



**Investment Prospect
for
Modena's secured notes
May 2023**

Investment Prospect

- **Modena OÜ (modena)** is looking to raise additional capital to finance loan agreements
- Loan agreements are sold as credit products
 - ◇ **Unsecured installment loans** with maturity up to 60 months
 - ◇ **Hire purchase** and **Buy Now Pay Later (BNPL)** payment options at the checkout of merchant's web and physical shop.
- Loan agreements are sold by **Modena Estonia OÜ**, a subsidiary of Modena OÜ, that develops and operates credit products.
- Consumers can get **instant credit decisions**, with minimal friction when using Modena´s payment options and credit products
- Modena keeps **credit defaults low**, by using its advanced real-time automated credit scoring system
- By the end of 2023, Modena aims to grow its **portfolio size to 5+ mEUR by lending to more creditworthy borrowers safely**

Apple MacBook Air 13
1049 €
modena järelmaks alates 38,89€ / kuu.

Kirjeldus
Apple M1 protsessor
8GB mälu
operatsioonisüsteem MacOS
Kõvaketas 256GB SSD
13,3" 2560x1600 Retina ekraan

Lisa ostukorvi

Märgi lemmikuks

modena järelmaks
- Sisemakse - Makseperiood
0% | 0,00€ | 12 kuud
Igakuine makse: **105,91€**

Makseviisid
modena järelmaks alates 47€ / kuu

modena

Sinu ostusumma
1049,00 €

Vali osamaksed

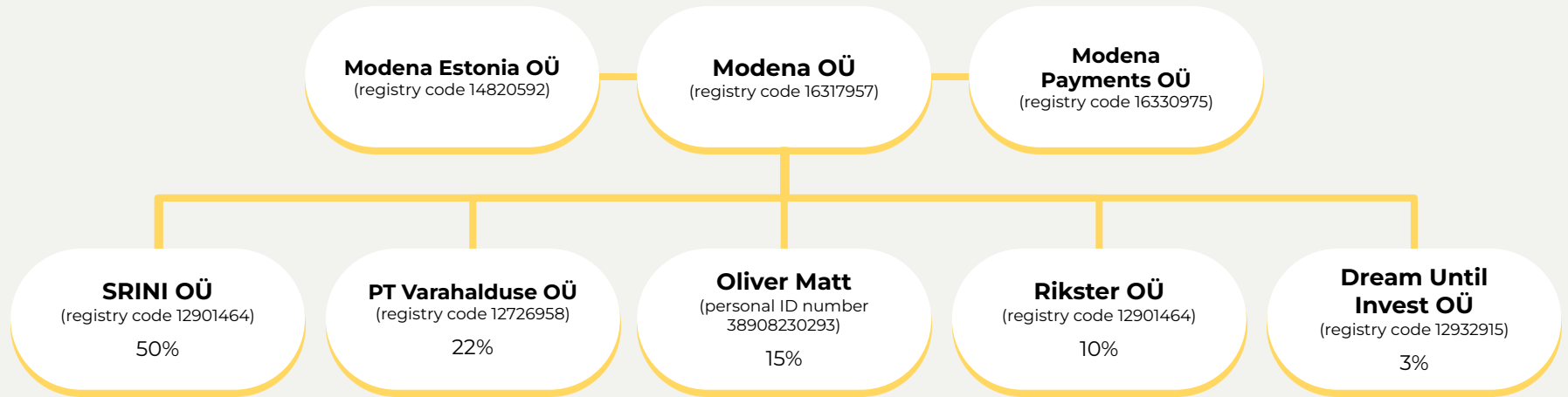
6 kuud	x	183,33 €
12 kuud	x	105,91 €
24 kuud	x	64,15 €
36 kuud	x	51,81 €
6-48	x	47-183 €

