

# ANNUAL REPORT

**Start of the fiscal year:** January 1, 2025  
**End of the fiscal year:** December 31, 2025

**Business Name:** Modena Estonia OÜ

**Registration number:** 14820592

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# Management Report

## 1. The Company's Field of Activity and Business Model

Modena Estonia OÜ (hereinafter "the Company") is primarily engaged in providing innovative, technology-based, and customer-centric financial services.

The Company's business model is focused on offering flexible and transparent financing solutions to both private individuals and business partners in the e-commerce and retail sectors. The core of its product portfolio consists of consumer loans, flexible lines of credit, and "buy now, pay later" (BNPL) payment solutions.

In the second quarter of 2020, Modena launched its business operations by offering merchants invoice factoring, which allows their customers to pay for their purchases 30 days later or in up to three equal monthly installments, without imposing any additional fees on customers. Deferred payment allows customers to spread their spending over a longer period, which simplifies their purchasing decisions and reduces the number of abandoned carts. As a result, merchants increase their sales revenue and average order value.

In January 2021, Modena submitted an application for a credit provider license with the aim of offering purchase financing through installment plans over longer periods. The Financial Supervision Authority approved the license in August 2021. Modena began offering credit products in December 2021. To mitigate its credit risks, the company adheres to all necessary responsible lending principles.

## 2. Key Events in 2025

The year 2025 was a landmark period for the Company in terms of strategic investments and technological innovations. During the reporting period, several large-scale projects were successfully implemented to support the Company's long-term growth and efficiency:

- In fiscal year 2025, the Company strategically expanded its scope of operations and made the business customer segment one of its main focuses. In addition to its established consumer financing products and traditional business loans, the Company launched business installment loans and mortgage loans specifically targeted at small and medium-sized enterprises (SMEs). Expanding the product portfolio allows the Company to diversify risks across different customer groups, enter a market with higher transaction values, and offer business clients the liquidity and flexibility they need when making investments.
- Launch of a receivables sales portal: The Company launched a platform designed for the sale of credit receivables and portfolio management. By 2025, the volume of receivables sold will be in the range of 12.9 million EUR.
- Rebranding and a New Visual Identity: In 2025, significant investments were made in rebranding Modena to align it with the Company's position as a modern and professional financial partner. As part of the rebranding, a new visual identity was developed and a completely revamped website was launched.
- Modernization of customer systems: Along with the brand refresh, all of Modena's self-service systems and digital platforms for customers underwent a thorough overhaul. The new, modern look, combined with an improved user experience (UX/UI), ensures a more intuitive and faster way for customers to conduct their business, which has directly increased customer satisfaction and supports the company's conversion rates.

## 3. Business Overview and Financial Results

- The year proved to be a period of stable and successful growth for the Company. Despite the macroeconomic challenges of previous years, the Company managed to significantly increase its reported revenue and strengthen its position in the financial technology (FinTech) market.
- Revenue and Portfolio Growth: The Company's revenue for 2025 was 1,633k EUR, representing approximately 18% growth compared to the 2024 fiscal year (2024: 1,383k EUR). This growth was driven by active sales efforts, the successful launch of new business-to-business products, and high engagement among the existing customer base.
- Profitability and Net Assets: The fiscal year ended with a profit of 231,943 EUR. The company's net assets and equity fully comply with legal requirements and ensure a sufficient capital buffer for further business expansion.

## 4. Key Financial Ratios and Methodology

The following key financial ratios are used to assess the company's financial position and profitability:

Financial Ratio	2025	2024	Calculation Methodology
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<b>Revenue Growth (%)</b>	<b>18.1%</b>	<b>124.7%</b>	(Interest and service fee revenue 2025 - Interest and fee income in 2024) / Interest and fee income in 2024 * 100
<b>Net Profit Margin (%)</b>	<b>14.2%</b>	<b>18.3%</b>	Net income / Interest and fee income * 100
<b>Current liabilities coverage ratio</b>	<b>1.59</b>	<b>0.65</b>	Current assets / Current liabilities
<b>ROA (Return on Assets %)</b>	<b>4.4%</b>	<b>4.3%</b>	Net Income / Total Assets * 100
<b>ROE (Return on Equity %)</b>	<b>21.4%</b>	<b>29.8%</b>	Net Income / Total Equity * 100

## 5. Market and Demand Dynamics and the Economic Environment

In the overall macroeconomic environment, initial signs of stability and improvement were evident during the reporting period, gradually boosting confidence among both consumers and businesses. The stabilization of interest rates and the slowdown in inflation have created a more favorable environment for economic recovery.

As a result, demand for financial products in the market remains exceptionally high. At the same time, it is characteristic of the recovery phase following an economic downturn that applicants' financial profiles continue to require thorough and detailed analysis. The share of applications from creditworthy clients with low-risk profiles in the total volume could be higher. Due to the company's strict and responsible lending policy, a significant portion of incoming applications is rejected. Management views the high rejection rate as a deliberate and necessary measure to ensure the long-term stability and quality of the credit portfolio, prioritizing risk control over rapid but unstable volume growth.

**5. Key Risks and Their Mitigation** In its operations, the Company faces various financial and operational risks, for the management of which internal policies and monitoring systems have been developed.

