such number of ordinary shares of GBP 1.00 each in the capital of the Company ("Ordinary Shares") as would be necessary (or to otherwise ensure) that the Company has sufficient funds to pay the final capital entitlement of GBP 1.2763 per ZDP Share (the "Final Capital Entitlement") to the ZDP Shareholders on 31 July 2021 (the "ZDP Repayment Date"), giving a redemption yield of 5%, on an issue price of £1.00 per ZDP Shares (the "Redemption Yield")[1].

The key performance indicators against which the Board has reviewed the Company's performance are set out below. Most significantly, the Cover (defined below as at 30 June 2017 was 3.55 times).

From the perspective of the Directors, the Company's activities are integrated with the RDLF Group (the "Group"), for which the Half Year Report can be found on the Company's website http://www.rangerdirectlending.uk.

[1] The Redemption Yield is not and should not be taken as a forecast of profits and there can be no assurance that the Final Capital Entitlement of the ZDP Shares will be repaid in full on the ZDP Repayment Date.

Christopher Waldron
Chairman

25 September 2017

OVERVIEW

The Company was incorporated and registered in England and Wales on 23 June 2016 as a wholly owned subsidiary of RDLF. On 1 August 2016, the Company placed 30 million ZDP Shares at a placing price of GBP 1.00 per ZDP Share. The Company was admitted to the standard segment of the Official List of the UK Listing Authority and the entirety of the Company's issued ZDP Share capital was admitted to trading on the London Stock Exchange's main market for listed securities (the "Admission").

A further 23 million ZDP Shares were issued at a placing price of GBP 1.035 per Share and admitted to trading on 4 November 2016 ("Subsequent Admission").

Pursuant to the terms of the Loan Agreement, the Company loaned the entirety of the gross proceeds of the issue of ZDP Shares to RDLF upon Admission and Subsequent Admission (as applicable). As a condition of entering into the Loan Agreement, RDLF was required to grant the Company the Undertaking. In accordance with the terms of the Undertaking, RDLF is required to (among other things) subscribe for such number of Ordinary Shares in the Company as may be necessary to ensure (or to otherwise ensure) that the Company has sufficient assets to pay the Final Capital Entitlement to the ZDP Shareholders on the ZDP Repayment Date and to pay any operational costs incurred by the Company.

From the perspective of the Directors, the Company's activities are integrated with the RDLF Group (the "Group").

Principal activities

The Company is a wholly owned subsidiary of RDLF and was incorporated by RDLF for the sole purpose of issuing the ZDP Shares. The Company's only material financial obligations are in respect of the ZDP Shares. The proceeds from the issuance of the ZDP Shares were on-lent to RDLF pursuant to the Loan Agreement. These proceeds along with the obligation of RDLF, pursuant to an undertaking granted in favour of the Company to put the Company in a position to meet its obligations in respect of the ZDP Shares, form the Company's only material assets.

Objective

The objective of the Company is to provide the final capital entitlement of the ZDP Shares to the ZDP holders at the ZDP Repayment Date of 31 July 2021. The funds are managed in accordance with the investment policy of RDLF.

BOARD OF DIRECTORS

Christopher Waldron (Chairman) (independent) appointed on 23 June 2016

Mr Waldron has more than thirty years' experience as an asset manager and is a director of a number of listed and unlisted companies, including JZ Capital Partners Limited and Crystal Amber Fund Limited. He is Chairman of UK Mortgages Limited, which is also on the Main Market of the London Stock Exchange. He began his career with James Capel and subsequently held investment management positions with Bank of Bermuda, the Jardine Matheson Group and Fortis prior to joining the Edmond de Rothschild Group in Guernsey as Investment Director in 1999. He was appointed Managing Director of the Edmond de Rothschild companies in Guernsey in 2008, a position he held until 2013, when he stepped down to concentrate on non-executive work and investment consultancy. He is a member of the States of Guernsey's Investment and Bond Management Sub-Committee and a Fellow of the Chartered Institute for Securities and Investment. Mr Waldron has no other significant commitments for the purposes of the UK Corporate Governance Code.

Dr Matthew Mulford (independent) appointed on 23 June 2016

Dr Mulford is a Senior Research Fellow at the London School of Economics, an Adjunct Professor at école des Hautes Etudes Commerciales de Paris (HEC-Paris) and a Visiting Faculty at the European

School of Management and Technology (ESMT) in Berlin. He is formerly a founding Dean of the TRIUM Global Executive MBA programme which is currently ranked as one the top EMBA programmes in the world. Dr Mulford has extensive research and senior executive training experience in negotiation analysis, psychology of judgement and decision making, quantitative methods and game theory. Dr Mulford has designed, directed and/or taught executive training courses in 20 countries for a variety of clients, including: Boehringer Ingelheim, Bosch, Deutsche Bank, EADS, Ericsson, Gallup, Gold Fields, Indian National Railroad, King Faisal Specialist Hospital, Linklaters, Munich Re, Siemens, Standard Chartered Bank, Syngenta, ThyssenKrupp, Total, the UK's National Audit Office and Home Office and the United Nations Development Programme.

