SaveLend Group

INTERIM REPORT
Q2 2023

HIGHLIGHTS FROM THE QUARTER

16%
GROWTH YOY

MSEK 1.4
EBITDA

122%
NET CAPITAL RETENTION FOR THE SAVINGS PLATFORM

124%
NET REVENUE RETENTION FOR THE BILLING PLATFORM

BNSEK 1.71
CAPITAL ON THE SAVINGS PLATFORM

1,313,154
INVOICES HANDLED DURING THE QUARTER

7.74%
AVERAGE YIELD ON INVESTED CAPITAL, 12 MONTHS

SUMMARY

Q2 - 1 April - 30 June 2023

Amounts in parentheses refer to the same period the previous year.

- Net revenue for the period was MSEK 40.5 (35.0).
- Adjusted EBITDA was MSEK 1.4 (-6.8).[1]
- EBITDA was MSEK 1.4 (-6.9).
- EBIT was MSEK -4.5 (-12.0).
- Net result was MSEK -4.6 (-12.2).
- Earnings per share before dilution were SEK -0.09 (-0.24).

Period 1 January - 30 June 2023

- Net revenue for the period was MSEK 85.0 (64.8).
- Adjusted EBITDA was MSEK 5.9 (-9.8).[1]
- EBITDA was MSEK 5.9 (-10.6).
- EBIT was MSEK-5.6 (-20.1).
- Net result was MSEK -5.8 (-20.4).
- Earnings per share before dilution were SEK -0.11 (-0.41).

Events during the quarter 1 April - 30 June 2023

- SaveLend Group acquires Lendify, the P2P lending business of Lunar Bank A/S.
- On April 19th, the annual general meeting of SaveLend Group AB was held.
- SaveLend Group introduces savings strategies on the investment platform.
- The acquisition of Lendify by SaveLend Group is approved by the Danish Financial Supervisory Authority (Finanstilsynet).
- SaveLend Group has successfully completed the migration of Lendify.

KEY RATIOS IN BRIEF

Amounts in this interim report are presented in KSEK, unless otherwise specified.

The English report is a translation of the original Swedish report. In the event of any differences between this translation and the original Swedish report, the latter shall prevail.

Group total	Q2 2023	Q2 2022	Δ	Q1-Q2 2023	Q1-Q2 2022	Q1-Q4 2022
Net revenue	40,454	35,004	16 %	85,006	64,789	150,259
Of which, acquired net revenue	-	7,700	-100 %	3,563	10,624	27,552
Adjusted EBITDA	1,435	-6,801	121 %	5,934	-9,789	-5,584
EBITDA	1,435	-6,900	121 %	5,934	-10,646	-3,969
Adjusted EBIT	-4,530	-11,923	62 %	-5,637	-19,244	-25,961
EBIT	-4,530	-12,022	62 %	-5,637	-20,101	-24,346
Total shares at period-end	53,553,250	51,600,827		53,553,250	51,600,827	51,600,827
Earnings per share (before dilution) (SEK)	-0.09	-0.24	64 %	-0.11	-0.41	-0.55
Adjusted equity/assets ratio (%)	51 %	40 %		51 %	40 %	58 %
Equity/assets ratio (%)	30 %	28 %		30 %	28 %	33 %
Equity	99,275	95,927	3 %	99,275	95,927	106,468
Cash and cash equivalents	14,773	17,984	-18 %	14,773	17,984	20,102

1) See note 3 for items affecting comparability in each period.

CEO COMMENTS

We keep delivering positive yields to our savers regardless of the market climate. Building customer value for the long term, we are continuing the company's journey towards profitable growth. This quarter we successfully migrated the Lendify acquisition in record time and already experienced a positive impact on the bottom line. We have also implemented a series of changes to our products to support continued positive net returns in a constantly changing world.

SaveLend was founded on the idea of offering savings products to customers that provide attractive yield opportunities regardless of market conditions. In the current high interest conditions, which seemingly will remain with us a while, we think it natural to make changes to hone our product offering.

We previously implemented changes such as transferring NPL portfolios, launching SaveLend Flex, enabling investment in consumer credit with 100% resale agreements, and more. We have communicated the reduced contribution from NPL portfolios in previous reports. Additionally, we carried out changes this quarter regarding consumer credit since we chose to significantly raise the require-ments for our internally brokered consumer credit offering. This change brought somewhat lower earning potential in the short term, but greater potential over time. In other words, this was the right choice for both our savers and ourselves. The change was made based on greater demand from our savers for investment opportunities with lower risk as market conditions at the time increased concern for credit losses. Revenue was also impacted as we did not manage to reach our target volumes for real estate lending.

The quarter also saw us complete the Lendify acquisition and migrate those investors in record time. Migrating investors to our platform followed our practiced procedures, but this was the first time we also migrated borrowers with their existing terms and conditions. Despite having an extremely tight deadline, the organization delivered on this complicated migration – a performance I am tremendously proud of**.**

This acquisition has already had a positive impact on both EBIT and cash flow. And, with the capital from the Lendify investors, we leave the quarter with the highest liquidity the company has had available on the savings platform. One of our highest priorities is to activate this capital, which will be accomplished by concentrating on two areas:

- Launching manual investment in real estate lending. We have seen a growing interest in investing in property projects, especially among active investors. They want more accessible information and to decide for themselves how to allocate their capital to credit and counterparty. We have started product development to enable this demand and plan for a launch in fall. Additionally, this creates opportunities to attract new customers and new capital by marketing specific cases.

- We have launched our two savings strategies – Balanced and Yield. This means facilitated onboarding, fewer clicks, and simpler choices. This has brought a good response, and according to the initial yield statistics, the strategies perform well within the range of the communicated target yield, with a low dispersion among portfolios.

Looking to the entire platform, we delivered an average yield of 7.74% after credit losses and fees. Credit losses amounted to 2.99% for the rolling 12 months up to the quarter-end.

Stronger management team for Billecta

We have added to the Billecta management team with Magnus Åkerblom-Wiker taking on the role of COO starting on September 1. Magnus has significant experience in the tech sector holding several senior roles in companies like Stripe, Google and Rocker. I am convinced he will contribute to further elevate Billecta and fine-tune the machinery that will take us to the next level.

Financial position

Revenue for the quarter came to MSEK 40.5 with an EBITDA of MSEK 1.4 and positive cash flow from operating activities of MSEK 2.8. We thereby continue to deliver positive EBITDA and for the second consecutive quarter, a positive operating cash flow.

"This acquisition has already had a positive impact on both EBIT and cash flow."

The gross margin has improved compared to the previous quarter, and this is due to additional revenues from the Lendify acquisition and an increased proportion of net recognized revenues which has also negatively impacted revenue. I expect we will also have somewhat higher gross margins than previously going forward. We aspire to maintain a gross margin closer to 90% within the group in the future. I also note that marketing expenses are moving in a positive direction and appear to reach around 25% of the annual turnover, compared to the guided 30%. I anticipate that we will remain at the same level, or lower, in the upcoming year as scalability continues to show.

I have said it many times before, but can't say it enough – we will always take the better long-term decisions and accept when quarterly reporting shows some volatility – until we achieve greater profitability. Last year's Q1 saw similar changes that were tough to make right then, but for which I am now glad to have made. This time it is the same. Having said that, I want to be clear: We don't see any further big changes throughout the year, and we have no plans to slow our growth. Quite the opposite.

The conditions are there with greater liquidity on the savings platform than before, and continued strong interest in Billecta. Our strategy is set, we have an organization ready to handle twice the revenue, and a clear plan to deliver a positive net result!