- **Credit Risk:** To manage credit risk, the Company implements a strict "Know Your Customer" (KYC) policy and multi-level credit data analysis. In addition to traditional credit registries, Modena uses automated analysis of bank account statements, which allows for real-time assessment of an applicant's actual free cash flow. In the business customer segment (particularly for mortgage loans), risks are mitigated through collateral and a thorough analysis of business plans.
- **Financing and Interest Rate Risk:** Diverse sources are used to finance the company's growth, ensuring diversification in capital raising. As the portfolio grows, we continuously monitor the cost of capital raised and the interest margins on credit products issued to ensure they remain in balance, thereby guaranteeing long-term profitability even under changing market conditions.
- **Regulatory and Compliance Risk:** The regulatory environment in the financial sector is constantly changing. The company closely monitors all domestic and European Union legislative changes (including consumer credit directives, data protection, and AML requirements) and proactively adapts its internal policies. The company regularly invests in employee training and in updating its compliance control systems.
- **Technological and Cybersecurity Risks:** Since the provision of services is entirely based on digital infrastructure, the uninterrupted operation of systems and data security are of critical importance. The company consistently invests in the security of its information systems, performs regular backups and monitoring, and ensures the protection of customers' personal data in accordance with GDPR requirements.

## 6. Future Plans and Forecast for 2026

Modena Estonia OÜ will continue on its chosen strategic course in 2026, focusing on the following activities:

1. **Further development of the product portfolio:** Consolidate its position in the business client market by increasing the volume of business loans, business installment loans, and mortgage loans through a more personalized approach and flexible terms. The company's management has set a goal for 2026 to increase the credit portfolio by 50%, through which it aims to reach an annual revenue of 2 million EUR.

1. **Process Automation:** Improve the efficiency of the customer journey through digitalization. Resources will be specifically directed toward implementing automated recovery systems (data and communication flows) for pending or interrupted application processes to improve the conversion rate.
2. **Calibration of risk models:** Continue to refine scoring models based on machine learning and real-time data. This will enable faster loan decisions for customers with high credit quality, while keeping the need for manual review and portfolio credit risk to a minimum.

Management believes that the investments made in 2025 and 2026 in new products and technological infrastructure have created a solid foundation for the Company's sustainable growth and market share expansion in the coming periods as well.

# modena

## Annual Financial Statements Balance Sheet

(in euros)

	Dec. 31, 2025	December 31, 2024	Appendix No.
Assets			
Current Assets			
Cash	119,652	33,210	
Receivables and prepayments	1,598,267	2,522,779	2
<b>Total current assets</b>	<b>1,717,919</b>	<b>2,555,989</b>	
Fixed assets			
Receivables and prepayments	2,616,966	2,614,030	2
Tangible fixed assets	12,871	2,917	4
Intangible assets	899,300	758,019	5
<b>Total fixed assets</b>	<b>3,529,137</b>	<b>3,374,966</b>	
<b>Total assets</b>	<b>5,247,056</b>	<b>5,930,955</b>	
Liabilities and Equity			
Liabilities			
Current liabilities			
Loan liabilities	200,000	2,470,000	7
Accounts Payable and Prepayments	881,001	1,239,253	8
<b>Total current liabilities</b>	<b>1,081,001</b>	<b>3,709,253</b>	
Long-term liabilities			
Loan liabilities	3,086,000	1,373,590	7
<b>Total long-term liabilities</b>	<b>3,086,000</b>	<b>1,373,590</b>	
<b>Total Liabilities</b>	<b>4,167,001</b>	<b>5,082,843</b>	
Equity			
Share capital at par value	50,000	50,000	
Other reserves	1,580,813	1,580,813	
Retained earnings (losses) from prior periods	-782,701	-1,035,798	
Profit (loss) for the reporting year	231,943	253,097	
<b>Total equity</b>	<b>1,080,055</b>	<b>848,112</b>	
<b>Total Liabilities and Equity</b>	<b>5,247,056</b>	<b>5,930,955</b>	

## Income Statement

(in euros)

	2025	2024	Appendix No.
Interest Income	1,262,859	1,103,684	
Interest Expenses	-172,457	-225,345	
<b>Net interest income</b>	<b>1,090,402</b>	<b>878,339</b>	
Fee income	371,342	280,302	10
Service fee expenses	-310,717	-195,268	12
<b>Net service fee revenue</b>	<b>60,625</b>	<b>85,034</b>	
Other financial income and expenses	-59,292	499	
Other operating income	152,395	82,892	9
Miscellaneous operating expenses	-389,212	-396,192	11
Labor costs	-507,395	-305,682	13
Depreciation and impairment of fixed assets	-115,580	-91,720	4.5
Other operating expenses	0	-73	
<b>Profit (loss) before income taxes</b>	<b>231,943</b>	<b>253,097</b>	
<b>Profit (loss) for the reporting year</b>	<b>231,943</b>	<b>253,097</b>	

## Notes to the Financial Statements Note 1

### Accounting Principles

#### General Information

Modena Estonia OÜ (operating under the business name BuyPlan Estonia OÜ until August 16, 2021) The financial statements are condensed financial statements of a small entity prepared in accordance with Estonian Financial Reporting Standards, the purpose of which is to provide users with the information required by the Accounting Act regarding the financial position and performance of the reporting entity.

