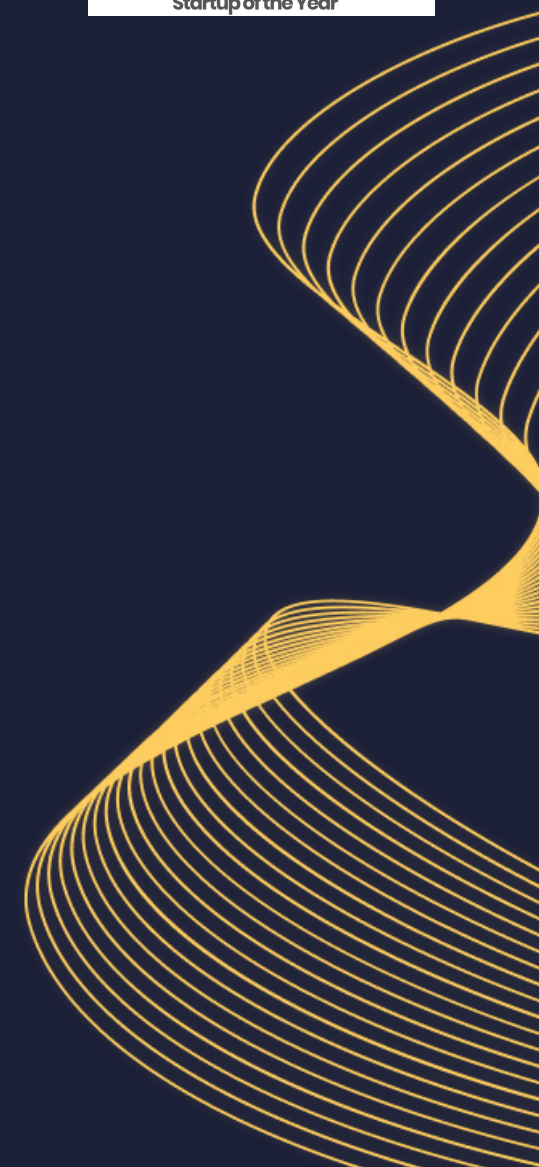


mifundo



Unlocking Cross-Border Credit in Europe

Passportable Financial Identity. **Licensed by FSA.**



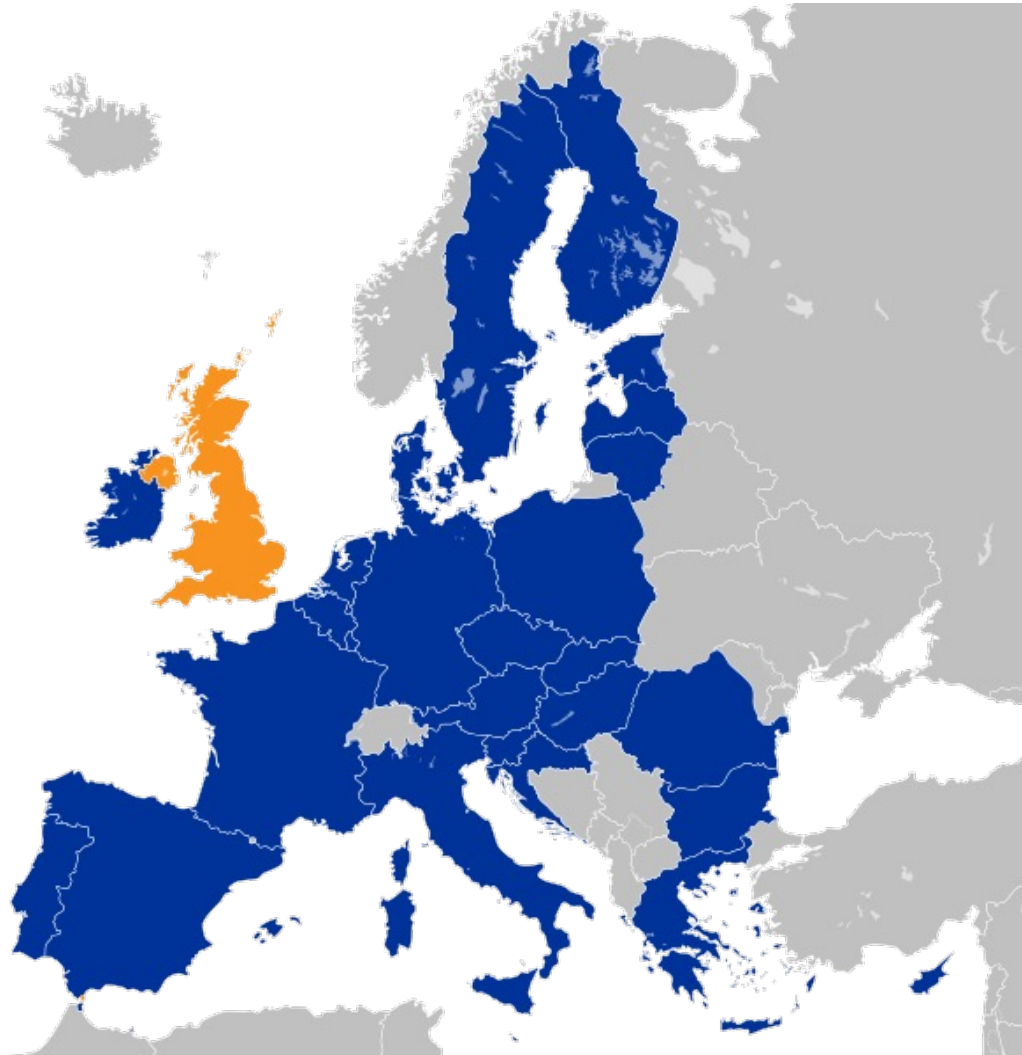


KAIDO SAAR

CEO & Co-Founder of Mifundo

- 20 years in banking
- Ex-CEO of Bigbank Group
- Passionate fintech enthusiast
- Chairman of industry organisation FinanceEstonia

Europe – large or small?



