

RM Secured Direct Lending PLC

Monthly Fact Sheet

31st October 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	99.50p
Investment Managers holding (shares)	1,096,089
Gross Assets	£123m ⁴
Net Assets Ord's	£110,249,769
Acc Cap Entitle ZDP's	£11,477,252
NAV per Share Ord's	98.24p
Accrued Capital Entitlement per ZDP	105.59p
Share Price Premium	+ 1.28% 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

+44 (0) 131 603 7069

James.Robson@rm-funds.co.uk

Pietro Nicholls

+44 (0) 20 3697 1768

Pietro.Nicholls@rm-funds.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

As at the 31st October 2019, the Company's portfolio consisted of 34 debt investments with a weighted average yield of 8.88%, spread across 13 sectors, with a percentage split between fixed and floating rate debt of 59% to 41%. 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: 61% in directly originated private loans; 35% in club or syndicated private loans; and 4% in more liquid corporate debt. Consequently, private debt investments represent 96% of the portfolio.

The transactions highlights for the month are as follows:

- 9 further drawdowns to Loans previously documented with four borrowers. These loans relate to Student Accommodation, Receivables Finance and Asset Finance.
- A full repayment of a residential development loan of £4.14m at a value above par due to a redemption penalty.

The Company currently has no further exposure to residential development and the loan book exposure relating to construction and refurbishment has reduced to 8.5%, across two assets.

NAV

The NAV total return for the month was 0.19%, bringing the cumulative year to date figure to 6.82%.

The Ordinary Share NAV as at 31st October 2019 was 98.24 pence per share, which is 0.19 pence higher than at 30th September 2019, comprising interest income net of expenses of 0.69 pence per share and a decrease in portfolio valuations of 0.50 pence per share which includes all credit and currency movements.

Pipeline & Outlook

The Investment Manager met with a number of investors as the Company looked to raise £10m by way of a placing. This was successfully closed reaching the target amount post month end, with admission of the new ordinary shares to the LSE on 15th November. This will increase the market capitalisation of RMDL to in excess of £120m.

In addition, the Revolving Credit Facility "RCF" was renewed with OakNorth Bank on broadly similar terms to the previous RCF, including continued no non-utilisation fees.

RM is confident in its ability to expediently deploy its new capital into its attractive pipeline of opportunities within real asset backing investments.



Company Portfolio at month end

34

Number of Loans

£120m

Total invested ⁱ

8.88%

Average Yield

3.50 years

Average Life

ⁱ actual capital invested, excludes undrawn commitments, includes investments yet to settle;

Largest 10 loans by drawn amounts across the entire portfolio

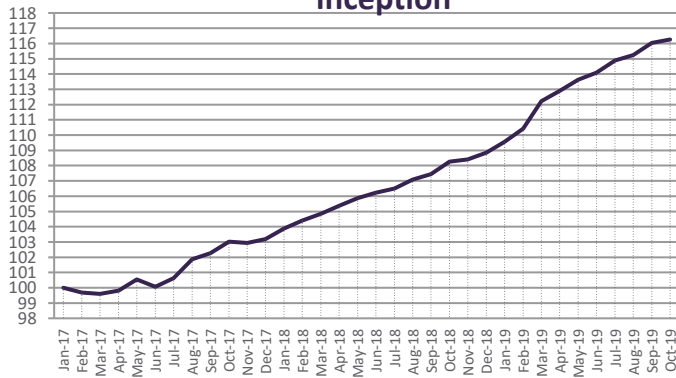
Business Activity	Loan Value (£m)	Expected Yield %	WAL ³
Asset Finance	10.19	8.00%	4.15
Hospitality	8.50	9.00%	4.41
Hospitality	8.30	9.00%	4.41
Telecommunications	8.10	11.23%	1.73
Business Services	7.00	6.52%	5.05
Automotive Parts Manufacturing	6.70	12.00%	3.14
Gym franchising	6.30	8.31%	6.74
Healthcare	6.00	6.52%	5.41
Student Accommodation	5.26	9.00%	0.91
Hospitality	4.96	13.74%	0.03

Fund performance

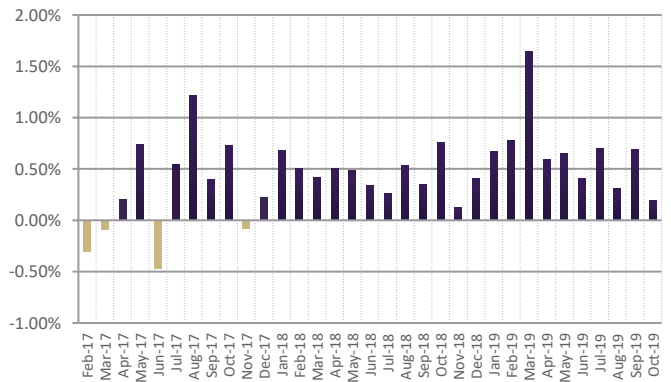
2019													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p	-	-	1.625	-	-	2.00	-	-	1.625	-	-	-	5.25p
NAV (Cum income) p	97.62	98.38	98.36	98.95	99.59	98.00	98.69	99.00	98.05	98.24	-	-	-
NAV Total Return %	0.67	0.78	1.64	0.59	0.65	0.41	0.70	0.31	0.70	0.19	-	-	6.82%
Net Interest Income p	0.69	0.57	1.45	0.58	0.71	0.63	0.58	0.79	0.64	0.69	-	-	7.33p
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

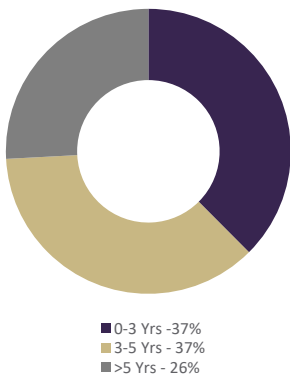


NAV monthly return %

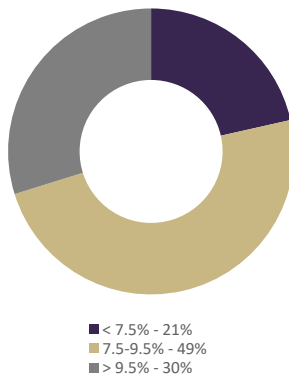


Portfolio Statistics

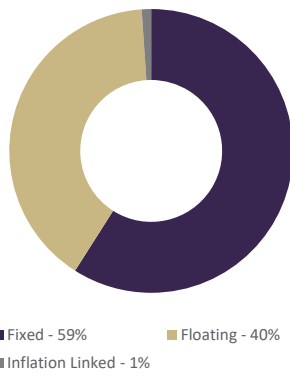
WAL of Loan Book



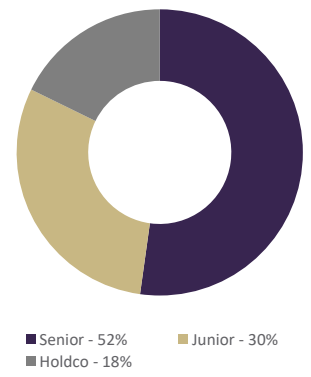
Annualised Yield



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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