
PRESS RELEASE FOR IMMEDIATE RELEASE

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Prestige reports growing interest in direct lending and real assets strategies

Specialist direct lending investment management group celebrates seven year Fund track record and \$500m in AuM amidst increased interest in secured direct lending strategies.

LONDON, 4th April 2016: Prestige Fund Management and Affiliated companies (“Prestige”), the specialist direct lending investment management group has recently celebrated the seventh birthday of its “Alternative Finance Fund” by passing US\$500m / BP£350m in assets under management, and group assets raised since 2008 now stand at approximately US\$1.1b / BP£780m. Prestige, focuses on commercial loans for small and medium enterprises (SMEs) in the UK, launched its loan strategy in 2008 and now has over 60 employees and retained consultants globally. Specialist financing areas of focus include asset, project and invoice finance related opportunities.

The milestone comes for Prestige as pension funds and other institutional investors focus more attention on real asset strategies that do not trade public markets in their quest for non-correlated positive yields.

Prestige owns several UK-based finance arrangers as part of its portfolio, and has lent hundreds of millions of pounds to client businesses in the UK. Loans are typically secured against real assets, including prime UK farmland as well as debentures over long term income streams. Prestige targets long term, consistent risk-adjusted returns with low systemic or market risk. Target returns are 5-7% per annum, with a target volatility of 1% per annum.

Craig Reeves, Founder of Prestige, said: “We are increasingly seeing larger investor groups turning to real assets funds because of the lack of correlation they enjoy when benchmarked against more traditional strategies. The market is seeing enhanced interest from smaller and mid-size pension funds attracted by the transparent nature of the loan-based investment approach: cash flows are more predictable, and risks are more widely spread. This often results in more consistent, positive returns to investors.”

The amount invested with loan based funds has been steadily increasing, with over US\$19b / BP£13.5b secured by private lending funds in Europe in 2015, according to research group Preqin. The sector’s growth is being powered partly by a lack of alternative financing opportunities, as large banks continue to consolidate their existing lending operations.

“We’re pleased to be marking seven years of Prestige activity in the loan finance market,” Reeves added. “This is largely down to the professional finance teams we have developed to manage our finance arrangers and the underlying client base. Their market knowledge and experience has earned the respect of our clients and has played an important role in the growth of our asset base.” Prestige now has approximately 300 investor groups allocating to its portfolios, including banks, insurance companies, charities, private banks, family offices, advisory groups and investment intermediaries.

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ABOUT PRESTIGE ALTERNATIVE FINANCE:

Prestige Alternative Finance (PALTF) is an experienced investor Fund focusing on asset-based direct lending, investing in a diversified portfolio consisting of rural, commercial and industrial loans, leases and finance agreements in the United Kingdom. The strategy is an absolute return - alternative investment designed to outperform traditional equity and fixed income based investments in terms of annualised market based risk. This is achieved by investing in a portfolio that carefully manages individual client and sector asset allocation risk to generate a steady stream of interest income with a low default risk both on individual cases and the wider asset class. The majority of lending is secured on assets (typically specialist machinery, equipment, vehicles and, increasingly, renewable energy and waste to energy) together with personal guarantees and substantial initial deposits from the borrowing customer.

All lending within the Fund is procured and administered by a specialist UK based, licensed Finance Company which uses sophisticated lending systems and procedures to evaluate potential lending which are also often used by rural lending desks of major financial institutions. Extensive customer background checking, research and credit scoring is conducted before each loan/lease finance agreement goes live, and Team Prestige often meets many of the largest customers personally in addition to the Fund's main counterparty/finance arranger. Members of the lending team have extensive direct lending experience at major financial institutions in the UK working within the asset-backed direct lending divisions, specifically focused on rural and commercial finance. Over the medium-term, the investment strategy has consistently retained near zero volatility and near zero correlation to traditional equity markets and regularly outperformed them on an absolute return basis.

ASSETS UNDER MANAGEMENT 2009-2016 USD\$

| | |
|---------|-------------|
| 12/2009 | 11,966,804 |
| 12/2010 | 57,426,666 |
| 12/2011 | 129,099,550 |
| 12/2012 | 237,020,373 |
| 12/2013 | 348,923,094 |
| 12/2014 | 382,642,899 |
| 12/2015 | 493,060,550 |

ANNUAL PERFORMANCE 2009-2016 USD\$ - Participating Shares

| | |
|------|--------|
| 2009 | +8.25% |
| 2010 | +6.56% |
| 2011 | +5.81% |
| 2012 | +6.08% |
| 2013 | +6.11% |
| 2014 | +5.90% |
| 2015 | +5.43% |

SOURCE: Prestige Fund Management Limited

NOTE: Past performance is no guide to future results and should not be relied upon to make investment decisions. Not available to private clients or retail investors.

ABOUT PRESTIGE:

<http://www.prestigefunds.com/wp-content/uploads/ABOUT-PRESTIGE.pdf>

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Past and simulated performance is not a reliable guide to future performance - investments can go down as well as up and you may get back less than your original investment. Any track record/s and performance data shown is based on the actual lending results published by underlying Investment Advisor/s within the Fund, which were in existence at the time of creation but should not be relied upon when making a decision to invest. Investment allocation scenarios shown are for example only and are subject to change and may vary. Subscription for shares in any Prestige Fund or investment portfolio can only be made by completing the relevant application form that accompanies the Fund's Offering Memorandum / Offering Supplement or Issuing Document. Any comparisons between different funds have been made on a Net Asset Value (NAV) basis, whereas any comparisons with an index have been made on an offer-to-offer basis, which the Prestige Fund directors believe is fair and not misleading. 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