



SaveLend

Group

ANNUAL REPORT

2021

PUSH FOR CHANGE.

PUSHING THE CHANGE TOWARDS AN OPEN ECONOMY BY
OFFERING A RECEIVABLES INVESTMENT PLATFORM FOR
COMPANIES, INVESTORS AND LENDERS ALIKE.

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1 | THE YEAR

Events in the year

Q1

- Launching new originator on the platform - Svensk Kreditförmedling AB.
- Selected Corpura Fondkommission as financial advisor for the planned listing on Nasdaq First North Growth Market.
- Miika Engström was recruited as Chief Revenue Officer (CRO).
- Linda Drake Ström started as Chief Credit Officer (CCO) in January.

Q2

- Welcomed Akavia (union for academic graduates) as customer to the billing platform.
- Initiated partnership with Fastum for billing.
- Greater volumes through partnership with Mobility46 AB.
- Entered contract with ZignSec for digital identification for customers across Europe.
- Name change from Savelend Credit Group to SaveLend Group AB.
- The AGM elected Carl-Richard Häggman, Helena Möller and Jan Sjödin as new board directors.
- The AGM authorized the board of directors to issue shares, warrants, and/or convertible loans for a maximum dilution of 20%.
- The SaveLend Group AB new share issue prior to listing was oversubscribed by 682 per cent. Trade in SaveLend Group shares began June 9 2021 on the Nasdaq First North Growth Market using the ticker YIELD.
- Recruited Martin Brändefors as COO.

Q3

- Acquisition of P2P pioneer Fixura AB Oy for a purchase price of approximately MSEK 25.
- Announced new financial targets and dividend policy with an average annual organic growth of 25% or more, and net revenue not less than MSEK 300 by 2025 including acquisitions and with 25% adjusted EBITDA margin. For dividends, the target is to issue 30 - 50% of group profit after tax starting 2023.
- Concluded a partnership agreement with Bruk Financial Services Oy.
- Expanded collaboration with insurance business Maiden General Försäkrings AB on the Finnish market.
- Initiated partnership with event business Trippus for billing.
- Carl-Richard Häggman left the SaveLend Group board of directors due to changed circumstances related to his employment situation.

Q4

- SaveLend Group concluded the acquisition of the Finnish P2P pioneer Fixura Ab Oy.
- Launched direct bank payments on the investment platform through Trustly.
- Redeye initiated covering SaveLend Group.
- Launched Treyd as an originator on the investment platform.
- Changes to group senior management with appointment of Lina Brattström as Chief Investor Relations and Communications Officer and Jonas Ahlberg as Deputy CEO.

Message from the CEO

Another unusual year with the pandemic and modified restrictions is behind us. And yet, we see growing interest in investing generally in Sweden. I am proud of how well our employees managed the widely varying demands we faced and how well we managed to deliver on our stated goals.

2021 was an eventful year in which we transformed SaveLend Group profoundly and paved the way for continued growth in coming years. We completed listing our shares with the Nasdaq First North exchange, designed a new brand identity and ran our Money Shouldn't Sleep campaign. We recruited and filled several key positions, and we opened operations for the Euro market when we stepped into the Finnish market with partnerships and acquisition of the Fixura savings platform.

The listing with Nasdaq First North was completed in June after thorough preparations. And we felt very satisfied being able to reward customers on the savings platform with allocation. We see significant interest from our shareholders in also participating in the savings platform and vice versa. This was one of the primary reasons for listing. But we also considered the access to capital, shares with a market value to use in acquisitions, and the credibility and transparency brought by being listed for our continued expansion.

Along with the listing, we updated the group branding profile, running our noted campaign with the motto Money Shouldn't Sleep. This was designed to increase awareness in Swedes about how much of their money in fact lies in their standard savings accounts earning no interest, and that inflation reduces the value of money every year. The campaign was highly successful where we noted an immediate increase in new savers, as well as a longer term effect that we continue to build on.

Financial targets that focus on growth

We updated our financial targets in September to include reaching MSEK 300 in total revenue by 2025 with an adjusted EBITDA margin of 25%. Our objective is an average annual organic growth of not less than 25%, which means acquisitions will be necessary to reach our financial targets. And we have a good balance between revenues and profit.

We continue to prioritize growth, but the scalability of our platforms shows we can reach black figures soon since it is our own growth initiatives that lie between them and our current position.

Fixura acquisition in Finland

We acquired Fixura in the fall, which can be described as the Finnish equivalent of SaveLend. This acquisition had several important aspects, including gaining access to a skilled team with plenty of vital data about the Finnish market. The acquisition strengthened our presence in Finland, and my assessment is we shortened our move into the country by two years compared to organic entry and growth.

To continue growth at our current and planned pace, we needed to reinforce our organization and recruit more specialists than the generalists we have. We worked on this reset during the year but will continue into 2022. We then plan to have an organization that, like our platforms, will prove equally scalable.

Finally, I want to thank all our customers and shareholders for a fantastic year in 2021. I am convinced that we have only just begun, and that with my colleagues, we will continue our growth journey for years to come.



April 2022

Ludwig Pettersson, CEO

Product offering

SaveLend Group's business goal is to deliver risk-adjusted yield to savers. The group's product offering is based on two proprietary platforms – the SaveLend savings platform and the Billecta billing platform – which are operated together to achieve a single common goal.

The Savings platform

The SaveLend Group's proprietary savings platform offers private individuals and companies the opportunity to be able to save using credits. The SaveLend Group purpose is to generate yield for savers through a diversified saving offer on the platform. This offers a level and functionality that whereby these savers do not need any alternatives within other alternative financing. The offer includes the opportunity to save in various types of loan notes. In future this will include more countries and currencies in Europe. The product also has a built-in secondary market where credit can be bought and sold to address liquidity requirements the savers may encounter. The types of credit currently on offer include business loans, consumer credit, property loans, debt collection portfolios, factoring, and import financing.

These loan notes published on the savings platform come from two types of sources – originators owned by SaveLend Group and external originators. These are often specialized toward specific target groups. In joining SaveLend Group they gain the opportunity to finance their business with capital from the platform.

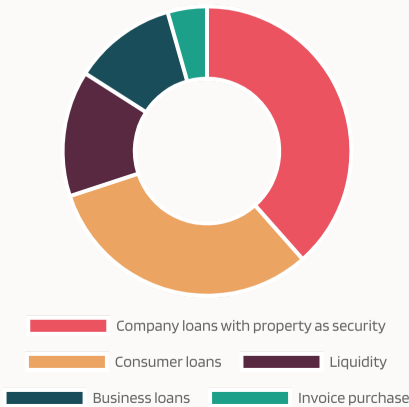
The SaveLend savings platform acts as agent for savers so they never need to enter negotiations with the debtor in question. When the debtor fails to make payments, then SaveLend manages collection of the claim. Regarding consumer credit, there is a sales agreement whereby the saver is able to eliminate their exposure to past due credits. This means that any losses are realized continually so their capital is never locked into unpaid

receivables. Previously, the receivables were sold to external parties, but since mid-2020, the past due consumer credits in Sweden have been bought by SaveLend Group's internal debt collection business.

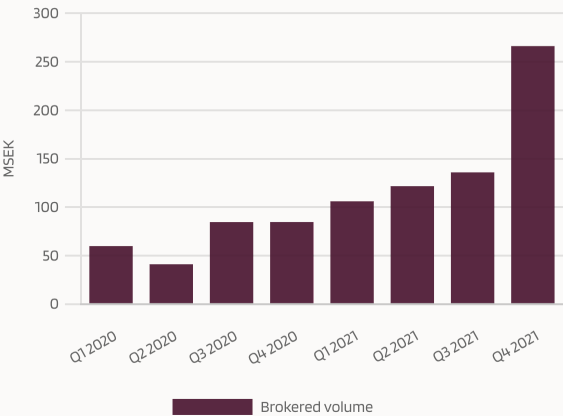
Using the SmartInvest investment motor, saver's assets are automatically invested in a variety of loan note types based on previous selected settings. For example, the saver can select the types of credit, lenders, and maturities they want to use, and choose to invest in the secondary market, rather than lie unallocated. Using SmartInvest ensures capital is always reinvested so the savers' money can grow as much as possible, and not remain unutilized. When a saver has set their criteria, SmartInvest will go through them to match against current credit applications. SmartInvest then continually matches these against new credits that are added to the savings platform. SmartInvest is created for savers who want to invest in several different credit opportunities to spread their risks without needing to manually enter adjustments. They can either invest using standard settings created to provide a good balance between yield and risk diversification, or set their own criteria.

Originated volumes on the savings platform increased significantly in Q4 2021 QoQ, which is largely due to credit originator Svensk Kreditförmedling AB generating much greater investment opportunities in that quarter, compared to previously. The fourth quarter is seasonally a stronger quarter, whereby we expect a more normal growth in Q1 2022.

Savings platform exposure as of 31 December



Brokered volume per quarter



The Billing platform

The Billecta billing platform offers comprehensive billing services including several distribution and payment methods, accounting documentation, reminder and collection services, and financing services through the investment platform. Through this service SaveLend Group helps to automate the entire billing flow for businesses both in charging and payment processing. Using this service, the invoice issuer is able to generally meet all the requirements that an end-customer may have regarding how they receive their bill and make payment on it.

The billing platform is wholly proprietary and the volume growth in recent years shows its scalability capabilities to process even larger volumes. Most all customers of the platform use the service integrated in some way to their accounting or business systems. The billing platform has a REST API that enables all current functionality can be accessed through a web application by way of integration. Thus, customers can design their own integrations with the billing platform or also use several ready-to-use integrations available for immediate activation, to use with the most common accounting systems.

Customer groups

Customers include three different segments – small businesses, SMEs, and larger organizations needing help with automating their billing processing and payment flows. Offering several smart functions that increase the level of automation, reducing administrative processing, the service is especially advantageous for companies with large billing volumes. Normally, larger billing flows are associated with electricity, phone, and telecommunications services, and other household-related service providers. However, generally every company and stakeholder who offers some form of subscription or product services, including membership and charity organizations, are potential customers.

Competitive advantages

The comprehensive offering of availability, automation, flexibility, scalability, and user-friendliness is the primary competitive advantage of the billing platform. This product is especially competitive when considering processing of larger consumer flows due to its functionality with balance management, and automatic autogiro processing. The billing transaction volumes at SaveLend Group increased significantly in recent years. In 2018 approximately 209,000 billing transactions were processed, this increased in 2019 to nearly 895,000, for 2020 some 1,230,000 were processed, and in 2021 billing transactions totaled over 3,380,000. Even as more customers with larger volumes have chosen Billecta as their provider, underlying growth from existing customers and partners is significant. The sales channels used include online marketing, external partners, physical customer marketing, and newsletters.



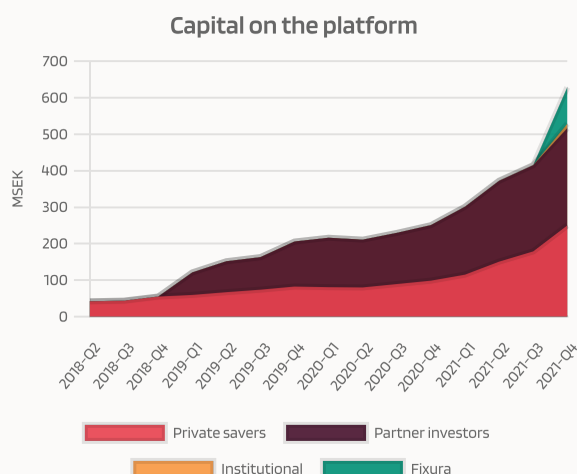
Key performance indicators

SaveLend Group has two primary key performance indicators which are tracked and used in operations. These key indicators measure the various revenue streams that arise through each platform, which can therefore be used exclusively with assumptions regarding future volumes as indications of future revenue volumes.

Capital on the platform

Capital on the platform as key indicator is the total of available and invested capital registered on the savings platform. SaveLend Group has chosen this as one of two central key performance indicators as access to capital on the platform is an essential prerequisite for several revenue streams for the group. Moreover, the capital is sourced from three customer categories – private investors, partners, and institutional investors. Revenues to SaveLend Group from each of these customer categories varies depending on the type of credit loan note the capital is invested in, and whether it is invested in a group credit originator or with an external originator. The invested capital on the platform thereby enables several revenue streams – commission on interest paid, arrangement and origination fees, and interest margins. These thereby cover all the revenue streams associated with issuing, originating, and administration of credit. It is also important to note that the group is working toward avoiding balance sheet exposure entirely. The revenue to invested capital ratio for each revenue stream measures the group earnings per invested krona on the platform. The average earnings per invested krona on the platform in 2021 was SEK 0.12.

At year-end 2021, total invested capital was MSEK 629. MSEK 250 of this was attributable to private investors and MSEK 267 to partners. The group acquisition of Fixura operations contributed MSEK 100, while MSEK 12 came from institutional operators.

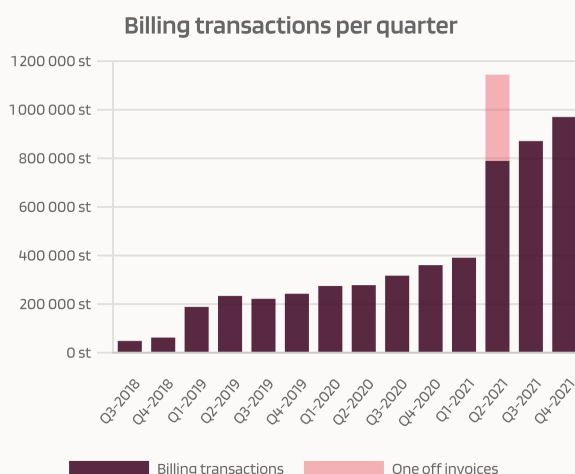


Billing transactions

The key indicator billing transactions is the second primary indicator that SaveLend Group manages. The company views three customer segments on the billing platform which combined represent the total for all billing transactions – small businesses, SMEs and larger organizations. Revenues from each category depend on the volumes of transactions processed and the various additional services customers in each category utilize.

The billing service, what brings the billing transactions, is the basic service used by essentially all customers. However, it also creates the right prerequisites for offering additional services such as various payment and distribution methods, reminder processing, and collection services. More than contributing to upsell for the company, these additional services also increase the attractiveness of the basic billing service offering – making customer acquisition for combined services more efficient. This also increases the direct revenues linked to every processed billing transaction by adding revenues from each additional service provided – such as distribution, licensing fees, and collection fees. The total of these revenue streams are thereby driven by the number of invoices processed through the billing platform. The ratio between total billing transactions and income from each revenue stream provides earnings for SaveLend Group from every invoice processed on the platform. The average earnings per processed invoice on the platform was SEK 6.61 in 2021.

In Q2 2021, the total billing transactions were exceptionally high due to a large number of non-recurring invoices. These invoices were delayed when a customer transitioned to using the Billecta billing platform. Thereby, the first billing processed two periods worth of invoices at the same time.



Technology

The group has two independent platforms – the savings platform and the billing platform. These are both scalable to enable processing multiple volumes more than they do today using the same technology and staffing.

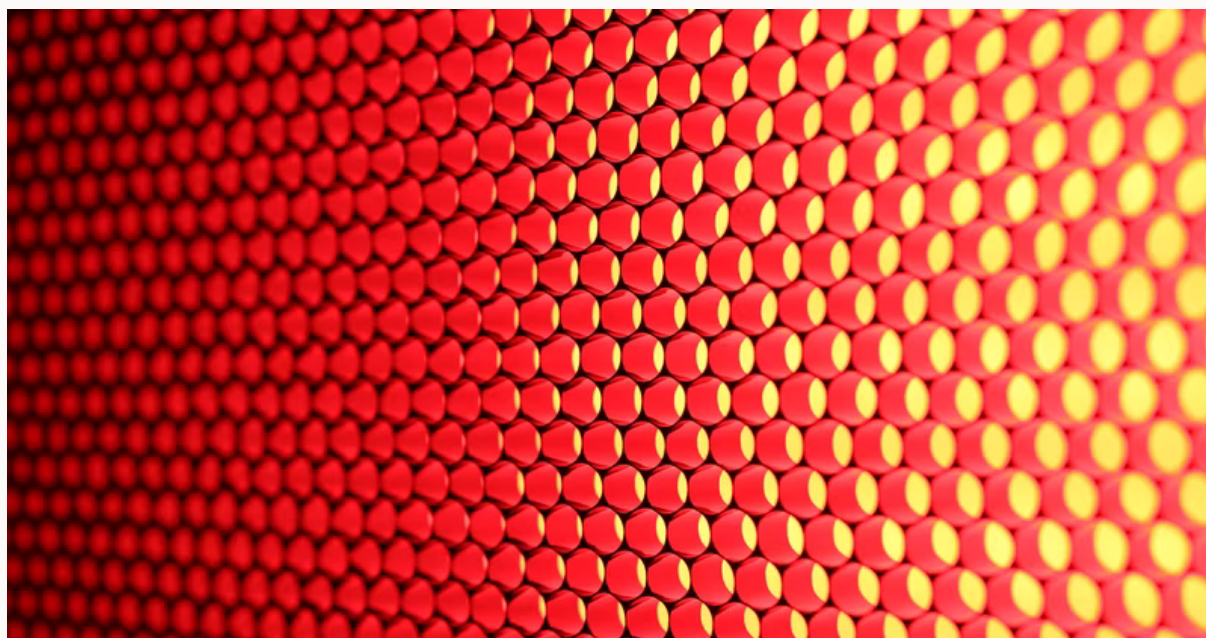
Each platform has a dedicated CTO and team for operating and developing their technology. However, these two teams remain in constant contact to enable utilizing each other's experience and competencies, and generate economies of scale. The platform CTOs report directly to the group CIO in senior management.

The platforms are designed to automate processes to the full extent technically possible to thus optimize operational reliability, quality assurance, and resource management.

