

RM Secured Direct Lending PLC

Monthly Fact Sheet

30th November 2020



Company Overview

ISIN – Ords	GB00BYMTBG55
ISIN – ZDPs	GB00BG1TSQ91
Ticker Ords	RMDL
Dividend	Quarterly
Listing	Main Market LSE Premium Listing
Target Dividend	6.5 pence p. a ¹
Management Fee	0.875% ²
Discount Management Strategy	Share buy-backs if 6% discount or more ³
Shares in Issue Ords (ex. treasury shares)	119,513,440
Shares in issue ZDPs	10,869,950
Share Price Ords mid	80.50p
Investment Manager's holding (shares)	1,237,325
Total investments	£125m ⁴
Net Assets Ords	£111,937,957
Acc Cap Entitle ZDPs	£11,957,871
NAV per Share Ords	93.66p
Accrued Capital Entitlement per ZDP	109.55p
Share Price Disc to NAV	-14.4%

Non-Executive Directors

Norman Crighton (Chairman)
Guy Heald
Marlene Wood

Advisory & Administration

AIFM: International Fund Management Limited

Administrator & Company Secretary:
PraxisFM 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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London, EC4V 4AB

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 +1.91%. The Ordinary Share NAV as at 30th November 2020 was 93.66 pence per Ordinary Share, which is 1.75 pence higher than at 31st October 2020. This overall gain comprises interest income, net of expenses, of 0.41 pence per Ordinary Share and increases in portfolio valuations totalling 1.34 pence per Ordinary Share (which includes all credit and currency movements and gains from share buy-backs).

The Company repurchased a total of 119,114 Ordinary Shares during the month at an average price of 78.76 pence per Ordinary Share, being an average discount of 15.9% to the latest November NAV. The Board and the Investment Manager continue to monitor the share price discount to NAV. This brings the year-to-date purchases of shares by the Company, and, the total number held in treasury, to 2,711,141.

Portfolio Activity

As at 30th November 2020, the Company's portfolio consisted of 33 debt investments with a running yield of 8.74%, diversified across 13 sectors, and, with the percentage split between fixed and floating rate of 67% to 33%. The portfolio structure is 65% in bilateral private loans; 33% in syndicated private loans; and 2% in corporate bonds. The full portfolio is displayed on the last page of this factsheet. There were no new investments during November.

There were a number of positive portfolio valuations changes during the period, with two main contributors. The first was the loan to the German auto parts manufacturer, Beinbauer (Loan Ref. 39), which has seen continued good operational performance since the Spring lockdown thus meriting the mark moving from 77.5% to 85% of nominal value; it is expected that this trajectory back to 100% of nominal value will continue over early 2021; the second contributor was the payroll and HR software provider, Zellis (Loan Ref. 37) which received an injection of capital by their sponsor Bain Capital during the month. This caused the value to appreciate from 70% to 78% of nominal value and again we expect the trajectory of this loan to reprice significantly higher than its current valuations given its robust operational performance, combined with the borrower agreeing to move from annual to monthly reporting from January 2021. RM Funds is happy with Zellis's business performance and its operational resilience throughout the Covid period, supporting RM Funds' key investment highlights, including its sector stability and long term contracts.

It was noted in the July 2020 factsheet that Elysium, Voyage Care and Valeo Foods have had robust trading updates and that their marks/valuations had lagged the wider peer group. This remains the case and we expect these names, along with Zellis, to continue to make positive contributions to NAV performance over the coming months.



Fund performance

	1 month	3 months	6 months	1 year	2 years	ITD
NAV Total Return %	1.91%	3.65%	6.46%	2.23%	9.88%	19.11%

2020													YTD
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Dividends p	-	-	1.625	-	-	1.625	-	-	1.625				4.875p
NAV (Cum income) p	98.31	98.74	86.64	89.10	91.14	91.16	91.56	91.97	91.58	91.91	93.66		-
NAV Total Return %	0.53	0.43	(10.53)	2.83	2.29	1.80	0.44	0.44	1.35	0.36	1.91		1.16%
Net Interest Income p	0.60	0.67	0.60	0.53	0.53	0.53	0.53	0.53	0.53	0.45	0.41		5.90p

2019													YTD
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
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													YTD
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
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													YTD
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
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



