Quantrom P2P Lending DAC

DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS

for the year ended 31 December 2023

Quantrom P2P Lending DAC

Financial statements for the year ended 31 December 2023

Contents

Quantrom P2P Lending DAC

Company Information

Directors	Gustav Jensen (Danish) Lars Peter Svane (Danish)
Company secretary	Doran Management Financial Services Limited 59/60 O'Connell Street Limerick Ireland V94 E95T
Registered office	59/60 O'Connell Street Limerick Ireland V94 E95T
Company number	597719
Investment Manager	Quantrom Limited 59/60 O'Connell Street Limerick Ireland V94 E95T
Accountants & Transfer Agent	Doran Management Financial Services Limited 59/60 O'Connell Street Limerick Ireland V94 E95T
Independent Auditor	Cohen & Co. Chartered Accountants Limited Henry Street Prior's-Land Limerick Ireland V94 4D83
Legal advisor *(Irish law)*	Philip Lee LLP Connaught House One Burlington Road Dublin 4 Ireland D04 C5Y6
Banker	Bank of Ireland College Green Branch 2 College Green Dublin 2 Ireland D02 VR66

The Directors present the annual report and audited financial statements for the financial year ended 31 December 2023 for Quantrom P2P Lending DAC (the "Company").

Principal activities, review of the business and future developments
The Company was incorporated on 6 February 2017. The Company's registered office is 59/60 O'Connell Street, Limerick, V94 E95T, Ireland.

The principal activity of the Company is investment in a diversified portfolio of direct loans or tranches of loans via a number of peer-to-peer lending platforms in the European Economic Area. At 31 December 2023, the investment assets of the Company consist of loans receivable held through three peer-to-peer lending platforms, namely, AS Mintos Marketplace ("Mintos"), Estateguru OÜ ("EstateGuru") and Lendermarket Limited ("Lendermarket"). The Company opened accounts with Lendermarket during the year ended 31 December 2021. The Company no longer invests in the Bondora platform and has fully provided for the loans receivable it has with this platform (refer to note 5).

At 31 December 2023, Quantrom Limited holds 100 Ordinary Shares in the Company (2022: 100).

The Notes are unsecured Profit Participating Notes. The price of the Notes is equal to the principal (to the extent recoverable from the net assets of the Company attributable to the Notes) and accrued interest on the Notes at each valuation point.

Interest on the Notes is computed at each valuation point as an amount equal to the profits for accounting purposes (from valuation point to valuation point) of the Company before deduction of interest on the Notes.

Principal risks and uncertainties
The Directors consider that the following are the principal risk factors that could materially and adversely affect the Company's future operating profits or financial positions:

- The key asset of the Company is the investment in direct loans via peer-to-peer lending platforms. If a significant number of loans were to become impaired, this may have a significant adverse impact on the Company. The current economic conditions may also adversely impact the underlying borrowers meeting their loan repayments;
- The Company's loans should be segregated by the loan originators and in the case of insolvency of the loan originator the loans should be free of third-party claims against the loan originator however there is no guarantee that this would be the case. As a result, bankruptcy or insolvency of a loan originator may cause the Company's rights with respect to the loans to be delayed, limited or potentially lost; and
- Loans receivable may mature or be realised at a timeframe that is ultimately longer than outstanding Noteholder redemption requests. In such a scenario, where the Company is unable to liquidate loans in an orderly manner in order to fund redemptions, the Company may take longer to effect settlement of redemptions.

Directors and company secretary
The Directors of the Company during the year ended 31 December 2023 and to date are:

- Gustav Jensen; and
- Lars Peter Svane.

Doran Management Financial Services Limited has acted as secretary from 24 October 2018 to date. The company secretary has no interest in the shares of the Company.

Results for the year
The Statement of Comprehensive Income for the year ended 31 December 2023, together with the Statement of Financial Position at that date are set out on pages 8 to 9 of the financial statements, herein. The profit for the year amounted to €Nil (2022: €Nil). Total equity at 31 December 2023 amounted to €100 (2022: €100).

Dividends
The Directors paid no dividends during the year (2022: €Nil).

Going concern
The audited financial statements have been prepared on a going concern basis. The Directors have assessed the Company's ability to continue in operation and are satisfied that the Company has the resources to continue in business for the foreseeable future.

Political donations
The Company made no political donations during the year (2022: €Nil).