All technology development at SaveLend Group is internal within each CTO team, as has been the practice from the start. This makes the technology in each platform entirely unique. Setting strict requirements as early as the recruitment process, and main-

taining this level in all work processes in the group has enabled the group to ensure consistent high quality throughout the technology. Regular testing of the systems is conducted to mitigate the risk of operational interruptions. The savings platform is now a third version since service launch in 2014. The platform is scalable and designed for a flexible work method that enables quick launches of new products and product improvements. The importance of having a modern and flexible IT platform becomes increasingly clear as operations grow. Growing into more countries, with additional currencies and a broader product offering will further distance SaveLend Group from competitors. The platform is used to offer savers the opportunity to invest capital in a variety of investment alternatives. The single platform can process issuing loans where customer credit assess-

ment is conducted jointly with all supervision and monitoring. With this proprietary system, SaveLend Group is able to monitor and identify transactions that may be suspected as money laundering or financing terrorism. The billing platform is also entirely proprietary. Volume growth in recent years shows its scalability capabilities to process even larger volumes. Most all customers on the platform use the service integrated in some way to their accounting or business systems. The billing platform has a powerful REST API that enables all current functionality that can be accessed through a web application by way of integration. Thus, customers can design their own integrations with the billing platform or also use several ready-to-use integrations available for immediate activation, to use with the most common accounting systems.



Markets

SaveLend Group operates in Sweden, Finland, and Poland within markets for alternative financing and billing transactions.

The market for alternative financing includes financing solutions that have been developed outside established banking systems and traditional capital markets. This market enables private individuals and companies to seek financing in new ways. Commonly, alternative financing involves combined funding from a network of private individuals and/or professional investors.

The market for billing transactions covers the entire billing chain from creating the invoice, to reconciliation and processing, and finally payment and collection. The group operates within each of these categories.

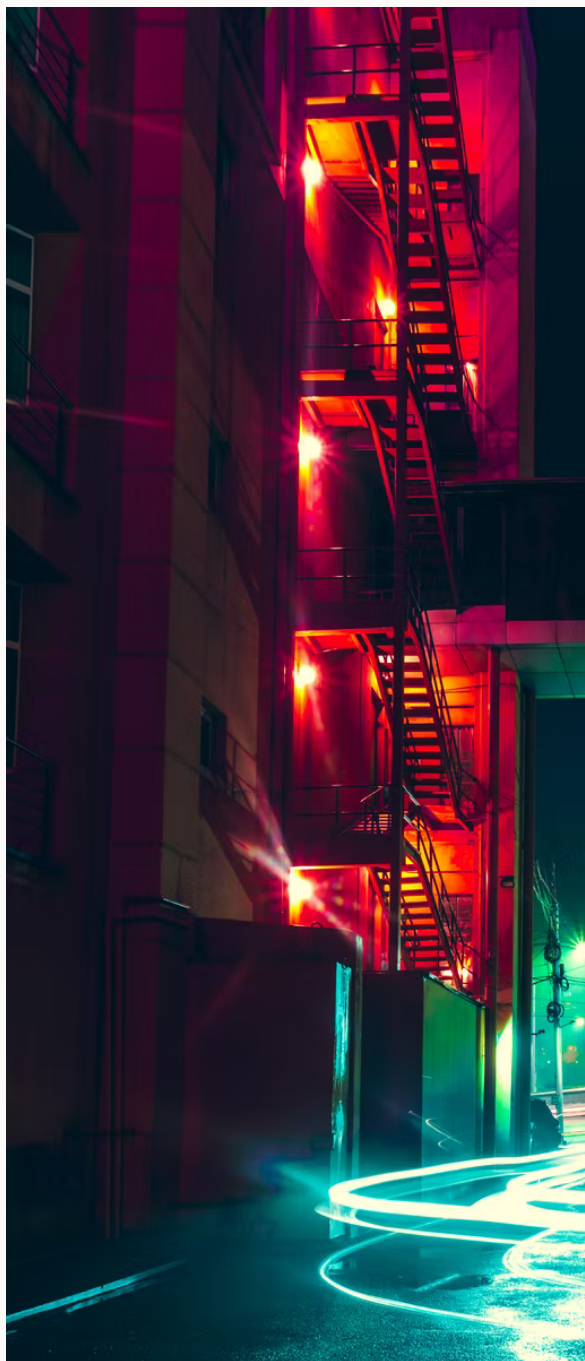
Alternative financing¹

The European market (including the Nordics) for alternative financing had a total market value of SEK 215 billion in 2020.² The global market is expected to grow annually by 10% from 2021 to 2025.³ The company has assumed that the rate of global growth should also apply to the European market.

The UK is the largest European market totaling SEK 119.9 billion in 2020, followed by Italy (SEK 17.7 billion), France (SEK 15.8 billion), and Germany (SEK 14.1 billion). At the time of this annual report SaveLend Group operates in Sweden, Finland, and Poland. The total market value in Finland and Poland was SEK 3.7 billion in 2020 and the Swedish market totaled 3.5 billion.

Billing transactions

There is no complete overview of billing transactions for Europe, so the group has estimated this. SaveLend Group estimates that Swedish companies issue approximately 860 million invoices annually for a population of 10,452,326 (at year-end 2021). This shows that nearly 82 invoices are sent per person. The population of Europe was approximately 447.7 million by the end of 2021, which would mean that approximately 36.7 billion invoices are issued throughout Europe. SaveLend Group earns about SEK 6.61 for each invoice on the Billecta billing platform. The company therefore estimates the European market for billing transactions to approximately SEK 243 billion.

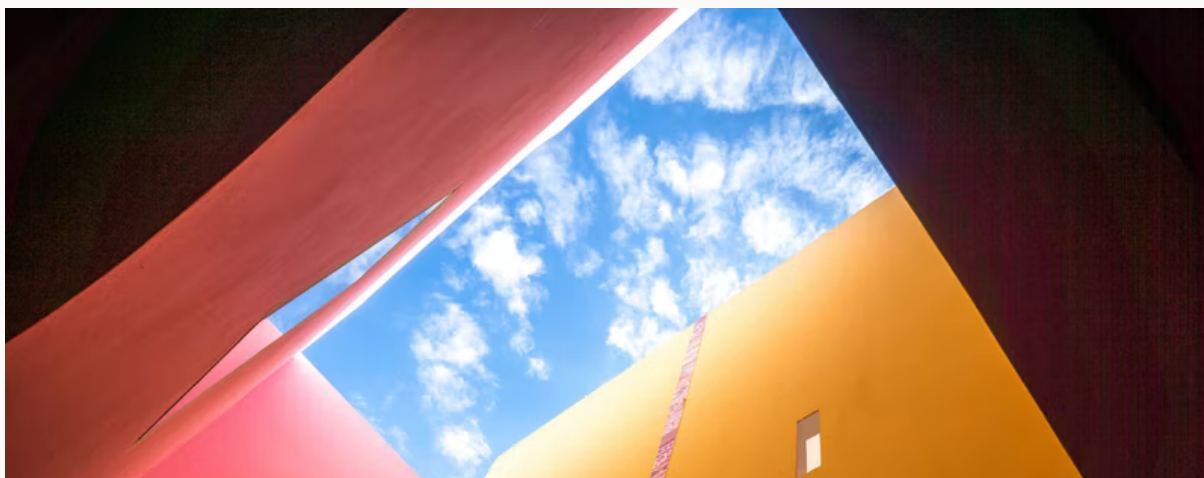


[1] This section presents all amounts in SEK translated from USD at the exchange rate of 9.5179, which is the average exchange rate for 2020. Sveriges Riksbank, annual average exchange rates.

[2] University of Cambridge, Judge Business School. The 2nd Global Alternative Finance Market Benchmarking Report (2021).

[3] Technavio, Alternative Finance Market by Type and Geography - Forecast and Analysis 2021-2025 (2021).

Internal management and control



Portions of SaveLend Group operations require permits to operate their business, and the group holds the necessary permits from the appropriate government authorities in the countries we work in. For Sweden, this means that the company is an authorized payment institute and consumer credit institute under the supervision of the Finansinspektionen (Swedish Financial Supervisory Authority). The group also holds a debt collection permit issued by the Integritetsskyddsmyn-digheten (Swedish Authority for Privacy Protection).

The payment institute permit is usable across Europe whereby we can conduct payment services in countries we apply for after notification to the supervisory authority.

The SaveLend Group model for internal management and control is designed using a risk-based approach with three lines of defense. The first line owns and manages the risks and regulatory compliance while the second is responsible for monitoring and oversight of these. The third line of defense is the part of operations responsible to conduct independent audits and supervision of the activities performed by both the first and second lines of defense.

The first line of defense includes business operations where operational procedures are implemented to manage these risks. Within the framework of this first defense line, SaveLend Group has established a function specifically responsible for monitoring risks in the payment service business. This function is maintained by the

group central function manager. This uses a set risk framework that continually monitors the climate for these types of risks for possible follow-up.

The second line of defense consists of functions for regulatory compliance, and risk control, which are tasked with maintaining principles and frameworks for risk management that facilitate risk assessments. They are also tasked with promoting a sound risk control culture, whereby this can strengthen business operations by supporting and training employees. These functions conduct independent oversight and follow up that includes checking and questioning risk management within the group. Risk control is outsourced to the Transcendent Group AB and regulatory compliance is outsourced to an independent consultant who works full time with the group.

The third line of defense include the internal auditor for the group who is appointed by and reports directly to the board of

directors. Internal auditing is outsourced to FCG Risk & Compliance AB.

The SaveLend group also has three committees with members representing senior management, staff, and the board of directors. These are the credit committee, auditing committee, and the regulatory compliance committee. These committees work independently with regular meetings and direct reports to the board of directors. The credit committee considers issues related to company credit operations and makes credit decisions following the group policy mandate matrix for credit decisions. The audit and regulatory compliance committees consider issues related to auditing, risk management, regulatory compliance, and internal control. The strategy committee considers strategy issues related to SaveLend Group offering, growth, and expansion. Each committee is also tasked with supporting the board of directors regarding the group's overall strategic approach in each business area and management monitoring of this strategy.

The Board of directors and Senior managers



Bo Engström

Board chair

Bo has extensive experience in senior management positions and work on boards of directors within the banking and insurance sectors, including from Stadshypotek AB, Handelsbanken and Anticimex Försäkringar (Insurance). Bo was previously CEO for the listed company, Försäkringsaktiebolaget Svenska Brand (publ) (Insurance), from 1995 to 2001

Other assignments: Board director for Guard Invest A/S, Guard Automation A/S, and Guard Automation AB; board director and CEO for Gnisvard Management AB.

Holding: 79,867 shares privately, 16,749 series W2019-2022D warrants through a limited company and 76,053 series 2021/2024 I warrants privately.



Ludwig Pettersson

Board director, Chief Executive Officer

Ludwig founded SaveLend Group in 2014 staying as CEO, board director and the principle shareholder since then. He is trained as Credit Controller and was previously board director for Enlabs AB, whose shares were listed on the First North exchange.

Other assignments: Board director in the Swedish FinTech Association, Punktligt AB, Giwdul Invest AB, and MARCs Consulting AB.

Holding: 9,535,431 shares privately and through a limited company and 3,826 series W2019-2022D warrants through a limited company.



Robert Andersson

Board director

Robert has extensive experience in senior management positions in growth companies. He is currently CEO for First North listed Acroud and previously held the same position at Enlabs, Catena Media and River. Robert is also member of the SaveLend Group strategy committee.

Other assignments: Board director at Enlabs AB, CEO for Acroud AB, board director and CEO for Gorollsson AB.

Holding: 66,666 shares and 76,053 series 2021/2024 I warrants.



Birgit Köster Hoffmann

Board director

Birgit has an international background and 25 years' experience within Banking & Finance in several European countries. Most recently, she was CEO at Volkswagen Finans Sverige AB and was previously CEO for Volkswagen Möller Bilfinans AS and Volkswagen Bank GmbH, sede Italia (domiciled Italy). She has been board chair and director in several Scania owned finance companies around the world, currently working as senior advisor. She is currently engaged in the board of directors for First North listed Mangold AB and is a member of the SaveLend Group accounting and compliance committee.

Other assignments: Board director for Mangold AB, Mangold Fondkommission AB, Panthera AB, Auriant Mining AB, board deputy director for Endsport AB and Endsport Holding AB.

Holding: 183,000 shares and 76,053 series 2021/2024 I warrants.



Johan Roos
Board director

Johan has a background as certified public accountant with extensive experience developing and implementing strategies assisting CFO functions, performance management, internal control and compliance. Johan was previously Head of Group Finance at SEB, CFO at RSA Scandinavia (Codan/Trygg-Hansa) and Finance director at Hewlett-Packard Sweden. He currently works as independent consultant and senior advisor, and board director at Avanza Bank. Johan is also a member of the SaveLend Group strategy and credit committee.

Other assignments: Board director for Avanza Bank Holding AB and Avanza Bank AB.

Holding: 258,653 shares and 76,053 series 2021/2024 I warrants.



Helena Möller
Board director

Helena has an extensive background within finance, including as CFO at Svea Ekonomi and as Global Accounting Manager for Klarna Bank. In addition to assignments for the company, she also works as an interim finance consultant and is currently CAO at Sinch. Helena has a Business Master's degree from Stockholm University. Helena is also a member of the SaveLend Group audit and compliance committee.

Other assignments: Board director for Sanler Consulting AB, board deputy director for Sanler Wine AB, board director and CEO for Sanler Interim AB.

Holding: 76,053 series 2021/2024 I warrants through a limited company.



Jan Sjödin
Board director

Jan has extensive experience in corporate governance, risk assessment, compliance and business development. He has held several senior managerial positions in the financial sector through his career. He is currently advisor and consultant regarding compliance. Jan was previously Chief Compliance Officer at Euroclear Sweden AB and also has a background as department manager at the Swedish Finansinspektionen (Swedish Financial Supervisory Authority) responsible for supervision of consumer financial services and then also responsibility for supervision of securities markets. Jan has also held several other assignments including board director for the Konsumenternas Bank och Finansbyrå (Swedish Consumers' Banking and Finance Bureau) and Konsumenternas Försäkringsbyrå (Swedish Consumers' Insurance Bureau), as a member of several colleges of supervisors and as Swedish representative to the European Securities and Markets Authority (ESMA). Jan is also a member of the SaveLend Group audit and compliance committee.

Other assignments: Board director and CEO for Segadia AB, board director for Favoritfonden Sverige AB, board director and CEO for SkuldHjälp Sverige AB and board deputy at Kolåsontor AB.

Holding: 50,000 shares and 76,053 series 2021/2024 I warrants through a limited company.

Ledningsgrupp



Ludwig Pettersson
Chief Executive Officer

See above.



Jonas Ahlberg
Deputy CEO, Chief Financial Officer

Jonas is a founder of Billecta that was acquired by SaveLend Group in 2018. He is currently the Chief Financial Officer and Deputy CEO for SaveLend Group and was previously board director of SaveLend Group and COO. Jonas has a Masters' degree in Business Management from Stockholm University.

Other assignments: Board director for Dalmex AB, Board chair for o25 Fastighets AB, Board director for In-Wilbur AB.

Holding: 3,126,668 shares through a limited company and 48,571 warrants series W2019-2022D through a limited company.



Linda Drake Ström
Chief Credit Officer

Linda has sound knowledge in corporate financing and consumer lending with over 20 years in finance business. Most recently Linda held the position as Chief Credit Officer at Promentor Finans AB where she managed their application and later approval to operate as a credit market company in Sweden. Before that she was Risk Analytics Manager at Santander Consumer Bank, Customer Risk Manager at Hi3G Access AB and Group manager for Production at SveaWebPay and Credit & Collection Manager at Adecco Sverige.

Other assignments: None

Holding: None



Helén Danielsson
Chief Legal Officer

Helén was employed as Chief Legal Officer at SaveLend Group in early 2020. She has previously worked as attorney at PRA Group Sverige AB and is specialized in AML and GDPR. Helena has a Law degree from Uppsala University.

Other assignments: None

Holding: 21,771 shares and 38,026 series 2021/2024 I warrants.



Jacob Gevcen
Chief Information Officer

Jacob is a founder of Billecta that was acquired by SaveLend Group in 2018. After the acquisition of Billecta, Jacob has been Group Chief Information Officer. He has a civil engineering degree with previous experience as systems manager at H&M, and CTO at Upsales Nordic AB.

Other assignments: Board director for Jage IT Consulting AB, Board director for Gevcen Invest AB

Holding: 3,106,734 shares through a limited company and 48,571 warrants series W2019-2022D through a limited company.



Miika Engström
Chief Revenue Officer

Miika is Chief Revenue Officer for the group and Chief Executive Officer for Billecta Finland Oy. He has extensive experience in the banking and finance sector, including as CEO for Collector Bank in Finland, Manager of payment solutions at Resurs Bank, CEO for Finnish P2P business Fixura and has held several senior managerial positions at American Express. Miika is also a board director of the Kyrkslätt Municipal Council (Finland).

Other assignments: CEO Billecta Finland Oy, CEO Providence Finance Oy, board director for Forseti Capital Oy and part owner of Uudenmaan Varma Palvelu Oy.

Holding: 540 shares.



Martin Brändefors
Chief Operating Officer

Martin started as Chief Operating Officer for the group in summer 2021 with a background as management consultant in the finance sector. He has previously held positions as Head of Outsourcing at Klarna, management consultant at zeb Nordics, and others. He has focused on compliance and regulatory services. Martin was also previously active within the Swedish Armed Forces.

Other assignments: Board director for the Stockholm Studenthyresgästernas Förening.

Holding: 41,000 shares and 38,026 series 2021/2024 I warrants.



Lina Brattström

Chief IR & Communications Officer

Lina started her employment in September 2021 joining senior management in December that year. She previously worked as Marketing Manager at a Martech business and has experience in communications in a listed environment, with both previous employers and customers. Her previous experience includes roles as project manager, business support, and credit controller.

Other assignments: None

Holding: 3,225 shares.

Management report

The Board of directors and Chief executive officer of SaveLend Group AB, CRN 559093-5176, hereby present their annual report and consolidated financial statements for the 2021 financial year.

Group operations

SaveLend Group AB (SaveLend Group or the company) is a growth fintech sector company whose mission is to generate yield for their savers. This is done by using a technical platform for diversified savings providing various types of credit. Group companies create an ecosystem where savers, investors, businesses and consumers can efficiently gain value from each other. Company shares are listed on the Nasdaq First North Growth Market.

The group ecosystem is based on two proprietary platforms, each with separate focus. One is the savings platform which offers a unique opportunity for savers to invest directly in loan notes with adequate yield and risk diversity. The second is our billing platform that offers a complete billing system that contains everything from trade receivables, notification, payment services, collection services, and, in combination with the savings platform, financing solutions.