The income statement has been prepared in accordance with the income statement format for financial institutions.

The annual financial statements are prepared in euros, and financial data is presented to the nearest one (1) euro.

#### Changes in Accounting Policies or Presentation of Information

In 2025, the company updated its methodology for assessing credit losses on receivables. Previously, the impairment of receivables was assessed primarily based on the status of the receivable and historical delinquency and collection rates.

Under the updated methodology, credit losses are assessed in greater detail based on expected future cash flows, and for non-performing receivables, the timing of expected recoveries and their present value are also taken into account.

This change results from an update to the accounting methodology, which aims to provide a more accurate estimate of the recoverable amount of receivables. Comparative figures have been restated to ensure better comparability between reporting periods.

Additional line item	Dec. 31, 2024	Change	Dec. 31, 2024
Current assets: receivables and prepayments	2,490,433	32,346	2,522,779
Fixed assets: receivables and prepayments	2,761,364	-147,334	2,614,030
Total assets	6,045,943	-114,988	5,930,955
Total equity	963,100	-114,988	848,112
Other operating income	287,524	-204,632	82,892
Miscellaneous operating expenses	-281,204	-114,988	-396,192
Labor costs	-510,314	204,632	-305,682
Profit for the reporting year	368,085	-114,988	253,097

#### Cash

Cash and cash equivalents are recognized in the balance sheet under the "Cash" account and include cash on hand, balances in checking accounts (excluding overdrafts), time deposits with maturities of up to 3 months, and money market fund shares.

#### Transactions in foreign currencies and financial assets and liabilities denominated in foreign currencies

Foreign currencies are defined as all currencies other than the euro (i.e., the parent company's functional currency). Transactions denominated in foreign currencies are recognized based on the official exchange rates of the European Central Bank in effect on the date of the transaction. Monetary assets and liabilities (receivables and loans payable in cash) are translated into euros as of the reporting date based on the European Central Bank's exchange rates in effect on the reporting date. Exchange gains and losses arising from this translation are presented in the income statement for the reporting period. Non-monetary assets and liabilities denominated in foreign currencies that are not accounted for using the fair value method are not restated on the reporting date but continue to be reported based on the European Central Bank's exchange rate in effect on the transaction date.

#### Receivables and Prepayments

Receivables from customers, accrued revenue, and other current and non-current receivables (including loan receivables, deposits, and factoring-related receivables) are recognized at amortized cost. The amortized cost of current receivables is generally equal to their face value (less discounts), which is why short-term receivables are recognized on the balance sheet at the amount expected to be collected.

To calculate the amortized cost of long-term financial assets, the financial asset is initially recognized at the fair value of the consideration received, with interest income in subsequent periods calculated using the effective interest rate method.

At each reporting date, an assessment is made as to whether there are any indicators of impairment for a financial asset or group of financial assets carried at amortized cost or at cost. If such indicators exist, financial assets carried at amortized cost are written down to the present value of the future cash flows expected to be received from the financial asset (discounted at the internal rate of return established upon initial recognition of the financial asset), and financial assets carried at cost are written down to the amount that, based on a reasonable estimate, could be obtained if the financial asset were sold as of the reporting date. Impairment of individually significant financial assets is assessed separately for each item. Impairment of financial assets that are not individually significant and for which there is no specific indication of impairment is assessed collectively. Impairment losses are recognized as an expense in the income statement.

Factoring transactions are defined as financing transactions in which the company finances its vendor partners by acquiring their receivables. The company purchases the receivable from the vendor based on future payments from the buyer under purchase and sale agreements with respect to amounts due. Factoring is the transfer (sale) of receivables, whereby, depending on the terms of the factoring agreement, the buyer has the right to sell the receivable back to the seller within a certain period of time (factoring with recourse) or there is no right of resale, and all risks and returns associated with the receivable are essentially transferred from the seller to the buyer (factoring without recourse). Modena Estonia OÜ uses non-recourse factoring in its operations, which means that there is no repurchase obligation, and control over the receivable and the associated risks and benefits are transferred from the client to Modena Estonia OÜ at the time of the assignment of the receivable, and this is accounted for as the acquisition of the receivable. Acquired receivables are recorded at their fair value and are subsequently carried at amortized cost. The receivable from the buyer arises at the time of factoring the purchase and sale agreement, i.e., the acquisition of the receivable.

**Tangible and Intangible Fixed Assets**

Tangible fixed assets are defined as assets used in the company’s own economic activities with a useful life of more than one year and a cost of 640 euros or more. Assets with a useful life of more than one year but an acquisition cost of less than 640 euros are recorded as low-value inventory (in inventory) until they are put into use, at which point they are expensed. Low-value inventory that has been expensed is tracked off-balance-sheet.

Property, plant, and equipment are initially recognized at their cost, which consists of the purchase price (including customs duties and other non-refundable taxes) and expenses directly related to the acquisition that are necessary to bring the asset to its working condition and location. Tangible fixed assets are recognized on the balance sheet at their acquisition cost, less accumulated depreciation and any impairment . Tangible fixed assets acquired under a capital lease are accounted for in the same manner as purchased fixed assets.