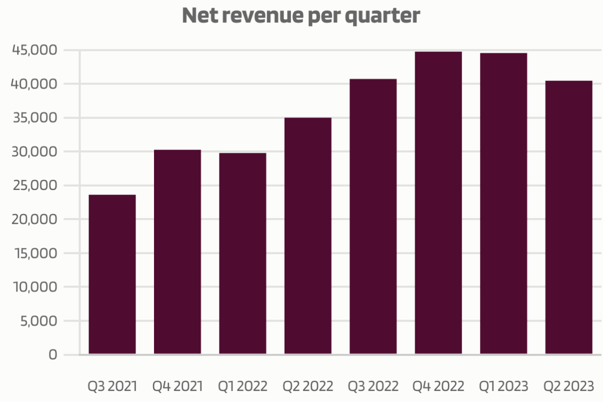
Ludwig Pettersson
CEO

FINANCIAL TRENDS FOR THE GROUP

Second quarter 1 April – 30 June 2023

Financial report

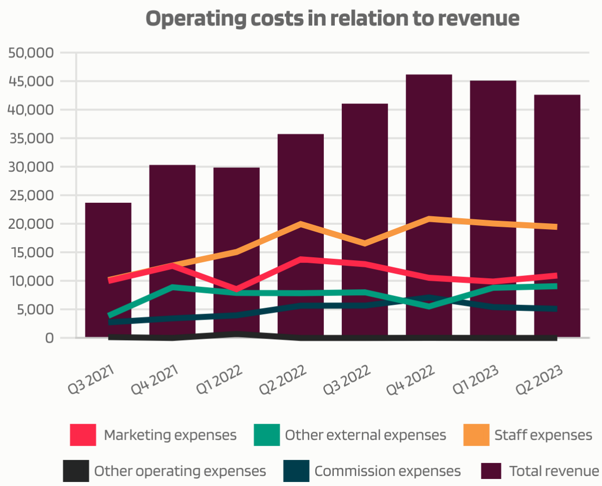
Q2 net revenue was MSEK 40.5 (35.0), for a 16% increase YoY. Net revenue from the savings platform was MSEK 30.4 for the quarter, an 11% increase over the same period the previous year. Q2 net revenue from the billing platform, including internal commission revenue, was MSEK 10.6, a 36% increase over the same period the previous year.



Commission expenses, group direct costs for the quarter, were MSEK 5.1 (5.6) whereby the gross margin was 87% (84%). On the savings platform, these expenses are for credit references, transaction data, and other commissions, totaling MSEK 2.6 (4.2). Commission expenses for the billing platform are primarily related to printing and distribution services and collection management expenses. These expenses totaled MSEK 3.0 (1.7) for the quarter. Gross margin for the savings platform and the billing platform were thereby 91% (85%) and 72% (78%) respectively.

Marketing expenses for the group were MSEK 11.0 (13.8) for the quarter. The savings platform stood for most of these expenses at MSEK 10.6 (13.5). Marketing expenses for the billing platform totaled MSEK 0.3 (0.2). Other external expenses for the group were MSEK 9.1 (8.3). Other external expenses for the savings platform were MSEK 7.4 (7.0). Other external expenses for the billing platform were MSEK 1.7 (1.2).

The group had 76 full-time positions (76) including full-time consultants. Staff expenses for the group, were MSEK 19.5 (19.9). The savings platform stood for MSEK 13.7 (14.8). Staff expenses for the billing platform were MSEK 5.8 (5.1).



Own work capitalized totaled MSEK 3.4 (5.0) for the quarter. Capitalization of one-off investments linked to the Fixura platform affected the previous year's reported Q2 activation. Otherwise, reported activation remains constant compared to previous quarters and is primarily attributable to platform development.

Group EBITDA for the quarter was MSEK 1.4 (-6.9). EBITDA for the savings and billing platforms was MSEK 0.0 (-7.9) and MSEK 1.5 (1.2) respectively. The group had no items affecting comparability whereby group adjusted EBITDA was also MSEK 1.4 (-6.8).

Cash flow

Cash flow for operating activities for the quarter was MSEK 2.8 (-5.9). The improved cash flow resulted from an increase in profitability in operations combined with more effective working capital management.

Cash flow from investing activities was MSEK -6.0 (-9.9) consisting primarily of new development in group platforms. The acquisition of the Lendify has no impact on investment activities in the cash flow statement since it was not included in standard consideration.

Cash flow from financing activities for the quarter was MSEK 1.0 (9.2) which includes debt amortization for borrowing from credit institutions and new borrowing totaling MSEK 3.0 related to the acquisition of non-current receivables.

The period 1 January – 30 June 2023

Period net revenue was MSEK 85.0 (64.8), for a 31% increase YoY. The increase is driven by greater volumes on both the savings and billing platforms.

Commission expenses, direct group costs, for the period were MSEK 10.5 (9.6).

Marketing expenses were MSEK 20.8 (22.3) for the period. Other external expenses for the period were MSEK 17.9 (16.3).

Staff expenses for the period were MSEK 39.5 (35.0). The increase is due to higher seniority among newly added personnel, more consulting hours, and the annual salary revision.

Group adjusted EBITDA for the January-June period remained positive, totaling MSEK 5.9 (-10.6).

Group financial position

The company can note that the cost base is not growing at the same rate as revenues. And operating profit, along with cash flow from operating activities, have thereby steadily improved.

The acquisition of Lendify and migration to the savings platform was completed in mid-June. No consideration was paid at the acquisition date, and instead a performance-based remuneration will be applied in the form of actual revenues for the period 2023-2027 from the active investments that were assumed. SaveLend Group has thereby not added any borrowing or diluted ownership for this acquisition. However, the acquisition impacted intangible assets as well as current and non-current liabilities, as illustrated in the table below for allocation in the statement of financial position.

Trademark	9,640
Customer relationships	11,811
Intangible assets	**21,451**
Other non-current liabilities	17,161
Other liabilities	4,290
Liabilities	**21,451**

The group recognized intangible non-current assets totaling MSEK 21.5 allocated to brand, and customer relationships which are amortized over 10 years, and a debt which is an estimate of what the group will pay in total as performance-based consideration. The performance-based consideration amounts to approximately 50% of the revenue excluding synergies. The liability was recognized as both a current liability (expected to be paid within 12 months), and a non-current liability for the remainder. After 2027, then all revenue will accrue to SaveLend Group.

Group Swedish subsidiaries hold tax loss carryforwards totaling MSEK 42.4, related to losses in previous years and will be recognized to offset future gains. Of these, MSEK 4.6 are restricted due to a previous merger, and an ownership change whereby MSEK 4.5 will be released in 2026, while MSEK 0.1 will be released in 2027. Fixura Ab Oy also holds tax loss carry forwards totaling MEUR 7.4. The company does not recognize tax loss carry forward as a precautionary measure. This tax loss carry forward would total approximately MSEK 25.2 in the event the group is permitted to utilize the entire amount. In this case the deferred tax assets will be recognized through profit and loss showing a positive impact.

Equity at the quarter-end was MSEK 99.3 (95.9). The adjusted equity ratio was 51% (40%). At the quarter-end total cash and cash equivalents were MSEK 14.8 (18.0). This liquidity is assessed as sufficient for continuing operations.

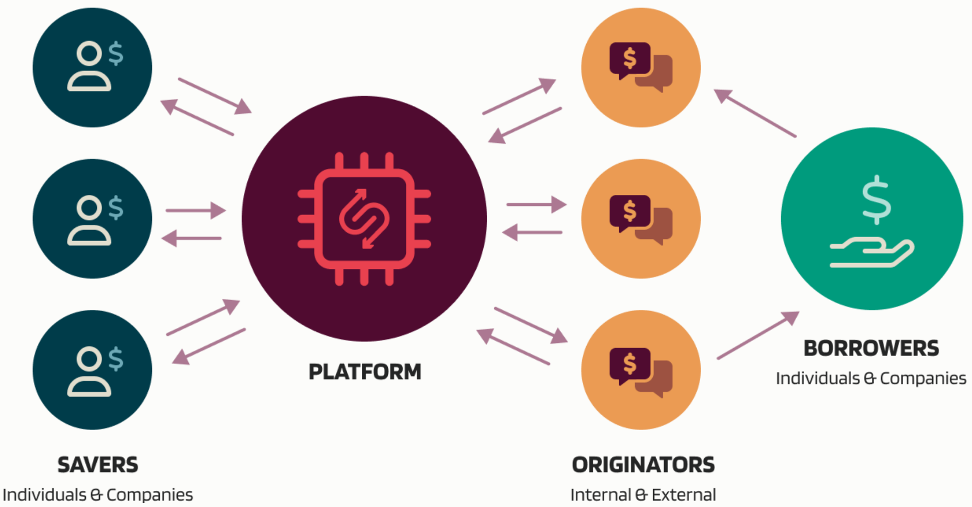
Net debt at the period-end was MSEK 11.1 (23.0) consisting (as the updated definition on page 31) of liquid assets, interest bearing liabilities, and non-current liabilities. These changes are due to the disposal of NPL cash flow from operating activities, and amortization of borrowing from credit institutions.

As of 30 June total share capital was SEK 1,217,119.34, allocated to 53,553, 250 shares.

