

RM Secured Direct Lending PLC

Monthly Fact Sheet

31st May 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 | 112,224,581 |
| Shares in issue ZDP's | 10,869,950 |
| Share Price Ord's mid | 102.00p |
| Gross Assets | £124m ⁴ |
| Net Assets Ord's | £111,762,186 |
| Acc Cap Entitle ZDP's | £11,314,048 |
| NAV per Share Ord's | 99.59p |
| Accrued Capital Entitlement per ZDP | 104.09p |
| Share Price Premium | + 2.36% 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

RM Capital Markets Limited, 7 Melville Crescent,
Edinburgh EH3 7JA

James Robson

Investment Management
+44 (0) 131 603 7069
James.Robson@rm-capital.co.uk

Pietro Nicholls

Investment Management
+44 (0) 20 3697 1768
Pietro.Nicholls@rm-capital.co.uk

www.rm-funds.co.uk

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.

Portfolio Activity

The Company announced a dividend of 2.00 pence during the month with an ex-dividend date of 6th June. This was split between 1.625 pence per share as an interim and 0.375 pence per share as a special dividend following portfolio outperformance in Q1 2019.

As at the 31st May 2019, the Company's portfolio consisted of 34 debt investments with an average yield of 8.55%, spread across 13 sectors, with a split between fixed and floating rate debt of 60/40. The Investment Manager focuses on reducing interest rate risk by keeping the tenors on fixed rate investments generally shorter dated. Overall the portfolio has the following approximate breakdown; 57% represented by bilateral private loans, 38% in club or syndicated private loans and 5% in more liquid corporate debt. Consequently, private debt investments represent 95% of the portfolio.

The Investment Manager continued to grow the overall size of the portfolio by £4m to £124m during the month, despite three loan repayments. The transaction highlights are as follows:

- Three property bridging transactions repaid totalling circa: £3.5m.
- A new hospitality and leisure transaction secured over a real estate asset primarily leased to Travelodge: three year tenor, 10% £900,000.
- Student accommodation in Coventry: one and a half year tenor, 9%. Two further drawdowns £0.37m
- Energy efficiency revolving receivables facility, five further drawdowns £0.37m.
- Telecommunications equipment: three year tenor 10.5%: four further drawdowns, \$0.75m
- Telecommunications revolving receivables facility, one further drawdown, \$1.3m.
- Valeo foods, a branded food manufacturer : six year facility 9.5%: increase in existing loan facility participation, £1.5m.
- Food manufacturer: three year tenor 5.8% – new investment in existing bond issue £3m

NAV & Pipeline

The NAV total return for the month was 0.65%, bringing the cumulative year to date figure to 4.39%.

The Ordinary Share NAV as at 31st May 2019 was 99.59 pence per share, which is 0.64 pence higher than at 30th April 2019, comprising interest income net of expenses of 0.71 pence and a decrease in portfolio valuations of 0.07 pence net of currency hedges.

The pipeline of attractive opportunities for the Company remains strong. The Investment Manager is closing several transactions, expected to complete in June and continues to progress discussions with a number of prospective borrowers as well as reviewing and diligencing other investment opportunities.



Company Portfolio at month end

34 **£124m** **8.55%** **3.48 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 drawn amounts across the entire portfolio