Jonathan Schneider (independent) appointed on 23 June 2016

Mr Schneider is a Chartered Accountant and an active entrepreneur and investor. From 2006 to 2012, he was the co-founder and managing partner of the Novator Credit Opportunities Fund, a UK based special situations hedge fund. Mr Schneider currently has a portfolio of alternative lending interests which he actively supports and manages, the majority of which he conceived and co-founded. Some of these include Jumo.world, a pan African consumer finance business, Iwoca.com, a business to business working capital lender and Mode, an emerging market airtime credit provider. Mr Schneider has held numerous previous directorships, including serving on the Board of publicly listed Talon Metals Inc. and Aqua Online Limited.

INTERIM MANAGEMENT REPORT AND DIRECTORS' RESPONSIBILITY STATEMENT

For the period from 1 January 2017 to 30 June 2017

Cautionary Statement

This interim management report has been prepared solely to provide additional information to Shareholders to assess the strategies of the Company. The interim management report should not be relied upon by any other party or for any other purpose.

The interim management report contains certain forward looking statements. These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this report but such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

Going concern

In order to be able to continue as a going concern, the Company relies on RDLF in its capacity: as the parent company; to repay the Loan; and as counterparty to the Deed of Undertaking dated 25 July 2016 as described in note 3 to the financial statements. The Directors are satisfied that the Company has sufficient resources to continue in operation for the foreseeable future, a period not less than 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Principal risks and uncertainties

Due to the Company's dependence on RDLF to repay the loan and provide any contribution to meet the final capital entitlement of the ZDP shareholders, the principal risk faced by the Company is the credit risk posed by the Loan Agreement and RDLF's ability to perform its obligations under the Undertaking. The specific risks faced by RDLF are described in its annual report, which include: macroeconomic risks, operational, legal and compliance risks, investment risks, taxation risks, cyber security risks and an update on any effect of Brexit.

In addition, the Company is also focused on the following principal risks:

Principal risk	*Mitigation*	*Link to KPI*
Final capital entitlement		

Important events	RDLF's debt to the Company pursuant to the Loan Agreement and RDLF's obligations under the Undertaking will rank behind any secured creditors of RDLF therefore it is not guaranteed that the final capital entitlement will be paid.	To protect the interests of ZDP Shareholders, the Undertaking contains the following restrictions: • *Group incurring any bank borrowings which would exceed an amount equal to the sum of:* (a) 20% of the prevailing Net Asset Value attributable to the RDLF Ordinary Shares in issue as at 1 August 2016; plus (b) an amount equal to 50% of the net proceeds of any issue of RDLF C Shares. • *RDLF making any distribution of capital or income, other than any such distribution which:* (a) is required to maintain RDLF's status as an investment trust; or (b) would not reduce the Cover of the ZDP Shares below 2.75 times immediately after the distribution has been made.	Cover

and Financial performance

The Board reviews performance of the Company by reference to a number of key performance indicators ("KPIs") and considers that the most relevant KPIs in assessing the Company's success towards achieving its objective are as follows:

- Cover[2]
- Accrued capital entitlement
- Share Price of ZDP Shares[3]

The ZDP Shares' Cover as at 30 June 2017 was 3.55 times (31 December 2016: 3.70 times).

As at 30 June 2017, the capital entitlement which had accrued on the ZDP Shares was GBP 1.0365 per ZDP Share (31 December 2016: GBP 1.0106 per ZDP Share). The Final Capital Entitlement is GBP 1.2763 per ZDP Share (payable on the ZDP Repayment Date).[4]

The ZDP Shares carry no right to income and the whole of their return, therefore takes the form of capital. The Redemption Yield of the ZDP Shares is 5% per annum based on an issue price of GBP 1.00 per ZDP Share and is deemed to accrue daily and is compounded annually from 1 August 2016 up to (but excluding) the ZDP Repayment Date. The Final Capital Entitlement will rank in priority to the capital entitlement of RDLF's ordinary shares, however, the Loan made by the Company to RDLF is unsecured and therefore the Company will rank behind any secured creditors of RDLF. As such, there can be no guarantee that the Final Capital Entitlement will be paid.

[2] Cover represents a fraction where the numerator is equal to the Net Asset Value of the Group on a consolidated basis adjusted to: (i) add back any liability to ZDP Shareholders; and (ii) deduct the estimated liquidation costs of the Company, and the denominator is equal to the amount which would be paid on the ZDP Shares as a class.

[3] Share Price taken from Bloomberg Professional.

[4] There can be no assurance that the Final Capital Entitlement of the ZDP Shares will be repaid in full on the ZDP Repayment Date.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
NAV per share (cum income - GBP	2016								1.06	1.07	1.07	1.07	1.05
	2017	1.06	1.05	1.04	1.04	1.01	1.01						

Further KPIs for the parent company can be found in RDLF's annual report.

The Company's market capitalisation as of 30 June 2017 was GBP 53.265 million (31 December 2016: GBP 55.385 million) based on 53,000,000 ZDP Shares at a Share Price of 100.5 pence (31 December 2016: 104.5 pence) per ZDP share.

Related party transactions

Related party transactions are disclosed in note 11 to the condensed financial statements.