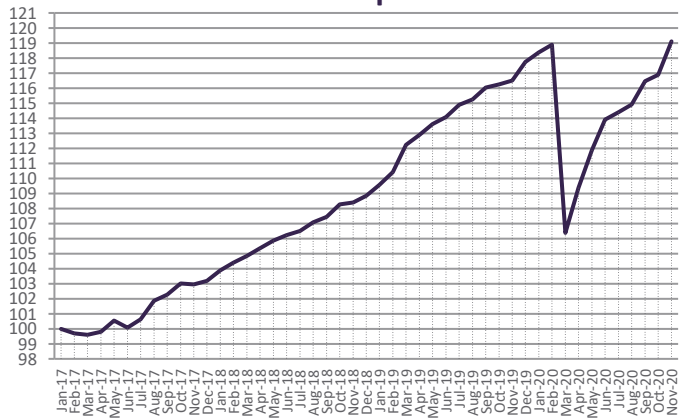
Company Portfolio at month end

33	£125m	8.74%	2.89 years
Number of Loans	Total invested ⁱ	Average Yield	Average Life
<small>ⁱ actual capital invested, excludes undrawn commitments, includes investments yet to settle;</small>			

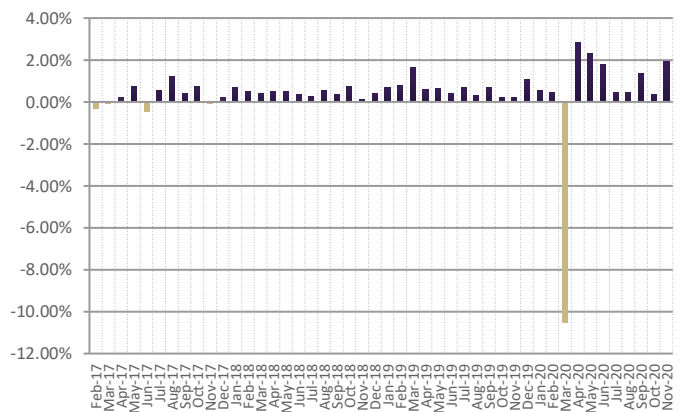
Largest 10 loans by value

Business Activity	Loan Value (£m)	Expected Yield %	WAL ³
Asset Finance	9.99	8.16%	3.08
Hotel	8.08	9.47%	3.35
Hotel	7.88	9.47%	3.35
Automotive parts manufacturing	6.78	15.29%	2.07
Gym franchise	6.38	10.57%	4.31
Student Accommodation	5.78	9.23%	3.93
Healthcare	5.72	5.55%	4.35
Student Accommodation	5.53	10.00%	0.00
HR and payroll services	5.46	6.79%	3.98
Asset Finance	4.38	8.16%	3.08

