RANGER DIRECT LENDING FUND PLC

(Registered No. 09510201)

HALF-YEARLY FINANCIAL REPORT (UNAUDITED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

CONTENTS

FORWARD-LOOKING STATEMENTS

This report includes statements that are, or may be considered, "forward-looking statements". The forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative, or other variations or comparable terminology. 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 and 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.

INFORMATION REQUIRED, TO THE EXTENT APPLICABLE, FOR DISTRIBUTION TO QUALIFIED INVESTORS IN SWITZERLAND:

The Prospectus, the Articles as well as the annual reports of the Company are available only to qualified investors (as defined in the Collective Investment Schemes of 23 June 2006, as amended, and its implementing ordinance) ("Qualified Investors") free of charge from the Swiss Representative. In respect of shares distributed in Switzerland to Qualified Investors, place of performance and jurisdiction is at the registered office of the Swiss Representative.

Swiss Representative: FIRST INDEPENDENT FUND SERVICES LTD., Klausstrasse 33, 8008 Zurich.

Swiss Paying Agent: Neue Helvetische Bank AG, Seefeldstrasse 215, CH-8008 Zurich

OVERVIEW

About Ranger Direct Lending Fund Plc

Ranger Direct Lending Fund Plc ("Ranger" or the "Company") was incorporated and registered in England and Wales on 25 March 2015. This half-yearly financial report for the period ended 30 June 2017 includes the results of Ranger Direct Lending Fund Trust (the "Trust") and Ranger Direct Lending ZDP Plc (the "ZDPCo"), in respect of which further details are set out below.

The Company commenced operations on 1 May 2015 following its admission of GBP 0.01 each Ordinary Shares ("Ordinary Shares") to the London Stock Exchange Main Market ("Admission"). The Company has carried on business as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010.

Since Admission, the Company has deployed capital in a portfolio of Debt Instruments (defined below) issued mainly by direct lending platforms (being businesses which serve as originators and/or distributors of Debt Instruments and which are not traditional retail or investment banks ("Direct Lending Platforms")) in the United States of America ("US"). The portfolio comprises Debt Instruments (held directly and indirectly) within a diverse group of asset classes including real estate loans, invoice receivables, equipment finance, SME loans and platform debt.

On 16 December 2016 the Company issued 1,611,041 C shares of GBP 0.10 in the capital of the Company ("C Shares") pursuant to a placing and open offer at an issue price of GBP 10 per C Share (the "Placing and Open Offer"). The Company's C Shares were subsequently converted into Ordinary Shares on 6 April 2017, following full investment of the net proceeds of the issue of the C Shares in accordance with the Company's investment policy.

The Company's investing activities have been delegated by the Board to the Investment Manager, Ranger Alternative Management II, LP (the "Investment Manager"). Other administrative functions are contracted to external service providers. However, the Directors retain responsibility for exercising overall control and supervision of the Investment Manager and external service providers. The Company has no employees.

The Trust

In accordance with the Company's investment policy, the Company holds a number of its Debt Instrument investments through the Trust. On establishment of the Trust, the Company was the depositor, managing holder and sole beneficiary of the Trust. The Trust is a Delaware Trust established on 22 April 2015 pursuant to a declaration of trust and trust agreement entered into between the Company as depositor and managing holder and Delaware Trust Company (a Delaware state chartered trust company). Under the terms of the declaration of trust and trust agreement that was entered into on establishment of the Trust, the Company is the sole beneficiary of the Trust and also has administrative powers in respect of the Trust's assets.

The Trust has no separate legal personality and is wholly transparent for UK tax purposes.

ZDPCo

On 23 June 2016 the Company incorporated ZDPCo, a public limited company incorporated under the laws of England and Wales. On 1 August 2016, the ZDPCo 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 ("ZDP Shares") were admitted to trading on the London Stock Exchange's main market for listed securities. The proceeds from the issuance of the ZDP Shares were on-lent to the Company, by way of an intercompany loan agreement (the "Loan Agreement"). The Company also granted ZDPCo an undertaking to (among other things) subscribe for such number of ordinary shares in the capital of the ZDPCo as may be necessary or to otherwise ensure that ZDPCo has sufficient assets to satisfy its obligations to the ZDP Shareholders and pay any operational costs incurred by ZDPCo.

ZDPCo raised GBP 30 million and GBP 23.805 million on 1 August 2016 and 4 November 2016, respectively through the issue of ZDP Shares.

The Company, the Trust and the ZDPCo are collectively referred to in this report as the "Group".

CHAIRMAN'S STATEMENT

I am pleased to present the Half Year Report of Ranger Direct Lending Fund Plc ("Ranger" or "the Company") for the six-months ended 30 June 2017.

Although the first six months of 2017 has seen a 4.05% growth in net asset value ("NAV"), this has been a difficult period for Ranger, which has seen its share price fall to a substantial discount to net asset value ("NAV"), following the announcement in April of the impairment to the Argon loan portfolio held within the Company's Princeton fund investment. The lack of clarity surrounding this impairment and the unwillingness of Princeton to supply detailed information to the Company or Deloitte, the Company's auditors, led to the qualification of Ranger's 2016 year-end audit opinion and only served to add to investor uncertainty.

Against this unsatisfactory background, the Board has been working with the Investment Manager on two principal areas. Firstly, the need to take effective action to protect and eventually realise its investment in Princeton. Secondly, to reassess the overall portfolio and strategy to ensure it remains appropriate to meet the Company's investment objective.

Princeton

Princeton continues to provide only limited information to Ranger, apart from high level investor statements. It was this lack of transparency that led to the qualification of the Company's audit opinion, as described in my report at the end of April.

With no meaningful progress towards agreeing a redemption timetable with Princeton, the Company filed an arbitration in June with JAMS (a dispute resolution provider). The Company expects that the hearing will take place in November.

A further update on the Princeton investment is set out in the Investment Manager's report.

Portfolio Management and review of management arrangements

The transparency and disclosure issues linked to the Company's Princeton investment have not been encountered elsewhere in Ranger's portfolio. However, the Princeton experience has prompted the Board and Investment Manager to re-examine the Company's due diligence processes and investment parameters. This review resulted in the Board and the Investment Manager agreeing to an investment approach whereby, over the next two years and as existing investments mature, exposure to unsecured debt instruments will be reduced to no more than 15% of the Company's gross assets, compared to the limit of 35% of gross assets (calculated at the time of investment) in the Company's investment policy. The allocation to any single lending platform is intended to be reduced to 15% of the Company's gross assets, over 18 months, from the current limit of 25%. In addition, no further gearing is envisaged, beyond the ZDPs already issued. These represent gearing of 29.6% as at the June NAV, below the maximum of 50% permitted at the IPO.

Outlook for the second half of 2017

The cost of the Princeton arbitration, together with revisions to the expected returns from other platforms are covered in greater detail in the Investment Manager's Report, but these will inevitably weigh on short-term returns. The Company estimates that legal fees associated with Princeton will reduce NAV growth by approximately 15 basis points ("bps") per calendar month for the rest of 2017. Higher loss reserves against other consumer loan platforms will also detract from returns, as will cash drag as funds are reallocated away from closing platforms into new investments.

Currently, the Company estimates that monthly NAV growth in the second half of 2017 will average 40-50 bps and will then recover to 60-70 bps in 2018, assuming a resolution of the Princeton issues this year. To the extent that this NAV growth is achieved, this is estimated to achieve an aggregate dividend yield of approximately 25 pence per Ordinary Share in the second half of 2017, compared to the 46 pence per Ordinary Share already paid in the first half of 2017. Clearly, these estimates of NAV growth and dividend yield are based on the best information available to the Company at this time and actual results may differ from these estimates.

CHAIRMAN'S STATEMENT continued

The Board and Investment Manager have also carefully considered the potential for share buybacks, under the authority granted at the Company's AGM in May. After consultation with shareholders, it has been decided not to exercise this authority to date, despite the persistent wide discount. Although clearly accretive to NAV, the cost of buying shares would reduce the income available to pay dividends, which would be unattractive to many shareholders. This will remain under review; however, it should be noted that the Investment Manager has used a portion of its management fees to buy shares in the open market, which the Board welcomes.

Although this has been a testing period for Ranger, the performance of the bulk of the Company's assets remains consistent with the objectives set out two years' ago at IPO. In addition, the pipeline of potential investments confirms that there is a demand for finance that is not being met by the traditional banking system, which should support future returns.

Thank you for your continuing support.

Christopher Waldron
Chairman
25 September 2017

INVESTMENT MANAGER'S REPORT

The Investment Manager continues to believe that there are attractive, high yield opportunities which can be accessed by providing funding through established Direct Lending Platforms in categories such as real estate, small/medium business enterprise (SME) lending, specialty finance, and trade receivables. The Investment Manager continues to identify, negotiate, undertake due diligence, and invest with multiple direct lenders. To further mitigate risk, the Investment Manager has diversified investments across multiple Direct Lending Platforms and continues to invest the Company's assets in a diversified group of lending categories, industries, geographic areas, durations and funding structures.