Intress 21,15 %
Lisatasud 0 €
Kogusumma 1270,86 €

Edasi

Group Structure

- **Modena OÜ** is the issuer of the bonds and sole owner of **Modena Estonia OÜ** and **Modena Payments OÜ**
- **Modena Estonia OÜ** is licensed creditor by Estonian Financial Supervision and Resolution Authority (4.1-1/100) and pledges its loan portfolio and bank accounts as collateral
- **Modena Payments OÜ** is a payment institution licensed by Finantsinspektsioon (4.1-1/99)
- Individual Shareholders of Modena OÜ are: **Pirmin Tamm, René Oruman, Mattias Mölder, Oliver Matt, Richard Reim, Einar Arro, Mikk Markus Sihver**



Profit and Loss Statement*

“Average historic MoM growth for Modena has been 16%”

	<u>Q4'21</u>	<u>Q1'22</u>	<u>Q2'22</u>	<u>Q3'22</u>	<u>Q4'22</u>	<u>Q1'23</u>
New sales Total EUR	€ 570,540.30	€ 605,134.40	€ 880,527.80	€ 974,214.20	€ 1,729,266.00	€ 1,715,114.00
New sales (nr of contracts)	3687	3434	4213	5521	11590	11444
New Loan sales EUR	€ 2,529.31	€ 71,339.36	€ 267,416.60	€ 334,010.30	€ 622,550.90	€ 764,153.40
New Service sales** EUR	€ 568,011.00	€ 533,795.00	€ 613,111.20	€ 640,203.90	€ 1,106,715.00	€ 933,723.00
Interest income***	€ 1,011.72	€ 28,535.74	€ 106,966.60	€ 133,604.10	€ 249,020.40	€ 305,661.40
Service fees	€ 17,040.33	€ 16,013.85	€ 18,393.34	€ 19,206.12	€ 33,201.44	€ 28,011.69
Interest costs	€ 278.22	€ 7,847.33	€ 29,415.82	€ 36,741.13	€ 68,480.60	€ 84,056.88
Service costs	€ 5,680.11	€ 5,337.95	€ 6,131.11	€ 6,402.04	€ 11,067.15	€ 9,337.23
Credit loss**	€ 101.17	€ 2,853.57	€ 10,696.66	€ 13,360.41	€ 24,902.04	€ 30,566.14
Gross profit	€ 11,992.55	€ 28,510.74	€ 79,116.37	€ 96,306.64	€ 177,772.00	€ 209,712.80

*Calculation basis: Annual Percentage Rate (APR) to the client is 40%, Service fee cost 2%, interest cost 11%, default rate 4%.

** Service sales means factoring of invoices for a fee of 3%

***Numbers indicated can differ depending on consumer behaviour and portfolio dynamics. Modena can service investor loans with 2-3x higher default rates.

Summary of The Issued Bond

Issuer	Modena OÜ
Issue size	EUR 1 000 000 (up to EUR 3 M)
Maturity	14.05.2026
Coupon interest rate	12-14%*
Issue price	EUR 1 000
Subscription deadline	Until 15.05.2023 17:00
Collateral pledge	Claims pledge, account (LHV Bank)
Collateral agent	LEXTAL Tagatisagent OÜ

* Coupon 12% - 14% depending on subscription amount and period

	1 year	2 years	3 years
0 - 9 999 €	12%	12,5%	13%
10 000 € - 99 999 €	12,5%	13%	13,5%
>100 000 €	13%	13,5%	14%

- **Modena OÜ** is issuing bonds to raise 1 - 3 mEUR of investment capital. Bonds will be backed by the borrower's assets as a form of collateral.

- **Modena OÜ** will lend the raised capital to Modena Estonia OÜ, who as a licensed creditor will use the capital to finance consumer purchases through it´s payment and credit products.

- **Modena Estonia OÜ** as a borrower, will set its portfolio and bank accounts as collateral to the bonds. Collateral agent acts as security for performance of the borrower's obligations under the loan agreement.

- If **Modena Estonia OÜ** is not capable of paying borrowed principal and interest to Modena OÜ, collateral agent has the right to take all necessary administrative and enforcement (for example take control of the bank accounts) actions and pay back the investors.

“Investment capital is secured and controlled by 3rd party vendors LHV Pank and LEXTAL ”

Frequently Asked Questions

Q: What happens if Modena OÜ cannot meet its obligations and pay back the investors?

