

2021

# Annual audit report

## Business Overview

Lendermarket is an online investment platform that connects investors from over 72 countries across the globe to alternative investment opportunities offered by a range of carefully selected lending partners.

We have developed sophisticated tools such as autoinvest and re-invest that enable investors to create multiple portfolios with a mix of strategies and diversify their investments.

At Lendermarket, investors can start investing with as little as €10 and both consumer and business loans are protected with a buy back guarantee, which means that the loan originator will buy back the loans that are more than 60 days overdue from their original due date.

In 2021, Lendermarket offered investment opportunities into loans issued in Estonia, Finland, Sweden, Poland, UK, Czech Republic, Spain, and Denmark.

Lendermarket aims to become the go to platform for investors to manage and diversify their fixed income investment portfolios and offer flexible funding sources for non banking lenders and financial services providers.

## CEO's review



2021 was an exceptional year for Lendermarket as we made tremendous progress in many aspects. We grew 280% in terms of platform value and reached €29m by the end of the year, whilst revenues increased 258% to €442k. Our investment offering was spreading throughout the investor community, doubling our user base.

The year also marked a significant increase in professional capability as our team grew 3x to 10 full-time employees. That allowed us to continue building additional scalable functions in our organization.

Our Product & Engineering team took up the challenge to strengthen our foundations so that the platform's core functionalities would support further growth. We completed the underlying technical work to achieve our 10x growth plans for the coming years. Also, we launched several exciting platform features for our users.

The year was also exhilarating for our Business team. One of our strategies is to accommodate more loan originators globally. We spent time on the legal, commercial and technical preparations to achieve this goal by the end of the year. Following this, our first new lending partner was ready to go live shortly after the turn of the year.

Another major decision was to apply for the European Crowdfunding Service Provider license (ECSP). Going global and opening up to the masses has been our goal ever since we were first established. Getting licensed to scale up is a logical step for companies in the financial services industry, and we started the preparations for applying in 2021. We plan to submit the application in 2023.

## CEO's review

Looking at the European P2P lending market makes the team proud. While we took a big step forward this year, from a small boutique platform to a top 10 performer in terms of monthly investments, there is reason to celebrate the team's success. This means Lendermarket has been listed in the rankings next to other well-established industry players, who have been around for far longer than we have. These achievements are just a few among our many successes this year.

Looking to the year ahead, we continue our efforts to grow our business volumes. Our growth comes from the number of new investors on the platform and the average account value of existing investors. We put a strategic focus on increasing the number and quality of lending partners globally and, through that, increasing the product offering for our investors.

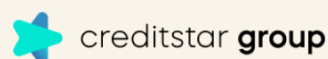
We continue working on developing new features to add more value to our investors and automate the management of our lending partner operations. As we see the industry maturing, the average investor profile and persona are continuing their evolution.

The steps that took us here are probably not the same as those that will take us to our next 10x growth plans. Therefore, we plan to stay at the forefront of the product innovation happening in our industry.





## Our Loan Originators



Creditstar Group, a provider of consumer financial services in Europe, was established in 2006 in Estonia, where they hold approximately 40% market share.

The Group is run by an entrepreneurial team of more than 140 people from more than 20 nationalities. Creditstar has surpassed the one million user accounts milestone, serving customers across eight countries in Europe, including Estonia, Finland, Sweden, Poland, UK, Czech Republic, Spain and Denmark.

At Lendermarket, Creditstar Group AS provides the investors with a group buyback guarantee to secure each loan originator's obligations.

## CREDORY

Credory was founded in 2019 by Estonian real estate and banking experts. At present, Credory provides commercial loans to SMEs based in Estonia that are collateralized with real estate.

Credory solely issues real estate loans, which tend to fall into three distinct categories – business loans for expansion purposes, loans for small real estate developments, and bridge loans for real estate transactions. Credory's loans can vary in size, ranging from €25,000 to €500,000, with the average loan valued at €100,000. Credory primarily issues loans with a term of six to 24 months, although the average duration across the entire portfolio tends to be approximately 15 months.



QuickCheck is a Nigerian Fintech company founded in 2017 with a vision of enabling financial inclusion for micro-entrepreneurs and consumers in Nigeria.

To achieve this goal, the Company provides loans through its digital platform to underserved Nigerian consumers and micro businesses through a mobile application and hassle free lending process which does not require lengthy application forms or any paper documentation.



