

The Lending Smart Fund 1, the second fund launched by Smart Lenders AM, continues its development with the signature of a new transaction with a strong social orientation.

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Smart Lenders AM is exclusively dedicated to the management of loan portfolios issued through online fintechs and **announces the signature of the second exclusive financing partnership in its new innovative debt fund, “The Lending Smart Fund 1”**, dedicated to new European financing platforms.

This new financing transaction was signed with the **Student Finance** platform, a European player created in 2019 that finances short, highly operational training cycles in areas of expertise generally linked to new technologies. These training courses allow **for retraining and upgrading**, which facilitates the job search or increase in remuneration.

Known as **“up-skilling” or “re-skilling”**, this approach encourages social progression by moving up the professional ladder. This naturally falls within the framework of The Lending Smart Fund 1, **qualified as “Article 8” under SFDR**.

In this model, the originality of the financing of training courses comes from the fact that repayment schedule is based on the future income of the borrower.

The training schools are selected through a scoring carried out by Student Finance, which includes employability criteria and recognition of the quality of the courses offered.

Given the **social impact nature** of this type of financing, part of the debt is guaranteed by **the European Investment Fund (EIF)**, which serves to offset risk for The Lending Smart Fund 1.

This new European financing niche with high added value offers attractive returns and allows us to set up an **original investment structure** benefiting from credit risk protection coupled with a **participation in the valuation** of the shares of this platform through warrants allocated to the fund.

The fund's investment strategy is to build a portfolio of **5 to 8 financing partnerships** with fintech lenders. The loans in the portfolio will be mainly amortizable and will have terms ranging from a few weeks to 6 years.

This new fund, which aims to raise **€150 million** in **several closings over 8 years**, will accelerate the development of new financing players. It is an innovative and powerful tool to **support the economy and the European fintech ecosystem**.

The fund will distribute a **quarterly coupon** and will be able to accept US investors.

The first transaction was signed with the French platform **Silvr** created in 2020, the French leader focused on **"revenue-based financing"**, providing non-dilutive financing of exclusively online retailers or "e-tailers" and SaaS based on their forecasted revenues.

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.

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

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