

RM Secured Direct Lending PLC

Monthly Fact Sheet

31st July 2020



Company Overview

ISIN – Ord's	GB00BYMTBG55
ISIN – ZDP's	GB00BG1TSQ91
Ticker Ord's	RMDL
Dividend	Quarterly
Listing	Main Market LSE Premium Listing
Target Dividend	6.5 pence ¹
Management Fee	0.875% ² :
Discount Management Strategy	Share buy-backs if 6% discount or more ³
Shares in Issue Ord's	121,259,581
Shares in issue ZDP's	10,869,950
Share Price Ord's mid	79.25p
Investment Managers holding (shares)	1,224,825
Total investments	£131m ⁴
Net Assets Ord's	£111,025,184
Acc Cap Entitle ZDP's	£11,772,088
NAV per Share Ord's	91.56p
Accrued Capital Entitlement per ZDP	108.30p
Share Price Premium	-13.4% Ord's

Non-Executive Directors

Norman Crichton (Chairman)
Guy Heald
Marlene Wood

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

Joint Corporate Brokers: N+1 Singer Advisory LLP
and Peel Hunt LLP

Investment Manager

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Company Address: RM Secured Direct Lending PLC,
Mermaid House, 2 Puddle Dock, London EC4V 3DB

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 by investing in Loans sourced by RM Funds (the "Investment Manager" or "RM"). The Loans in which the Company invests are predominantly secured against company assets, real estate or plant and machinery and/or income streams such as accounts receivable.

NAV

The NAV total return for the month was 0.44%. The Ordinary Share NAV as at 31st July 2020 was 91.56 pence per share, which is 0.40 pence higher than at 30th June 2020, comprising interest income net of expenses of 0.13 pence per share and an increase in portfolio valuations of 0.27 pence per share which includes all credit and currency movements. This increase in portfolio value includes the movement of 0.41 pence per share recognised as income in June but moved to capital in July after further tax advice. This exceptional item has caused the corresponding reduction in income for July which if excluded the net interest income for the month was 0.54 pence, in line with other months.

Portfolio Activity

As at 30th July, the Company's portfolio consisted of 34 debt investments with a running yield of 8.71%, diversified across 13 sectors, with the percentage split between fixed and floating rate of 64% to 36%. The portfolio structure is 62% in bilateral private loans; 36% in club or syndicated private loans; and 2% in more liquid corporate bonds.

There were no significant investments during July. Portfolio valuations were largely stable during the month as the post pandemic credit rally paused. There is still significant value within the portfolio as the more liquid names have returned to at or near to pre-March levels while the less liquid names, which have had good trading performance during the crisis period, have lagged the price retracement. For example, Elysium Healthcare, Voyage Care and Valeo Foods have had robust trading updates and look to offer excellent value on a relative value basis.

The investments in operational hotels, which are the portfolio's largest sector exposure, have continued to perform with the servicing of their interest via timely cash payments. A hotel being constructed in Glasgow, representing 3% of Company net assets, is the one development exposure within the portfolio. There have been delays during the construction phase which the lending group have been working hard to resolve. The loan has been marked at 62.5% of par value which fairly represents the risks within the project, however it looks as if this is moving forward to a satisfactory conclusion with a new Hotel Management Agreement close to being signed. This will then lead to an injection of additional equity capital and the lending group then committing to the finalisation of the construction phase.

The resilient performance of the portfolio to date reflects its defensive nature and the close active management of its investments. The Investment Manager continues to be confident in the outlook and RMDL's ability to generate attractive risk-adjusted returns.



Investor Relations

The report and accounts for the first six months of the year is due to be released on or around 17th August with a comprehensive portfolio update and will be available on the company website <https://rmdl.co.uk/investor-centre/investor-relations/>.

The portfolio manager will be hosting an investor call at 2pm on 16th September. Investors who wish to listen into the call please register your interest by contacting Tulchan Communications on rmdl@tulchangroup.com.

Investor questions should be submitted in advance to the Company's Brokers RMDL@n1singer.com and RMDL@peelhunt.com.