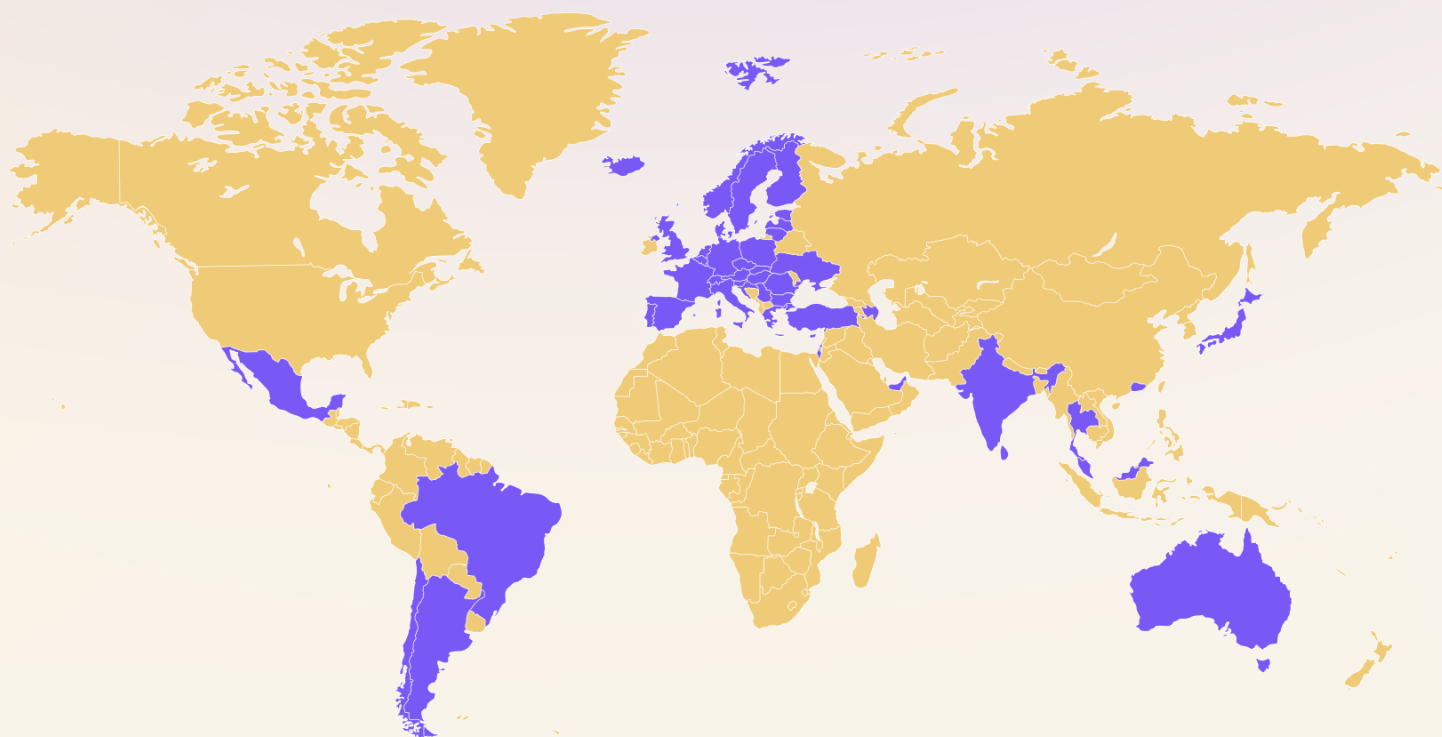
#### LENDERMARKET'S MISSION

Lendermarket acts as a trusted partner for facilitating funding processes between investors and lenders. We strive to offer our customers a reliable platform to grow their investment portfolio and the widest range of investment opportunities.

#### LENDERMARKET'S VISION

We aim to bring investors and lenders together by offering smart investment opportunities for those who wish to grow their passive income and give lending companies the best in class tools to develop their businesses.

# Trusted by investors from over 72 countries



## Lendermarket in 2021

**€2.4M**

of interest paid  
to investors

**3x**

team growth

**€110,126,939**

loans funded

**300%**

platform growth

**€132,065,091**

loans originated



## Post period milestones and developments

### Lendermarket launches its brand refresh

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At the start of the year, we felt it was a good time to introduce the new look and feel for our brand. Our newly updated brand look reflects Lendermarket's growth journey and future plans, focused on helping investors manage global debt investments in a single controlled and liquid environment.

