



How Private SME Lending Is Transforming Business Succession in Europe

Private SME lending is stepping in where banks can't and unlocking new paths for ownership transitions.

Swipe through to see the trends reshaping SME finance across Europe.

The SME Funding Crisis

Banks Won't Back New Buyers

Traditional lenders avoid first-time buyers, even when the target SME is profitable and well-established

Rigid Lending Models Don't Fit Acquisitions

Banks require hard assets and personal guarantees whereas SME acquisitions are cash-flow backed, not asset-heavy.

Deals Die Waiting for Decisions

Bank approvals can take 3–6 months, far too slow for time-sensitive acquisitions

The result? Viable business transitions collapse due to inflexible capital.

A Generational Shift in SME Ownership

450,000

SMEs Changing Hands

Annual SME ownership transfers across the EU

1 in 5

Aging Owners

French SME owners over 60 years old

150,000

At-Risk Businesses

Businesses at risk yearly due to failed ownership transfers

Retiring business owners create urgent demand for acquisition financing. Without funding, 600,000 jobs risk closure instead of transfer.

Europe's New Class of SME Buyers Is Growing

A Quiet Shift in Business Ownership

- A record number of SME owners are retiring across Europe, especially in the UK, France, and Benelux.
- In response, a **new generation of acquisition entrepreneurs** is stepping up, through search funds, MBIs, and independent deals.
- These buyers bring **operational talent and long-term vision**, often improving the business they acquire.
- But **they need the right financial partners**, ones who understand the opportunity and structure deals around cash flow, not collateral.

This is where Archimax Private Lending plans to step in.

Creative Lending Is Filling the Gap



Senior Secured Cash-Flow Loans

Term loans secured by business assets with **8–10% annual interest**. Based on proven cash flow rather than collateral alone.



Revenue-Based Financing

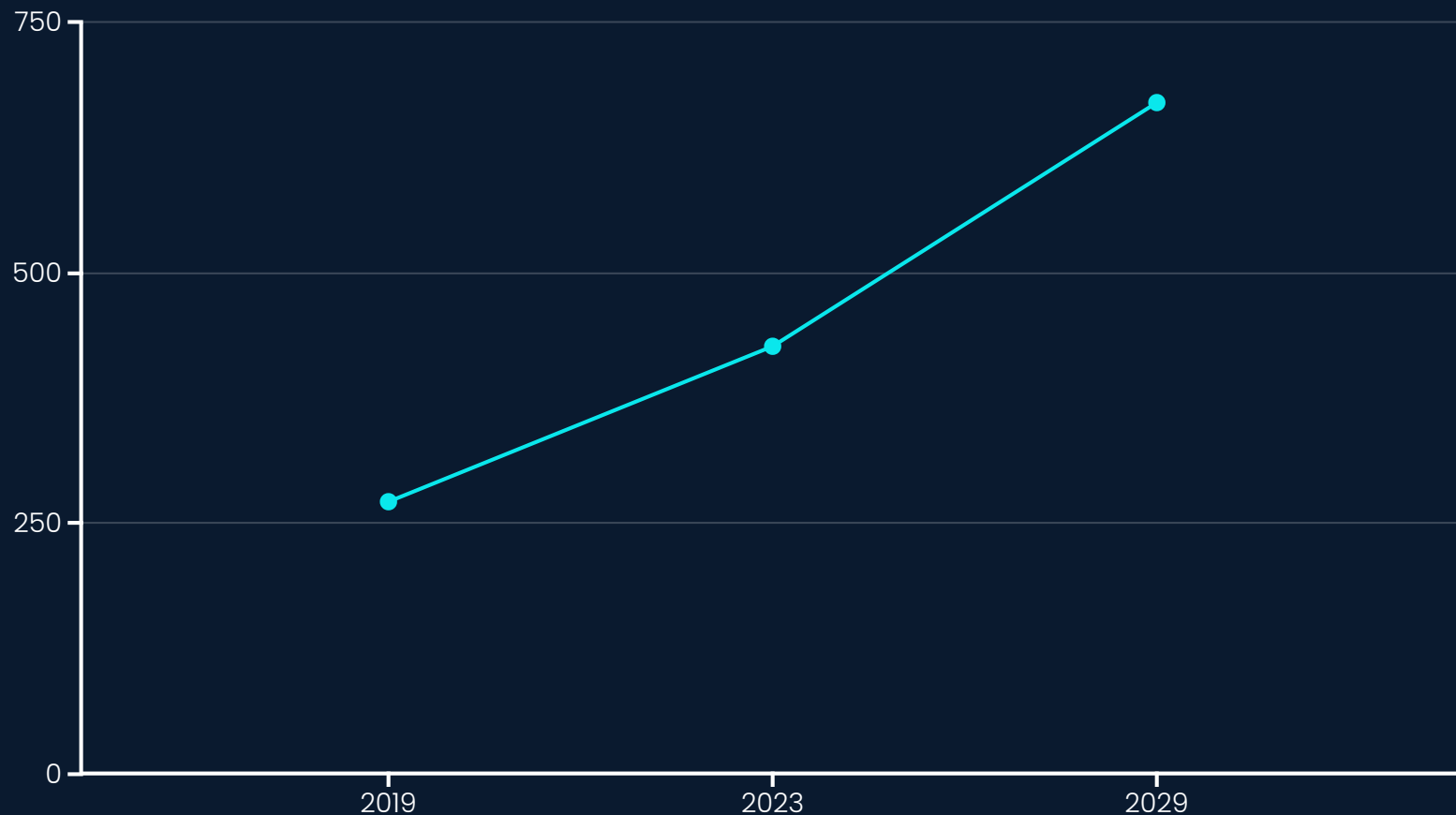
Repayments that scale with business performance. Since 2019, **18 RBF startups** launched, attracting **\$671 million** in venture funding by 2021.



Mezzanine & Hybrid Instruments

Debt-equity hybrid financing with **10–15% interest** and optional profit-sharing. Bridges funding gaps when senior debt is insufficient.

Market Growth & Opportunity



European alternative lending market projected to reach **\$89 billion** in 2024 (14% growth) and exceed \$125 billion by 2028. Private debt strategies delivered 8.5% annual returns (2019–2023), with direct lending expected to generate 12.3% IRRs through 2029.

Regulatory & Economic Tailwinds



Bank Retrenchment

Basel III regulations (2025) increase costs for bank-held SME loans, creating private lending opportunities.



Policy Support

Government programs like UK's Recovery Loan Scheme and EU's Capital Markets Union bolster alternative finance options.



Inflation Protection

Private debt offers inflation hedging through floating rates and short durations, enhancing its current appeal.



Great Deals Deserve Better Capital

Traditional lenders won't back first-time buyers. Archimax does.

Archimax will offer:

- Acquisition loans
- Revenue-based and preferred equity structures
- Designed for SME buyers, not institutions

Real cash flow. No red tape.

 Let's talk: [**info@archimax.solutions**](mailto:info@archimax.solutions)

 Learn more: [**www.archimax.solutions**](http://www.archimax.solutions)