

Riga, August 9, 2024

**SIA "Lande Platform"**

Annual report for the period from January 1, 2023 to December 31, 2023

SIA "Lande Platform"

Reg. No. 40203386735

annual report for the period from January 1, 2023 to January 31, 2023

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**INFORMATION ABOUT THE COMPANY**

Name of the company	SIA "Lande Platform"
Legal status of the company	Limited liability company
Registration No., place and date	LV40203386735, Riga, 31.12.2023
Legal and postal addresses	Roberta Hirša street 1, Riga, LV-1045
Board members	Nikita Gonchar
Year under review	from 1/1/2023 until 31/12/2023
The monetary unit used in the financial statement	EUR
News about related companies:	AS Lande corporate, 40203437726, Roberta Hirša street 1, Riga, LV-1045, 81.44%
	Lande LT UAB, 306185224, Lvivo g. 25-702, Vilnius, Lithuania, 100%
	Lande Platform RUM SRL, 47369331, B-dul TUDOR VLADIMIRESCU 22, Et:5, CLAD. GREEN GATE, BIR. 514COWORK12, Sect 5, Bucharest, Romania, 100%
	SF MGMT Collateral SIA, Roberta Hirša street 1, Riga, LV-1045, 100%
Type of activity of the company, NACE code	Other information technology and computer services 62.09.; Other activities supplementing financial services, except for insurance and pension accumulation 66.19
The annual report was prepared	Accountant Yulia Shilova
Auditors	Orients Audit & Finance Commercial company license no. 28 Gunýras Astras Street 8B  Riga, LV-1082 Latvia  Chartered auditor in charge Olga Kuzmiya certificate no. 207

## **MANAGEMENT REPORT**

### **Mode of operation**

The Company provides crowdfunding services to its clients in the form of loan mediation, allowing project owners or borrowers to publish their project offers on the platform administered by the Company: [www.lande.finance](http://www.lande.finance).

The service is provided in accordance with REGULATION (EU) 2020/1503 OF THE EUROPEAN PARLIAMENT AND COUNCIL and is offered to registered economic operators in the European Economic Area. The company's income is generated from brokerage fees for project financing on the platform. During the reporting period, we have reached the planned number of positions.

### **Company activity in the reporting year**

In 2023, the total funding raised by "Lande Platform SIA" through the platform <https://lande.finance> reached 11.4 million euros, which is more than a two-fold increase compared to 2022 (5 million euros), and attracted 3134 new investors.

The company continued preparations for obtaining a European Crowdfunding Service Provider (ECSP) license by strengthening the team and improving internal procedures. At the beginning of the year, investment attraction in the amount of 500 thousand euros was successfully concluded, of which 200 thousand were received this year. When starting operations in the Romanian market, the company made strategic investments that resulted in small losses, which were covered by the capital raised.

### **Contributions**

The company is a member of four other commercial companies:

- AS "Lande Corporate", registered in Latvia with registration no. 40203437726 - attracting customers to lending mediation services.
- UAB "LANDE LT", registered in Lithuania with registration No. 306185224 - a special purpose company established to act as a placement agent for Lithuanian projects.
- SRL "LANDE PLATFORM RUM", registered in Romania under registration No. 47369331 - a special purpose company established to act as a placement agent for Romanian projects.
- SIA "SF MGMT Collateral" is registered in Latvia with registration No. 42103112030 - a special purpose company established to act as an arrangement agent for Latvian projects.

### **Future prospects and future developments**

2023 was a year of rapid development and change, which was accompanied by both geopolitical and economic crises. Considering these conditions, the main goal of the company in the future is to mitigate risks, ensuring a moderate and sustainable growth rate. In order to achieve this goal, it is planned to implement several important steps: Stricter lending policy: In order to reduce project default risks, the company will introduce stricter lending guidelines. This approach will help mitigate risks and ensure stable growth by judicious selection of projects and clients to be funded.

Development of new markets: The company plans to expand in the Romanian and Lithuanian markets, increasing the amount of financing issued and strengthening local teams. These markets are considered strategically important, and it is planned to actively increase the company's presence in them.

Strengthening of IT and internal processes: In order to ensure efficient operation and adaptation to market requirements, strengthening of IT infrastructure and internal processes will continue. This includes increasing automation and enabling more efficient operations.

Compliance with Licensing Regulatory Requirements: To ensure compliance with all regulatory requirements and continue to operate legally, all necessary steps will be taken to implement and comply with all licensing regulatory requirements. This compliance is essential to avoid any legal complications in the future.

