

RM Secured Direct Lending PLC

Monthly Fact Sheet

31 July 2017

Company Overview

Listing Date	15/12/2016
ISIN	GB00BYMTBG55
Ticker	RMDL
Dividend	Quarterly
Listing	Main Market LSE Premium Listing
Target Dividend Yield p.a. ¹	6.5%*
Management Fee ²	0.5%*: 50% reinvested in shares
Discount Management Strategy	Share buy-backs if 6% discount or more (over 6 months)
Liquidity Opportunity	Year 4

Ordinary Shares as at 31 July

Shares in Issue	57,300,000
Share Price	102.25p
Market Cap	£58.6m
Gross Assets	£56.2m
Net Assets	£56.2m
NAV per Share	98.11p
NAV Frequency	Monthly
Share Price Premium/ Discount to NAV	+ 4.22%

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

As at 31 July, the Company had £50m of cash invested, up from £42m as of 30 June, with the remaining balance close to being drawn. The portfolio now includes 21 investments across 11 sectors, with an average yield on these investments of 7.91%.

The Investment Manager finalised the £5.5m Loan to a specialist asset finance business during the period. The investment is secured over a portfolio of c. 500 discrete assets (including plant, equipment and associated cash flows). The investment supports funding to underlying UK businesses across a range of sectors including transport, construction, engineering, printing, agriculture, waste & recycling.

A €2m investment was also made into a debt instrument issued by an industrial corporate. The business is a leading provider of rigid and semi-rigid plastic films used in packaging. The primary end markets include pharmaceutical, medical devices as well as food and beverages.

The remaining investable cash will likely be deployed throughout August into additional drawdowns for L'Oscar Hotel and the existing Property Bridging facilities alongside a private transaction to a UK Solar Park. As previously announced, ahead of a planned capital raise later in the year, a Revolving Credit Facility with a bank is being finalised which will allow the Investment Adviser to pursue its active pipeline of investment opportunities and grow the portfolio.

The NAV as at 31 July was 98.11 pence. This is 0.54 pence higher on the NAV at the end of June and is made of up net interest income of 0.52 pence and net mark to market gains of 0.02 pence.

Fund Performance - as at 31 July 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
Share Price Total Return (%)	2.0	0.0	(0.3)	0.0	0.3	0.0	0.3	-	-	-	-	-	2.3
NAV (Cum Income) p	97.7	97.4	97.3	97.5	98.2	97.6	98.1	-	-	-	-	-	0.1
Total Return (%) – NAV & Dividends	(0.3)	(0.3)	(0.1)	0.2	0.7	(0.4)	0.5	-	-	-	-	-	0.3
Total Return (%) - Share Price & Dividends	2.0	0.0	(0.3)	0.0	0.3	0.2	0.3	-	-	-	-	-	2.5