The straight-line method is used to calculate depreciation. The depreciation rate is determined separately for each item of property, plant, and equipment, depending on its useful life. If an item of property, plant, and equipment consists of distinguishable components with different useful lives, these components are recognized in the financial statements as separate assets, and separate depreciation rates are determined for them based on their respective useful lives separate depreciation rates.

Depreciation begins when the asset is available for use in accordance with management’s intended purpose and ceases when the residual value exceeds the carrying amount or when the asset is permanently retired from use. At each reporting date, the appropriateness of the depreciation rates, depreciation method, and residual value is assessed.

**Minimum threshold for recognition of fixed assets: 640**

**Useful Lives by Fixed Asset Group (in years)**

Name of fixed asset group	Useful life
Computers and computer systems; Other intangible assets	5–10 years

At each reporting date, tangible fixed assets are assessed for any circumstances indicating a possible impairment of their value. If such circumstances exist, the recoverable amount of the assets is estimated and compared to their carrying amount.

An impairment loss is recognized in the amount by which the carrying amount of the assets exceeds their recoverable amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. For the purpose of assessing impairment, recoverable amount is determined either for an individual asset or for the smallest group of assets for which cash flows can be distinguished (cash-generating unit). Impairment losses on assets are recognized as an expense for the reporting period. Once an asset has been written down, an assessment is made at each subsequent balance sheet date to determine whether it is probable that the asset’s recoverable amount has increased in the meantime (except for goodwill, for which write-downs are not reversed). If the impairment test reveals that the recoverable amount of an asset or group of assets (cash-generating unit) has increased above its carrying amount, the previous impairment loss is reversed and the carrying amount of the assets is increased up to the amount that would have resulted had normal depreciation been applied in the intervening years. The reversal of the impairment loss

is recognized in the income statement in the annual report as a reduction in the impairment loss on fixed assets.

#### Leases

A lease is classified as a capital lease if all significant risks and rewards associated with ownership of the asset are transferred to the company. Other leases are classified as operating leases.

A finance lease is recognized on the balance sheet as an asset and a liability at the fair value of the leased asset or the present value of the minimum lease payments, whichever is lower. Lease payments are allocated between finance expense (interest expense) and the reduction of the liability's residual value. Operating lease payments due during the lease term are recognized as an expense on a straight-line basis over the lease term, regardless of when the payments are actually made.

#### Financial Liabilities

All financial liabilities (accounts payable to suppliers, loans received, accrued liabilities, bonds issued, and other current and non-current debt obligations) are initially recognized at their cost, which includes all costs directly attributable to the acquisition. Subsequent accounting is performed using the amortized cost method (except for financial liabilities acquired for resale and derivative instruments with a negative fair value, which are recognized at fair value).

The adjusted cost of short-term financial liabilities is generally equal to their face value; therefore, short-term financial liabilities are recognized on the balance sheet at the amount payable. To calculate the adjusted cost of long-term financial liabilities is calculated by initially recognizing the consideration received at fair value (net of transaction costs) and subsequently recognizing interest expense on the liability in subsequent periods using the effective interest rate method.

A financial liability is classified as current if its payment is due within twelve months of the reporting date; or the Group does not have an unconditional right to defer settlement of the liability for more than 12 months after the reporting date. Loan liabilities with a repayment due date within 12 months of the reporting date, but which are refinanced as long-term liabilities after the reporting date but before the annual report is approved, are recognized as current liabilities. Loan liabilities that the lender had the right to call in on the reporting date due to a breach of the terms set forth in the loan agreement are also recognized as current liabilities.

#### Revenue

Revenue from the sale of services is recognized when the service is rendered. Interest income is calculated using the effective interest rate, except in cases where the receipt of interest is uncertain. In such cases, interest income is recognized on a cash basis.

#### Expenses

Expenses are recognized in the same period as the related revenue. If the revenue associated with a specific expense cannot be directly identified, approximate methods are used to recognize the expense. For example, expenses related to the acquisition of an item of property, plant, and equipment are recognized as an expense over the item's useful life (as depreciation expense). Expenses that are unlikely to generate revenue are recognized as an expense at the time they are incurred.

Accrued but unpaid interest is recognized as interest expense for the reporting period. Expenses related to the sale of receivables are recognized in the line item "Other financial income and expenses."

#### Taxation

In accordance with current Estonian legislation, profits earned by companies are not taxed; therefore, there are no deferred income tax assets or liabilities. Instead of profits, dividends paid out of undistributed earnings in Estonia will be taxed, effective January 1, 2025, at a rate of 22/78 of the net dividend amount paid.

Thus, starting in 2025, the tax incentive for regularly paid dividends, the lower dividend income tax rate of 14/86, and the 7% withholding tax on dividends paid to individuals will no longer apply in Estonia. Until 2024, however, the transitional provision (Income Tax Act § 61(68)) must be taken into account when distributing dividends that were previously taxed at the lower rate.

A potential income tax liability related to the company's unrestricted equity, which would arise upon the distribution of unrestricted equity as dividends, is not recognized on the balance sheet.