- The smallest countries in the world.
Located in:
 - Caribbean area
 - Oceania
 - Europe
- The biggest countries in the world:
 - China 1,45 billion
 - India 1,4 billion
 - European Union 447 million



WHAT IS THE PROBLEM?

Cross-border lending does not function

Clients

- No credit to expats & multi-country people
- No actual freedom to move in EU

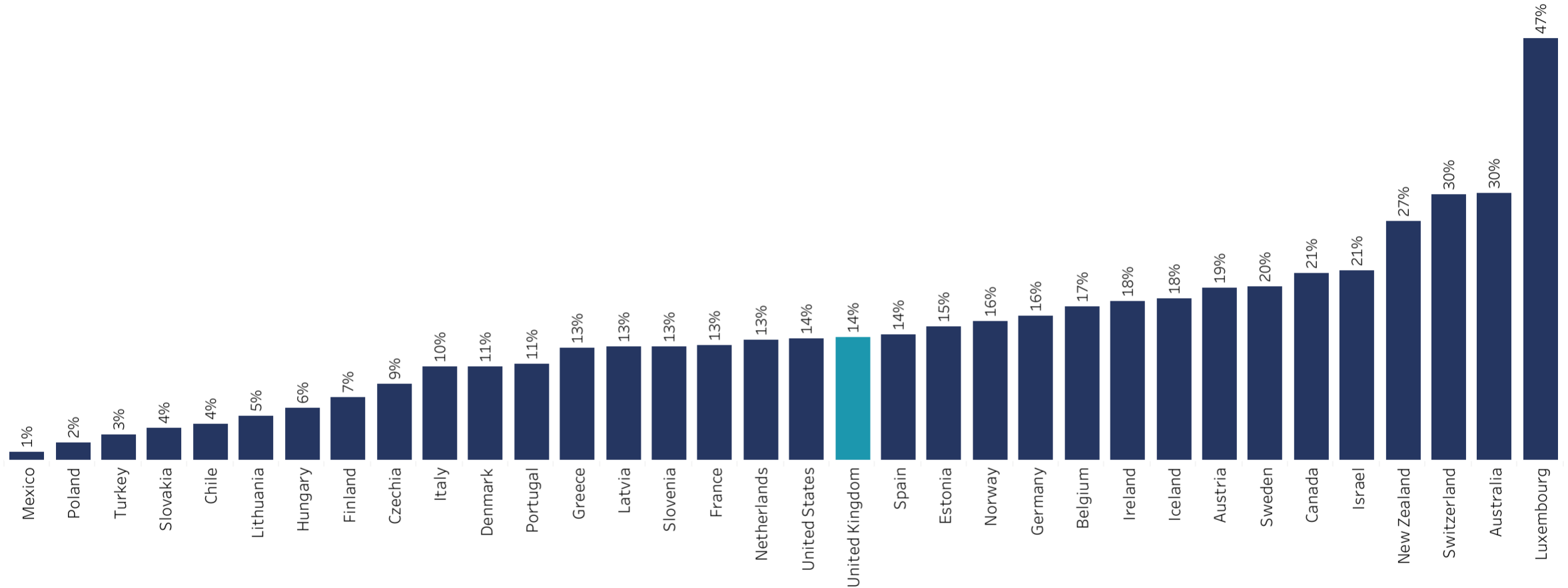
Banks

- No capability to assess credit risk of foreigners
- High cost to even test any new country



Foreign-born population as share of total population

OECD countries, in 2019 or latest date available



Source: Migration Observatory analysis of OECD, International Migration Database.

Note: OECD estimates are provided to OECD by the governments of particular countries, and may have methodological limitations, which have not been scrutinised by the Migration Observatory.



CREDIT DATA IS HIGHLY FRAGMENTED

**27
Countries**

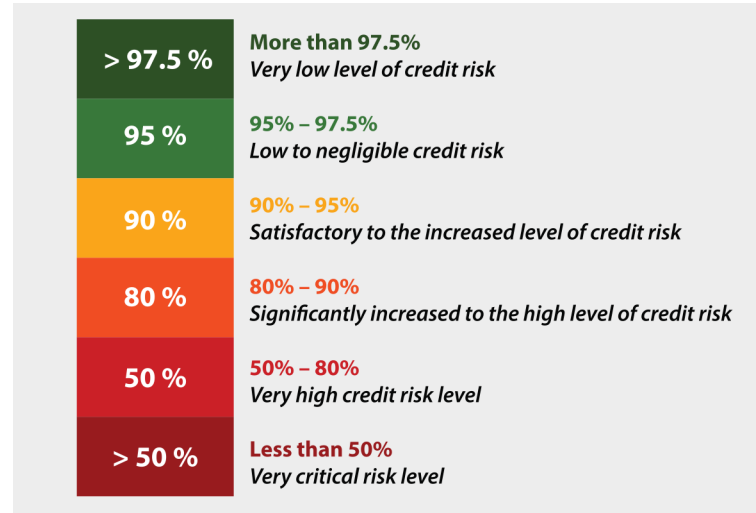
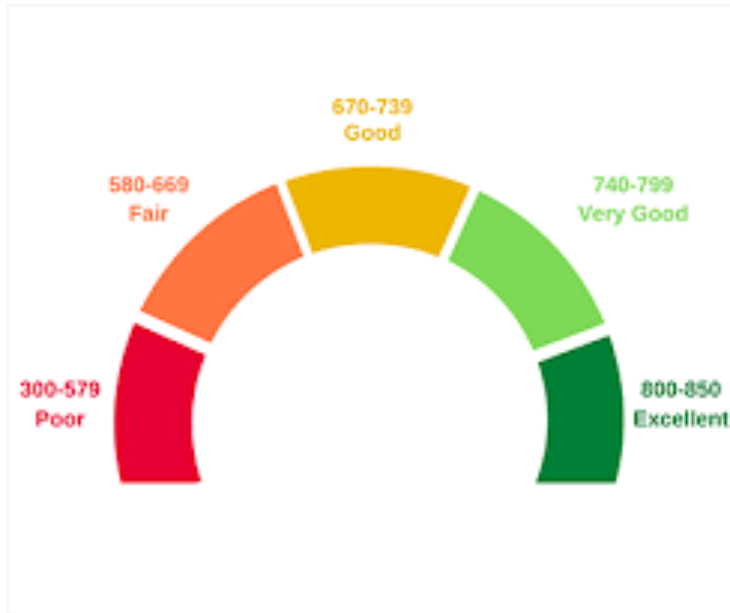
**50+
Credit Bureaus**