Directors and Share Interests

The Directors who served during the period, all of whom are non-executive and were appointed with effect from incorporation on 23 June 2016 were as follows:

- Christopher Waldron (Chairman)
- Dr Matthew Mulford
- Jonathan Schneider

Each Director is non-executive and were all appointed on the date of incorporation of the Company, 23 June 2016. Since the Directors of the Company are also RDLF Directors, they are considered to be non-independent Directors of the Company; however in their capacity as Directors of RDLF, each is considered to be independent. Biographies of each Director are set out above, and demonstrate the wide range of skills and experience each brings to the Board.

A formal performance evaluation of the RDLF Board and its committees has been carried out and the RDLF Board considers that all of the Directors contribute effectively and have the skills and experience relevant to the future leadership and direction of RDLF. The Board has not undertaken a separate formal appraisal process of its own operations as these processes were covered by the appraisals carried out by the RDLF board.

The appointment and replacement of Directors is governed by the Articles of Association ("Articles"), the Companies Act 2006 and related legislation. The Articles themselves may be amended by a special resolution in a general meeting and at a class meeting of the ZDP Shareholders.

During the period, no Director had a material interest in a contract to which the Company was a party (other than their own letter of appointment), requiring disclosure under the Act. There have been no loans or guarantees from the Company to any Director at any time during the period or thereafter.

No Directors have any interests in the Company's Ordinary or ZDP Shares. There have been no changes to this since 30 June 2017.

DIRECTORS' RESPONSIBILITY STATEMENT

We confirm that to the best of our knowledge:

a) the condensed financial statements ("condensed financial statements") have been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union;

b) the interim management report includes a fair review of the information required by the Disclosure Guidance and Transparency Rules ("DTR") 4.2.7R (indication of important events during the first six months of the current financial year and their impact on the condensed financial statements; and a description of principal risks and uncertainties for the remaining six months of the year); and

c) the interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and any changes in the related party transactions described in the last annual report that could do so).

On behalf of the Board

Christopher Waldron
Chairman

25 September 2017

CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Notes	(Unaudited) 30 Jun 2017 *(GBP)*	(Audited) 31 Dec 2016 *(GBP)*
ASSETS			
Non-current assets			
Loan and receivables	**3**	**54,053,252**	53,525,047
Total non-current assets		**54,053,252**	53,525,047
Current assets			
Prepayments		**-**	1,758
Cash and cash equivalents		**50,000**	50,000
Total current assets		**50,000**	51,758
TOTAL ASSETS		**54,103,252**	53,576,805
Non-current liabilities			
Zero Dividend Preference Shares	**4**	**54,932,506**	53,563,069
Total non-current liabilities		**54,932,506**	53,563,069
Current liabilities			
Income tax liability		**139,076**	44,026
Accrued expenses and other liabilities		**11,627**	45,744
Total current liabilities		**150,703**	89,770
TOTAL LIABILITIES		**55,083,209**	53,652,839
NET LIABILITIES		**(979,957)**	(76,034)
SHAREHOLDER'S EQUITY			
Capital and reserves			
Called-up share capital	**5**	**50,000**	50,000
Capital contribution	**3**	**614,718**	529,407
Accumulated losses		**(1,644,675)**	(655,441)
TOTAL SHAREHOLDER'S DEFICIT		**(979,957)**	(76,034)

The accompanying notes are an integral part of these financial statements.

The financial statements for the period from 1 January 2017 to 30 June 2017 of Ranger Direct Lending ZDP Plc, a public company limited by shares and incorporated in England and Wales with registered number 10247619, were approved and authorised for issue by the Board of Directors on 25 September 2017.

Signed on behalf of the Board of Directors

Christopher Waldron

Chairman

CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

	Notes	**(Unaudited)** **1 Jan to 30 Jun 2017** ***(GBP)***	(Audited) 23 Jun to 31 Dec 2016 *(GBP)*
Income			
Investment income	**3**	**528,205**	318,599
		528,205	318,599
Expenses			
Company secretarial, administration and registrar		**(33,953)**	(52,204)
Audit fees	**12**	**(12,800)**	(24,000)
Legal fees		**(1,500)**	(19,148)
Other operating expenses		**(4,699)**	(3,118)
Total expenses		**(52,952)**	(98,470)
Result from operating activities		**475,253**	220,129
Financing			
Finance costs		**(1,369,437)**	(831,544)
Total finance costs		**(1,369,437)**	(831,544)
Loss before tax		**(894,184)**	(611,415)
Tax	**6**	**(95,050)**	(44,026)
Total comprehensive loss for the period		**(989,234)**	(655,441)
Basic and Diluted Loss Per ordinary Share	**9**	**(19.78)**	(13.11)

The accompanying notes are an integral part of these financial statements.

Other comprehensive income

There were no items of other comprehensive income in the current period and prior period therefore the loss for the period is also the total comprehensive loss for the period.

CONDENSED STATEMENT OF CHANGES IN SHAREHOLDER'S DEFICIT
FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

	Notes	Called-up Share capital	Capital contribution	Accumulated losses	Total
		(GBP)	*(GBP)*	*(GBP)*	*(GBP)*
Balance at 23 June 2016		-	-	-	-
Issue of ordinary shares	5	50,000	-	-	50,000
Capital contribution during the period	3	-	529,407	-	529,407
Loss after tax and total comprehensive loss for the period		-	-	(655,441)	(655,411)
Balance at 31 December 2016		50,000	529,407	(655,441)	(76,034)

	Notes	Called-up Share capital	Capital contribution	Accumulated losses	Total
		(GBP)	*(GBP)*	*(GBP)*	*(GBP)*
Balance at 1 January 2017		**50,000**	**529,407**	**(655,441)**	**(76,034)**
Capital contribution during the period	**3**	**-**	**85,311**	**-**	**85,311**
Loss after tax and total comprehensive income for the period		**-**	**-**	**(989,234)**	**(989,234)**
Balance at 30 June 2017		**50,000**	**614,718**	**(1,644,675)**	**(979,957)**

The accompanying notes are an integral part of these financial statements.