The corporate income tax associated with the payment of dividends is recognized as an income tax expense in the income statement in the same period in which the dividends are declared, regardless of the period for which they were declared or when they are actually paid.

The tax authority has not initiated or conducted a tax audit or a specific case review of the company. The tax authority has the right to audit the company's tax records for up to five years after the deadline for filing the tax return and, upon identifying errors, to assess additional tax, interest, and penalties. In management's assessment, there are no circumstances that could result in the tax authority imposing a material additional tax liability on the company.

**Related Parties**

Parties are considered related if one party exercises control over the other or has significant influence over the other party's business decisions.

Related parties include

(a) Executive and senior management, as well as private owners with a significant stake, unless such individuals lack the ability to exert significant influence over the company's business decisions;

(b) Close family members of the persons described in subparagraph (a) (i.e., family members who can be expected to exert significant influence; for example, spouses and children) and entities controlled by them or subject to their significant influence.

**Events After the Reporting Date**

The reporting of events that occurred after the reporting date but before the approval of the annual report depends on whether the event is adjusting or non-adjusting. An adjusting post-balance-sheet event is an event that confirms circumstances that existed as of the balance sheet date, and its effect is reflected in the balance sheet and income statement for the year ended. A non-adjusting post-balance-sheet event is an event that does not provide evidence of circumstances that existed as of the balance sheet date, and its effect is not reflected in the balance sheet and income statement for the year ended but is disclosed in the notes.

**Other Reserves**

In accordance with the company's articles of association, other reserves may be established by resolution of the general meeting of shareholders. The balance of other reserves may be used, by resolution of the general meeting, to cover a loss if it cannot be covered from the private limited company's unrestricted equity (retained earnings from prior periods) and the statutory reserve capital. Other reserves may also be used to increase share capital through a capital increase. When other reserves recognized as part of equity are established, the contributor has no claim to the amount of the contribution nor are they entitled to receive interest or other income on such contributions. Distributions to shareholders from other reserves may be made only if this does not result in a decrease in net assets below the total of share capital and reserves; and, in the event of a reduction in other reserves, the private limited liability company's net assets must, following such a transaction, amount to at least half of the share capital; furthermore, the net assets must not fall below the minimum share capital amount prescribed by the Commercial Code following the reduction of reserves. No distributions may be made from other reserves in a manner that favors shareholders over other creditors. Upon liquidation of a private limited liability company, any remaining balance of other reserves after the claims of creditors have been satisfied shall be paid to one or more shareholders.

## Appendix 2: Claims and advance payments

(in euros)

	December 31, 2025	Breakdown by remaining term		Appendix No.
		Within 12 months	Within 1–5 years	
Receivables from buyers	44,290	44,290	0	
Receivables from related parties	6,218	6,218	0	14
Prepaid taxes and tax refunds	14,929	14,929	0	3
Loan receivables	3,312,358	803,814	2,508,544	
Other receivables	113,189	113,189	0	
Interest receivables	113,189	113,189	0	
Prepayments	46,610	33,316	13,294	
Other advance payments made	46,610	33,316	13,294	6
Receivables related to factoring	166,132	166,132	0	
Loan receivables unlikely to be collected	-28,979	-28,979	0	
Other receivables from customers	911,518	816,390	95,128	
Other receivables from customers: discounts	-371,032	-371,032	0	
<b>Total receivables and prepayments</b>	<b>4,215,233</b>	<b>1,598,267</b>	<b>2,616,966</b>	

	December 31, 2024	Breakdown by remaining term		Appendix No.
		Within 12 months	Within 1–5 years	
Receivables from buyers	21,697	21,697	0	
Uncollected invoices from customers	21,697	21,697	0	
Receivables from related parties	6,551	6,551	0	14
Prepaid taxes and tax refunds	68	68	0	3
Loan receivables	3,348,533	891,848	2,456,685	
Other requirements	152,173	152,173	0	
Interest receivables	152,173	152,173	0	
Prepayments	5,298	5,298	0	
Deferred expenses			0	
Other prepayments	5,298	5,298	0	
Receivables related to factoring	1,301,806	1,301,806	0	
Receivables unlikely to be collected	-33,834	-33,834	0	
Other receivables from customers	647,749	343,070	304,679	
Other receivables from customers: discounts	-313,232	-165,898	-147,334	
<b>Total receivables and prepayments</b>	<b>5,136,809</b>	<b>2,522,779</b>	<b>2,614,030</b>	

Receivables from customers (loan receivables, factoring receivables, and other receivables from customers) are pledged as collateral as collateral for the Lender's loan obligations as of December 31, 2025. Loan receivables consist of loans issued in the course of the company's ordinary business operations. Loan receivables are denominated in euros, and contractual interest rates range from 8.9% to 38.5% per annum.

### Appendix 3 Prepaid taxes and tax liabilities of (in euros)

	December 31, 2025		December 31, 2024	
	Advance payment	Tax liability	Prepayment	Tax liability
Corporate income tax		55		206
Value-Added Tax		9,010		1,195
Individual Income Tax		14,915		6,195
Social tax		19,504		10,862
Mandatory funded pension		985		527
Unemployment insurance contributions		1,223		659
Balance of prepayment account	14,929		68	
<b>Total advance tax payments and tax liabilities</b>	<b>14,929</b>	<b>45,692</b>	<b>68</b>	<b>19,644</b>

Additional information on prepaid taxes is provided in Note 2 and on tax liabilities in Note 8.