**Each in own
country**

No Data Sharing / No Common Data Pool

CREDIT SCORE IN EUROPE

No standardised data, no one single score



A Very Low Risk

Proceed with transaction.

B Low Risk

Proceed with transaction- offer extended terms if required.

C Moderate Risk

Proceed with caution and monitor closely.

D High Risk

Request assurances before extending credit in the form of personal guarantees.

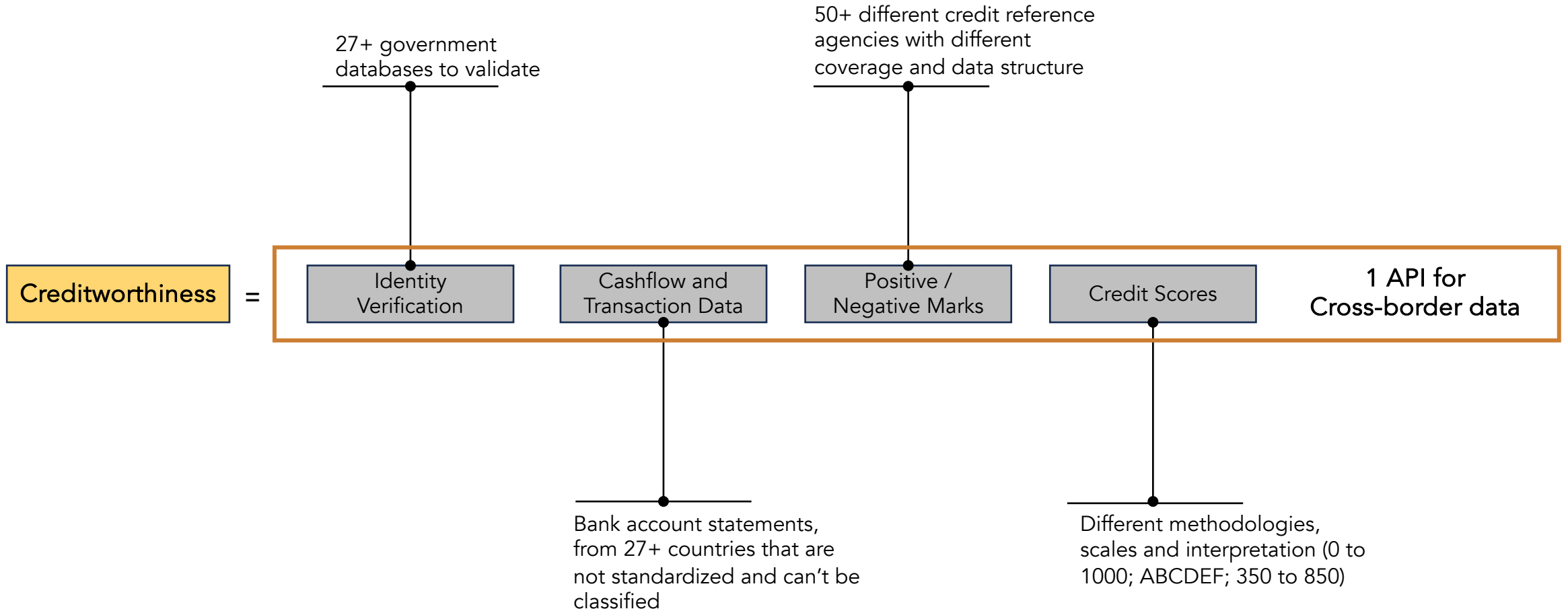
E Not Rated

Insufficient information to assign a risk score.

Very Low Risk		Low Risk		Average Risk		High Risk		Very High Risk	
A1	A2	B1	B2	C1	C2	D1	D2	E1	E2



COMPLEXITY FOR BANKS



Free movement of goods, services in EU. Also for bank loans?