As at 30 June 2017, all proceeds originating from the Company's IPO in May 2015, tap issue completed in December 2015, both ZDP offerings, and Open Offer and Initial Placing of C Shares in December 2016 (converted into Ordinary Shares in April 2017) remain deployed or committed to be deployed, less an amount for general fund operations and foreign exchange settlements. With the leverage provided by the two ZDP offerings, gearing is at 29.6% as at 30 June 2017.

At the time of acquisition of any investment that is non-USD denominated, it is hedged to USD to mitigate against currency fluctuations. Additionally, expected income on those investments is typically hedged for three months into the future. The intra-group loan made to the Company by ZDPCo was denominated in (and must be repaid in) GBP. In addition, the Company has undertaken to subscribe for such number of ordinary shares in the capital of ZDPCo (which are also denominated in GBP) as is necessary to enable ZDPCo to pay the holders of ZDP Shares their final capital entitlement on the ZDP Repayment Date of 31 July 2021. Any of those funds converted to USD or other currencies are hedged to GBP as well as the respective accrued interest owed on those amounts.

Company Portfolio

The Company continues to invest through several Direct Lending Platforms in the US, UK, Australia, and Canada, focused primarily on secured Debt Instruments. While the Company has successfully onboarded 13 platforms since inception, investments with six of those platforms are currently suspended either due to performance issues or lack of material investment capacity. The remaining seven platforms currently provide sufficient capacity and diversity. The Investment Manager is also in early stage negotiations with several other new Direct Lending Platforms to provide additional capacity and diversity to the portfolio. In identifying new platforms the Investment Manager seeks investments which permit active oversight by the Investment Manager, and potential investments are analysed to determine its suitability in meeting the overall investment objectives of the Company.

Most of the portfolio is performing as expected except for a portion of SME loans / business cash advances and consumer loans. The portions of the portfolio that have been underperforming have necessitated some increases in the loss reserves over the last few months. These adjustments have contributed to a reduction in NAV gains during this period. Also, legal fees relating to activities on the Princeton investment (described below) have also had a negative impact on the NAV. The combination of loss reserve adjustments and legal fees are expected to continue for the next few months.

The investments have been made into eight categories and 17 different sub-categories of Debt Instruments spanning the 13 different Direct Lending Platforms. As noted above, this diverse mix of investment types is intended to mitigate risk. At 30 June 2017, 72% of the portfolio was invested in secured Debt Instruments (including loans, cash advances, and receivables financing) to mainly SME borrowers, and 28% of the portfolio consisted of unsecured consumer loans. For this purpose, 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.

As explained in prior Company announcements, a portion of the Company's investment in the Princeton Alternative Income Fund ("Princeton") was used by Princeton to provide credit lines to Argon Credit ("Argon"). The Argon credit lines were assigned an investment category of Business Lines of Credit by the Company. Each of the Argon credit lines were secured by an over collateralised portfolio of unsecured consumer loans that Argon originated ("Argon Loans").

INVESTMENT MANAGER'S REPORT continued

Following Argon's bankruptcy, Princeton has taken possession of a portion of the Argon Loans and has begun directly servicing them. Consequently, as at 30 June 2017, the Argon Loans that are now controlled by Princeton are being reclassified by the Company as Consumer Loans - Unsecured. As a result of this change, the allocation of unsecured consumer loans in the portfolio has increased by 7% as at 30 June 2017. The Company will continue to comply with its investment restrictions set out in investment policy, together with the subsequent directions issued by the Board which have previously been announced, and which apply at the time of investment when making further investments in Debt Instruments (whether directly or indirectly).

In addition to investing in Debt Instruments, the Company may also invest up to 10% of gross assets in the equity of Direct Lending Platforms and/or organizations serving the direct lending industry. As at 30 June 2017, one such equity investment was made for USD 300,000 in June 2017.

Princeton

Arbitration proceedings

As explained in the Company's announcement of 26 June 2017, the Investment Manager and the Company have initiated arbitration proceedings (the "Proceedings") with JAMS (a dispute resolution provider) against the Princeton Master Fund and its general partner Princeton Alternative Funding, LLC (the "General Partner"). The Proceedings are expected to be completed by the end of November 2017 and will be heard by a three-arbitrator panel.

The purpose of the Proceedings is to seek to enforce the Company's rights against the Princeton Master Fund and the General Partner. Among other claims, the Company is seeking to enforce rights concerning redemption and the provision of financial information whilst also challenging the establishment by Princeton of a side pocket in the Princeton Master Fund that has been used as the basis for calculating the Company's exposure to the Argon Bankruptcy as described below.

The Company has also been notified by Princeton that it intends to suspend cash distributions to its investors owing to the level of redemption requests it has received, including from the Company. The suspension will not apply in respect of net proceeds from the Argon bankruptcy which Princeton is required to distribute pursuant to the order described below. Income that would have otherwise been distributed will be allocated by Princeton to the Company's capital account. Notwithstanding the suspension, owing to the accounting treatment of the accrued income in the Princeton investment, the Company does not expect that the suspension will, of itself, have a material impact on the amount or timing of dividends that the Company will be able to declare in 2017. As part of the Proceedings, the Company will seek to ensure that Princeton recommences cash distributions as soon as possible. The costs of bringing the Proceedings (including legal fees) will be advanced by both the Company and the Ranger Specialty Income Fund, LP pro rata to their respective exposures to the Princeton investments. A favorable arbitration outcome may result in the Company recouping some or all legal fees incurred in connection with the Proceedings.

As part of the initial stages of the Proceedings, the arbitrator has issued an order (as amended) that requires any proceeds, net of expenses, received from the Argon Bankruptcy to be paid by Princeton to the Company on a monthly basis. The order, whilst not granting all items requested by the Company, requires the General Partner to notify the Investment Manager within three business days before entering into (i) any additional investment which exceeds the amounts of a historical benchmark, (ii) any action which would distribute or dispose of the master fund assets (other than normal interest payments or asset dispositions controlled by the bankruptcy court), (iii) any proposed action which would encumber its assets or result in liability in excess of $50,000, or (iv) any transaction which would alter the capital structure of the fund.

INVESTMENT MANAGER'S REPORT continued

Princeton portfolio update

As disclosed in the Company's announcements since late last year, Princeton had provided a credit line to Argon who used the proceeds to fund underlying consumer loans (which were included in the collateral for the credit line). Following the bankruptcy of Argon, Princeton took control of the Argon collateral and has been conducting loan servicing. Investor statements as of 30 June 2017 from Princeton show that the Company's indirect loan exposure to Argon is now USD 21.7 million via the side pocket referred to above. This contrasts with USD 26.2 million reported as at 31 December 2016 due to Princeton's reassignment of assets the fund held between the side pocket and the regular account. Of the Company's remaining fair value balance of USD 25.1 million as at 30 June 2017, USD 24.8 million is associated with the Company's exposure to Princeton's other borrowers.

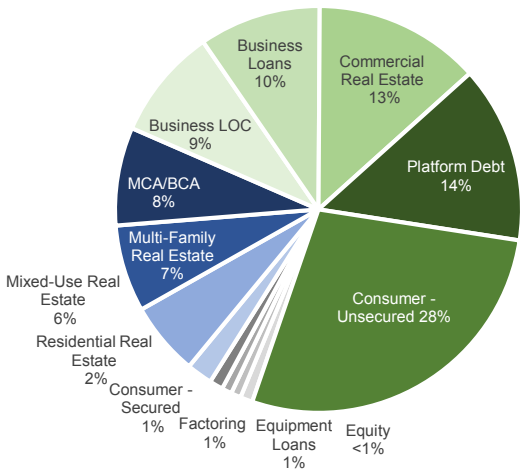
As disclosed in the Company's annual report and accounts for the year ended 31 December 2016, one of the remaining credit lines was to a borrower that had filed for voluntary petition under Chapter 11 bankruptcy protection under Title 11 of the United States Code. The Company's exposure to this line is estimated to be USD 8.0 million as of 22 May 2017. Publicly available filings show that Princeton has now entered into a settlement with this borrower pursuant to which the borrower transferred certain groups of assets to Princeton, including what appear to be lease contracts/accounts receivable and, with certain specified exclusions, a significant portion of the borrowers operating assets, as well causes of action against third parties (including potential claims against Princeton). The bankruptcy court approved parties' settlement arrangement and the transfer of the subject assets to Princeton free and clear of all liens, claims and the encumbrances, except as to certain leases that were serviced by a third party lease/loan-servicer or its affiliates. The Company is seeking from Princeton the current value of the assets transferred pursuant to the described above order.