## Appendix 4 Tangible fixed assets of (in euros)

				Total
	Computers and computer systems	Other tangible fixed assets	Projects in progress	
<b>December 31, 2023</b>				
Acquisition cost	5,030	5,465	0	10,495
Accumulated Depreciation	-2,601	-2,570	0	-5,171
<b>Net book value</b>	<b>2,429</b>	<b>2,895</b>	<b>0</b>	<b>5,324</b>
Depreciation expense	-1,216	-1,191	0	-2,407
<b>December 31, 2024</b>				
Acquisition Cost	5,030	5,465	0	10,495
Accumulated Depreciation	-3,817	-3,761	0	-7,578
<b>Net book value</b>	<b>1,213</b>	<b>1,704</b>	<b>0</b>	<b>2,917</b>
Purchases and improvements	6,391	5,810	585	12,786
Depreciation expense	-1,259	-1,573	0	-2,832
<b>December 31, 2025</b>				
Acquisition cost	11,421	11,275	585	23,281
Accumulated Depreciation	-5,076	-5,334	0	-10,410
<b>Net book value</b>	<b>6,345</b>	<b>5,941</b>	<b>585</b>	<b>12,871</b>

## Appendix 5 Intangible Assets

(in euros)

	Computer software	Total
<b>December 31, 2023</b>		
Acquisition cost	757,451	757,451
Accumulated Depreciation	-115,164	-115,164
<b>Net book value</b>	<b>642,287</b>	<b>642,287</b>
Purchases and improvements	205,045	205,045
Depreciation expense	-89,313	-89,313
<b>December 31, 2024</b>		
Acquisition cost	962,496	962,496
Accumulated depreciation	-204,477	-204,477
<b>Net book value</b>	<b>758,019</b>	<b>758,019</b>
Purchases and improvements	254,029	254,029
Depreciation expense	-112,748	-112,748
<b>December 31, 2025</b>		
Acquisition cost	1,216,525	1,216,525
Accumulated depreciation	-317,225	-317,225
<b>Net book value</b>	<b>899,300</b>	<b>899,300</b>

Purchases and improvements in 2025 include capitalized expenditures of 239,619 euros for the production of fixed assets for own use (204,632 euros in 2024). See also Note 13.

## Note 6 Operating leases

(in euros)

The reporting entity as lessee

	2025	2024
Operating lease expense	44,768	3,985
Operating lease expense from non-cancellable contracts for future periods		
	Dec. 31, 2025	Dec. 31, 2024
Within 12 months	53,922	3,985
Within 1–5 years	208,803	0

## Appendix 7 Loan Obligations

(in euros)

	December 31, 2025	Breakdown by remaining maturity			Interest Rate	Base currency	Maturity Date	Series No.
		Within 12 months	Within 1–5 years	Over 5 years				
Short-term loans								
Loan from an individual	145,000	145,000			12% - 12.5%	EUR	2026	
Loan from a related party	0	0						14
Loan from a legal entity	55,000	55,000			12% - 12.5%	EUR	2026	
<b>Total short-term loans</b>	200,000	200,000						
Long-term loans								
Loan from an individual	541,000	0	541,000		9%–12.5%	EUR	2028	
Loan from a related party	82,000	0	82,000		5%–14%	EUR	2027	14
Loan from a legal entity	2,463,000		2,463,000		9%–12.5%	EUR	2028	
<b>Total long-term loans</b>	3,086,000	0	3,086,000					
<b>Total loan obligations</b>	3,286,000	200,000	3,086,000					

  

	December 31, 2024	Breakdown by remaining maturity			Interest Rate	Base currency	Maturity Date	Series No.
		Within 12 months	Within 1–5 years	Over 5 years				
Short-term loans								
Loan from a legal entity	40,000	40,000			12% - 12.5%	EUR	2025	
Loan from a related party	2,430,000	2,430,000			10%–12%	EUR	2025	14
<b>Total short-term loans</b>	2,470,000	2,470,000						
Long-term loans								
Loan from a legal entity	20,000	0	20,000		12.5%	EUR	2027	
Loan from a related party	1,353,590	0	1,353,590		5%–14%	EUR	2027	14
<b>Total long-term loans</b>	1,373,590	0	1,373,590					
<b>Total loan obligations</b>	3,843,590	2,470,000	1,373,590					

The lender's loan of 1,000,000 euros will be repaid at the beginning of 2026.

