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VPC SPECIALTY LENDING INVESTMENTS PLC

Intention to raise £200 million to invest in opportunities in the specialty lending market.

Admission to the Premium Segment of the Official List of the UK Listing Authority and to trading on the Main Market of the London Stock Exchange

VPC Specialty Lending Investments PLC (the “**Company**”) today announces its intention to launch an initial public offering of Ordinary Shares (“**IPO**”). The Company is targeting to raise gross proceeds of £200 million¹ via a placing and offer for subscription (the “**Issue**”).

The proceeds of the Issue will be invested in opportunities within the specialty lending market primarily through online lending platforms.

The Company will apply for admission of its Ordinary Shares to the premium listing segment of the Official List and to be admitted to trading on the main market of the London Stock Exchange (“**Admission**”).

It is currently expected that the Prospectus will be published and the Issue will open on or around 26 February 2015 and will close on or around 12 March 2015. Admission and the commencement of trading are currently expected to take place on or around 17 March 2015.

The Company’s investment manager is Victory Park Capital Advisors, LLC (“**Victory Park Capital**”, “**VPC**” or the “**Investment Manager**”).

Jefferies International Limited (“**Jefferies**”) is acting as sole broker, sponsor and bookrunner in relation to the Issue.

KEY HIGHLIGHTS

- **Significant market opportunity** – increased bank regulation restricting traditional lending methods has led to a growing market for specialty lending platforms as both borrowers and investors recognize the advantages relative to traditional lending methods
- **Attractive potential returns** – targeting a net dividend yield of 8 per cent. and a net total return in excess of 10 per cent. per annum, once the proceeds of the Issue are fully invested²

¹ The target size of the Issue is £200 million, although if excess demand is received the directors of the Company (“**Directors**”) reserve the right to increase the size of the Issue up to a maximum of £250 million

² Target only and not a profit forecast. There can be no guarantee of assurance that these dividends or total returns can be achieved

- **Existing relationships with specialty lending platforms** – the Investment Manager has existing relationships and platform agreements with multiple online platforms providing scalable access, several of which are proprietary to Victory Park Capital. The Company is targeting to be substantially fully invested within six months of Admission
- **Diversified investment policy** – investments across multiple peer-to-peer and direct lending electronic platforms (“**Platforms**”), asset classes, geographies and credit bands
- **Experienced management team with proven track record** – the Investment Manager has been involved in the specialty lending sector since 2010 and has made more than US\$1.7 billion of investments and commitments across twelve specialty finance platforms with an aggregate gross return on invested capital in excess of 24 per cent³. (19 per cent. net⁴)

Significant market opportunity

- The specialty lending market has grown in prominence following the financial crisis as a result of regulation (particularly in Europe and the US) imposing restrictions on certain types of lending by banks to both consumers and small businesses.
- Driven largely by these factors, specialty lending Platforms have flourished.
- In 2010, Platforms in the US accounted for approximately US\$0.2 billion of loans to consumers and small businesses, but this had grown to nearly US\$7 billion by 2014⁵. Despite this rapid growth, specialty lending represents a small portion of US consumer debt allowing for continued growth.
- In the UK, total outstanding borrowing facilities from banks to small businesses have reduced from £106.1 billion in 2011 to £100.5 billion in 2014 while outstanding unsecured loans to consumers has declined from £76.7 billion in 2008 to £41.6 billion in 2014⁶.
- In the Euro area, new bank lending to small firms has declined by 35 per cent. between 2008 and 2013 to €649 billion⁷.
- However, in the past two years alone, specialty small business lending in the UK has experienced a 248 per cent. compounded annual growth from £62 million in 2012 to £749 million in 2014, and over that same period consumer platform lending has grown at an annual compounded rate of 108 per cent. from £127 million to £547 million⁸.
- Unlike traditional bricks-and-mortar lenders, specialty finance companies have low overhead costs, attractive margins and scalability. By comparison, banks typically operate on a large fixed-cost basis, including personnel, branch infrastructure and administration costs. These costs are widely acknowledged to be a factor in the interest rates offered to their customers.

