

# Annual report for the year ended 31 December 2023

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

# Swaper Annual Report 2023

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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>01.01.2023 - 31.12.2023</b>
Previous Financial year	<b>01.01.2022 - 31.12.2022</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>. Swaper provides European platform users with the ability to earn interest by purchasing claim rights arising from 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 60 days 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.

## Financial results of the Company

During 2023 the Company developed its business and revenues reached EUR 3 million EUR (2022: 2.35 million EUR) and gross profit margin amounted to 26% (2022: 29%).

For 2023 earnings before interest, taxes, depreciation and amortization (EBITDA) amounts to 24 thousand EUR (2022: 189 thousand EUR) and Company generated a net loss of 100 thousand EUR (2022: net profit 130 thousand EUR).

As at 31 December 2023 total amount of funds provided by Swaper users amounted to 17.38 million EUR (2022: 13.37 million EUR), which is the result of continued business growth. During 2023 the Company actively cooperated with the loan originators to ensure stable financing flow towards Swaper users.

## Swaper P2P marketplace results

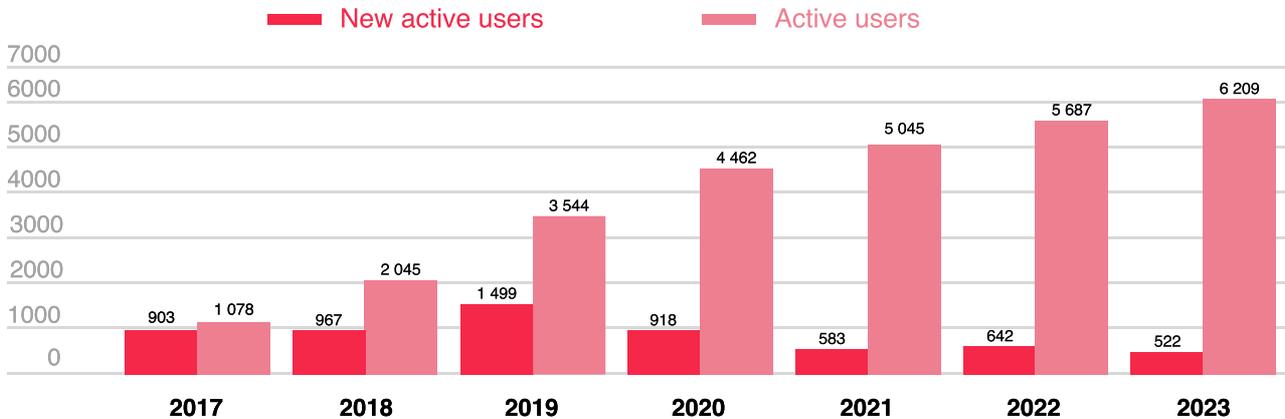
From the second half of the year, the company was preparing to introduce an additional new business model and successfully launched it in December by including a new subsidiary (SW Finance OÜ) in the model, which acquired the license of Financial Intelligence Unit (Rahapesu Andmehüroo) to issue business loans.

The blog continues to serve as a valuable information source for P2P topics, with regular updates providing readers with new insights. Throughout the year, several discussions and due diligence processes were conducted with potential loan originators, though only a few aligned with Swaper's standards for onboarding.

The graphs below show the development of Swaper platform over the last seven 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.

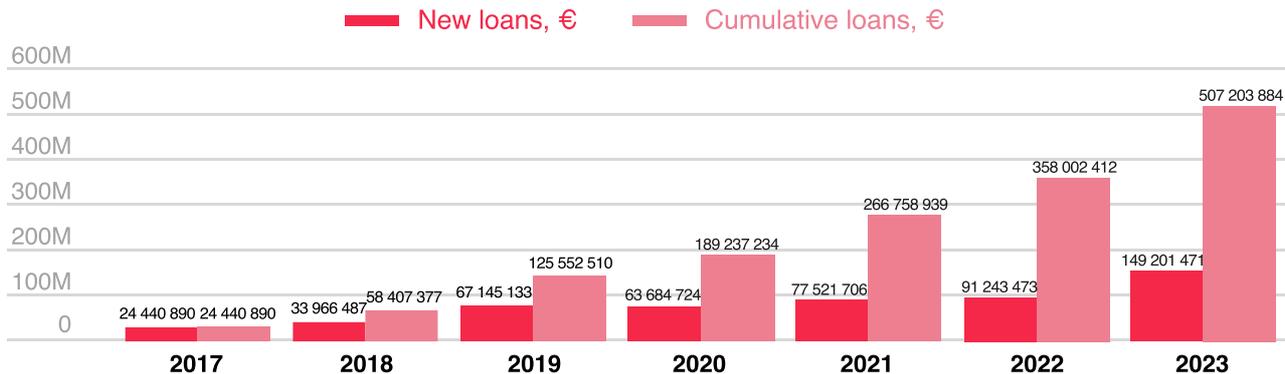
## Active users at Swaper

The total number of active platform users is stable and has increased by 9% compared to 2022. New active users were added less than the year before, however the total number of active users continues to grow steadily.