EVENTS DURING THE QUARTER

After the conditional acquisition of Lendify was signed on April 4, SaveLend Group prepared the planned migration. The migration of nearly 30,000 customers was set for June 12 after the June 7 notification from the Danish Finanstilsynet (Danish Financial Supervisory Authority). This was by far the single most significant event for Q2, and the completed migration contributed to a record increase in capital on the savings platform. Other significant events include another record in total billing transactions, launching savings strategies, and the app for internal consumer credit origination – LoanStep.

Savings platform



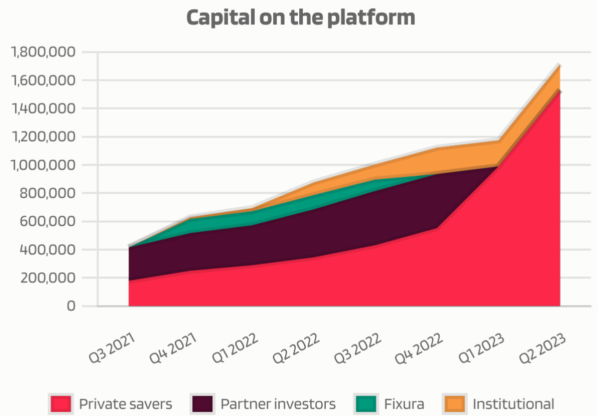
Growth in the savings platform

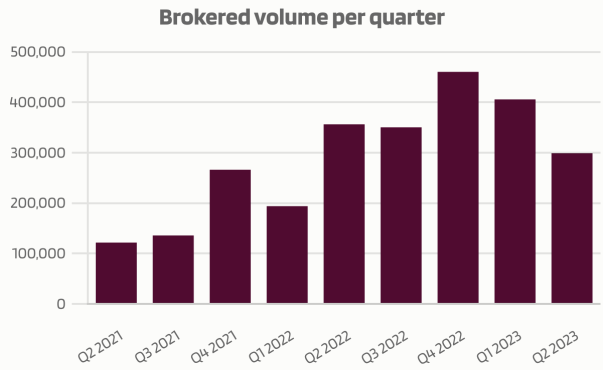
At the Q2 period-end, total capital on the savings platform was MSEK 1,715. This shows an increase of 96% YoY and 46% QoQ.

Brokered volume, which is capital placed in credits, totaled MSEK 299 for the quarter. This is 16% less than the previous year and 26% lower QoQ, brought on by more cautious credit origination to meet current market conditions.

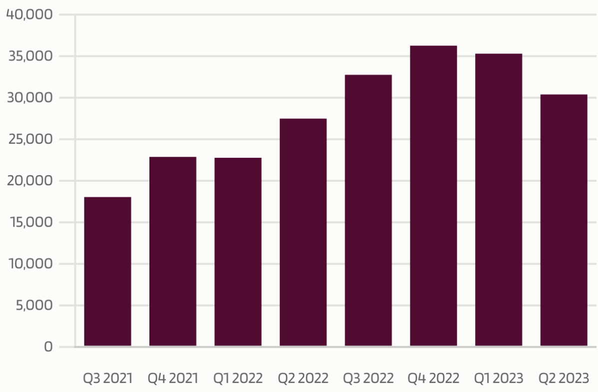
To safeguard investor returns over time, the company raised requirements for internal consumer credit origination and this impacted these volumes. The transition to providing a product adapted to a high interest environment was started, but this had lower priority than the migration of Lendify loans which contributed to an outstanding loan volume of MSEK 418. Looking forward, the loan product will also be expanded under the Lendify brand aiming to offer loans for larger amounts and longer maturities. With the measures and changes that the Company has implemented and will continue to implement, both regarding consumer loans and real estate loans, SaveLend Group sees that the volumes will once again increase in the upcoming quarters.

The average investment rate was 94% by the end of the quarter. Excluding migrated Lendify portfolios, it reached 98%, indicating a lower investment rate on Lendify portfolios where SaveLend Group sees promising opportunities to activate a larger portion of the capital through targeted efforts.

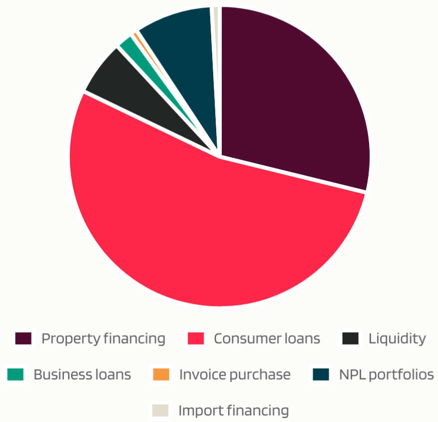




Savings platform - Net revenue per quarter



Savings platform exposure as of June 30



22,292 new savers were welcomed to the savings platform in the quarter, of which 19,928 were migrated from Lendify. Further, depots (trading accounts) migrated from Lendify to existing investor accounts with SaveLend were added. Organic inflows of savers showed strong increase for the quarter at 90% YoY and 123% over Q1. The company can thereby note that the change in savings strategies brought a significant increase in new accounts, which SaveLend Group anticipates will lead to additional future savers. The net capital retention KPI shows growth in capital held by existing savers, and which totaled 122% for the quarter.

SaveLend Group has presented the average yield for investors on the savings platform in each quarterly report, but due to the launch of the savings strategies, the average return becomes less comparable. From now on, the company will present 'average yield per strategy.' However, this will first be presented in the next report (for a full quarter of operation after the launch). Average revenue to the company per invested krona is SEK 0.08. This figure is less than previously since capital migrated from Lendify in mid-June (at the quarter-end) still had not generated any revenue. Excluding this migrated capital, the average revenue per invested krona matches that from both the previous quarter and year.

Migration of Lendify

The company implemented the migration that was prepared in early April in mid-June. SaveLend Group has already implemented several similar migrations to the platform and now used these well-developed procedures again. However, this migration differed slightly in that it involved borrowers as well as investors.

Therefore, the single most important priority for the company for the quarter was to complete the necessary system modifications to handle the existing Lendify customer accounts with associated terms and conditions. This naturally impacted the technical road map and other planned activities. The migration proceeded well and all customer accounts were transferred as of June 12. Thereafter, the company has engaged in welcoming the new customers as best possible. Initial customer service loads were heavy, as was fully anticipated due to the many new customers to acquaint with a new system. Answering times were somewhat longer the first weeks after the acquisition, but these then returned to normal levels. SaveLend Group therefore feels that the company's current staff and existing systems are fully capable of handling these new and all current customers going forward – providing confirmation of the scalability of the SaveLend Group technology and organization.

With the newly acquired data from the Lendify acquisition, the Company also has favorable conditions to enhance its segmentation for internal consumer loans and, with newfound insights, create new acquisition channels that can be scaled up.

Launching savings strategies – a first step toward SaveLend 2.0

SaveLend Group launched new saving strategies to the savings platform during the quarter. This will further facilitate for investors to open an account and create separate savings forms customizing risk, yield, savings horizon, and liquidity without personally needing to manage settings in the interface. Currently the strategies include 'Balanced' and 'Yield.' The third option, 'Freedom,' offers investors the opportunity to specifically select the credit originator and types of credit they want to invest in, as the savings platform functioned before introducing these savings strategies. Thus, the company has not removed any function for current savers.

Balanced

The target annual yield for the Balanced strategy is 4 to 7% for investors seeking stable yield with high liquidity. In Balanced, capital is invested in a wide variety of credit types having high cash flows and low risk for credit losses. Interest is generally paid on a monthly or quarterly basis. The strategy also offers the possibility to withdraw invested funds as needed as it permits selling investments of up to SEK 50,000 at the end of every twelve month period at no added charge.

Yield

The Yield strategy is appropriate for investors seeking higher yield over time. When selecting Yield, capital is invested in a wide range of credits that have expected high returns, some volatility and variable cash flows (monthly, quarterly, annual, or longer). The higher target annual yield is 6 to 10% based on a saving horizon of 36 months or longer.

Freedom

Selecting Freedom enables investors, as previously, to make their own settings for credit originator, type of credit, maturity and cash flow. This alternative has not specified target yield since this is determined entirely by the settings selected. Therefore presenting an average annual yield for the total platform has little relevance to investors selecting the Freedom strategy.

This launch of savings strategies is a first step toward broadening user friendliness of the platform and making savings in lending even more accessible for uninitiated investors. The initial indications regarding the returns of the savings strategies show that both Balanced and Yield are within the communicated target returns, and there is low dispersion among the portfolios. However, since the savings strategies were launched at the beginning of May, the analytical basis is still limited.