<div>Advisory & Administration</div> <div><div>AIFM</div><div>International Fund Management Limited</div></div> <div><div>Administrator & Company Secretary</div><div>PraxisIFM Fund Services (UK) Ltd</div></div> <div><div>Valuation Agent</div><div>Mazars LLP</div></div> <div><div>Legal Advisers</div><div>Gowling WLG (UK) LLP</div></div> <div><div>Auditor</div><div>Ernst & Young LLP</div></div> <div><div>Corporate Broker</div><div>N+1 Singer Advisory LLP</div></div> <div><div>Investment Manager</div><div>RM Capital Markets Limited</div><div>7 Melville Crescent</div><div>Edinburgh</div><div>EH3 7JA</div></div> <div><div>James Robson</div><div>Investment Management</div><div>+44 (0) 131 603 7069</div><div>James.Robson@rm-capital.co.uk</div></div> <div><div>Pietro Nicholls</div><div>Investment Management</div><div>+44 (0) 20 3697 1768</div><div>Pietro.Nicholls@rm-capital.co.uk</div></div> <div><div>www.rm-funds.co.uk</div></div> <div><div>Company Address</div><div>RM Secured Direct Lending PLC</div><div>Mermaid House</div><div>2 Puddle Dock</div><div>London</div><div>EC4V 3DB</div></div>	<div>Company Portfolio¹</div> <div><div>21</div><div>£66.1m</div><div>7.91%</div><div>4.04 years</div></div> <div><div>Number of Loans</div><div>Total Committed²</div><div>Average Yield</div><div>Average Life</div></div> <div><div>Largest 10 loans³</div><table><tr><th>Market Sector</th><th>Business Activity</th><th>Loan Value</th><th>Expected Yield %</th><th>WAL⁴</th></tr><tr><td>Finance & Insurance</td><td>Asset Finance</td><td>£5.50m</td><td>8.00%</td><td>4.42</td></tr><tr><td>Sovereign & Public Finance</td><td>Student Accommodation</td><td>£4.42m</td><td>9.50%</td><td>2.70</td></tr><tr><td>Services (Consumer)</td><td>Forecourt Operator</td><td>£4.08m</td><td>5.33%</td><td>5.50</td></tr><tr><td>Beverage & Food</td><td>UK Restaurant Group</td><td>£4.00m</td><td>9.32%</td><td>5.20</td></tr><tr><td>Healthcare & Pharma</td><td>Healthcare</td><td>£4.00m</td><td>6.15%</td><td>4.67</td></tr><tr><td>Energy & Waste</td><td>Renewable Energy</td><td>£4.00m</td><td>7.00%</td><td>2.76</td></tr><tr><td>Healthcare & Pharma</td><td>Healthcare</td><td>£4.00m</td><td>8.66%</td><td>5.75</td></tr><tr><td>Finance & Insurance</td><td>Insurance Brokerage</td><td>£3.00m</td><td>8.35%</td><td>5.96</td></tr><tr><td>Energy & Waste</td><td>Renewable Energy</td><td>£2.58m</td><td>8.00%</td><td>2.78</td></tr><tr><td>Energy & Waste</td><td>Renewable Energy</td><td>£2.58m</td><td>8.00%</td><td>2.78</td></tr></table></div> <div><div>¹As at 31 July 2017; ²Committed funds exceeds investment capital available by a margin as there is no legal obligation to fund above investable cash; ³Largest 10 Loans by drawn or invested amounts, ⁴Weighted-Average Life and average yield based on drawn amounts</div></div>	Market Sector	Business Activity	Loan Value	Expected Yield %	WAL ⁴	Finance & Insurance	Asset Finance	£5.50m	8.00%	4.42	Sovereign & Public Finance	Student Accommodation	£4.42m	9.50%	2.70	Services (Consumer)	Forecourt Operator	£4.08m	5.33%	5.50	Beverage & Food	UK Restaurant Group	£4.00m	9.32%	5.20	Healthcare & Pharma	Healthcare	£4.00m	6.15%	4.67	Energy & Waste	Renewable Energy	£4.00m	7.00%	2.76	Healthcare & Pharma	Healthcare	£4.00m	8.66%	5.75	Finance & Insurance	Insurance Brokerage	£3.00m	8.35%	5.96	Energy & Waste	Renewable Energy	£2.58m	8.00%	2.78	Energy & Waste	Renewable Energy	£2.58m	8.00%	2.78	<div>Portfolio Analysis</div> <div><div><div>WAL of Loan Book</div><div><div><div><div></div><div>0-3 Yrs - 22%</div></div><div><div></div><div>3-5 Yrs - 46%</div></div><div><div></div><div>5-7.5 Yrs - 32%</div></div></div></div></div><div><div>Annualised Yield</div><div><div><div><div></div><div>< 7.5% - 30%</div></div><div><div></div><div>7.5-9.5% - 61%</div></div><div><div></div><div>> 9.5% - 9%</div></div></div></div></div><div><div>Coupon Type</div><div><div><div><div></div><div>Fixed - 79%</div></div><div><div></div><div>Floating - 20%</div></div><div><div></div><div>Inflation Linked - 1%</div></div></div></div></div><div><div>Investment Type</div><div><div><div><div></div><div>Senior Secured - 72%</div></div><div><div></div><div>Junior Secured - 28%</div></div></div></div></div></div>
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