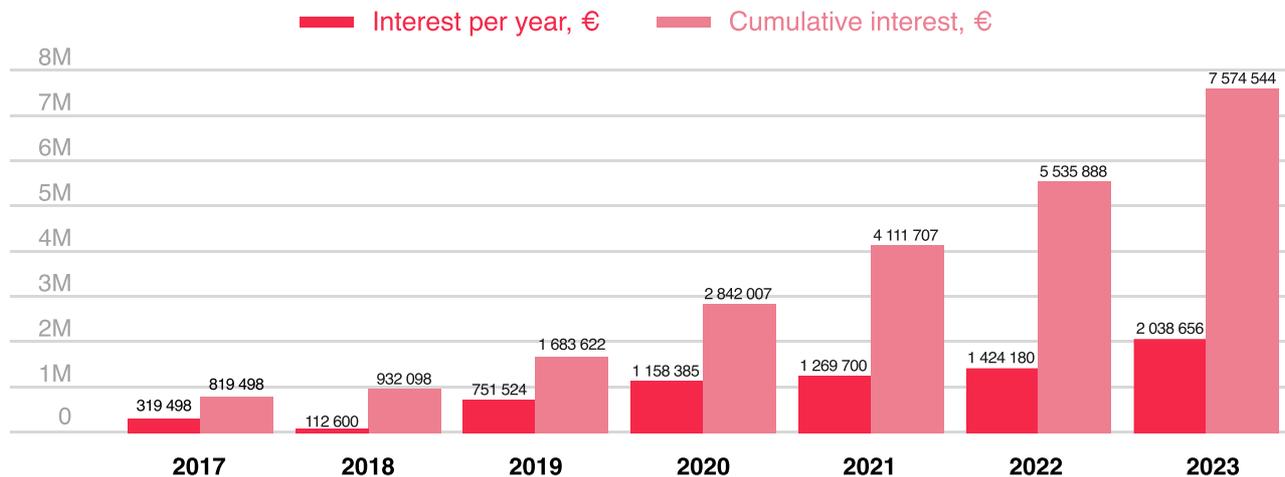
## Loans funded at Swaper

Total cumulative loans funded in 2023 reached 507.2 million EUR, which corresponds to 42% increase over the previous year. New loan placement volume in 2023 has increased by 64% compared to 2022.



## Interest paid at Swaper

Yearly interest paid in 2023 increased by 43%. By the end of 2023 cumulative interest increased by 37% and reached 7.57 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, 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 2023 the Company's current liabilities exceeded its current assets by 3 909 798 EUR, which is increased by 969 427 EUR compared to 31 December 2022. It may indicate a potential uncertainty about Company's ability continue a going concern as at this date. Reasons for this deficiency is 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 60 days, the Company or Loan originator buys back the loan 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.

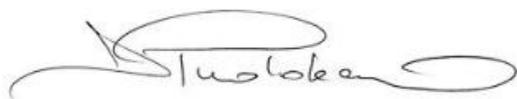
Due to the revolving structure of such setup, all payments due to the platform users are disclosed under short term liabilities on the basis of the legal form of these liabilities. Only a fraction of funds will be eventually withdrawn in cash. Given the short-term legal nature of these liabilities and 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

By August 2024 the total number of active platform users has reached 6 824.

Loan volumes have continued to grow every month, offering Swaper users more opportunities to earn income. In July 2024, the offer of claim rights for two-year business loans was started, with which customers can earn a stable long-term income.