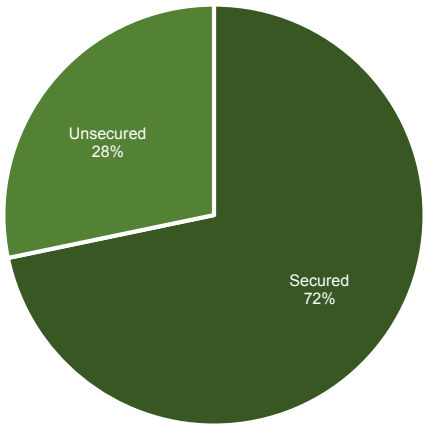
Princeton has also reported that two additional credit lines are in workout such that they are not in full compliance with Princeton's credit facility agreements with those borrowers. The Company's aggregate exposure to these two lines is estimated to be USD 2.1 million as of 22 May 2017.

Other than investor statements, Princeton continues to provide only limited information typically via their legal counsel. The Board and the Investment Manager continue to monitor developments with Princeton. Further announcements will be made in due course where there are any relevant updates for shareholders.

INVESTMENT MANAGER'S REPORT continued

The Portfolio Composition as at 30 June 2017 was as follows based on NAV (excluding accrued interest and allowance for default):





As at 30 June 2017, the portfolio (excluding cash and cash equivalents and equity investments into platforms) was diversified across different sectors as follows:

	Allocation			
	30-Jun-17		***31-Dec-16***	
Sector	***Amount***	***%***	%	***Change***
Consumer Loans	$ 87,500,112	29%	28%	1%
Business Loans/Merchant Cash Advances	$ 53,987,960	18%	17%	1%
Platform Debt	$ 42,867,301	14%	13%	1%
Commercial Real Estate Loans	$ 39,790,593	13%	8%	5%
Business Letter of Credit	$ 24,789,527	9%	16%	(7%)
Multi-family Real Estate Loans	$ 20,740,431	7%	6%	1%
Mixed-use Real Estate Loans	$ 17,501,264	6%	5%	1%
Residential Real Estate Loans	$ 6,141,887	2%	5%	(3%)
Factoring	$ 2,404,016	1%	1%	0%
Equipment Loans	$ 2,385,959	1%	1%	0%
Total (excluding cash and cash equivalents)	$ 298,109,050	100%	100%	0%

INVESTMENT MANAGER'S REPORT continued

Analysis of KPIs and Investment Restrictions

The following key performance indicators and investment restrictions are being tracked for the Group, and values for each as at 30 June 2017 are shown in the table below. For the purposes of this table, the Gross Assets of the Company invested in Direct Lending Company Equity has been excluded from calculations of the investment restrictions.

Indicator	*Criteria*	*As of 30 Jun 2017*
Target Return[1]	12% to 13% unlevered annual net returns to the Company on loan investments	Targeted net annualised returns (after Princeton-Argon impairment) are 10% to 11% to the Company before fund expenses, management and performance fees.
Capital Deployed	USD 314 million (net of relevant issue costs) available for deployment	USD 298 million (net of relevant issue costs) amount invested
Total dividends for the period	At least 85% of Net Profit	Interim dividends of 90% of Net Profit
Investment restrictions		
- Maximum term loan for investment	5 years	No Debt Instrument references a loan agreement with a term in excess of 5 years
- Maximum term for trade receivable investment	180 days	No Debt Instrument references a trade receivable in excess of 180 days
- Maximum allocation to any single asset class sub-category	25% of gross assets	The Company has invested 19.4% of gross assets in the unsecured consumer loan US sub-category (excluding the Argon portfolio)
- Maximum allocation to loans originated by any single lending platform	25% of gross assets	The Company has invested 21.8% of gross assets in the Direct Lending Platform which issues real estate loans
- Maximum allocation to any Debt Instrument	2% of gross assets	No single Debt Instrument in which the Company has an interest exceeds 1.4% of gross assets

[1] This includes return on investments including provision for loan losses but excluding expenses and Investment Manager fees

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 Group. 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.

RISKS AND UNCERTAINTIES

There are a number of potential risks and uncertainties which could have a material impact on the Group's performance and could cause actual results to differ materially from expected and historical results.

The Board of Directors has overall responsibility for risk management and internal control within the context of achieving the Company's objectives. The Board agrees the strategy for the Company, approves the Company's risk appetite and monitors the risk profile of the Company. The Company also maintains a risk register to identify, monitor and control risk concentration.

The Board's responsibility for conducting a robust assessment of the principal risks is embedded in the Company's risk map and stress testing which helps position the Company to ensure conformance with the Association of Investment Companies ("AIC") Corporate Governance Code's requirements.

The Board does not consider that the principal risks and uncertainties have changed since the publication of the Group's 2016 annual report. The principal risks to which the Group will be exposed in the remaining six months of the financial year, being macroeconomic, operational, legal and compliance, investment, taxation risks and cyber security risk, are substantially the same as those described on pages 18 to 20 of the 2016 annual report, a copy of which is available at www.rangerdirectlending.uk.

Since the last reporting period and as with the UK general election in June 2017, there remain uncertainties for UK businesses as Brexit negotiations begin with the European Union. With the majority of the Group's portfolio denominated in currencies other than Sterling, and with the Group's functional currency being the United States Dollar, the Board continues to believe that Brexit is unlikely to have a significant impact on the Group's performance in the next six months. It should also be noted that the Company has entered into derivative contracts to manage the exposure to non-US Dollar denominated assets.

IMPORTANT EVENTS AND FINANCIAL PERFORMANCE

Highlights	***Ordinary Shares***		***C Shares***
	30 June 2017	*31 Dec 2016*	*31 Dec 2016*
Net Asset Value[2] (Cum Income) per share	GBP 11.50[3]/USD 14.97	GBP 12.20[3]/USD 15.05	GBP 9.80[3]/USD 12.09
Net Asset Value[2] (Ex Income) per share	GBP 11.05[3]/USD 14.40	GBP 12.21[3]/USD 15.07	GBP 9.84[3]/USD 12.14
Total dividends per share	55.44 pence	89.61 pence	N/A
Share Price[4]	GBP 8.18[3]/USD 10.66	GBP 10.55[3]/USD 13.02	GBP 9.75[3]/USD 12.03
Actual annualised return on the principal amount invested[5]	8.10%	5.53%	-
% of Capital deployed[6]	92.60%	98.3%[7]	39.60%

[2] Net Asset Value ("NAV") is the value of all assets less any liabilities accounted for under IFRS and usually expressed as an amount per share
[3] Translated at USD to GBP foreign exchange rate of 1.302 (2016: 1.234)
[4] Share price taken from Bloomberg Professional
[5] Annualised return based on monthly performance shown in the next page
[6] Capital deployed amount used is the net proceeds from IPO, tap issue and C Shares (from date of conversion during the period)
[7] Before impairment of Company's investment in Princeton. Capital deployed after impairment was 94.4%

INTERIM MANAGEMENT REPORT AND DIRECTORS' RESPONSIBILITY STATEMENT continued

IMPORTANT EVENTS AND FINANCIAL PERFORMANCE continued

The table below provides monthly performance information from incorporation:

Ordinary Shares

		Jan	*Feb*	*Mar*	*Apr*	*May*	*Jun*	*Jul*	*Aug*	*Sep*	*Oct*	*Nov*	*Dec*	*YTD*
% NAV	**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%)	5.53%
	2017	**0.87%**	**0.66%**	**0.74%**	**0.60%**	**0.58%**	**0.54%**							**4.05%**
Return on Share Price	**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%**	**(17.90%)**	**(5.46%)**	**(4.61%)**							**(22.44%)**

C Shares

		Jan	*Feb*	*Mar*	*Apr*	*May*	*Jun*	*Jul*	*Aug*	*Sep*	*Oct*	*Nov*	*Dec*	*YTD*
% NAV	**2016**												(0.37%)	**(0.37%)**
	2017	**0.31%**	**0.46%**											**0.77%**
Return on Share Price	**2016**												(2.50%)	**(2.50%)**
	2017	**2.05%**	**0.00%**											**2.05%**

On 16 December 2016 the Company issued 1,611,041 C shares of GBP 0.10 in the capital of the Company pursuant to the Placing and Open Offer. The Company's C Shares were subsequently converted to Ordinary Shares based on the 28 February 2017 NAV, following full investment of the net proceeds of the issue of the C Shares in accordance with the Company's investment policy.

In the first half of 2017, the Group has continued to invest in the existing direct lending platforms bringing the total loan balance to USD 251.66 million as of the reporting period. The Company also invested in a Cayman SPV during the period to reduce its loan software platform cost.

The net profit for the period amounted to USD 9.39 million (period ended 30 June 2016: USD 9.94 million; and year ended 31 December 2016: USD 12.40 million). The Group declared a total dividend per share of 55.44 pence per share during the period (period ended 30 June 2016: 35.07 pence per share; and year ended 31 December 2016: 89.61 pence per share).

Further details of the Group's performance for the year are included in the Investment Manager's Report on pages 6 to 10 which includes a review of the investment activity, impact of applicable regulations and adherence to investment restrictions.

