

# Annual report for the year ended 31 December 2022

Prepared in accordance with  
the Estonian financial reporting standard  
together with independent auditors' report  
Translation of the Estonian original

# Swaper Annual Report 2022

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## General information

Name of the company	<b>Swaper Platform OÜ</b>
Webpage	<b><a href="https://swaper.com">https://swaper.com</a></b>
Legal status of the company	<b>Private limited company</b>
Registry code	<b>14726410</b>
Registered address	<b>Viru väljak 2, 10111 Tallinn, Estonia</b>
Telephone	<b>+372 600 03 93</b>
E-mail address	<b><a href="mailto:info@swaper.com">info@swaper.com</a></b>
Board Member	<b>Indrek Puolokainen</b>
Financial year	<b>01.01.2022 - 31.12.2022</b>
Previous Financial year	<b>01.01.2021 - 31.12.2021</b>



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# Management report

## General description of Swaper Platform OÜ activities

Swaper Platform OÜ (hereinafter – the Company) operates Swaper peer-to-peer (P2P) loan marketplace (hereinafter – Swaper), <https://swaper.com>. The Company was established in August 2019, however Swaper has already been successfully operating since 2016. Swaper provides European platform users with the ability to earn interest by purchasing claim rights arising from consumer loans issued by loan originators in Europe. Loans are first issued from the loan originator's own funds and placed on the platform; thereafter claim rights are assigned to Swaper users through assignment agreements concluded with the Company (hereinafter – funding). Assignment agreements can include a BuyBack clause stipulating that such loan claims that are in default for more than 30 days (60 days from February 2022) should be bought back from platform users. Thus, Swaper acts as an intermediary between users seeking stable return on their placed funds and loan originators looking for a reliable source of financing.

Company's main source of income are service fees charged to loan originators for placing the loans and for the related services provided by Swaper, whereas users do not incur any fees for making investments by acquiring the claim rights.

On 05.01.2022 share capital of the Company was increased to 100 000 EUR.

## Financial results of the Company

During 2022 the Company developed its business and revenues reached EUR 2.36 million EUR and gross profit margin amounted to 29% (2021: 28%).

For 2022 earnings before interest, taxes, depreciation and amortization (EBITDA) amounts to 189 thousand EUR (2021: 160 thousand EUR) and Company generated a net profit of 130 thousand EUR (2021: 114 thousand EUR).

As at 31 December 2022 total amount of funds provided by Swaper users amounted to 13.37 million EUR (2021: 12.22 million EUR), which is the result of continued business growth. During 2022 the Company actively cooperated with the loan originators to ensure stable financing flow towards Swaper users.

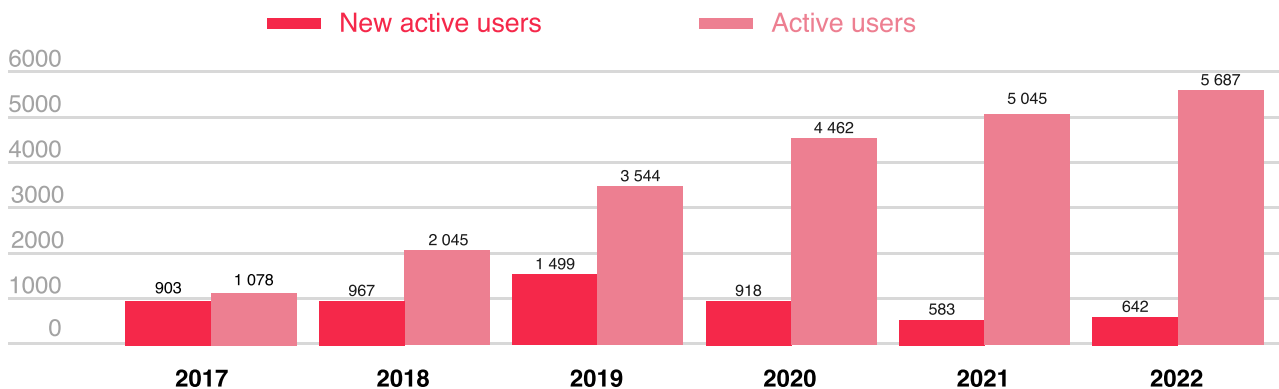
## Swaper P2P marketplace results

The Company introduced new partner who placed claim right for its car leasing contracts to Swaper marketplace and also introduced new funding model where its claims are sold by the partner leasing company and not Swaper Platform OÜ. We onboarded a new short-term loan product from our long-term loan originator - Wandoo Finance Group. The blog still is a place for Swaper users to learn about passive income and other finance related topics. During the year there were many discussions and start of due diligence processes with new potential loan originators, but for various reasons not all were suitable for onboarding to Swaper marketplace.