Accounting records
The Directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act, 2014 with regard to keeping adequate accounting records by employing accounting personnel with the appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at 59/60 O'Connell Street, Limerick, V94 E95T, Ireland.

Subsequent events
Up to the date of approval of these financial statements, there were no material subsequent events affecting the Company which necessitate disclosure in or revision of the figures included in the financial statements.

On behalf of the Board of Directors:

Gustav Jensen
Director

21 February 2024

Lars Peter Svane
Director

21 February 2024

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and Generally Accepted Accounting Practice ("GAAP"), specifically FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") issued by the Financial Reporting Council, and promulgated by the Institute of Chartered Accounts in Ireland, applying section 1A of that Standard.

Under Irish company law, the Directors must not approve the financial statements unless they are satisfied that the financial statements give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date; give a true and fair view of the profit or loss of the Company for that financial year; and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgments and 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 a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are 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 positions and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014. 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.

On behalf of the Board of Directors:

Gustav Jensen
Director

21 February 2024

Lars Peter Svane
Director

21 February 2024

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF QUANTROM P2P LENDING DAC

Opinion
We have audited the financial statements of Quantrom P2P Lending DAC (the "Company"), for the year ended 31 December 2023 which comprise the statement of comprehensive income, the statement of financial position and the statement of changes in equity, for the year then ended and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and The Financial Reporting Standard applicable in the UK and Republic of Ireland, ("FRS 102"), issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland. In our opinion:

- the financial statements of the Company give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2023 and of its results for the year then ended;
- the financial statements of the Company have been properly prepared in accordance with FRS 102, as issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland; and
- the financial statements of the Company have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis of 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 *Auditor's responsibilities 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 the financial statements in Ireland, including the Ethical Standards issued by the Irish Auditing and Accounting Supervisory Authority ("IAASA") and 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.

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

COHEN & CO.
CORK OFFICE: THE OLD SCHOOL, BANTRY, COUNTY CORK, P75 VP95, IRELAND. | +353 27 72111
LIMERICK OFFICE: 59/60 O'CONNELL STREET, LIMERICK, V94 E95T, IRELAND. | +353 61 518411
cohenco.ie

Other information *(continued)*
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 or apparent material misstatements, 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.

Opinions on other matters prescribed by the Companies Act 2014
Based solely on the work undertaken in the course of the audit, we report that:

- 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; and
- In our opinion, the information given in the Directors' report is consistent with the financial statements and has been prepared in accordance with the Companies Act 2014.

Matters on which we are required to report by exception
In light of 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.

We have nothing to report in respect of the provisions of Sections 305 to 312 of the Companies Act 2014 which require us to report to you if, in our opinion the disclosures of Directors' remuneration and transactions specified by law are not made. We have nothing to report in this regard.

Responsibilities of Directors
As explained more fully in the Directors' responsibilities statement set out on page 4, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is 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, the Directors are 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 Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

COHEN & CO.
CORK OFFICE: THE OLD SCHOOL, BANTRY, COUNTY CORK, P75 VP95, IRELAND. | +353 27 72111
LIMERICK OFFICE: 59/60 O'CONNELL STREET, LIMERICK, V94 E95T, IRELAND. | +353 61 518411
cohenco.ie

Auditor's responsibilities for the audit of the financial statements
Our 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), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

1. Identify and assess the risk 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.
2. 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 on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
4. Conclude on the appropriateness of the Directors' 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. 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 fair presentation.

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.

Ross McLoughlin
For and on behalf of Cohen & Co. Chartered Accountants Limited
Chartered Accountants, Statutory Audit Firm

Date: 22nd February 2024

COHEN & CO.
CORK OFFICE: THE OLD SCHOOL, BANTRY, COUNTY CORK, P75 VP95, IRELAND. | +353 27 72111
LIMERICK OFFICE: 59/60 O'CONNELL STREET, LIMERICK, V94 E95T, IRELAND. | +353 61 518411
cohenco.ie

Quantrom P2P Lending DAC

Statement of Comprehensive Income
for the year ended 31 December 2023

	Note	**2023**	2022
		€	€
Income			
Turnover	*4*	**770,796**	587,010
Total income		**770,796**	587,010
Operating expenses			
Unrealised loss on financial liabilities	*10*	**(495,663)**	(451,927)
Administrative expenses	*5*	**(107,948)**	(65,323)
Loan impairments	*5*	**(90,712)**	(3,983)
Management fees	*6*	**(72,488)**	(61,722)
Performance fees	*6*	**(3,985)**	(4,055)
Total operating expenses		**(770,796)**	(587,010)
Profit on ordinary activities before taxation		**-**	-
Taxation	*7*	**-**	-
Profit for the year after taxation		**-**	-

All of the activities of the Company are classed as continuing.

