

## CORPORATE NEWS

### Varengold Bank records strong growth in Q1 2021

- Transaction Banking still the biggest growth driver
- Marketplace Banking acquires prominent customers
- Implementation of 'New Work' concept and staff expansion

**Hamburg, 29/04/2021** – Varengold Bank [ISIN: DE0005479307] maintains its growth course. The Hamburg-based financial institution generated net income of EUR 9.8 million in Q1 2021. This represents an increase of around 51% compared with the previous year (EUR 6.5 million).

Earnings before tax increased by almost 70% to EUR 4.1 million (previous year: EUR 2.4 million). The main driver was once again Transaction Banking (Commercial Banking), which posted net income of EUR 6.5 million - an increase of around 81% compared with the previous year (EUR 3.6 million). This figure includes risk provisions of EUR 0.8 million. Due to the unpredictability of the COVID-19 pandemic, Varengold began to increase its risk provisions significantly without delay. 'We are still keeping our head well above water in the ongoing crisis. Demand in the Trade Finance division remains high. In the Transaction Banking division, we were again able to generate higher commission income in foreign trade,' says Dr Bernhard Fuhrmann, member of the Board of Managing Directors of Varengold Bank. 'All signs point to growth'.

#### **Marketplace Banking acquires prominent new customers**

Varengold is slightly above budget in the strategic growth market of Marketplace Banking. As a fintech partner, the financial services provider helps fintechs to finance their loan portfolio and develops individual products tailor-made for their business models. With its offer of fronting services for credit card processing accounts for companies, Varengold gained prominent new customers such as the fintech pliant. Other transactions in the areas of lending services and fronting/banking as a service (baas) are also in the pipeline. Varengold has focussed on early-stage platforms to date. With the further development of the 2021 business strategy, the radius was also

extended to include startups that are not yet active in the market. One example of this is the UK company Fintern Ltd, which is supported by Varengold in refinancing of its consumer loans.

### **Implementation of 'New Work' concept and staff expansion**

The bank's growth is also reflected in the growing number of employees in Germany and abroad. As of 31 March 2021, the number of employees was 94 (previous year: 82).

For some time now, Varengold has also been using digital measures to make processes more professional, particularly in human resources, to support growth and to encourage employee loyalty. Especially in times when personal contact is lacking, it is important to at least keep in touch digitally. Varengold also scores points with attractive social benefits that employees can choose and adapt to their respective personal circumstances ('cafeteria model'). These measures, as well as the recent move to a new office space, are part of the bank's 'New Work' concept that is Varengold's response to changes in the world of work.

'We recognised the advantages of digitalising business processes and the need for digital skills among employees at an early stage and encouraged them,' says Frank Otten, member of the Board of Managing Directors of Varengold Bank. 'This is paying off now. As a fintech partner, we are part of the digital transformation and together we are shaping the banking of the future together.'

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### **About Varengold Bank**

Varengold Bank is a German financial institution founded in 1995 and granted a full banking licence in 2013. In addition to its head office in Hamburg, the bank has presences in London and Sofia. Core business areas are Marketplace Banking and Commercial Banking. Within Marketplace Banking, the focus is on the cooperation with European fintechs, especially lending platforms. Varengold Bank's service portfolio includes Funding, Debt and Equity Capital Markets products, Fronting Services for products subject to banking licence requirements and International Payment Services. Varengold Bank is registered with the Federal Financial Supervisory Authority (BaFin) under no. 109 520 and its shares (ISIN: DE0005479307) have been listed on the Open



Market of the Frankfurt Stock Exchange since 2007. For more information, see [www.varengold.de](http://www.varengold.de).

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