

## Company Overview

VPC Specialty Lending Investments PLC (“VSL” or the “Company”) invests in opportunities within the specialty lending market primarily through online lending Platforms. The Company completed its IPO on 17 March 2015 with a premium listing on the Official List of the UK Listing Authority and trading on the Main Market of the London Stock Exchange. The Company’s trading symbol is VSL for the ordinary shares and VSLC for the C shares.

The Company’s investment manager is Victory Park Capital Advisors, LLC (“VPC” or the “Investment Manager”). VPC is an SEC-registered investment adviser and acts as the AIFM of the Company.

Since 2010, the Investment Manager has been actively involved in the specialty lending marketplace and has made more than \$4.1 billion of investments and commitments across various financial technology Platforms, spanning multiple geographies, products and structures, and is continuing to deploy capital into existing and new Platforms.

## The Company’s Investment Objective

Increased banking regulation (particularly in Europe and the U.S.) is imposing restrictions on certain types of lending by banks to both consumers and small businesses, leading to a growing market for specialty lending Platforms. The online lending market continues to expand rapidly as both borrowers and investors recognise the advantages relative to the traditional bank lending model.

The Company seeks to generate an attractive total return for shareholders consisting of dividend income and capital growth via investments across a diverse portfolio of various online lending platforms (each a “Platform”), asset classes, geographies (primarily U.S., U.K., Europe and Australia) and credit bands.

The Company generates investment income from exposure to Platform-originated consumer and small business loans, including corporate and trade receivables, in accordance with certain investment limits and restrictions to ensure diversification of the Company’s portfolio is maintained and that concentration risk and credit exposure is mitigated. In addition, the Company may also make direct equity investments, or receive warrants to purchase equity stakes, in such Platforms.

## Investment Highlights

- Significant market opportunity with rapid and continued expansion.
- Experienced management team that has been involved in the sector since 2010.
- Access to scalable online lending Platforms utilizing VPC’s existing loan and forward flow contractual agreements.
- Exposure to geographic, product and structural diversity.

## Recent Events

- On 29 January 2016, the Company declared an interim dividend of 2.0 pence per ordinary share and 1.07 pence per C share for the three month period to 31 December 2015.
- On 29 January 2016, the Company announced that it had substantially fully invested the initial C share proceeds and announced the timing of the C share conversion.

## The Company’s Share Performance

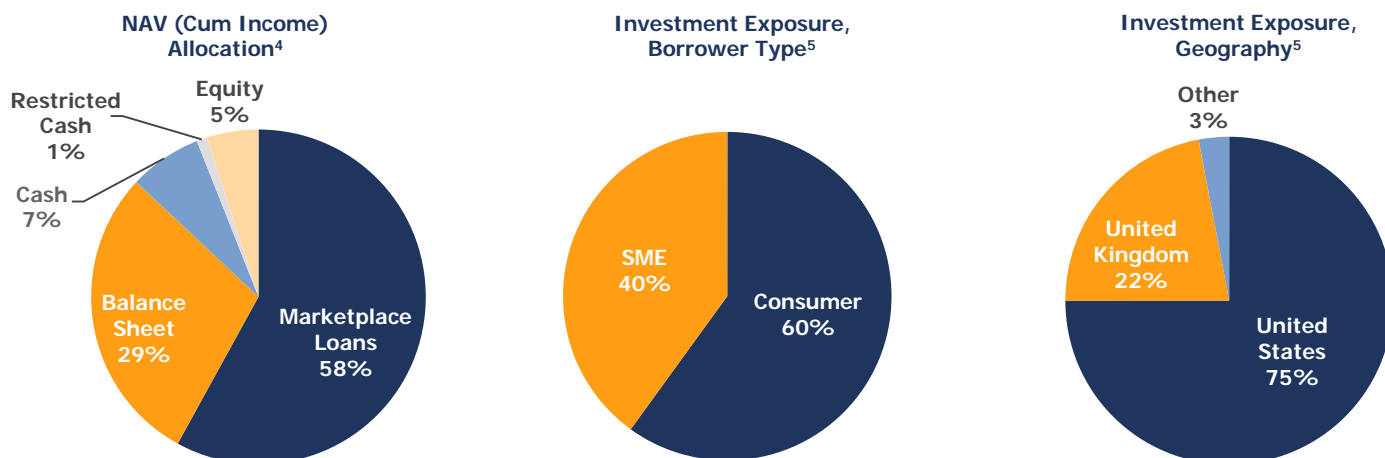
	Ordinary Share	C Share
NAV (Cum Income)	£201,796,653	£182,523,227
NAV (Ex Income)	£198,923,248	£181,221,161
Monthly Total NAV Return <sup>1</sup>	0.77%	0.03%
ITD Total NAV Return <sup>1</sup>	5.80%	1.78%
NAV per Share (Cum Income)	100.90p	99.74p
NAV per Share (Ex Income)	99.46p	99.03p
Share Price (31 December 2015 Close)	94.50p	92.13p
Issue Price	100.00p	100.00p
Shares in Issue	200,000,000	183,000,000
Market Capitalisation	£189,000,000	£168,588,750
Premium / (Discount) to NAV (Cum Income)	-6.34%	-7.63%
Lookthrough Gearing Ratio	0.44x	0.43x