Premium / (Discount)

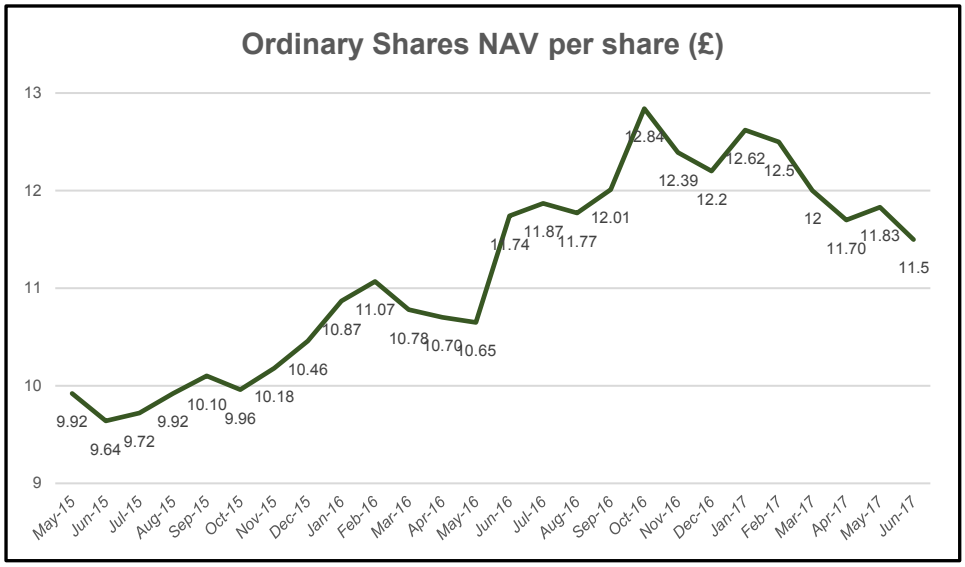
The Board monitors the price of the Company's Ordinary Shares in relation to their net asset value and the premium / (discount) at which the shares trade. The following table shows the premium / (discount) through the year:

		Jan	*Feb*	*Mar*	*Apr*	*May*	*Jun*	*Jul*	*Aug*	*Sep*	*Oct*	*Nov*	*Dec*
Premium/ (discount) to NAV at end of each month	**2015**					5.17%	9.97%	8.28%	6.15%	4.95%	5.75%	2.16%	(2.01%)
	2016	(11.52%)	(13.33%)	(13.25%)	(10.75%)	(8.01%)	(17.38%)	(13.21%)	(9.23%)	(7.89%)	(8.75%)	(8.74%)	(13.52%)
	2017	(12.83%)	(11.00%)	(7.95%)	(22.48%)	(27.47%)	(28.82%)						

INTERIM MANAGEMENT REPORT AND DIRECTORS' RESPONSIBILITY STATEMENT continued

IMPORTANT EVENTS AND FINANCIAL PERFORMANCE continued

Company Performance



GOING CONCERN

As discussed in note 2 to the condensed financial statements, the Directors have reviewed the financial projections of the Company for a period of at least 12 months from the date of this report, which shows that the Company will be able to generate sufficient cash flows in order to meet its liabilities as they fall due. Accordingly, the Directors are satisfied that the going concern basis remains appropriate for the preparation of the financial statements.

RELATED PARTY TRANSACTIONS

Related party transactions are disclosed in note 12 to the condensed financial statements.

DIRECTORS

The Directors who held office during the financial period and up to the date of approval of this report were:

Christopher Waldron (Chairman) (independent)

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.

INTERIM MANAGEMENT REPORT AND DIRECTORS' RESPONSIBILITY STATEMENT continued

DIRECTORS continued

Dr Matthew Mulford (independent)

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 of 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)

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.

Scott Canon

Scott Canon is the CEO of Ranger Capital Group. Mr Canon has previously served in a variety of roles within the broker-dealer affiliate of Security Capital Group, a global real estate research, investment and operating management company. Previously, Mr Canon was a member of the affiliate's board of directors and Head of the Capital Placement Group. He formerly worked for Chase Manhattan Bank and Goldman, Sachs & Co. Mr Canon served as a member of the board of directors for Green Mountain Energy Company before it was purchased by NRG Energy.

INTERIM MANAGEMENT REPORT AND DIRECTORS' RESPONSIBILITY STATEMENT continued

DIRECTORS' RESPONSIBILITY STATEMENT

We confirm that to the best of our knowledge:

a) the condensed consolidated 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).

BY ORDER OF THE BOARD

Christopher Waldron
Chairman
25 September 2017

INDEPENDENT REVIEW REPORT TO RANGER DIRECT LENDING FUND PLC

We have been engaged by the Group to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2017 which comprises the Condensed Consolidated Statement of Financial Position, the Condensed Consolidated Statement of Comprehensive Income, the Condensed Consolidated Statement of Changes in Shareholders' Equity, the Condensed Consolidated Statement of Cash Flows and related notes 1 to 15. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Group in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the Group those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group, for our review work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 2, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Group a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

Except as explained in the following paragraph, we conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As described in note 3, and consistent with the Annual Report for the year ended 31 December 2016, the directors have been unable to provide us with sufficient appropriate supporting information in relation to investments recorded at a value of $46.5m. We were therefore unable to complete our review of investments. Had we been able to complete our review of investments, matters might have come to our attention indicating that adjustments might be necessary to the condensed set of financial statements.

INDEPENDENT REVIEW REPORT TO RANGER DIRECT LENDING FUND PLC - continued

Qualified Conclusion

Except for the adjustments to the condensed set of financial statements that we might have become aware of had it not been for the situation described above, based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2017 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Deloitte LLP
Statutory Auditor
London, United Kingdom
25 September 2017

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2017

	Notes	(Unaudited) 30 Jun 17	(Audited) 31 Dec 16
ASSETS			
Non-current assets		*USD*	*USD*
Financial assets at fair value through profit or loss	3	**46,753,278**	46,647,239
Loans held at amortised cost	4	**251,655,772**	240,015,255
Total non–current assets		**298,409,050**	286,662,494
Current assets			
Derivative assets	9	**1,463,550**	531,528
Advances to/funds receivable from direct lending platforms		**8,035,257**	1,000,563
Prepayments and other receivables		**591,576**	958,452
Cash and cash equivalents	11	**13,699,339**	24,820,380
Total current assets		**23,789,722**	27,310,923
TOTAL ASSETS		**322,198,772**	313,973,417
Non-current liabilities			
Zero dividend preference shares	6	**71,549,591**	66,096,829
Total non-current liabilities		**71,549,591**	66,096,829
Current liabilities			
Accrued expenses and other liabilities	5	**8,444,369**	3,700,070
Income tax liability		**176,657**	54,328
Derivative liabilities	9	**601,697**	1,103,319
Total current liabilities		**9,222,723**	4,857,717
TOTAL LIABILITIES		**80,772,314**	70,954,546
NET ASSETS		**241,426,458**	243,018,871
SHAREHOLDERS' EQUITY			
Capital and reserves			
Share capital	7	**427,300**	427,300
Share premium account	7	**40,346,947**	40,346,947
Other reserves	7	**204,225,570**	204,225,570
Revenue reserves		**4,986,453**	5,077,791
Realised capital losses		**(8,334,317)**	(6,682,162)
Unrealised capital losses		**(70,604)**	(388,953)
Foreign currency translation reserves		**(154,891)**	12,378
TOTAL SHAREHOLDERS' EQUITY		**241,426,458**	243,018,871
NAV per Ordinary Share		**14.97**	15.05
NAV per C Share		**-**	12.09

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

The financial statements for the period ended 30 June 2017 of Ranger Direct Lending Fund Plc, a public company limited by shares and incorporated in England and Wales with registered number 09510201, 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 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