Through these strategic moves, the company strives to ensure stable and sustainable growth while remaining competitive and effectively managing risks in a changing economic environment. Beginning in 2024,

the company has successfully received an ECSP (European Crowdfunding service provider) License from the Bank of Latvia

### **Financial risk management**

The company's financial risk management policy is described in Appendix 15 of the financial report.

### **Circumstances and events after the end of the reporting year**

In the time period between the last day of the reporting year and the day when the board signs the financial statements, there were no significant or extraordinary circumstances that would significantly affect the annual result and the Company's financial position.

**CALCULATION OF PROFIT OR LOSS**

(by turnover cost method)

	Notes	01.01.2023.-	14.03.2022.-
	number	31.12.2023	31.12.2022
		EUR	EUR
Net turnover		1,610,293	344,014
b) from other core activities		1610293	344,014
Cost of production of sold products, cost of purchasing goods sold or services provided	2	-827488	-117,003
<b>Gross profit or loss</b>		<b>782,805</b>	<b>227,011</b>
Cost of sales	3	-482890	-168,436
Administration costs	4	-345773	-65,419
Other revenues from economic activity		10091	2,073
Other costs of economic activity	5	-8812	-8,089
Other interest income and similar income:		6130	0
a) from related companies			
b) from other persons		6130	
Adjustments for impairment of long-term and short-term financial investments		-30589	0
a) capital value of holdings in associated companies b) other impairment		-30589	
<b>Profit or loss before corporate income tax</b>		<b>-69,038</b>	<b>-12,860</b>
Corporate income tax for the reporting year		-4091	-121
<b>Profit or loss after calculating corporate income tax</b>		<b>-73,129</b>	<b>-12,981</b>
<b>Profit or loss for the reporting year</b>		<b>-73,129</b>	<b>-12,981</b>

The appendix from pages 8 to 15 is an integral part of this financial report.

Board member authorized by the board, authorized to sign the annual report  
Nikita Gonchar

*The document is signed with an electronic signature and contains a time stamp*

**The annual report was prepared by:**

Accountant Yulia Shilova

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BALANCE SHEET

<b>ACTIVE</b>	Notes number	<b>31/12/2023</b>	<b>31/12/2022</b>
		EUR	EUR
<b>Long-term investments</b>			
<b>Intangible investments</b>			
Concessions, patents, licenses, trademarks and similar rights		33150	37,050
<b>Total intangible assets</b>	6	<b>33,150</b>	<b>37,050</b>
<b>Fixed assets (fixed assets, investment properties and biological assets)</b>			
Other fixed assets and inventory		13465	10,214
<b>Total fixed assets</b>	6	<b>13,465</b>	<b>10,214</b>
<b>Long-term financial investments</b>			
Participation in the capital of a related company	7	3256	33,157
<b>Long-term financial investments together</b>		<b>3,256</b>	<b>33,157</b>
<b>Long-term investments together</b>		<b>49,871</b>	<b>80,421</b>
<b>Current assets</b>			
<b>Debtors</b>			
Debts of related companies		11774	1,097
Other debtors	8	44653	5,850
Short-term loans to shareholders or members and management	9	104323	
Deferral costs	10	6987	5,379
<b>Debtors together</b>		<b>167.737</b>	<b>12,326</b>
<b>Money</b>	11	<b>401,022</b>	<b>268,062</b>
<b>Total working capital</b>		<b>568,759</b>	<b>280,388</b>
<b>ACTIVE TOGETHER</b>		<b>618,630</b>	<b>360,809</b>

BALANCE SHEET

PASSIVE	Note number	31/12/2023	31/12/2022
		EUR	EUR
<b>Equity</b>			
Share capital (share capital)	12	3159	3,015
Shares (parts) issue premium		512949	307,379
Retained earnings:			
a) retained earnings or uncovered losses of previous years		-12,981	0
b) profit or loss for the reporting year		-73,129	-12,981
<b>Total equity</b>		<b>429,998</b>	<b>297,413</b>
<b>Creditors</b>			
<b>Short-term creditors</b>			
Debts to suppliers and contractors		139993	31,935
Debt to related companies			40
Taxes and mandatory state social insurance contributions	13	16312	4,552
Other creditors		16948	198
Accrued liabilities	14	15379	26,671
<b>Short term creditors together</b>		<b>188,632</b>	<b>63,396</b>
<b>Creditors together</b>		<b>188,632</b>	<b>63,396</b>
<b>PASSIVE TOTAL</b>		<b>618,630</b>	<b>360,809</b>

The appendix from pages 8 to 15 is an integral part of this financial report.

