

RM Secured Direct Lending PLC

Monthly Fact Sheet

30th November 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	122,224,581
Shares in issue ZDP's	10,869,950
Share Price Ord's mid	101.00p
Investment Managers holding (shares)	1,096,089
Total investments	£136m ⁴
Net Assets Ord's	£120,325,769
Acc Cap Entitle ZDP's	£11,558,704
NAV per Share Ord's	98.45p
Accrued Capital Entitlement per ZDP	105.88p
Share Price Premium	+ 2.59% 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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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

As at the 30th November 2019, the Company's portfolio consisted of 35 debt investments with a weighted average yield of 8.72%, spread across 13 sectors, with a percentage split between fixed and floating rate of 56% to 44%. The Investment Manager is focused on reducing interest rate risk by keeping the tenors on fixed rate investments generally shorter dated.

The portfolio has the following breakdown: 59% in bilateral private loans; 36% in club or syndicated private loans; and 5% in more liquid corporate debt. Consequently, private debt investments represent 95% of the portfolio.

The transactions highlights for the month are as follows:

- Four further drawdowns to Loans previously documented with two borrowers. These loans relate to Social Infrastructure and Energy Efficiency (Student Accommodation & Receivables Finance).
- A new £4m bilateral private Loan, secured over real estate and benefiting from a 30-year Full Repairing & Insuring "FRI" Lease with a listed hospitality group.
- £5m participation to a private syndicated Loan to Busy Bees nurseries, a leading childcare provider operating 374 nurseries across the UK and Ireland.
- A new c.£6m social infrastructure investment to Uninn Group, to fund four operating Student Accommodation assets located across key university cities, Newcastle, Sheffield, Leicester, and Coventry.
- An additional £2m participation in a private syndicated Loan to MFG, a leading independent forecourt operator within the UK, operating in excess of 900 sites.
- An additional £2m participation in a private syndicated Loan to EG Group, the global independent forecourt operator and convenience retailer operating in excess of 5,000 sites.

These investments meet the Company's strict credit criteria and the majority of the proceeds of the Company's recent fundraise have now been deployed.

NAV

The NAV total return for the month was 0.21%, bringing the cumulative year to date figure to 7.05%.

The Ordinary Share NAV as at 30th November 2019 was 98.45 pence per share, which is 0.21 pence higher than at 31st October 2019, comprising interest income net of expenses of 0.58 pence per share and a decrease in portfolio valuations of 0.37 pence per share which includes all credit and currency movements.

During the month the Company announced a total dividend payable in respect of Q3 2019 of 1.70 pence per share, which went ex-dividend on the 5th December and will be paid on the 27th December. This brings the total payments distributed to Shareholders over last four quarters to 6.95 pence and a cumulative NAV return over this period with dividends re-invested of 8.01%.



Company Portfolio at month end

35

Number of Loans

£136m

Total invested ⁱ

8.72%

Average Yield

3.36years

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 Value (£m)	Expected Yield %	WAL ³
Asset Finance	10.19	8.00%	4.09
Hospitality	8.50	9.00%	4.35
Hospitality	8.30	9.00%	4.35
Telecommunications	8.11	11.23%	1.65
Business Services	7.00	6.73%	4.98
Forecourt Operator	6.70	4.87%	2.62
Automotive Parts Manufacturing	6.63	12.00%	3.08
Gym Franchising	6.30	8.29%	6.68
Healthcare	6.00	6.50%	5.35
Student Accommodation	5.68	9.00%	0.85