CONDENSED STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

	Notes	**(Unaudited)** **1 Jan to 30 Jun 2017** *(GBP)*	(Audited) 23 Jun to 31 Dec 2016 *(GBP)*
Loss before tax		**(894,184)**	(611,415)
Adjustments for:			
Investment income		**(528,205)**	(318,599)
Finance costs		**1,369,437**	831,544
Operating cash flows before movements in working capital		**(52,952)**	(98,470)
Decrease/(Increase) in prepayments		**1,758**	(1,758)
(Decrease)/Increase in accrued expenses and other liabilities		**(34,117)**	45,744
Net cash flows used in operating activities		**(85,311)**	(54,484)
Financing activities			
Expenses paid by the parent company	**3**	**85,311**	54,484
Proceeds on issue of Ordinary Shares	**5**	**-**	50,000
Net cash flows from financing activities		**85,311**	104,484
Net change in cash and cash equivalents		**-**	50,000
Cash and cash equivalents at the beginning of the period		**50,000**	-
Cash and cash equivalents at the end of the period		**50,000**	50,000

The proceeds from the ZDP Shares issued by the Company during the prior period (see note 4) and capital contribution by RDLF were credited directly to RDLF under the Loan Agreement (see note 3) and as a result neither transaction resulted in cash flows within the Company.

The accompanying notes are an integral part of these financial statements.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

1. GENERAL INFORMATION

Ranger Direct Lending ZDP plc ("ZDP" or the "Company") was incorporated and registered in England and Wales on 23 June 2016 as a wholly owned subsidiary of Ranger Direct Lending Fund Plc ("RDLF") and with a limited life of up to 31 July 2021, unless extended by the passing of a special resolution of the Company. On 1 August 2016, the Company was subsequently admitted to the standard segment of the Official List of the UK Listing Authority and its zero dividend preference shares of GBP 0.01 each (the "ZDP Shares") were admitted to trading on the London Stock Exchange's main market for listed securities.

The half year results for the six months ended 30 June 2017 has neither been audited nor reviewed by the Company's auditor. The comparative figures for the period from 23 June 2016 to 31 December 2016 have been extracted from the Company's 31 December 2016 financial statements and do not constitute statutory accounts as defined in section 434 of the Companies Act 2006. Those financial statements have been delivered to the Registrar of Companies and included the report of the auditor which was unqualified and did not note attention to any matters by way of emphasis. The auditor's report did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and preparation

These condensed financial statements have been prepared in compliance with IAS 34 "Interim Financial Reporting" as adopted by the European Union ("EU"). The annual financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU.

As required by the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority, the condensed financial statements have been prepared applying the accounting policies and presentation that were applied in the preparation of the Company's published annual financial statements for the period ended 31 December 2016.

New Accounting Standards, amendments to existing Accounting Standards and/or interpretations of existing Accounting Standards (separately or together, "New Accounting Requirements") not yet adopted

In the Directors' opinion, except for the application of the New Accounting Requirements referred to below, all non-mandatory New Accounting Requirements are either not yet permitted to be adopted, or would have no material effect on the reported performance, financial position or disclosures of the Company and consequently have neither been adopted nor listed.

New Accounting Requirements not yet effective

IFRS 9 – "Financial Instruments" (Replacement of IAS 39 – "Financial Instruments: Recognition and Measurement")

IFRS 9 addresses the recognition, classification and measurement of financial assets and financial liabilities and may be adopted to replace IAS 39.

IFRS 9 requires financial assets to be classified into the following measurement categories: (i) those measured at fair value through profit or loss; (ii) those measured at fair value through other comprehensive income; and, (iii) those measured at amortised cost.

The determination is made at initial recognition. Unless the option to designate a financial asset as measured at fair value through profit or loss is applicable, the classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. IFRS 9 also replaces the "incurred loss" model in IAS 39 with an "expected credit loss" model for the measurement of impairment loss. The new model applies to financial assets that are not measured at fair value through profit or loss. IFRS 9 also introduces a new hedge accounting model.

For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an

entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

The mandatory effective date for application of IFRS 9 is for accounting periods beginning on or after 1 January 2018. The Company is currently evaluating the impact that adoption of IFRS 9 will have.

Going concern

In order to be able to continue as a going concern, the Company relies on RDLF in its capacity: as the parent company; to repay the Loan; and as counterparty to the Deed of Undertaking ("Undertaking") dated 25 July 2016 as disclosed in more detail in note 3. The Directors are satisfied that the Company has sufficient resources to continue in operation for the foreseeable future, a period not less than 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Use of estimates, judgements and assumptions

The following are areas of particular significance to the Company's financial statements and include the use of estimates and the application of judgement, which is fundamental to the preparation of these financial statements. Actual results could differ from those estimates.

