

CORPORATE NEWS

Varengold Bank again impressively demonstrates operational strength

- EBT more than doubled with unchanged risk provisioning (EUR 26.7 million)
- Net income increased by 47% to EUR 56.2 million
- Successful expansion of the Banking-as-a-Services offering in Europe
- Upper end of forecast (EBT EUR 28 - 32 million) confirmed

Hamburg, 21/10/2022 – Varengold Bank AG [ISIN: DE0005479307] continues its successful business development in the third quarter and once again presents an exceptionally strong result: The Hamburg-based financial services provider increased net income by 47% to EUR 56.2 million compared to the same period last year (EUR 38.2 million). With an amount of EUR 26.7 million, earnings before taxes (EBT) were more than doubled compared to the same period in 2021 (EUR 12.6 million). Despite the significant growth, administrative expenses rose only disproportionately to EUR 20.1 million (same period of the previous year: EUR 15.6 million). At the end of the third quarter of 2022, a total of 114 people were employed at Varengold Bank (reporting date 30.09.2021: 105 people).

"Once again, we have succeeded to grow in the two core business areas," says Dr. Bernhard Fuhrmann, Member of the Board of Managing Directors of Varengold Bank. "In Commercial Banking or Transaction Banking, we have further strengthened our network with customers - in particular producers and wholesalers of food as well as medicines - and recorded a continuously positive business development. In addition, we have also successfully driven the expansion of our Banking-as-a-Service (BaaS) offering in Marketplace Banking." After Germany and Austria, Varengold Bank is now providing its BaaS offering for credit card settlement accounts in Luxembourg, the Netherlands, Portugal and Finland. "We initiated the license and the corresponding notifications some time ago in order to exploit this potential and thus grow together with our cooperation partners in various countries," says Dr. Fuhrmann. In addition, Varengold Bank has optimized its BaaS solutions in the various product categories such as credit cards, corporate and consumer loans, as well as buy-now-pay-later and thus once again significantly increasing the options for use and the attractiveness of the services. Further product developments and variants are in progress. The number and volume of transactions in the lending sector also increased significantly. "We are receiving additional enquiries about refinancing beyond the pure BaaS offer. There are also some opportunities that we will carefully examine and take advantage of," explains Dr. Fuhrmann. "Despite the overall challenging social and economic developments, we expect to be able to continue to drive business growth and achieve our previous forecast with EBT of EUR 28 - 32 million for 2022 at the upper end."

About Varengold Bank AG

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 a presence in Sofia. Core business areas are Marketplace Banking and Commercial Banking (Transaction 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 / Banking as a Service (BaaS) and International Payment Services as well as Trade Finance. 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.

Disclaimer

This release contains forward-looking statements that involve certain risks and uncertainties. Future results may differ materially from those currently anticipated due to various risk factors and uncertainties, such as changes in business, economic and competitive conditions, currency exchange rate fluctuations, litigation uncertainties or investigations, and availability of financial resources. Varengold Bank AG assumes no responsibility for updating the forward-looking statements contained in this release.

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