Board member authorized by the board, authorized to sign the annual report

Nikita Gonchar

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**The annual report was prepared by:**

Accountant Yulia Shilova

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**APPENDIX TO THE ANNUAL REPORT****(1) Important accounting principles****Principles of report preparation**

The annual report is prepared in accordance with the laws "Accounting Law", "Law on Annual Reports and Consolidated Annual Reports" and Cabinet of Ministers Regulation No. 775 "Rules of Application of the Law on Annual Reports and Consolidated Annual Reports". The financial statements are prepared according to the historical value accounting principle. The income statement is classified according to the turnover cost method.

**Applied accounting principles**

The items of the financial report are evaluated according to the following accounting principles:

- 1) it is assumed that the company will continue to operate;
- 2) the evaluation was carried out with due care, observing the following conditions:
  - a) the report includes only the profit obtained up to the balance sheet date,
  - b) all expected risk amounts and losses incurred in the reporting year are taken into account, even if they became known in time in the period between the balance sheet date and the day when the annual report is signed by the management;
  - c) all depreciation and depreciation amounts are calculated and taken into account, regardless of whether the reporting year ends with a profit or a loss;
- 3) in the items of the balance sheet and profit or loss statement, amounts are indicated according to the accrual principle, that is, revenues and expenses are indicated taking into account the time of their occurrence, not the time of receipt or issue of money. Revenues and expenses related to the reporting year are indicated regardless of the date of receipt of the payment or invoice;
- 4) costs are coordinated with revenues in the relevant reporting periods;
- 5) the asset and liability items of the balance sheet are evaluated separately;
- 6) in the items of the balance sheet and profit or loss statement, the amounts are indicated taking into account the content and nature of economic transactions, not only the legal form;
- 7) the items of the balance sheet and profit or loss statement are evaluated in accordance with the acquisition costs or the cost of production. The purchase cost is the purchase price of the product or service (minus the discounts received) plus the additional expenses related to the purchase.

**Reporting period**

The reporting period is 12 months from 1/1/2023 until 31/12/2023

**Currency and transactions in foreign currencies**

The financial statements are prepared in the national currency of Latvia - euro (EUR). Cash equivalents consist of current bank account balances.

All transactions in foreign currencies are revalued in euros according to the reference exchange rate set by the European Central Bank on the day of the relevant transaction. All monetary items of assets and liabilities are recalculated in euro according to the reference rate set by the European Central Bank on the last day of the reporting year.

	<b>31/12/2023</b>
Ron	4.9756

Profits or losses resulting from fluctuations in foreign exchange rates are reflected in the income statement for the relevant period.

**Related parties**

Related parties are company members or shareholders, members of councils and management boards, their close relatives and companies in which they have significant influence or control.



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**Investments***- Related societies*

A related company is a company that is directly or indirectly controlled by another company (parent company - more than 50% of the voting rights of shareholders or members in this company). The parent company controls the financial and business policy of the subsidiary. The company recognizes income from the investment only when it receives from the related company a distribution of profits generated after the acquisition date. The distribution received in excess of this profit is treated as the cost of recovery of the investment and is reflected as a reduction of the acquisition cost of the investment in the equity of related companies.

**Intangible assets and fixed assets**

Fixed assets and intangible assets are reflected at their acquisition value, less depreciation. Purchased assets are recognized as fixed assets if their value exceeds EUR 250. Purchased assets below EUR 250 are accounted for as low-value inventory.

The purchase value of fixed assets consists of the purchase price, import duties and non-deductible purchase taxes, other costs directly attributable to the purchase to bring the asset to its location and prepare it in working condition for its intended use.

Rights acquired only for consideration are reflected as "Concessions, patents, licenses, trademarks and similar rights".

Depreciation is calculated during the useful life of the asset according to the straight-line method, choosing such depreciation as the basis norms:

**Intangible investments:**

Trademark	10 years
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**Fixed assets:**

Other fixed assets	3 years
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Gains or losses from the sale of fixed assets are reflected in the income statement for the relevant period. The costs of repair and renewal works that increase the useful life or value of the fixed asset are capitalized and written off during their useful life. The other costs of repair and renovation works are recognized in the losses of the reporting period.

**Accounts receivable**

Accounts receivable are recorded at the amount of original invoices, less allowances for doubtful accounts receivable. Provisions are made when collection of the full amount owed is doubtful. Debts are written off if their recovery is considered impossible.