### Lendermarket becomes a multi lender platform

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After a fantastic year in 2021 which saw platform growth of 300% and client growth of 200%, we welcomed a new loan originator to our operations. The financing company Credory, founded by Estonian based banking experts and specializing in real estate-backed loans, enabled us to become a multi-lender platform and strengthened the investment options we can offer to our investors.

### We now serve more than 12,000 investors globally!

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From 2019 to 2022, our customers have helped to finance more than €182,355,217 worth of loans. This huge milestone not only marks the beginning of a whole new race for us but also takes responsibilities to a new level for the whole team.

### Lendermarket offers loans from Africa

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We are glad to welcome our third loan originator, adding further geographical diversification to our investor community. QuickCheck is a Nigerian fintech company with a vision of enabling financial inclusion for micro-entrepreneurs and consumers in Nigeria. It's the first Loan Originator on the Lendermarket platform to offer investors an opportunity to invest in loans issued outside the EU.

Company Number: 585178

**Lendermarket Limited**

**Annual Report and Financial Statements**

**for the financial year from 30 December 2020 to 29 December 2021**

*jean*

# **Lendermarket Limited**

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**Lendermarket Limited**  
**DIRECTOR AND OTHER INFORMATION**

<b>Director</b>	Tauri Jaanson
<b>Company Secretary</b>	Veiko Vali
<b>Company Number</b>	585178
<b>Registered Office and Business Address</b>	Coliemore House Coliemore Road Dalkey Co. Dublin Ireland
<b>Auditors</b>	Grant Thornton Chartered Accountants and Statutory Audit Firm 13-18 City Quay City Quay Dublin 2 D02 ED70 Ireland
<b>Bankers and payment institutions</b>	AIB 3 O'Connell Street Dublin 1 Ireland  Bank of Ireland 6 O'Connell Street Dublin 1 Ireland  Fire.com The Observatory 7-11 Sir John Rogersons Quay Docklands Dublin 1 Ireland
<b>Solicitors</b>	Eversheds Sutherland One Earlsfort Terrace Earlsfort Terrace Dublin 2 D02 X668 Ireland



# **Lendermarket Limited**

## **DIRECTOR'S REPORT**

for the financial year from 30 December 2020 to 29 December 2021

The director presents their report and the audited financial statements for the financial year from 30 June 2020 to 29 December 2021.

There has been no significant change in these activities during the financial year from 30 December 2020 to 29 December 2021.

### **Results and Dividends**

The loss for the financial year after providing for depreciation amounted to €(600,289) (29 June 2019 to 29 December 2020 - €(407,698)).

The director does not recommend payment of a dividend.

At the end of the financial year at 29 Dec 21, the company has assets of €820,221 (29 Dec 20 - €407,569) and liabilities of €1,587,430 (29 Dec 20 - €574,490). The net liabilities of the company have increased by €157,798.

### **Director and Secretary**

The director who served throughout the financial year was as follows:

Tauri Jaanson

The secretary who served throughout the financial year was Veiko Vali.

The director had no direct beneficial interest in the shares of the company at the beginning or end of the financial year.

There were no changes in shareholdings between 29 December 2021 and the date of signing the financial statements.

### **Future Developments**

The company plans to continue its present activities and current trading levels. Employees are kept as fully informed as practicable about developments within the business.

### **Post Balance Sheet Events**

There have been no significant events affecting the company since the financial year-end.

### **Auditors**

The auditor, Grant Thornton, continues in office in accordance with section 383(2) of the Companies Act 2014.

### **Taxation Status**

The company is a close company within the meaning of the Taxes Consolidation Act, 1997.

### **Accounting Records**

To ensure that adequate accounting records are kept in accordance with sections 281 to 285 of the Companies Act 2014, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the company's office at Coliemore House, Coliemore Road, Dalkey, Co. Dublin.

### **Research and Development Activities**

The Company did not engage in any research or development during the financial year.