amazon

ebay™

zalando

25.5%

of EU online retail market
is cross-border



BNP PARIBAS

citibank



Raiffeisen
BANK

0.8%

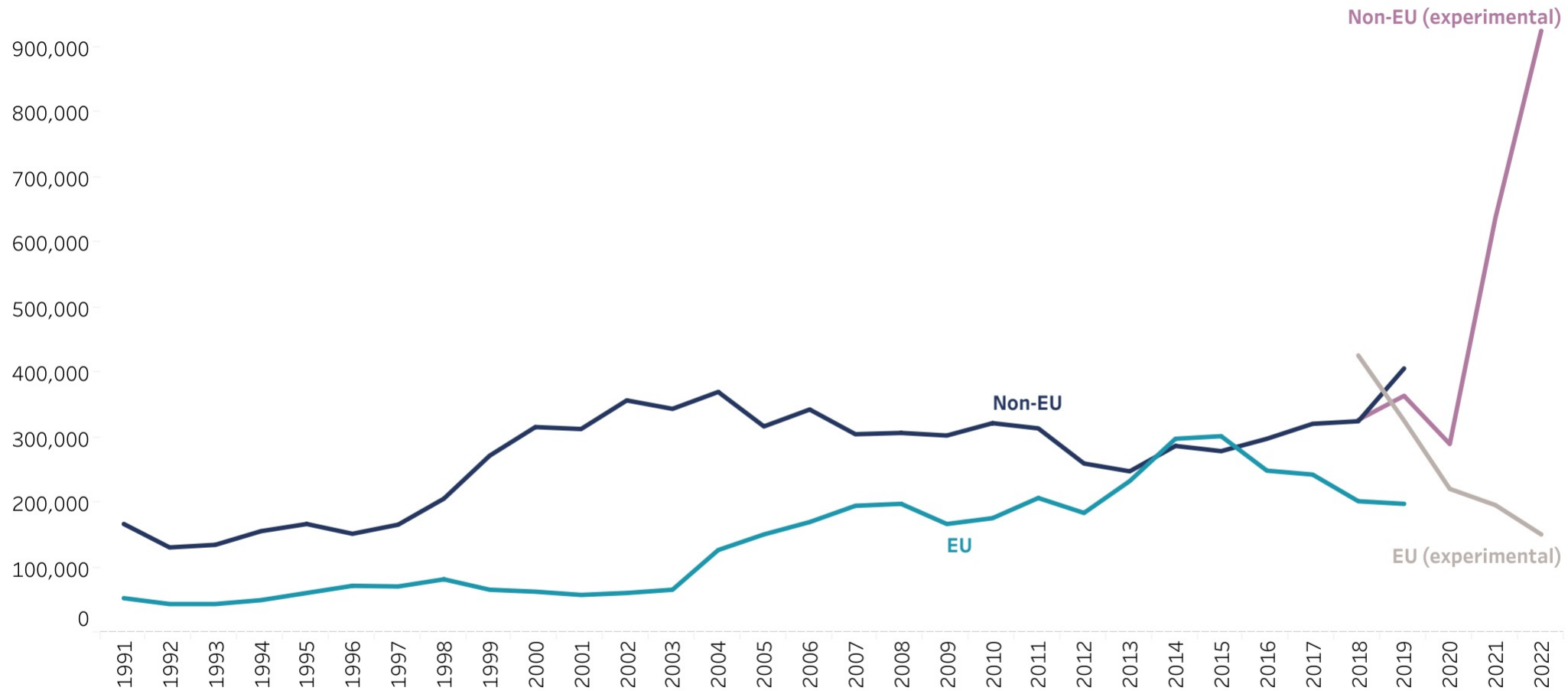
of EU banks' retail credit market
is cross-border



Estimates of the net migration and immigration of EU and non-EU citizens in the UK, per year, 1991 to 2022