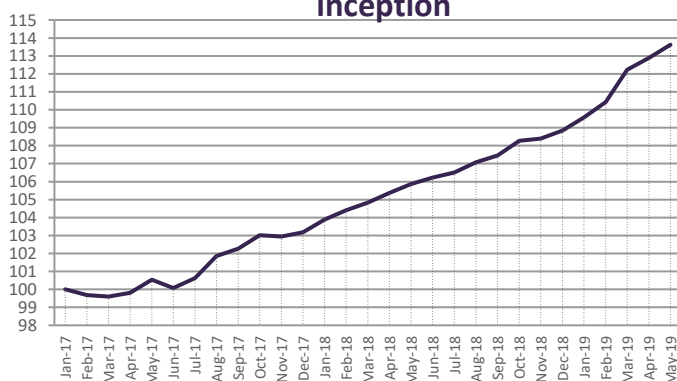
| Business Activity | Loan Nominal Value (£m) | Expected Yield | WAL |
|--------------------------------|-------------------------|----------------|------|
| Asset Finance | 10.19 | 8.00% | 4.58 |
| Forecourt Operator | 8.68 | 5.07% | 3.12 |
| Hospitality | 8.50 | 9.00% | 4.84 |
| Hospitality | 8.30 | 9.00% | 4.84 |
| Telecommunications | 8.29 | 11.16% | 1.86 |
| Business Services | 7.00 | 6.57% | 5.48 |
| Automotive Parts Manufacturing | 6.75 | 12.00% | 3.57 |
| Healthcare | 5.80 | 6.25% | 5.84 |
| Hospitality & Leisure | 4.70 | 12.18% | 0.04 |
| Food manufacturing | 4.50 | 9.69% | 6.19 |

Fund performance

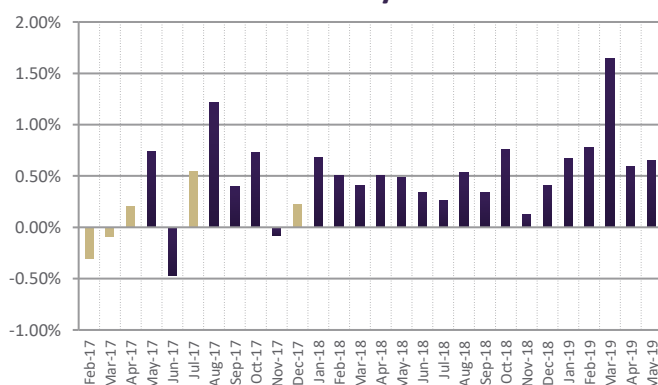
| 2019 | | | | | | | | | | | | | | |
|-----------------------|--------|--------|--------|-------|-------|--------|-------|-------|-------|--------|--------|-------|--------|-------|
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD | |
| Dividends p | - | - | 1.625 | - | - | - | - | - | - | - | - | - | - | 1.625 |
| NAV (Cum income) p | 97.62 | 98.38 | 98.36 | 98.95 | 99.59 | - | - | - | - | - | - | - | - | - |
| NAV Total Return % | 0.67 | 0.78 | 1.64 | 0.59 | 0.65 | - | - | - | - | - | - | - | - | 4.39% |
| Net Interest Income p | 0.69 | 0.57 | 0.56 | 0.58 | 0.71 | - | - | - | - | - | - | - | - | 3.11p |
| | | | | | | | | | | | | | | |
| 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

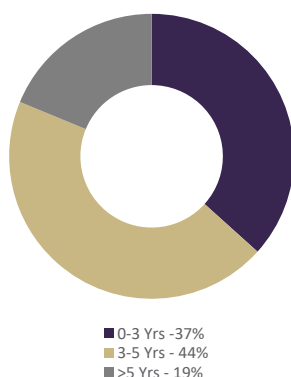


NAV monthly return %

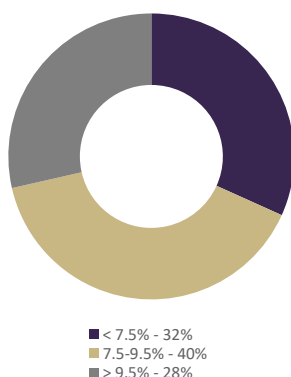


Portfolio Statistics

WAL of Loan Book



Annualised Yield



Coupon Type



Investment Type



Notes

- 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.
- Management fee on Net Assets including ZDP issue. 50% of the Management Fee is used by the Investment Manager to buy shares in the Company as part of the discount control mechanism and to align management interests with Shareholders
- Discount control mechanism triggers if shares trading at an average discount of more than six percent over previous 6-month trading period.
- Gross asset calculation is the sum of Net Assets, ZDPs and drawings of RCF.
- 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.
- YTD NAV Total Return assumes dividends are reinvested at NAV and includes compounding.
- 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.
- Cumulative NAV performance rebased at 100 on Jan 2017 and assumes dividends are reinvested at NAV and includes compounding.

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