Investment objective and policy

- The Company intends to generate an attractive total return for shareholders consisting of dividend income and capital growth via investments in a diverse portfolio of specialty lending opportunities through Platforms and other lending related opportunities.
- The Company will invest across various Platforms, asset classes, geographies (primarily US and Europe) and credit bands in accordance with certain investment limits and restrictions to ensure diversification of the Company’s portfolio is maintained and that concentration risk and/or credit exposure is mitigated.

³ Performance as of 30 September 2014. Past performance is not necessarily indicative of future results

⁴ All prior investment performance data presented herein is for the “VPC Specialty Finance Portfolio”, which is a composite of certain loan investments (plus warrant or minority equity positions relating to such investments) made by the VPC Funds (including related co-investments undertaken on behalf of certain clients), during the period of 20 December 2007 through 30 September 2014, that VPC believes are similar to the types of investments which VPC expects the Company to make. Because the VPC Specialty Finance Portfolio is a hypothetical composite and not legal partnership (or similar vehicle), no investor achieved such results

⁵ This is based on the Investment Manager’s projections

⁶ British Bankers Association: High Street Banking Statistics (November 2014) and SME Statistics (Q3 2014)

⁷ Economist: Financing Europe’s small firms, Don’t bank on the banks

⁸ Nesta: Understanding Alternative Finance, The UK Alternative Finance Industry Report 2014 (November 2014)

- Direct investments may include consumer and SME loans, advances against corporate trade receivables and/or purchases of corporate trade receivables originated by Platforms.
- Indirect investments may include the provision of credit facilities, equity or other instruments to Platforms (or structures set up by Platforms) and investments in third party funds, including other funds managed by the Investment Manager.

Attractive potential returns

- The Company will target a net dividend yield of 8.0 per cent. of the issue price per Ordinary Share and a net total return in excess of 10.0 per cent. per annum once the proceeds of the Issue are fully invested⁹.
- The Company intends to pay quarterly dividends to shareholders and distribute at least 85 per cent. of its distributable income earned in each financial year.

Investment Manager

- Victory Park Capital was founded in 2007 by Richard Levy, Brendan Carroll, and Matthew Ray to provide innovative and flexible financing solutions to US-based middle market companies.
- Since its inception, the Investment Manager has completed approximately US\$2.9 billion of investments and commitments across 55 transactions (as of 31 December 2014). These investments include a wide range of loans to small and medium-sized businesses, subprime, near-prime and prime consumers, secured and unsecured debt, legal finance and other miscellaneous types of capital providers.

Directors

- The Directors of the Company are Andrew Adcock (Chairman), Clive Peggram, Elizabeth Passey and Kevin Ingram (see Notes to Editors below). All of the Directors are independent of the Investment Manager.

Pipeline of potential investment opportunities

- The Investment Manager has existing relationships with the following Platforms in which it is anticipated the Company will have exposure to: Assetz Capital Limited; Avant Credit Corporation; Borro Group Holdings Limited; Elevate Credit Inc.; Fast Legal Funding, LLC; Kreditech Holdings SSL GmbH; LendUp Global, Inc.; Funding Circle USA, Inc. and Funding Circle Limited; OnDeck Capital, Inc.; Prosper Marketplace, Inc.; Square Inc.; and Upstart Holdings, Inc.
- The Company is targeting to be substantially fully invested within six months from Admission.

Brendan Carroll, Partner and Co-Founder of Victory Park Capital, commented:

“VPC Specialty Lending Investments provides investors with access to an established and successful business and brand through its Investment Manager Victory Park Capital. The Company is targeting an attractive total return for shareholders comprising of dividend income and capital growth in this highly attractive and fast growing asset class.

Victory Park Capital has experience in both direct lending and purchasing whole loans, as well as extensive knowledge of sector participants and the complex regulatory requirements needed to operate in the industry. With its significant sourcing network, Victory Park Capital Advisors has identified a strong pipeline of investment opportunities in which the Company may invest.

We look forward to executing on our strict investment strategy and we are targeting to be substantially fully invested within six months of Admission in a portfolio diversified across geography, product and structure.”