Together, these platforms create high efficiency rates and scalability by adding to each other's offerings.

The group companies all have requisite permits from the Finansinspektionen (Swedish Financial Supervisory Authority) and Integritetsskyddsmyndigheten (Swedish Authority for Privacy Protection). The group employed approximately 60 people at the year-end.

Organization and markets

Both these markets – saving in loan notes and using flexible billing services – are expected to grow quickly in coming years. This fits well with the SaveLend Group assessment that demand in these markets will continue to increase. The primary market for the group is still Sweden and the majority of revenues are earned in that market. With the acquisition of Fixura, Finland is now a priority market for the SaveLend Group. Company activity integrating the market, and therefore Euro transactions into the platform, will also form the foundation for the group's further expansion to Europe. The group has also established business in Poland.

Regulatory compliance

Group companies hold permits from the Finansinspektionen and Integritetsskyddsmyndigheten. These operations are conducted in compliance with regulatory frameworks that control the markets in which the group operates. This includes regulation regarding sound lending practices, and sound debt collection practices. Regulatory compliance is a priority within the group as it is a prerequisite for operations. This is therefore a vital consideration in all business decisions. The group legal department has developed procedures and processes jointly with the finance department in order to ensure continual and consistent regulatory compliance in current and future markets. As well, the company IT department works closely with the legal department to ensure our proprietary technology functions well and reliably. The IT department also ensures that regulatory compliance can be operatively implemented, as for example, in processing personal data.

Significant events during the year

- SaveLend Group selected Corpura Fondkommission as financial advisor for the planned listing on Nasdaq First North Growth Market.
- We completed several important recruitments this year. Linda Drake Ström started as CCO, Miika Engström was recruited as CRO, and Martin Brändefors was recruited as COO.
- Several new agreements were entered for both the SaveLend and Billecta platforms. An example of these agreements on the savings platform is that between Svensk Kreditförmedling and Treyd that was launched as a new credit originator during the first and last quarters respectively. In the second quarter Akavia (union for academic graduates) became a customer to our billing platform and in Q3 billing partnerships were initiated with Fastum och Trippus.
- Partnership with Mobility46 AB generated increased volumes.
- SaveLend Group entered contracts with ZignSec for digital identification for customers across Europe.
- The parent changed name from Savelend Credit Group AB to SaveLend Group AB.
- The AGM elected Carl-Richard Häggman, Helena Möller and Jan Sjödin as new board directors. Carl-Richard Häggman left the board during the year due to changed circumstances related to his employment situation.
- The SaveLend Group AB new share issue prior to listing was oversubscribed by 682 percent. Trade in SaveLend Group shares began 9 June 2021 on the Nasdaq First North Growth Market using the ticker YIELD.
- SaveLend Group concluded the acquisition of the Finnish Fixura Ab Oy for approximately MSEK 25, establishing SaveLend on the Finnish market.

- The group announced new financial targets and a dividend policy with an average annual organic growth of 25% or more, and net revenue not less than MSEK 300 by 2025 including acquisitions with an adjusted EBITDA margin of 25%. For dividends, our target is to issue 30 - 50% of group profit after tax starting 2023.
- Concluded a partnership agreement with the Finnish Bruk Financial Oy regarding their factoring business for the billing platform.
- The Billecta billing platform also expanded its partnership with Maiden General Försäkrings AB to also include the Finnish market.
- SaveLend Group concluded the acquisition of the Finnish P2P pioneer Fixura Ab Oy.
- Direct bank payments were launched on the savings platform through Trustly.
- Redeye initiated covering SaveLend Group.
- Changes to group senior management with the appointment of Lina Brattström as Investor Relations and Communications Manager and Jonas Ahlberg as Deputy CEO.
- The group has not received any government support relating to the Covid-19 pandemic other than tax deferrals from the Swedish Tax Agency for 2021. The SaveLend Group deems the impact from the pandemic as limited.

Related party transactions – Group

Related party natural persons are defined as members of the board of directors, senior executives, and close family members to these. Related party companies are defined as companies within the group, companies where related party persons have control, joint control, or significant influence, and other companies for whose benefit other key persons perform services for the group. No material transactions with related parties were conducted during the year other than remuneration. See note 6.

Risks and uncertainties

The senior management and board of directors use assumptions, assessments and estimates that affect the content of these financial reports. Actual outcome may differ from these assessments and estimates as referenced in the accounting policies. The objective with the group risk management is to identify, measure, control, and mitigate these risks in operations.

The risks can be divided into financial and operational, and external-related risks. Financial risks are described in Note 3 – Financial Risk. Management Operational and external risks are described generally below.

Sensitivity analyses have been conducted to assess the parameters used in impairment testing. These sensitivity analyses address all current risk that may impact the group bottom line and equity, such as credit risk, currency risk, and market risk. The current assessment is that no capital contribution or other actions are necessary for continued operation.

Risk related to group operations

Reputational risk in relation to credit losses, etc.

Group operations include issuing loans to private individuals and companies, and factoring, which external investors can invest in through the SaveLend platform. When issuing loans, credit risk will arise in the likelihood the debtor may be unable or unwilling to fulfill their financial obligations as these come due, which would cause credit losses to investors issuing loans through the group platform. The group conducts credit checks before issuing credit, and continually monitors creditworthiness. However, the risk may arise that these checks on borrowers are insufficient or erroneous. The risk is also present that group procedures are insufficient or suffer from external factors – such as recession or similar – which may cause credit losses to investors on the platform. Credit losses reduce total yield for investors on the platform and may cause negative publicity in terms of such credit losses, other negative publicity, or harmful information to be distributed about the group and its services such as that public or market confidence for the group and its services suffers. If the group's reputation is damaged, this may impact business opportunities for the group and would risk that investors on the platform move their capital from the platform and that the inflows of new customers could suffer. If any of the above risks would arise, they may have negative impact on group operations, revenues, and growth.

System risks linked to the group's platforms

The group's proprietary digital platforms are the core of group operations, whereby the success of SaveLend Group is largely dependent on seamless processes and the availability and function of these platforms. This therefore imposes significant demand on the software, technical systems, and infrastructure to enable the group to provide its products and services. SaveLend Group's operations and systems are sensitive to damage, malfunctions, and interruptions due to various events, where some are beyond the control of the group. These latter include fire, flooding, or other natural catastrophes, power outage, network outage, improper or negligent acts by suppliers or unauthorized physical or electronic intrusions and various violations of system integrity. Modifications or updates to IT systems, including as provided by suppliers, may cause malfunctions to group operations. Insufficient data protection systems, technical faults, fraud, or external events that cause malfunctions or interruptions to operations may result in loss of data and similar.

Attempting to replace or recover greater volumes of lost data would be very costly and time-consuming. And such a loss could harm the company's reputation. Malfunctions and problems with group systems may have negative impact on costs, reputation, brand value, and profit.

Dependence on services, licenses, and agreements with suppliers

SaveLend Group uses systems and solutions provided by suppliers in addition to the company's proprietary platforms in conducting operations and offering customer and partnership services. For example, the group depends on systems, services, and solutions from other vendors related to banking services, verification services, and hosting, among others. If these vendors should fail to provide or perform the contracted services, this would lead to the group being unable to offer its services or that more or less critical functions of the platforms would no longer be available. Using vendors exposes SaveLend Group to reputational risk if these vendors fail to provide the contracted services or violate applicable laws and regulations. Malfunctions and problems that impact the services the group provides may have negative effects on the group's costs, reputation, brand value, and profit.

Technical risk linked to the markets and consumer behavior

To ensure that SaveLend Group can maintain competitiveness with the platforms – a vital factor in attracting new and retaining existing customers – the platforms and the services provided must be updated continually. Consumer preferences and behavior changes over time, whereby SaveLend Group must proactively develop their products and offerings to both defend market share and expand that share. If SaveLend Group fails to develop or acquire products and services to meet customer demand, the group risks losing market share and customers to competitors, and that excessive development costs and wasted time may have negative effects on growth, revenues, costs, and operations in the group.

Dependency on key personnel

SaveLend Group operations are largely dependent on the experience, competency, and know-how held by key personnel. Together, the increasingly regulated environment in which SaveLend Group operates and products with high regulatory and technical complexity, together place high demands on competency, which requires employees have adequate understanding and experience in relevant fields. These key personnel are important to the group's ability to attract new and keep customers and staff. The loss of one or more of these key staff, or the inability to recruit experienced, qualified, and trained individuals as needed may cause interruption in group operations. This may then have negative impact on the group's development, growth, and financial results.

Brand equity

The success of SaveLend Group depends on its ability and efforts to preserve the value of their brand. Given the importance of brands and domains for the group, the risk exists that future successes are diminished if they fail to build and maintain strong brand perception. Additionally, the risk is present that measures taken to preserve and improve the brand fail or that the brand value is diminished by action taken by an external party that has a negative impact on SaveLend Group. If SaveLend Group fails to preserve and improve their brand, this may diminish the group's opportunities to preserve and expand their customer base. This may have a negative impact on group growth, revenues, and operations.

Access to capital and credit

Access to capital from customers investing in the SaveLend savings platform and access to the variety of credits they can invest in are important factors for group growth potential. The revenues earned from the savings platform are largely based on the total size of capital invested and borrowed through the platforms. Therefore, total volumes have a direct impact on net revenue. If the availability of loan notes does not meet the levels of capital invested on the platform, then all customers' capital cannot be matched with viable loan notes. This would reduce these customers' total yield on their capital on the SaveLend platform. If these customers do not earn the total yields they anticipate on their capital, the risk is present that they will transfer their funds from the platform and the inflow of new customers will be negatively impacted. Furthermore, SaveLend Group only earns revenues from capital that is matched with loan notes. This means that SaveLend Group will not earn revenue from the unmatched capital. If any of the above risks would arise, they may have negative impact on group development, operations, revenues, and costs.

Partnership risk

SaveLend Group's operations depend on being able to offer loan notes on the platform to enable customers to invest in them. Credit is brokered to investors on the platform by SBL Finans AB, a wholly owned subsidiary that issues consumer credit, business loans and factoring. In addition to the credits generated within the SaveLend Group, the company also partners with loan originators who provide business loans and collection portfolios that savers on the SaveLend savings platform can invest in. These operations and continued company growth depend on SaveLend Group being able to maintain these partnerships and entering new partnership agreements for the purpose of adding investment opportunities to the platform to further increase the total volume of available loan notes. Differences of opinion and legal disputes may also arise between SaveLend Group and these credit originators regarding contractual issues, remuneration, or similar. This may have a negative impact on these partnerships or terminate them altogether. If SaveLend Group cannot retain loan or credit originators, or fails to enter agreements with additional originators, they will face negative effects on group development, operations, revenues, and financial results.

Cyberattacks and other external threats

Cyber security threats to the digital financial sector generally are extensive and group operations are thereby exposed to the risk of cyberattacks and fraud. Failure in or evasion of the SaveLend Group data and cyber security measures may result in intrusion and/or loss of data. Such losses may be caused by such actions as DDoS attacks, viruses, spy software, or other unauthorized access to or harm to SaveLend Group systems or data (including confidential or other proprietary information – regarding SaveLend Group, partners, vendors, and customers using group products, or data related to investments). The technology used in preparing unauthorized access to, or sabotage of, systems and data changes continually, and is getting more sophisticated, which means it may not be recognized before it is used against the group, its partners, or vendors. SaveLend Group may become unable to foresee such incidents or fail to have taken adequate preventative measures (including those that would have been able to enable recovering from such an incident). The SaveLend Group as of the date for this annual report has not obtained any insurance for cyberattacks, and other external threats. Moreover, it is uncertain whether the group can obtain such insurance. If any of the above stated risks occurred, this would possibly have negative effects on group operations, costs, growth, and reputation.

Risk related to the industry and market of the group

Market competition

The countries where the group conducts operations are characterized by stiff competition and fragmentation, including a large increase in primarily private lending and business lending to SMEs. This has led to greater competition in the fields where SaveLend Group operates. Competitors to SaveLend Group can be roughly divided into two groups: Universal banks; and niche lenders. Competition is primarily based on interest levels, fees, size of the lending, maturities, and quality of the services (such as speed in handling applications, processing, simplicity of the product, and loan availability). Niche lenders are the primary competition to SaveLend Group since these approach similar customer groups. Due to the significant demand for private loans, additional niche lenders may be established, which would further increase competition. Increased competition of this kind may lead to reduced demand for the group's products and services. In turn, this may force SaveLend Group to adjust terms on company products and services to remain competitive. If SaveLend Group cannot successfully compete on the market, then demand for company products and services may decline, which would have negative impact on group revenues, operations, and growth.

Market conditions, growth, and profitability

Group operations are impacted by global, and especially Swedish macroeconomic conditions due to the effect these would have on the various customer groups in the company. If the general economy suffers material decline for a longer period, this may lead to higher unemployment levels and/or interest levels, which would impact the availability of credit. This could then lead to reduced debtor solvency levels or inability to pay, which may cause an increase in credit losses on the SaveLend platforms. Additionally, higher unemployment levels and reduced economic activity in the markets where the group operates may also reduce the number of debtors who qualify for loan products offered by the group. Moreover, demand for SaveLend Group's loan products is driven by consumers engaging in general consumption and consumer purchasing. This means that demand for these services may be impacted negatively by changes that drive down retail and e-commerce. Increasing uncertainty among consumers or a decline in consumption, or negative changes to use of or behavior related to credit may also have a negative impact on demand for credit products.

Existing and prospective customers to the SaveLend Group savings platform are affected by a range of factors linked to their private finances. These factors include household disposable income, customer confidence in their own financial and consumption levels, interest rates, unemployment, and inflation. Deterioration in macroeconomic conditions for existing and potential customers in the group's geographical markets, including falling asset values and negative yields, may reduce demand for SaveLend Group investment services since customers generally turn more risk averse and have less disposable funds to invest under such economic conditions. Macroeconomic conditions involving rising market rates would also force SaveLend Group to raise interest rates on their loan products to prevent total yield on the capital invested in the platforms from decreasing. SaveLend Group may fail in this action or succeed only partially whereby the competitiveness of the investment services would decline. If any of the above risks would arise, they may have negative impact on group development, operations, revenues, and costs.

Legal and regulatory risk

Regulatory compliance

Group operations are subject to statutes, regulations, and authority rules which regulate operations which also fall under supervisory provision of several Swedish agencies such as Finansinspektionen, Konsumentverket and Integritetsskyddsmyndigheten. SaveLend Group is dependent on holding a range of permits to lawfully conduct operations. If any material deficiencies in regulatory compliance of applicable regulatory frameworks arise in these notifiable activities, the permits from the Finansinspektionen and Integritetsskyddsmyndigheten may be revoked which would force the group to cease all or part of their operations. Historically, certain group companies have not fully complied with all their regulatory requirements, and this may also occur in the future. Conducting operations in a regulated environment not only exposes the group to the possibility of sanction fees and revocation of permits, but also involves significant costs and demand for resources to implement, adapt, monitor, and otherwise conduct operations that remain in full compliance with applicable regulatory frameworks.

New, amended, or repealed statutes, regulations, and authority rules may cause either greater complexity and stricter requirements on group control functions and operations generally, or also impose limits to how the group is able to conduct operations. If any of the above risks would arise, they may have negative impact on group development, operations, sales, and costs.

Risk related to money laundering and terrorism (AML/CFT)

Group operations are covered by laws and other regulations relating to AML/CFT in the countries where it operates. SaveLend Group is therefore required to have measures in place to counter money laundering and the financing of terrorism. To comply with these rules, SaveLend Group must establish and maintain extensive processes, internal rules, and monitoring. Exposure to regulatory compliance risk refers to procedures for KYC (know your customers), which, with a growing number of customers, means that the group needs efficient procedures to manage these processes. The fact that operations are conducted in different countries increases the risks for failures in compliance to applicable laws and regulations regarding AML/CFT. Procedures for KYA must be further adapted to technical, customer behavior related, and regulatory differences between each country where the group operates. Subsequently, group processes and other processes, and AML/CFT measures, face strict requirements – adding both cost and time demands, as well as strict demands regarding competency and sufficient staff resources. SaveLend Group, now or in future, may fail with regulatory compliance to AML/CFT measures that are applicable from time to time. This could be due to failures in internal processes, manual errors, or faulty processes outsourced to suppliers or involving monitoring. Shortcomings in regulatory compliance of applicable rules and laws may lead to sanctions in the form of remarks or warnings, sanction fees, or other measures which may, in turn, lead to revocation of group held permits. The risk is also present that the group reputation and business relationships are harmed. Faults in regulatory compliance for AML/ CFT may have negative consequences for group operations, development, profit, and financial position.

Political risk

SaveLend Group operates in several countries where such operations are subject to statutes, regulations, and authority rules specific to each country. Legislatures and supervisory authorities have significant impact on many aspects of group operations, marketing, and sales methods, advertising, and commercial terms. Statutes, regulations, and authority rules and/or interpretations of regulatory frameworks that currently impact SaveLend Group may be amended or new ones imposed. Even if the group closely monitors these changes, they cannot foresee future initiatives or changes that may have negative impact on group operations and services. Regulatory amendments to consumer protection regimes may also involve stricter rules for SaveLend Group to comply with, which may impact the industry and markets in which the group operates. Stricter regulation may also limit the services that the group is able to offer, or restrict terms for these. For example, imposition of an interest rate ceiling, changes to credit assessment requirements, or limits regarding marketing, service terms, and leverage ratios would impact group services and operations negatively. If any of the above risks would arise, they may have negative impact on group development, operations, and revenues.

GDPR

The group processes large volumes of personal data every day as part of business operations. This occurs mostly when customers use company services. The EU has legislated the General Data Protection Regulation (GDPR), to regulate processing of personal data and the free movement of such data. The GDPR therefore applies to SaveLend Group and how it collects, shares, and otherwise processes customer personal data. SaveLend Groups compliance to the GDPR is therefore supervised by national data protection authorities. These authorities may at various times audit personal data processing at SaveLend Group. The group may fail in complying with the GDPR due to faults in internal processes, manual errors, defects in the group's IT systems and similar. Failure to comply with the GDPR may expose SaveLend Group to the risk of significant sanctions.