Fund performance

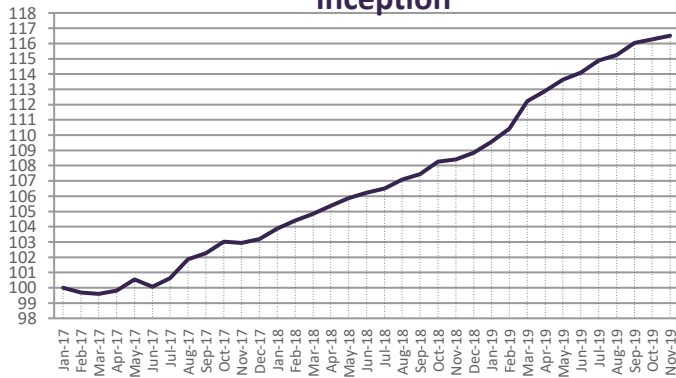
2019													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p	-	-	1.625	-	-	2.00	-	-	1.625	-	-	-	5.25p
NAV (Cum income) p	97.62	98.38	98.36	98.95	99.59	98.00	98.69	99.00	98.05	98.24	98.45	-	-
NAV Total Return %	0.67	0.78	1.64	0.59	0.65	0.41	0.70	0.31	0.70	0.19	0.21	-	7.05%
Net Interest Income p	0.69	0.57	1.45	0.58	0.71	0.63	0.58	0.79	0.64	0.69	0.58	-	7.91p

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

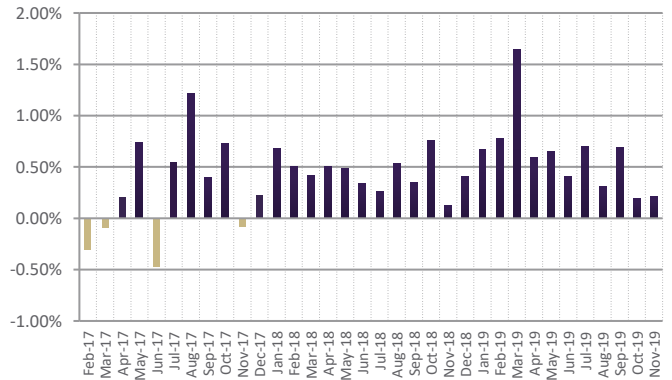
2017													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p	-	-	-	-	-	0.20	-	0.20	-	-	1.80	-	2.20p
NAV (Cum income) p	97.70	97.40	97.31	97.51	98.23	97.57	98.11	99.11	99.51	100.24	98.36	98.59	-
NAV Total Return %	(0.31)	(0.31)	(0.09)	0.21	0.74	(0.47)	0.55	1.22	0.40	0.73	(0.08)	0.23	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

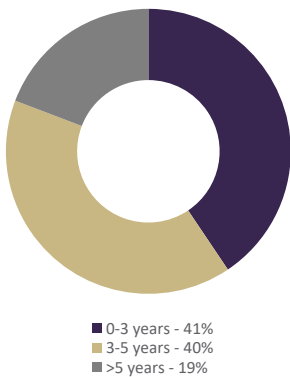


NAV monthly return %

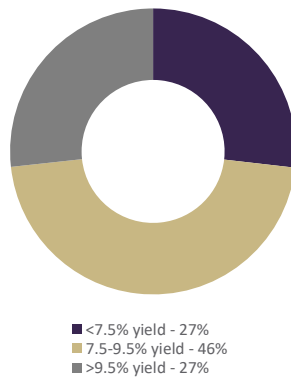


Portfolio Statistics

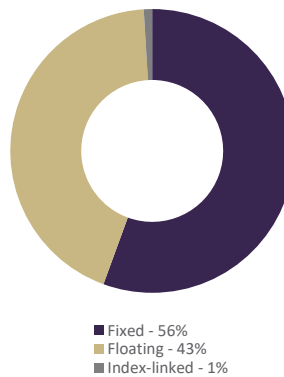
WAL of Loan Book



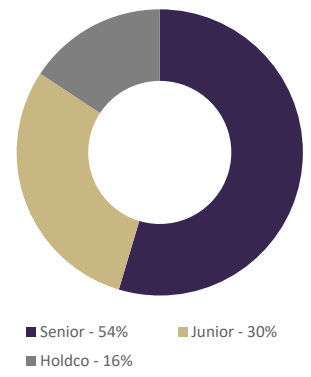
Annualised Yield



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 and Loans closed but not settled.
- 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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