

Smart Lenders AM launches The Lending Smart Fund 1, a strategy focused on digital lending in Europe

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Smart Lenders AM announces **the launch of an innovative debt fund, The Lending Smart Fund 1**, dedicated to new European financing platforms.

Six years after the creation of its first direct lending fund **Moonstone Lending Fund 1 in July 2016**, Smart Lenders AM, the fintech asset management company exclusively dedicated to managing portfolios of loans issued through online platforms, currently manages **\$500 million**.

In Europe, apart from consumer and SMBs loans, the market is composed of **new value-added niches, such as fractional payments or BNPL, revenue-based financing, and innovative Income Share Agreement solutions**.

These new players offer attractive returns and allow us to set up an **original investment structure** benefiting from **credit risk protection** coupled with participation in the **valuation of these platforms' equity**. The objective of the fund is to build a portfolio of around ten agreements with online lending platforms.

The first financing partnership was signed with the **French platform Silvr**, the French leader in financing for e-merchants and SaaS companies.

Silvr, founded in 2020, focuses on **revenue-based financing**, lending money to borrowers to fund future online advertising campaigns on Google and Facebook, based on the future revenues that these campaigns will generate, not on the borrower's balance sheet. This is the main differentiator from bank financing.

Since the beginning of 2020, **Silvr** has been analysing hundreds of thousands of data points from the websites of loan applicants (unique site visitors, average shopping basket, profitability of online marketing campaigns, attrition rates and more). It is **non-dilutive financing** for digital companies such as e-merchants and software companies distributed via a SaaS model. Thus the fund accelerates the development of platforms like Silvr and indirectly the non-dilutive

financing of digital companies is a source of **economic growth and employment**.

This new fund targets an AUM of **150m€ to 200m€ in several closings, with a maturity of 8 years**, and will distribute a quarterly coupon. The loans in the portfolio will be mainly amortizable and will have terms of a few weeks to 6 years. The fund will be able to accept American investors. It is an innovative and powerful tool **to support the European fintech economy and ecosystem**.

About Smart Lenders AM

Smart Lenders AM is an asset management company specialised in managing portfolios of loans issued through established marketplace lenders, online-lending platforms and Crowdlending platforms. In January 2018, the company relocated from London to Paris where it is regulated by the AMF and is accredited with the AIFM full-scope status.

Our primary activity is to select loans and construct portfolios with a quantitative and algorithmic approach focusing specifically on consumer and SMB loans in the US and Europe. Since its launch, Smart Lenders AM has invested in over \$1bn of loans on behalf of European institutional and professional investors.

A leading player in online credit investing for European investors.

Smart Lenders AM is a signatory of the United Nations Global Compact.

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