The graphs below show the development of Swaper platform over the last six years using the following key metrics: active platform users, loans funded, and interest paid. Marketing activities, loan availability and cooperation with loan originators have contributed to the growth of the platform.

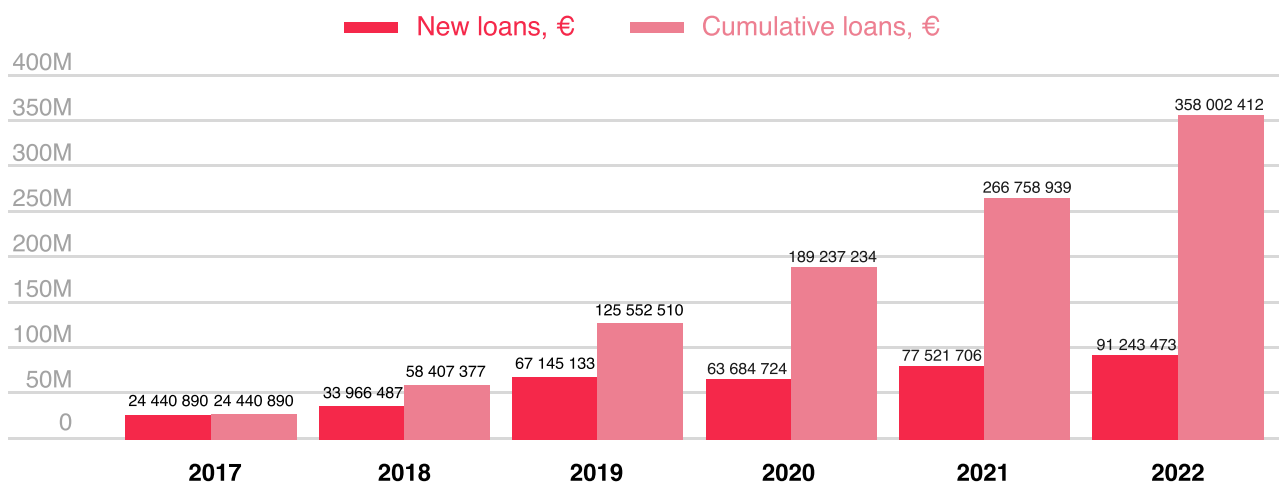
## Active users at Swaper

Swaper saw a yearly increase in new active users by 10%. The total number of active users is stable and has increased by 13% compared to 2021.



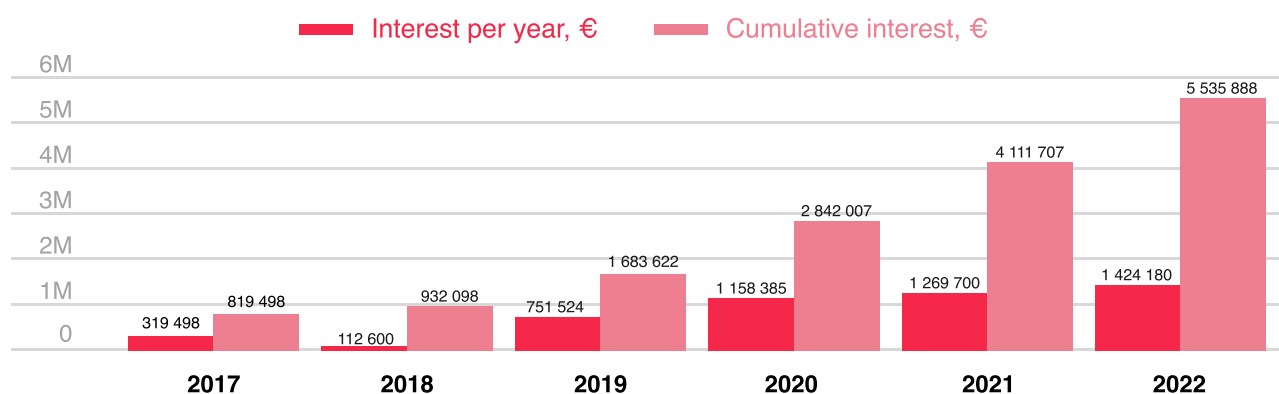
## Loans funded at Swaper

Total cumulative loans funded in 2022 reached 358.0 million EUR, which corresponds to 34% increase over the previous year. New loan placement volume in 2022 has increased by 18% compared to 2021.