The Court of Justice of the European Union ruled on 16 July 2020 in case C-311/18 (the Schrems II judgement) on the permissibility of transfers of personal information to third countries (those outside the EU/EES). This ruling means that the certifications a company could previously rely on for transfer of personal data to the USA, 'Privacy Shields,' were declared invalid. The ruling therefore also limits the use of standard agreement clauses in the EU for transfers to third countries. In processing personal data, either directly or indirectly, SaveLend Group has relied on these Privacy Shields. The ruling therefore risks forcing SaveLend Group to renegotiate existing contracts, be limited in their choice of vendors or fail to comply with the GDPR due to prohibited transfer of personal data to third countries. Failure in compliance with the GDPR may bring negative consequences to the group costs, operations, and reputation.

Intellectual property

SaveLend Group owns several brands, domain names, and other intangible assets related to their proprietary software. The group also uses various licensed software. SaveLend Group therefore faces the risk of not having sufficient protection for these brands and intangible assets used in operations whereby the group may experience difficulty defending these brands and other such assets. The group may also be exposed to third party attempts to benefit from unauthorized use of the SaveLend Group brands that require the group to take legal action. Additionally, this unauthorized third party use or abuse of these brands may have negative impact on the group. If SaveLend Group fails to protect or maintain their intellectual property, or if the group is accused of violating other parties' intellectual property, or if a license agreement is terminated, this may have a negative impact on the group operations and results.

Internal regulatory compliance

Group operations are regulated, that is, they must comply with applicable statutes, regulations, and authority rules. Therefore, SaveLend Group must maintain internal policies and guidelines to ensure operations are conducted in accordance with these regulatory frameworks. The risk here is that these internal policies and guidelines fail to meet the requirements of these applicable regulatory frameworks or are otherwise insufficient. Any lack of understanding or knowledge of these internal control documents by employees may also increase the risk that errors or mistakes are committed within the framework of group operations. Individuals may also commit errors or act negligently when providing group services, incorrectly interpret or violate applicable law or rules when performing their work tasks or otherwise act in an unsuitable manner. Even if the SaveLend Group platforms are digital, certain actions require manual handling, which brings the risk for erroneous decisions. If any of the above risks would arise, they may have negative impact on group operations, permits, and reputation.

Risk related to legal and administrative procedures

The group is involved in legal and administrative proceedings that arise within the framework of operating activities. These proceedings primarily relate to performance claims related to past due invoices acquired within the framework of group operations and to a lesser extent past due credit issued within the framework of group lending activities. SaveLend Group was party to a dispute with a previous member of the board of directors for a subsidiary. That party filed claims for remuneration of approximately MSEK 144. The company rejected this claim leading to the counterparty filing a court action. The District Court of Stockholm issued their ruling in April 2021 rejecting the claim and ordering the previous board member to pay SaveLend Group's related legal expenses. The counterparty appealed this ruling to the Svea Court of Appeal. An appeal was filed with the Court of Appeal which ruled on June 3 they would not grant leave of appeal. The counterparty appealed the Court ruling to the Swedish Supreme Court on June 15, which also refused to grant leave to appeal. This upheld the District Court ruling whereby the group was found not liable. SaveLend Group may further be subject to investigation and legal proceedings by government authorities in the jurisdictions where the group operates. Legal and administrative proceedings may also become costly, time consuming, and interrupt daily operations. If any of the above risks would arise, they may have negative impact on group operations, costs, and revenues.

IT Security

The value of protecting the group's business data defines IT Security as a high priority. The company IT policy presents guidelines for use, storage, and communication of this data, which is managed following defined security and back-up procedures. Hardware and software are secured by using local hardware encryption. Internal assessments are conducted continually to ensure existing security and updates are performed to meet internal and external requirements.

SaveLend Group also continually acts to reinforce security awareness within company staff for managing both hard and software. This includes holding staff training, and with regular notifications regarding new internal requirements.

Activities of the board of directors

The board of directors held 24 minuted meetings in 2021 including the inaugural meeting of the board of directors. Of these 24 meetings, 14 were physical meetings, 5 were online, and 5 were by correspondence. Still, at the physical meetings, certain directors participated digitally due to circumstances caused by the pandemic. The meetings of the board have followed a board chair approved agenda provided in advance to all directors with related documentation. Either a board director or company officer serve as secretary to the meetings of the board of directors. The CEO is presenter at the board meetings. Board directors and the CEO recuse themselves when a conflict of interest arises and when questions are considered in which they may be biased.

The activities of the board of directors during the year primarily concentrated on issues for the group relating to regulatory compliance, risk control, internal auditing, long-term financing, acquisitions, new share issues, development of the investment platform for loan notes, onboarding originators, organizational development, and recruitment of key employees.

Activities of the board of directors and CEO are regulated by the board's work plan, the board instruction to the CEO describing the allocation of tasks between them, the CEO's authority and work tasks, and responsibility to report financial results.

The CEO also has a senior management to execute board directives. Additionally, the CEO and senior management have contracted named external consultants to manage specific functions such as for regulatory compliance/risk control, and internal auditing, reporting, and legal counsel.

The AGM elected Carl-Richard Häggman, Helena Möller and Jan Sjödin as board directors. Board chair Bo Engström and directors Robert Andersson, Birgit Köster Hoffmann, Johan Roos and Ludwig Pettersson were re-elected to the SaveLend Groups board of directors.

Sustainability efforts

Senior group management continually implements internal guidelines relating to sustainability issues. This is intended to create a platform to present these issues, and thereby raise awareness among employees. The group wants to be able to demonstrate to investors, borrowers, and partners the company commitment to sustainability.

These guidelines are implemented throughout the organization, as presented in the summary below.

Environment sustainability

SaveLend Group strives to evaluate its possible actions in terms of climate action, in relation to identifying partners, vendors, attitudes at the workplace, and choice of transportation method.

Social sustainability

SaveLend Group actively supports fair working conditions, diversity, and equality. The group actively uses performance reviews and employee surveys on a continuing bases to create opportunities for improvement, and to learn about any irregularities.

Measures to counter money laundering and the financing of terrorism

SaveLend Group is obligated to follow the Swedish Act on Measures against Money Laundering and Terrorist Financing (2017:630). Prior to starting a customer relationship, group companies must take sufficient KYC measures to enable identifying the customer and assessing the risks associated to that customer. The SaveLend Group must also continually monitor business relations and transactions these customers conduct to be able to identify any suspicious activities that may be due to money laundering or financing of terrorism. When suspected activities are identified, the group is obligated to report such to the Swedish Police Authority. The SaveLend Group has adopted internal policy documents and procedures for ensuring regulatory compliance to the act on measures to counter money laundering and the financing of terrorism and related regulations.

Financial sustainability

SaveLend Group intends to promote a sound, sustainable economic prosperity for their savers, borrowers, and partners. This shall be through transparency in communication and information, specific contractual terms, and compliance with sound lending practices. The group has adopted policies and instructions to ensure this is followed. Before a business relationship is initiated, the SaveLend Group conducts an audit to ensure they do not provide services or products that do not match group values, and which do not comply with requirements imposed by the act on measures to counter money laundering and the financing of terrorism and related regulations.

Ethical sustainability

SaveLend Group follows internal instructions regarding valuations and culture in decision making and how employees behave towards each other and towards customers. The group strives to find the best ways to help all involved, both lenders and borrowers. This is done by having specific contract terms, and similar.

Multi-year overview

Key ratio definitions presented on page 62

GROUP TOTALS	2021	2020	2019	2018
Net revenue	94,093	56,213	44,720	31,439
Of which, acquired net revenue	1,664	-	-	-
Adjusted EBITDA	-5,972	-7,127	578	-9,424
EBITDA	-17,885	-7,127	578	-9,424
Adjusted EBIT	-16,003	-14,044	-5,488	-11,441
EBIT	-27,916	-14,044	-5,488	-11,441
Total shares at the year end	47,492,846	3,456,933	3,349,700	26,038
Earnings per share (before dilution) (SEK)	-0.92	-4.23	-2.37	-180.35
Adjusted equity/assets ratio (%)	41 %	42 %	68 %	65 %
Equity/assets ratio (%)	27 %	33 %	50 %	50 %
Equity	79,837	40,498	54,212	42,929
Cash and cash equivalents	23,194	4,208	10,026	6,116

PARENT TOTALS	2021	2020	2019	2018
Net revenue	1,219	88	157	-
Equity/assets ratio (%)	91 %	82 %	97 %	91 %
Equity	147,623	96,419	100,261	89,401

The parent SaveLend Group and the corporation was formed on 23 December 2016 and the first consolidated financial statements were prepared in 2018 whereby no previous figures exist

Group results, financial position, and cash flow

Net revenue for 2021 was KSEK 94,093 (56,213). The increase is driven by organic growth in all products. In the year, SaveLend Group welcomed many new investors and current investors have chosen to deposit more capital on the investment platform, which increased the total yield for investors, and thereby also group revenues. Revenues linked to billing transactions also increased in the year, which can be explained by implementation of new customers and larger billing volumes from existing customers.

Commission expenses, direct group costs, include credit reference costs, distribution services, bonus payments to savers on the Investment platform and other direct expenses. Commission expenses for the year totaled KSEK -10,152 (-4,543). This increase is a result of the greater volumes for all products.

In the year, the group completed an exchange listing, acquisition, and initiated integration of Fixura, and launched new products. This includes using a new external credit originator whereby several of these activities resulted in non-recurring expenses as expected. Marketing expenses increased in 2021 compared to the previous year which is attributable to greater volumes and are primarily due partners and acquisition costs for new debtors. The group staff has also grown to meet this growth and prepare for further expansion, which added staff expenses.

Equity at year-end was KSEK 79,837 compared to KSEK 40,498 in 2020. Three new share issues were conducted in the year, which explains the increase in equity. No additional capital contributions are seen to be necessary for further operations.

Group cash flow for the year was KSEK 18,986 (-5,818) and cash and cash equivalents at the year-end were KSEK 23,194 (4,208) in 2020. Cash flow for operating activities for the year were KSEK -21,721 and -9,890 for 2020. Investment for the year totaled KSEK -41,154, an increase compared to KSEK -21,937 in 2020, representing the Fixura acquisition, further development of group platforms and the acquisition of NPL portfolios. Cash flow from financing activities for the year was KSEK 81,861 (26,011), where the new share issues represented KSEK 50,250.

IT investment for 2021 totaled approximately MSEK 9.3, compared to 7.0 the previous year. The increase is primarily due to continuing development of the group platforms.

Description of operations – Parent

SaveLend Group is a holding company operating as owner and manager of shares and shares of subsidiaries. The parent is registered for VAT purposes and an active holding company where group-wide expenses are processed and allocated. The operative activities are conducted in the group subsidiaries.

Ownership structure, as of 31 December 2021 (largest shareholders)

	Total shares	Percentage capital and votes (%)
Ludwig Pettersson	9,535,431	20.1%
Halomont Oü	4,466,667	9.4%
P&N Wolf Marketing AB	3,689,149	7.8%
Jonas Ahlberg	3,126,668	6.6%
Jacob Gevcen	3,106,734	6.5%
Nordnet Pensionsförsäkring	2,962,517	6.2%
Avanza Pension	1,703,953	3.6%
TNGN Invest AB	1,310,767	2.8%
Niklas Braathen	1,000,513	2.1%
Joel Jakobsson Holding AB	948,200	2.0%
Others (2,445)	15,642,247	32.9%
Total	47,492,846	100 %

The percentage is presented including related parties.

Auditors

The group auditing firm is elected annually at the AGM and is currently Ernst & Young AB. Certified Public Accountant Mona Alfredsson is principal auditor. The AGM approved auditor fees paid on a current approved account basis. The group auditor reports to the board of directors as necessary, and not less than once annually.

Significant events after the year-end

In Q1 2022, the company added to senior group management when it hired Olle Asplund as Chief Product Officer.

SaveLend Group also acquired and controls Svensk Kreditförmedling AB, after completing an extraordinary general meeting which approved a directed share issue to the selling owners of Svensk Kreditförmedling AB, and a directed share issue to Thoren Tillväxt AB to finance the cash consideration of the purchase price. The total consideration was MSEK 35.

The SaveLend Group board of directors have proposed for approval by the AGM a directed new share issue of 1,760,563 shares at a subscription price of SEK 8.52. The share issue is directed solely to Thoren Tillväxt AB (Thoren Tillväxt) who thereby would increase their ownership in SaveLend Group after having been the largest investor in the company's exchange listing in June 2021. The proceeds will be used to finance the cash portion of the consideration for Kreditförmedling AB. This directed new share issue will raise approximately MSEK 15 for the company.

SaveLend Group has taken external financing totaling MSEK 15.

The war in Ukraine create uncertainty in the world, and the effects thereof are still difficult to determine. SaveLend Group has so far not experienced noticeable impact and currently assesses that the war will not affect group operations either qualitatively or quantitatively. This assessment is based on lessons from previous crises, such as the Corona pandemic, where operations managed well.

Outlook

SaveLend Group had an eventful year with the company listing, launches and acquisition in Finland, revenue growth, new customer relationships, and successful recruitments. The work carried out through the year continued to lay the foundation for continued growth. With an attractive offering to savers and a well-developed product offering in Billecta, the group sees good opportunities for further revenue growth.

At the disposal of the Annual General Meeting	2021
Retained earnings	-11,685
Share premium account	174,473
Loss for the year	-16,244
The board of directors propose to be carried forward	146,544

For further information regarding the results and financial position of the parent and group, further reference is made to the following statements of income, financial position and cash flow, with related notes.

All amounts in the annual report are prepared in thousands Swedish krona, SEK (KSEK), unless otherwise stated.

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Consolidated statement of profit and loss and other comprehensive income for the period

	Not	2021	2020
Net revenue	5	94,093	56,213
Other revenue		192	182
Total revenue		94,285	56,395
Commission expenses		-10,152	-4,543
Gross profit/loss		-10,152	-4,543
Marketing expenses		-37,823	-18,763
Other external expenses	7,8	-29,051	-15,672
Staff expenses	6	-42,568	-29,178
Capitalized development		8,129	6,656
Other operating expenses		-101	-687
Total other operating expenses excluding depreciation		-101,415	-57,643
Depreciation and impairment tangible and intangible non-current assets	13,15	-10,031	-6,917
Total operating depreciation and impairment		-10,031	-6,917
Credit losses		-604	-1,335
Operating profit/loss (EBIT)		-27,916	-14,044
Operating profit/loss (EBIT)	9	0	41
Interest expense and similar items	10	-1,276	-1,133
Total financial items		-1,276	-1,092
Profit/loss after financial items		-29,191	-15,137
Tax on profit/loss for the period	11	537	529
Profit/loss for the period		-28,655	-14,608
The profit/loss for the period is entirely attributable to the parent SaveLend Group AB (publ) shareholders.			
Items that may be reclassified to the income statement			
Translation differences when translating for foreign operations		-438	370
Other comprehensive income for the period		-438	370
Comprehensive income for the period		-29,093	-14,238
The total result for the period is attributable to SaveLend Group AB (publ)'s shareholders.			
	12		
Earnings per share before dilution (SEK)		-0.92	-4.23
Earnings per share after dilution (SEK)		-0.92	-4.23
Total shares at period-end		47,492,846	3,456,933
Average number of shares for the period before dilution		31,103,132	3,452,832
Average number of shares for the period after dilution		31,103,132	3,537,572

Consolidated statement of financial position

	Not	2021-12-31	2020-12-31
<i>Intangible non-current assets</i>			
Capitalized expenses for research and development and similar	13	27,425	10,459
Customer relationships	13	11,511	9,229
IT systems	13	3,000	4,738
Trademark	13	16,585	-
Goodwill	13,14	39,994	33,217
Total intangible assets		98,515	57,643
<i>Tangible non-current assets</i>			
Rights to use (leasing)	15	3,630	2,184
Total tangible non-current assets		3,630	2,184
<i>Financial non-current assets</i>			
Acquired debt collection portfolios	18,20	22,237	4,853
Other non-current receivables	18,20	23,663	10,665
Total financial assets		45,900	15,518
<i>Other non-current assets</i>			
Deferred tax asset	19	2,061	-
Total other non-current assets		2,061	-
Total non-current assets		150,106	75,345
<i>Current receivables</i>			
Trade receivables	20	16,641	13,085
Current tax assets		408	2,949
Other receivables		2,916	304
Prepayments and accrued income	21	2,111	1,223
Total current receivables		22,077	17,561
<i>Cash and cash equivalents</i>			
Client funds		98,479	26,544
Cash and cash equivalents	20	23,194	4,208
Total Cash and cash equivalents		121,673	30,752
Total current assets		143,750	48,313
Total assets		293,856	123,658
<i>Equity</i>			
Share capital	22	1,079	864
Translation reserve		-16	422
Other non-restricted equity		148,369	78,648
Retained earnings including profit/loss for the period		-69,595	-39,436
Total equity attributable to the parent company's shareholders		79,837	40,498
<i>Non-current liabilities</i>			
Borrowing from credit institutions	20	2,381	155
Other interest-bearing liabilities	20,27	23,857	13,559
Lease liabilities	15,20	1,554	540
Deferred tax liabilities	24	6,837	3,262
Other non-current liabilities	20	22,970	8,192
Other provisions	20,23	10,305	-
Total non-current liabilities		67,904	25,708
<i>Current liabilities</i>			
Client funds		98,479	26,544
Borrowing from credit institutions	20	2,080	207
Other interest-bearing liabilities	20,27	17,220	11,822
Lease liabilities	15,20	2,102	1,407
Trade payables	20	8,699	4,021
Other liabilities	20	6,299	5,528
Accruals and prepaid income	25	11,235	7923
Total current liabilities		146,115	57,452
Total equity, provisions and liabilities		293,856	123,658