Member of the Board: **Indrek Puolokainen**

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# Financial Statements

## Statement of income

	EUR	EUR
	2023	2022
Net Sales <sup>2</sup>	2 989 440	2 358 925
Cost of sales <sup>3</sup>	(2 214 607)	(1 685 590)
<b>Gross profit</b>	<b>774 833</b>	<b>673 335</b>
Distribution cost <sup>4</sup>	(38 610)	(36 009)
Administrative expense <sup>5</sup>	(911 949)	(623 508)
Other operating income <sup>6</sup>	0	8 020
Other operating expense <sup>7</sup>	(8 821)	(2 044)
<b>Total operating profit</b>	<b>(184 547)</b>	<b>19 794</b>
Interest Income <sup>8</sup>	83 808	130 961
Interest expense <sup>9</sup>	0	(20 278)
<b>Profit before income tax</b>	<b>(100 739)</b>	<b>130 477</b>
<b>Net profit for the reporting year</b>	<b>(100 739)</b>	<b>130 477</b>

## Statement of financial position

<b>ASSETS</b>	<b>31.12.2023</b>	<b>31.12.2022</b>
<b>NON-CURRENT ASSETS</b>	<b>EUR</b>	<b>EUR</b>
Intangible assets <sup>11</sup>	1 161 402	1 069 760
Property, plant and equipment	88	1 115
Receivables and prepayments <sup>12</sup>	3 385 737	2 610 163
Shares in subsidiaries	2 500	-
<b>Total Non - Current Assets</b>	<b>4 549 727</b>	<b>3 681 038</b>
<b>Current Assets</b>		
Receivables and prepayments <sup>12</sup>	11 535 585	10 310 620
Cash and cash equivalents <sup>13</sup>	2 603 167	346 701
<b>Total Current Assets</b>	<b>14 138 752</b>	<b>10 657 321</b>
<b>TOTAL ASSETS</b>	<b>18 688 479</b>	<b>14 338 359</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Issued capital <sup>14</sup>	100 000	100 000
Retained earnings	640 668	510 190
Profit for the reporting year	(100 739)	130 477
<b>TOTAL EQUITY</b>	<b>639 929</b>	<b>740 667</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Loan liabilities <sup>15</sup>	16 800 573	10 823 994
Payables and prepayments <sup>16</sup>	1 247 977	2 773 698
<b>Total Current Liabilities</b>	<b>18 048 550</b>	<b>13 597 692</b>
<b>TOTAL LIABILITIES</b>	<b>18 048 550</b>	<b>13 597 692</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>18 688 479</b>	<b>14 338 359</b>

# Notes to the Financial Statements

## 1. Accounting policies

### Corporate and business information

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 2023 through 31 December 2023.

Comparative numbers cover the period 1 January 2022 through 31 December 2022.

The Company has prepared a small companies abridged financial statements. Company continues to operate.

### 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.

### Financial assets

Financial assets are money, a contractual right to receive money or other financial assets from another party (for example, claims towards buyers), equity instruments of other companies and contractual rights to exchange financial assets with another party on potentially beneficial terms. Financial assets are initially recognized at their acquisition cost, which is the fair value of the consideration to be paid or received for the given financial asset. The original acquisition cost includes all transaction costs directly related to the financial asset. A financial asset is removed from the balance sheet when the company loses the right to the cash flows resulting from the given financial asset or it transfers the cash flows resulting from the given financial asset and most of the risks and rewards related to the given financial asset to a third party.

### 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.

## Shares or parts of subsidiaries and affiliates

A subsidiary is a company whose activities are controlled by the parent company Swaper Platform OÜ. Dominant influence exists when the parent company owns more than 50% of the voting shares or parts, or if the parent company otherwise has the power to decide on the operational and financial policy of another company.

The company owns a 100% subsidiary SW Finance OÜ (reg no. 16774146).

The investment in the subsidiary is initially invoiced and will continue to be reflected in its acquisition cost. According to the acquisition cost method, if necessary, the initial acquisition cost is adjusted in subsequent periods with discounts resulting from the decrease in the value of the investment. On each balance sheet date, it is assessed whether there are indications that the recoverable amount of the investment may have fallen below its balance sheet value. If such indications are present, an asset value test is performed.

Dividends paid by the investee are recognized as income at the moment the investor becomes entitled to dividends.

In 2023, a consolidated report will not be prepared using § 29. p2 of the Accounting Act given exception.

## 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.

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

Tangible and intangible assets are depreciated below their recoverable amount if the asset's recoverable amount is lower than its residual book value. In order to identify the need for a possible write-down of the asset, an asset value test is carried out, during which the recoverable value of the asset is found. A write-down of the value of the asset is recognized as an expense for the reporting period.

