

iwoca launches in Spain to meet demand for small business financing

Submitted by: Rise PR

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London fintech start-up, iwoca, is now lending to small businesses in the UK, Poland and Spain, with further expansion planned for 2015.

18 December – Venture-backed fintech start-up iwoca (<https://www.iwoca.co.uk/>) has started offering credit to the two million small businesses in Spain, further expanding its international reach.

iwoca's proprietary risk engine makes lending decisions based on data taken from business bank accounts, payment processors, ecommerce platforms and sector-specific providers. This allows it to assess the millions of small businesses currently neglected by the banks, and offer them fast and flexible access to finance.

Since 2012, iwoca has lent almost £30 million across 5,000 transactions in the UK and Poland. The launch of iwoca Spain (<https://www.iwoca.es/>) is further evidence of the growing global need for alternatives to traditional business finance providers.

Christoph Rieche, iwoca's CEO and co-founder, commented:

"Traditional small business lending models are broken and are holding back the global economy. Access to finance for Spanish SMEs is significantly below the EU average (1), so it was the natural market for our latest launch. With hundreds of businesses having already expressed interest in iwoca Spain, it looks set to mirror the success of our Polish operations, which launched in February 2014 and grew even faster than the UK business."

The market opportunity is huge with more than 500,000 Spanish businesses requesting credit in 2013; of those that didn't apply for credit, 41 percent said this was due to short-term poor economic conditions (2). iwoca offers these businesses credit facilities of up to €50,000, from which they can draw down, repay and top up on demand.

iwoca has already raised more than £10M from investors including Global Founders Capital, the fund founded by the Samwer brothers, Redline Capital Management and Talis Capital. The company plans a further funding round in 2015 as it seeks to cement its position as the fastest growing small business credit provider in Europe.

Christoph continued:

"Access to finance for small businesses is a global issue and we aim to provide a majority of European small businesses with a mainstream alternative to bank loans by the end of 2015. With more than 20 million small businesses in Europe, we believe the market could quickly surpass the US in terms of loan volume."

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1) http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/performance-review/files/countries-sheets/2014/spain_en.

2) <http://www.expansion.com/2014/04/01/empresas/banca/1396384108.html>

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About iwoca (<https://www.iwoca.co.uk/>)

iwoca is transforming business lending throughout Europe by offering fast and flexible access to credit to the millions of small businesses neglected by the banks. Customers apply online, submitting their trading data through integrations with high-street banks, payment processors, ecommerce platforms and sector-specific providers. This feeds into a proprietary risk engine along with data-points from dozens of external sources, allowing us to offer businesses up to £50,000 within minutes. With 5,000 transactions since launch in 2012, we are one of the fastest growing credit providers in Europe.