<sup>1</sup>Net of issue costs.

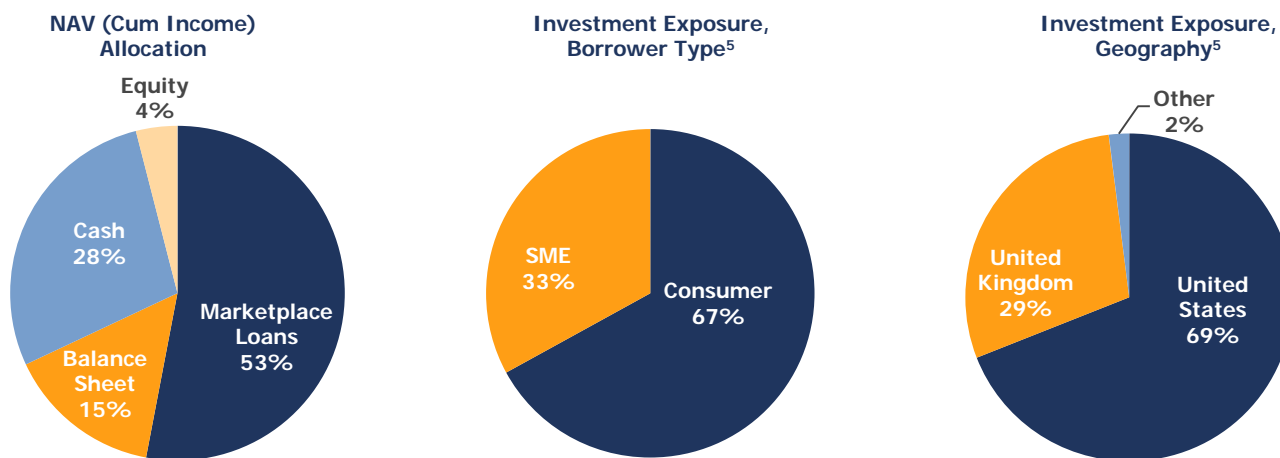
## Performance Summary (As at 31 December 2015)

	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	ITD <sup>3</sup>
NAV (Cum Income) Return <sup>1</sup> (Ordinary Share)	-0.12%	0.63%	0.33%	0.81%	0.77%	0.51%	0.63%	0.68%	0.69%	0.77%	5.80%
NAV (Cum Income) Return <sup>1</sup> (C Share)	-	-	-	-	-	-	-	0.27%	1.48%	0.03%	1.78%
Share Price Performance <sup>2</sup> (Ordinary Share)	0.50%	0.25%	1.24%	0.00%	1.96%	-2.88%	1.98%	-4.37%	-2.54%	-1.56%	-5.50%
Share Price Performance <sup>2</sup> (C Share)	-	-	-	-	-	-	-	-4.88%	-3.42%	0.27%	-7.88%
Dividend Per Share (Ordinary Share)	-	-	-	-	-	0.9p	-	-	1.89p	-	2.79p
Dividend Per Share (C Share)	-	-	-	-	-	-	-	-	-	-	-

## Ordinary Share Portfolio Composition (As at 31 December 2015)



## C Share Portfolio Composition (As at 31 December 2015)



<sup>1</sup>Net of issue costs.

