

# RM Secured Direct Lending PLC

## Monthly Fact Sheet

30 November 2017

### Company Overview

Listing Date (Ords)	15/12/2016
ISIN - Ords	GB00BYMTBG55
ISIN – C Shares	GB00BD884W63
Ticker Ords / C Share	RMDL / RMCC
Dividend	Quarterly
Listing	Main Market LSE Premium Listing
Target Dividend Yield	6.5% p.a <sup>1</sup>
Management Fee	0.875%*: 50% reinvested in shares
Discount Management Strategy	Share buy-backs if 6% discount or more <sup>2</sup>
Liquidity Opportunity	Year 4

### Data as at 30 November for Ordinary and C shares combined

Shares in Issue	87,300,000
Share Price Ords	101.50p
Share Price (C)	102.00p
Market Cap	£88.76m
Net Assets Ords	£56.3m
Net Assets (C)	£29.3m
NAV per Share Ords	98.36
NAV per Share (C)	97.67
NAV Frequency	Monthly
Share Price Premium/ Discount to NAV	+ 3.19% Ords + 4.43% (C)

### Non-Executive Directors

Norman Crighton (Chairman)  
Guy Heald  
Marlene Wood

### Overview

RM Secured Direct Lending Plc ("RMDL" or the "Company") is a closed-ended investment trust established to invest in a portfolio of secured debt instruments.

The Company aims to generate attractive and regular dividends through loans sourced or originated by the Investment Manager with a degree of inflation protection through index-linked returns where appropriate. Loans in which the Company invests are predominantly secured against assets such as real estate or plant and machinery and/or income streams such as account receivables. Uninvested cash or surplus capital may be invested on a temporary basis in a range of assets including money market instruments and government or corporate bonds which fit the Investment Policy.

### Company Update

November was a busy month as the Company increased its exposure to several existing investments. Within the Ordinary Share portfolio exposure was increased by £1m to the Ardonagh Group, the largest UK independent insurance broker, taking the investment in the group's senior secured note maturing in 2023 to £4m. Additional drawdowns occurred at Satcom and on the property bridging book.

Within the C Share class, the Company invested £1m in the senior secured note maturing in 2024 of New Day, the leading consumer finance provider increasing the total exposure to £3.25m. The Investment Manager also added £4.9m to its investment in Exterior Media, making it the largest investment made by the Company at £7.45m. This investment is a private loan in the senior secured section of the capital structure. Exterior Media has an established portfolio of outdoor media sites including billboards, hoardings, digital and non-digital displays which have strong cash flow visibility given the company's position as the sole advertising provider to London Rail on behalf of TfL. A new £7m senior secured commitment in a private debt syndicate was made to a leading HR and payroll services firm which is likely to be drawn down in January 2018. The Company continued to reduce its exposure to the consumer discretionary sector, divesting its remaining £2.5m investment. The Ordinary Share class is fully invested and to date £13.7m (45%) of the C Share class has been committed or invested which is in line with the objectives set out by the Investment Manager during the C Share roadshow.

The NAV as at 30 November was 98.36 pence which is 0.08 pence lower than the end of October (accounting for the dividend of 1.8 pence to be paid in December) and is made of up of interest income net of expenses of 0.47 pence and an decrease in mark to market valuations of 0.55 pence.

### Fund Performance - as at 30 November 2017

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends (%)	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.2	0.0	0.0	1.8	-	2.2
NAV (Cum Income) p	97.7	97.4	97.3	97.5	98.2	97.6	98.1	99.1	99.5	100.2	98.4	-	-
Total Return (%) – NAV & Div	(0.3)	(0.3)	(0.1)	0.2	0.7	(0.4)	0.5	1.2	0.4	0.74	(0.08)	-	2.56
Net Interest Income	(0.2)	(0.13)	(0.03)	0.02	0.33	0.35	0.52	1.25	0.38	0.64	0.47	-	3.60

## Advisory & Administration

**AIFM**  
International Fund Management Limited

**Administrator & Company Secretary**  
PraxisIFM Fund Services (UK) Ltd

**Valuation Agent**  
Mazars LLP

**Legal Advisers**  
Gowling WLG (UK) LLP

**Auditor**  
Ernst & Young LLP

**Corporate Broker**  
N+1 Singer Advisory LLP

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## Pipeline

Expectations to fully deploy proceeds from the C Share fundraising are as in line with previous guidance. A number of transactions are currently in advanced due diligence and documentation phases with the expectation that they will be closed during December and January to ensure that C Share funds are substantially invested or committed by the end of January.

## Company Portfolio<sup>1</sup>

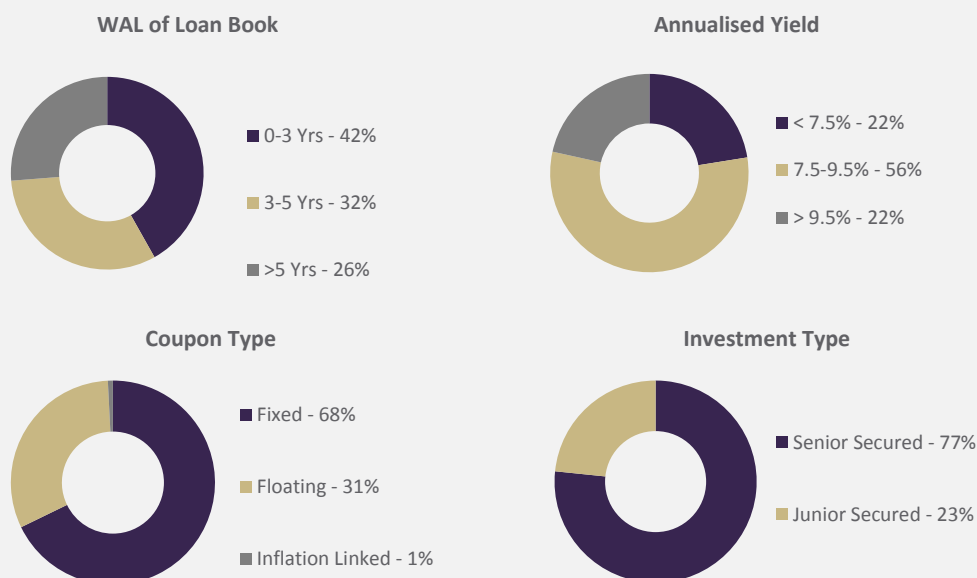
<b>23</b> Number of Loans	<b>£83.3m</b> Total Committed <sup>2</sup>	<b>8.37%</b> Average Yield	<b>3.67 years</b> Average Life
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## Largest 10 loans<sup>3</sup>

Business Activity	Loan Value (£m)	Expected Yield %	WAL <sup>4</sup>
Advertising	£7.45	9.20	4.80
Asset finance	£6.50	8.00	4.09
Student accommodation	£4.42	9.50	2.37
Healthcare	£4.00	5.92	4.33
Renewable energy	£4.00	7.00	2.43
Healthcare	£4.00	8.93	5.42
Insurance brokerage	£4.00	8.13	5.63
Consumer finance	£3.25	7.95	6.18
Renewable energy	£3.00	8.00	0.66
Food manufacturer	£3.00	9.35	7.71

<sup>1</sup>At 30 November 2017; <sup>2</sup>Committed funds may exceed investment capital available as there is no legal obligation to fund above investable cash; <sup>3</sup>Largest 10 Loans by drawn or invested amounts; <sup>4</sup>Weighted-Average Life and average yield based on drawn amounts

## Portfolio Analysis



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