Cumulative NAV Performance since inception

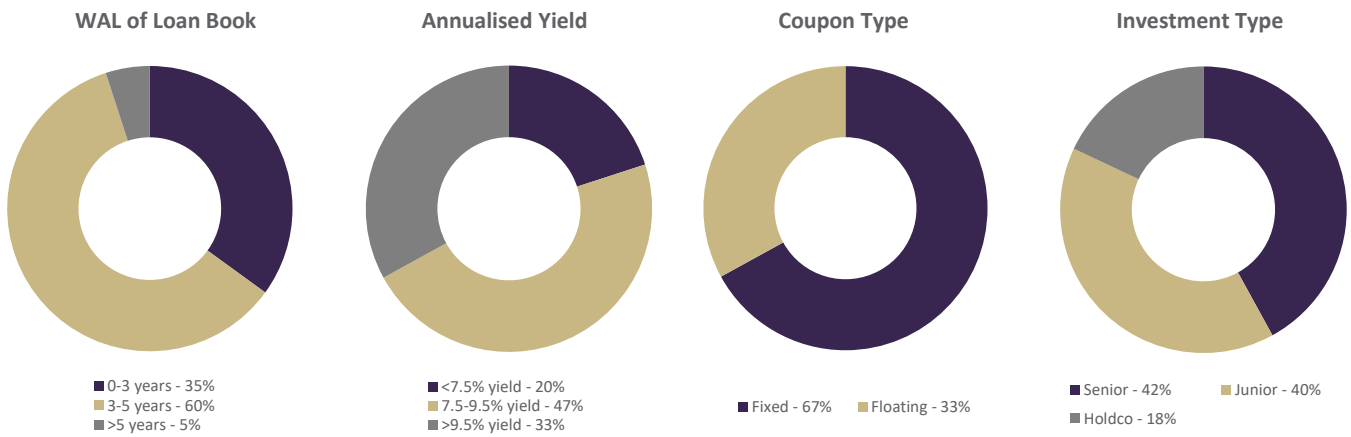


NAV monthly return %





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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Ref	Borrower Name	Deal Type	Sector	Business Description	Nominal	Market Value	Payment	Valuer
60	Private Loan - SPV	Bilateral Loan	Asset Finance	U.K. focused asset backed lending	10,193,916	9,990,038	Cash	V Agent
66	Private Loan - SPV	Bilateral Loan	Hotel	Five U.K. prime location regional city hotels	8,504,440	8,079,218	Cash	V Agent
67	Private Loan - SPV	Bilateral Loan	Hotel	Five U.K. prime location regional city hotels	8,295,560	7,880,782	Cash	V Agent
39	Beinbauer	Syndicated Loan	Automotive parts manufacturing	Automotive Parts Manufacturing	7,970,979	6,775,332	PIK	V Agent
76	Gym Franchise	Bilateral Loan	Gym franchise	Owner operator of gym franchising	7,292,510	6,380,946	PIK	V Agent
37	Zellis (previously NGA)	Syndicated Loan	HR and payroll services	HR and payroll services	7,000,000	5,460,000	Cash	External
68	Private Loan - SPV	Bilateral Loan	Student Accommodation	Coventry based purpose-built student accommodation - prime location	6,143,120	5,528,808	PIK	V Agent
6	Elysium	Syndicated Loan	Healthcare	Providing acute and age care services	6,000,000	5,719,980	Cash	External
74	Private Loan - SPV	Bilateral Loan	Student Accommodation	Six purpose-built student accommodations located in prime regional U.K. cities	5,930,000	5,781,750	Cash	V Agent
58	Private Loan - SPV	Bilateral Loan	Hotel	Hotel development, Glasgow	5,165,965	3,336,432	n/a	V Agent
34	Valeo Foods	Syndicated Loan	Food manufacturing	Manufacturer of staple food goods	4,500,000	4,185,000	Cash	External
61	Private Loan - SPV	Bilateral Loan	Asset Finance	U.K. focused asset backed lending	4,469,939	4,380,540	Cash	V Agent
12	Private Loan - SPV	Bilateral Loan	Student Accommodation	Operational student accommodation based in Glasgow	4,420,000	4,243,200	Cash	V Agent
62	Trent Capital	Bilateral Loan	Manufacturing & Energy Efficiency	Boiler manufacturer and energy efficiency measure installer	4,085,424	3,881,153	Cash	V Agent
73	Private Loan - SPV	Bilateral Loan	Hotel	Cambridge based recently built hotel - prime location	4,000,000	3,900,000	Cash	V Agent
75	Private Loan - SPV	Bilateral Loan	Hotel	Hotel situated by Bristol airport	3,400,000	3,315,000	Cash	V Agent
51	Mehiläinen	Syndicated Loan	Healthcare	Finnish private provider of healthcare and care services	3,133,393	3,060,291	Cash	External
17	L'Oscar	Bilateral Loan	Hotel	Boutique central London hotel	3,100,000	3,100,000	Cash	V Agent
16	Voyage Care	Bond	Healthcare	Providing nursing, dementia and aged care facilities	3,000,000	2,697,480	Cash	External
41	EG Group	Syndicated Loan	Global forecourt operator	Global forecourt operator	2,954,695	2,872,703	Cash	External
64	Private Loan - SPV	Bilateral Loan	Invoice Finance	U.K. focused Invoice discounting	2,750,000	2,612,500	Cash	V Agent
54	Busy Bees Childcare	Syndicated Loan	Childcare nurseries	Leading childcare nursery group within the UK	2,500,000	2,447,325	Cash	External
71	Euroports	Syndicated Loan	Port-infrastructure	European ports business with worldwide operations.	1,790,510	1,781,558	Cash	External
44	EG Group 2L	Syndicated Loan	Global forecourt operator	Global forecourt operator	1,675,279	1,615,941	Cash	External
52	Private Loan - SPV	Bilateral Loan	RHI Receivables	Payments from domestic renewable heat scheme	1,067,000	1,067,000	Cash	V Agent
63	Trent Capital (Fusion) RF	Bilateral Loan	Manufacturing & Energy Efficiency	Boiler manufacturer and energy efficiency measure installer	972,535	875,281	Cash	V Agent
69	Private Loan - SPV	Bilateral Loan	Hotels	Travelodge Hotel located in Morecombe, Lancashire	900,000	855,000	Cash	V Agent
48	Private Loan - SPV	Bilateral Loan	Property Bridging	Residential property	882,862	838,719	Cash	V Agent
45	Private Loan - SPV	Bilateral Loan	Property Bridging	Business premises	687,343	687,343	Cash	V Agent
28	Private Loan - SPV	Bilateral Loan	Property Bridging	Residential property	606,213	606,213	PIK	V Agent
76.1	Gym Franchise	Bilateral Loan	Gym franchise	Owner operator of gym franchising	527,186	461,288	PIK	V Agent
78	Private Loan - SPV	Bilateral Loan	Energy Efficiency	Provider of energy efficiency measures	500,000	500,000	Cash	V Agent
9	Private Loan - SPV	Bilateral Loan	RHI Receivables	Payments from domestic renewable heat scheme	446,735	347,872	n/a	V Agent