<sup>2</sup>Based on issue price of 100p.

<sup>3</sup>ITD: Inception to Date.

<sup>4</sup>Restricted Cash reflects cash held in underlying private fund investments that is not available for direct investment by VSL.

<sup>5</sup>Calculations using gross asset exposure and not reduced for gearing. Excludes cash.

## Monthly Commentary

The Company continued to execute on its investment objectives and delivered NAV returns of 0.77% on the ordinary shares and 0.03% on the C shares for the month of December and returns of 5.80% and 1.78%, respectively, inception to date.

The Company's investments are diversified with exposure to 21 Platforms originating consumer and small business loans, in addition to companies supporting the specialty lending market, across the U.S., U.K., Europe and Australia. Furthermore, the Investment Manager continues to see a strong pipeline of investment opportunities within the specialty lending sector, with capacity available from both existing and new platforms. As at 31 December 2015, the Company's five largest exposures are to the following Platforms: Avant, Inc., Funding Circle, Prosper Marketplace, Inc., Upstart Holdings, Inc. and Borro Group Holdings Limited.

As at 31 December 2015, consumer exposure accounted for 60% of the invested ordinary share portfolio and 67% of the invested C share portfolio, while small business exposure accounted for 40% and 33% of the ordinary and C share portfolio, respectively. Investments in U.S. Platforms accounted for 75% of the invested ordinary share portfolio and 69% of the invested C share portfolio, with the remainder being predominantly UK-based loans. As part of these investments, the Company has equity exposure to 14 Platforms through equity securities or convertible notes.

## Events Subsequent to 31 December 2015

On 29 January 2016, the Company declared an interim dividend of 2.0 pence per ordinary share and 1.07 pence per C share for the three month period to 31 December 2015. During the quarter, the NAV (Cum Income) Return was 2.14 pence per ordinary share and 1.78 pence per C share, which includes the revenue return, an unrealised gain of 0.68 pence per ordinary share and 0.42 pence per C share as a result of the Avant securitisation, unrealised gains and losses on certain equity positions and currency fluctuations. The unrealised capital gain on the Avant securitisation is excluded from the Company's revenue account in accordance with accounting practices, however, this capital gain includes revenue being earned on the underlying loans held within this securitisation vehicle. The Board believes that a quarterly dividend of 2.0 pence per ordinary share and 1.07 pence per C share reflects the underlying revenue performance of the investment portfolio as a whole.

On 29 January 2016, the Company also announced that it has substantially fully invested the initial C share proceeds and set the timing of the C share conversion. The calculation date of the conversion of shares will be 31 January 2016.

## VPC Specialty Lending Investments PLC

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### Glossary of Terms

**Market Capitalisation** – Month-end closing share price multiplied by the number of shares outstanding at month end.

**NAV (Cum Income) or NAV or Net Asset Value** – The value of assets of the Company less liabilities determined in accordance with the accounting principles adopted by the Company.

**NAV (Ex Income)** – The NAV of the Company, including current year capital returns and excluding current year revenue returns and unadjusted for dividends relating to revenue returns.

**NAV per Share (Cum Income)** – The NAV (Cum Income) divided by the number of shares in issue.

**NAV per Share (Ex Income)** – The NAV (Ex Income) divided by the number of shares in issue.

**Premium / (Discount) to NAV (Cum Income)** – The amount by which the share price of the Company is either higher (at a premium) or lower (at a discount) than the NAV per Share (Cum Income), expressed as a percentage of the NAV per share.

**Share Price** – Closing share price at month end (excluding dividends reinvested).

**NAV (Cum Income) Return** – The theoretical total return on shareholders' funds per share reflecting the change in NAV assuming that dividends paid to shareholders were reinvested at NAV at the time dividend was announced.

### Important Information

All data in this factsheet is at or to the final day of the calendar month identified in the heading of the factsheet's front page unless otherwise stated. Issued in the UK by VPC.

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VPC is authorised and regulated by the Financial Conduct Authority and is registered in England (registered number 9385218) with its registered office at 40 Dukes Place, London EC3A 7NH.

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