

Cassa Depositi e Prestiti and the digital lending platform October together to support the growth of Italian SMEs and Small-Mid Caps: 20 million euros invested in October SME IV fund

CDP's investment brings the fund's commitment to over €134 million with the aim of facilitating access to credit for Italian companies. October SME IV is a pan-European private debt fund for SMEs and Small-Mid Caps.

Cassa Depositi e Prestiti renews its commitment to support the growth of Italian companies by promoting an important alternative funding channel with the aim of facilitating access to credit for SMEs and Small-Mid Caps. The investment of **€20 million** increases overall commitments in the fund to nearly €135 million with existing commitment of European institutional investors including the French Public Investment Bank (Bpifrance), the European Investment Fund (EIF) and the Spanish Official Credit Institute (ICO).

October SME IV is a **long-term European investment fund** that gets financed by issuing Notes and that gives access to credit for SMEs and Small-Mid Caps with registered and/or operational headquarters in Italy, as well as in other EU countries where the October Group operates through its **digital lending platform**. The use of the platform allows companies to obtain financing on the basis of a specific **co-financing scheme**, thanks to resources from the fund, which is fed by **institutional investors and private lenders** who identify the platform as an innovative and interesting investment opportunity that, at the same time, enables them to support the real economy.

Based on the fund's funding target (€250 million), a portfolio with more than 500 total transactions is expected, with a size of between €30 thousand and €5 million. October fund, which is committed to deploying an amount equal to at least double the investment made by CDP in Italy, is consistent with **CDP's 2019-2021 Business Plan**. This provides specific areas of intervention to support SMEs



and Small-Mid Caps, especially in this period of recovery following the epidemic emergency.

Paolo Calcagnini, Chief Business Officer, commented: *"With the investment in the October SME IV Fund, CDP continues its plan to support Italian SMEs and Small-Mid Caps, particularly after the severe health emergency that hit our country. The investment in diversified credit funds, which stands alongside the Basket Bond operations, aims to reach companies that for their size or the specific intervention, are not reachable by CDP in a direct way. We are also convinced that CDP's investment in a fund linked to a digital lending platform can encourage other institutional investors to invest in this asset class".*

Sergio Zocchi, Chief Executive Officer of October Italia, commented: *"Supporting businesses is part of our DNA, but never as much as in these complicated months and in view of the coming months have we felt the responsibility and pride to create the conditions to amplify the reach of our platform. The choice of CDP, which confirms its capacity for vision towards innovation, translates into the possibility for many more businesses to use financing tools that are complementary to traditional channels, capable of responding quickly to the demand for resources, now more crucial than ever to overcome the contingency and start growing again".*

About October

October is a European SME lending platform, number 1 in continental Europe (source Altfi). In 2018, October is ranked in the KPMG and H2 Ventures Fintech100 for the third consecutive year and is backed amongst others by Partech, CNP Assurances, Matmut, Allianz, Idinvest, C.I.R. Spa and Decaux Frères Investissements. October enables SMEs to borrow directly from individual and institutional lenders without going through banks. Lenders invest their savings usefully and profitably to facilitate the funding of the real economy whilst businesses find new, simple and effective sources of finance independently of banks. October has already financed in excess of €515M for more than 1,200 SME development projects of all sizes and in all sectors. October operates in France, Spain, Italy, the Netherlands and soon in Germany

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