Fund performance

2020													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p	-	-	1.625	-	-	1.625	-						3.325p
NAV (Cum income) p	98.31	98.74	86.64	89.10	91.14	91.16	91.56						-
NAV Total Return %	0.53	0.43	(10.53)	2.83	2.29	1.80	0.44%						-2.84%
Net Interest Income p	0.60	0.67	0.60	0.53	0.53	0.94	0.13						3.99p

2019													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p	-	-	1.625	-	-	2.00	-	-	1.625	-	-	1.70	6.95p
NAV (Cum income) p	97.62	98.38	98.36	98.95	99.59	98.00	98.69	99.00	98.05	98.24	98.45	97.79	-
NAV Total Return %	0.67	0.78	1.64	0.59	0.65	0.41	0.70	0.31	0.70	0.19	0.21	1.06	8.18%
Net Interest Income p	0.69	0.57	1.45	0.58	0.71	0.63	0.58	0.79	0.64	0.69	0.58	1.03	8.94p

2018													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends (pence)	-	2.00	-	-	-	1.625	-	1.625	-	-	-	1.625	6.875p
NAV (Cum Income) p	99.26	97.76	98.17	98.66	99.14	97.85	98.11	97.01	97.34	98.08	98.20	96.98	-
NAV Total Return %	0.68	0.50	0.41	0.50	0.49	0.34	0.26	0.53	0.34	0.76	0.12	0.41	5.47%
Net Interest Income p	0.85	0.64	0.47	0.48	0.52	0.55	0.56	0.50	0.49	0.60	0.51	0.62	6.98p

2017													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p	-	-	-	-	-	0.20	-	0.20	-	-	1.80	-	2.20p
NAV (Cum income) p	97.70	97.40	97.31	97.51	98.23	97.57	98.11	99.11	99.51	100.24	98.36	98.59	-
NAV Total Return %	(0.31)	(0.31)	(0.09)	0.21	0.74	(0.47)	0.55	1.22	0.40	0.73	(0.08)	0.23	3.18%
Net Interest Income p	(0.20)	(0.13)	(0.03)	0.02	0.33	0.35	0.52	1.25	0.38	0.64	0.47	0.46	4.06p



Company Portfolio at month end

34 **£131m** **8.71%** **3.14**years

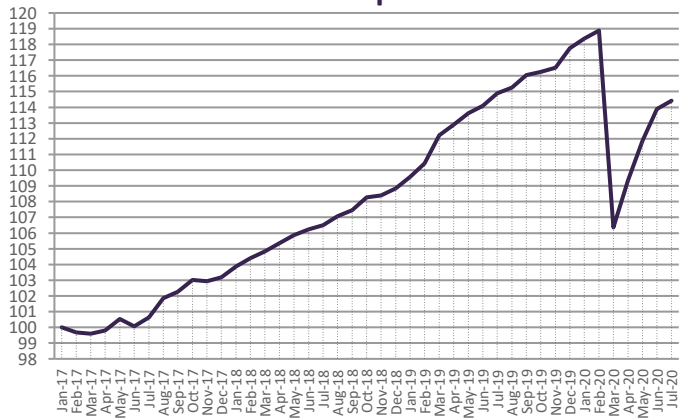
Number of Loans Total invested ⁱ Average Yield Average Life

ⁱ actual capital invested, excludes undrawn commitments, includes investments yet to settle;

