

# Abrigo partners with Charm Solutions to launch AI-powered engine that accelerates SMB lending decisions

**Austin, Texas, March 23, 2023** – Abrigo, the leading technology provider of compliance, credit risk, and lending solutions for financial institutions, today announced the launch of Abrigo Small Business Lending Intelligence. This lending decision and monitoring engine is powered by Charm Solutions, a provider of AI technology that helps financial institutions unlock the full potential of their data, identify growth opportunities, optimize operations, and improve financial decisions.

According to FFIEC call report data, small business (SMB) loans made by banks in the U.S. grew to nearly 27 million in 2022. Many institutions have indicated that SMB is a continued, targeted area for growth in 2023, following the successful Paycheck Protection Program during COVID-19, which led many lenders to build or deepen relationships with SMBs in their communities. A barrier to growth for many institutions is efficiency. In a recent Abrigo survey, nearly 60% of financial institutions indicated that efficiency was the top challenge in small business lending.

Abrigo Small Business Lending Intelligence is embedded into the Abrigo loan origination platform and provides real-time scorecards that include a loan risk rating score, probability of default, and details of how the score was calculated. Using Charm’s dynamic models along with existing processes, institutions can improve their decision-making by incorporating an array of data sources and leveraging analytics to gain actionable insights.



## Business Loan Score

Powered by CHARM™

Loan score  
622 / 800

Probability of Default  
0.93%

Data Quality  
Source: Tax Return  
Source date: 12/31/2022  
Data lag: 2 months

### Score Calculation

Key Ratios	Benchmark	Borrower	Score Adjustments
Cash to sales	2.72%	4.20%	+15
EBITDA to loan amount	547.92%	715.95%	+14
Sales to assets	273.82%	406.70%	+8
Retained earnings to sales	5.18%	0.03%	+3
Accounts payable to sales	0.94%	2.24%	-6.02
Total operating expenses to sales	19.82%	14.91%	-3.72
Current liabilities to liabilities	68.77%	45.96%	-0.20
Accounts receivable to sales	1.02%	0.00%	0.00
<b>Loan Score</b>	<b>591</b>	<b>622</b>	<b>30</b>

The engine leverages self-learning AI to continuously monitor a wide range of current and historical data, loan performance, accounting, and macroeconomic data from more than 1,200 institutions. Abrigo Small Business Lending Intelligence is transparent, providing institutions insight into the data and processes used for its scoring model. Abrigo Small Business Lending Intelligence also provides an early warning system alerting banks to changes that may impact an institution's entire loan portfolio before they become an issue.

“By leveraging the power of automation and AI, financial institutions can provide the small businesses in their communities with the funds they need faster while ensuring they have the right risk management controls in place for their lending processes,” said Ravi Nematikanti, CTO of Abrigo. “We are very pleased to partner with Charm to develop this innovative solution that advances our mission to help communities thrive.”

“We are proud to power the Abrigo Small Business Intelligence platform with our proprietary AI-technology and help thousands of financial institutions make faster and better decisions to grow their SMB loan portfolio profitably and move the economy forward,” said Jacob Malmberg, CEO of Charm Solutions.

For more information about Abrigo Small Business Lending Intelligence, powered by Charm, please visit <https://www.web.abrigo.com/abrigo-small-business-lending-intelligence-get-started>.

### **About Charm Solutions**

Charm Solutions is an AI software platform used by leading lending institutions to quickly and transparently analyze, decision, and monitor SMB loans, and by SMBs to gain insights into their financial health and use Charm's proprietary SMB Score™ report to receive actionable recommendations and efficiently secure the best financing alternatives to grow their business. Learn more at [www.charmsolutions.ai](http://www.charmsolutions.ai)

### **About Abrigo**

Abrigo is a leading provider of compliance, credit risk, lending, and asset/liability management solutions and services that help financial institutions thrive. Abrigo accelerates growth, increases client efficiency, and improves customer experience with an easy-to-use and expansive platform. We ensure customer success with our award-winning client service team, advisory expertise, and innovative technology. With a network of 2,400+ FIs, Abrigo offers unique opportunities for insightful peer benchmarks and best practices. Visit [abrigo.com](http://abrigo.com) to learn more. Follow Abrigo on social media using @WeAreAbrigo.

### **Media Contact**

Media Relations / Email: [press@abrigo.com](mailto:press@abrigo.com) / Phone: 512-536-0929/ Twitter: @weareabrigo

###