## Interest paid at Swaper

Yearly interest paid in 2022 increased by 12%. By the end of 2022 cumulative interest increased by 35% and reached 5.5 million EUR.



## **Risk management**

The Company may face certain risks in the P2P and general business environment, which are actively managed by Swaper management.

### **Market and operational risk management**

The Company operations are not subjected to P2P-specific regulation or licensing; however, it is subjected to other legal requirements related to the nature of its business. Company's management has implemented strict internal policies and actively monitors the changing personal data protection, know your customer (KYC), anti-money laundering (AML) and other legal requirements, involving external counsel where required. Furthermore, the Company maintains a strong IT system for payment and data processing.

The Company's legal and compliance counsel is monitoring the upcoming licensing which Estonia is preparing to publish into law soon. Even though the final version of the regulation has not been published as of the date of these financial statements, the Company is enhancing and improving its policies and procedures to be aligned with all applicable laws.

### **Financial risk management**

Main financial instruments held by the Company are platform users' funds, loans received and issued, as well as cash balances. Main financial risks arising from the Company's operations are liquidity risk and credit risk.

The Company manages its liquidity and cash flow risk by maintaining sufficient cash balance and actively manages the future cash flow, which mainly includes forecasting the cash flow of Swaper users' funding and transactions with loan originators.

Credit risk management entails Company's activities to prevent financial losses which could arise in loan originators cannot fulfill their contractual obligations. This risk is mostly associated with the deterioration of the quality of the debts of their borrowers - natural persons, as a result of which loan originators delay payments. The Company maintains a close cooperation with loan originators and monitors their payment discipline.

Company's exposure to foreign currency risk is insignificant, as most transactions are recorded in EUR. The Company is not exposed to interest rate risk as all borrowings are with a fixed interest rate.

## **Future operations of the Company, goals and strategy**

The main goal of the Company is to continue increasing the number of loans offered for funding by onboarding more suitable loan originators. Another important focus is the development of the marketplace and maintaining the satisfaction of the users with Swaper services. The Company's management is working to ensure that Swaper users can enjoy stability and reliability of the marketplace, as well as to introduce additional technical features on the Swaper website and mobile application.

Company also plans to continue cooperate closely with the current and prospective loan originators and aims to introduce new service offerings to our platform users.

## Impact of war in Ukraine

The war has had an impact on the economic markets in general, including in Europe, and due to the ongoing uncertainty, both our loan originators and platform users have become more cautious in their actions.

The Company has no cooperation with Russian, Ukrainian, or Belarusian companies, or platform users, nor has any transactions been made in Russian, Ukrainian, or Belarusian currencies. In addition, users of the Swaper platform are from Europe using EUR or GBP payment systems and are not affected by sanctions imposed on Russia, thus Swaper business operations are not affected by the war in Ukraine.

## Going concern

As at 31 December 2022 the Company's current liabilities exceeded its current assets by 2 940 371 EUR, which is an improvement by 1 148 580 EUR compared to 31 December 2021. It may indicate a potential uncertainty about Company's ability to continue a going concern as at this date. Reasons for this deficiency are related to the business model of the Company. Current liabilities mainly include funds received from the platform users which are used to acquire claim rights in short term loans placed on the platform. All loans placed on the platform are due for repayment up to 35 days. The BuyBack clause is defined in the assignment agreements concluded with platform users. In case a loan, whose claim is subject to BuyBack, is delayed for 30 days (60 days from February 2022), the Company or loan originator buys back the loan claim right from platform users. These assignment agreements remain in effect and the assignee (individual or legal entity who has bought such claim right) would still have a claim right against the borrower until the obligation arising from the assignment agreement is fulfilled. Once the loan is repaid or bought back, these funds and earned interest are allocated to platform users and majority of funds are reinvested in new loans repeating the process.

Due to the revolving structure of such setup, all payments due to the platform users are disclosed under short term liabilities on the basis of the legal form of these liabilities. Only a fraction of funds will be eventually withdrawn in cash. Given the short-term legal nature of these liabilities and the fact that part of receivables from the loan originators are long term, this creates a working capital gap for the Company, especially in the first couple of years of its operations.

