

4 October 2018

RANGER DIRECT LENDING FUND PLC (or the "Company")

Shareholder update

The Company's Half Yearly Financial Report Announcement dated 24 September 2018 explained that the Company has commenced a process of the orderly realisation of assets and anticipates being in a position to commence capital returns to holders of Ordinary Shares in the Company in the coming months. In addition, the Company has commenced discussions with holders of the zero dividend preference shares (the "ZDP Shares") issued by the Company's subsidiary Ranger Direct Lending ZDP plc ("Ranger ZDP").

The rights of the holders of the ZDP Shares are set out in the articles of association of Ranger ZDP (the "Ranger ZDP Articles") and the obligations of the Company to Ranger ZDP in relation to the ZDP Shares are set out in a loan agreement (the "Loan Agreement") and an undertaking (the "Undertaking") between the Company and Ranger ZDP. Subject to what is set out below in relation to page 16 of the prospectus published by Ranger ZDP dated 26 July 2016 (the "ZDP Prospectus"), those documents do not provide a mechanism specifically designed to implement a winding down of the Company and Ranger ZDP prior to 31 July 2021 (the "ZDP Repayment Date"), which is the date on which the holders of the ZDP shares would be entitled to be paid the Final Capital Entitlement (as defined in the Ranger ZDP Articles).

The ZDP Prospectus stated (on page 17) that the different rights and expectations of the holders of Ordinary Shares in the Company and the holders of ZDP Shares may give rise to conflicts of interest between them. The directors of the Company intend to act in a manner which they consider to be fair and equitable having regard to the entitlements of the shareholders of the Company, the Company's obligations to Ranger ZDP and the entitlements of the holders of ZDP Shares under the Ranger ZDP Articles.

It was also stated, on page 16 of ZDP Prospectus, that if the Company is wound up prior to the ZDP Repayment Date, including where a Continuation Vote is not approved by holders of ZDP shares following a breach by the Company of the Loan Agreement or the Undertaking, holders of the ZDP shares will only be entitled to receive their accrued capital entitlement to the date of the resulting winding up of Ranger ZDP.

Ranger ZDP is a Company to which the UK City Code on Takeovers and Mergers (the "City Code") applies. However, only the ordinary shares in Ranger ZDP (all of which are owned by the Company) are securities carrying voting rights for the purposes of the City Code. As a result, any acquisition of or offer for ZDP Shares would not be subject to the City Code.

Subject to sufficient cash being available to the Company as a result of progress in the realisation of the Company's assets, the Company will seek to agree with holders of ZDP Shares a price at which their ZDP Shares can be retired (which is expected to be conducted by way of the acquisition of ZDP Shares by the Company). At this stage, the Company has indicated to holders of ZDP Shares a willingness to pay amounts of between 112.5p and 113.5p per ZDP Share. The dialogue with holders of ZDP Shares and any acquisitions of ZDP Shares by the Company may or may not lead to an offer being made by the Company to acquire all of the ZDP Shares.

The Company would expect to exercise the voting rights of any ZDP Shares acquired by it to vote against any Continuation Resolution (as defined in the Ranger ZDP Articles) if a vote on such a resolution is triggered under the terms of the Loan Agreement or the Undertaking in the context of the winding down of the Company.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

For further information, please contact:

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Secretary

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