The Company has no recognised gains or losses in the financial year or the preceding financial year other than those dealt with in the Statement of Comprehensive Income as set out above.

The financial statements were approved by the Board of Directors on 21 February 2024 and signed on its behalf by:

Gustav Jensen
Director

Lars Peter Svane
Director

The accompanying notes form an integral part of these audited financial statements.

Quantrom P2P Lending DAC

Statement of Financial Position
as at 31 December 2023

	Note	31 December 2023 €	31 December 2022 €
Current assets			
Loans receivable	8	**7,669,621**	6,609,433
Receivables and prepayments		**154,797**	18,493
Cash at bank	9	**20,072**	20,375
Total current assets		**7,844,490**	6,648,301
Current liabilities			
Notes payable	10	**(6,687,923)**	(5,499,219)
Creditors	11	**(36,277)**	(94,704)
Total current liabilities		**(6,724,200)**	(5,593,923)
Net current assets		**1,120,290**	1,054,378
Non-current liabilities			
Notes payable	10	**(1,120,190)**	(1,054,278)
Net assets		**100**	100
Equity			
Called up share capital	12	**100**	100
Retained earnings		**-**	-
Profit for the year after taxation		**-**	-
Total shareholders' equity at 31 December		**100**	100

The financial statements have been prepared in accordance with Financial Reporting Standard 102: the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), applying section 1A of that Standard, and applicable law.

The financial statements were approved by the Board of Directors on 21 February 2024 and signed on its behalf by:

Gustav Jensen
Director

Lars Peter Svane
Director

The accompanying notes form an integral part of these audited financial statements.

	Called up share capital €	Retained earnings €	Total equity €
Balance at 1 January 2022	100	-	100
Profit for the year after taxation	-	-	-
Balance at 31 December 2022	100	-	100
Balance at 1 January 2023	**100**	**-**	**100**
Profit for the year after taxation	-	-	-
Balance at 31 December 2023	**100**	**-**	**100**

The accompanying notes form an integral part of these audited financial statements.

1 Formation and principal activity

Quantrom P2P Lending DAC (the "Company"), was incorporated on 6 February 2017 with a company registration number 597719. The principal activity of the Company is investment in a diversified portfolio of direct loans or tranches of loans via a number of peer-to-peer lending platforms in the European Economic Area. The registered office of the Company is 59/60 O'Connell Street, Limerick, V94 E95T, Ireland.

At 31 December 2023, the investment assets of the Company consist of loans receivable held through three peer-to-peer lending platforms, namely, AS Mintos Marketplace ("Mintos"), Estateguru OÜ ("EstateGuru") and Lendermarket Limited ("Lendermarket"). The Company no longer invests in the Bondora platform and has fully provided for the loans receivable it has with this platform (refer to note 5).

Quantrom Limited (the "Investment Manager") is the investment manager of the Company and is responsible for, among other things, managing, investing and reinvesting the assets of the Company in accordance with the investment parameters adopted by the Company.

The Notes are unsecured Profit Participating Notes. The price of the Notes is equal to the principal (to the extent recoverable from the net assets of the Company attributable to the Notes) and accrued interest on the Notes at each valuation point.

Interest on the Notes is computed at each valuation point as an amount equal to the profits for accounting purposes (from valuation Point to valuation Point) of the Company before deduction of interest on the Notes.

The Company had no employees during the year (2022: Nil).

The financial statements were authorised for use by the Company's Board of Directors on 21 February 2024.

2 Basis of preparation

(a) Statement of compliance
The audited financial statements have been prepared in accordance with Financial Reporting Standard 102: the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), applying section 1A of that Standard, and applicable law. There were no material departures from the standard.

(b) Basis of preparation
The financial statements are prepared on a going concern basis. Refer to note 3 (c) for the policy details in relation to classification, recognition and measurement of the financial assets and liabilities.