**Accrued liabilities**

As accrued liabilities, they reflect the clearly known amounts of liabilities to suppliers and contractors for the goods or services received in the reporting year, for which, due to the terms of the supply, purchase or company contract or other reasons, a relevant justification document (invoice) intended for payment has not yet been received on the balance sheet date. These liability amounts are calculated on the basis of the price specified in the relevant contract and documents confirming the actual receipt of goods or services.

**Revenue recognition**

Net turnover is the total value of products and services sold during the year, after deducting discounts and value added tax.

Revenues are recognized according to the following principles:

Sale of goods - after significant ownership risks and rewards have been transferred to the buyer;

Revenues from the provision of services - according to the percentage method of transaction execution;

Income from penalty and delay fees - at the time of receipt;

Interest income - according to the savings method;

Dividends - at the moment when the legal right to them arises.

**Corporate income tax for the reporting year**

Corporate income tax is paid on distributed profits and notional profits. Distributed and contingently distributed profits are taxed at a tax rate of 20 percent of the gross amount, or 20/80 of the net cost. Corporate income tax on the payment of dividends is recognized in the profit or loss statement as a cost in the period when the relevant dividend is declared, while for other conditional profit objects - at the time the cost is incurred within the reporting year.

**Application of estimates**

When preparing financial statements, the Company's management must make calculations and make assumptions that affect the assessment of assets and liabilities presented in the financial statements as of the date of preparation of the financial statements, as well as the revenues and expenses presented in the specific reporting period. Management has made an estimate of profit or loss and believes that the financial statements present the true financial position based on all information currently available.

**(2) Cost of production of sold products, cost of purchasing goods sold or services provided**

	01.01.2023-31.12.2023	14.03.2022.-31.12.2022.
	EUR	EUR
Platform maintenance costs	665,993	117,003
Production costs of other products sold	161,495	
<b>Together</b>	<b>827,488</b>	<b>117,003</b>

**(3) Cost of sales**

	01.01.2023-31.12.2023	14.03.2022.-31.12.2022.
	EUR	EUR
Advertising and marketing costs	321519	132,932
Depreciation of fixed assets and inventory	6330	268
Personnel costs	120808	30,108
Other selling costs	34233	5,128
<b>Together</b>	<b>482,890</b>	<b>168,436</b>

**(4) Administrative costs**

	01.01.2023-31.12.2023	14.03.2022.-31.12.2022.
	EUR	EUR
Office costs	47266	642
Cost of professional services	95865	25,882
Other administration costs	92365	38,895
Personnel costs	110277	
<b>Together</b>	<b>345,773</b>	<b>65,419</b>

**(5) Other economic activity costs**

	01.01.2023-31.12.2023	14.03.2022.-31.12.2022.
		EUR
Losses from exchange rate conversion		3,706
Other costs	8812	4,383
<b>Together</b>	<b>8,812</b>	<b>8,089</b>

**(6) Intangible investments and fixed assets movement statement**

		<b>Concessions, patents, licenses, trademarks and similar rights</b>	<b>Other fixed assets</b>	<b>Intangible investments and Total fixed assets</b>
		<u>EUR</u>	<u>EUR</u>	<u>EUR</u>
<b>Initial value</b>	<b>1/1/2023</b>	<b>39,000</b>	<b>10,482</b>	<b>49,482</b>
Purchased			8,079	<b>8,079</b>
<b>Initial value</b>	<b>31/12/2023</b>	<b>39,000</b>	<b>18,561</b>	<b>57,561</b>
<b>Accumulated depreciation</b>	<b>1/1/2023</b>	<b>1,950</b>	<b>268</b>	<b>2,218</b>
Estimated depreciation		3,900	4,828	<b>8,728</b>
<b>Accumulated depreciation</b>	<b>31/12/2023</b>	<b>5,850</b>	<b>5,096</b>	<b>10,946</b>
<b>Residual value</b>	<b>1/1/2023</b>	<b>37,050</b>	<b>10,214</b>	<b>47,264</b>
<b>Residual value</b>	<b>31/12/2023</b>	<b>33,150</b>	<b>13,465</b>	<b>46,615</b>