A: Collateral agent acts as a security and has the right to enforce payments on behalf of the investors.

Q: Why is Modena Estonia OÜ the borrower and Modena OÜ the bond issuer?

A: Modena OÜ as a parent company lends capital to country specific subsidiaries. Modena Estonia OÜ is a subsidiary, with a creditor license (decision nr 4.1-1/100 by Finantsinspektsioon) in Estonia.

Q: What is Modena Payments OÜ?

A: Modena Payments OÜ is owned by Modena OÜ and is a payment institution with a payment institution license by Finantsinspektsioon.

Q: Who are the owners of Modena OÜ and what is their experience?

A: Modena's founders have an extensive industry (*fin-tech* and IT) experience. Founders have worked with well established organizations such as: Helmes, IPF Digital, Bondora, E&Y, KPMG, LHV Pank, Bigpank, Elisa, etc. Founders are also the main investors of Modena and highly motivated in the company's success.

Q: How safe is the investment for investors?

A: Modena can assure that the investment capital is used to finance the loan agreements of consumers with good credit history and existing monthly income. Modena has made significant investments into building the legal framework that protects the investors for malicious activities. Please see the detailed terms and conditions for more information. Every investment is a risk.

Q: Can I as an investor exit the investment agreement before the deadline?

A: Yes. An investor can surrender or trade the agreement to another investor.

Q: Will Modena share regular economic data to the investors?

A: Modena values transparency. Modena will send out quarterly reports of relevant Key Performance Indicators (KPI-s) to the investors to offer transparent overview of how the company is doing. Quarterly webinars will be organized where all investors can ask questions.

Subscription deadline: 15.05.2023 17:00

Payment deadline: 16.05.2023

For questions or purchase offers

Contact

Mattias Mölder

+372 5332 3932

or

mattias@modena.ee

Designed for Frictionless E-commerce



modena

Our DNA

We offer payment services and purchase financing according to the needs and wishes of the new tech-savvy generation.

Our products are meant to stand out for their vibrant **design**, engaging **user experience** and thrilling **technology**.

There are many ways to build and promote financial products - we focus on the feeling our customers are left with after each interaction with us. After all, we are not in the finance business - **we are in the people business.**



Progress so far

1 000 000 €+

Average Monthly Gross Merchandise Value

250+

Merchants integrated

100%+

Average volume growth p.a.

22 000+

Repeating customers

Our merchants

w weekend
shoes.ee

BENU 

ISKU

GARMIN.
AUTHORISED DEALER

MACTA BEAUTY
ILUKAUBAMAJA

SANGAR

modena

Product Traction in Numbers

Monthly Financing Volume 2022

modena



New Customers Onboarded 2022

modena





Modena's Products

Addressing the ever-changing needs of the consumer

Product Portfolio

Modena

Payments & Financing at Checkout

Direct bank payments

Modena 3

Hire-purchase

Modena portal products









Flex credit-line


Small loan

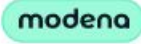
Refinancing loan

Payments & Financing at checkout

Bank payment / Card payment

 Pay in 3
0€ in fees

 Modern hire-purchase
up to 48 months

Products: Bank payments, Card payments, Buy Now Pay Later, Hire-purchase.

- Easy to use.
- Fully automated financing options, 99% of applications do not require human input.
- Possibility to refinance existing Buy Now Pay Later contract to longer maturity Hire-purchase.
- Modena Hire-purchase requires only 1 time credit scoring. Next purchases can be financed with only 2 clicks.


Modena Portal Products

Products: Flex credit-line, small loan

- Flex credit-line is a revolving virtual credit. customer obtains a limit and can use that whenever needed.
- Both products requires only 1 time credit scoring. Next time the customer can use them only with few clicks.
- Fully automated onboarding flows, 99% of applications do not require any human input.