## Financial liabilities

All financial liabilities (debts to suppliers, accruals and other short-term and long-term debt obligations) are initially taken into account at their acquisition cost, which also includes all expenses directly related to the acquisition. Further recognition is carried out using the adjusted acquisition cost method. The adjusted acquisition cost of short-term financial liabilities is generally equal to their nominal value, therefore short-term financial liabilities are recorded in the balance sheet at the amount due. The adjusted acquisition cost of long-term financial liabilities is calculated using the internal interest rate method.

A financial liability is classified as short-term if its payment deadline is within twelve months from the date of the reporting month or the foundation has no unconditional right to postpone the payment of the liability for more than 12 months after the reporting date.

A financial liability is removed from the balance sheet when it is either satisfied, terminated or expired.

## 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.

## Expenses

Expenses are recognized on accrual basis. Expenses are reported without 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 law in force in Estonia, companies registered in Estonia do not pay income tax on undistributed profits on earned income.

Corporations pay income tax on profits distributed as dividends and other distributions of profits, including payments made at the expense of equity capital, which exceed monetary and non-monetary contributions to the equity capital of the company, if they are paid out in the form of either monetary or non-monetary benefits.

## Related parties

Parties are considered related if one party has either dominant or significant influence over the other party's business decisions. The company counts as related parties:

- subsidiary company;
- executive and senior management and private owners with a significant stake, unless these persons do not have the opportunity to exert a significant influence on the company's business decisions;
- companies related to the persons described in the previous point.

Significant influence is assumed if a person holds more than 20% of the voting rights.

## 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**

In July 2024, the offering of claim rights for two-year business loans was started, with which customers can earn a stable long-term income.

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

<b>Net sales by operating activities</b>	<b>2023</b>	<b>2022</b>
Commission income	2 989 440	2 358 925
<b>Total</b>	<b>2 989 440</b>	<b>2 358 925</b>

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

<b>Net sales by geographical location</b>	<b>2023</b>	<b>2022</b>
Poland	2 715 344	1 539 789
Spain	228 195	819 035
Latvia	38 040	0
North Macedonia	6 099	101
Estonia	1 762	0
<b>Total net sales in Europe</b>	<b>2 989 440</b>	<b>2 358 925</b>

## 3. Cost of sales

	<b>2023</b>	<b>2022</b>
Rent expenses	1 296	1 944
Labor expenses	141 003	151 952
Interest expenses for loans from P2P platform users	2 008 546	1 478 175
IT service costs	28 259	25 132
Trademark license costs	35 503	28 387
<b>Total</b>	<b>2 214 607</b>	<b>1 685 590</b>

Interest expenses represent 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

	<b>2023</b>	<b>2022</b>
Advertising expenses	34 455	32 429
User rewards expense	4 155	3 580
<b>Total</b>	<b>38 610</b>	<b>36 009</b>

**5. Administrative expense**

	2023	2022
Employee training expenses	1 330	135
Amortization and depreciation	208 904	209 392
Other administrative expenses	2 389	3 684
Bank charges	1 899	8 251
Legal and other professional services	697 427	402 046
<b>Total</b>	<b>911 949</b>	<b>623 508</b>

**6. Other operating income**

	2023	2022
Currency exchange gain, net	0	8 014
Other operating income	0	6
<b>Total</b>	<b>0</b>	<b>8 020</b>

**7. Other operating expense**

	2023	2022
Currency exchange loss, net	4 243	0
Other operating expenses	4 578	2 044
<b>Total</b>	<b>8 821</b>	<b>2 044</b>

**8. Interest income**

	2023	2022
Interest income from loans issued	83 808	130 961
<b>Total</b>	<b>83 808</b>	<b>130 961</b>

**9. Interest expense**

	2023	2022
Interest expense from loans received	0	20 278
<b>Total</b>	<b>0</b>	<b>20 278</b>

**10 . Labor expense**

	2023	2022
Wages and salaries	103 662	114 313
Social security taxes	35 415	37 298
Accrued vacation pay expenses	1 393	341
<b>Total</b>	<b>140 470</b>	<b>151 952</b>

**Number of employees**

	2023	2022
Average number of employees in full time equivalent units	3	3
Average number of employees by types of employment:		
• Person employed under employment contract	4	3
• Member of management or controlling body of legal person	1	1

**11. Intangible assets**

	Goodwill	Computer software	Total
<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>
<b>2023</b>			
Acquisitions and additions	0	299 520	299 520
Amortization	(148 877)	(59 001)	(207 878)
<b>31.12.2023</b>			
Carried at cost	1 516 990	594 520	2 111 510
Accumulated amortization and impairment	(689 524)	(260 584)	(950 108)
<b>Residual cost 31.12.2023</b>	<b>827 466</b>	<b>333 936</b>	<b>1 161 402</b>