(c) Functional and presentation currency
The functional and presentation currency of the Company is Euro ("€"), rounded to the nearest € and this is the currency in which the Company's investments are denominated.

(d) Going concern
The audited financial statements have been prepared on a going concern basis. The Directors have assessed the Company's ability to continue in operation and are satisfied that the Company has the resources to continue in business for the foreseeable future.

(e) Exemptions
The Company has availed of the exemption in FRS 102 Section 1A from the requirement to prepare a cash flow statement because it is classified as a small company.

3 Accounting policies

(a) Turnover
Turnover comprises interest income, subscription and redemption fees and gains from trading in peer-to-peer loans.

(b) Expenses and accruals
All expenses are accounted for on an accruals basis.

(c) Financial instruments
Basic financial instruments comprising cash at bank, accounts receivable and accounts payable are initially measured at transaction price in accordance with Section 11 Basic Financial Instruments of FRS 102.

Cash at bank
Cash at bank consists of deposits held on call with the bank.

Accounts receivable
The Company's accounts receivable consists of loans receivable and debtors.

Subsequent to initial recognition, the accounts receivable are measured at amortised cost using the effective interest method.

At the reporting date, the Company's accounts receivable are reviewed to determine whether there is objective evidence of impairment.

Accounts payable
The Company's accounts payable consist of creditors.

Subsequent to initial recognition, the accounts payable are measured at amortised cost using the effective interest method.

Other financial instruments

In respect of other financial instruments, the Company has elected under paragraph 11.2 of FRS 102 to apply the recognition and measurement provisions of IFRS 9 Financial Instruments ("IFRS 9").

(i) Classification
The Company's Notes have been classified as financial liabilities within the fair value through profit or loss category. The category of financial assets and liabilities at fair value through profit or loss comprises of:

- Financial instruments held for trading. Financial assets and liabilities held for trading are securities which are either acquired for generating a profit from short term fluctuations in price or dealer margins, or are included in a portfolio where a pattern of short term trading exists; and
- Financial instruments designated at fair value through profit or loss upon initial recognition.

At 31 December 2023, the Company classified the Notes as financial liabilities designated at fair value through profit or loss upon initial recognition.

(ii) Recognition
The Company recognises its other financial instruments on the date it becomes a party to the contractual provisions of the instrument.

A regular way purchase of the other financial instruments is recognised using trade date accounting. From this date, any gains or losses arising from changes in fair value of the financial assets or liabilities are recorded in the Statement of Comprehensive Income.

3 Accounting policies *(continued)*

(c) Financial instruments *(continued)*

Other financial instruments *(continued)*

(iii) Measurement and fair value measurement principles
Initial measurement
Other financial instruments are measured initially at fair value (transaction price).

Transaction costs on the other financial instruments which are financial assets at fair value through profit or loss are expensed immediately.

Subsequent measurement
Subsequent to initial recognition, all the other financial instruments at fair value through profit or loss are re-measured at fair value.

Fair value measurement principles
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of the other financial instruments that are not traded in an active market is determined using valuation techniques. The Directors and Investment Manager of the Company use methods and make assumptions that are based on market conditions existing at each reporting date. Any valuation techniques used maximise the use of relevant observable inputs such as indicative, executable or binding prices and minimise the use of unobservable inputs.

The Notes allow investors to gain exposure to and benefit from the Company's assets without actually owning them. The Notes are an over the counter agreement between the Company and investors, whereby the Company makes payments based on the return of the Company's investments which includes both the income and capital gains these investments generate. The fair value is the estimated amount (based on the fair value of the Company's investments) that the Company would pay to terminate the Notes at the reporting date.

(d) Impairment
Financial assets that are stated at cost or amortised cost are reviewed at each reporting date to determine whether there is objective evidence of impairment. If any such indication exists, an impairment loss is recognised in the Statement of Comprehensive Income as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

The Company has decided that a provision should be taken if loans are greater than 60 + 180 days late in payments. 60 days is the market standard for a loan to be declared in default. However, this is only related to a single payment and not the entire loan. The Company applies a provision policy that after an additional 180 days has passed without any payments taking place, it is reasonable to assume that the outstanding principal will not be fully repaid. After 60 + 180 days, the Company takes a provision of 50% of the outstanding principal amount.