Critical judgements in applying the accounting policies – loan and borrowings at amortised cost

The Company accounts for the Loan and Zero Dividend Preference Shares at amortised cost on the basis that they have fixed or determinable payments. The effective interest rate method has been applied in calculating the income and expense during the period.

Critical judgements in applying the accounting policies – interest rate on Intercompany Loan

The Company entered into a Loan Agreement with its parent company which is subject to an interest rate of 2% compounded annually as disclosed in note 3. This interest rate compared to the ZDP Shares' interest rate of 5% compounded annually could result in a potential transfer pricing issue which is often complex and requires significant judgement.

RDLF has engaged a third party advisor to provide transfer pricing advice concerning the arm's length interest rate payable on the Loan Agreement between the Company and RDLF. The 2% interest rate has been determined to be reasonable by demonstrating the commercial effect for the RDLF group over the 5-year period; identifying comparable transactions; performing interest rate benchmarking analysis; and reviewing third party commitment lending interest at a rate lower than the 5%. Therefore in preparing these financial statements, the Directors considered using a 2% interest rate on the intercompany loan to be a reasonable estimate of an arm's length rate of interest.

Functional and presentation currency

The financial statements are presented in Sterling Pounds ("GBP"), the currency of the primary economic environment in which the Company operates, the Company's functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevailing at the reporting date.

Financial instruments at amortised cost – Loan and receivables and Zero Dividend Preference Shares

These are initially recognised at cost, being the fair value of the consideration received or paid associated with the loan or borrowing net of direct issue costs. Loan and receivables and ZDP Shares are subsequently measured at amortised cost using the effective interest method. The effective interest method calculates the amortised cost by allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees paid or received that form an integral part of the effective interest rate) through the expected life of the loan or borrowing to the net carrying amount on initial recognition.

Direct issue costs are deducted from the carrying amount and amortised using the effective interest method.

Impairment of assets

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where objective evidence exists that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been negatively impacted.

Taxation

The current tax payable is based on the taxable profit for the period. Taxable profit differs from net profit or loss as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax rates that have been enacted or substantively enacted at the reporting date. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Organisation costs

Organisation costs are expensed as incurred.

Capital contribution

Capital contributions from the parent company to meet current and future obligations of the Company are recognised directly in equity based on the value of expenses paid for by the parent company, in accordance with the Undertaking.

Investment income

Investment income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Income for interest bearing financial instruments is recognised on an accruals basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Segmental reporting

The Directors perform regular reviews of the operating results of the Group as a whole and make decisions using financial information at the group level. The Board of Directors is of the view that the Company is only engaged in one business segment.

Expenses

All operating expenses of the Company are borne by RDLF pursuant to the Undertaking.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and highly liquid interest-bearing securities with maturities of three months or less.

Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its Ordinary Shares. Basic EPS is calculated by dividing the profit or loss attributable to Ordinary Shareholders by the weighted average number of ordinary shares outstanding during the period. The diluted EPS is the same as the Basic EPS as there is currently no arrangement which could have a dilutive effect on the Company's Ordinary Shares.

2. LOAN AND RECEIVABLES

	(Unaudited)	(Audited)
	30 Jun 2017	31 Dec 2016
	(GBP)	*(GBP)*
Beginning balance	**53,525,047**	-
Amount advanced to Ranger Direct Lending Fund plc	**-**	53,206,448
Investment income during the period	**528,205**	318,599
Closing balance	**54,053,252**	53,525,047

Intercompany Loan Agreement

On 25 July 2016, the Company has entered into a Loan Agreement with its parent company. Pursuant to the Loan Agreement, the Company immediately following the Admission and Subsequent Admission lent the entirety of the gross proceeds of each issue of ZDP Shares to its parent company, RDLF, which RDLF has applied towards making investments in accordance with its investment policy and working capital purposes. The costs associated with the issue of the ZDP Shares amounted to GBP 598,552, and were borne by RDLF.

The loan is subject to an interest rate of 2% per annum, compounding on each anniversary of the date of Admission on 1 August 2016 and repayable on the earlier of: the date falling three business days before the ZDP Repayment Date (see note 4); or in an event of default; or on demand by the Company. The Directors of the Company have no intention to demand repayment of the Loan in the next 12 months.

Deed of Undertaking

The Company also entered into the Undertaking on 25 July 2016 pursuant to which RDLF undertook to (among other things) subscribe for such number of Ordinary Shares in the capital of the Company as may be necessary or to otherwise ensure that the Company has sufficient assets to pay the Final Capital Entitlement to the ZDP Shareholders on the ZDP Repayment Date and to pay any operational costs incurred by the Company.

During the period, the parent company contributed GBP 85,311 (23 June 2016 to 31 December 2016: GBP 529,407) to the Company. The total capital contribution by the parent company as at 30 June 2017 amounted to GBP 614,718 (31 December 2016: GBP 529,407).