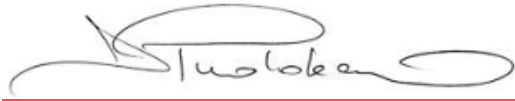
Working capital gap is expected to decrease over time and payment schedules with loan originators are structured in a way to ensure a sufficient liquidity in terms of available cash. Settlements with loan originators are structured under long term agreements. Payments are transferred as revolving structure between the Company and loan originators with the final settlement date beyond 12 months. As a result, these receivables are classified as long term based on their legal status at reporting date despite the fact that under the current revolving structure they are continuously used to settle Company's current liabilities.

## Events after the end of the financial year

Loan volumes continue to grow every month, offering Swaper users more opportunities to earn income.

By December 2023 the total number of active platform users has reached 6 200.

In July 2023 a subsidiary of the Company, SW Finance OÜ, was established. In November 2023 SW Finance OÜ obtained a license from Financial Intelligence Unit to be operating as a financial institution.

A handwritten signature in black ink, appearing to read 'Indrek Puolokainen', is written over a solid red horizontal line.

Member of the Board: **Indrek Puolokainen**

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# Financial Statements

## Statement of income

	EUR	EUR
	2022	2021
Net Sales <sup>2</sup>	2 358 925	2 147 089
Cost of sales <sup>3</sup>	(1 685 590)	(1 542 236)
<b>Gross profit</b>	<b>673 335</b>	<b>604 853</b>
Distribution cost <sup>4</sup>	(36 009)	(45 249)
Administrative expense <sup>5</sup>	(623 508)	(550 328)
Other operating income <sup>6</sup>	8 020	2
Other operating expense <sup>7</sup>	(2 044)	(15 874)
<b>Total operating profit</b>	<b>19 794</b>	<b>(6 596)</b>
Interest Income <sup>8</sup>	130 961	142 289
Interest expense <sup>9</sup>	(20 278)	(21 215)
<b>Profit before income tax</b>	<b>130 477</b>	<b>114 478</b>
<b>Net profit for the reporting year</b>	<b>130 477</b>	<b>114 478</b>



## Statement of financial position

ASSETS	31.12.2022	31.12.2021
NON-CURRENT ASSETS	EUR	EUR
Intangible assets <sup>11</sup>	1 069 760	1 277 637
Property, plan and equipment <sup>12</sup>	1 115	2 630
Receivables and prepayments <sup>13</sup>	2 610 163	4 466 041
<b>Total Non - Current Assets</b>	<b>3 681 038</b>	<b>5 746 308</b>
<b>Current Assets</b>		
Receivables and prepayments <sup>13</sup>	10 310 620	7 041 216
Cash and cash equivalents <sup>14</sup>	346 701	1 290 584
<b>Total Current Assets</b>	<b>10 657 321</b>	<b>8 331 800</b>
<b>TOTAL ASSETS</b>	<b>14 338 359</b>	<b>14 078 108</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Issued capital <sup>15</sup>	100 000	2 500
Retained earnings	510 190	493 212
Profit for the reporting year	130 477	114 478
<b>TOTAL EQUITY</b>	<b>740 667</b>	<b>610 190</b>
<b>Liabilities</b>		
<b>Non - Current Liabilities</b>		
Loan liabilities <sup>16</sup>	0	1 047 167
<b>Total Non - Current Liabilities</b>	<b>0</b>	<b>1 047 167</b>
<b>Current Liabilities</b>		
Loan liabilities <sup>16</sup>	10 823 994	8 889 767
Payables and prepayments <sup>17</sup>	2 773 698	3 530 984
<b>Total Current Liabilities</b>	<b>13 597 692</b>	<b>12 420 751</b>
<b>TOTAL LIABILITIES</b>	<b>13 597 692</b>	<b>13 467 918</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>14 338 359</b>	<b>14 078 108</b>

# Notes to the Financial Statements

## 1. Accounting policies

### Corporate and business information

Swaper Platform OÜ provides European platform users with the ability to earn interest by purchasing claim rights arising from short-term consumer loans issued by loan originators in Europe. Loans are first issued from the loan originator's own funds and placed on the platform; thereafter claim rights are assigned to Swaper users through assignment agreements concluded with the Company (hereinafter – funding). Cession agreements can include a BuyBack clause stipulating that such loan claims that are in default for more than 30 days (from February 2022 – 60 days) should be bought back from platform users. Thus, Swaper acts as an intermediary between platform users seeking stable return on their placed funds and loan originators looking for a reliable source of financing.

2022 is the fourth year of Company's operations, however Swaper has already been successfully operating since 2016.