Consolidated changes in equity

	Share capital	Paid not registered share capital	Translation reserve	Other contributed capital	Retained earnings includ-ing profit/loss for the year	Total equity
Starting equity 1 Jan. 2020	837	25	51	78,126	-24,828	54,212
Comprehensive income for the year:						
Profit/loss for the year	-	-	-	-	-14,608	-14,608
Other comprehensive income	-	-	370	-	-	370
Comprehensive income for the year	-	-	370	-	-14,608	-14,238
Registered share capital (new share issue)	25	-25	-	-	-	-
Other changes to equity	-	-	-	24	-	24
Transactions with shareholders (offset share issue)	1	-	-	499	-	500
Ending equity 31 Dec. 2020	864	-	422	78,648	-39,436	40,498
Starting equity 1 Jan. 2021	864	-	422	78,648	-39,436	40,498
Comprehensive income for the period:						
Profit/loss for the period	-	-	-	-	-28,655	-28,655
Other comprehensive income	-	-	-438	-	-	-438
Comprehensive income for the period	-	-	-438	-	-28,655	-29,093
Registered share capital (new share issue)	207	-	-	65,924	-	66,130
Registered share capital (targeted new share issue)	9	-	-	1,950	-	1,959
Warrants	-	-	-	344	-	344
Transfer of equity attributable to previous periods	-	-	-	1,504	-1,504	-
Ending equity 31 Dec. 2021	1,079	-	-16	148,369	-69,595	79,837

Consolidated statement of cash flow

	Not	2021	2020
Operating activities			
Operating profit/loss (EBIT)		-27,916	-14,044
Paid interest		-4,249	-1,331
Received interest		3,598	41
Items not affecting cash flow			
Depreciation		10,031	6,917
Other items not affecting cash flow		-625	-693
Paid tax		-5	164
Cash flow from operating activities before changes in working capital		-19,166	-8,947
Cash flow from changes in operating capital			
Changes to current receivables		-4,206	-7,647
Changes in current liabilities		1,651	6,704
Total		-2,555	-943
Cash flow from operating activities		-21,721	-9,890
Investing activities			
Company acquisition ex. cash	16	568	-
Acquisition of intangible non-current assets		-8,330	-7,030
Acquisition of tangible non-current assets		-3,076	-
Acquired debt collection portfolio		-17,384	-4,852
Other changes to financial assets		-12,932	-10,055
Cash flow from investing activities		-41,154	-21,937
Financing activities			
New shares		50,250	1,249
Warrants		344	-
New financial debts		44,049	28,807
Other changes to financial debt		-12,782	-4,545
Received deposit		-	500
Cash flow from financial activities		81,861	26,011
Cash flow for the period		18,986	-5,818
Cash and cash equivalents at period beginning		4,208	10,026
Cash and cash equivalents at period-end		23,194	4,208
Translation differences for cash and cash equivalents		35	-78
Client funds		98,479	26,544

3 | THE PARENT

Income Statement for the period - Parent

	Not	2021	2020
Net revenue	5	1,219	88
Other operating income		36	142
Total revenues		1,255	231
Other external expenses	8	-13,052	-2,260
Other operating expenses		-8	-
Staff expenses	6	-10,846	-3,503
Total other operating expenses excluding depreciation		-23,906	-5,763
Depreciation		-137	-29
Operating profit/loss (EBIT)		-22,789	-5,561
Other interest income and similar items	9	337	332
Interest expense and similar items	10	-539	-444
Total financial items		-203	-109
Profit/loss after financial items		-22,992	-5,671
Group contributions received		6,748	580
Profit/loss before tax		-16,244	-5,091
Profit/loss for the period		-16,244	-5,091

Statement of comprehensive income - Parent

	2021	2020
Profit/loss for the period	-16,244	-5,091
Items that have or may be reallocated to profit/loss for the period		
Translation differences when translating for foreign operations	-	-
Total items that have or may be reallocated to profit/loss for the period	-	-
Total comprehensive income for the period	-16,244	-5,091

Statement of financial position for the period – Parent

	Not	2021-12-31	2020-12-31
Assets			
<i>Non-current assets</i>			
Intangible non-current assets			
IT-systems	13	333	471
Total intangible assets		333	471
<i>Financial non-current assets</i>			
Participations in group companies	17	119,744	97,875
Receivables from group companies		40,910	17,434
Total financial assets		160,654	115,309
Total non-current assets		160,987	115,780
Current assets			
Current receivables			
Receivables from group companies		-	7
Other receivables		123	361
Prepayments and accrued income	21	333	73
Total current receivables		456	441
Cash and cash equivalents			
Cash and cash equivalents		466	819
Total Cash and cash equivalents		466	819
Total current assets		923	1,261
Total assets		161,909	117,041
Equity, provisions and liabilities			
Equity			
<i>Restricted equity</i>			
Share capital		1,079	864
<i>Non-restricted equity</i>			
Share premium fund		174,473	106,255
Retained earnings		-11,685	-5,609
Profit/loss for the period		-16,244	-5,091
Total equity		147,623	96,420
Non-current liabilities			
Other interest-bearing liabilities		6,475	9,383
Other non-current liabilities		500	500
Total non-current liabilities		6,975	9,883
Current liabilities			
Other interest-bearing liabilities		1,943	9,295
Trade payables		835	500
Current tax liabilities		122	46
Other liabilities		610	559
Accruals and prepaid income	25	3,800	337
Total current liabilities		7,311	10,737
Total equity, provisions and liabilities		161,909	117,041

Changes in equity - Parent

	Share capital	Paid not registered share capital	Translation reserve	Other contributed capital	Retained earnings including profit/loss for the year	Total equity
Starting equity 1 Jan. 2020	837	25	105,007	-479	-5,131	100,261
Profit/loss for the year	-	-	-	-5,131	5,131	-
Comprehensive income for the year	-	-	-	-	-5,091	-5,091
Registered share capital (new share issue)	25	-25	-8,045	-	-	-8,045
Transactions with shareholders (new share issue)	1	-	9,280	-	-	9,281
Transactions with shareholders (warrant)	-	-	13	-	-	13
Ending equity 31 Dec. 2020	864	0	106,255	-5,609	-5,091	96,420
Starting equity 1 Jan. 2021	864	-	106,255	-5,609	-5,091	96,420
Profit/loss for the period	-	-	-	-5,091	5,091	-
Comprehensive income for the period	-	-	-	-	-16,244	-16,244
Transactions with shareholders (new share issue)	207	-	65,924	-	-	66,131
Registered share capital (targeted new share issue)	9	-	1,950	-	-	1,959
Warrants	-	-	344	-	-	344
Transfer of equity attributable to previous periods	-	-	-	-985	-	-985
Ending equity 31 Dec. 2021	1,079	-	174,473	-11,685	-16,244	147,623

As of December 31, 2021, the registered share capital comprised 47,492,846 shares. The shares have a quota value of SEK 0.02 per share.

Statement of cash flow - Parent

STATEMENT OF CASH FLOW	2021	2020
Operating activities		
Operating profit/loss (EBIT)	-22,789	-5,558
Paid interest	337	-441
Received interest	-539	332
Items not affecting cash flow		
Depreciation	138	29
Group contribution	6,747	580
Other items not affecting cash flow	-	-
Paid tax	-	-
Cash flow from operating activities before changes in working capital	-16,106	-5,058
Cash flow from changes in operating capital		
Changes to current receivables	-23,491	-5,687
Changes in current liabilities	2,034	948
Total	-21,457	-4,739
Cash flow from operating activities	-37,563	-9,797
Investing activities		
Company acquisition	-780	-
Acquisition of intangible non-current assets	-	-500
Provided shareholder contributions	-2,000	-2,524
Cash flow from investing activities	-2,780	-8,599
Financing activities		
New shares	50,250	1,249
New financial debts	-	9,295
Other changes to financial debt	-10,260	-3,000
Received deposit	-	500
Cash flow from financial activities	39,989	8,044
Cash flow for the period	-354	-4,777
Cash and cash equivalents at period beginning	819	5,596
Translation differences for cash and cash equivalents	-	-
Cash and cash equivalents at period-end	466	819

4 | NOTES

Notes to the group financial statements

Note 1 General information

The parent SaveLend Group AB CRN 559093-5176, owns and manages shares attributable to the SaveLend group whose focus is to develop technological solutions that enable investors to invest in well-diversified loan notes. The group's operational and strategic management functions are centralized in the parent. SaveLend Group AB shares are listed on the Nasdaq First North exchange under the ticker YIELD. Group operations are conducted through the group subsidiaries. The parent is a Swedish limited company domiciled in Stockholm. The company is registered for VAT purposes. The company visiting address is: Savelend Group AB, Kammakargatan 7, 111 40 Stockholm. SaveLend Group AB is the primary parent in the group that has prepared the consolidated financial statements.

Note 2 Summary of significant accounting policies

Significant accounting policies used in preparing these consolidated financial statements are described below. These policies have been consistently applied for all years included, unless otherwise stated.

2.1 Basis for preparing the reports

These consolidated financial statements were prepared in compliance with the International Financial Reporting Standards (IFRS) as adopted in the EU and amended in compliance with Swedish Annual Accounts Act and Recommendation RFR 1 Supplementary Accounting Rules for Corporate Groups of the Swedish Financial Reporting Board.

The consolidated financial statements were prepared based on historical cost whereby assets and liabilities are recognized at these values and, where applicable, for financial instruments that are measured at fair value. The functional currency of the parent, including its Swedish subsidiaries, and the group reporting currency, is the Swedish krona (SEK). Translation from subsidiaries was done as provided in IAS 21. All amounts refer to thousands of Swedish kronor (KSEK), unless otherwise stated. Amounts in parentheses refer to the same period the previous year.

Preparing financial statements in compliance with IFRS requires use of significant accounting estimates. Board directors and senior management are required to make certain assessments in applying the company's accounting policies. Areas that involve a high degree of judgement, are complex, or where assumptions and estimates have a material impact on the consolidated financial statements, are described in note 4.

2.2 Basis of consolidation

Subsidiaries are those companies where the parent exercises control. The group exerts a controlling influence when exposed to, or has the right to, variable returns for the holding in the company or can influence the returns within the company. Subsidiaries are included in consolidation from the date when the controlling influence is transferred to the group. They are de-consolidated on the date that control ceases.

Intra-group transactions and balances, revenue, and expenses that arise from transactions between group companies are eliminated. Any gains or losses arising from intra-group transactions and which are recognized as assets are eliminated. Accounting policies for subsidiaries were amended where necessary to ensure consistent application of the group policies

2.2.1. IFRS 16 Leases

SaveLend Group as lessee recognizes a right-of-use asset representing its right to use the underlying asset. When a new lease is entered, the right to use is recognized at cost. Leases with a term of 12 months or less, and leasing of low-value items are excluded and recognized as an expense straight line over the lease term. Similarly, the lease liability representing an obligation to make these lease payments for the leased assets are recognized. The liability is measured at the present value of future lease payments. Implicit interest rates are used first when discounting lease payments. When this interest rate cannot be easily determined, the lessee's incremental borrowing rate is used. After the commencement date, the right to use is measured at cost less the accumulated depreciation and any accumulated impairment. The lease liability is adjusted primarily to reflect interest rates on the liability and lease fees paid.

The lease term is the non-terminable period considering both extension or termination of the contract and the certainty applied to whether either possibility will be exercised. The right to use is depreciated during the lease term. When lease fees are paid, these are allocated between amortization of outstanding liabilities and interest expense.

2.3 Foreign currency translation

2.3.1 Functional and reporting currency

Items in the individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements are presented in Swedish krona (SEK) which is the parent's reporting currency.

2.3.2 Transactions and balance items

The parent's functional currency and group reporting currency is SEK.

Foreign currency transactions are translated into SEK according to exchange rates prevailing on the transaction date. Monetary assets and liabilities in foreign currencies are translated to SEK on the balance sheet date using prevailing exchange rates. Foreign currency gains and losses arising from this are recognized in the income statement.

Translation of subsidiary statements of financial position recorded in foreign currency is done using prevailing exchange rates on the balance sheet date. Translation of subsidiary income statements recorded in foreign currency is done using the average exchange rate for the year. Translation differences that arise in translating currencies for foreign operations are recognized in equity.

2.4 IFRS 15 Revenue

The group recognizes revenues according to IFRS 15. Revenue is recognized when the performance obligation is completed. Variable remuneration is recognized to the extent it is probable that any reversal of previously recognized accumulated income will not be material. Transfer of services and revenue recognition in SaveLend Group is recognized either over time or at a point in time, as the services are performed.

2.4.1 Commission revenues and origination fees

Under origination agreements and payment agency service agreements, the performance obligation is considered fulfilled when the brokered service is completed, that is when the loan funds are distributed or when payment is received. In certain cases, the right to commission under the agreement does not arise until 15 days after the agreed service is performed. Commissions are recognized as income when the obligation is fulfilled at the time of payment or origination, or on the 15th day as agreed.

The group's contracted performance obligation is to invest and broker investors' capital on the SaveLend platform, and broker repayment from debtors. The group receives a commission based on the brokered interest for performance of the obligation to broker payment. The commission arises when interest is paid to investors on the SaveLend platform. When no interest is paid by the debtor, there is no interest to broker to the investor. In such a case, SaveLend Group does not receive any commission. Performance of the obligation occurs when paid interest is brokered to the investor and is therefore recognized as income when the interest is paid to the investor, from which the commission is taken. The performance contract with the debtor obligates the group to broker and issue the loan or credit amount. For consumer credit, commissions arise under the contract when that credit is issued, and continually as of the first day of every month during its maturity, or until the debt is repaid in full before maturity. If a consumer credit is repaid within 14 days, the origination fee that arose on issue of the credit is reversed. The performance obligation is therefore considered completed on day 15, and continually as of the first day of the current month, as long as the credit is outstanding as of the first day of the current month. The income is thereby recognized on day 15 and on the first day of each month thereafter.

2.4.2 Transaction fees

Revenue is recognized in accordance with the economic substance of the contract and reflects the earnings as per the specific contractual terms. The performance contract obligates that the license and requisite service is maintained through the contract period and that volume-based fees are paid for providing the service. Volume-based fees are, for example, fees based on number of invoices created and number of retrieved bank accounts where price is agreed per transaction. The contracted performance obligation is considered fulfilled continually to the extent the service is available under the agreement. All fees are billed on the last day of the month when the service is provided. Income is recognized as of the billing date.

2.4.3 Collection fees

Revenue consisting of commission and collection fees are recognized when these are paid by the debtor. Collection assignments are recognized in proportion to the remaining contract period. Revenue for other services are recognized when the service is performed, at a single time.

2.5 Net financial items

Net financial items recognized in net revenue are reported as provided in IFRS 9 and are attributable to the purchase and sale of NPL portfolios. Revenue linked to these portfolios is measured using the effective interest method. The effective interest method measures the present value of estimated future cash flows.

2.6 Other income

The group has other revenue from subletting premises and exchange rate differences.

2.7 Expenses and financial items

2.7.1 Operating expenses

Commission expenses

Commission expenses refer to group costs that are directly related to net revenue. This includes costs for debt collection, credit reference, sales commissions, and printing services linked to posting invoices.

Marketing expenses

This cost category includes recognizing consulting expenses and operating expenses related to business development, customer acquisition, and commercializing product launches and sales of existing services.

Other external expenses

Other costs that arise in the group include IT services, credit losses, and consulting expenses. See note 8.

2.7.2 Employee remuneration

Remuneration per agreement

SaveLend Group has a reward program for specific sellers, using a variable remuneration portion, which is paid on meeting certain targets, in addition to the fixed remuneration. See Note 6 for specification of remuneration. The variable remuneration is not pensionable. The SaveLend Group has no contractual agreements for remuneration to employees after employment is terminated.

A mutual notice of termination period of 6 months applies to the company and chief executive officer. On termination by the company, severance pay totaling 6 months' salary shall be due the CEO. Severance pay shall not be deducted against other income. When the CEO terminates, no severance pay is due.

A mutual notice of termination period of 3 months applies between the company and CFO and CIO. On termination by the company, severance pay totaling 3 months' salary shall be due. Severance pay shall not be deducted against other income. When the senior managers terminate, no severance pay is due.

Defined contribution retirement plans

The group pension plans are defined contribution and refer to the fees the company pays to insurance companies and the yield earned through such fees. The company thereby has no actuarial or investment risks. The group has no defined benefit plans. Pension expenses are recognized in the income statement.

2.7.3 Income from financing activities

Financial revenues result from interest received on cash and bank balances, reminder fees on receivables, and where applicable, positive exchange rate differences on financial items. Financial revenues are recognized as they are earned and, in the period when they arise. Financial revenues are calculated using the effective interest method.

2.7.4 Expenses from financing activities

Financial expenses relate to interest and other expenses that arise from borrowing, including lease liabilities, and are recognized in the income statement for the period when they arise. Negative exchange rate differences for financial items are included in financial expenses.

All borrowing liabilities are recognized at amortized cost. Borrowing is initially recognized at the value of the funds received for the loan less expenses attributable to the borrowing. Expenses for borrowing are recognized on an accruals basis over the maturity of the loan using the effective rate.

The convertible loans are recognized as current liabilities until they are converted to shares or come due, or when repaid. SEK 8 million of the convertible loans were converted when the company shares were listed. The remainder of the convertible loans which matured 31 December 2021 were not converted and therefore repaid in January 2022.

2.7.5 Taxes

Tax for the year is the sum of current and deferred tax. Tax is recognized in income statement except when the underlying transaction is recognized in Other comprehensive income or directly against equity since the related tax effect is also recognized in equity.

Current tax is the tax measured as the taxable earnings for the year. Taxable earnings differ from earnings recognized in the income statement, as this includes non-taxable revenues and non-deductible items. Current tax is the tax payable or due to be repaid in the current year or adjusted current tax attributable to previous periods. Deferred tax is recognized in the statement of financial position for all temporary differences that arise between the carrying and tax base of assets and liabilities. If the temporary differences arose when the assets or liabilities are initially measured as part of an asset acquisition, the deferred tax is not recognized.

Deferred tax assets that are attributable to deductible temporary differences and tax loss carry forwards are recognized only to the extent it is probable the amounts can be utilized against future taxable profit. Deferred tax is measured at the tax rates and rules that are enacted or expected to be enacted on the balance sheet date and which are expected to apply when the specific deferred tax assets are utilized or the deferred tax liabilities shall be settled.

2.7.6 Earnings per share

The group applies IAS 33 for earnings per share. Earnings per share is the net profit for the year (attributable to the equity holders in the parent) divided by a weighted average number of outstanding common shares during the year.

2.8 Intangible non-current assets

Intangible assets are recognized in the statement of financial position when the future economic benefits attributable to the asset will flow to the group and they can be identified and measured reliably. These are amortized as provided in IAS 36 and IAS 38. See additional information below.

