

RM SECURED DIRECT LENDING PLC

SECTION 838 COMPANIES ACT 2006

INTERIM ACCOUNTS (UNAUDITED)

THREE MONTH PERIOD ENDED
31 MARCH 2018

The Company is registered in England and Wales with registered number 10449530

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Condensed Statement of Comprehensive Income

	For the three month period ended 31 March 2018 (Unaudited)			For the period from incorporation on 27 October 2016 to 31 December 2017 (Audited)		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Loss on investments	-	(298)	(298)	-	(853)	(853)
Income	1,865	-	1,865	3,586	-	3,586
Investment management fee	(185)	-	(185)	(370)	-	(370)
Other expenses	(241)	-	(241)	(777)	-	(777)
Return before finance costs and taxation	1,439	(298)	1,141	2,439	(853)	1,586
Finance costs	(25)	(281)	(306)	(32)	(174)	(206)
Return on ordinary activities before taxation	1,414	(579)	835	2,407	(1,027)	1,380
Taxation	-	-	-	(44)	44	-
Return on ordinary activities after taxation	1,414	(579)	835	2,363	(983)	1,380
Return per Ordinary Share (pence)	2.26p	(0.92p)	1.34p	4.35p	(1.81p)	2.54p

The total column of this statement is the profit and loss account of the Company.

All the revenue and capital items in the above statement derive from continuing operations.

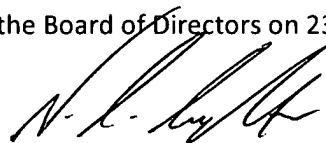
'Return on ordinary activities after taxation' is also the 'Total comprehensive income for the period'.

The notes on pages 4 and 5 form an integral part of these financial statements.

Condensed Statement of Financial Position

	As at 31 March 2018 (Unaudited) £'000	As at 31 December 2017 (Audited) £'000
Fixed assets		
Investments at fair value through profit or loss	85,696	76,957
Current assets		
Receivables	1,123	1,069
Cash and cash equivalents	7,316	15,441
	8,439	16,510
Payables: amounts falling due within one year		
Payables	(8,322)	(7,624)
C Shares in issue	-	(29,574)
Net current assets	117	(20,688)
Total assets less current liabilities	85,813	56,269
Net assets	85,813	56,269
Capital and reserves: equity		
Share capital	874	573
Share premium	33,700	6,845
Capital redemption reserve	2,699	-
Special reserve	48,502	48,502
Capital reserve	(1,562)	(983)
Revenue reserve	1,600	1,332
Total shareholders' funds	85,813	56,269
NAV per share – Ordinary Shares (pence)	98.17p	98.59p

The condensed interim financial statements of the Company were approved and authorised for issue by the Board of Directors on 23 May 2018 and signed on their behalf by:



Norman Crighton
Director

The notes on pages 4 and 5 form an integral part of these financial statements.

Condensed Statement of Changes in Equity

For the three month period ended 31 March 2018
(Unaudited)

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance as at beginning of the period	573	6,845	-	48,502	(983)	1,332	56,269
Return on ordinary activities	-	-	-	-	(579)	1,414	835
C Shares conversion to Ordinary Shares	301	26,855	2,699	-	-	-	29,855
Dividend paid	-	-	-	-	-	(1,146)	(1,146)
Balance as at 31 March 2018	874	33,700	2,699	48,502	(1,562)	1,600	85,813

For the period from incorporation on 27 October 2016 to 31 December 2017
(Audited)

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance as at beginning of the period	-	-	-	-	-	-	-
Return on ordinary activities	-	-	-	-	(983)	2,363	1,380
Issue of Ordinary Shares	573	56,815	-	-	-	-	57,388
Share issue costs	-	(1,215)	-	-	-	-	(1,215)
Transfer to Special reserve	-	(48,755)	-	48,755	-	-	-
Special reserve costs	-	-	-	(24)	-	-	(24)
Dividend paid	-	-	-	(229)	-	(1,031)	(1,260)
Balance as at 31 December 2017	573	6,845	-	48,502	(983)	1,332	56,269

Distributable reserves comprise the Revenue reserve; the Capital reserves attributable to realised profits; and the Special reserve.

Share capital represents the nominal value of shares that have been issued. The Share premium includes any premiums received on the issue of share capital. Any transaction costs associated with the issuing of shares are deducted from Share premium.

The notes on pages 4 and 5 form an integral part of these financial statements.

NOTES TO THE CONDENSED INTERIM ACCOUNTS

For the three month period ended 31 March 2018

1. Significant accounting policies

The accounting policies set out below have been applied in preparing these unaudited interim accounts for the three months ended 31 March 2018.

Basis of preparation

These unaudited interim accounts have been prepared in accordance with the Companies Act 2006 and applicable International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"), subject to matters that are not material for determining whether a dividend would contravene the Companies Act 2006. The accounting policies applied by the Company are the same as those disclosed in its Annual Report and Accounts for the year ended 31 December 2017, and have been applied consistently throughout the reporting period ended 31 March 2018.

Going concern

The Directors have considered and adopted the going concern basis in preparing these unaudited interim accounts. The Directors are satisfied that it is appropriate to adopt the going concern basis in preparing these unaudited interim accounts based on the following assessment.

The Directors have a reasonable expectation that the Company has adequate operational resources to continue in existence for at least twelve months from the date of approval of these unaudited interim accounts. In reaching this conclusion, the Directors have considered the liquidity of the Company's portfolio of investments as well as its cash position, income, expenses and other outflows. The Directors are satisfied that, the Company has substantial operating expenses cover.

2. Income

	Period ended 31 March 2018 (Unaudited) £'000	Period ended 31 December 2017 (Audited) £'000
Income from investments:		
Bond and loan interest	1,479	2,834
Bank interest	3	20
Arrangement fees	153	142
Loan redemption fees	228	531
Other income	2	59
Total	1,865	3,586

3. Share capital

	As at 31 March 2018 (Unaudited)		As at 31 December 2017 (Audited)	
	No. of Shares	£'000	No. of Shares	£'000
Allotted, issued & fully paid:				
Ordinary Shares of 1 pence	87,415,374	874	57,300,000	573
C Shares of 10 pence	-	-	30,000,000	3,000

Share movement

On 16 March 2018, the C Shares were converted into 30,115,374 new Ordinary Shares of 1p each using the Conversion Ratio as calculated in accordance with the terms set out in the Company's articles of association. The Conversion Ratio of 1.00384581 Ordinary Shares of 1p each for each C Share was calculated by reference to the NAV per share attributable to the Ordinary Shareholders of the Company and the C Shareholders as at close of business on 28 February 2018. On the basis of the Conversion Ratio, a holder of 1,000 C Shares would receive 1,003 new Ordinary Shares upon Conversion.

The Ordinary Shares arising on Conversion rank pari passu with, and have the same rights as, the Ordinary Shares of the Company already in issue, including the right to receive dividends declared subsequent to Admission.

4. Dividend

On 23 May 2018, the Directors approved the payment of an interim dividend at the rate of 1.625p per Ordinary Share. The dividend will have a record date of 8 June 2018 and will be paid on 29 June 2018. The dividend will be funded from the Company's Revenue reserve.