Gordon Watson, Principal at Victory Park Capital, commented:

"In the US, UK and Europe, the specialty lending market through peer-to-peer and direct lending electronic platforms is expected to continue to benefit from structural advantages following the

⁹ Target only and not a profit forecast. There can be no guarantee of assurance that these dividends or total returns can be achieved

financial crisis and resulting bank regulation, particularly in Europe and the US. Restrictions have been imposed on certain types of lending to both consumers and small businesses by banks where lending is in decline while specialty lending platforms continue to grow.

At Victory Park Capital, we have invested or committed more than \$1.7 billion in the specialty lending market since 2010 across twelve specialty finance platforms, several of these relationships are proprietary to Victory Park Capital. We expect to remain an active lender with our existing relationships and forward purchase agreements, providing scalable access to online platforms whilst remaining comprehensive and disciplined in our process of analysing and managing potential investments.”

For further information, please contact:

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NOTES TO EDITORS

KEY BIOGRAPHIES

Directors

The Directors will be responsible for the determination of the Company's investment policy and strategy and have overall responsibility for the Company's activities including the review of investment activity and performance and the control and supervision of the Investment Manager.

All of the Directors are non-executive and are independent of the Investment Manager.

The Directors of the Company are as follows:

Andrew Adcock (Chairman)

Andrew Adcock was the Managing Partner of Brompton Asset Management LLP from January 2010 until July 2011. Prior to this, he was joint head of corporate broking at Citigroup before becoming Vice Chairman in June 2007. He was previously an Equity Partner at Lazard LLP and the Managing Director of De Zoete & Bevan Ltd.

Andrew Adcock has over 30 years of experience in the City and is currently a Non-Executive Chairman of Majedie Investments plc, a Non-Executive Director of Majedie Portfolio Management Limited, Kleinwort Benson Bank Limited, F&C Global Smaller Companies plc and JP Morgan European Investments Plc, and is a Non-Executive Director and the Chairman of the remuneration committee of Foxton Group plc.

Andrew Adcock is also the Chairman of the Samuel Courtauld Trust and a Director of the Courtauld Institute of Art.

Clive Peggram

Clive Peggram is currently CEO of Apex2100, a performance facility based in France. He has over 30 years of experience in financial derivatives, hedge funds and private equity. He was previously Deputy Group CEO of Financial Risk Management, a US\$10 billion institutionally focused hedge fund of fund manager. Following the sale of FRM to the Man Group in 2012, he became Chief of Staff responsible for the integration of the two businesses. He was also CEO of FRM's hedge fund seeding business, FRM Capital Advisors, which he was hired to establish in 2006.

Clive Peggram is also an experienced private equity investor. Prior to joining FRM, he was a co-founder of Comvest Limited, a private equity fund focussed on providing capital to early stage

companies. Between 1988 and 1998, he was a Managing Director at Banque AIG, where he established its investment management business. Previously he worked in a number of different roles, gaining considerable experience of the developing derivative markets at Swiss Bank Corporation. He is Chairman of an Italian focused private equity fund established in 2000 and an Independent partner of Cairn Loan Investments LLP which was established in 2014.

Elizabeth Passey

Elizabeth Passey is a Senior Adviser to J Stern & Co Private Bank and a Member of the UK Board of the Big Lottery Fund. She is a past Managing Director of Morgan Stanley, past Chairman of the Board of Morgan Stanley International Foundation, as well as a past Managing Director of Investec Asset Management. She is a Member of Court of the University of Greenwich and a Trustee of the Asia Scotland Initiative.

Kevin Ingram

Kevin Ingram was an Audit Partner with PricewaterhouseCoopers LLP for 20 years until the end of 2009. He specialised in the audit of financial service businesses and the audit of investment products including Investment Trusts, Open-ended funds, Hedge funds and Private equity funds. He headed PricewaterhouseCoopers' UK Investment Funds audit practice from 2000 to 2007. He is the Chairman of the Board of Aberdeen UK Tracker Trust plc and was the Chairman of the Audit Committee of that Trust from March 2010 until he was appointed Chairman of the Board in April 2013. He is a Chartered Accountant and member of the Institute of Chartered Accountants in England and Wales. He is also a member of the Audit Committee of the Westminster Catholic Diocesan Trust.