The financial statements of Swaper Platform OÜ have been prepared in accordance with the Estonian financial reporting standard. The Estonian financial reporting standard is based on International Financial Reporting Standard (SME), the main requirements of which are established in the Accounting Act and which are supplemented by the guidelines issued by the Accounting Standards Board.

The financial statements are prepared on a historical cost basis. The monetary unit used in the financial statements is the euro (EUR). Financial statements cover the period 1 January 2022 through 31 December 2022.

The Company has prepared a small companies' abridged financial statements. Company continues to operate. Comparative numbers cover the period 1 January 2021 through 31 December 2021.

### Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expense, and disclosure of contingencies. Future events occur which cause the assumptions used in arriving at the estimates to change. The effect of any changes in estimates will be recorded in the financial statements, when determinable.

### Cash

Cash and cash equivalents comprise cash at bank and are recognised at their fair value.

### Foreign currency transactions and assets and liabilities in foreign currency

The functional and presentation currency of the Company is the euro (EUR), the monetary unit of the Republic of Estonia. Transactions in foreign currencies are translated into the euro at the euro foreign exchange reference rate published by the European Central Bank at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the euro applying the euro foreign exchange reference rate published by the European Central Bank at the last day of the reporting year. The differences arising on settlements of transactions or on reporting foreign currency transactions at rates different from those at which these transactions have originally been recorded are netted in the statement of income.

## Receivables and prepayments

Trade receivables, as well as other short-term and long-term receivables are recognized and carried at amortized cost less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when recovery is deemed impossible.

## Tangible fixed assets and Intangible assets

### Intangible assets

Intangible non-current assets are stated at cost and amortized over their estimated useful lives on a straight-line basis. The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. Losses from impairment are recognized where the carrying value of intangible non-current assets exceeds their recoverable amount.

### Goodwill

Goodwill arising upon acquisition of a business is recognized at the cost as at the date of acquisition less any impairment loss. Based on the management's decision, goodwill is amortized over 10 years starting from the date of recognition.

### Computer software

Computer software comprises of acquired intangible assets relating to P2P platform applications and IT infrastructure. Based on the management's decision, computer software is amortized over 5 years starting from the date of recognition.

### Tangible fixed assets

Tangible fixed assets are assets that the company uses in the course of its business for more than one year.

Tangible fixed assets are recorded at acquisition cost, which is the money paid for the acquisition of the asset (or during construction) or the fair value of the consideration given in cash and the fair value of the consideration given or consideration received to settle the obligation. Later repair costs are added to the cost of property, plant and equipment only to the extent that they comply with property, plant and equipment definition and balance sheet recognition criteria. Expenses related to current maintenance and repairs are expensed as incurred.

Depreciation is calculated on a straight-line basis. Property, plant and equipment are depreciated over 3-5 years from the date of recognition.

Minimum level of recognition of fixed assets: 300 EUR

Useful life by group of fixed assets (years)

Fixed assets group	Useful life
Inventory	3
Computers	3

## Loans and borrowings

All loans issued and borrowings received are initially recognized at cost, being the fair value of the consideration received or paid, net of issue costs associated with the borrowing.

After initial recognition loans and borrowings are carried at adjusted cost. When applying the adjusted cost method loans are recognized in the statement of financial position at their acquisition cost, adjusted if necessary, by the following amounts:

- principal repayments (for example, in the case of a loan taken out or granted);
- interest calculated and paid;
- possible impairment due to impairment or improbability to collect the loans issued (for doubtful receivables).

When a loan or borrowing is removed from statement of financial position, the difference between the carrying amount of the asset or liability and the consideration paid for it is recognized in the income of statement as income or expense.

## Net sales

Net sales is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, less value added tax and sales-related discounts. Revenue is recognized in the period when the services are rendered.

The Company earns revenue from agreements signed with loan originators. In accordance with the agreements Company earns a fixed percentage of each loan placed on the platform. Furthermore, the Company also earns commission and discount fees in case the loans placed on platform are repaid by the original borrowers. These fees are calculated once per month and billed quarterly.

## Expenses

Expenses are recognized on accrual basis. Expenses are recognized net of the amount of value added tax. In certain situations value added tax incurred on a services received or calculated in accordance with legislation requirements is not recoverable in full from the taxation authority. In such cases value added tax is recognized as part of the related expense item as applicable. The same principles are applied if value added tax is not recoverable on acquisition an asset.

## Corporate income tax

According to the Income Tax Act currently in force in Estonia, the companies registered in Estonia shall not pay income tax on earned profits. The companies pay income tax on profits distributed as dividends or other profit distributions, including payments made from equity which exceed the monetary and non-monetary contributions made into the equity of the company when they are paid out either in monetary or non-monetary form.