		(Unaudited)			(Unaudited)			(Audited)		
		1 Jan to 30 Jun 17			1 Jan to 30 Jun 16			1 Jan to 31 Dec 16		
	Notes	*Revenue*	*Capital*	*Total*	*Revenue*	*Capital*	*Total*	*Revenue*	*Capital*	*Total*
Income		*(USD)*	*(USD)*	*(USD)*	*(USD)*	*(USD)*	*(USD)*	*(USD)*	*(USD)*	*(USD)*
Investment income		13,806,785	-	**13,806,785**	10,172,427	-	10,172,427	21,872,269	-	21,872,269
Net gain on financial assets at fair value through profit or loss	3	-	3,540,225	**3,540,225**	-	4,427,544	4,427,544	-	125,672	125,672
Foreign exchange gain		-	4,844	**4,844**	-	-	-	-	281,679	281,679.00
Other income		4,388,560	-	**4,388,560**	1,400,136	-	1,400,136	4,911,063	-	4,911,063
Gain on revaluation of derivative contracts		-	1,494,291	**1,494,291**	-	228,851	228,851	-	-	-
Bank interest income		111	-	**111**	35	-	35	1832	-	1,832
		18,195,456	**5,039,360**	**23,234,816**	11,572,598	4,656,395	16,228,993	26,785,164	407,351	27,192,515
Operating expenditure										
Investment Manager Performance Fees	12	1,036,774	15,585	**1,052,359**	818,174	285,999	1,104,173	1,387,481	-	1,387,481
Investment Management Fees	12	1,566,601	-	**1,566,601**	1,153,580	-	1,153,580	2,521,735	-	2,521,735
Service and premium fees		1,912,022	-	**1,912,022**	1,021,110	-	1,021,110	2,413,701	-	2,413,701
Provision for / (Reversal of) default	4	-	52,528	**52,528**	-	(296,814)	(296,814)	-	(36,801)	(36,801)
Loans written off	4	-	4,708,913	**4,708,913**	-	1,888,633	1,888,633	-	5,089,881	5,089,881
Company secretarial, administration and registrar fees		205,150	-	**205,150**	164,641	-	164,641	427,685	-	427,685
Finance costs		1,724,303	-	**1,724,303**	-	-	-	1,057,092	-	1,057,092
Foreign exchange loss		-	1,517,211	**1,517,211**	-	755,430	755,430	-	-	-
Loss on revaluation of derivative contracts		-	-	**-**	-	-	-	-	707,433	707,433.00
Other expenses		992,184	-	**992,184**	500,681	-	500,681	1,167,838	-	1,167,838
		7,437,034	6,294,237	**13,731,271**	3,658,186	2,633,248	6,291,434	8,975,532	5,760,513	14,736,045
Profit before tax		**10,758,422**	**(1,254,877)**	**9,503,545**	7,914,412	2,023,147	9,937,559	17,809,632	(5,353,162)	12,456,470
Taxation		**(115,192)**	**-**	**(115,192)**	-	-	-	(316,328)	262,000	(54,328)
Profit after tax		**10,643,230**	**(1,254,877)**	**9,388,353**	7,914,412	2,023,147	9,937,559	17,493,304	(5,091,162)	12,402,142

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME continued

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

		(Unaudited)			(Unaudited)			(Audited)		
		1 Jan to 30 Jun 17			1 Jan to 30 Jun 16			1 Jan to 31 Dec 16		
	Notes	*Revenue*	*Capital*	*Total*	*Revenue*	*Capital*	*Total*	*Revenue*	*Capital*	*Total*
Basic Earnings Per Ordinary Share - USD	10	0.68	(0.08)	**0.60**	0.53	0.14	0.67	1.18	(0.34)	0.84
Basic Earnings Per Ordinary Share - GBP	10	0.52	(0.06)	**0.46**	0.40	0.11	0.51	0.95	(0.28)	0.68
Diluted Earnings Per Ordinary Share - USD		0.66	(0.08)	**0.58**	0.53	0.14	0.67	1.18	(0.34)	0.84
Diluted Earnings Per Ordinary Share - GBP		0.51	(0.06)	**0.45**	0.40	0.11	0.51	0.95	(0.28)	0.68
Basic and Diluted Loss Per C Share - USD	10	-	-	**-**	-	-	-	(0.05)	-	(0.05)
Basic and Diluted Loss Per C Share - GBP	10	-	-	**-**	-	-	-	(0.04)	-	(0.04)
Profit for the period/year		**10,643,230**	**(1,254,877)**	**9,388,353**	7,914,412	2,023,147	9,937,559	17,493,304	(5,091,162)	12,402,142
Other comprehensive income:										
items that may be reclassified subsequently to profit and loss:										
Exchange differences on translation of net assets of subsidiary		-	-	(167,269)	-	-	-	-	-	12,378
Total comprehensive income for the period/year		**10,643,230**	**(1,254,877)**	**9,221,084**	7,914,412	2,023,147	9,937,559	17,493,304	(5,091,162)	12,414,520

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

		(Unaudited)							
	Note	***Share Capital*** *(USD)*	***Share Premium*** *(USD)*	***Other Reserves*** *(USD)*	***Realised Capital Losses*** *(USD)*	***Unrealised Capital Profits/ (Losses)*** *(USD)*	***Revenue Reserves*** *(USD)*	***Foreign currency translation reserves*** *(USD)*	***Total*** *(USD)*
Balance at 1 January 2017		427,300	40,346,947	204,225,570	(6,682,162)	(388,953)	5,077,791	12,378	**243,018,871**
Dividends	8	-	-	-	(78,929)	-	(10,734,568)	-	**(10,813,497)**
Reclassification of capital losses		-	-	-	(388,953)	388,953	-	-	**-**
Profit for the period		-	-	-	(1,184,273)	(70,604)	10,643,230	-	**9,388,353**
Other comprehensive income for the period		-	-	-	-	-	-	(167,269)	**(167,269)**
Balance at 30 June 2017		**427,300**	**40,346,947**	**204,225,570**	**(8,334,317)**	**(70,604)**	**4,986,453**	**(154,891)**	**241,426,458**

	Note	(Unaudited)							
		Share Capital *(USD)*	***Share Premium*** *(USD)*	***Other Reserves*** *(USD)*	***Realised Capital Profits/(Losses)*** *(USD)*	***Unrealised Capital Profits/ (Losses)*** *(USD)*	***Revenue Reserves*** *(USD)*	***Foreign currency translation reserves*** *(USD)*	***Total*** *(USD)*
Balance at 1 January 2016		228,201	20,989,992	204,225,570	2,573,965	(883,440)	1,710,176	-	228,844,464
Dividends	8	-	-	-	(1,752,613)	-	(5,731,151)	-	(7,483,764)
Reclassification of capital losses		-	-	-	(883,440)	883,440	-	-	-
Profit for the period		-	-	-	2,549,726	(526,579)	7,914,412	-	9,937,559
Other comprehensive income for the period		-	-	-	-	-	-	-	-
Balance at 30 June 2016		**228,201**	**20,989,992**	**204,225,570**	**2,487,638**	**(526,579)**	**3,893,437**	**-**	**231,298,259**

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY continued

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

	(Audited)							
	Share Capital *(USD)*	***Share Premium*** *(USD)*	***Other Reserves*** *(USD)*	***Realised Capital Profits/(Losses)*** *(USD)*	***Unrealised Capital Profits/ (Losses)*** *(USD)*	***Revenue Reserves*** *(USD)*	***Foreign currency translation reserves*** *(USD)*	***Total*** *(USD)*
Balance at 1 January 2016	228,201	20,989,992	204,225,570	2,573,965	(883,440)	1,710,176	-	228,844,464
Issue of C Shares - net	199,099	19,356,955	-	-	-	-	-	19,556,054
Dividends	-	-	-	(3,670,478)	-	(14,125,689)	-	(17,796,167)
Reclassification of capital losses	-	-	-	(883,440)	883,440	-	-	-
Profit for the year	-	-	-	(4,702,209)	(388,953)	17,493,304	-	12,402,142
Other comprehensive income for the year	-	-	-	-	-	-	12,378	12,378
Balance at 31 December 2016	**427,300**	**40,346,947**	**204,225,570**	**(6,682,162)**	**(388,953)**	**5,077,791**	**12,378**	**243,018,871**

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

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

	Notes	(Unaudited) 1 Jan to 30 Jun 17 (USD)	(Unaudited) 1 Jan to 30 Jun 16 (USD)	(Audited) 1 Jan to 31 Dec 16 (USD)
Profit for the period/year		**9,388,353**	9,937,559	12,402,142
Adjustments for:				
Provision for income tax expense		**115,192**	-	54,328
Net gain on financial assets at fair value through profit or loss	3	**(3,540,225)**	(4,427,544)	(125,672)
Investment income		**(13,806,785)**	(10,172,427)	(21,872,269)
Interest expense on ZDP Shares	6	**1,662,595**	-	1,024,920
Amortisation of transaction fees – net		**198,672**	57,373	73,823
Amortisation of issue costs		**61,708**	-	32,172
Foreign exchange loss		**1,902,502**	569,089	2,469,237
(Gain)/loss on revaluation of derivative financial instruments		**(1,494,291)**	(228,851)	707,433
Loans written off	4	**4,708,913**	1,888,633	5,089,881
Reversal of provision for default	4	**52,528**	(296,814)	(5,126,682)
Operating cash flows before movements in working capital		**(750,838)**	(2,672,982)	(5,270,687)
Decrease/(increase) in other current assets and prepaid expenses		**366,876**	(565,912)	(847,710)
Increase in accrued expenses and other liabilities		**4,744,299**	110,070	728,820
(Increase)/decrease in funds receivable from direct lending platforms – net		**(7,034,694)**	2,966,815	2,082,546
Net cash flows used in operating activities		**(2,674,357)**	(162,009)	(3,307,031)
Investing activities				
Acquisition of financial assets at fair value through profit or loss	3	**(300,000)**	(3,000,000)	(3,000,000)
Acquisition of loans	4	**(136,554,741)**	(82,979,015)	(259,863,807)
Principal repayments	4	**122,833,887**	44,115,338	150,024,854
Proceeds from partial redemption of financial assets at fair value through profit or loss	3	**3,734,186**	4,510,983	9,201,900
Investment income received		**12,394,613**	9,280,777	20,582,579
Net settlement on derivative positions		**60,647**	(323,193)	(135,642)
Net cash flows generated from/(used in) investing activities		**2,168,592**	(28,395,110)	(83,190,116)
Financing activities				
Proceeds on issue of C Shares	7	**-**	-	19,556,054
Proceeds on issue of ZDP Shares - net of issue costs	6	**-**	-	65,070,704
Dividends paid	8	**(10,813,497)**	(7,483,764)	(17,796,167)
Net cash flows (used in)/generated from financing activities		**(10,813,497)**	(7,483,764)	66,830,591
Net change in cash and cash equivalents		**(11,319,262)**	(36,040,883)	(19,666,556)
Effect of foreign exchange		**198,221**	(351,017)	(838,998)
Cash and cash equivalents at the beginning of the period/year		**24,820,380**	45,325,934	45,325,934
Cash and cash equivalents at the end of the period/year	11	**13,699,339**	8,934,034	24,820,380

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

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

1. GENERAL INFORMATION

The Company was incorporated and registered in England and Wales on 25 March 2015 and commenced operations on 1 May 2015 following its admission to the London Stock Exchange Main Market. The registered office of the Company is 40 Dukes Place, London EC3A 7NH.