3. ZERO DIVIDEND PREFERENCE SHARES

	(Unaudited)	(Audited)
	30 Jun 2017	31 Dec 2016
	(GBP)	*(GBP)*
Opening balance	**53,563,069**	-
Issuance of ZDP Shares	**-**	53,805,000
Issue costs	**-**	(1,073,474)
Amortisation of issue costs during the period	**115,617**	45,482
Amortisation of premium during the period	**(66,609)**	(20,175)

Accrued interest during the period	**1,320,429**	806,236
Closing balance	**54,932,506**	53,563,069

Under the Company's Articles of Association, the Directors are authorised to issue up to 55,000,000 ZDP Shares for a period of 5 years from 25 July 2016. On 1 November 2016, the Company passed a resolution to authorise Directors to issue up to 75,000,000 ZDP Shares, such authority to expire on 26 July 2021, unless revoked sooner or varied by the Company in a general meeting.

On 1 August 2016, the Company issued 30,000,000 ZDP Shares at GBP 0.01 each at a placing price of GBP 1.00 per ZDP Share. Subsequently on 4 November 2016, the Company issued further 23,000,000 ZDP Shares at a placing price of GBP 1.035 each.

The ZDP Shares will have a final capital entitlement of GBP 1.2763 per ZDP share on 31 July 2021, being the ZDP Repayment Date. Accordingly, the aggregate Final Capital Entitlement payable to the holders of all the ZDP Shares currently in issue on the ZDP Repayment Date is GBP 67,643,900.[5]

Rights Attaching to the ZDP Shares

The ZDP Shares carry no right to receive dividends or other distributions out of revenue or any other profits of the Company.

The ZDP Shares carry the right to vote as a class on certain proposals which would be likely to materially affect their position. Further ZDP Shares (or any shares or securities which rank in priority to or *pari passu* with the ZDP Shares) may be issued without the separate class approval of the ZDP Shareholders provided that the Directors determine that the ZDP Shares would have a Cover[6] of not less than 2.75 times immediately following such issue.

Voting Rights of ZDP Shares

The ZDP Shares carry no right to attend or vote at General Meetings of the Company.

[5] There can be no assurance that the Final Capital Entitlement of the ZDP Shares will be repaid in full on the ZDP Repayment Date.

[6] Cover of the ZDP Shares shall represent a fraction where the numerator is equal to the Net Asset Value of RDLF and its Group on a consolidated basis adjusted to: (i) add back any liability to ZDP Shareholders; and (ii) deduct the estimated liquidation costs of the Company, and the denominator is equal to the amount which would be paid on the ZDP Shares as a class (and on all ZDP Shares ranking as to capital in priority thereto or *pari passu* therewith, save to the extent already taken into account in the calculation of the Net Asset Value) in a winding up of the Company on the ZDP Repayment Date.

4. ZERO DIVIDEND PREFERENCE SHARES (continued)

Voting Rights of ZDP Shares continued

On a vote on a resolution on a show of hands at a class meeting of the holders of ZDP Shares (other than in respect of a ZDP Recommended Resolution or a ZDP Reconstruction Resolution (in each case as defined in the Company's Articles of Association), each member present in person (and every proxy present who has been duly appointed by one or more members entitled to vote on the resolution) has one vote. A proxy has one vote for and one vote against the resolution if the proxy has been duly appointed by more than one member entitled to vote on the resolution, and the proxy has been instructed by one or more of those members to vote for the resolution and by one or more other of those members to vote against. On a vote on a resolution on a poll taken at a class meeting, every member has one vote in respect of each share held by him. All or any of the voting rights of a member may be exercised by one or more duly appointed proxies but where a member appoints more than one proxy, this does not authorise the exercise by the proxies taken together of more extensive voting rights than could be exercised by the member in person.

Any vote on any ZDP Reconstruction Resolution or ZDP Recommended Resolution shall be by means of a poll. At a class meeting of the holders of the ZDP Shares in respect of a ZDP Recommended Resolution or a ZDP Reconstruction Resolution, each holder of ZDP Shares present in person or by proxy shall, on a

poll, have such number of votes in respect of each ZDP Share held by him (including fractions of a vote) that the aggregate number of votes cast in favour of the resolution is four times the aggregate number of votes cast against the resolution. Each member present in person or by proxy and entitled to vote, who votes against such resolution shall on a poll have one vote for each ZDP Share held by him; provided that, if any term of any offer or arrangement to which the resolution relates shall (as regards any one or more members) have been breached in any material respect of which the chairman of the relevant meeting has written notice prior to the commencement of such meeting then, notwithstanding anything in the Articles to the contrary, each member shall, at any such meeting at which such shareholder is present in person or by proxy, and entitled to vote, on a poll have one vote for every such ZDP Share held by him.

Variation of Rights and Distribution on Winding Up

On a return of capital, whether on a winding up or otherwise, the holders of ZDP Shares shall be entitled to receive, in priority to any amounts paid to the holders of Ordinary Shares, an amount equal to the initial capital entitlement of GBP 100 pence per share as increased at such rate as accrues daily and compounds annually to give an entitlement to GBP 1.2763 on 31 July 2021, the first such increase to be deemed to have occurred on 1 August 2016 and the last to occur on 30 July 2021.

5. SHARE CAPITAL

AUTHORISED:

Limited number of Ordinary Shares	**10,000,000 Ordinary Shares**

ISSUED AND FULLY PAID:

	(Unaudited)	(Audited)
	30 Jun 2017	31 Dec 2016
	(GBP)	*(GBP)*
50,000 Ordinary Shares at GBP 1.00 each	**50,000**	50,000

The Company's 50,000 Ordinary Shares were issued to its parent company on 23 June 2016.