## Appendix 8: Liabilities and prepayments to (in euros)

	Dec. 31, 2025	Within 12 months	Appendix No.
Payables to suppliers	31,176	31,176	
Payables to contractors	82,809	82,809	
Payables to related parties	235,767	235,767	14
Tax liabilities	45,692	45,692	3
Other liabilities	392,773	392,773	
Interest payable	31,834	31,834	
Other accrued liabilities	360,939	360,939	
Liabilities related to factoring	92,784	92,784	
<b>Total liabilities and prepayments</b>	<b>881,001</b>	<b>881,001</b>	
	December 31, 2024	Within 12 months	Appendix No.
Accounts Payable to Suppliers	21,488	21,488	
Payables to contractors	53,392	53,392	
Payables to related parties	514,363	514,363	14
Tax liabilities	19,644	19,644	3
Other liabilities	51,216	51,216	
Interest payable	301	301	
Other accrued liabilities	50,915	50,915	
Liabilities related to factoring	579,150	579,150	
<b>Total liabilities and prepayments</b>	<b>1,239,253</b>	<b>1,239,253</b>	

As of December 31, 2025, "Other Accrued Liabilities" includes prepayments related to the receivables sales portal in the amount of 338,001 euros and taxes calculated on December salaries but not yet reported in the amount of 22,938 euros. The figures for 2024 are 30,272 euros and 20,643 euros, respectively.

## Appendix 9 Other business revenue of (in euros)

	2025	2024
Fines, late fees, and compensation	147,237	68,357
Other	5,158	14,535
<b>Total other operating income</b>	<b>152,395</b>	<b>82,892</b>

## Appendix 10 Service fee revenue from (in euros)

	2025	2024
Factoring service contract fee	323,475	241,370
Software rental	32,220	32,220
Resale of payment initiation services	6,956	6,468
Other service fees	977	244
Contract fee	7,714	0
<b>Total service fee revenue</b>	<b>371,342</b>	<b>280,302</b>

## Appendix 11 Miscellaneous operating expenses of (in euros)

	2025	2024
Rent and lease payments	-47,293	-14,526
Miscellaneous office expenses	-31,407	-13,894
Training expenses	-1,637	-637
Expense from doubtful receivables	0	-67
Consulting services purchased	-73,664	-34,308
Marketing expenses	-49,266	-908
Legal expenses	-19,479	0
Significant write-downs of current assets	-80,308	-286,309
Server rental	-42,356	-36,789
Other	-43,802	-8,754
<b>Total miscellaneous operating expenses</b>	<b>-389,212</b>	<b>-396,192</b>

## Appendix 12 Service fee expenses for (in euros)

	2025	2024
Licenses, certificates	-82,856	-42,152
Expenses Related to Core Operations	-144,605	-88,960
Credit inquiries	-83,161	-63,950
Other	-95	-206
<b>Total service fee expenses</b>	<b>-310,717</b>	<b>-195,268</b>

## Appendix 13 Labor costs

(in euros)

	2025	2024
Salary expenses	-558,688	-381,951
Social taxes	-188,326	-128,363
Capitalized expenses for the production of fixed assets for own use	239,619	204,632
<b>Total labor costs</b>	<b>-507,395</b>	<b>-305,682</b>
Average number of employees (full-time equivalent)	14	11
Average number of employees by type of employment:		
Employees working under an employment contract	13	10
Member of the management or supervisory body of a legal entity	1	1

## Appendix 14 Related parties of

(in euros)

Name of the reporting entity's parent company	Sakari Ventures OÜ
Country where the reporting entity's parent company is registered	Estonia

### Balances with related parties by group

SHORT-TERM	December 31, 2025	December 31, 2024
<b>Receivables and prepayments</b>		
Parent Company	2,889	0
Owners of legal entities with a significant interest and entities under their control or significant influence	3,329	6,551
<b>Total receivables and prepayments</b>	<b>6,218</b>	<b>6,551</b>
<b>Loan obligations</b>		
Parent company	0	2,000,000
Owners of legal entities with a significant interest and entities under their control or significant influence	0	430,000
<b>Total loan obligations</b>	<b>0</b>	<b>2,430,000</b>
<b>Liabilities and prepayments</b>		
Parent company	174,863	468,587
Owners of legal entities with a significant interest and entities under their control or significant influence	60,904	45,776
<b>Total liabilities and prepayments</b>	<b>235,767</b>	<b>514,363</b>

LONG-TERM	December 31, 2025	December 31, 2024
Loan obligations		
Parent company	82,000	1,342,590
Owners of legal entities with a significant interest and entities under their control or significant influence	30,000	11,000
<b>Total loan obligations</b>	<b>112,000</b>	<b>1,353,590</b>

LOAN OBLIGATIONS	December 31, 2023	Loans Received	Repayments of loans received	December 31, 2024	Interest Accrued for the Period
Parent company	902,750	2,761,140	321,300	3,342,590	216,432
Legal entities with a significant ownership interest and enterprises under their control or significant influence	0	441,000	0	441,000	8,383
<b>Total loan obligations</b>	<b>902,750</b>	<b>3,202,140</b>	<b>321,300</b>	<b>3,783,590</b>	<b>224,815</b>

  

LOAN OBLIGATIONS	December 31, 2024	Loans Received	Repayments of loans received	December 31, 2025	Interest Accrued for the Period
Parent company	3,342,590	491,000	3,751,590	82,000	186,249
Owners of legal entities with a significant interest and enterprises under their control or significant influence	441,000	80,000	491,000	30,000	42,589
<b>Total loan obligations</b>	<b>3,783,590</b>	<b>571,000</b>	<b>4,242,590</b>	<b>112,000</b>	<b>228,838</b>

SOLD	2025		2024	
	Services		Services	
Owners of legal entities with a significant stake, and companies under their control or significant influence		32,220		32,220
<b>Total sold</b>		<b>32,220</b>		<b>32,220</b>

PURCHASED	2025		2024	
	Services		Services	
Parent Company		356		0
Owners of legal entities with a significant stake, and companies under their control or significant influence		118,569		95,790
<b>Total purchased</b>		<b>118,925</b>		<b>95,790</b>

Compensation and other significant benefits provided to executive and senior management		
	<b>2025</b>	<b>2024</b>
Remuneration recognized	54,000	54,000

"Repayments of loans received" in 2025 also includes non-cash loan transactions related to the early redemption of the parent company's bonds and the resulting loan restructuring.