The condensed financial statements ("condensed financial statements") include the results of the Trust and ZDPCo. The investment objective of the Group is to seek to provide shareholders with an attractive return, principally in the form of quarterly income distributions, by acquiring a portfolio of debt obligations (such as loans, invoice receivables and asset financing arrangements) that have been originated or issued by Direct Lending Platforms.

The half year results for the six months ended 30 June 2017 are unaudited. The comparative figures for the year ended 31 December 2016 have been extracted from the Group'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. The auditor reported on those accounts: their report was qualified in respect of insufficient appropriate audit evidence as described in note 3, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498(2) of the Companies Act 2006. The comparative figures for the period ended 30 June 2016 have been extracted from the Group's 30 June 2016 half-yearly financial report which were reviewed by the auditor.

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. The financial statements were also prepared in accordance with the Statement of Recommended Practice ("SORP") for investment trusts issued by the AIC, where this guidance is consistent with IFRS.

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 Group's published annual financial statements for the year 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 IFRS 9 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 Group and consequently have neither been adopted nor listed.

New Accounting Requirements endorsed for use in the EU

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.

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

2. SIGNIFICANT ACCOUNTING POLICIES continued

New Accounting Requirements endorsed for use in the EU (continued)

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 Group expects to apply a credit adjusted effective interest rate (based on the expected cash flows at inception including expected credit losses) for its loans at amortised cost under IFRS 9 however further work is still required to evaluate the full impact of the adoption of IFRS 9.

Basis of measurement and consolidation

The condensed financial statements have been prepared on a historical cost basis as modified for the revaluation of certain financial assets. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Trust is fully consolidated from the date on which control is transferred to the Group and deconsolidated from the date that control ceases.

Intra-group transactions, balances and unrealized gains/losses on transactions within the Group are eliminated.

Going concern

The Directors have reviewed the financial projections of the Company for a period of at least 12 months from the date of this report, which shows that the Company will be able to generate sufficient cash flows in order to meet its liabilities as they fall due. Accordingly, the Directors are satisfied that the going concern basis remains appropriate for the preparation of the condensed financial statements.

Use of estimates, judgements and assumptions

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

Key source of estimation uncertainty – impairment of loans

Information about significant areas of estimation uncertainty and critical judgements in relation to the impairment of loans are described under Impairment section below.

Key source of estimation uncertainty – fair value of financial assets at fair value through profit or loss

The determination of what constitutes observable market data requires significant judgement by the Group. See note 3 for the fair value estimation.

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

2. SIGNIFICANT ACCOUNTING POLICIES continued

Impairment

In evaluating the portfolio and estimating the default allowance, management takes into consideration numerous factors, including current economic conditions, prior loan loss experience, composition of the loan portfolio and management's estimate of credit losses. Such evaluation, which includes a review of all loans on which full collectability may not be reasonably assured, also considers among other matters, the estimated net realisable value or the fair value of the underlying collateral, economic conditions, historical loss experience, and other factors that warrant recognition in providing for an adequate allowance for loan losses. Management establishes an allowance for loan losses that it believes is adequate to reflect incurred impairment losses in the existing portfolio. In the event that management's evaluation of the level of the allowance for loan losses is inadequate, the Group would need to increase its provision for loan losses.

If, in a subsequent period, the amount of the default allowance decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised default allowance is recognised in the Condensed Consolidated Statement of Comprehensive Income.

3. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	(Unaudited)	(Audited)
	30 Jun 17	*31 Dec 16*
	(Group)	*(Group)*
	USD	*USD*
Opening fair value	**46,647,239**	52,723,467
Purchases	**300,000**	3,000,000
Redemptions	**(3,734,186)**	(9,201,900)
Net gain		
- net gain allocation	**3,540,225**	8,982,284
- Argon impairment allocation	**-**	(8,856,612)
Closing balance	**46,753,278**	46,647,239

The Group's financial asset at fair value through profit or loss represents its investment in Princeton and in the Cayman SPV.

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

3. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS continued

Fair value estimation

Princeton

The Group's investment in Princeton is valued on the basis of Statement of Fund Performance received on a monthly basis from Princeton, less a provision for potential defaults of USD 253,329 (31 December 2016: USD 137,750).

In the previous period, the fair value as at the reporting date was checked for reasonableness by comparing the amount against Princeton's discounted projected future cash flows. Following Argon's bankruptcy as announced by the Company on 22 December 2016, the Investment Manager made various inquiries in respect of the basis on which Princeton's reserve against the Argon portfolio has been made. These inquiries included meetings with Princeton's management, auditor, legal counsel and the Group's auditor. As the Investment Manager has not been provided with enough data to make its own determination of the value of this asset, the Investment Manager, as a practical expedient, is relying upon the net asset valuation provided by Princeton as at 30 June 2017, without any adjustment.

In June 2017, the Company announced that it is now seeking to enforce redemption and provision of financial information rights against Princeton via the arbitration proceedings. A favourable arbitration outcome may result in the Company recouping some or all legal fees in connection with the arbitration proceedings.

Cayman SPV

The Group's investment in the Cayman SPV was derived from the amount paid to acquire the investment of USD 300,000. In the opinion of the Directors, this represents the best evidence of fair value on the basis that only a short period has elapsed since the acquisition of the investment in June 2017. Any change in factors that would affect the fair value of the investment from the acquisition date to the reporting date is not expected to have material effect to the financial position or profit or loss of the Group.

4. LOANS HELD AT AMORTISED COST

	(Unaudited)	(Audited)
	30 Jun 17	*31 Dec 16*
	(Group)	*(Group)*
	USD	*USD*
Opening balance	**240,015,255**	130,572,462
Purchases	**136,554,741**	259,863,807
Principal repayments	**(122,833,887)**	(150,024,854)
Amortisation of transaction fees	**(198,672)**	(73,823)
Accrued interest	**1,412,172**	1,289,690
Loans written-off	**(4,708,913)**	(5,089,881)
Effect of foreign exchange	**1,467,604**	(1,648,828)
	251,708,300	234,888,573
(Provision for)/utilisation of provision for default allowance - net	**(52,528)**	5,126,682
Closing balance	**251,655,772**	240,015,255

The Group's loans are accounted for using the effective interest method. The carrying value of such instruments includes assumptions that are based on market conditions existing at each statement of financial position date. Such assumptions include application of default rate and identification of effective interest rate taking into account the credit standing of each borrower as assessed by each direct lending platform. At year end, the Directors estimate that the carrying value approximates the fair value.