2.8.1 Goodwill

Goodwill that arose in the acquisition of subsidiaries is impairment tested once annually or when there is evidence of loss in value in accordance with IAS 36. When estimating value in use, anticipated future cash flows are used with current market assessments that cover a five year period which is based on budgeted forecasts and the communicated group financial targets for the medium term. The financial targets are in turn based on operational strategies and analyses of the current and anticipated business climate. The most material assumption for establishing value in use is anticipated demand, growth rate, operating margin, working capital requirements, and the discount rate. The factors used in estimating growth in the terminal period after the five-year period is 2 per cent. Working capital requirements are judged to increase approximately equal to the expected revenue and cost growth, for both the five year and terminal period. The discount rate is determined using CAPM which is estimated to be approximately 14.7% before tax.

2.8.2 Development activities

Expenses incurred during development are capitalized and recognized in the statement of financial position as intangible assets to the extent a technical project plan that clearly identifies a clear schedule specifying financial consequences including cost, future economic benefits, and yield was presented to and approved by senior management or the board of directors. The group recognizes staff expenses such as salaries, social security contributions, consulting expenses, and other directly related expenses for IT development in the statement of financial position. Capitalization for IT development is amortized over an expected useful life of five years.

2.8.3 Customer relationships

The intangible asset of customer relationships that arose in the acquisition of subsidiaries is based on valuation based on the customer base existing at the acquisition date with a useful life of ten years, when the value at the acquisition date is amortized over a ten-year period.

2.8.4 Brand equity

Brand as an intangible asset that arose in the acquisition of subsidiaries that is based on valuation assuming it is a well-established brand for which debtors have strong confidence. The value at the acquisition day is amortized over a ten-year period.

2.9 IFRS 9 Financial instruments

IFRS 9 Financial instruments involves classification and measurement, impairment, and hedge accounting. The standard simply means that the group must recognize an impairment and estimate expected credit losses directly when the credit is issued, which requires additional judgements regarding changes to credit risk and forward-looking information. SaveLend Group has classified assets and liabilities and prepared models for estimating expected credit losses in accordance thereto. See note 20 for credit losses and provisions.

Classification and measurement

Financial assets shall be classified as, and are measured at amortized cost, fair value through profit and loss, or fair value in other comprehensive income. Classification of a financial instrument is determined based on the business model for a product that the instrument is part of, and whether the cash flows represent only payment of capital amounts and interest. No material reclassifications were made between amortized cost or fair value. The group has no financial assets measured at fair value.

Impairment

Impairment requirements in IFRS 9 are based on a model for expected credit losses. The requirements are broader in scope specifying that all assets measured at amortized cost and fair value in other comprehensive income, as with off-balance sheet obligations (including warranties and credit obligations) shall be impairment tested.

Assets to be tested, are allocated using the general method into three stages based on trends in credit risk based on the payment due date. Stage 1 includes assets for which no significant increase in credit risk has occurred; Stage 2 includes assets for which a significant increase in credit risk has occurred; and Stage 3 includes credit impaired assets that have been measured individually or as a class.

Evidence of material increase in credit risk includes where the counterparty is past due in payment, or there is evidence the risk has changed. The definition of default includes significantly overdue payments or other evidence that repayment is less likely. The definition applies to the group as a whole and will also be the definition applied to regulatory reporting in order to maintain comparability and simplify reporting in future.

Other methods are used for some assets to measure impairment testing. The simplified method used for trade receivables that originate in transactions for which IFRS 15 should apply and that do not have a significant financing component. Alternative methods are used for acquired non-performing loan portfolios.

For assets in stages 2 and 3, and those for which the simplified method is used, any provisions made shall correspond to the expected credit loss for the entire remaining maturity. The method for measuring expected credit loss impairment uses estimates for each product area based on the probability of default (PD), the exposure at default (EAD) and the loss given default (LGD).

PD is estimated based on internal historical data and industry practice. EAD and LGD are estimated using the outstanding exposure adjusted for any collateral or adjustment for any guarantee obligation or repurchase agreement present on the platform. Further, forward-looking information such as macroeconomic scenarios will impact expected credit loss impairment.

Acquired debt collection portfolio

Portfolio investments refer to non-performing receivables from private individuals which lack collateral. These are recognized using rules for acquired credit impaired receivables under IFRS 9 measured at amortized cost and applying the effective interest method. Portfolios can be attributed to the third stage for credit risk in the IFRS 9 classification. Revenue from portfolio investments is recognized in the income statement using the effective interest method as the recovered amount less amortization. The reporting follows the effective interest method where the carrying amount of each portfolio represents the present value of the expected future discounted cash flows using the initial effective interest rate determined on the portfolio acquisition date based on the ratio between the acquisition cost and the expected future cash flows on the acquisition date. The cash flows include principle, reminder fees, collection fees, and default interest that is based on a probability assessment of the total expected to be received.

Other non-current receivables

Historically, the group has recognized a certain type of consumer loans in the balance sheet. No new balance sheet consumer lending has been issued since October 2021. These are recognized as amortized cost as per IFRS 9. These consumer loans have a 24 months maturity and are billed monthly, and the interest income is recognized continually. Consumer receivables are included in the ECL model and are classified as follows: Receivables that are 0-30 days are assigned to Stage 1; those 31-89 days are assigned to Stage 2; and those older than 90 days are assigned to Stage 3.

Trade receivables

Trade receivables are recognized net of provisions for any customer losses. Trade receivable expected maturity are short, which is why their value is recognized at the nominal amount without discounting using the amortized cost method. The IFRS 9 simplified approach for trade receivables allows recognition of a provision after they are initially reported that corresponds to expected credit losses through the entire maturity. The size of the provision equals the difference between the carrying amount of the asset and the value of the estimated future cash flow from the date the receivable arises. The provision amount is recognized through profit and loss. Trade receivables are included in the ECL model and are classified as follows: Receivables that are 0-30 days are assigned to Stage 1; those that are 31-89 days are assigned to Stage 2 and those older than 90 days are assigned to Stage 3. The reserve recognized for each stage is based on internal history regarding losses and recovery.

Cash and cash equivalents

Cash and cash equivalents include bank balances and other investments in securities with shorter than three month maturities. Cash and cash equivalents is recognized at their nominal amount and which are subject to only insignificant changes in value.

Borrowing from credit institutions

Borrowing from credit institutions refers to financing from banks or other financial institutes. Liabilities are measured at amortized cost.

Other interest-bearing liabilities

Other interest-bearing liabilities refer to financing from the savings platform linked to factoring in foreign currencies, acquisition of NPL portfolios, and convertible loans. Liabilities are measured at amortized cost.

Other provisions

Provisions are recognized when the group has a legal or informal obligation based on previous events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably measured.

The amount reserved is the best estimate of the amount required to settle the obligation on that date, considering the risks and uncertainties associated with the obligation. When a provision is measured by estimating the payments expected to be required to settle the obligation, the carrying amount shall correspond to the present value of these payments.

Lease liabilities

Estimating future lease liabilities are based on the group incremental borrowing rate where the group is primarily liable. See Note 2.2.1

Other liabilities

Liabilities are measured at amortized cost and recognized at the nominal amount.

Trade payables

Trade payables are obligations to pay for goods or services that were acquired from suppliers during operating activities. Trade payables are categorized as Other financial liabilities. Since trade payables have an expected short maturity, the value is recognized at amortized cost.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset against each other net in the statement of financial position only when there is a legal right to do so, and an intent to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.10 Client funds

SaveLend Group maintains client funds separate from internal funds by using separate bank accounts. Client funds are recognized at their nominal amount as cash and cash equivalents with an equivalent liability item under non-current liabilities.

2.11 Issue expenses

Transaction expenses directly attributable to the new share issue or warrants are recognized, net of tax, in equity as a deduction from the issue proceeds.

2.12 Revaluation reserves

Revaluation reserves in equity related to foreign currency translation for subsidiaries when preparing the consolidated financial statements in the parent local currency SEK.

2.13 Cash flow statement

The cash flow statement is prepared using the indirect method. This means operating profit is adjusted for transactions that did not result in incoming or outgoing payments and that revenues and costs attributable to investment and/or financing activities.

2.14 Segment

The group has no segments and therefore does not report segments in the annual report.

2.15 Business combinations

SaveLend Group applies IFRS 3, Business combinations, to acquisitions. For business combinations the company classifies and designates assets acquired and liabilities assumed at fair value at the acquisition date in an acquisition analysis. The acquisition analysis includes the determination whether intangible assets are present, as with brands, patents, customer relationships or similar which are not recognized in the entity. If the acquisition cost exceeds the net value of the assets acquired and liabilities assumed, this difference is recognized as goodwill. Any excess value of property, plant and equipment shall be amortized over the estimated useful life of the asset. Goodwill and strong brands with indeterminable useful life are not amortized, rather are tested for impairment annually. Certain brands and customer relations are amortized over their estimated useful life. Transferred remuneration that is conditional to future events are measured at fair value and any value fluctuation is recognized through the income statement. Transaction costs associated with the acquisition are not included in the acquisition cost but are charged immediately. A subsidiary's financial reports are consolidated as of the acquisition date and de-consolidated on the date that control ceases.

2.16 Accounting policies for the parent

The parent prepares reporting in compliance with the Swedish Annual Accounts Act and Recommendation of the Swedish Financial Reporting Board RFR 2 Accounting for Legal Entities. Application of RFR 2 means that in its annual reports for legal entities the parent applies all EU approved IFRS and announcements to the extent possible within the framework of the Annual Accounts Act, Act on respecting retirement pensions and considering the relationship between accounting and taxation. The recommendation states the exceptions and addenda to IFRS to use.

The parent therefore applies the principles presented in the consolidated financial statements note 2, except those specified below. These policies have been consistently applied for all years included, unless otherwise stated. Assets, provisions, and liabilities are valued at cost unless otherwise stated below.

2.16.1 Formats

The income statement and statement of financial position comply with the format prescribed in the Annual Accounts Act. This involves certain differences in reporting compared to the consolidated financial statements, such as certain sub-items in equity differ.

2.16.2 Shares and participations in group entities

Shares and participations in group entities are recognized at cost less any impairments. Acquisition costs are capitalized and added to the acquisition cost of shares on acquisition.

2.16.3 Share premium account

The share premium account refers to the difference between the par value of a share and its selling price. The purpose of this fund is to obtain capital and expand operations.

2.16.4 Group contribution

All group contributions provided and received are recognized as appropriations.

2.16.5 Shareholder contribution

Shareholder contributions are recognized directly in equity in the receiving entity and converted into shares and interests in the contributing entity, insofar as no impairment loss is required.

Note 3 Financial risk management

3.1 Liquidity and financing risk

Liquidity and financing risk refers to the risk of not having access to cash and cash equivalents or unutilized lending facilities to fulfil payment obligations and complete necessary investment in operations. SaveLend Group primarily finances operations through equity and internal cash flow. The non-financial business in the group also uses their own platforms as a source of financing for its non-financial business. The group may in future be required to raise funding. Access to such funding would depend on several factors including conditions on financial markets generally and the creditworthiness held by the SaveLend Group. Access to external financing for the group may thereby be limited wholly or in part, or may be only available at less favorable terms. If the group fails to obtain necessary financing in the future, or such financing can only be obtained at less favorable terms, this may have a negative impact on the financial standing of the group, leading to increased cost of financing.

3.2 Currency risk

The group accounting currency is SEK. SaveLend Group is primarily exposed to the Swedish market, whereby currency risk is normally minimal. SaveLend is expanding into the Polish and Finnish markets and plans further expansion beyond Sweden, which may lead to exposing the company to greater risks related to translating foreign currencies to SEK for accounting purposes. Currency fluctuations relative to the Swedish krona could then impact the consolidated financial statements, even if the value of assets in the local currency did not change. The group also has some currency exposure due to factoring that involves foreign currencies. This thereby subjects SaveLend Group to exchange rate risks such as exchange rate fluctuations between the time a contract is entered and when payment is made. The cost of currency exchange may also be significant. The group currently does not act against risks related to exchange rates, and these may have a negative impact on the company financial position and earnings in the case where these arise.

A sensitivity analysis regarding currency risk is conducted continually based on currency forecasting. The group is exposed to the Euro and Polish Zloty. This exposure consists of factoring issued in the balance sheet, internal lending within the group, equity in foreign subsidiaries, and recurring purchases. If exchange rates fluctuate 10%, this would affect results and equity for the year by approximately MSEK 0.75, taxes are estimated to remain unchanged since the group has not shown positive figures and there is no deferred tax linked to these foreign operations.

3.3 Interest rate risk

Interest rate risk within the group is related to fluctuation in rates that affect SaveLend Group revenues and costs in various ways. Any fluctuation to rate levels would impact revenues from NPL portfolios, liquidity, and other financial assets. The cost of financing these assets would thereby also be affected. Currently issued lending carries fixed interest rates, whereby any rate fluctuations would not impact the company financial position in the short term.

Sensitivity analyses regarding interest rate risk are conducted continually based on applicable market rates and other macroeconomic factors. The SaveLend Group only has exposure to fixed interest rates, and therefore the financial standing of the group would not be impacted by a macroeconomic change in interest rates.

3.4 Credit risk

3.4.1 Credit risk

Credit risk is defined as the likelihood of loss due to company counterparts failing to perform their obligations and that any related security fails to cover the amount owed. Lending is based on the counterpart's financial position and solvency, and the expectation they can be expected to perform their obligations.

The group is exposed to credit risk when it acquires non-performing loans that are brokered through the platform that are either acquired on purpose or are contractually acquired from external partners. Certain exposure is linked to historical loan origination through balance sheet lending, which is for factoring purchases in foreign currency and certain consumer credit. As of the second half of 2021, the company no longer engages in balance sheet lending where instead investors now directly take on the credit agreement. Credit risk exposure also includes counterparty risk relating to the ability of any counterparty in a financial transaction to perform their obligation, the failure of which would cause a loss to the other party.

Credit loss reserves

	31 December 2021	31 December 2020
Starting amount	3,973	2,638
Elimination of loan loss reserve	-1,551	-4,706
Provisions for loan loss reserve	1,323	6,041
Ending amount	3,745	3,973
Gross carrying amount for financial assets	89,479	36,782
Net carrying amount for financial assets	85,735	32,809

See note 20 for complete credit exposure assessment.

3.4.2 Reputational risk in relation to credit losses

SaveLend Group is a loan originator, whereby the credit risk for investors shall be considered a reputational risk for SaveLend Group. Origination operations include issuing loans to private individuals and companies, and factoring, which external investors can invest in through the SaveLend platform. When issuing loans, credit risk will arise in the likelihood the debtor may be unable or unwilling to fulfill their financial obligations, which would cause credit losses to investors issuing loans through the SaveLend platform. SaveLend Group conducts creditworthiness assessment prior to issuing any credit to ensure that the borrower has repayment capacity. However, this involves a risk that their repayment capacity may deteriorate over the maturity term. A risk may also arise when external factors, such as business cycles or other similar factors may cause credit losses to investors on the platform. Credit losses reduce total yield for investors on the platform and may cause negative publicity in terms of such credit losses, other negative publicity, or harmful information to be distributed about the group and its services such that public or market confidence for the group and its services suffers. If the group's reputation is damaged, this may impact business opportunities for the group and would risk that investors on the platform move their capital from the platform and that the inflows of new customers could suffer. If any of the above risks would arise, they may have negative impact on SaveLend group operations, revenues, and growth.

3.4.3 Credit policy and organization

The SaveLend Group credit operations show good quality characteristics, a sound risk culture regarding credit risk and lending is conducted responsibly and ethically, and in full compliance with external regulatory frameworks. The SaveLend Group credit policy describes the regulatory framework the company uses in relation to loan origination and the decision-making levels and prerequisite for loan authorization.

3.4.4 Credit process

The credit process is initiated by assuring the identity of the borrower and obtaining the required information for a creditworthiness assessment. The process for creditworthiness assessment shall ensure the borrower's solvency and repayment ability. Credit is only authorized when the assessment indicates the financial prerequisites for repayment of the loan are present. Authorized lending is continually monitored. When there is evidence of material negative change, measures are taken to mitigate the credit risk. Team Credit is responsible for monitoring the overall credit risk, and that this is analyzed and reported.

3.5 Operational, and external-related risks

3.5.1 Market competition

The countries where the group conducts operations are characterized by stiff competition and fragmentation, including with a large increase in primarily private and business lending to SMEs. This has brought greater competition within the fields where SaveLend Group operates. Competitors to SaveLend Group can be roughly divided into two groups: Universal banks; and niche lenders. Competition is primarily based on interest levels, fees, size of the lending, maturities, and quality of the services – whereby the speed of application, processing, simplicity of the product, and loan availability. Niche lenders are the primary competition since these address similar customer groups to SaveLend Group. Due to the significant demand for private loans, additional niche lenders may be established, which would further increase competition. Increased competition of this kind may lead to reduced demand for the group's products and services. In turn, this may force the group to adjust the terms on company products and services to remain competitive. If SaveLend Group cannot successfully compete on the market, then demand for company products and services may decline, which would have negative impact on group revenues, operations, and growth.

3.5.2 Market conditions, growth, and continued profitability

Operations are impacted by global, and especially Swedish macroeconomic conditions due to the effect these would have on the various customer groups in the company. If the general economy suffers material decline for a longer period, this may lead to higher unemployment levels and/or interest levels, which would impact the availability of credit. This could then lead to reduced debtor solvency levels or inability to pay, which may cause an increase in credit losses on the SaveLend platforms. Additionally, higher unemployment levels and reduced economic activity in the markets where the group operates may also reduce the number of debtors who qualify for loan products offered by the group. Moreover, demand for the group's lending products is driven by consumers engaging in general consumption and consumer purchasing. This means that demand for these services may be impacted negatively by changes that drive down retail and e-commerce. Increasing uncertainty among consumers or a decline in consumption, or negative changes to use of or behavior related to credit, may also have a negative impact on demand for credit products.

Existing and prospective customers to the SaveLend Group savings platform are affected by a range of factors linked to their private finances. These factors include household disposable income, customer confidence in their own financial and consumption levels, interest rates, unemployment, and inflation. Deterioration in macroeconomic conditions for existing and potential customers in the group's geographical markets, including falling asset values and negative yields, may reduce demand for group offered investment services since customers generally become more risk averse and have less disposable funds to invest under such economic conditions. Macroeconomic conditions involving rising market rates would also force SaveLend Group to raise interest rates on their loan products to prevent total yield on the capital invested in the platform from decreasing. SaveLend Group may fail in this action, or succeed only partially, whereby the competitiveness of the investment services would decline. If any of the above risks would arise, they may have negative impact on group development, operations, sales, and costs.