Under normal market conditions the Company impairs loans with a loan-to-value ("LTV") ratio of greater than 35% (which they categorise above as defaulted) by 50% after 60 + 180 days (from the date of categorisation as defaulted) and impairs fully on the bankruptcy or insolvency of the borrower. In accordance with the Company's provisions policy, the Company does not impair any loans with LTV ratios of 35% or less.

4 Turnover

During the year ended 31 December 2023, the Company recognised the following turnover:

	For the year ended 31 December 2023 €	For the year ended 31 December 2022 €
Interest income	**763,991**	580,040
Miscellaneous income	**5,282**	5,737
Subscription and redemption fees	**1,523**	1,233
Total turnover	**770,796**	587,010

5 Administrative expenses and loan impairments

During the year ended 31 December 2023, the Company incurred the following administrative expenses:

	For the year ended 31 December 2023 €	For the year ended 31 December 2022 €
Loan impairments	**(90,712)**	(3,983)
Professional fees	**(66,607)**	(53,165)
Other operating expenses	**(41,341)**	(12,158)
Total administrative expenses and loan impairments	**(198,660)**	(69,306)

Professional fees include audit fees of €13,069, accounting fees of €52,548 and IT development expenses of €990.

Loan impairments consist of provisions of €90,052 (2022: €3,983). For the year ended 31 December 2023, these relate to a provision of €76,402 for some underlying loans in EstateGuru, a provision of €19,629 in relation to pending payments at Lendermarket, a reversal of a provision of €5,116 for some underlying loans in Mintos and reversal of a provision of €203 for some underlying loans in Bondora. For the year ended 31 December 2022, these relate to a provision of €8,896 for some underlying loans in EstateGuru, a reversal of a provision of €3,997 for some underlying loans in Mintos and a reversal of a provision of €916 for some underlying loans in Bondora. Please refer to note 8 for further details on the Company's provisions.

6 Management and performance fees

The Investment Manager is responsible for, among other things, managing, investing and reinvesting the assets of the Company in accordance with the investment parameters adopted by the Company.

Management fee
The Investment Manager is entitled to a management fee calculated and accruing at the last calendar day of each month and payable in arrears at a rate of 1/12th of 1% of the value attributable to the Notes (before deduction of that month's management fee and any accrued performance fee). The management fee is prorated based on the Noteholders actual period of ownership of its Notes.

The Investment Manager may, in its discretion, waive all or part of the management fee with respect to any Noteholder by rebate or otherwise.

6 Management and performance fees *(continued)*

Management fee (continued)

The amounts in respect of management fees charged during the financial year are disclosed in the Statement of Comprehensive Income. At 31 December 2023, the management fees payable amounted to €Nil (2022: €16,136).

Performance fee
The Investment Manager is also entitled to receive, in respect of the Notes only, a performance fee which is an amount equal to 10% of the appreciation of the price of the Notes above 7% year on year.

The performance fee if any, is calculated and payable:
(i) as of the last valuation point (being the close of business in the last market relevant to the Company to close on each valuation day or such other time as the Directors may determine);
(ii) as of each redemption point (being two hours after the valuation point and within the last calendar day of the relevant calendar month) with respect to the Notes redeemed by redeeming Noteholders; and
(iii) as of the date of termination of the Investment Management agreement, each case above with respect to the period ending on such date.

All fees and expenses, including taxes, of the Company for that period, including the management fee but excluding the performance fee, that have been accrued or paid for a given period, are factored into the calculation of the performance fee. The Investment Manager may, at its discretion, waive all or part of the performance fee with respect to any Noteholder by rebate or otherwise.

The Company has not adopted any equalisation methodology in the calculation of the price per note. This may result in some investors bearing a greater proportion of the performance fee than others, to their disadvantage. Further, it may result in the Investment Manager receiving more or less performance fees than if equalisation was in operation.

High Water Mark
The performance fee with respect to the Notes is calculated on a cumulative basis and is not payable unless the following high water mark conditions are fulfilled, namely that the price of the Notes:

(i) exceed the subscription price of the Notes in the same month of the previous year + 7%;
(ii) are greater than the highest price per note in respect of which a performance fee has been charged at the end of any previous performance period (if any) during which such Note was in issue; and
(iii) exceed the price of the Notes for the previous performance period by at least 0.5654%.