LTIM estimates are for 1991 to 2019

Measure
 ○ Net migration
 ● Immigration

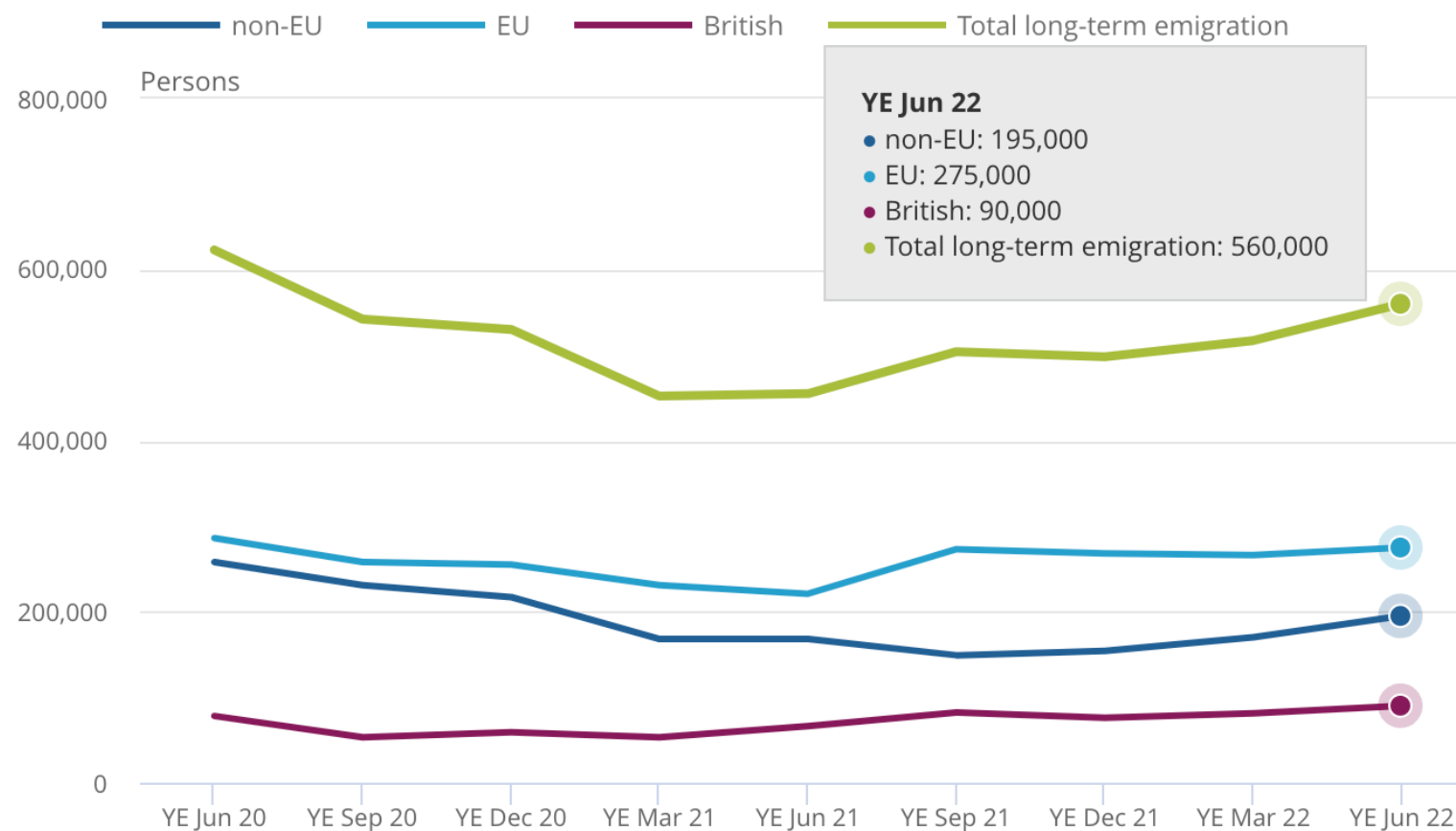


Source: LTIM: for 1991 to 2010: ONS, Table 2.00: Long-term international migration time series; and for 2011 to 2020: ONS, provisional estimates of long-term international migration, year ending March 2020, Table 1. Modelled estimates: ONS Long-term international migration, provisional: 2018 to 2022, Table 1.

Note: Figures are for calendar years. All estimates come with substantial uncertainty.



Number of non-EU, EU and British nationals emigrating out of the UK, between the year ending June 2020 and the year ending June 2022

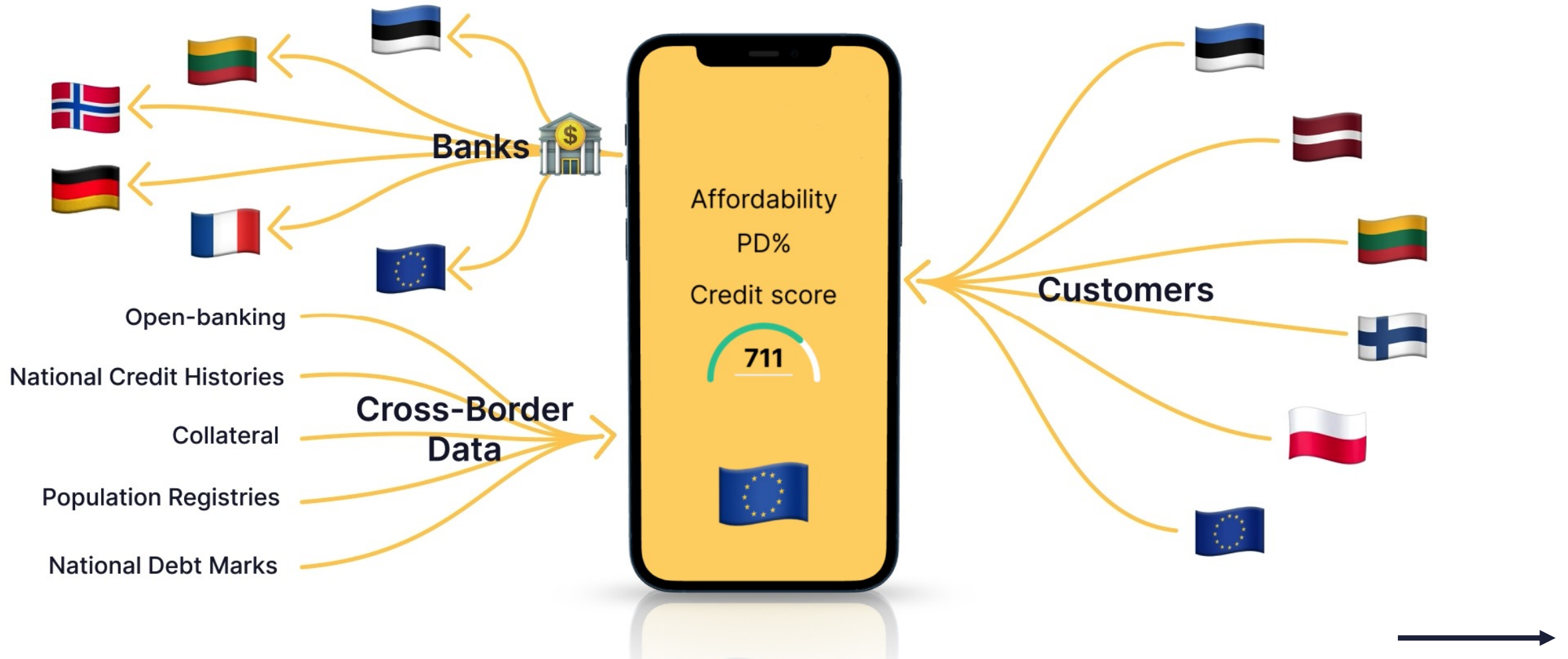


Source: Office for National Statistics, Department for Work and Pensions, Home Office



WHAT IS THE SOLUTION?

Mifundo – cross-border credit data for banks. Passportable Financial Identity for consumers.