The company has received much feedback from investors that the current interface is hard to navigate and that the information shown is difficult to understand. The company takes such feedback very seriously and will therefore initiate more extensive activities to improve platform user-friendliness in the fall, which will involve everything from onboarding to menu structures and graphs. The final product will have a new logged in mode that will be clear, intuitive, and easy to navigate.

Change in consumer credits

Adapting product offerings to the current market trends is an ongoing endeavor. Throughout the quarter, the Company has observed an increased concern regarding credit losses among investors, consequently leading to the decision of raising the criteria for internal consumer credit intermediation. As a result, the Company no longer facilitates any high-cost loans.

Launching the LoanStep app

Also during the quarter SaveLend Group launched 'LoanStep' as an app for internal credit origination. LoanStep originates consumer credit offering 80% or 100% resale agreements. Previously, borrowers have only been able to apply for loans and follow current loans by logging in to their accounts on a web reader. This enables them to download the LoanStep app for either iOS or Android. The app is designed to create more frequent interaction with the borrower. This is to encourage repayment of existing borrowing on schedule, and raise customer's awareness, which will thereby increase customer value to the company by gaining more repeat customers.

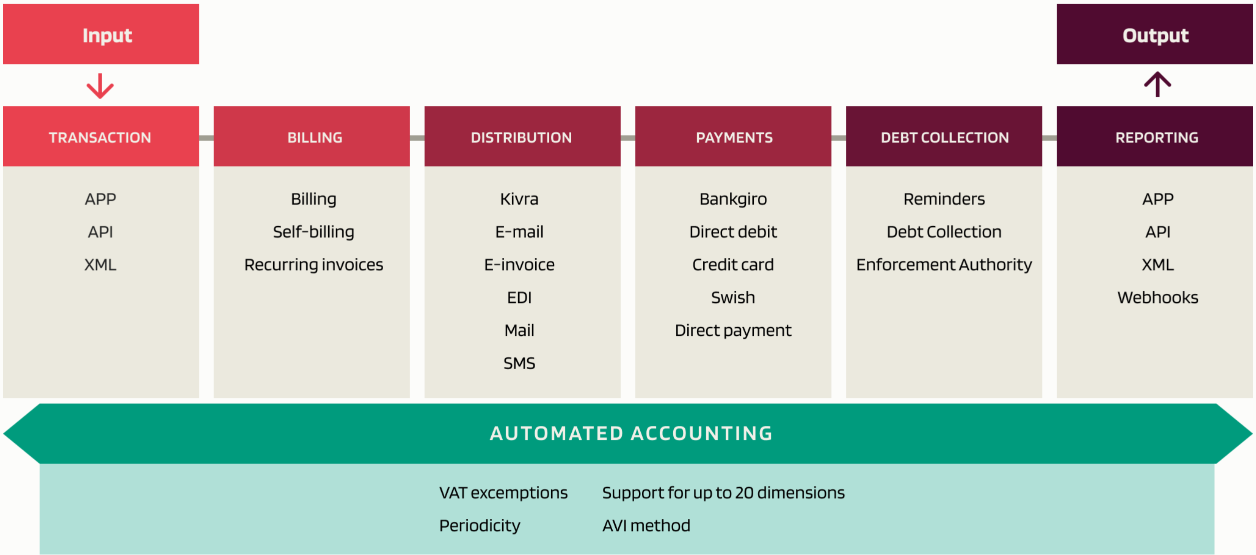
Automatic transfer between accounts

During the Lendify migration, the company found that many of these customers had several separate depots, which primarily resulted from the secondary market structure, wherein Lendify's approach entailed purchasing entire portfolios as opposed to individual credits. The migrated depots continue under current terms but cannot be opened for new investment, since SaveLend has a different offering of loan notes and credits. The capital held by these migrated customers must be transferred to a SaveLend account with an active savings strategy. Customers with several depots may find it time-consuming to manage capital transfers as funds are deposited (interest or principal payments). This also applies to the earlier SaveLend customers who wish to transfer funds to newly created depots with the new savings strategies. The company has therefore developed a function enabling savers to set automatic transfers of available capital from one depot to the other. The new function was built and launched in express time and was quickly accepted with enthusiasm by investors.

Higher savings rates and new expectations

SaveLend was founded in a low interest rate environment and the company's customers have valued operations on that basis. Current market conditions, with higher rates on savings, led to different expectations for the product and even though steps to reset are ongoing, SaveLend Group sees that private investors remains guarded. The Company's assessment is thus that the transition to a sales organization with a greater focus on private banking and institutional actors is appropriate. Sales cycles are somewhat longer, but it pays off once they are in place.

Billing platform



Growth
The Billecta billing platform continues to grow profitably, setting a new quarterly record for total billing transactions. A total of 1,313,154 billing transactions were processed through Billecta in Q2, for an increase of 25% YoY and nearly 3% over Q1. Growth is driven by both new and existing customers.

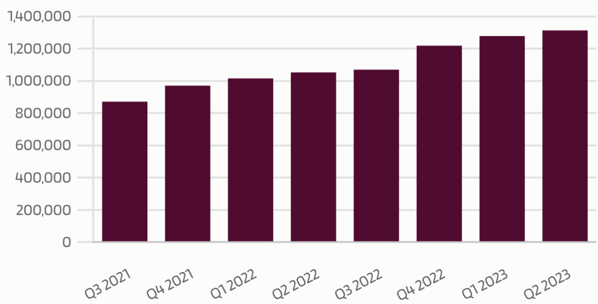
Average revenue per billing transaction in the quarter was SEK 8.0, an 8% increase over last year and 4% higher than Q2. The increase over last year was due to the price increase implemented January 1, 2023, and greater collection volumes.

Net revenue retention and churn
The net revenue KPI, which shows growth in new revenue from existing customers, was 124% for the quarter. This is calculated based on revenue streams from billing only, not including past due fees paid in through the billing platform collection function. The reason for this is that the company assesses that payment patterns by end customers have a low correlation to the billing platform's capability to grow with the companies' customers. Total billing revenue for the quarter increased 36% (MSEK 10.6 in Q2 2023 to MSEK 7.8 in Q2 2022).

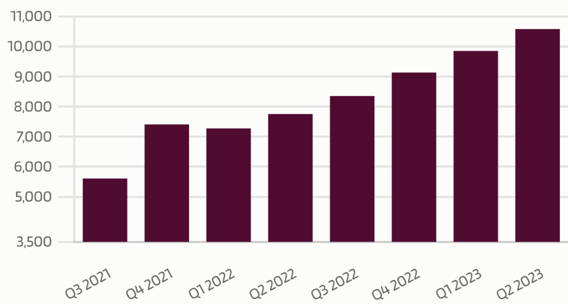
Churn at Billecta is defined based on an active customer who has not been billed for six months. Churn for Q2 was less than 1% of both total customers and volume.

Billecta welcomes Sesamy as a new customer
Sesamy signed an agreement to use the Billecta API to facilitate their publishers' billing to their end customers. Sesamy is a digital news, audio, and eBook shop started in Sweden in 2020 by the founders of Acast. With their platform they make digital content accessible to more people by enabling users to buy single eBooks, podcasts, and articles rather than being forced into longer subscriptions. Their collaboration with Billecta involves connecting the billing service to their platform for when any publisher wants to bill their users. The customer will be onboarded in Q3 to start billing processing as soon as possible.

Billing transactions per quarter



Billing platform - Net revenue per quarter



CUSTOMER CASE - **QASA**

The Billecta billing platform offering helps customers bill and take payment. The platform offers an end-to-end solution from creating the bill to collecting payment. Their ambition is to provide a range of functions, distribution methods, and payment methods for providers in a wide variety of industries. This has meant that the technological complexity and development has increased over time. Packaging has therefore become vital to keep the product accessible to the market. For each quarterly report in 2023, SaveLend Group will present a customer case that describes how a company in one of Billecta's primary customer categories uses the billing platform. For this report we look at the real estate business, highlighting customer Qasa.

Housing agent Qasa
Qasa is a modern way to rent and lease housing. The Qasa platform helps landlords and tenants contact each other, enter good rental agreements and ensure payment. Qasa brokers housing across the country, and they take in more than 5 million applications yearly having offered over 600,000 homes since starting in 2014. They were acquired by Schibsted in 2019 and then integrated into the Blocket Bostad site.