## Note 15 Post-Balance-Sheet Events

Modena Estonia OÜ has acquired receivables totaling €8,211,519 between the balance sheet date and June 17, 2026, of which 97.5%, or 8m EUR, consists of receivables purchased from merchants, and 2.5%, or 202k EUR, was acquired through the Modena receivables sales platform.

## Digital Signatures on the Report

The report's closing date is: June 22, 2026

Modena Estonia OÜ (registration code: 14820592) has digitally confirmed the accuracy of the data in the financial statements for the fiscal year January 1, 2025 – December 31, 2025:

Signatory's name	Signatory's role	Date of signature
OLIVER MATT	Member of the Management Board	June 22, 2026

## Status of Approval of the Report by the Shareholders' Meeting

Approved by the shareholders' meeting

# INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Modena Estonia OÜ

## Opinion

We have audited the annual financial statements of Modena Estonia OÜ (the Company) financial statements, which consist of the balance sheet as of December 31, 2025, the income statement for the year ended on that date, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as of December 31, 2025, and its financial performance for the year ended on that date, in accordance with Estonian financial reporting standards.

## Basis for Opinion

We conducted the audit in accordance with International Standards on Auditing (Estonia). Our responsibilities under these standards are further described in the section of our report titled "The Auditor's Responsibilities in Relation to the Audit of the Financial Statements." We are independent of the company in accordance with the Code of Ethics for Professional Accountants (Estonia) (including the independence standards), and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Other Matter

The financial statements for the fiscal year ended December 31, 2024, were audited by certified public accountant Karel Villak of the audit firm AVAC Audit OÜ, who issued an unmodified opinion on those financial statements on June 30, 2025.

## Other Information

Management is responsible for the other information. The other information includes the management discussion and analysis but does not include the financial statements or our auditor's report. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion regarding it.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with our knowledge obtained during the audit, or otherwise appears to be materially misstated.

If, based on the work performed, we conclude that the other information is materially misstated, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Estonian Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to assess the company's ability to continue as a going concern, disclose information, where relevant, regarding circumstances related to going concern, and apply the going concern basis of accounting, unless management intends to liquidate the entity or cease operations, or has no realistic alternative to doing so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

## The Auditor's Responsibilities Regarding the Audit of the Financial Statements

Our objective is to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it does not guarantee that, if a material misstatement exists, it will always be detected during an audit conducted in accordance with International Standards on Auditing (Estonia). Misstatements may result from fraud or error and are considered material if it can reasonably be expected that, individually or in the aggregate, they could influence the economic decisions that users make based on the financial statements.

In conducting our audit in accordance with International Standards on Auditing (Estonia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also do the following:

- identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error; plan and perform audit procedures in response to those risks; and obtain sufficient and appropriate audit evidence on which to base our

opinion. The risk of failing to detect a material misstatement resulting from fraud is higher than that for a misstatement resulting from error, because fraud may involve collusion, forgery, omission, misrepresentation, or the circumvention of internal controls;

- we obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- we evaluate the appropriateness of the accounting principles used and the reasonableness of management's accounting estimates and the related disclosures;
- we conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, on whether there is material uncertainty regarding events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if the disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may impair the entity's ability to continue as a going concern;
- we evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements present the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we have identified during the audit.

/digitally signed/ Liina Tamm  
Certified Public Accountant No. 559  
Audit Advisory OÜ  
Audit Firm License No. 96 Paadi tee 3, Viimsi  
Municipality, 74001  
June 22, 2026

## Auditors' Digital Signatures

Modena Estonia OÜ (registration code: 14820592) The auditor's report accompanying the financial statements for the fiscal year January 1, 2025 – December 31, 2025 has been digitally signed by:

Signatory's Name	Signatory's role	Date of Signature
Liina Tamm	Certified Public Accountant	June 22, 2026

## Proposal for the Distribution of Kasumi

	December 31, 2025
Retained earnings (loss) from prior periods	-782,701
Profit (loss) for the reporting year	231,943
<b>Total</b>	<b>-550,758</b>
Distribution	
Retained earnings (losses) from prior periods after distribution (reversal)	-550,758
<b>Total</b>	<b>-550,758</b>

## Breakdown of Sales Revenue by Business

<b>Segment</b> Industry	EMTAK code	EMTAK Version	Sales Revenue (EUR)	Sales revenue %	Main business activity
Other lending	6492	EMTAK 2025	371342	100.00%	Yes