The amounts in respect of performance fees charged during the financial year are disclosed in the Statement of Comprehensive Income. At 31 December 2023, the performance fees payable amounted to €Nil (2022: €1,185).

In accordance with the Service Agreement between the Investment Manager and the Company, retrocession fees received from Lendermarket and Mintos of approximately 0.02% of the December note value were paid to the Investment Manager during the year ended 31 December 2023 (2022: 0.07% of the December note value).

7 Taxation

Trading income is taxable at a rate of 12.5%. The Company is subject to a tax at a rate of 12.5%.

Reconciliation of the current tax charge for the year is outlined below:

	For the year ended 31 December 2023	For the year ended 31 December 2022
	€	€
Current tax expense		
Profit on ordinary activities before taxation	**-**	-
Current tax at 12.5%	**-**	-
Tax on profit on ordinary activities	**-**	-

8 Loans receivable

The Company holds loans receivable through the following peer-to-peer lending platforms at the reporting date:

	31 December 2023	31 December 2022
	€	€
Mintos	**6,405,079**	4,487,965
EstateGuru	**1,151,755**	1,721,309
Lendermarket	**295,059**	491,515
Lendermarket - provisions	**(19,629)**	-
Mintos - provisions	**(37,757)**	(42,873)
EstateGuru – provisions	**(124,886)**	(48,483)
Total loans receivable	**7,669,621**	6,609,433

The Company's loans are made up of a diversified portfolio of direct loans or tranches of loans purchased from loan originators on the above lending platforms. At 31 December 2023, the Company has a total of 10,246 (2022: 9,749) loans receivable held across the peer-to-peer lending platforms. The weighted average interest rate of the funds invested in loans held across the peer-to-peer lending platforms is 10.91% (2022: 12.01%).

Mintos
The primary loan originators for the Mintos lending platform are Eleving Group and Delfin Group. Eleving Group is the loan originator for 3,626 car loans, amounting to a total receivable amount of €3,895,251. Delfin Group is the loan originator of 5,055 personal loans, amounting to a total receivable amount of €785,196. The provision taken by the Company on the Mintos loans is in relation to a single loan originator with whom Mintos on behalf of the Company have an agreed repayment schedule in place.

EstateGuru
EstateGuru is the loan originator for 205 business and property loans, amounting to a total loan receivable amount of €1,151,755. The Company's loans receivable with an LTV less than 35% and that are 240+ days late amounts to €528,378 and are all held on the EstateGuru lending platform.

Lendermarket
Monefit is the main loan originator for the Company on the Lendermarket platform. Monefit is a subsidiary of Creditstar Group AS. Monefit is the loan originator for 783 personal loans amounting to a receivable of €57,737.

There are 7 other loan originators representing the remaining loans receivable (577 loans in total amounting to €1,778,032).

8 Loans receivable *(continued)*

The Company conducts due diligence on the platforms and the loan originators prior to entering into any loan agreement. 62% of the loans receivable balance based on the outstanding principal have buy-back guarantees included within the loan agreements. These buy-back guarantees require the loan originator to guarantee full repayment of the loan in case of default by the underlying borrower. Out of the 62% of the loans receivable that have buy-back guarantees, 82% of these loans are also collateralised with cars.

15% of the total loans receivable balance is held with EstateGuru and all of these loans are collateralised with property. In accordance with the Company's accounting policy, a 50% provision is taken on any loans with a LTV greater than 35% and that are 240+ days late. The Company's loans receivable with an LTV less than 35% and that are 240+ days late amounts to 6.89% of the total loan portfolio.

The timing of the recovery of these loans is undetermined as it is dependent on the recovery of the loans' collateral. The Company has the right to sell the loans only to another portal user of the respective lending platform, the respective lending platform itself or the respective loan originator. The total provision taken out on the Company's loans receivable as at 31 December 2023 is €182,272 (2022: €91,356).

The Company's loans should be segregated by the loan originators and in the case of insolvency of the loan originator the loans should be free of third-party claims against the loan originator however there is no guarantee that this would be the case. As a result bankruptcy or insolvency of a loan originator may cause the Company's rights with respect to the loans to be delayed, limited or potentially lost. The current economic conditions may also adversely impact the underlying borrowers meeting their loan repayments.

9 Cash at bank

At 31 December 2023, cash at bank consisted of unrestricted balances held with Bank of Ireland of €20,072 (2022: €20,375).

