VICTORY PARK CAPITAL

VPC Specialty Lending Investments PLC

First Quarter 2018

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Quarterly Review

During the first quarter of 2018, the Company produced record quarterly revenue returns, generating a gross revenue return on balance sheet investments of 2.96% and a total net revenue return of 2.69%. The capital return for the quarter was -1.75% for a total net return of 0.94% for the quarter[1]. This was accomplished despite carrying slightly elevated levels of cash from the refinancing activity during the quarter from the Company's balance sheet investments in Kreditech and The Credit Junction, Inc which accounted for approximately 5.37% of the Company's NAV. The increase in LIBOR during the quarter continued to translate into higher revenue returns for the Company.

In order to quickly redeploy the Company's capital, VPC continues to build its pipeline and close new deals which enables us to reinvest the proceeds from the refinancing of balance sheet investments as quickly as possible. In this regard, the Company continues to benefit from the growth and scale of VPC which allows the Company to invest alongside its other funds, specifically in deals it would otherwise not have the opportunity to complete without the scale of a large, specialized firm. For example, the Investment Manager has been a lender to Elevate Credit, Inc. ("Elevate") since 2014. The Company has a current exposure of £55 million[2] recently extended through 2021 and representing 16.7% of NAV, however, this is just a fraction of the total exposure VPC has across all its investment vehicles. Elevate is one of the largest and most established online lenders in the U.S. and U.K., and without the capacity offered by VPC it is unlikely that the Company would have been able to participate in Elevate's financing opportunities. VPC's growth continually provides investment opportunities for our investors as it increases our scale, deal flow and overall ability to drive terms. We expect that this dynamic, and the overall strength of our team, will drive strong risk-adjusted returns for VSL shareholders in the coming years.

Top Ten Positions

Set forth below is a summary of the top ten positions, excluding equity exposure, held by the Company as at 31 March 2018[3]. The top ten positions remain consistent as compared to 31 December 2017, with the exception of The Credit Junction, Inc. which was refinanced during the quarter.

Investment	Country	Security Type	% of NAV	Gearing
Elevate Credit, Inc.	United States	Balance Sheet	16.67%	YES
Borro, Ltd.	United Kingdom	Balance Sheet	7.07%	NO
Applied Data Finance, LLC	United States	Balance Sheet	6.23%	NO
iZettle Capital AB	Sweden	Balance Sheet	5.80%	NO
LendUp, Inc.	United States	Balance Sheet	5.67%	NO

[1] Note this return excludes the effect of the initial recognition of IFRS 9 disclosed in the Company's Annual Report of 1.11% as at 31 December 2017 which is brought forward through capital as it impacts the inception to date returns.
[2] Excludes equity investments in Elevate.
[3] The summary includes a look-through of the Company's investment in VPC Offshore Unleveraged Private Debt Fund Feeder, L.P.

Community Choice Financial, Inc.	United States	Balance Sheet	5.64%	NO
Wheels Financial Group, LLC	United States	Balance Sheet	4.82%	YES
Oakam Ltd.	United Kingdom	Balance Sheet	4.30%	NO
Avant, Inc. - Balance Sheet	United States	Balance Sheet	3.90%	YES
NCP Holdings, LP	United States	Balance Sheet	3.61%	NO

IFRS 9

In January, the Company reported its results under the new IFRS 9 accounting policy for the first time. VPC and the Company have introduced a forward-looking impairment model that attempts to estimate the probability of loss using a variety of factors including historical information and forward-looking estimates. Historically, loan losses were booked by the Company only upon seeing actual delinquencies in the portfolio and then estimating a probability of loss based on the historical findings.

The Company announced an impact of -1.70% at the end of January, largely consisting of two major buckets: 1) remaining marketplace loan exposure (excluding securitisations, which are held at fair value) and 2) our position in Borro, Ltd. ("Borro"). Of the impact, -1.11% relates to the inception to date adjustment for the implementation of IFRS 9 and is accounted for as an opening adjustment to the capital reserves of the Company for the current year.

In regard to the marketplace loan exposure, we feel confident that the accounting adjustment for estimated losses will severely limit the ongoing negative capital effect on the Company as we have exited a majority of these investments.

As disclosed in November, VPC took a majority equity stake in Borro and through the transaction and, as a result, the Company owns approximately 49% of Borro (VPC owns 78% of the total equity across all its investment vehicles). As a reminder, Borro is a luxury asset lender and takes possession of goods upon giving a loan, so the company has significant collateral underlying its loan portfolio. In determining the IFRS 9 reserve, we felt it was appropriate to value the position at VPC's best estimate of underlying collateral value (art, jewels, cars, etc.) with limited value assigned to intangibles or equity value. Currently, Borro's revenue is being reinvested to help grow the franchise and execute on the new business plan developed with the new management selected by VPC. VPC has recently begun discussions to bring in a third-party equity partner to help fund growth and provide additional operational expertise.

IFC

During the first quarter of 2018, VPC closed a new fund together with the International Finance Corporation (IFC), a member of the World Bank Group. IFC is the largest global development institution focused on the private sector in emerging markets. While we do not expect this partnership to have a material effect on the Company in the near term, it is important to highlight as VPC's sector-level expertise in financial technology lending is continuing to present investment opportunities to the Company. Many of our equity sponsor relationships also have exposure in emerging markets, and as we continue to partner with high class entrepreneurs, expanding our geographic reach is a natural extension of our business. We believe VPC's growth in this sector will provide differentiated opportunities and the Company will continue to benefit from the exposure. As at the date of this letter, the Company has four investments with emerging market exposure. In the coming years, VPC plans to increase the exposure to emerging markets by combining both our structuring and sector-level expertise with the local market and sourcing capabilities that come with working with the IFC.

Conclusion

Excluding the IFRS 9 adjustments, this quarter proved to be strong for both revenue returns and deal flow. Credit remains strong across our portfolio and the vast majority of the book continues to benefit from significant first loss protection via subordinated equity and debt inside our SPV's. As previously mentioned, we carried elevated levels of cash during this quarter, but were able to continually invest in new and existing deals. Looking forward, we expect to be fully invested in the near term. Overall, we continue to remain optimistic about the portfolio and its returns for the remainder of the year.

Kind regards,

The VPC Team

9 May 2018

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