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

4. LOANS HELD AT AMORTISED COST continued

The main factor considered by the Board in determining whether or not the amounts due are impaired is if the underlying borrowers' source of income has decreased or is unlikely to continue. The following table shows the age of the receivables which are considered to be at risk of default:

	(Unaudited) 30 Jun 17 (Group) USD	*(Audited) 31 Dec 16 (Group) USD*
Up to 3 months	**3,227,124**	13,660,557
3 to 6 months	**458,631**	7,938,810
Over 6 months	**20,992,497**	459,409
	24,678,252	22,058,776

The movement in the provision for default allowance is as follows:

	(Unaudited) *30 Jun 17 (Group) USD*	(Audited) *31 Dec 16 (Group) USD*
Balance at the beginning of the period/year	**660,839**	683,455
Provision for the period/year	**5,105,964**	5,067,265
Amount written-off during the period/year	**(4,708,913)**	(5,089,881)
Balance at end of the period/year	**1,057,890**	660,839

5. ACCRUED EXPENSES AND OTHER LIABILITIES

	(Unaudited) *30 Jun 17 (Group) USD*	(Audited) *31 Dec 16 (Group) USD*
Performance fees payable – note 12	**1,038,596**	1,387,481
Investment Management fees payable – note 12	**583,199**	475,002
Withholding tax payable	**-**	922,994
Other payables	**6,822,574**	914,593
	8,444,369	3,700,070

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

6. ZERO DIVIDEND PREFERENCE SHARES

	(Unaudited)	(Audited)
	30 Jun 17	*31 Dec 16*
	(Group)	*(Group)*
	USD	*USD*
Opening balance	**66,096,829**	-
Issuance of ZDP Shares	**-**	66,395,370
Issue costs	**145,577**	(1,324,666)
Amortisation of issue costs during the period/year	**(61,708)**	57,819
Amortisation of premium during the period/year	**83,870**	(25,647)
Interest expense during the period/year	**1,662,595**	1,024,920
Effect of foreign exchange	**3,728,459**	(30,967)
Closing balance	**71,549,591**	66,096,829

Under the ZDPCo's Articles of Association, the Directors are authorised to issue up to 55 million zero dividend preference shares ("ZDP Shares") for a period of 5 years from 25 July 2016. The ZDPCo issued 53 million ZDP Shares at GBP 0.01 each (the "ZDP Shares") in 2016. On 1 November, the ZDPCo passed a resolution to authorise Directors to issue up to 75 million ZDP shares, such authority to expire on 26 July 2021, unless revoked sooner or varied by the Company in general meeting. The ZDP Shares will have a term of five years and a final capital entitlement of GBP 127.63 pence per ZDP share on 31 July 2021, being the ZDP Repayment Date. The total amount repayable on the ZDP repayment date is GBP 67,643,900.

The ZDP Shares do not carry the right to vote at general meetings of the Company, although they 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 of not less than 2.75 times immediately following such issue. The Cover for ZDP Shares as of 30 June 2017 is 3.55 times (31 December 2016 is 3.70 times).

7. SHARE CAPITAL AND SHARE PREMIUM

The table below shows the total unaudited issued share capital as at 30 June 2017:

	Nominal value	*Nominal value*	*Number of shares*
	GBP	*USD*	*Number*
Ordinary Shares	**309,591**	**427,300**	**16,122,931**

The table below shows the total audited issued share capital as at 31 December 2016:

	Nominal value	*Nominal value*	*Number of shares*
	GBP	*USD*	*Number*
Ordinary Shares	148,487	228,201*	14,848,650
C Shares	161,104	199,099**	1,611,041
	309,591	427,300	16,459,691

*GBP 135,000 converted at GBP 1.00: USD at 1.5394 on Admission; and GBP 13,487 converted at GBP 1.00: USD at 1.5112 on 16 December 2015

**Converted at GBP 1.00: USD at 1.236 on 16 December 2016

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

7. SHARE CAPITAL AND SHARE PREMIUM continued

Ordinary Shares

The IPO of 13,500,000 Ordinary Shares on 1 May 2015 was priced at GBP 10 each resulting in a share premium amount of USD 204,225,570 (GBP 132,665,694) net of direct issue costs. Shareholder approval was given on 2 April 2015 for the Company's share premium account to be cancelled immediately after admission and this permission was confirmed by court order on 1 July 2015.

On 16 December 2015, the Company issued a total of 1,348,650 new Ordinary Shares at GBP 10.45 per share resulting in a share premium amount of USD 20,989,992 or GBP 13,889,694 net of direct issue costs of USD 287,555 pursuant to a tap issue.

C Shares

On 16 December 2016 the Company issued 1,611,041 C Shares pursuant to the Open Offer and Initial Placing at an issue price of GBP 10 per C Share each resulting in a share premium amount of USD 19,356,955 (GBP 15,666,299) net of direct issue costs.

The Company's C Shares were subsequently converted into Ordinary Shares on 6 April 2017, following full investment of the net proceeds of the issue of the C Shares in accordance with the Company's investment policy.

Rights attaching to the shares

The holders of the C shares and ordinary shares are only entitled to receive, and to participate in, any dividends declared in relation to the relevant class of shares that they hold.

The holders of Ordinary Shares shall be entitled to all of the Company's remaining net assets after taking into account any net assets attributable to the C shares.

The Ordinary Shares and C Shares shall carry the right to receive notice of, attend and vote at general meetings of the Company.

On a winding-up or a return of capital by the Company, if there are C shares in issue, the net assets of the Company attributable to the C shares shall be divided pro rata among the holders of the C shares. For so long as C shares are in issue, and without prejudice to the Company's obligations under the Act, the assets attributable to the C shares shall, at all times, be separately identified and shall have allocated to them such proportion of the expenses or liabilities of the Company as the Directors fairly consider to be attributable to the C shares.

Voting Rights

Subject to any rights or restrictions attached to any shares, on a show of hands every 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.

No shareholder shall be entitled to vote at any general meeting or at any separate general meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all amounts presently payable by him in respect of that share have been paid.

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

7. SHARE CAPITAL AND SHARE PREMIUM continued

Variation of Rights and Distribution on Winding Up

If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class may, unless otherwise provided by the terms of issue of the Shares of that Class, be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of not less than three-quarters in nominal value amount of the issued shares of the affected class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class (but not otherwise).

At every such separate general meeting the necessary quorum, other than an adjourned meeting, shall be two persons holding or representing by proxy at least one-third in nominal amount of the issued shares of the class in question, and at an adjourned meeting one person holding shares of the class in questions or his proxy; any holder of shares of the class in question present in person or by proxy may demand a poll and the holder of shares of the class in question shall, on a poll, have one vote in respect of every share of such class held by him. Where the rights of some only of the shares of any class are to be varied, the foregoing provisions as if each group of shares of the class differently treated formed a separate class whose rights are to be varied.

The Company has no fixed life but, pursuant to the Articles, an ordinary resolution for the continuation of the Company will be proposed at the AGM of the Company to be held in 2020 and, if passed, every five years thereafter. Upon any such resolution not being passed, proposals will be put forward within three months after the date of the resolution to the effect that the Company be wound up, liquidated, reorganised or unitised. If the Company is wound up, the liquidator may divide among the shareholders in specie the whole or any part of the assets of the Company and for that purpose may value any assets and determine how the division shall be carried out as between the shareholders or different classes of shareholders.

The table below shows the movement in shares during the period:

For the period ended 30 June 2017	*Shares in issue at the beginning of the period*	*Shares converted*	***Shares in issue at the end of the period***
Ordinary Shares	14,848,650	1,274,281	**16,122,931**
C Shares	1,611,041	(1,611,041)	**-**

8. DIVIDENDS

Set out below is the total dividend paid in respect of the financial period:

		(Unaudited)	(Unaudited)
	Per share GBP pence / USD cents	*1 Jan to 30 Jun 17 USD*	*1 Jan to 30 Jun 16 USD*
Ordinary Shares dividends declared and paid:			
Interim dividends in 2017 (in respect of 31 Mar 2017 results)	26.93 / 34.33	**5,534,376**	-
Interim dividends in 2017 (in respect of 31 Dec 2016 results)	28.51 / 35.55	**5,279,121**	-
Interim dividends in 2016 (in respect of 31 Mar 2016 results)	20.45 / 29.79	**-**	4,423,133
Interim dividends in 2016 (in respect of 31 Dec 2015 results)	14.62 / 20.61	**-**	3,060,631
Total dividends paid during the period		**10,813,497**	7,483,764

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

8. DIVIDENDS continued

In accordance with Regulation 19 of the Investment Trust (Approved Company) (Tax) Regulations 2011, the Company will not (except to the extent permitted by those regulations) retain more than 15% of its income (as calculated for UK tax purposes) in respect of an accounting period.

The Company intends to distribute at least 85% of its distributable income earned in each financial year by way of dividends. The Company intends to pay dividends on a quarterly basis with dividends declared in February, May, August and November and paid in April, June, September and December in each year. On 11 August 2017, the Directors declared an interim dividend of 24.62 pence per share for the three month period ended 30 June 2017.

It is the current intention of the Board to move towards a policy of balancing the quarterly dividend payments as soon as the revenue position of the Company permits this approach. The Board, in its sole discretion, may choose not to adopt a dividend balancing policy if it considers this is desirable to minimise the effects of cash drag on the Company's performance.

9. DERIVATIVE FINANCIAL INSTRUMENTS

	Notional Amount	**(Unaudited)** *30 Jun 17 (Group) USD*	(Audited) *31 Dec 16 (Group) USD*
Derivative assets/(liabilities)			-
Forward foreign currency contracts	54,620,138	**1,106,018**	(804,214)
Forward currency swap contracts	9,228,950	**(244,165)**	232,423
	63,849,088	**861,853**	(571,791)

	(Unaudited) *30 Jun 17 (Group) USD*	(Audited) *31 Dec 16 (Group) USD*
Derivative assets	**1,463,550**	531,528
Derivative liabilities	**(601,697)**	(1,103,319)
	861,853	(571,791)

The Company has entered into various swap and forward contracts to manage exposure to foreign currency on existing assets. The notional amounts provided in the table above reflect the aggregate of individual derivative positions on a gross basis.