It is not intended that any dividend will be paid to the holders of Ordinary Shares prior to the ZDP Repayment Date.

Voting Rights of Ordinary Shares

Subject to any rights or restrictions attached to any shares, on a show of hands every ordinary shareholder present in person has one vote and every proxy present who has been duly appointed by a shareholder entitled to vote has one vote, and on a poll every shareholder (whether present in person or by proxy) has one vote for every share of which he is the holder. A shareholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses the same way. In the case of joint holders, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the Register.

Variation of Rights and Distribution on Winding Up for Ordinary Shares

On a return of capital, whether on a winding up or otherwise, after the amounts payable to the holders of ZDP Shares have been satisfied in full, each Ordinary Share carries the right to a repayment of capital of up to GBP 1.00 paid up capital and the Ordinary Shares all rank *pari passu* as respects distributions of any surplus remaining after all such capital has been repaid.

6. TAX

	(Unaudited)	(Audited)

	1 Jan to 30 Jun 2017	23 Jun to 31 Dec 2016
	(GBP)	*(GBP)*
Corporation tax:		
Current	**95,050**	44,026
Deferred tax	**-**	-
Total tax expense for the period	**95,050**	44,026

The Company's tax charge for the period can be reconciled to the loss in the condensed statement of comprehensive income as follows:

	(Unaudited)	(Audited)
	1 Jan to 30 Jun 2017	23 Jun to 31 Dec 2016
	(GBP)	*(GBP)*
Loss before tax on continuing operations	**(894,184)**	(611,415)
Tax effect at the UK corporation tax rate of 20%	**(178,837)**	(122,283)
Tax effect of expenses that are not deductible in determining taxable profit	**273,887**	166,309
Tax expense for the period	**95,050**	44,026

7. CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence. The Company's capital is represented by the ordinary shares and capital contribution from the parent company. Pursuant to the Undertaking granted by RLDF in favour of the Company, RDLF undertook to (among other things) subscribe for such number of Ordinary Shares in the capital of the Company as may be necessary or to otherwise ensure that the Company has sufficient assets to pay the total amount repayable to the ZDP Shareholders and pay any operational costs incurred by the Company.

The Company is not subject to externally imposed capital requirements.

8. FINANCIAL RISK MANAGEMENT

The Board of Directors has overall responsibility for the oversight of the Company's risk management framework. The objective of the Company is to provide the Final Capital Entitlement of the ZDP Shares to the ZDP holders at the redemption date. Due to the Company's dependence on RDLF to repay the loan and provide contribution to meet the final capital entitlement of the ZDP Shareholders, the risks faced by the Company are considered to be the same as for RDLF.

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk

All short-term financial instruments have been excluded from the following disclosures.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Loan Agreement and the obligation of RDLF under the Undertaking to subscribe for such number of Ordinary Shares or otherwise ensure that the Company is able to pay the Final Capital Entitlement to ZDP Shareholders on the ZDP Repayment Date. RDLF's credit risk is the risk of financial loss if a counterparty to a debt instrument fails to meet its contractual obligations. RDLF and its investment manager seek to mitigate RDLF's credit risk by actively monitoring RDLF's portfolio of debt instruments and the credit quality of the underlying borrowers. RDLF's

investment strategy allows it to potentially reduce risk through investment diversification while also potentially achieving higher returns by investing in high yielding direct lending asset classes.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The most significant cash outflow consists of the payment of the Final Capital Entitlement to the ZDP holders at the ZDP Repayment Date of 31 July 2021. The Company's exposure to liquidity risk depends upon RDLF's ability to meet all current and future obligations of the Company. The Directors consider RDLF's compliance with the Undertaking and the capital contributions received as sufficient.

The contractual undiscounted maturity profile of the Company's financial assets and liabilities is as follows:

	(Unaudited)	(Audited)
	30 Jun 2017	31 Dec 2016
	(GBP)	*(GBP)*
In more than one year but not more than five years:		
Loan and receivables	**58,610,638**	58,610,638
Zero Dividend Preference Shares	**67,643,347**	67,643,347

Interest rate risk

Interest rate risk occurs when there is a mismatch between the interest rates of the Company's assets and liabilities. The interest rate applied on the Loan Agreement is fixed at 2% whereas the interest rate applied on the ZDP Shares is fixed at 5%. The net exposure to interest risk is reduced as a result of the Undertaking by RDLF whereby at any time up to or immediately prior to the ZDP Repayment Date, RDLF will subscribe for such number of ordinary shares in the Company as is necessary to provide the Company (after taking into account the repayment of the loan) with sufficient funds to meet the repayment obligations in respect of the ZDP Shares. Assuming the interest rate applied on the Loan Agreement is 5%, the investment income for the period would have been higher by GBP 898,163 (31 December 2016: GBP 554,125).

Fair value estimation

The fair values of cash and cash equivalents, prepayments, and accrued expenses and other liabilities are estimated to be approximately equal to their carrying values due to their short-term nature. The fair values for the loan and receivables and ZDP Shares are disclosed in this note for disclosure purposes only under IFRS 13 "Fair Value Measurement" ("IFRS 13").

