

RM Secured Direct Lending PLC

Monthly Fact Sheet

28th February 2019

Company Overview

ISIN - Ord's	GB00BYMTBG55
ISIN - ZDP's	GB00BG1TSQ91
Ticker Ord's	RMDL
Dividend	Quarterly
Listing	Main Market LSE Premium Listing
Target Dividend Yield	6.5% p.a. ¹
Management Fee	0.875% ² :
Discount Management Strategy	Share buy-backs if 6% discount or more ³
Shares in Issue Ord's	98,724,581
Shares in issue ZDP's	10,869,950
Share Price Ord's mid	101.00p
Gross Assets	£110.7m ⁴
Net Assets Ord's	£97,124,807
Acc Cap Entitle ZDP's	£11,217,087
NAV per Share Ord's	98.38p
Accrued Capital Entitlement per ZDP	103.19p
Share Price Premium	+ 2.6% Ord's

Non-Executive Directors

Norman Crighton (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

Corporate Broker: N+1 Singer Advisory LLP

Investment Manager

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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.

Portfolio Activity

The Company made one new investment during the month, one divestment and had five further utilisation requests from existing borrowers. Capital invested increased by £3m to £109m, whilst the total number of investments remained at 36. The new transaction was the first investment to Praetura Commercial Finance, and the fourth with a business backed by the Praetura Group. The transaction was structured by RM Funds to facilitate an initial £2m investment, with the flexibility to lend a further £8m thereafter as the business grows subject to approval from the Investment Manager. The financing is secured over the borrower's assets including receivables, plant, equipment and stock.

Capital Raise

Over the last two weeks of February, the Investment Manager conducted a series of meetings with institutional investors in order to provide an update on the portfolio and market conditions. During these meetings RM discussed the prospective pipeline of investment opportunities. Following the month end, the Company announced and successfully closed a tactical capital raise of 13,500,000 new shares at the Placing Price of 100 pence per Ordinary Share. This is a pleasing result as it furthers the objective of diversifying the Company portfolio and improving the liquidity within the ordinary shares. This increase in capital base will also modestly reduce the total expense ratio thus positively impacting shareholder returns.

It is the expectation of the Investment Manager that part of the proceeds will be used to repay the drawn element of the £10m Revolving Credit Facility ("RCF") and the balance used to invest into existing commitments and pipeline transactions likely to complete during March and April.

NAV & Pipeline

The Ordinary Share NAV as at 28 February 2019 was 98.38 pence per share which is 0.76 pence higher than at 31 January 2019 and is made up of interest income net of expenses of 0.57 pence and an increase in portfolio valuations of 0.19 pence net of currency hedges.

The pipeline of opportunities remains strong despite the broader uncertainties, with continued demand for debt funding from well managed businesses operating in sectors which are focus areas for the Company.



Company Portfolio at month end

36	£109m	8.70%	3.59 years
Number of Loans	Total invested ⁱ	Average Yield	Average Life

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

Largest 10 loans by drawn amounts across the entire portfolio

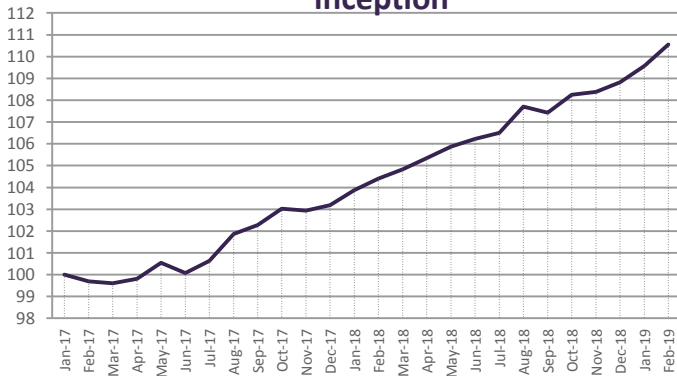
Business Activity	Loan Value (£m)	Expected Yield	WAL
Asset Finance	10.19	8.00%	4.84
Forecourt Operator	8.70	5.50%	3.38
Childcare	7.50	11.23%	2.10
Telecommunications	7.00	6.32%	5.74
Automotive Parts Manufacturing	6.38	12.00%	3.83
Healthcare	6.00	6.24%	6.10
Student Accommodation	5.15	9.85%	4.00
Heating manufacturing and installation	4.42	9.50%	0.87
Forecourt Operator	4.29	8.95%	7.07
Heating manufacturing and installation	4.11	8.00%	2.88

Fund performance

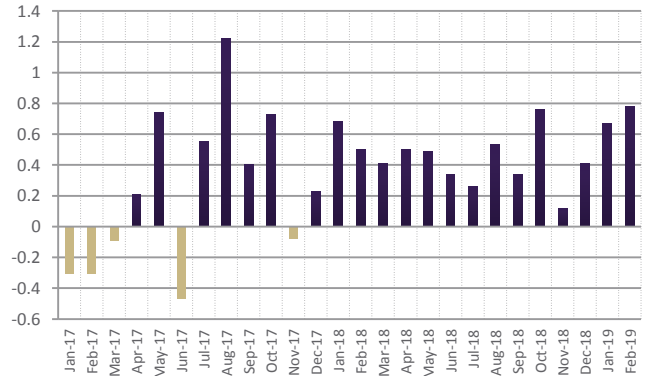
2019													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p	-	-	-	-	-	-	-	-	-	-	-	-	-
NAV (Cum income) p	97.62	98.38	-	-	-	-	-	-	-	-	-	-	-
NAV Total Return %	0.67	0.78	-	-	-	-	-	-	-	-	-	-	1.45%
Net Interest Income p	0.69	0.57	-	-	-	-	-	-	-	-	-	-	1.26p
2018													
	Jan	Feb	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



Cumulative NAV Performance since inception

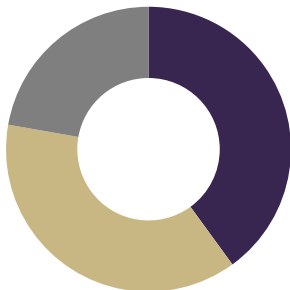


NAV monthly return %



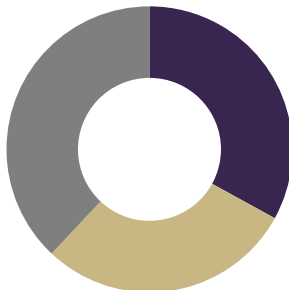
Portfolio Statistics

WAL of Loan Book



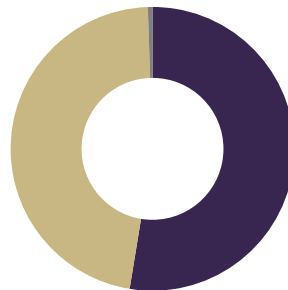
■ 0-3 Yrs -40%
■ 3-5 Yrs -38%
■ >5 Yrs -22%

Annualised Yield



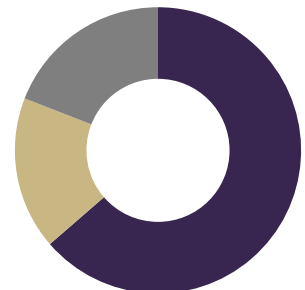
■ < 7.5% - 33%
■ 7.5-9.5% - 29%
■ > 9.5% - 38%

Coupon Type



■ Fixed - 53%
■ Floating - 47%
■ Inflation Linked - <1%

Investment Type



■ Senior - 64%
■ Junior - 17%
■ Holdco - 19%

Notes

1. Dividend Yield based on IPO issue price. 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.
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.
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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