**(7) Participation in the capital of a related company**

	31/12/2023	31/12/2022
	EUR	EUR
Purchase value	33,157	0
Changes in the value of the participation in previous periods		0
<b>Participation values at the beginning of the reporting period</b>	<b>0 33,157</b>	<b>0</b>
Purchase (+)	9,434	37,540
Shutdown (-)	-8,746	-4,383
Impairment (-)	-30,589	
<b>Changes in the value of participation:</b>		
Purchase value	33,845	33,157
Total changes in the value of the participation	-30,589	0
<b>Participation values at the end of the reporting period</b>	<b>3,256</b>	<b>33,157</b>

Company name	Owned shares, %	Purchase value	Impairment adjustment	Investment balances in a related company value of the equity capital value as of 31.12.2023	Profit or loss of the related company in the reporting year
AS Lande Corporate	81.44	28505	-27,789	716	716
Lande LT UAB	100	2500		2500	3015
Lande Platform Rum SRL	100	40		40	8577
SIA SF MGMT	100	2800	-2,800	0	-9136
Collateral					-11,836
		<b>33,845</b>		<b>3,256</b>	

**(8) Other debtors**

	31/12/2023	31/12/2022
	EUR	EUR
Security deposit	7,623	3,811
Other debtors	26,729	2,039
Loans to legal entities	10,301	
<b>Together</b>	<b>44,653</b>	<b>5,850</b>

In 2023, agreements on loans to individuals and legal entities were signed. The loans are repayable until the end of 2024, and the interest rate is 3-10% per year. Loan agreements do not provide for loan collateral. Loan amounts have been partially repaid at the time of signing the Annual Report.

**(9) Short-term loans to shareholders or members and management**

	31/12/2023	31/12/2022
	EUR	EUR
	104,323	
<b>Together</b>	<b>104,323</b>	

In 2023, loan agreements were signed for a member of the Board. The loans are repayable until the end of 2024 and the interest rate is 5% per year. Loan agreements do not provide for loan collateral. Loan amounts have been partially repaid at the time of signing the Annual Report.

**(10) Deferral costs**

	31/12/2023	31/12/2022
	EUR	EUR
Health insurance	3,395	5,368
Other costs	3,592	11
<b>Together</b>	<b>6,987</b>	<b>5,379</b>

**(11) Money**

	31/12/2023	31/12/2022
	EUR	EUR
Money in bank accounts	401022	268062
	401022	268062

**(12) Share capital (share capital)**

On December 31, 2023, the capital of shares or parts is fully paid. It consists of 3159 shares (parts of capital), the nominal value of which is EUR 1.00.

**(13) Taxes and mandatory state social insurance contributions**

	31/12/2023	31/12/2022
	EUR	EUR
Value added tax		
Personal income tax	4,205	1,510
Mandatory social security contributions	8,009	2,918
Corporate income tax	4,091	121
Business risk fee		3
<b>Together</b>	<b>7 16,312</b>	<b>4,552</b>

**(14) Accrued liabilities**

	31/12/2023	31/12/2022
	EUR	EUR
Accrued liabilities to suppliers	8,437	26,671
Accruals for unused vacations	6,942	
<b>Together</b>	<b>15,379</b>	<b>26,671</b>

**(15) Number of persons employed in the company**

	31/12/2023	31/12/2022
The average number of persons employed in the company per year	13	4

**(16)****Financial risk management**

SIA Lande Platform has created and implemented an effective financial risk management system that ensures the stability and sustainable operation of the company.

**Currency risk**

The operation takes place only in euros to avoid exchange rate fluctuations; contracts are concluded in euro currency.

**Interest rate risk**

The Company uses both floating and fixed rates in its contracts to balance interest rate risk.

**Credit risk**

The creditworthiness of project applicants is carefully checked, physical collateral is required and strict contract conditions are introduced.

**Operational risk**

Internal control processes have been improved, insurance policies have been introduced and technological security of the platform has been ensured.

**Regulatory risk**

Maintained a professional legal team that conducts on-site inspections and training to ensure ongoing employee education on regulatory requirements.

**Liquidity risk**

Regular cash flow management is ensured, liquidity reserve is maintained and close relations with investors are maintained.

**(17) Events after the balance sheet date**

In the time period between the last day of the reporting year and the day when the board signs the financial statements, there were no significant or extraordinary circumstances that would significantly affect the annual result and the Company's financial position.

**(18) Information on profit distribution or loss coverage**

It is planned to cover the losses of the reporting year from the profits of the following periods.

Authorized member of the board, authorized to sign the annual report Nikita Gonchars

*The document is signed with an electronic signature and contains a time stamp*

**The annual report was prepared by:**

Accountant Yulia Shilova

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