These risks are related to technical development, competitiveness, and commercial success, expansion, product development, supervisory and regulatory compliance, inflation risk, partnership risks, and dependency on key personnel and partners.

3.6 Concentration risk

Concentration risk refers to the vulnerability of the group to concentrations of exposure to a limited number of customers, partners, industries, sectors, or geographic areas. To meet this risk, the group has established limits regarding exposure to a single customer, for example. This exposure is continually monitored internally and reported as necessary to the board of directors. At balance sheet date there were no material concentrations.

3.7 Maturity structure financial liabilities

2021				Due		
Due date	Carrying amount	Future cash amount	Within 1 year	1-5 years	After 5 years	
Borrowing from credit institutions	4,462	4,567	2,137	2,430	-	
Other interest-bearing liabilities	41,077	43,264	18,316	24,948	-	
Lease liabilities	3,655	3,674	2,102	1,572	-	
Trade payables	8,699	8,699	8,699	-	-	
Other operating liabilities	29,270	29,270	22,970	6,299	-	
Other provisions	10,305	13,401	2,762	10,639	-	
Total	97,468	102,875	56,986	45,888	-	

2020				Due		
Due date	Carrying amount	Future cash amount	Within 1 year	1-5 years	After 5 years	
Borrowing from credit institutions	362	362	207	155	-	
Other interest-bearing liabilities	25,381	27,369	13,151	14,218	-	
Lease liabilities	1,948	1,948	1,407	541	-	
Trade payables	4,021	4,021	4,021	-	-	
Other operating liabilities	24,904	24,904	16,712	8,192	-	
Total	56,616	58,604	35,498	23,106	-	

Note 4 Significant estimates and assessments for accounting purposes

The senior management and board of directors use assumptions and assessments in preparing the annual accounts, applying generally accepted accounting practice. These affect the recognized asset and liability items and income and expenses, and other information provided. These assessments are based on the experience and assumptions that senior management and the board of directors consider reasonable in present circumstances. Actual outcome may differ from these assessments if other prerequisites arise. Significant assessments used in preparing the group financial reports are described below.

4.1 Measurement of goodwill in participations in subsidiaries

Measurement of participations in subsidiaries and other intangible assets are tested in accordance with IFRS and RFR 2, where judgments and assumptions consider future cash flows and useful life of assets. This primarily involves measuring group goodwill that arose in the acquisition of subsidiaries.

The primary uncertainly factor regarding measuring the value of shares in subsidiaries and goodwill is the group's need to update and innovate technical solutions to address societal development and needs, whereby forecasting based on previous outcomes become even more uncertain. To address this, the measurement was based on cash flow forecasts looking forward no more than five years and applying a precautionary principle relating to estimates of receipts and payments, and thereby growth. See also notes 14-15 and 17.

4.2 Amortization of intangible assets

Intangible non-current assets are amortized over 5 or 10 years. Capitalization of IT development costs are amortized during the estimated useful life of five years, while customer relations and brands are amortized over ten years.

4.3 Portfolio investments

Portfolio investments consist of non-performing receivables (NPLs) that were purchased at a price lower than the receivables' nominal value. Portfolio investments normally refer to receivables from private individuals which are often not collateralized. These are recognized using rules for acquired credit impaired receivables under IFRS 9 and measured at amortized cost applying the effective interest method using an effective rate that reflects the uncertainty of the receivable.

Portfolios can be attributed to the third stage for credit risk in the IFRS 9 classification. Revenue from portfolio investments is recognized in the income statement using the effective interest method as the recovered amount less amortization. Debt recovery is often conducted by the same staff who operate debt collection and monitoring. Reporting follows the effective interest method, where the carrying amount of each portfolio represents the present value of the expected future discounted cash flows using the initial effective interest rate on the portfolio acquisition date, based on the ratio between the acquisition cost and the expected future cash flows on the acquisition date. Fluctuations of the carrying amount of these portfolios consist of the amortization for the period, and are recognized in profit/loss as a negative item when determining revenue using the effective interest method. When each NPL portfolio is purchased, the estimated future cash flows are forecasted. Such cash flow forecasts include principle, reminder fees, collection fees, and default interest that is based on a probability assessment of the expected total received from the end customer. Using these forecasts with acquisition price (including transaction costs) as a basis, an initial effective rate is determined from each portfolio, which is then used to discount the cash flows for the entire useful life of the portfolio. The cash flow forecasts are reviewed throughout the year, where updates may be made based on the recovery results achieved, agreements entered with end customers regarding repayment plans, and macroeconomic information.

The accounting model presumes that each portfolio is relatively homogeneous, consisting of a large number of receivables for smaller amounts. Changes over time to the carrying amount can be separated into an expected time and interest rate component (amortization) and a component related to changes in estimates regarding future cash flows (revaluation). The effects of such adjustments to the cash flow forecasts, including to the estimated economic life of the portfolios are identified as revaluations, which are treated symmetrically – that is, increases and decreases to future cash flows impact the carrying value of the portfolios, and thereby profit/loss. As of 31 December 2021, no revaluations of current portfolios were imposed.

4.4 Measuring and assessment of the ECL model

The impairment requirements provided in IFRS 9 are based on a model for expected credit loss (ECL) compared to the previous model for actual credit loss as provided in IAS 39. Moreover, the requirements are broader in scope, specifying that all assets measured at amortized cost and fair value in Other comprehensive income, as with off-balance sheet obligations including warranties and credit obligations, shall be included in impairment testing.

The assets to be tested, are assigned into three stages using the general method based on trends in credit risk based on the payment due date. Stage 1 includes assets for which no significant increase in credit risk has occurred. SaveLend classifies all financial assets that are 0 to 30 days old in Stage 1. Stage 2 includes assets for which a significant increase in credit risk has occurred. SaveLend group classifies all such financial assets as those 31 to 89 days old. Stage 3 includes credit impaired assets that have been measured individually or as a class. Financial assets that are 90 days or older are classified by this group in this stage. See note 20 for a specification of all stages and values. An alternative measurement method is used to determine impairment in portfolios with acquired non-performing loans using the effective interest method where the present value is based on discounted future cash flows. Note 20 presents these in a separate column for acquired non-performing loans.

Note 5 Net revenue

	Group		Parent	
	2021	2020	2021	2020
Net financial items	625	711	-	-
Commission revenues and origination fees	71,146	42,140	-	-
Transaction fees	17,092	9,760	-	-
Collection fees	5,230	3,602	-	-
Other net revenue	-	-	1,219	88
Total	94,093	56,213	1,219	88

Note 6 Average number of employees, salaries, other remunerations and social security contributions

	Group						Parent					
	2021			2020			2021			2020		
	Average number of employees	Women	Men	Average number of employees	Women	Men	Average number of employees	Women	Men	Average number of employees	Women	Men
Sweden	35	6	29	25	3	22	14	6	8	8	3	5
Finland	4	1	4	-	-	-	-	-	-	-	-	-
Poland	14	3	10	14	3	11	-	-	-	-	-	-
Total	53	10	43	39	6	33	14	6	8	8	3	5

	Group		Parent	
	2021	2020	2021	2020
Average no. of employees divided by women and men total				
Women	19%	15%	43%	37%
Men	81%	85%	57%	63%
Total	100%	100%	100%	100%

	Group		Parent	
	2021	2020	2021	2020
Salaries, other remunerations allocated as below:				
The Board of directors, CEO, and Senior managers	7,381	5,024	7,381	2,131
Other employees	25,741	17,822	-	-
Total salaries and remunerations	33,122	22,846	7,381	2,131
Social contributions in compliance with legislation and agreements	6,495	3,637	2,241	670
Pension expenses allocated as below:	1,387	714	341	163
The board of directors, CEO and Senior managers	341	275	341	163
Other employees	1,046	439	-	-
Total salaries, other remunerations, social security contributions, and pension expenses	41,004	27,198	9,963	2,964
Other staff expenses	1,564	1,980	883	539
Total staff expenses	42,568	29,178	10,846	3,503

The company has no defined benefit pension or outstanding pension obligations.

Cont. note 6

Remuneration and other benefits for the Board of directors, CEO, and Senior managers is allocated as shown below:

2021.						
Board of directors	Title	Fixed salary	Board fees	Remuneration for committee activities	Variable remuneration	Total
Bo Engström	Board Chair	-	132	-	-	132
Birgit Köster Hoffmann	Director	-	66	106	-	172
Johan Roos	Director	-	66	157	-	223
Robert Andersson	Director	-	66	33	-	99
Jan Sjödin	Director	-	50	67	-	117
Helena Möller	Director	-	50	33	-	83
Ludwig Pettersson	Director, CEO	1,251	-	-	-	1,251
Jonas Ahlberg	Deputy CEO	960	-	-	-	960
Total		2,211	429	397	-	3,037
CEO and senior management:						
CEO Ludwig Pettersson		1,251				
Other senior executives		6,130				

2020.						
Board of directors	Title	Fixed salary	Board fees	Remuneration for committee activities	Variable remuneration	Total
Bo Engström	Board Chair	-	95	-	-	95
Peter Hein	Director	-	47	95	18	160
Birgit Köster Hoffmann	Director	-	47	150	16	213
Alexander Lidén	Director	-	47	-	-	47
Johan Roos	Director	-	24	36	-	59
Robert Andersson	Director	-	28	-	-	28
Ludwig Pettersson	Director, CEO	1,035	-	-	-	1,035
Jonas Ahlberg	Director	913	-	-	-	913
Total		1,948	288	280	34	2,551
CEO and senior management:						
CEO Ludwig Pettersson		1,035				
Other senior executives		3,316				

Gender distribution of board of directors and senior executives	Group		Parent	
	2021	2020	2021	2020
Women	36%	27%	38%	27%
Men	64%	73%	62%	73%
Total	100%	100%	100%	100%

Share options

In the year, the board of directors and employees were offered the opportunity to subscribe to buy warrants at market prices in a directed transaction – to the board of directors (warrants 2021/2024 I) and to employees (warrants 2021/2024 II). These warrants are intended as incentive to the board, senior executives, and employees to ensure their dedication and full efforts to achieve their common objectives with shareholders. Interest for the two programs was great and the total number of warrants issued was 1,140,788 with a maturity of three years where all were acquired at a market price of SEK 0.301202 calculated using the Black & Scholes pricing method. Each warrant carries the right to subscribe to purchase a single share. The exercise price for each share is SEK 11.25. When warrants are exercised for subscription of shares in the company, the total number of shares in the company will increase by 1,140,788 shares and share capital by SEK 25,927. If all warrants are exercised for subscription of shares in the company, share capital and voting rights will be diluted by approximately 2.37% after the share issue is fully subscribed and completed.

The share split approved by the AGM on 26 April 2021 affected the warrants in series W2019-2022D necessitating usual conversion of both the subscription price and the number of subscription shares to which holders were entitled for each warrant under their terms. When these warrants are exercised for subscription of shares in the company, the total number of shares in the company will increase by 2,524,500 shares and share capital by SEK 57,375. If all warrants are exercised for subscription of shares in the company, the share capital and voting rights will be diluted by approximately 5.05% after the share issue is fully subscribed and completed.

Note 7 Auditors' remuneration

	Group		Parent	
	2021	2020	2021	2020
Audit assignment	866	817	346	419
Other services	180	15	150	15
Total	1,046	832	496	434

The audit engagement refers to the fees paid for the statutory audit conducted by Ernst & Young AB., that is, such tasks as arise for the company auditor to perform, and for advice and other assistance provided during the audit engagement.

Note 8 Other external expenses

	Group		Parent	
	2021	2020	2021	2020
IT expenses	4,758	3,304	212	29
Software	426	-	-	-
Consulting services	2,316	4,028	1,810	410
Auditing and accounting	2,533	2,210	669	812
Office premises expenses (cleaning, etc.)	2,697	1,786	543	156
Consumable machinery	547	308	93	15
Entertainment expenses	110	291	26	15
Bank & government authority expenses	1,549	1,673	54	62
Acquisition expenses	2,393	-	-	-
Listing expenses	9,519	-	7,318	-
Other	2,204	2,071	2,328	765
Total	29,051	15,672	13,052	2,260

Note 9 Financial income

	Group		Parent	
	2021	2020	2021	2020
Interest income	0	41	337	332
Total	0	41	337	332

Note 10 Financial expenses

	Group		Parent	
	2021	2020	2021	2020
Interest expenses	1,276	1,133	539	441
Total	1,276	1,133	539	441

Note 11 Taxes

	Group		Parent	
	2021	2020	2021	2020
Recognized profit/loss before tax	-28,655	-15,137	-16,244	-5,091
Taxes, applicable tax rates 20.6% (21.4% 2020)	5,903	3,239	3,346	1,049
Tax effects of:				
Non-allowable expenses	71	29	46	2
Tax-loss carryforwards	-5,437	-2,739	-3,392	-1,051
Reported tax	537	529	-	-

Effective tax for the year was -1.87% (-3.49%).

Note 12 Earnings per share

Earnings per share are calculated by dividing the profit or loss attributable to equity holders in the parent divided by a weighted average number of outstanding common shares in the period.

	Group	
	2021	2020
Earnings attributable to equity holders of the parent	-28,655	-14,608
Earnings per share attributable to equity holders of the parent (SEK)	-0.92	-4.23
Proposed dividend per share	None	None
Total shares	31,103,132	3,452,832
Total outstanding shares on the balance sheet date	47,492,846	3,456,933

Note 13 Intangible non-current assets

	Group		Parent	
	2021	2020	2021	2020
Goodwill				
Starting cost	33,217	33,217	-	-
Acquisitions	6,778	-	-	-
Ending carrying amount	39,994	33,217	-	-

	Group		Parent	
	2021	2020	2021	2020
Customer relationships				
Starting cost	12,038	12,038	-	-
Customer relationships acquisition	3,575	-	-	-
Capitalization for the year	-	-	-	-
Total	15,613	12,038	-	-
Starting depreciation	-2,809	-1,605	-	-
Depreciation for the year	-1,293	-1,204	-	-
Total	-4,102	-2,809	-	-
Ending amount	11,511	9,229	-	-

	Group		Parent	
	2021	2020	2021	2020
Capitalized expenses for research and development and similar				
Starting cost	16,809	9,778	-	-
Acquisitions	13,782	-	-	-
Capitalization for the year	8,129	7,031	-	-
Total	38,720	16,809	-	-
Starting depreciation	-6,349	-3,571	-	-
Depreciation for the year	-4,945	-2,778	-	-
Total	-11,294	-6,349	-	-
Ending amount	27,425	10,459	-	-

	Group		Parent	
	2021	2020	2021	2020
IT systems				
Starting cost	8,500	8,000	500	-
Acquisitions	-	500	-	500
Total	8,500	8,500	500	500
Starting depreciation	-3,736	-2,133	-29	-
Depreciation for the year	-1,737	-1,630	-137	29
Total	-5,500	-3,763	-166	-29
Ending amount	3,000	4,738	-333	471

	Group		Parent	
	2021	2020	2021	2020
Brand equity				
Starting cost	-	-	-	-
Acquisitions	17,010	-	-	-
Capitalization for the year	-	-	-	-
Total	17,010	-	-	-
Starting depreciation	-	-	-	-
Depreciation for the year	-425	-	-	-
Total	-425	-	-	-
Ending carrying amount	16,585	-	-	-
Total intangible assets	98,515	57,643	333	471

Note 14 Goodwill

Goodwill is recognized as provided in IFRS 3 Business combinations, see note 1. See note 2 for critical accounting judgements.

The acquisition completed in the financial year resulted in goodwill totaling KSEK 39,994 (33,217). No impairment was made during the year.

Impairment testing of goodwill and all other carrying amounts for property, plant and equipment is conducted annually or when there is evidence of loss in value.

Expected cash flows are based on forecasts presented in a five-year business plan and cash flows. The rate of growth used to extrapolate cash flow forecasts beyond the five-year forecast period is normal for the industry.

Discounting factors used when estimating future cash flows are based on required rate of return using the CAPM interest rate. Parameters that influence the CAPM interest rate are incremental borrowing rate, market risk, industry and company specific risk, and the debt/equity ratio

Goodwill	31 December 2021	31 December 2020	Change for the year	Of which amortization	Of which acquisition
Billecta AB	33,217	33,217	-	-	-
Fixura Oy	6,777	-	6,777	-	6,777
Carrying amount	39,994				33,217
CAPM interest rate before Tax	15%				17%
Average discount factor (five year period)	1				1
Average present value interest (Five year period)	0.7				0.7

Note 15 Leases

As lessor SaveLend Group only holds operating leases relating to leasing office places.

No depreciation of rights to use was imposed this year or last.

Right-of-use assets include passenger cars and office space.

Right-of-use assets	2021	2020
Starting amount	2,184	3,489
New leases	4,144	-
Disposals	-961	-
Depreciation/amortization	-1,630	-1,304
Reclassification	-107	-
At year-end	3,630	2,184

Lease liabilities	2021	2020
Non-current	1,554	540
Current	2,102	1,407
Total	3,655	1,947

Amount recognized in income statement	2021	2020
Depreciation	-1,630	-1,304
Interest	-	134
Short and low value leases	-22	-22
Total	-1,652	-1,192

Total cash flow for the year for leases was KSEK 2,333 (1,567).

Note 16 Business Combinations

Consolidated acquisition 2021

All shares of Fixura AB Oy were acquired on 1 October whereby SaveLend Group is sole owner. The total consideration was approximately MSEK 25 where payment was made through a directed new share issue of 2,766,583 SaveLend Group shares to the Fixura sellers. The subscription price for the directed share issue was SEK 6,448 per share. Fixura Ab Oy has been consolidated as of 1 October 2021 and contributed KSEK 1,664 to group net revenue, impacting results for the year by KSEK -2,695. If the acquisition had been completed as of 1 January, the contribution to group net revenue would have been KSEK 5,640, and impacted results for the year by KSEK -33,085.

