

Monthly Report – February 2018

Monthly Investment Highlights

- In February, the gross revenue return from balance sheet investments was 0.86% and total net revenue return was 0.81%
- This was offset by capital returns of -0.32% for a net return of 0.49% for the month
- During the month, the Company closed a new balance sheet facility with Konfio Ltd. ("Konfio"), which it initially funded in March, and its facility with Kreditech Holding SSL GmbH ("Kreditech") was repaid at maturity via a refinancing

The Company's Performance (As at 28 February 2018)¹

NAV (Cum Income)	£334,878,320
NAV (Ex Income)	£316,261,187
Monthly NAV (Cum Income) Return	0.49%
Monthly Income Return	0.81%
Monthly NAV (Ex Income) Return	-0.32%
ITD Total NAV Return ²	8.92%
NAV per Share (Cum Income) ³	90.95p
NAV per Share (Ex Income) ³	85.90p
Share Price (28 February 2018 Close)	78.00p
Issue Price	100.00p
Shares in Issue ³	368,187,947
Market Capitalisation	£287,186,599
Trailing Twelve Month Dividend	6.50p
Trailing Twelve Month Dividend Yield	8.33%
Premium / (Discount) to NAV (Cum Income)	-14.24%
Look-through Gearing Ratio	0.16x

Monthly Commentary

The Company produced another strong month with a net revenue return 0.81%, although down from the previous month due to a one time fee earned in January and a shorter day count. Capital losses were largely attributable to exposure to Elevate Credit, Inc. equity (NYSE: ELVT) and the securitisation residuals.

During the month, the Company closed a new balance sheet facility with Konfio, a Mexico City based, financial technology company backed by the International Financial Corporation (IFC) and QED Investors, both frequent partners of the Investment Manager. Konfio focuses on supplying credit to Mexican SME's using technology-enabled underwriting that utilises invoicing data to help determine credit quality. This is the Company's second balance sheet deal in Mexico and it uses the same trust structure and trustee employed in the existing deal. The trust structure allows the underlying collections accounts to be in the name of the trust, with the Company (and other VPC funds) as the beneficial owner of the trust, which is then overseen by the trustee, which is a large Mexican bank. In the event of a wind-down, this ensures the Investment Manager has the ability to effectively control all collection on the underlying loan receivables in a bankruptcy remote manner. In addition, the trust benefits from a guarantee from Konfio (the parent company) which is currently a well-capitalised entity. The credit exposure is entirely in USD with a requirement that Konfio hedge the currency exposure, minimising our exposure to Peso volatility from the underlying loan receivables. The Company completed its initial investment in Konfio in March.

The balance sheet facility with Kreditech, which accounted for 2.26% of the Company's NAV, matured and was refinanced by a new lender. Under our Right of First Refusal (ROFR), the Company had the right to match the terms of the new lender but chose not to participate. The Company continues to have a small exposure to Kreditech equity via warrants and retains a ROFR for a period of 12 months on any future financings.

During February, the Company purchased a total of 1,750,000 shares at an average price of 79.43p under the share buyback program.

¹Please refer to the Glossary of Terms posted on the Company's website.

²Net of issue costs.

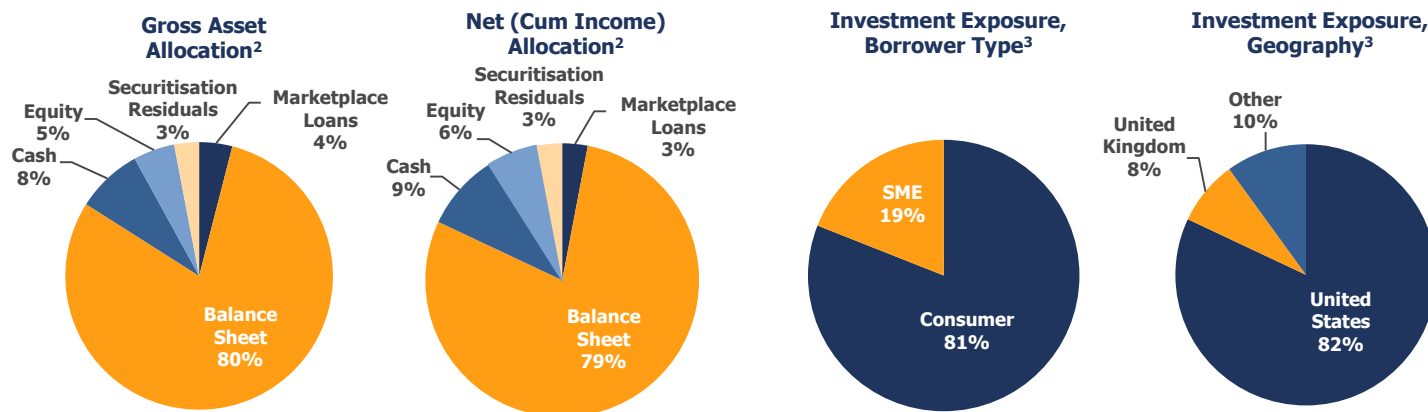
³Based on total shares outstanding, less shares held in treasury.