**12. Receivables and prepayments**

	31.12.2023	Allocation by remaining maturity	
		within 12 months	1 - 5 years
Trade receivables	1 616 043	1 616 043	-
Loan receivables	3 081 331	44 945	3 036 386
Other receivables	2 358 000	2 008 649	349 351
Accrued interest	349 351	-	349 351
Accrued income	2 008 649	2 008 649	-
Prepayments	7 865 948	7 865 948	-
<b>Total</b>	<b>14 921 322</b>	<b>11 535 585</b>	<b>3 385 737</b>

	31.12.2022	Allocation by remaining maturity	
		within 12 months	1- 5 years
Trade receivables	3 742 820	3 742 820	-
Loan receivables	2 681 697	347 945	2 306 752
Other receivables	327 686	24 275	303 411
Accrued interest	303 411	-	303 411
Accrued income	24 275	24 275	-
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>

Trade receivables and Prepayments include receivables from loan originators.

The base currency of the loan claims is the euro, the interest rate is 2.79%-16% and the term is until 31.12.2028.

**13. Cash and cash equivalents**

	31.12.2023	31.12.2022
Cash at bank	2 603 167	346 701
<b>Total</b>	<b>2 603 167</b>	<b>346 701</b>

**14. Issued capital**

	31.12.2023	31.12.2022
Issued capital	100 000	100 000
Number of parts	1	1

**15. Loan liabilities**

	31.12.2023	within 12 months	1- 5 years	Rate	Base currency	
Funding attracted through peer-to-peer platform	16 704 478	16 704 478	-	10-16%	EUR	
Accrued funding interest expenses	96 095	96 095	-	-	EUR	
<b>Total</b>	<b>16 800 573</b>	<b>16 800 573</b>	<b>-</b>			

	31.12.2022	within 12 months	1- 5 years	Rate	Base currency	Term
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>	<b>-</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).

**16. Payables and prepayments**

	31.12.2023	31.12.2022
Trade payables	458 773	61 473
Employee payables <sup>17</sup>	22 339	15 955
Tax payables <sup>18</sup>	87 817	26 152
Other payables	679 007	2 670 077
Prepayments received	41	41
<b>Total</b>	<b>1 247 977</b>	<b>2 773 698</b>

All payables and prepayments are due within 12 months.

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

**17. Employee payables**

	31.12.2023	31.12.2022
Salary payable	8 528	4 008
Accrued unused vacation	13 812	11 947
<b>Total</b>	<b>22 340</b>	<b>15 955</b>

**18. Tax liabilities**

	31.12.2023	31.12.2022
Value added tax	76 857	16 028
Personal income tax	3 194	3 307
Social tax	6 989	5 926
Contributions to mandatory funded pension scheme	331	359
Unemployment insurance tax	398	431
Withholding tax	48	101
<b>Total</b>	<b>87 817</b>	<b>26 152</b>

## 19. Related parties

Related party balances according to groups	31.12.2023		31.12.2022	
	Receivables	Liabilities	Receivables	Liabilities
<b>Short term</b>				
Subsidiaries	2 721 090	-	-	-
Legal persons with material ownership interest and material influence of management and higher	-	1 584	-	1 584
<b>Long term</b>				
Subsidiaries	700 000	-	-	-
	<b>Given loans</b>		<b>Given loan repayment</b>	<b>31.12.2023</b>
Subsidiaries	700 000		-	700 000
<b>Total given loans</b>	<b>700 000</b>		<b>-</b>	<b>700 000</b>

Purchases and sales of goods and services	2023	2022
Legal persons with material ownership interest and material influence of management and higher	1 584	1 584
<b>Remuneration and other significant benefits calculated for members of management and highest supervisory body</b>	<b>2023</b>	<b>2022</b>
Remuneration	77 801	77 801

Short-term receivables in the amount of EUR 2 721 090 reflect financing mediated through the platform within the framework of a new business model.

## 20. Events after the reporting date

By August 2024 the total number of active platform users has reached 6 824.

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.

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# Signatures

Date of completion of the Annual Report is: 20.09.2024.

The correctness of information in the annual report of Swaper Platform OÜ (registry code: 14726410) of 01.01.2023 - 31.12.2023 has been confirmed by:

Name of the signatory	Role of the signatory	Date
<b>Indrek Puolokainen</b>	<b>Member of the Board</b>	 <b>20.09.2024</b>

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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, 2023, 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, 2023, 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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[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*

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

20 September 2024