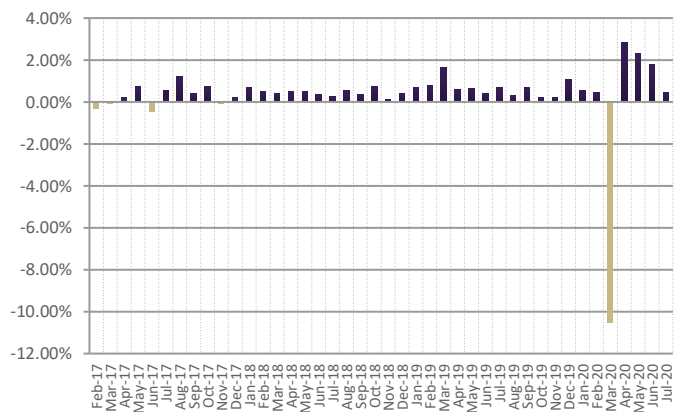
Largest 10 loans by value

Business Activity	Loan Value (£m)	Expected Yield %	WAL ³
Asset Finance	9.99	8.16%	3.42
Hotel	8.08	9.47%	3.68
Hotel	7.88	9.47%	3.68
Gym franchise	6.30	10.28%	4.64
Student Accommodation	5.99	9.23%	0.18
Student Accommodation	5.91	9.23%	4.27
Automotive parts manufacturing	5.88	16.77%	2.41
Healthcare	5.46	5.86%	4.68
HR and payroll services	4.97	7.51%	4.32
Childcare nurseries	4.67	5.17%	1.76

Cumulative NAV Performance since inception

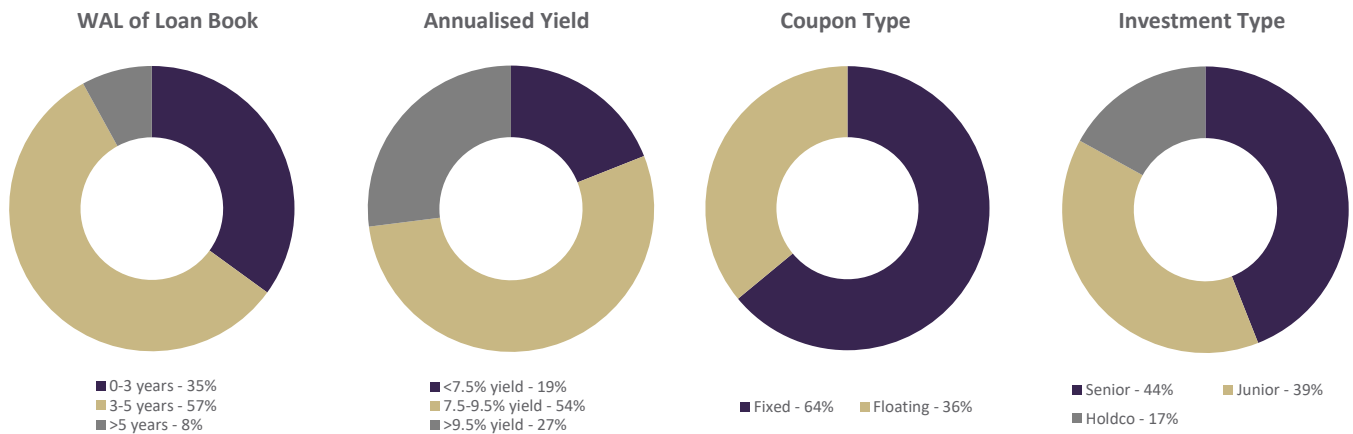


NAV monthly return %





Portfolio Statistics



Notes

1. The target dividend should not be taken as an indication of the Company's expected future performance or results. The target dividend is a target only and there is no guarantee that it can or will be achieved and should not be seen as an indication of the Company's expected or actual return. Target returns are hypothetical and are neither guarantees nor predictions or projections of future performance. Actual events and conditions may differ materially from the assumptions used to establish the target dividend.
2. Management fee on Net Assets including ZDP issue. A proportion of the management fee is used by the Investment Manager to buy shares in the Company to align management interests with Shareholders
3. Discount control mechanism triggers if shares trading at an average discount of more than six percent over previous 6-month trading period.
4. Gross asset calculation is the sum of Net Assets, ZDPs and drawings of RCF and Loans closed but not settled.
5. NAV total return % is calculated as NAV (cum income) at the end of the period, plus dividends declared during the period, divided by NAV (cum income) calculated on a per share basis at the start of the period.
6. YTD NAV Total Return assumes dividends are reinvested at NAV and includes compounding.
7. YTD Net Interest Income per share is the aggregate of the monthly net interest income per share figures based on the number of Ordinary shares in issue at the end of each respective month which can be diluted over the year by new Ordinary Shares being issued and therefore does not necessarily reflect the year end position for the Ordinary shareholders.
8. Cumulative NAV performance rebased at 100 on Jan 2017 and assumes dividends are reinvested at NAV and includes compounding.

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