Qasa started as customer to Billecta in 2016, using the Billecta billing platform to process rent payments to their landlords. By creating self-billing invoices using the API, Qasa can process the entire payment process for their landlords who then don't need to do their own invoicing. A self-billing invoice is where a company prepares an invoice in the seller's name for their benefit. For Qasa, this means they issue an invoice with the landlord's name and themselves as recipient. By paying the self-billing invoice, Qasa ensures payment to the landlord and so assumes the landlord's receivable. Qasa uses Fortnox as their accounting system, so the Billecta billing platform was connected to Fortnox using an API where both payments and bookkeeping are automatic. Qasa is then able to control the entire payment flow using their system while simultaneously auto-matching payments.

Qasa also uses Billecta to receive payment from the tenants. One strength of Billecta is the payment and distribution methods on offer which these tenants can use, including:

- Swish
- Autogiro
- Kivra

When the rent bill is not paid when due, Billecta Inkasso helps in debt collection. Qasa then assumes the receivable from their landlords, also taking on the risk for any loss, so the collection service is an important function for them.

Qasa also has a Finnish department that uses Billecta. This partnership will be enhanced when Billecta has prepared for P27. Even though P27 (a project to create a common modern future-proofed Nordic payment infrastructure) has been put on hold, the ISO standard used in it (ISO20022) involves a payment structure that will enable automatic payment reconciling for their Finnish operation. A function not previously possible for foreign payments.

"The Billecta platform facilitates and really streamlines our operations. Its compatibility with our ERP has provided us with the advantages of automating the processes without needing to change our daily operating procedures. This significantly adds to our scalability," says Denise Stengård, CFO at Qasa.

OTHER INFORMATION

The parent SaveLend Group AB has CRN 559093-5176, and is an active holding company domiciled in Stockholm. The company is registered for VAT purposes. The company visiting address is SaveLend Group AB, Kammakargatan 7, 111 40 Stockholm. Group operations are conducted through consolidated subsidiaries. The parent's profit/loss for the quarter was MSEK -5,3. Revenue to the parent primarily consists of intra-group services. The parent's assets are primarily shares and receivables in group companies, which total MSEK 214,1 (MSEK 185,2 MSEK). These assets were financed through equity of MSEK 159,3 (MSEK 154,3) and non-current liabilities totaling MSEK 46,2 (MSEK 22,6).

Transactions with related parties

No material changes occurred from what was presented in note 26 of the 2022 Annual Report regarding transactions with related parties within the group.

Changes to share capital

No significant changes have occurred compared to what is described in the interim report for the first quarter.

Convertibles and warrants

No new warrants were issued during the quarter. Previously announced incentive programs continued in full force.

Risks and uncertainties

The primary risks and uncertainties for the group are the financial risks generally associated with credit risk. Credit risk for the group primarily refers to risk that a counterparty does not fulfill their obligations under a customer contract which then leads to a financial loss. The group is exposed to credit risk through its handling of individual loans and customers. Customer selection is important to SaveLend Group demanding selectivity to maintain high quality in terms of their repayment capacity, as is the need to maintain full diversification regarding geographic area, industry, counterparty, and sector.

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 investing in loans through the savings platform. This causes a reputational risk for the SaveLend group. Negative publicity associated with credit losses for savers on the platform, or harmful information distributed regarding SaveLend Group and their services, may cause the public or market to lose confidence in SaveLend and these services. Credit risk for the group includes concentration risk. Examples of concentration risk include, but are not limited to, SaveLend Group having too great exposure to a single industry, company, counterparty or product group. Credit risk includes both the financial risk related to the risks inherent in interest-bearing assets, and customer credit risk inherent in the trade receivables. Financial credit risk arises when cash and bank balances are held by banks and financial institutions. Customer credit risk relates to credit exposures to customers, including outstanding receivables and contracted transactions.

The SaveLend Group operates in Sweden, and in Polish and Finnish markets, with plans for further expansion. In accounting terms, this may lead to company exposure to greater risks related to translating foreign currency to SEK. 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.

Additional to the above risks and uncertainties, the Russian invasion of Ukraine has caused great human suffering and uncertainties in the world. SaveLend Group operations have no direct exposure to this war. However, SaveLend Group is exposed to secondary impacts due to changed macroeconomic conditions, as with the high inflation and interest rate increases in Swedish markets causing greater uncertainty. Senior management closely follows these developments to act on any such substantial exposure.

More detailed information regarding risk and risk management for the SaveLend Group is presented in our 2022 Annual Report, p. 21-23.

Legal disputes

No material legal processes or arbitration procedures were initiated during the period.

Permitting and governmental agency matters

The company currently has no permitting or authority matter under consideration.

FINANCIAL INFORMATION

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD

	Not	Q2 2023	Q2 2022	Q1-Q2 2023	Q1-Q2 2022	Q1-Q4 2022
	2					
Net revenue		40,454	35,004	85,006	64,789	150,259
Other revenue		2,156	720	2,687	787	2,541
Total revenue		**42,610**	**35,724**	**87,693**	**65,576**	**152,800**
Commission expenses		-5,102	-5,643	-10,511	-9,604	-22,357
Total commission costs		**-5,102**	**-5,643**	**-10,511**	**-9,604**	**-22,357**
Marketing expenses		-10,928	-13,781	-20,810	-22,324	-45,790
Other external expenses		-9,083	-8,285	-17,875	-16,283	-30,310
Staff expenses		-19,467	-19,947	-39,518	-35,012	-72,441
Capitalized development		3,405	5,032	6,956	7,692	14,836
Other operating expenses		-	-	-	-691	-707
The other operating expenses excluding depreciation		**-36,073**	**-36,981**	**-71,248**	**-66,618**	**-134,412**
EBITDA		**1,435**	**-6,900**	**5,934**	**-10,646**	**-3,969**
Depreciation and impairment tangible and intangible non-current assets		-5,965	-5,122	-11,571	-9,455	-20,377
Total operating depreciation and impairment		**-5,965**	**-5,122**	**-11,571**	**-9,455**	**-20,337**
Operating profit/loss (EBIT)		**-4,530**	**-12,022**	**-5,637**	**-20,101**	**-24,346**
Interest expense and similar items		-441	-493	-922	-787	-1,770
Total financial items		**-441**	**-493**	**-922**	**-787**	**-1,770**
Profit/loss after financial items		**-4,971**	**-12,515**	**-6,559**	**-20,888**	**-26,116**
Tax on profit/loss for the period		376	267	747	455	-1,945
Total tax		**376**	**267**	**747**	**455**	**-1,945**
Profit/loss for the period		**-4,595**	**-12,248**	**-5,812**	**-20,434**	**-28,061**
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		-1,381	195	-1,401	209	479
Other comprehensive income for the period		**-1,381**	**195**	**-1,401**	**209**	**479**
Comprehensive income for the period		**-5,976**	**-12,053**	**-7,213**	**-20,225**	**-27,582**
The total result for the period is attributable to SaveLend Group AB (publ)'s shareholders						
Earnings per share before dilution (SEK)		**-0.09**	**-0.24**	**-0.11**	**-0.41**	**-0.55**
Earnings per share after dilution (SEK)		**-0.09**	**-0.24**	**-0.11**	**-0.41**	**-0.55**
Total shares at period-end		**53,553,250**	**51,600,827**	**53,553,250**	**51,600,827**	**51,600,827**
Average number of shares for the period before dilution		**53,553,250**	**51,600,827**	**53,553,250**	**50,231,500**	**50,916,164**
Average number of shares for the period after dilution*		**53,553,250**	**51,600,827**	**53,553,250**	**50,231,500**	**51,078,865**