Events Subsequent to 28 February 2018

In March, the Company was repaid the majority of its balance sheet exposure to The Credit Junction, Inc. (“TCJ”). The Company received a paydown of 3.11% of the Company’s NAV as at 28 February 2018, and retains an exposure of 0.37% of NAV which it expects will be repaid in the coming months. The Company expects to deploy the majority of these proceeds into current deals in execution as well as new and existing balance sheet investments, including an initial investment in Integra Credit Holdings, LLC, an early stage, online provider of unsecured consumer loans to non-prime borrowers in select states across the U.S.

The Company declared a dividend of 1.80 pence per share for the three month period to 31 December 2017.

Ordinary Share Portfolio Composition (As at 28 February 2018)¹



¹Please refer to the Glossary of Terms posted on the Company’s website.

²Percentages calculated on a look-through basis to the Company’s investee entities and SPVs.

³Calculations using gross asset exposure and not reduced for gearing. Excludes cash.

Ordinary Share Gross Return Statistics (As at 28 February 2018)¹

Gross NAV (Cum Income) Returns (Total Returns)	Month To Date	Last Three Months	Last Twelve Months
Balance Sheet Loans	0.84%	1.51%	8.51%
Marketplace Loans	0.09%	-0.68%	-2.50%
Securitisation Residuals	-0.31%	-0.76%	-2.13%
Equity	-0.07%	-0.13%	-0.22%
F/X	0.00%	-0.17%	-0.98%
Total Gross NAV (Cum Income) Returns	0.55%	-0.23%	2.68%

Gross Income Returns (Gross Revenue Returns)	Month To Date	Last Three Months	Last Twelve Months
Balance Sheet Loans	0.86%	2.96%	9.89%
Marketplace Loans	0.05%	0.13%	0.53%
Securitisation Residuals	N/A	N/A	N/A
Equity	N/A	N/A	N/A
F/X	N/A	N/A	N/A
Total Gross Income Returns	0.91%	3.09%	10.42%

Gross NAV (Ex Income) Returns (Gross Capital Returns)	Month To Date	Last Three Months	Last Twelve Months
Balance Sheet Loans	-0.02%	-1.45%	-1.38%
Marketplace Loans	0.04%	-0.81%	-3.03%
Securitisation Residuals	-0.31%	-0.76%	-2.13%
Equity	-0.07%	-0.13%	-0.22%
F/X	0.00%	-0.17%	-0.98%
Total Gross NAV (Ex Income) Returns ²	-0.36%	-3.32%	-7.74%

¹Please refer to the Glossary of Terms posted on the Company's website.

²The Gross and Net NAV (Ex Income) Returns disclosed in this report are the same, excluding the impact of share buybacks on the return, as there are no operating and other expenses of the Company allocated to the NAV (Ex Income) Return as defined within the Glossary of Terms listed on the Company's website.

VPC Specialty Lending Investments PLC

VICTORY PARK CAPITAL

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Ordinary Share Performance and Dividend Summary (As at 28 February 2018)¹

NAV (Cum Income) Return ²	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD	ITD ⁴
2015	-	-	-0.12%	0.63%	0.33%	0.81%	0.77%	0.51%	0.63%	0.68%	0.69%	0.77%	5.80%	8.92%
2016	0.33%	0.41%	0.41%	0.37%	-0.62%	0.58%	0.60%	0.10%	0.16%	-1.25%	-0.28%	0.04%	0.85%	
2017	0.51%	0.31%	0.57%	0.06%	-0.68%	0.04%	0.51%	0.26%	0.42%	0.26%	0.55%	0.29%	3.07%	
2018	-1.28%	0.49%											-0.80%	