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

10. BASIC AND DILUTED EARNINGS PER SHARE

The basic earnings per Ordinary Share is based on each of the profit after tax and on 15,698,171 Ordinary Shares, being the weighted average number of ordinary shares in issue throughout the period (30 June 2016: 14,848,650, and 31 December 2016: 14,848,650 Ordinary Shares and 1,611,041 C Shares).

The diluted earnings per Ordinary Share is based on each of the profit after tax and on 16,122,931 Ordinary Shares, being the weighted average number of ordinary shares in issue throughout the period and the potential Ordinary Shares i.e. C Shares that were converted to Ordinary Shares during the period (30 June 2016: 14,848,650; and 31 December 2016: 14,848,650 Ordinary Shares and 1,611,041 C Shares).

11. CASH AND CASH EQUIVALENTS

The components of the Group's cash and cash equivalents are:

	(Unaudited)	(Audited)
	30 Jun 17	*31 Dec 16*
	(Group)	*(Group)*
	USD	*USD*
Cash at bank	**13,634,214**	24,758,680
Cash equivalents	**65,125**	61,700
	13,699,339	24,820,380

12. RELATED PARTIES

During the first six months of the current financial year, no transactions with related parties have taken place which have materially affected the financial position or the performance of the Group.

Transactions between the Group and its related parties are disclosed below.

The Directors, who are the key management personnel of the Group, were remunerated as follows:

	(Unaudited)	(Unaudited)	(Audited)
	30 Jun 17	*30 Jun 16*	*31 Dec 16*
	(Group)	*(Group)*	*(Group)*
	USD	*USD*	*USD*
Chairman	**18,816**	10,619	26,421
Other directors	**32,762**	18,406	44,495
	51,578	29,025	70,916

As at 30 June 2017, USD 28,791 (31 December 2016: USD 23,126) was accrued. This was included within Other payables in note 5.

As at 30 June 2017 Mr Waldron has a share interest in the Company, in the form of 2,000 Ordinary Shares, representing 0.0124% interest in voting rights (2016: 500 Ordinary Shares and 583 C Shares representing 0.0066% interest in voting rights) and the Investment Manager has a share interest in the Company, in the form of 3,500 Ordinary shares (2016: nil). The remaining Directors do not have any interests in the Company's shares. None of the Directors hold any share options nor are any receivables due or payable to them under any long term incentive plan.

The Company has not made any contribution, to any Directors' pension scheme and no retirement benefits are otherwise accruing to any of the Directors under any defined benefit or monthly purchase scheme for which the Company is liable. Since 30 June 2017, the Investment Manager has purchased a further 1,000 Ordinary shares in the Company on 25 July 2017, taking its total share interest in the Company to 4,500 Ordinary Shares. There have been no other changes to the aforementioned holdings between 30 June 2017 and the date of this report.

The Group does not have any employees.

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

12. RELATED PARTIES continued

The Board has delegated responsibility for day-to-day management of the loans held by Direct Lending Platforms to the Investment Manager. Under the terms of the Investment Management Agreement, the Investment Manager is entitled to a management fee and a performance fee together with reimbursement of reasonable expenses incurred by it in the performance of its duties. Total investment management fees for the period amounted to USD 1,566,601 (period ended 30 June 2016: USD 1,153,580, and year ended 31 December 2016: USD 2,521,735). As at 30 June 2017, investment management fees payable amounted to USD 583,199 (31 December 2016: USD 475,002).

During the period, the Investment Manager received a reimbursement amount of USD 93,400 (period ended 30 June 2016: USD 10,978; and year ended 31 December 2016: USD 93,400). Performance fee for the period amounted to USD 1,052,359 (period ended 30 June 2016: USD 1,104,173; and year ended 31 December 2016: USD 1,387,481). As at 30 June 2017, performance fees payable amounted to USD 1,038,596 (31 December 2016: USD 1,387,481).

The Company entered into a Trust Agreement with Ranger Direct Lending Fund Trust on 22 April 2015. The Company, being the sole unitholder, has sole discretion to declare distributions from the Trust. As of 30 June 2017, amounts owed by undertakings relating to the Trust's net income for the period was USD 80,696,025 (31 December 2016: USD 65,710,219).

The Company incorporated the ZDPCo on 23 June 2016 as a public limited company with limited life and granted an undertaking to (among other things) subscribe for such number of ordinary shares in the capital of ZDPCo as may be necessary or to otherwise ensure that the ZDPCo has sufficient assets to satisfy its obligations to the ZDP Shareholders and pay any operational costs incurred by the ZDPCo. During the period, the Company paid ZDPCo's expenses and ZDP Share issue costs amounting to USD 107,385 (period ended 30 June 2016: USD nil, and year ended 31 December 2016: USD 673,851).

On 25 July 2016, the Company entered into a Loan Agreement with the ZDPCo. Pursuant to the Loan Agreement, the ZDPCo immediately following the admission of its ZDP Shares, on-lent the proceeds to the Company which the latter have applied towards making investments in accordance with its investment policy and working capital purposes. The amount payable to the ZDPCo which is eliminated upon consolidation is USD 70,404,360 (31 December 2016: USD 66,049,907).

13. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value hierarchy

The fair values of the financial assets held at fair value through profit and loss was derived from the NAV of Princeton as of 30 June 2017. The Group's investment in the Cayman SPV was derived from the amount paid to acquire the investment on the basis that only a short period has elapsed since the acquisition of the investment in June 2017.

The fair values of the derivative financial instruments have been provided to the Directors by the counterparty, BNP Paribas S.A. and RBC Capital Markets, on whom the Directors rely as expert providers of such valuations.

The fair values of cash and cash equivalents, funds receivable from/payable to Direct Lending Platforms, prepayments and other receivables, and accrued expenses and other liabilities are estimated to be approximately equal to their carrying values due to their short-term nature.

The Directors based the fair value of the ZDP Shares disclosed below on the traded price of GBP 1.005 per share (31 December 2016: GBP 1.045 per share, which was observed on the London Stock Exchange on 29 December 2016 being the last observable traded price before year-end). The fair value for the ZDP Shares of GBP 53,265,000 or USD 69,377,663 (based on an exchange rate of 1.3025) are disclosed in this note for disclosure purposes only under IFRS 13.

IFRS 13 "Fair Value Measurement" ("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).

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

13. FAIR VALUE OF FINANCIAL INSTRUMENTS continued

Fair value hierarchy (continued)

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.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. The main input parameters for this model are the default rate (the value rises when the default rate is lower, and decreases when the default rate is higher), the interest rate (the value rises when the interest rate is higher, and drops when the interest rate is lower), and the discount rate (the value rises when the discount rate is lower, and drops when discount rate is higher). A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

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 Group's perceived risk inherent in such financial instruments.

The following tables include the fair value hierarchy of the Group's financial assets and liabilities designated at fair value through profit or loss:

30 Jun 17	*Level 1 (USD)*	*Level 2 (USD)*	*Level 3 (USD)*	*Total (USD)*
Financial assets	**-**	**1,463,550**	**46,753,278**	**48,216,828**
Financial liabilities	**-**	**601,697**	**-**	**601,697**

31 Dec 16	*Level 1 (USD)*	*Level 2 (USD)*	*Level 3 (USD)*	*Total (USD)*
Financial assets	-	531,528	46,647,239	47,178,767
Financial liabilities	-	1,103,319	-	1,103,319

There were no transfers between Levels during the year or in the prior period.

As disclosed in note 4, the fair value of Loans held at amortised cost approximate their carrying amounts and are categorised as Level 2.

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.

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

14. OPERATING SEGMENTS

Geographical information

The Group is managed as a single asset management business, being the investment of the Group's capital in financial assets comprising Debt Instruments and loans originated by Direct Lending Platforms.

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

Revenues

The Group's revenues are currently generated from United States of America ("USA"), United Kingdom ("UK") and Canada. The total investment income generated from USA, UK and Canada amounted to USD 11,513,722, USD 1,716,509 and USD 576,554, respectively (period-ended 30 June 2016: USA, UK and Canada amounted to USD 9,092,055, USD 980,407 and USD 99,965, respectively; year-ended 31 December 2016: USA, UK and Canada amounted to USD 19,270,819, USD 2,152,851 and USD 448,599, respectively).

Non-current assets

The Group does not have non-current assets other than the Loans held at amortised cost and financial assets at fair value through profit or loss.

15. SUBSEQUENT EVENTS

On 11 August 2017, the Directors proposed the payment of a dividend on the ordinary shares of USD 32.00 cents (GBP 24.62 pence) per Ordinary Share at a total amount of USD 5,158,963 from revenue reserves. The dividend is in respect of 30 June 2017 results and will be paid on 22 September 2017.

The Company has been notified by Princeton that it intends to suspend cash distributions to its investors owing to the level of redemption requests it has received, including from the Company. A detailed update is provided in the Investment Manager's Report on pages 6 to 10.

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