

RM Secured Direct Lending PLC

Monthly Fact Sheet

30th November 2018

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 : 50% reinvested in shares
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	102.5p
Gross Assets	£108.1m
Net Assets Ord's	£96,943,805
Acc Cap Entitle ZDP's	£11,172,192
NAV per Share Ord's	98.20p
Accrued Capital Entitlement per ZDP	102.32p
Share Price Premium	+ 4.4% Ord's

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 Capital Markets Limited (the "Investment Manager"). 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 account receivables.

Portfolio activity

The portfolio has continued its steady performance in November, despite the wider volatility which saw a sell off across global equity and credit markets. Due to the widening of credit spreads the portfolio's investment values were marked lower, in line with the negative sentiment. However, the Investment Manager has not seen a deterioration in the underlying credit quality. The performance of the overall portfolio reflects the Investment Manager's strategy of focusing on investments in high quality businesses with limited exposure to the business cycle and effects of Brexit uncertainty. This is demonstrated by the small loss of -0.39% on the mark-to-market value of investments versus a -2.01% return for the month on the Markit iBoxx Liquid High Yield Total Return Index.

The Exterior investment was repaid in November and the capital was speedily deployed into three transactions; two nursery/child care businesses; and a UK forecourt operator, which meet the Investment Manager's strict criteria. The two childcare services transactions are notable. The first is a follow-on acquisition financing programme for an existing borrower. This is a new £5m, 5-year loan facility which was partially drawn down during November. The second investment was into a private debt syndicate funding Busy Bees, one of the leading providers of childcare services in the UK, operating over 330 nurseries. The business was founded in 1983 and is backed by Temasek Holdings, the Singapore Government's investment arm.

On the 27th November 2018 the Company declared a dividend of 1.625p per share, relating to the quarter ended 30th September. The ex-d date is 6th December with a payment date of 28th December.

NAV & Pipeline

The Ordinary Share NAV as at 30th November was 98.20 pence per share which is 0.12 pence higher than at 31st October and is made up of interest income net of expenses of 0.51 pence and an decrease in portfolio valuations of 0.39 pence net of currency hedges.

The Investment Manager expects to have deployed all of the cash available for investment during December.

Fund Performance – 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

Fund Performance – 2018

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends (pence)	-	2.00	-	-	-	1.625	-	1.625	-	-	-	-	5.25p
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	-	-
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	-	5.04%
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	-	6.36p



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

Company Portfolio ⁱ

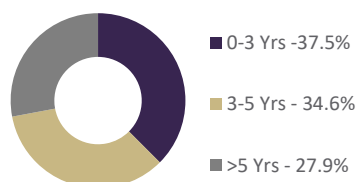
30 <i>Number of Loans</i>	£99m <i>Total invested ⁱⁱ</i>	8.29% <i>Average Yield ⁱⁱⁱ</i>	3.68 years <i>Average Life</i>
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Largest 10 loans by drawn amounts across the entire portfolio

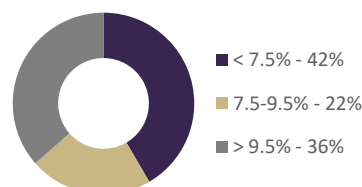
Business Activity	Loan Value (£m)	Expected Yield	WAL
Asset Finance	10.00	8.00%	3.09
Forecourt Operator	8.70	5.46%	3.62
Business Services	7.00	6.33%	5.98
Telecommunications	6.84	11.50%	2.10
Healthcare	6.56	5.97%	0.62
Automotive Parts Manufacturing	6.52	12.00%	4.08
Healthcare	6.00	6.28%	6.35
Childcare	5.13	9.89%	4.25
Forecourt Operator	4.45	8.80%	7.32
Student Accommodation	4.42	9.50%	1.11

ⁱ As at 30 November 2018; ⁱⁱ Actual capital invested, excludes undrawn commitments, includes investments yet to settle; ⁱⁱⁱ Av portfolio yields on Ord shares

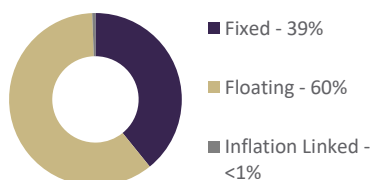
WAL of Loan Book



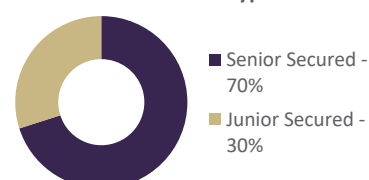
Annualised Yield



Coupon Type



Investment Type





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. 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.
5. YTD NAV Total Return assumes dividends are reinvested at NAV and includes compounding.
6. 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.

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