10 Notes payable

	31 December 2023	31 December 2022
	€	€
Opening balance	**(6,553,497)**	(5,518,872)
Notes issued during the year	**(1,090,117)**	(964,565)
Notes redeemed during the year	**331,164**	381,867
Unrealised loss on financial liabilities	**(495,663)**	(451,927)
Total notes payable	**(7,808,113)**	(6,553,497)

The Notes

The Notes rank pari passu for all purposes. The price of the Notes is equal to the principal (to the extent recoverable from the net assets of the Company attributable to the Notes) and accrued interest on the Notes at each valuation point. The Notes bear interest on the principal from the subscription point and cease to bear interest from the redemption point. Interest on the Notes is computed at each valuation point as an amount equal to the profits for accounting purposes (from valuation point to valuation point) of the Company before deduction of interest on the Notes.

The Notes may be issued on any business day following a valuation day or such other days as the Directors may determine. The Notes are issued in integral multiples of €1. The minimum initial value of Notes a Noteholder can subscribe for is €10,000. Subsequent subscriptions must be for a minimum of €2,000 per subscription.

The Notes are subject to a lock-up period of 12 months following the relevant issue date and may not be redeemed during the lock-up period unless otherwise approved by the Directors in writing at their discretion. The Notes may be redeemed as of the last business day of each calendar month or at the discretion of the Directors subject to at least 35 business days prior notice. Loans receivable may mature or be realised at a timeframe that is ultimately longer than outstanding Noteholder redemption requests. In such a scenario, where the Company is unable to liquidate loans in an orderly manner in order to fund redemptions, the Company may take longer to effect settlement of redemptions. Further details of the Company's redemption gate provision can be found in the Company's offering memorandum. At 31 December 2023, Notes payable not subject to lock-up amounted to €6,687,923 (2022: €5,499,219) and Notes payable subject to lock-up amounted to €1,120,190 (2022: €1,054,278).

11 Creditors

	31 December 2023	31 December 2022
	€	€
Accrued expenses	**(29,891)**	(24,037)
Payable to Noteholders	**(6,000)**	(42,503)
Trade creditors	**(386)**	(28,164)
Total creditors	**(36,277)**	(94,704)

12 Share capital

	31 December 2023	31 December 2022
	€	€
Authorised, issued and fully paid		
Ordinary shares of par value of €1	**100**	100
Total share capital	**100**	100

At 31 December 2023, there are 100 Ordinary Shares which are held by Quantrom Limited (2022: 100).

13 Price per note

The following schedule shows the reconciliation between the Price Per Note determined in accordance with the offering memorandum and monthly calculations and the Price Per Note determined in accordance with FRS 102 and Generally Accepted Accounting Practice.

	31 December 2023	31 December 2022
	€	€
Price Per Note notified to Noteholders	**1.650794**	1.542198
Price Per Note reported in financial statements	**1.650794**	1.542198

	31 December 2023	31 December 2022
	€	€
Number of notes at dealing date	4,730,313	4,249,451

14 Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The Directors during the year are set out on page 1. The Directors do not receive remuneration from the Company.

At 31 December 2023, Gustav Jensen, a Director of the Company and members of his immediate family held 0.87% of the total notes in issue (2022: 1.67%).

At 31 December 2023, Lars Peter Svane, a Director of the Company and members of his immediate family held 11.19% of the total notes is issue (2022: 12.45%).

14 Related party transactions *(continued)*

Investment Manager
Gustav Jensen, a Director of the Company is also a director of the Investment Manager. At 31 December 2023, Quantrom Limited, the investment manager, does not hold any of the notes in issue (2022: held 0.24% of the notes in issue). The amount of Investment Manager fees and performance fees charged during the financial year and outstanding at the reporting date are presented in the Statement of Comprehensive Income and the Statement of Financial Position, respectively. In accordance with the Service Agreement between the Investment Manager and the Company, retrocession fees received from Lendermarket and Mintos of approximately 0.02% of the December note value, were paid to the Investment Manager during the year ended 31 December 2023 (0.07% of the December note value).

15 Subsequent events

Up to the date of approval of these financial statements, there were no material subsequent events affecting the Company which necessitate disclosure in or revision of the figures included in the financial statements.

16 Approval of the financial statements

The Directors approved the financial statements on 21 February 2024.