It is proposed Kevin Ingram will chair the Audit and Valuation Committee of the Company.

Investment Manager

Biographies of the key personnel of the Investment Manager to be involved in the provision of services to the Company are as follows:

Richard Levy

Richard Levy is the CEO and founder of the Investment Manager. He oversees VPC's investment and operational activities. He is also the chairman of VPC's management and investment committees. Previously, Richard Levy served as head of the Small Cap Structured Products Group and co-head of the Solutions Group at Magnetar Capital. He also co-founded and served as managing partner at Crestview Capital Partners. He received a B.A. in political science from The Ohio State University, an MBA from the Illinois Institute of Technology's Stuart School of Business and a J.D. from Chicago-Kent College of Law. He is a member of the Illinois bar (inactive). He is also chairman of the board of non-profit, Gardeneers and an active board member of nonprofits, College Bound Opportunities and Camp Kesem.

Brendan Carroll

Brendan Carroll is a partner at VPC, which he co-founded in 2007, He is responsible for sourcing, evaluating and executing private debt and equity investment opportunities, including assisting portfolio companies with strategic initiatives. He also manages the co-investment process, fundraising and investor relations. He is a member of VPC's management and investment committees. Previously, as a member of the Solutions Group at Magnetar Capital, he specialised in direct financings to lower middle market companies. He has held various investment banking positions at William Blair and Company and Robertson Stephens, specialising in corporate finance and mergers and acquisitions. He has also worked in various capacities for former US Senator Joseph Lieberman (I- CT). He received a B.A. with honours in government from Georgetown University and an MBA from Harvard Business School. He speaks frequently on debt and private equity investing issues and has served as a guest lecturer and panelist at the University of Chicago's Booth Global School of Business, Northwestern University's Kellogg School of Management and Harvard Business School. He is also a member of the Board of Regents at Georgetown University, the Finance Council of the Archdiocese of Chicago, the Board of Trustees at National Louis University, and Loyola Press.

Gordon Watson

Gordon Watson joined VPC in 2014 and is a principal. He is primarily responsible for sourcing, analysing, executing and management of direct private debt and equity investments in the specialty finance sector. Mr. Watson also actively works on making investments in public debt securities in middle market companies where VPC can seek to actively influence positive outcomes. Previously, Mr. Watson was a portfolio manager focused on distressed debt at GLG Partners, a London based 25 billion multi-strategy hedge fund that concentrates on a diverse range of alternative investments. He joined GLG when it purchased Ore Hill Partners, a credit focused hedge fund where Mr. Watson was

a partner. Mr. Watson received a B.A. in political science from Colgate University and an MBA from Columbia University.

Jordan Allen

Jordan Allen joined VPC in 2013 and is the chief operating officer. He oversees business operations, building upon its strong foundation and identifying further efficiencies to support its growth. He is also a member of VPC's management and investment committees. Previously, at Man Investments USA, the New York-based office of Man Group PLC, he served as co-head of North America, chief operating officer and chief financial officer. He also was president of HFR Asset Management a hedge fund and fund-of-funds managed account platform. He also served in various roles for Equity Group Investments, LLC, and as a corporate attorney at Jenner and Block. Jordan Allen received a B.S. in accounting from the University of Illinois and a J.D. from Northwestern University Law School. He is a registered CPA (inactive) in the state of Illinois and a member of the Illinois bar (inactive).

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The IPO timetable as set out in this announcement is subject to change and there can be no guarantee that the IPO will proceed and that Admission will take place. This announcement does not constitute any form of any form of recommendation or advice in respect of the Company or the Issue and recipients of this announcement who are considering acquiring Ordinary Shares are advised to consult with a professional adviser as to the suitability of such an investment. The value of Ordinary Shares can decrease as well as increase and past performance cannot be relied upon as a guide to future performance.