

12 March 2018

## **RANGER DIRECT LENDING FUND PLC (the "Company")**

### **Portfolio Update**

On 29 January 2018 the Company provided an update in respect of its arbitration proceedings against the Princeton Alternative Income Fund, LP ("Princeton") and its general partner Princeton Alternative Funding, LLC (the "General Partner"). The Company has now been informed that Princeton and the General Partner filed voluntary petitions of bankruptcy on 9 March 2018.

The filings came hours before the three-judge arbitration panel was to rule on an application for an order requiring Princeton to hold and segregate all revenues generated by its investment activities, pending further order of the panel. It was also expected that the first phase of the arbitration, focusing largely on the Company's demand for a redemption of its capital in Princeton, would finish its testimony phase on that day.

The bankruptcy petitions have the effect of staying this first phase of the arbitration as against Princeton and the General Partner and also stopping the ruling on the segregation order being delivered.

The Company is disappointed that the bankruptcy filing has stalled the first phase of the arbitration, but believes that the bankruptcy filing does give rise to potential benefits in the process of getting visibility into the Princeton Funds' portfolio valuation and ultimately redeeming the investment it has made. Specifically, now that a bankruptcy petition has been made, the activities of Princeton and the General Partner will be monitored by a bankruptcy court.

Within its bankruptcy petition, Princeton represents that: (i) the estimated aggregate value of its assets is between US\$50 million and US\$100 million, and (ii) it has estimated liabilities of between US\$1 million and US\$10 million. While the Company does not have sufficient information to verify these representations, it is expected that filings which are required to be made pursuant to the bankruptcy proceedings by Princeton (including schedules of assets and liabilities) will provide information on the portfolio. The Company will evaluate such information and its impact on the net asset value, if applicable, as and when it is available. By way of a reminder, the 31 January 2018 cum-income net asset value of the Company assigned a value of approximately US\$29.3 million (which is net of the loss reserve previously announced by the Company) to the Company's investment in Princeton and, so far as the Company is aware, its investment represents between 75 per cent. and 85 per cent. of the aggregate investments in Princeton.

As previously reported, the arbitration process includes a second phase consisting of claims against various individuals and entities (including MicroBilt) who, as specified in the claims, are alleged to have controlled the Princeton funds, and to have acted improperly in connection with its activities, or improperly benefitted from misconduct.

Although the bankruptcy filing may stay some of the claims in the second phase, the Company intends to proceed with the second phase claims against the individuals and entities that are not

subject to the bankruptcy stay. These claims continue to be conducted by the Company's attorneys on a contingency basis.

Further announcements will be made as and when additional information relating to the Company's investment in Princeton becomes available.

This announcement includes inside information.

**For further information, please contact:**

<b>Link Company Matters Limited</b>	+44 (0)1392 477 510
Secretary	

<b>Ranger Capital Group</b>	Via Redleaf PR
Bill Kassul	
Scott Canon	

<b>Liberum Capital Limited</b>	+44 (0)20 3100 2000
Joshua Hughes	

<b>Kinmont</b>	
Mat Thackery	
+44 (0) 207 087 9100	

<b>Media Enquiries</b>	
<b>Redleaf Communications</b>	+44 (0)20 3757 6865
Elisabeth Cowell	
Robin Tozer	

**IMPORTANT INFORMATION**

The actual outcome of any legal proceedings may be materially affected by new information coming to light following the date of this announcement. Any views contained herein are based on the Company's understanding of the relevant proceedings as of the date of this announcement.

LEI: 549300VGZSKYQ7C2U221

END OF ANNOUNCEMENT