**Average number of shares for the period with an addition for a weighted number of shares that will be added if all potential shares, which give rise to dilution, are converted to shares. Only those option programs whose issue price is below the period's average market price can lead to a dilution effect. For the periods Q4 2022 and Q1-Q4 2022, the dilution from SaveLend's incentive program W2019-2022D is included in the calculation of the average number of shares for the period after dilution.*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Not	2023-06-30	2022-06-30	2022-12-31
Intangible non-current assets				
Capitalized expenses for research and development and similar		36,576	32,686	34,775
Costumer relationships		34,788	25,850	24,438
IT systems		450	2,150	1,300
Trademark		31,870	23,263	22,744
Goodwill		57,831	57,090	57,389
Total intangible assets		161,515	141,039	140,645
Tangible non-current assets				
Right to use (leasing)		2,299	4,972	3,391
Total tangible non-current assets		2,299	4,972	3,391
Financial non-current assets	5			
Acquired debt collection portfolios		-	37,335	-
Other non-current receivables		4,035	11,468	5,007
Total financial assets		4,035	48,803	5,007
Other non-current assets				
Deferred tax asset		0	1,848	-
Total other non-current assets		0	1,848	-
Total non-current assets		167,849	196,662	149,043
Current receivables	5			
Trade receivables		4,263	17,319	5,455
Current tax assets		-	-	-
Other receivables		5,572	7,424	7,506
Prepayments and accrued income		1,994	2,764	1,528
Total current receivables		11,829	27,507	14,489
Cash and cash equivalents	5			
Client funds		137,727	102,186	139,795
Cash and cash equivalents		14,773	17,984	20,102
Total cash and cash equivalents		152,501	120,170	159,897
Total current assets		164,330	147,677	174,386
Total assets		**332,179**	**344,339**	**323,429**
Share capital		1,217	1,173	1,173
Paid unregistered share capital		-	-	44
Translation reserve		-918	179	463
Other non-restricted equity		202,430	184,604	202,444
Retained earnings including profit/loss for the period		-103,454	-90,029	-97,656
Total equity attributable to the parent company's shareholders		99,275	95,927	106,468
Non-current liabilities	5			
Borrowing from credit institutions		9,769	14,112	11,984
Other interest-bearing liabilities		3,796	46,368	862
Lease liabilities		217	1,146	606
Deferred tax liabilities		9,783	10,894	10,326
Other non-current liabilities		18,513	10,317	3,665
Other provisions		-	9,241	-
Total non-current liabilities		42,078	92,078	27,443
Current liabilities	5			
Client funds		137,728	102,186	139,795
Borrowing from credit institutions		5,438	4,931	5,512
Other interest-bearing liabilities		6,912	12,960	6,751
Lease liabilities		1,286	3,120	2,097
Trade payables		6,479	7,364	9,160
Other liabilities		16,590	6,351	7,540
Tax debt		651	-	2,399
Accruals and prepaid income		15,743	19,423	16,264
Total current liabilities		190,826	156,334	189,518
Total equity, provisions and liabilities		**332,179**	**344,339**	**323,429**

CONSOLIDATED CHANGES IN EQUITY

	Share capital	Paid unregistered share capital	Translation reserve	Other contributed capital	Retained earnings including profit/loss for the year	Total equity
Opening equity 1 Jan. 2022	**1,079**	**-**	**-16**	**148,369**	**-69,595**	**79,837**
Comprehensive income for the period:						
Profit/loss for the period	–	–	–	–	-28,061	-28,061
Other comprehensive income	–	–	479	–	–	479
Comprehensive income for the period	**-**	**-**	**479**	**-**	**-28,061**	**-27,582**
Registered share capital (offset share issue)	93	–	–	35,447	–	35,540
New share issue	–	44	–	17,839	–	17,883
Warrants	–	–	–	789	–	789
Closing equity 31 Dec. 2022	**1,173**	**44**	**463**	**202,444**	**-97,656**	**106,468**
Opening equity 1 Jan. 2022	**1,079**		**-16**	**148 369**	**-69 595**	**79 837**
Comprehensive income for the period:						
Profit/loss for the period	–	–	–	–	-20,434	-20,434
Other comprehensive income	–	–	195	–	–	195
Comprehensive income for the period	–	–	195	–	-20,434	-20,239
						0
Registered share capital (offset issue)	94	–	–	35,447	–	35,540
Warrants	–	–	–	789	–	789
Closing equity 30 Jun. 2022	**1,173**	**-**	**179**	**184,604**	**-90,029**	**95,927**
Opening equity 1 Jan. 2023	**1,173**	**44**	**463**	**202,444**	**-97,656**	**106,468**
Comprehensive income for the period:						
Profit/loss for the period	–	–	–	–	-5,812	-5,812
Other comprehensive income	–	–	-1,381	–	–	-1,381
Comprehensive income for the period	**-**	**-**	**-1,381**	–	**-5,812**	**-7,193**
New share issue	44	-44	–	–	–	-
Issue cost	–	–	–	-14	14	-
Closing equity 30 Jun. 2023	**1,217**	**-**	**-918**	**202,430**	**-103,454**	**99,275**

CONSOLIDATED STATEMENT OF CASH FLOW

	Not	Q2 2023	Q2 2022	Q1-Q2 2023	Q1-Q2 2022	Q1-Q4 2022
Operating activities						
Operating profit/loss (EBIT)		-4,531	-12,022	-5,637	-20,102	-24,346
Paid interest		-441	-1,401	-922	-2,749	-1,770
Received interest		-	1,963	-	3,039	-
Items not affecting cash flow						
Depreciation		5,965	5,121	11,146	10,089	20,377
Other items not affecting cash flow		-	-1,250		-2,141	-8,929
Paid tax		206	-	-1,489	-	-781
Cash flow from operating activities before changes in working capital		**1,199**	**-7,589**	**3,098**	**-11,864**	**-15,449**
Cash flow from changes in operating capital						
Changes to current receivables		964	-2,273	2,659	-5,151	9,837
Changes in current liabilities		637	3,982	1,036	3,022	1,848
Total		**1,601**	**1,709**	**3,695**	**-2,129**	**11,685**
Cash flow from operating activities		**2,800**	**-5,880**	**6,793**	**-13,993**	**-3,764**
Investing activities						
Company acquisition		-	-	-	-10,092	-10,092
Acquisition of intangible non-current assets		-5,096	-6,416	-9,230	-12,037	-20,351
Acquisition of tangible non-current assets		-242	-	-242	-2,764	-2,764
Other changes to financial assets		-665	10,492	-528	17,412	27,649
Acquired debt collection portfolio		-	-13,972	-	-20,315	-62,623
Divestment debt collection portfolio		-	-	-	-	75,867
Cash flow from investing activities		**-6,003**	**-9,896**	**-10,000**	**-27,796**	**7,686**
Financing activities						
New shares		-	-	-13	15,000	32,884
Warrants		-	789	-	789	789
New financial debts		3,027	18,511	3,027	44,273	86,607
Debt repayment		-1,999	-10,140	-5,136	-23,483	-127,294
Cash flow from financial activities		**1,028**	**9,160**	**-2,122**	**36,579**	**-7,014**
Cash flow for the period		**-2,175**	**-6,616**	**-5,329**	**-5,210**	**-3,092**
Cash and cash equivalents at period beginning		**16,947**	**24,600**	**20,102**	**23,194**	**23,194**
Cash and cash equivalents at period-end		**14,773**	**17,984**	**14,773**	**17,984**	**20,102**
Translation differences for cash and cash equivalents		**91**	**64**	**113**	**4**	**299**
Client funds		**137,727**	**102,186**	**137,727**	**102,186**	**139,795**

INCOME STATEMENT FOR THE PERIOD – PARENT

	Q2 2023	Q2 2022	Q1-Q2 2023	Q1-Q2 2022	Q1-Q4 2022
Net revenue	501	377	865	717	1,904
Other operating income	1,662	614	2,204	614	1,434
Total revenues	**2,163**	**991**	**3,069**	**1,331**	**3,338**
Other external expenses	-2,494	-3,474	-4,534	-5,760	-11,988
Other operating expenses	–	–	–	-46	–
Staff expenses	-4,570	-5,163	-10,397	-8,930	-19,206
Total other operating expenses excluding depreciation	**-7,064**	**-8,637**	**-14,931**	**-14,736**	**-31,194**
EBITDA	**-4,901**	**-7,646**	**-11,862**	**-13,405**	**-27,856**
Depreciation	-25	-25	-50	-50	-100
Operating profit/loss (EBIT)	**-4,926**	**-7,671**	**-11,912**	**-13,455**	**-27,956**
Other interest income and similar items	0	–	1	19	–
Interest expense and similar items	-386	-347	-857	-15,697	-16,608
Total financial items	**-386**	**-347**	**-856**	**-15,678**	**-16,608**
Profit/loss after financial items	**-5,312**	**-8,018**	**-12,768**	**-29,133**	**-44,564**
Group contributions received	–	-	–	–	15,323
Profit/loss before tax	**-5,312**	**-8,018**	**-12,768**	**-29,133**	**-29,242**
Profit/loss for the period	**-5,312**	**-8,018**	**-12,768**	**-29,133**	**-29,242**

STATEMENT OF COMPREHENSIVE INCOME – PARENT

	Q2 2023	Q2 2022	Q1-Q2 2023	Q1-Q2 2022	Q1-Q4 2022
Profit/loss for the period	**-5,312**	**-8,018**	**-12,768**	**-29,133**	**-29,242**
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	**-5,312**	**-8,018**	**-12,768**	**-29,133**	**-29,242**