The assets and liabilities recognized in the acquisition are as follows:

Acquired assets and liabilities measured on the transaction date	Fair value KSEK	Fair value KEUR
by acquisition analysis		
Customer relationships	3,575	351
Brand equity	17,010	1,672
Intangible non-current assets	13,580	1,335
Financial non-current assets	66	6
Deferred tax assets	2,061	203
Trade receivables	11	1
Other receivables	304	30
Cash and cash equivalents	568	56
Provision for supplier contracts	-10,305	-1,013
Non-current liabilities	-4,671	-459
Trade payables	-4,134	-406
Other current liabilities	-2,887	-284
Deferred tax liabilities	-4,117	-405
Net identifiable assets	11,061	1,088
Goodwill	6,778	666
Net acquired assets	17,839	1,754
Total consideration (own shares)	17,839	1,754
Acquired cash and cash equivalents	568	6
Changes to consolidated cash and equivalents	-17,271	-1,698

Note 17 Participations in group entities

	Parent	
	2021	2020
Starting cost	10,2529	100,005
Acquisitions	19,869	-
Combination	-	-80
Shareholders' contribution issued	2,000	4,500
Shareholders' contribution repaid	-	-1,896
Ending accumulated cost	124,398	102,529

	2021	2020
Starting impairment	-4,654	-4,654
Impairment of shares in subsidiaries	-	-
Ending accumulated impairment	-4,654	-4,654
Ending carrying amount	119,744	97,875

2021							
Subsidiaries	CRN	Domicile	Equity 31 Dec. 2021	Results 2021	Capital share	Carrying amount 31 Dec. 2021	Carrying amount 31 Dec. 2020
SBL Finans AB	556933-0961	Stockholm	8,455	949	100%	38,725	38,725
SaveLend Europe AB	559097-7046	Stockholm	6,079	0	100%	8,150	6,150
Billecta AB	556971-6011	Stockholm	3,597	-58	100%	53,000	53,000
Billecta Poland Sp. z o.o.	368932490	Gdynia	-19,187	-3,893	100%	-	-
Billecta Finland OY	3189511-8	Helsinki	3,030	-1,951	90%	-	-
Fixura OY	2246639-7	Vasa	283	-697	100%	19,869	-
Total						119,744	97,875

2020							
Subsidiaries	CRN	Domicile	Equity 31 Dec. 2020	Results 2020	Capital share	Carrying amount 31 Dec. 2020	Carrying amount 31 Dec. 2019
SBL Finans AB	556933-0961	Stockholm	7,726	-56	100%	38,725	38,725
SaveLend Europe AB	559097-7046	Stockholm	4,080	0	100%	6,150	4,650
SaveLend Technologies AB	559167-5219	Stockholm	-	-	100%	-	80
Billecta Finans AB	559106-9785	Stockholm	-	-	100%	-	1,896
Billecta AB	556971-6011	Stockholm	3,655	-74	100%	53,000	50,000
Credstep Poland	368932490	Gdynia	-15,069	465	100%	-	-
Total						97,875	95,351

Note 18 Financial non-current assets

	Group		Parent	
	2021	2020	2021	2020
Acquired debt collection portfolio	22,237	4,853	-	-
Deposits	1,500	785	-	-
Other non-current receivables	22,163	9,880	-	-
Total	45,900	15,518	-	-

Note 19 Deferred tax asset

The group has a deferred tax asset linked to the acquired provision for a supplier's contract that arose in relation to the Fixura Oy acquisition.

	Group		Parent	
	2021	2020	2021	2020
Starting amount	-	-	-	-
Changes to deferred tax liabilities acquired provision for supplier contracts	2,061	-	-	-
Tax loss carry forward	-	-	-	-
	2,061	-	-	-

Deferred tax assets that are attributable to tax losses are recognized to the extent it is probable the amounts can be utilized. The carrying amount for deferred tax assets is reduced to the extent that it is no longer probable they can be utilized.

Note 20 Financial assets and liabilities

Financial assets and liabilities measured at amortized cost

	31 December 2021	31 December 2020
Financial assets		
Acquired debt collection portfolio	22,237	4,853
Other non-current receivables	23,663	10,665
Trade receivables	16,641	13,085
Cash and cash equivalents	23,194	4,208
Total financial assets	85,735	32,811
Financial liabilities		
Borrowing from credit institutions	4,462	362
Other interest-bearing liabilities	41,077	25,381
Other provisions	10,305	-
Lease liabilities	3,655	1,947
Other liabilities	29,270	13,720
Trade payables	8,699	4,021
Total financial liabilities	97,468	45,431

Financial assets valued at amortized cost

Assets in this stage are measured at amortized cost less any provisions for loss in value which is determined to be fair value.

Financial liabilities measured at amortized cost

Liabilities in this stage are measured at amortized cost which is determined to be fair value. Trade payables have a short, expected maturity and are measured without discounting at the nominal amount. In the table below, all liabilities are totals of both current and non-current liabilities.

Gross change to loan loss reserve

	31 December 2021	31 December 2020
Starting balance	3,973	2,638
Elimination of loan loss reserve	-1,552	-4,706
Provisions for loan loss reserve	1,323	6,041
Ending balance	3,745	3,973

Credit risk exposure to financial assets on 31 Dec. 2021

Group	Stage 1	Stage 2	Stage 3	NPL	Total
Cash and bank balances					
Low risk	24,715	-	-	-	24,715
Loss provision	-	-	-	-	-
Total carrying amount	24,715	-	-	-	24,715
Consumer loans					
Fees for originated loans	1,380	696	9,725	-	11,801
Issued loans	15,861	6,281	-	-	22,142
Acquired non-performing loans	-	-	-	22,237	22,237
Loss provision	-16	-66	-190	-	-272
Total carrying amount	17,225	6,911	9,535	22,237	55,908
Trade receivables					
Trade receivables	3,654	95	30	-	3,779
Loss provision	-13	-41	-30	-	-84
Total carrying amount	3,641	54	-	-	3,695
Factoring					
Invoice purchases in the statement of financial position	1,459	-	3,346	-	4,805
Loss provision	-42	-	-3,346	-	-3,388
Total carrying amount	1,417	-	-	-	1,417
Total value financial assets	47,069	7,072	13,101	22,237	89,479
Total loss reserve	-71	-107	-3,566	-	-3,745
Total carrying amount	46,998	6,965	9,535	22,237	85,735

Credit risk exposure to financial assets on 31 Dec. 2020

Group	Stage 1	Stage 2	Stage 3	NPL	Total
Cash and bank balances					
Low risk	5,503	-	-	-	5,503
Loss provision	-	-	-	-	-
Total carrying amount	5,503	-	-	-	5,503
Consumer loans					
Fees for originated loans	1,594	318	4,084	-	5,996
Issued loans	6,362	1,270	-	-	7,632
Acquired non-performing loans	-	-	-	4,853	4,853
Loss provision	-681	-136	-894	-	-1,711
Total carrying amount	7,275	1,452	3,190	4,853	16,770
Trade receivables					
Trade receivables	2,276	81	28	-	2,385
Loss provision	-8	-39	-28	-	-75
Total carrying amount	2,268	42	-	-	2,310
Factoring					
Brokered business loans	1,737	-	-	-	1,737
Factoring in the statement of financial position	6,351	448	1,877	-	8,676
Loss provision	-184	-13	-1,877	-	-2,074
Total carrying amount	7,904	435	-	-	8,339
Total value financial assets	23,823	2,117	5,989	4,853	36,782
Total loss reserve	-873	-188	-2,799	-	-3,860
Total carrying amount	22,950	1,929	3,190	4,853	32,922

Other reserves as of 31 December 2020 consist of exchange rate differences that arose during the year, the total reserve for ECL was KSEK 3,973.

Note 21 Prepayments and accrued income

	Group		Parent	
	2021	2020	2021	2020
Prepaid consultant fees	91	-	88	-
Prepaid marketing costs	36	64	-	-
Prepaid office expenses	640	-	14	-
Prepaid IT expenses	668	615	-	-
Other prepayments	523	545	231	73
Work performed not invoiced	154	-	-	-
Total	2,111	1,223	333	73

Note 22 Equity

As of 31 December 2021, registered share capital was 47,492,846 shares. Shares have par value SEK 0.02 per share.

	31 December 2021	31 December 2020
Total shares	47,492,846	3,456,933
Share capital	1,079,383	864,233
Par value	0.02	0.25
Total votes per share	1	1
Total votes	47,492,846	3,356,933

Changes to share capital							
Year	Event	Change in total shares	Total number of shares after	Changes to share capital (SEK)	Total share capital after (SEK)	Subscription price/share (SEK)	Par value (SEK)
2016	Formation of company	2,000	2,000	50,000	50,000	25	25
2017	New share issue	19,800	21,800	495,000	545,000	1,375	25
2017	New share issue	2502	24,302	62,550	607,550	4,358	25
2018	New share issue	1736	26,038	43,400	650,950	5,761	25
2019	New share issue	6770	32,808	169,250	820,200	5,761	25
2019	New share issue	689	33,497	17,225	837,425	9,144	25
2019	Split 100:1	3,316,203	3,349,700	n/a	n/a	n/a	0.25
2020	New share issue	101765	3,451,465	25,441	862,866	91	0.25
2020	New share issue	5468	3,456,933	1,367	864,233	91	0.25
2021	Split 11:1	34,569,330	38,026,263	n/a	n/a	n/a	0.02
2021	New share issue	380,004	38,406,267	8,636	872,869	7.50	0.02
2021	New share issue	6,319,996	44,726,263	143,637	1,016,506	7.50	0.02
2021	New share issue	2,766,583	47,492,846	62,877	1,079,383	6.45	0.02

	31 December 2021	31 December 2020
Other contributed capital	-	-
Paid in unregistered share capital	-	-
Other contributed capital	78,589	78,589
Total	78,589	78,589

Note 23 Other provisions

Other provisions	31 December 2021	31 December 2020
Starting amount	-	-
Provisions	10,305	-
Ending amount	10,305	-

Provisions are recognized as group non-current liabilities. Provisions refer to acquired provider contracts related to the acquisition of Fixura Oy.

Note 24 Deferred tax liabilities

The group recognized deferred tax liabilities attributable to acquired excess values relating to customer relationships, brands, and IT systems. Of these, the former two are amortized over ten years, and IT systems over 5 years.

	Group		Parent	
	2021	2020	2021	2020
Starting amount	3,262	3,955	-	-
Value adjustments for changes to tax rates	-	-164	-	-
Deferred tax in acquired excess value intangible assets	4,117	-	-	-
Changes to deferred tax liabilities amortization excess values intangible assets	-577	-578	-	-
Changes to deferred tax related to leases	35	49	-	-
Ending carrying amount	6,837	3,262	-	-

Note 25 Accruals and prepaid income

	Group		Parent	
	2021	2020	2021	2020
Accrued staff expenses	6,699	3,840	2,403	197
Accrued marketing expenses	2,107	1,851	-	-
Accrued IT expenses	296	81	-	-
Accrued consulting expenses	890	402	1,355	138
Other accrued expenses	1,242	1,748	42	2
Total	11,235	7,923	3,800	337

Note 26 Related party transactions - Group

The group has not had any material transactions with related parties other than remuneration to key staff, see not 6 for more information.

Note 27 Pledged assets and contingent liabilities

Pledged assets for external financing agreements

	31 December 2021	31 December 2020
Floating charges	1,200	1,200
NPL portfolios	33,088	8,226
Ending amount	34,288	9,426
	31 December 2021	31 December 2020
Contingent liabilities	67	-
Ending carrying amount	67	-

The floating charges are not pledged as security for any borrowing, and SaveLend Group is the holder thereof. The NPL portfolios are pledged as security for a loan from the savings platform. Contingent liabilities are an expected repurchase of loan notes.

Note 28 Significant events after the balance sheet date

Recruitment of Olle Asplund as Chief Product Officer

For planned expansion the SaveLend Group recruited Olle Asplund to the role of Chief Product Officer. In this role, Olle will focus on strategic and operative business development. He will also be responsible for structuring new and existing products and business from commercial and legal considerations. Olle started his employment on 5 April 2022, and is also a member of the senior management team.

Acquisition of Svensk Kreditförmedling AB

SaveLend Group has concluded agreement to acquire all shares of Svensk Kreditförmedling AB (Svensk Kreditförmedling), a profitable capital and credit originator in the property industry. Consideration for the purchase was MSEK 35 on a cash and debt-free basis. 57% of the consideration shall be paid through a promissory note to be settled against newly issued shares in the company, and the remainder, 43%, is paid in cash. The acquisition of Svensk Kreditförmedling brings over 300 well-financed investors who now can access the entire SaveLend Group diversified savings offering. The acquisition ensures continued good access to property loans by bringing in an experienced team with proven capabilities to SaveLend Group. In 2021, Svensk Kreditförmedling had MSEK 20.6 in revenue and an operating profit/loss (EBIT) of MSEK 7.5. The company's three operative partners stayed with the company after the acquisition.

Directed new share issue

The SaveLend Group board of directors have proposed for approval by the AGM a directed new share issue of 1,760,563 shares at a subscription price of SEK 8.52. The share issue is directed solely to Thoren Tillväxt AB ("Thoren Tillväxt") who thereby would increase their ownership in SaveLend Group after having been the largest investor in the company's exchange listing in June 2021. The proceeds will be used to finance the cash portion of the consideration for Kreditförmedling AB. The subscription price was estimated at the volume weighted average price for the company's share the ten trading days preceding the decision of the board of directors to conduct the new share emission. This directed new share issue will raise approximately MSEK 15 for the company.

Financing

SaveLend Group has taken external financing totaling MSEK 15.

The war in Ukraine

The war in Ukraine creates uncertainty in the world, and the effects thereof are still difficult to determine. SaveLend Group has so far not experienced noticeable impact and currently assesses that the war will not affect group operations either qualitatively or quantitatively. This assessment is based on lessons from previous crises, such as the Corona pandemic, where operations managed well. Credits as asset class do not reflect the volatility of equity markets and are not impacted to the same extent by troubled markets.

Convening notice and decisions adopted by extraordinary general meeting

The convening notice proposal was adopted by the extraordinary general meeting of 18 February 2022:

- Decision to approve the conditional agreement to acquire all shares in Svensk Kreditförmedling AB that was concluded on 28 January 2022.
- Decision to increase share capital of the company to not more than SEK 53,350.41 with the new share issue of not more than 2,347,418 shares at a price of SEK 8.52. The new share issue was directed to the sellers of Svensk Kreditförmedling.
- Decision to approve the board of directors' decision from 30 January 2022 regarding a directed new share issue of no more than 1,760,563 shares, whereby share capital would increase by no more than SEK 40,012.80 at a price of SEK 8.52. This new share issue was directed to Thorén Tillväxt AB.

Definitions of key performance indicators and glossary

Several of the financial key performance indicators used in this annual report can be considered generally accepted and are the kind that are expected to be presented in the report to provide a true and fair view of the group financial results, profitability, and financial position. In addition to these key performance indicators, we use alternative performance measures not defined within IFRS. All financial KPIs and alternative performance measures used within this report are defined below.

Operating profit (EBIT)

Earnings Before Interest and Tax.

Adjusted EBIT

EBIT adjusted for items affecting comparability.

Earnings before depreciation (EBITDA)

Earnings before interest, taxes, depreciation, and amortization, is defined in the Consolidated statement of profit and loss and other comprehensive income for the period starting from the operating profit and then subtracting depreciation.

Acquired net revenue

Net revenue of the acquired company as of the transaction date.

Adjusted EBITDA

EBITDA adjusted for items affecting comparability.

Total shares at period-end

Total shares at the end of the period.

Revenue per invested krona on the savings platform

The KPI is calculated by totaling net financial items, commission revenues, and brokerage fees for the last 12 months divided by the ending balance of deposited capital on the investment platform for the period

Revenue per billing transaction

This KPI is calculated by taking the total of transaction fees and collection fees for the period and dividing by the total number of billing transactions for the period.

Earnings per share before dilution

Profit (or loss) for the year attributable to the parent's shareholders divided by the average number of shares for the period.

Equity/assets ratio

This key ratio is calculated by dividing total group equity by the balance sheet total.

Adjusted equity/assets ratio

This key ratio is calculated by dividing total group equity by the balance sheet total after excluding the client funds balance.

Equity

Total group equity. Found in the consolidated statement of financial position as the item 'Total equity.'

Cash and cash equivalents

Total immediately available cash and cash equivalents for the group, presented in the consolidated statement of financial position as the item 'Cash and cash equivalents.'

The glossary presented below are terms that arise in this annual report.

Peer-to-peer/P2P

Means equal to equal. P2P lending is a general designation for lending and loan notes where the borrower applies for a loan that is financed from funds invested by a third party.

Capital on the savings platform

Total capital deposited (invested and cash equivalents) from private investors, partner investors and institutional investors.

Private savers

Savers on the SaveLend.se savings platform, which include both private individuals and legal entities.

Partner investors

Investors who may be private individuals and legal entities who come to us through a partnership.

SaveLend Group

SaveLend Group refers to the corporation SaveLend Group AB.

SaveLend.se / SaveLend.com

Brands used for the savings platform.

The Savings platform

SaveLend.se

The Billing platform

Billecta.se

Billecta

The brand used for the billing platform.

NPL

Portfolio of non-performing receivables acquired internally or externally.

Items affecting comparability

Items affecting comparability that are not related to normal group operations. An example of this would be expenses linked to the exchange listing.

Billing transactions

Total number of billing transactions created in the stated period.

CAPM

Capital Asset Pricing Model (CAPM) is the pricing model most frequently used in financial markets and in the literature to explain the relationship between systematic risk and expected returns

Stockholm

The date specified in the electronic signature.

The board of directors and chief executive officer hereby certify that this annual report for the 2021 financial year provides a fair view representation of the group and parent operations, financial position, and financial results, and that it describes the material risks and uncertainties present for the parent and subsidiaries.

Bo Engström
Board chair

Birgit Köster Hoffmann
Board director

Ludwig Pettersson
Board director, Chief Executive Officer

Johan Roos
Board director

Robert Andersson
Board director

Helena Möller
Board director

Jan Sjödin
Board director

Our audit was submitted on the date specified in the electronic signature.

Ernst & Young AB

Mona Alfredsson
Certified Public Accountant

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Financial calendar
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22 August Interim report January - June
16 November Interim report January - September

**Wake up
your money!**