### **Signed on behalf of the board**

Tauri Jaanson  
Director

Date: 28-02-2023



## **Lendermarket Limited**

# **DIRECTOR'S RESPONSIBILITIES STATEMENT**

for the financial year from 30 December 2020 to 29 December 2021

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the director to prepare financial statements for each financial period. Under the law the director has elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", applying Section 1A of that Standard, issued by the Financial Reporting Council. Under company law, the director must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial period end date and of the profit or loss of the company for the financial period and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the director is required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Director's Report comply with the Companies Act 2014 and enable the financial statements to be readily and properly audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Signed on behalf of the board**

**Tauri Jaanson**  
**Director**

**Date:**

*28.02.2023*

# Independent auditor's report to the members of Lendermarket Limited

## **Opinion**

We have audited the financial statements of Lendermarket Limited which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of changes in equity for the financial year ended 29 December 2021, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (Generally Accepted Accounting Practice in Ireland).

In our opinion, Lendermarket Limited's financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the Company as at 29 December 2021 and of its financial performance for the financial year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, namely the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities, and the responsibilities of the directors, with respect to going concern are described in the relevant sections of this report.

# Independent auditor's report to the members of Lendermarket Limited

## Other information

Other information comprises information included in the annual report, other than the financial statements and our auditor's report thereon, including the Directors' report. The directors are responsible for the other information. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' Report has been prepared in accordance with the requirements of the Companies Act 2014.

## Matters on which we are required to report by exception

Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

Under the Companies Act 2014, we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

# Independent auditor's report to the members of Lendermarket Limited (continued)

## **Responsibilities of management and those charged with governance for the financial statements**

As explained more fully in the directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS102, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## **Responsibilities of the auditor for the audit of the financial statements**

The auditor's objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. They will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

# Independent auditor's report to the members of Lendermarket Limited (continued)

## **Responsibilities of the auditor for the audit of the financial statements (continued)**

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The auditor shall communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

## **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tracey Sullivan FCA  
for and on behalf of  
**Grant Thornton**  
Chartered Accountants &  
Statutory Audit Firm  
Dublin 2

Date: 28 February 2023



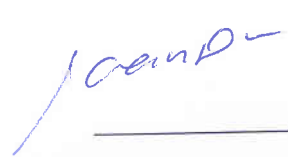
**Lendermarket Limited****STATEMENT OF COMPREHENSIVE INCOME**

for the financial year from 30 December 2020 to 29 December 2021

	Notes	30 Dec 20 – 29 Dec 21 €	29 Jun 19 – 29 Dec 20 €
Turnover		442,761	171,644
Cost of sales		(688,283)	(448,335)
<b>Gross (loss)/profit</b>		<b>(245,522)</b>	<b>(276,691)</b>
Administrative expenses		(342,582)	(120,066)
Amortization of the development costs		(12,162)	(10,941)
Other income/costs		(23)	-
<b>Loss before taxation</b>		<b>(600,289)</b>	<b>(407,698)</b>
Tax on loss		-	-
<b>Loss for the financial year</b>		<b>(600,289)</b>	<b>(407,698)</b>
<b>Total comprehensive results</b>		<b>(600,289)</b>	<b>(407,698)</b>
Accumulated (loss) brought forward		(416,920)	(9,222)
<b>Accumulated loss carried forward</b>		<b>(1,017,209)</b>	<b>(416,920)</b>

All amounts relate to continuing operations.

There was no other comprehensive income for the year (December 2020: €Nil).



**Lendermarket Limited**  
**STATEMENT OF FINANCIAL POSITION**  
as at 29 December 2021

	Notes	29 Dec 21 €	29 Dec 20 €
<b>Fixed Assets</b>			
Intangible assets	8	<u>231,544</u>	<u>54,707</u>
<b>Current Assets</b>			
Debtors	9	5,248	280,902
Cash at bank and in hand		<u>583,429</u>	<u>71,961</u>
		<u>588,677</u>	<u>352,863</u>
<b>Creditors: Amounts falling due within one year</b>	10	<u>(1,587,430)</u>	<u>(574,490)</u>
<b>Net Current Liabilities</b>		<u>(998,753)</u>	<u>(221,627)</u>
<b>Total Assets less Current Liabilities</b>		<u>(767,209)</u>	<u>(166,920)</u>
<b>Capital and Reserves</b>			
Called up share capital presented as equity		100,150	100,150
Share premium		149,850	149,850
Income statement		<u>(1,017,209)</u>	<u>(416,920)</u>
<b>Shareholders' Net Deficit</b>		<u>(767,209)</u>	<u>(166,920)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", applying Section 1A of that Standard.