The Directors based the fair value of the ZDP Shares on the traded price of GBP 100.5 pence (31 December 2016: GBP 104.5 pence) per share which was observed on the London Stock Exchange on 30 June 2017 (31 December 2016: 29 December 2016) being the last observable traded price before period-end. The Loan Agreement and Undertaking expire on the same date as the ZDP Repayment Date. Due to the dependence on RDLF to repay the Loan and provide the support to meet the Company's obligation to the ZDP holders, the fair value of the Loan (including the amount receivable under the Undertaking) is estimated to be equal and opposite to the fair value of the ZDP Shares.

Fair value hierarchy

IFRS 13 defines a fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of fair value hierarchy under IFRS 13 are as follows:

Level 1: Inputs that reflect unadjusted quoted prices in active markets for identical assets and liabilities at the valuation date;

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the assets or liability either directly (as prices) or indirectly (derived from prices), including inputs from markets that are not considered to be active; and

Level 3: Inputs that are not based upon observable market data.

However, the determination of what constitutes "observable" requires significant judgement by the Directors. The Directors consider observable data to be market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, provided by multiple independent sources that are actively involved in the relevant market.

The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the financial instruments and does not necessarily correspond to the Company's perceived risk inherent in such financial instruments.

The ZDP Shares are classified within Level 1 of the fair value hierarchy on the basis that the fair value was derived from an observable traded price. The Loan and receivables is classified within Level 2 of the fair value hierarchy on the basis that the fair value of the Loan has been determined directly from the fair value of the ZDP Shares.

The following tables include the fair value hierarchy of the Company's financial assets and liabilities not measured at fair value but for which fair value is disclosed:

As at 30 June 2017 (Unaudited):

Fair value	***(GBP)*** **Level 1**	***(GBP)*** **Level 2**	***(GBP)*** **Level 3**	***(GBP)*** **Total**
Loans and receivables	**-**	**53,265,000**	**-**	**53,265,000**
Zero Dividend Preference Shares	**53,265,000**	**-**	**-**	**53,265,000**

As at 31 December 2016 (Audited):

Fair value	*(GBP)* Level 1	*(GBP)* Level 2	*(GBP)* Level 3	*(GBP)* Total
Loans and receivables	-	55,385,000	-	55,385,000
Zero Dividend Preference Shares	55,385,000	-	-	55,385,000

9. BASIC AND DILUTED LOSS PER ORDINARY SHARE

The calculation of loss per share is based on the net loss for the period of GBP 989,234 (23 June 2016 to 31 December 2016: GBP 655,441) and on a weighted average number of shares of 50,000 Ordinary Shares.

10. ULTIMATE CONTROLLING PARTY

The voting rights in the Company are wholly owned by Ranger Direct Lending Fund Plc, a company incorporated and registered in England and Wales, and is therefore the immediate and ultimate controlling party.

11. RELATED PARTIES

During the period and pursuant to the Deed of Undertaking, the parent company contributed GBP 85,311 (23 June 2016 to 31 December 2016: GBP 529,407) to the Company.

On 25 July 2016, the Company entered into a Loan Agreement and Undertaking with its parent company which are disclosed in more detail in note 3.

The Company had no employees for the period ended 30 June 2017 (23 June 2016 to 31 December 2016: none).

The Directors received no remuneration for their services to the Company during the period and prior period.

12. AUDITOR'S REMUNERATION

The analysis of the auditor's remuneration is as follows:

	(Unaudited)	(Audited)
	1 Jan to 30 Jun 2017	23 Jun to 31 Dec 2016
	(GBP)	*(GBP)*
Audit fees for the financial statements	**12,800**	24,000
Non-audit fees related to corporate financial services charged to Zero Dividend Preference Shares	**-**	122,400
	12,800	146,400

13. OPERATING SEGMENTS

Geographical information

The Company is managed as a single asset management business, being the provision of a loan to RDLF from the Company's ZDP Shares proceeds.

The chief operating decision maker is the Board of Directors. Under IFRS 8 the Company is required to disclose the geographical location of revenue and amounts of non-current assets other than financial instruments.

Revenues

All of the Company's revenue is generated from the UK.

Non-current assets

The Company does not have non-current assets other than its loans and receivables.

13. SUBSEQUENT EVENTS

There are no subsequent events that require disclosure in these financial statements.

COMPANY INFORMATION

Directors
Christopher Waldron
Jonathan Schneider
Matthew Mulford

Registered Office
40 Dukes Place
London EC3A 7NH
United Kingdom

Company Secretary
Capita Company Secretarial Services Limited
The Registry
34 Beckenham Road

Sponsor and Broker
Liberum Capital Limited
Level 12, Ropemaker Place
25 Ropemaker Street

Beckenham
Kent BR3 4TU
United Kingdom

Registrar
Capita Asset Services
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU
United Kingdom

Auditor
Deloitte LLP
Chartered Accountants and Statutory Auditor
2 New Street Square
London EC4A 3BZ
United Kingdom

Company website
www.rangerdirectlending.uk/ranger-direct-lending-zdp-plc/

London EC2Y 9LY
United Kingdom

Administrator
Sanne Fiduciary Services Limited
13 Castle Street
St Helier
Jersey JE4 5UT
Channel Islands

English and US Securities Law Legal Adviser
Travers Smith LLP
10 Snow Hill
London EC1A 2AL
United Kingdom

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