## Related parties

Parties are deemed to be related if one party has control over the other party or significant influence over the business decisions of the other party.

## Transactions with loan originators and Swaper users

The Company has signed agreements with loan originators who place their issued loans on the P2P marketplace. The agreements are in force for indefinite term.

Swaper user claim rights are established through assignment agreements concluded between the Company, as the assignor, and individual platform users as the assignee. P2P marketplace users are entitled to receive interest and principal cash flows from loan issued by the loan originators proportionally to their principle claim in these loans.

Assignment agreements include recourse rights which establish the Company should make full repayment of funds by the platform users in case of default of loan originator's borrower (BuyBack). In case the Company performs BuyBack, platform users shall be entitled to receive respective compensation from the Company.

## Revenue and receivables of P2P marketplace

P2P marketplace commissions fees comprise Net sales and are fees charged by the Company to loan originators for servicing the loans placed on the platform. Commission amount is determined on the basis of the number of loans placed and repaid. In accordance with agreements signed with loan originators settlements might occur on prepayment basis.

Accounts receivable corresponds to the due payments from loan originators, including cases where BuyBack has occurred and the related payment made by the Company is not yet reimbursed by loan originators.

## Funding attracted through P2P marketplace

Liabilities arising from Swaper users' funding attracted are initially recognized at cost, being the fair value of the consideration (cash) received from Swaper users and shown as other payables.

Assignment agreements concluded are recognized at cost, being the value of the price paid (i.e. funds placed) in a specific loan that is available on the platform and are disclosed as loan liabilities. After initial recognition ceded claims are subsequently measured at acquisition cost adjusted for repayments and interest calculated. Interest expense calculated for the ceded share is being shown under Cost of sales.

## Subsequent events

Post-year-end events that provide additional information about the Company's position at the balance sheet date (adjusting events) are reflected in the financial statements. Post-year-end events that are not adjusting events are disclosed in the notes when material.

## 2. Net Sales

Net sales by operating activities	2022	2021
Commission income	2 358 925	2 147 089
<b>Total</b>	<b>2 358 925</b>	<b>2 147 089</b>

Commission income comprises fees charged to loan originators for loans placed and maintained on the P2P platform.

Net sales by geographical location	2022	2021
Poland	1 539 789	1 799 460
Spain	819 035	347 629
North Macedonia	101	-
<b>Total net sales in European Union</b>	<b>2 358 925</b>	<b>2 147 089</b>

## 3. Cost of sales

	2022	2021
Interest expenses for loans from P2P platform users	1 478 175	1 261 553
Trademark license costs	28 387	25 686
IT service costs	25 132	21 932
Labor expenses <sup>10</sup>	151 952	232 417
Rent expenses	1 944	648
<b>Total</b>	<b>1 685 590</b>	<b>1 542 236</b>

Interest expenses represents P2P marketplace users' revenues and the fees accrued to the platform users for their funding in the loans available on the marketplace.

## 4. Distribution expense

	2022	2021
Advertising expenses	32 429	40 771
User rewards expense	3 580	4 478
<b>Total</b>	<b>36 009</b>	<b>45 249</b>

**5. Administrative expense**

	2022	2021
Amortization and depreciation <sup>11 12</sup>	209 392	209 317
Legal and other professional services	402 046	332 534
Bank charges	8 251	3 990
Employee training expenses	135	220
Other administrative expenses	3 684	4 267
<b>Total</b>	<b>623 508</b>	<b>550 328</b>

**6. Other operating income**

	2022	2021
Currency exchange gain, net	8 014	-
Other operating income	6	2
<b>Total</b>	<b>8 020</b>	<b>2</b>

**7. Other operating expense**

	2022	2021
Fines, penalties and compensations	-	31
Currency exchange loss, net	-	14 105
Other operating expenses	2 044	1 738
<b>Total</b>	<b>2 044</b>	<b>15 874</b>

**8. Interest income**

	2022	2021
Interest income from loans issued	130 961	142 289
<b>Total</b>	<b>130 961</b>	<b>142 289</b>

**9. Interest expense**

	2022	2021
Interest expense from loans received	20 278	21 215
<b>Total</b>	<b>20 278</b>	<b>21 215</b>

**10 . Labor expense**

	2022	2021
Wages and salaries	114 313	171 442
Social security taxes	37 298	53 240
Accrued vacation pay expenses	341	7 735
<b>Total</b>	<b>151 952</b>	<b>232 417</b>