Approved by the board on 28.02.2023 and signed on its behalf by:

Tauri Jaanson  
Director

**Lendermarket Limited**
**STATEMENT OF CHANGES IN EQUITY**

for the financial year from 30 December 2020 to 29 December 2021

	Share capital	Share premium	Retained earnings	Total
	€	€	€	€
<b>At 28 June 2019</b>	100		(9,222)	(9,122)
Loss for the financial year	-	-	(407,698)	(407,698)
Net proceeds of equity share premium issue	-	149,850	-	149,850
Net proceeds of equity ordinary share issue	100,050	-	-	100,050
<b>At 29 December 2020</b>	100,150	149,850	(416,920)	(166,920)
Loss for the financial year	-	-	(600,289)	(600,289)
<b>At 29 December 2021</b>	<u>100,150</u>	<u>149,850</u>	<u>(1,017,209)</u>	<u>(767,209)</u>

# **Lendermarket Limited**

## **NOTES TO THE FINANCIAL STATEMENTS**

for the financial year from 30 December 2020 to 29 December 2021

### **1. GENERAL INFORMATION**

Lendermarket Limited is a company limited by shares incorporated and registered in the Republic of Ireland. The registered number of the company is 585178. The registered office of the company is Coliemore House, Coliemore Road, Dalkey, Co. Dublin, Ireland which is also the principal place of business of the company. The principal activity of the company is online business. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company financial statements.

#### **Statement of compliance**

The financial statements of the company for the financial year from 30 December 2020 to 29 December 2021 have been prepared in accordance with the provisions of FRS 102 Section 1A (Small Entities) and the Companies Act 2014.

#### **Basis of preparation**

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, issued by the Financial Reporting Council.

The company qualifies as a small company as defined by section 280A of the Companies Act 2014 in respect of the financial year, and has applied the rules of the 'Small Companies Regime' in accordance with section 280C of the Companies Act 2014 and Section 1A of FRS 102.

#### **Turnover**

Turnover comprises the invoice value of goods supplied by the company, exclusive of trade discounts and value added tax.

#### **Trade and other debtors**

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

#### **Trade and other creditors**

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

#### **Taxation**

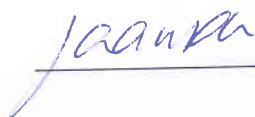
Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the financial year and is calculated using the tax rates and laws that have been enacted or substantially enacted at the Balance Sheet date.

#### **Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Income Statement.

#### **Research and development**

Development expenditure is written off in the same financial period unless the director is satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period from which the company is expected to benefit. Amortization rate is 10 years.



# Lendermarket Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the financial year from 30 December 2020 to 29 December 2021

### Ordinary share capital

The ordinary share capital of the company is presented as equity.

### Judgments in applying accounting policies and key sources of estimation uncertainty

#### Estimates and Assumptions

The key estimates and assumptions concerning the future and other key sources of estimation uncertainty at the financial reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### Estimating allowance for impairment losses in intangible assets

The company assessed impairment on intangible assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the company considers important which could trigger an impairment review include the following:

1. Significant underperformance relative to expected historical or projected future operating results
2. Significant changes in the manner of use of the acquired assets or the strategy for overall business
3. Significant negative industry or economic trends.

In determining the present value of estimated future cashflows expected to be generated from the continued use of the assets, the company is required to make estimates and assumptions that can materially affect the financial statements.

These assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An impairment loss would be recognised whenever evidence exists that the carrying value is not recoverable. For purposes of assessing impairment, assets are grouped at the lowest levels of which there are separately identifiable cashflows.

An impairment loss is recognised and changed to profit or loss if the discounted expected future cashflows are less than the carrying amount. Fair value is estimated by discounting the expected future cashflows using a discount factor that reflects the risk-free rate of interest for a term consistent with the period of expected cashflows.

### 3. PERIOD OF FINANCIAL STATEMENTS

The financial statements are for the 12-month period from 30 December 2020 to 29 December 2021. The comparative figures relate to the 18-month period from 29 June 2019 to 29 December 2020.

### 4. GOING CONCERN

The financial statements have been prepared on a going concern basis. This is based on the continued support of the holding company, SA Financial Investments OÜ.

### 5. OPERATING LOSS

	29 Dec 21	29 Dec 20
	€	€
Amortisation of intangible assets	12,162	10,941
Research and development	-	-

The Company did not engage in any research or development during the financial year (2020: €NIL).

### 6. EMPLOYEES

The average monthly number of employees, including director, during the financial year was 2, (Dec 20 - 1).