Clients



get Passportable Financial Identity

- Better access to loan products
- More favourable terms
- Freedom to move between countries



Banks



can raise their business volume while reducing credit risk 7x

- Access to multi-country credit history
- One single Plug & Play over API
- Ready-to-Go compliance pack



Lending market

of EU 2022



▶ **€ 7190 billion**

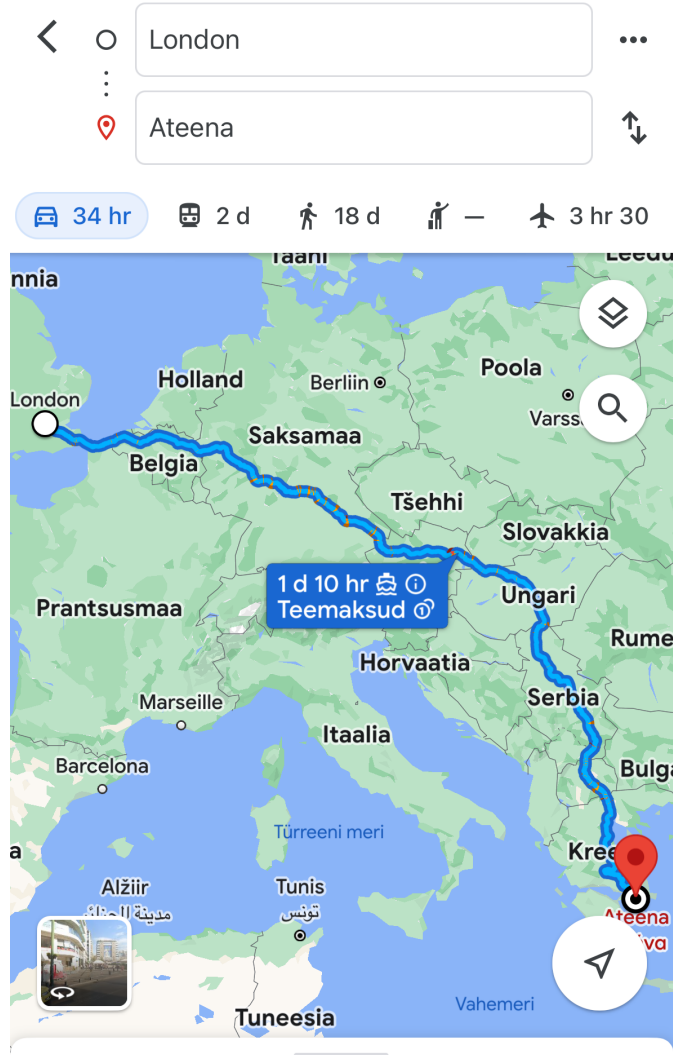
Total bank loans for private individuals

▶ **45 million**

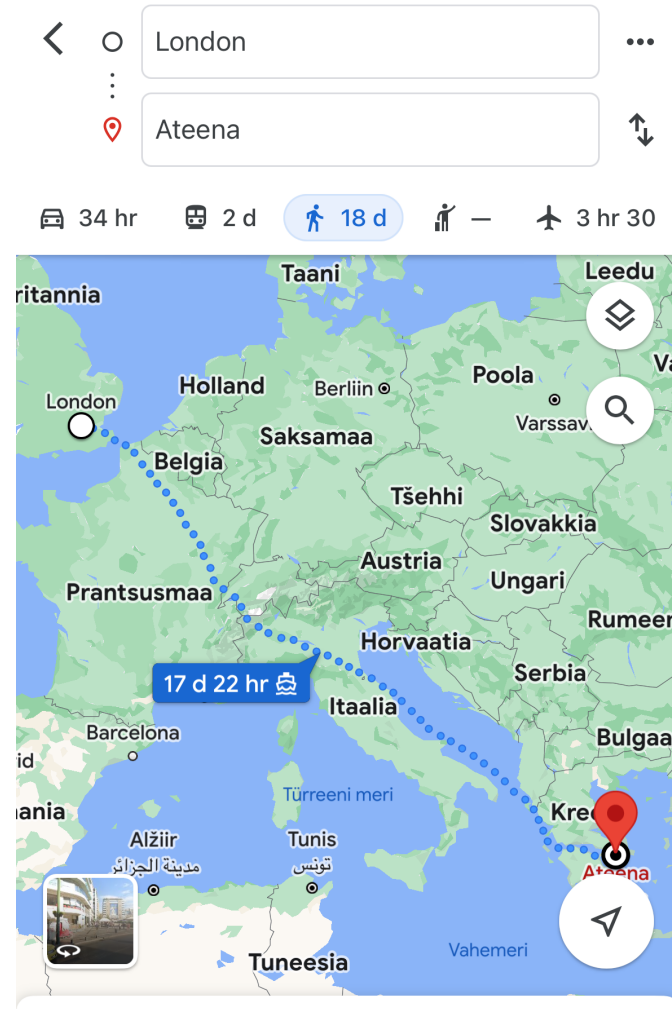
Expats & multi-country people

10% of population
Potential loan volume
€ 719 billion

PAYMENTS - DISRUPTED, CREDIT PRODUCTS - AHEAD



1 d 10 hr (1 979 mi)



17 d 22 hr (1 731 mi)

via Anagnini, IT, Igoumenitsa, GR, Patrasso, GR/Patras



WHY NOW?