STATEMENT OF FINANCIAL POSITION FOR THE PERIOD – PARENT

	2023-06-30	2022-06-30	2022-12-31
Assets			
Non-current assets			
Intangible non-current assets	183	283	233
IT-systems	183	283	233
Total intangible assets			
Financial non-current assets	161,630	155,642	161,130
Participations in group companies	51,016	28,344	49,463
Receivables from group companies	212,646	183,986	210,592
Total financial assets	212,829	184,269	210,826
Total non-current assets			
Current assets			
Current receivables	128	137	31
Receivables from group companies	8	77	77
Other receivables	631	575	594
Prepayments and accrued income	767	789	702
Total current receivables			
Cash and cash equivalents	553	159	595
Cash and cash equivalents	553	159	595
Total Cash and cash equivalents			
	1,320	948	1,298
Total current assets	**214,149**	**185,217**	**212,122**
Total assets			
Equity, provisions and liabilities	1,217	1,173	1,173
Share capital	–	–	44
Paid unregistered share capital	227,994	210,168	228,009
Non-restricted equity	-57,171	-27,929	-27,929
Retained earnings	-12,768	-29,133	-29,242
Profit/loss for the period	159,272	154,279	172,054
Total equity			
Non-current liabilities	36,670	9,854	19,247
Other interest-bearing liabilities	9,000	12,222	10,636
Other non-current liabilities	500	500	500
Total non-current liabilities	46,170	22,576	30,383
Current liabilities			
Other interest-bearing liabilities	3,273	2,778	3,273
Trade payables	956	796	1,608
Current tax liabilities	222	148	229
Other liabilities	850	967	997
Accruals and prepaid income	3,406	3,673	3,578
Total current liabilities	8,707	8,361	9,685
Total equity, provisions and liabilities	**214,149**	**185,217**	**212,122**

NOTES

Note 1 General information

The parent SaveLend Group AB CRN 559093-5176, owns and manages the shares attributable to the SaveLend Group, whose operations are divided into two segments, the savings platform and the billing platform. The group's operational and strategic management functions are centralized in the parent. SaveLend Group AB's shares are listed on Nasdaq First North with ticker YIELD. At the period-end, the parent had 13 (13) employees. The parent has no external business operations and all risks are primarily attributable to operations in the subsidiaries. Group business is operated through the group subsidiaries. The parent is a Swedish active holding company domiciled in Stockholm and is registered for VAT purposes. Visiting address is; SaveLend Group AB, Kammakargatan 7, 111 40 Stockholm.

Basis for preparing the reports

The consolidated financial statements of SaveLend Group have been prepared in compliance with International Financial Reporting Standards (IFRS) as adopted by the EU. The interim report has been prepared in accordance with IAS 34 Interim reporting, applicable regulations in the Annual Accounts Act and the Financial Reporting Council's recommendation RFR1. The interim report for the parent company has been prepared in accordance with Chapter 9 of the Annual Accounts Act, Interim Report and the Council for Financial Reporting's recommendation RFR2. The reporting and measurement methods agree with those applied in the 2021 Annual Reporting. In 2022, there will be no changes to IFRS that have had a significant impact on the Group's earnings and financial position.

The interim report has not been subject to a general review by the group's auditors.

The consolidated financial statements were prepared based on historical cost, which means that 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 for subsidiaries was done as provided in IAS 21.

Note 2 Segments

Segments - Business Areas
The Group has two segments. The savings platform includes all activities linked to savers and brokered loans. The billing platform is the segment that includes all invoicing service operations in the billing system.

	Savings platform		Billing platform		Group	
	Q2 2023	**Q2 2022**	**Q2 2023**	**Q2 2022**	**Q2 2023**	**Q2 2022**
Net revenue	30,368	27,465	10,577	7,752	40,946	35,217
Other revenue	2,122	683	33	37	2,156	720
Total revenue	**32,490**	**28,148**	**10,610**	**7,789**	**43,102**	**35,937**
Of which internal provisions			-492	*-213*	-492	*-213*
Commission expenses	-2,613	-4,151	-2,981	-1,705	-5,594	-5,856
Total commissions	**-2,613**	**-4,151**	**-2,981**	**-1,705**	**-5,594**	**-5,856**
Of which internal commissions	492	*213*			492	*213*
Marketing expenses	-10,614	-13,544	-314	-237	-10,928	-13,781
Other external expenses	-7,417	-7,040	-1,666	-1,245	-9,083	-8,285
Staff expenses	-13,714	-14,805	-5,753	-5,142	-19,467	-19,947
Capitalized development	1,846	3,292	1,559	1,740	3,405	5,032
Other operating expenses	-	-	-	-	-	-
Total other operating expenses excluding depreciation	**-29,899**	**-32,097**	**-6,174**	**-4,884**	**-36,073**	**-36,981**
EBITDA	**-22**	**-7,887**	**1,455**	**1,200**	**1,435**	**-6,900**
Depreciation on leasing and intangible non-current assets	-3,006	-2,545	-1,101	-776	-4,107	-3,321
Depreciation on acquired intangible non-current assets	-	-	-	-	-1,858	-1,801
Total operating depreciation	**-3,006**	**-2,545**	**-1,101**	**-776**	**-5,965**	**-5,122**
Operating profit/loss (EBIT)	**-3,028**	**-10,645**	**354**	**424**	**-4,530**	**-12,022**
Interest expense and similar items	-443	-493	3	-	-441	-493
Total financial items	**-443**	**-493**	**3**	**-**	**-441**	**-493**
Profit/loss before tax	**-3,471**	**-11,138**	**357**	**424**	**-4,971**	**-12,515**

	Svaings platform		Billing platform		Group	
	Q1-Q2 2023	Q1-Q2 2022	Q1-Q2 2023	Q1-Q2 2022	Q1-Q2 2023	Q1-Q2 2022
Net revenue	65,649	50,210	20,429	15,025	86,078	65,235
Other revenue	2,620	710	66	77	2,686	787
Total revenue	**68,269**	**50,920**	**20,495**	**15,102**	**88,765**	**66,022**
Of which internal provisions			-1,072	*-446*	-1,072	*-446*
Commission expenses	-6,647	-6,446	-4,936	-3,605	-11,583	-10,051
Total commissions	**-6,647**	**-6,446**	**-4,936**	**-3,605**	**-11,583**	**-10,051**
Of which internal commissions	1,072	*446*			1,072	*446*
Marketing expenses	-20,273	-21,775	-537	-548	-20,810	-22,324
Other external expenses	-14,562	-14,046	-3,313	-2,237	-17,875	-16,283
Staff expenses	-29,508	-25,574	-10,010	-9,439	-39,518	-35,012
Capitalized development	3,521	4,291	3,434	3,400	6,956	7,692
Other operating expenses	-	-689	-	-1	-	-691
Total other operating expenses excluding depreciation	**-60,821**	**-57,793**	**-10,426**	**-8,825**	**-71,248**	**-66,618**
EBITDA	**800**	**-13,319**	**5,133**	**2,672**	**5,934**	**-10,647**
Depreciation on leasing and intangible non-current assets	-5,756	-4,769	-2,127	-1,473	-7,882	-6,242
Depreciation on acquired intangible non-current assets	-	-	-	-	-3,689	-3,212
Total operating depreciation	**-5,756**	**-4,769**	**-2,127**	**-1,473**	**-11,571**	**-9,455**
Operating profit/loss (EBIT)	**-4,956**	**-18,088**	**3,005**	**1,199**	**-5,638**	**-20,102**
Interest expense and similar items	-922	-786	-	-1	-922	-787
Total financial items	**-922**	**-786**	**-**	**-1**	**-922**	**-787**
Profit/loss before tax	**-5,878**	**-18,874**	**3,005**	**1,198**	**-6,559**	**-20,888**

Note 3 Items affecting comparability

The table below shows items affecting comparability during the quarter and period. All items affecting comparability can be found in the group's report on earnings and other comprehensive income for the period under the heading "other external costs".

	Q2 2023	Q2 2022	Q1-Q2 2023	Q1-Q2 2022	Q1-Q4 2022
Acquisition related cost	-	-	-	-	-857
Dissolution of provision	-	-99	-	-856	2,472
Total	**-**	**-99**	**-**	**-856**	**-1,615**

Note 4 Related party transactions

No significant changes have taken place during the quarter. The nature and scope of related party transactions have not changed significantly compared to the information provided in the 2022 annual report regarding transactions with related parties within the group.