	29 Dec 21 Number	29 Dec 20 Number
Administration	2	1



**Lendermarket Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the financial year from 30 December 2020 to 29 December 2021

**7. INTANGIBLE FIXED ASSETS**

	Development Costs €
<b>Cost</b>	
At 29 December 2020	72,942
	<u>189,000</u>
Addition on financial year	189,000
At 29 December 2021	<u>261,942</u>
<b>Provision for diminution in value</b>	
At 29 Dec 2020	18,236
Charge for financial year	12,162
	<u>30,398</u>
At 29 December 2021	<u>231,544</u>
<b>Net book value</b>	
At 29 December 2021	<u>54,707</u>
At 29 December 2020	<u>72,942</u>

**8. DEBTORS**

	29 Dec 21 €	29 Dec 20 €
Amounts owed by group companies	-	272,212
Prepayments	5,248	8,690
	<u>5,248</u>	<u>280,902</u>

**9. CREDITORS**

**Amounts falling due within one year**

	29 Dec 21 €	29 Dec 20 €
Trade creditors	9,666	9,604
Amounts owed to group companies (Note 13)	1,549,196	551,524
Salaries and taxation	21,944	11,384
Other creditors	51	51
Accruals	6,573	1,927
	<u>1,587,430</u>	<u>574,490</u>

**10. PROFIT AND LOSS ACCOUNT**

	29 Dec 21 €	29 Dec 20 €
At 30 December 2020	(416,920)	(9,222)
Loss for the financial year	(600,289)	(407,698)
At 29 December 2021	<u>(1,017,209)</u>	<u>(416,920)</u>

**11. CAPITAL COMMITMENTS**

The company had no material capital commitments at the financial from 30 December 2020 to 29 December 2021.



**Lendermarket Limited****NOTES TO THE FINANCIAL STATEMENTS**

for the financial year from 30 December 2020 to 29 December 2021

**12. RELATED PARTY TRANSACTIONS**

Transactions and balances with group company:

	29 Dec 21 €	29 Dec 20 €
<b>SA Financial Investments OÜ</b>		
Amount (owed to) SA Financial Investments OÜ	<u>(665,021)</u>	<u>(551,524)</u>

**13. PARENT AND ULTIMATE PARENT COMPANY**

The company regards SA Financial Investments OÜ as its parent company.

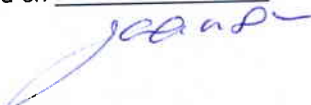
The company's ultimate parent undertaking is SA Financial Investments OÜ, a company incorporated in Estonia.

Amounts owed to Group companies are unsecured and interest free. Repayment will be done within next 24-months.

**14. POST-BALANCE SHEET EVENTS**

There have been no significant events affecting the company since the financial year-end.

**15. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved and authorised for issue by the board on 28.02.2023  


**LENDERMARKET LIMITED**

**SUPPLEMENTARY INFORMATION**

**RELATING TO THE FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR FROM 30 DECEMBER 2020 TO 29 DECEMBER 2021**

**NOT COVERED BY THE REPORT OF THE AUDITORS**

**THE FOLLOWING PAGES DO NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS**

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**Lendermarket Limited****SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS****TRADING STATEMENT**

for the financial period from 30 December 2020 to 29 December 2021

	29 Dec 21 €	29 Dec 20 €
<b>Sales</b>	<b>442,761</b>	<b>171,644</b>
<b>Cost of sales – Direct costs</b>		
Financing costs	-	205,720
3-rd party databases / ID costs	9,367	11,269
Customer service costs	-	338
Payment processing costs	28,058	19,154
Marketing and affiliates costs	650,858	211,704
Operating costs done by Parent company	-	150
	<b>688,283</b>	<b>448,335</b>
<b>Gross (loss)/profit</b>	<b>(245,522)</b>	<b>(276,691)</b>
<b>Administrative expenses</b>		
Accounting and finance	23,685	2,948
Personnel expenses, inc. salaries and taxes	93,268	81,091
Info technology costs	13,912	11,208
Legal and professional advisory	4,290	10,948
Office	4,409	1,196
Management costs	196,087	-
General expenses	6,931	12,675
	<b>342,582</b>	<b>120,066</b>
Amortization of development costs	12,162	10,941
Other income/costs	23	-
<b>Net loss</b>	<b>(600,289)</b>	<b>(407,698)</b>