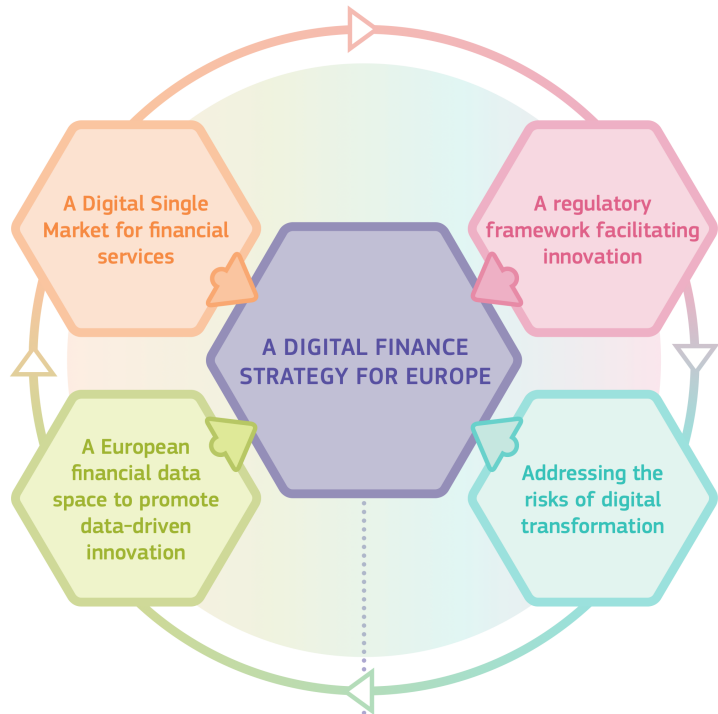
Supporting legal framework

EU Digital Finance Strategy

Sep 2020

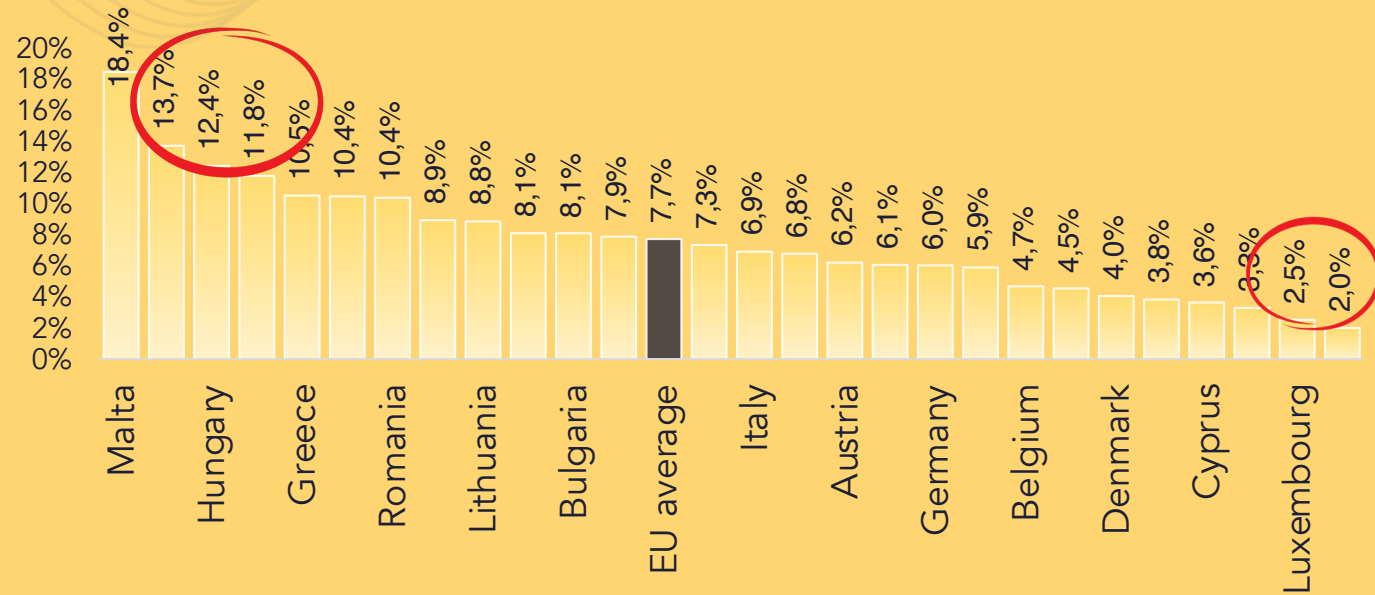
PSD3 + Open Data Act

June 2023



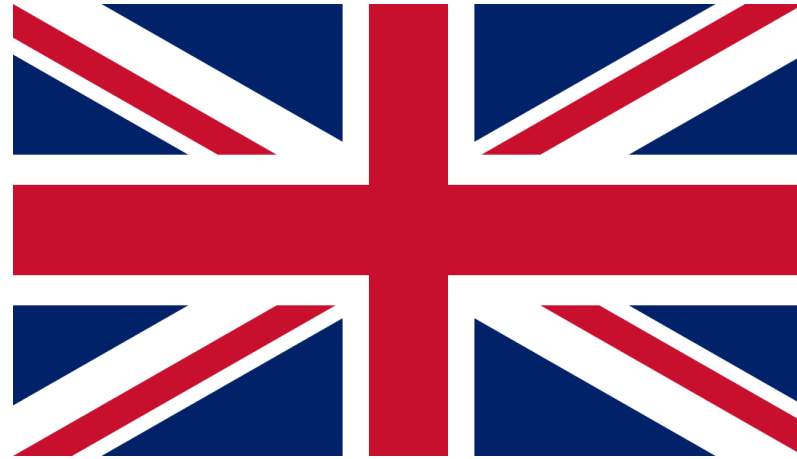
Interest rates differ up to 7X in EU

Average interest rate of consumer loans in 2022



Data source: European Central Bank

COLLABORATION – POTENTIAL TO EXCHANGE DATA



- Fostering trade relations
- Reduction of risks



Nationality	% customers
Sweden	87,18
Poland	2,41
Sweden	1,10
Lithuania	0,92
Germany	0,53
Syria	0,48
Denmark	0,47
United Kingdom	0,40
Romania	0,32
Latvia	0,28
India	0,28
Spain	0,25
USA	0,24
Philippines	0,22
Ukraine	0,22
Eritrea	0,19
Italy	0,18
Pakistan	0,18
Netherlands	0,18