Note 5 Financial assets and liabilities

Financial assets and liabilities measured at accrued cost			
	2023-06-30	**2022-06-30**	**2022-12-31**
Financial assets			
Acquired NPLs	-	37,335	-
Other non-current receivables	4,035	11,468	5,007
Trade receivables	4,263	17,319	5,455
Cash and cash equivalents	14,773	17,984	20,102
Total financial assets	**23,071**	**84,106**	**30,564**
Financial liabilities			
Liabilities to financial institutions	15,207	19,043	17,496
Other interest-bearing liabilities	10,708	59,328	7,613
Other provisions	-	9,241	-
Lease liabilities	1,503	4,265	2,703
Other current liabilities	35,103	16,668	11,204
Trade payables	6,479	7,364	9,160
Total financial liabilities	**69,000**	**115,909**	**48,176**

Gross change to loan loss reserve

	2023-06-30	2022-12-31
Opening Balance	3,356	3,745
Elimination of credit loss reserve	-150	-632
Provisions for credit loss reserve	311	242
Closing Balance	**3,517**	**3,356**

Evaluation and assessment of ECL model

The impairment requirements in IFRS 9 are based on a model for expected credit losses (ECL) in contrast to the previous model for occurred credit losses in IAS 39. In addition, the requirements are more comprehensive and state that all assets valued at amortized cost and fair value through other comprehensive income, as well as off-balance sheet commitments, including guarantees and credit commitments, shall be subject to impairment testing. The assets to be tested are divided according to the general method into three steps, depending on the development of credit risk from the time of payment. Step 1 includes assets with no significant increase in credit risk; SaveLend Group categorizes all financial assets that are 0-30 days old in step 1. Step 2 includes assets with a significant increase in credit risk; for SaveLend Group, this is financial assets that are 31-90 days old. Step 3 comprises defaulted assets valued individually or in groups; financial assets older than 90 days are categorized here for the Group. For portfolios with acquired non-performing receivables (NPL), the effective interest method is used for calculating impairment losses, where the present value is determined based on discounted future cash flows. These are found separated in column "NPL". The savings platform fully finances the NPL portfolios through performance-based corporate loans, which means that the cash flow from the NPL portfolios controls the yield and amortization rate for the savings platform. This eliminates the asset and liabilities in the group's balance sheet and income and expenses in the income statement. Hence, NPLs are excluded from the ECL model.

Financial assets valued at accrued acquisition value

The assets in this category are valued at accrued acquisition value less any provision for impairment, which is considered to be fair value.

Financial assets valued at accrued cost

According to the group's assessment, there has been no change in market interest rates or credit margins since the interest-bearing liabilities were taken up that would have a significant impact on the financial liabilities. Trade payables have a short expected term and are valued without discounting at nominal amount. The debts in this category are valued at accrued acquisition value, which is therefore deemed to be fair value. For all liabilities in the table, long-term and short-term liabilities of the same nature are summed. Total cash flow from financing activities amounted to KSEK 1,028 per 30 June 2023.

Credit risk exposure to financial assets on 2023-06-30

2023-06-30	Stage 1	Stage 2	Stage 3	NPL	Total
Cash and bank balances					
Low risk	15,208	-	-	-	15,208
Loss provision	-	-	-	-	-
Total carrying amount	**15,208**	**-**	**-**	**-**	**15,208**
Consumer loans					
Fees for brokered loans	317	221	-	-	538
Internally originated loans	488	107	-	-	595
Acquired non-performing receivables	-	-	-	-	-
Loss provision	-	-	-	-	-
Total carrying amount	**805**	**328**	**-**	**-**	**1,133**
Trade receivables billing platform					
Low risk	6,682	28	10	-	6,720
Loss provision	-	-12	-10	-	-22
Total carrying amount	**6,682**	**16**	**-**	**-**	**6,698**
Invoice purchasing					
Invoice purchases in the statement of financial position	33	-	3,495	-	3,528
Loss provision	-1	-	-3,495	-	-3,496
Total carrying amount	**32**	**-**	**-**	**-**	**32**
Total value financial assets	22,728	356	3,504	-	26,588
Total loss reserve	-1	-12	-3,504	-	-3,517
Total carrying amount	**22,727**	**344**	**-**	**-**	**23,071**

Credit risk exposure to financial assets on 2022-06-30

2022-06-30	Stage 1	Stage 2	Stage 3	NPL	Total
Cash and bank balances					
Low risk	19,919	–	–	–	19,919
Loss provision	–	–	–	–	–
Total carrying amount	**19,919**	**-**	**-**	–	**19,919**
Consumer loans					
Fees for brokered loans	525	116	13,475	–	14,116
Internally originated loans	7,393	2,127	–	–	9,520
Acquired non-performing receivables	–	–	–	37,335	37,335
Loss provision	-10	-16	-190	–	-216
Total carrying amount	**7,908**	**2,227**	**13,285**	**37,335**	**60,755**
Trade receivables					
Low risk	3,117	61	38	–	3,216
Loss provision	-1	-43	-38	–	-82
Total carrying amount	**3,116**	**18**	**-**	**-**	**3,134**
Invoice purchasing					
Invoice purchases in the statement of financial position	307	–	3,244	–	3,551
Loss provision	-9	–	-3,244	–	-3,253
Total carrying amount	**298**	**-**	**-**	**-**	**298**
Total value financial assets	**31,261**	**2,304**	**16,757**	**37,335**	**87,657**
Total loss reserve	**-20**	**-59**	**-3,472**	**-**	**-3,551**
Total carrying amount	**31,241**	**2,245**	**13,285**	**37,335**	**84,106**

Note 6 Pledged assets and contingent liabilities

	2023-06-30	2022-06-30	2022-12-31
Floating charges	26,792	26,880	26,128
NPL portfolios	–	56,050	–
Closing balance	**26,792**	**82,930**	**26,128**

	2023-06-30	2022-06-30	2022-12-31
Contingent liabilities	–	193	255
Closing balance	**-**	**193**	**255**

Note 7 Events after the quarter

No significant events occurred between the end of the period and the publication of this report.

PUSH FOR **CHANGE.**

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

STATEMENT BY THE BOARD AND THE CEO

The Board of directors and Chief Executive Officer hereby certify that this interim report for January 1 to June 30, 2023, gives an essentially true and fair view 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.

Stockholm August 15, 2023

Ludwig Pettersson
Board member, CEO

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Financial calender 2023
November 14, after closing Q3 Interim report

DEFINITIONS AND KEY PERFORMANCE

Several of the financial key performance indicators used in this interim report can be considered generally accepted and are the kind expected to be presented in interim reports to provide a true and fair view of the group's 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.

Adjusted EBITDA
EBITDA adjusted for items affecting comparability.

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

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

Adjusted equity/assets ratio
The key ratio is calculated by dividing the total group equity by the balance sheet total after excluding the client funds balance.

Total shares at period-end
Total shares at the end of the period.

Earnings per share before dilution
Profit (or loss) attributable to the parent's shareholders divided by the average number of outstanding shares before dilution.

Average return
Actual return in relation to total invested capital with volume-weighted delay (which takes into account the number of days it takes before a credit begins to return).

Cash and cash equivalents
The Group's total directly available cash and cash equivalents can be found in the Group's report on financial position.

Revenue per deposited 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 savings platform for the period.

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

Net capital retention rate
Key figure for existing customers' growth in capital. Calculated by comparing the capital of all private savers with at least one active investment during Q3 2021 with the capital of the same group of savers with at least one active investment during Q3 2022.

Net revenue retention rate
Key figure for growth in turnover with existing customers. Calculated by comparing the turnover of all customers who handled at least one billing transaction in Q3 2021 with the turnover of the same group who handled at least one billing transaction in Q3 2022.

Churn
For Billecta, churn is defined based on an active customer who has not been invoiced for six months. An active customer refers to a customer who has received at least two invoices of over SEK 2,000 in the last 12 months.

Net debt
Calculated by summing the following lines in the balance sheet: Acquired NPL-portfolios, Bank balances, Borrowing from credit institutions (current and non-current), Other interest-bearing liabilities (current and non-current).

The glossary presented below are terms used throughout the report.

SaveLend Group
Refers to SaveLend Group AB (publ).

SaveLend
Brand used for the savings platform.

Billecta
Brand used for the billing platform.

Billing transactions
Total number of invoices created in the stated period.

P27
A new infrastructure for payments that opens up new payment services.

Capital on the savings platform
Total capital deposited (invested and cash equivalents) from private savers, partner investors, and institutional investors.

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

Items that affect comparability
Items that affect comparability are items that are not related to the groups regular business,for example costs related to IPO.

NPL
Portfolio of non-performing receivables acquired internally or externally.

MONEY SHOULDN'T SLEEP!