Income Return ²	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD	ITD ⁴
2015	-	-	-0.10%	0.09%	0.29%	0.65%	0.74%	0.43%	0.72%	0.44%	0.62%	0.35%	4.31%	19.99%
2016	0.63%	0.47%	0.23%	0.36%	0.38%	0.27%	1.22%	0.42%	0.40%	0.78%	0.48%	0.49%	6.01%	
2017	0.48%	0.51%	0.56%	0.58%	0.62%	0.66%	0.76%	0.83%	0.75%	0.85%	0.82%	0.96%	8.23%	
2018	0.99%	0.81%											1.88%	

NAV (Ex Income) Return ²	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD	ITD ⁴
2015	-	-	-0.02%	0.54%	0.04%	0.16%	0.03%	0.08%	-0.09%	0.24%	0.07%	0.42%	1.49%	-11.06%
2016	-0.30%	-0.06%	0.18%	0.01%	-1.00%	0.31%	-0.62%	-0.32%	-0.24%	-2.03%	-0.76%	-0.45%	-5.15%	
2017	0.03%	-0.20%	0.01%	-0.52%	-1.30%	-0.62%	-0.25%	-0.57%	-0.33%	-0.59%	-0.27%	-0.67%	-5.17%	
2018	-2.27%	-0.32%											-2.68%	

Share Price Performance ³	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD	ITD ⁴
2015	-	-	0.50%	0.25%	1.24%	0.00%	1.96%	-2.88%	1.98%	-4.37%	-2.54%	-1.56%	-5.50%	-22.00%
2016	0.00%	-3.44%	-4.66%	5.46%	-5.45%	-3.17%	-4.76%	1.25%	-1.23%	-0.31%	-10.03%	9.76%	-16.67%	
2017	-1.27%	-1.93%	-1.31%	6.64%	2.18%	0.91%	-2.72%	-1.86%	-1.27%	-0.64%	-3.55%	4.35%	-0.95%	
2018	3.85%	-3.70%											0.00%	

Dividend Per Share	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD	ITD ⁴
2015	-	-	-	-	-	-	-	0.90p	-	-	1.89p	-	2.79p	15.79p
2016	2.00p	-	-	-	1.50p	-	-	1.50p	-	-	1.50p	-	6.50p	
2017	-	-	1.50p	-	-	1.50p	-	-	1.70p	-	1.80p	-	6.50p	
2018	-	-											-	

Portfolio Statistics^{1,5}

	Balance Sheet Loans
Weighted Average Coupon	13.43%
Weighted Average Remaining Life (months)	29.86
Number of Underlying Loans	1,818,773
Average Loan Balance Outstanding (\$USD)	114,570

¹Please refer to the Glossary of Terms posted on the Company's website.

²Net of issue costs.

³Based on issue price of 100p.

⁴Inception to Date ("ITD"). Inception date is 17 March 2015 for the Ordinary Shares.

⁵Underlying portfolio data as of most recent available reporting period.

Company Overview

VPC Specialty Lending Investments PLC (“VSL” or the “Company”) invests in opportunities within the financial services market primarily through balance sheet or marketplace lending models (“Portfolio Companies”). The Company completed its IPO on 17 March 2015 with a premium listing on the Official List of the U.K. Listing Authority and trading on the Main Market of the London Stock Exchange. The Company’s trading symbol is VSL for the Ordinary 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 \$5.8 billion of investments and commitments across various financial technology Portfolio Companies, spanning multiple geographies, products and structures, and continues to deploy capital into existing and new Portfolio Companies.

Important Information

All data in this monthly report (the “report”) is at or to the final day of the calendar month identified in the heading of the report’s front page unless otherwise stated.

Past performance should not be seen as an indication of future performance. The value of investments and any income may fluctuate and investors may not get back the full amount invested. The views expressed are those of VPC at the time of writing, are subject to change without notice and do not constitute investment advice. Whilst VPC has used all reasonable efforts to ensure the accuracy of the information contained in this report, we cannot guarantee the reliability, completeness or accuracy of the content.

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The Company is authorised and regulated by the Financial Conduct Authority and is registered in England (registered number 9385218) with its registered office at 6th Floor, 65 Gresham Street, London, EC2V 7NQ, United Kingdom.

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 Portfolio Companies. 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 providers, asset classes, geographies (primarily U.S., U.K., Europe and Australia) and credit bands.

The Company generates investment income from exposure to Portfolio Company-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 Portfolio Companies.

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