Number of employees	2022	2021
Average number of employees in full time equivalent units	3	3
Average number of employees by types of employment:		
• Person employed under employment contract	3	3
• Member of management or controlling body of legal person	1	1

**11. Intangible assets**

	Goodwill	Computer software	Total
<b>2021</b>			
Amortization	(148 876)	(59 000)	(207 876)
<b>31.12.2021</b>			
Carried at cost	1 516 990	295 000	1 811 990
Accumulated amortization and impairment	(391 770)	(142 583)	(534 353)
<b>Residual cost 31.12.2021</b>	<b>1 125 220</b>	<b>152 417</b>	<b>1 277 637</b>
<b>2022</b>			
Amortization	(148 877)	(59 000)	(207 877)
<b>31.12.2022</b>			
Carried at cost	1 516 990	295 000	1 811 990
Accumulated amortization and impairment	(540 647)	(201 583)	(742 230)
<b>Residual cost 31.12.2022</b>	<b>976 343</b>	<b>93 417</b>	<b>1 069 760</b>

Goodwill arises due to acquisition of Swaper business and represents the difference between the fair values of assets acquired and liabilities assumed. It represents the future economic benefits arising from the assets acquired the business combination that are not individually identified and separately recognized. In 2020, Goodwill was impaired by 28 222 EUR. The adjustment was due to the acquisition of assets and liabilities incurred difference. Goodwill is decreased by the above amount.



**12. Property, plant and equipment**

	Computers and computer systems	Total
<b>2021</b>		
Acquisitions and additions	2 489	2 489
Depreciation	(1 441)	(1 441)
<b>31.12.2021</b>		
Carried at cost	4 407	4 407
Accumulated depreciation	(1 777)	(1 777)
<b>Residual cost 31.12.2021</b>	<b>2 630</b>	<b>2 630</b>
<b>2022</b>		
Depreciation	(1 515)	(1 515)
<b>31.12.2021</b>		
Carried at cost	4 407	4 407
Accumulated amortization and impairment	(3 292)	(3 292)
<b>Residual cost 31.12.2022</b>	<b>1 115</b>	<b>1 115</b>

**13. Receivables and prepayments**

		Allocation by remaining maturity	
	31.12.2022	within 12 months	1 - 5 years
<b>Trade receivables</b>	<b>3 742 820</b>	<b>3 742 820</b>	<b>-</b>
Trade receivables	3 742 820	3 742 820	-
<b>Other receivables</b>	<b>3 009 383</b>	<b>399 220</b>	<b>2 610 163</b>
Loan receivables	2 681 697	374 945	2 306 752
Accrued interest	303 411	-	303 411
Accrued income	24 275	24 275	-
<b>Prepayments</b>	<b>6 168 580</b>	<b>6 168 580</b>	<b>-</b>
Other prepayments	6 168 580	6 168 580	-
<b>Total</b>	<b>12 920 783</b>	<b>10 310 620</b>	<b>2 610 163</b>

		Allocation by remaining maturity	
	31.12.2021	within 12 months	1- 5 years
<b>Trade receivables</b>	<b>1 780 864</b>	<b>1 780 864</b>	<b>-</b>
Trade receivables	1 780 864	1 780 864	-
<b>Other receivables</b>	<b>4 893 541</b>	<b>427 500</b>	<b>4 466 041</b>
Loan receivables	4 640 652	427 500	4 213 152
Accrued interest	252 889	-	252 889
<b>Prepayments</b>	<b>4 832 852</b>	<b>4 832 852</b>	<b>-</b>
Other prepayments	4 832 852	4 832 852	-
<b>Total</b>	<b>11 507 257</b>	<b>7 041 216</b>	<b>4 466 041</b>

Loan receivables final term is 31.12.2024 and interest at 2,79%.

Trade receivables and Other prepayments made includes receivables from loan originators.