Flex credit-line

Flex credit-line ?



modena Oliver
EE442300001293920192

Free limit 1230,42 €	Payment period 48 kuud ?	Monthly payment 32,50 €
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Payout amount: 1000 € (range: 250 € - 1000 €)

Continue

Small loan

Small loan

Amount: 2000 € (range: 500 € - 15000 €)

Period: 60 months (range: 6 months - 72 months)

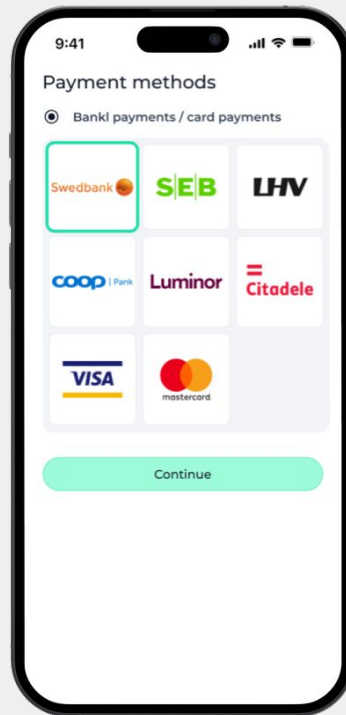
Your account number (IBAN)
Enter your account number

Monthly payment **38,00 €**

Continue

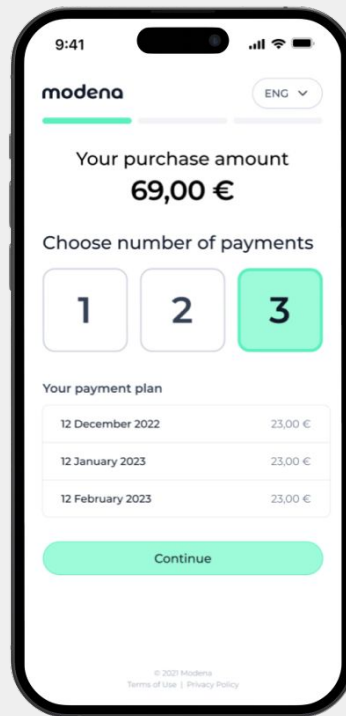
Appendix 1 - Direct Bank Payments

- ✓ Pay directly in full from your bank account.
- ✓ Payment order is based on the European open banking standard of PSD2.
- ✓ Funds are transferred directly to the merchant's account.



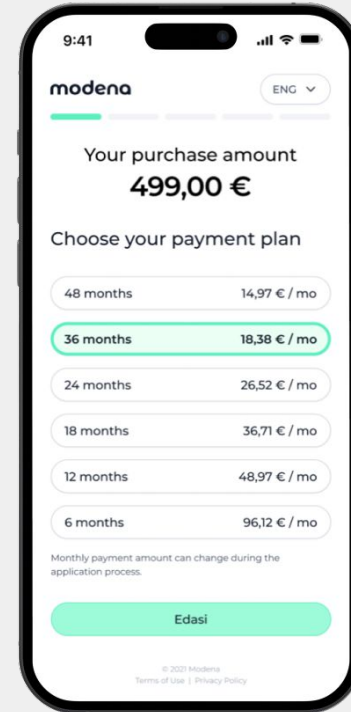
Appendix 2 - Modena 3

- ✓ Divide the payment amount into 3 parts.
- ✓ First payment in 30 days.
- ✓ 0% interest, 0 € fees - free of charge for the customer.
- ✓ No more than 60 sec to complete the purchase.



Appendix 3 - Hire-Purchase

- ✓ Divide the payment amount up to 48 monthly installments.
- ✓ Meant for purchases between 50 € - 4000 €.
- ✓ Fast, one-time application process for the customer.
- ✓ Kick-back options available for the merchant



Team Modena



Oliver Matt

CEO



Richard Reim

Partner Relations



**Mattias
Mölder**

Business
Development



Ninja

Office Patrol



Priit Patrael

CMO



René Oruman

CTO



**Mikk Markus
Sihver**

Sales Manager



**Josep
Noorväli**

Brand Manager



Madis Maask

Developer



**Elisabeth
Abel**

Developer



Maria Pihl

Legal Officer



Sten Uuesoo

Client Relations
Manager



Suslik

Office Patrol



Katrin Aibast

Developer



Liisa Trisberg

Marketing Specialist