USE CASE OF BANK 1

- Credit products for newcomers in the country
- 12,8% are foreigners

Nationality	% of customers
Germany	60,45%
Austria	27,44%
Italy	1,86%
Hungary	1,56%
Croatia	1,52%
Bosnia & Herzegovina	1,49%
Turkey	1,30%
Romania	0,94%
Serbia	0,41%
Poland	0,38%
Czechia	0,34%
Slovakia	0,34%
Kosovo	0,30%
Slovenia	0,28%
Netherlands	0,26%
Spain	0,15%
Bulgaria	0,15%
Sweden	0,15%
Switzerland	0,11%
France	0,11%
Portugal	0,09%
North-Macedonia	0,09%
Latvia	0,09%
Belgium	0,04%
Greece	0,04%
Denmark	0,04%
Estonia	0,04%
Lithuania	0,04%

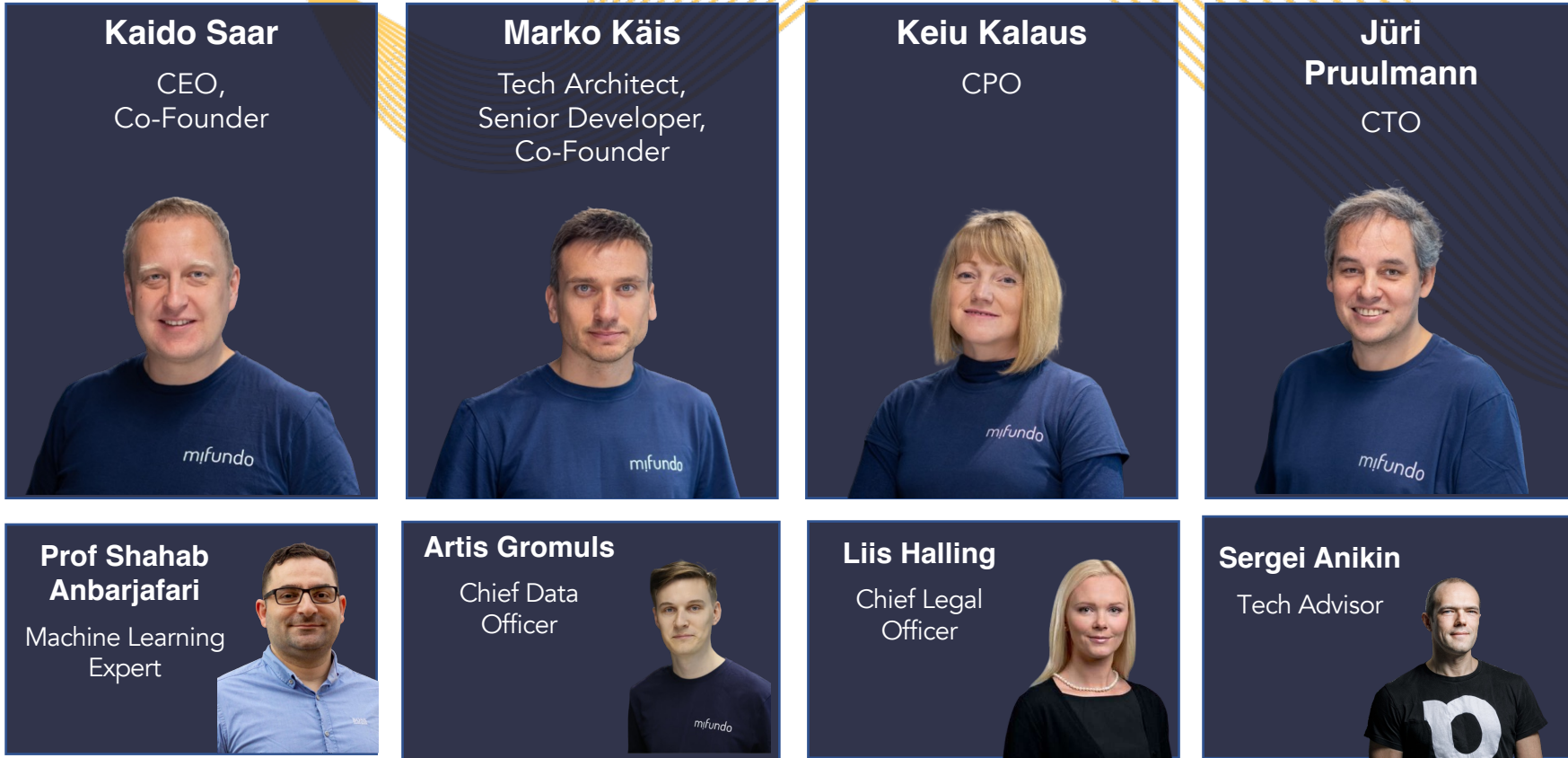
USE CASE OF BANK 2

- Buy Now, Pay Later (BNPL)
 - Increase its conversion for retailers
- 12,1% are foreigners

USE CASE OF BANK 3

Nationality	% of customers
Luxembourg	85,50%
Germany	3,90%
France	3,10%
Belgium	2,00%
Others	5,50%

- Credit products for multi-country people
 - Daily commuters between 2 countries
- 14,5% are foreigners



Team

built up a bank operating in 9 countries  Bigbank
plus experience from   Bolt  pipedrive™





Finalist



Selected to EIC Accelerator programme



Selected by Mastercard and top tier banks, spring '23



Top 10



Finalist



LendTech of the Year Startup of the Year



Sustainable Finance by Mifundo:

- improves financial inclusion
- reduces inequality
- raises financial literacy

mifundo

Freedom to move.
Freedom to be trusted.

mifundo.com