**14. Cash and cash equivalents**

	31.12.2022	31.12.2021
Cash at bank	346 701	1 290 584
<b>Total</b>	<b>346 701</b>	<b>1 290 584</b>

**15. Issued capital**

	31.12.2022	31.12.2021
Issued capital	100 000	2 500
Number of parts	1	1

**16. Loan liabilities**

	31.12.2022	within 12 months	1- 5 years	Rate	Base currency	
Funding attracted through peer-to-peer platform	10 697 738	10 697 738	-	10-16%	EUR	
Accrued funding interest expenses	126 256	126 256	-	-	EUR	
<b>Total</b>	<b>10 823 994</b>	<b>10 823 994</b>				

	31.12.2021	within 12 months	1- 5 years	Rate	Base currency	Term
Funding attracted through peer-to-peer platform	8 817 851	8 817 851	-	14-16%	EUR	
Accrued funding interest expenses	71 916	71 916	-	-	EUR	
Other loans received	1 047 167	-	1 047 167	2%	EUR	31.12.2025
<b>Total</b>	<b>9 936 934</b>	<b>8 889 767</b>	<b>1 047 167</b>			

Funding attracted through peer-to-peer marketplace bears an annual interest rate of 10-16% and is repayable in accordance with the terms of respective assignment agreements (liabilities term up to 48 months).

**17. Payables and prepayments**

	31.12.2022	31.12.2021
Trade payables	61 473	79 020
Employee payables <sup>18</sup>	15 955	20 894
Tax payables <sup>19</sup>	26 152	26 257
Other payables	2 670 077	3 404 770
<b>Prepayments received</b>	<b>41</b>	<b>43</b>
Other received prepayments	41	43
<b>Total</b>	<b>2 773 698</b>	<b>3 530 984</b>

Other payables represent P2P marketplace users' funds that are received by the Company and are not yet invested in loans available in the platform.

All payables and prepayments are due within 12 months.

**18. Employee payables**

	31.12.2022	31.12.2021
Salary payable	4 008	9 403
Accrued unused vacation	11 947	11 491
<b>Total</b>	<b>15 955</b>	<b>20 894</b>

**19. Tax liabilities**

	31.12.2022	31.12.2021
Value added tax	16 028	14 735
Personal income tax	3 307	3 067
Social tax	5 926	7 664
Contributions to mandatory funded pension scheme	359	327
Unemployment insurance tax	431	393
Withholding tax	101	71
<b>Total</b>	<b>26 152</b>	<b>26 257</b>

## 20. Related parties

	31.12.2022		31.12.2021	
Related party balances according to groups	Receivables	Liabilities	Receivables	Liabilities
Legal persons with material ownership interest and material influence of management and higher	-	1 584	-	792
<b>Purchases and sales of goods and services</b>		<b>2022</b>		<b>2021</b>
Legal persons with material ownership interest and material influence of management and higher		1 584		792
<b>Remuneration and other significant benefits calculated for members of management and highest supervisory body</b>		<b>2022</b>		<b>2021</b>
Remuneration		77 801		77 801

## 21. Events after the reporting date

In July 2023 a subsidiary of the Company, SW Finance OÜ, was established. In November 2023 SW Finance OÜ obtained a license from Financial Intelligence Unit to be operating as a financial institution.

By December 2023 the total number of active platform users has reached 6 200.

As of the last day of the reporting year until the date of signing these financial statements there have been no other events requiring adjustment of or disclosure in the financial statements or notes thereto.

# Swaper Annual Report 2022


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## Signatures

Date of completion of the Annual Report is: 01.12.2023.

The correctness of information in the annual report of Swaper Platform OÜ (registry code: 14726410) of 01.01.2022 - 31.12.2022 has been confirmed by:

Name of the signatory	Role of the signatory	Date
Indrek Puolokainen	Member of the Board	 01.12.2023

# Swaper Annual Report 2022

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## **INDEPENDENT AUDITOR'S REPORT**

### **To the Shareholders of Swaper Platform OÜ**

*(translation from Estonian Original)*

#### **Opinion**

We have audited the financial statements of Swaper Platform OÜ (the Company), which comprise the statement of financial position as at December 31, 2022, and the statement of income, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022, and its financial performance for the year then ended in accordance with Estonian financial reporting standard.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (Estonia) (ISAs (EE)). 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 Code of Ethics for Professional Accountants (Estonia), 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.

#### **Other Information**

Management is responsible for the other information. The other information comprises the Management Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and 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, 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.

#### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in Estonia and for such internal control as management determines 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, 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

**Assertum Audit OÜ**  
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*Audiitorettevõtja nr: 62*

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[www.assertum.ee](http://www.assertum.ee)

accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### **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 (EE) 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 (EE), we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 on 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.
- 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 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.
- 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.

We 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 we identify during our audit.

*(Estonian original signed digitally)*

Sergei Tšistjakov  
*Certified Public Accountant (EE)*  
CPA #: 481

Assertum Audit OÜ  
Auditing Activities Permission #: 62  
Lõõtsa 2A  
Tallinn, 11415

6 December 2023