Varengold Bank and Banxware announce strategic cooperation in European embedded lending offering

- **Strategic partnership allows any kind of platform to offer lending as-a-service**
- **With Banxware and Varengold, platforms don't need to worry about any regulatory requirements**

Berlin/Hamburg 25 January 2022 - Hamburg based fully licensed bank Varengold Bank AG and the Berlin based fintech Banxware announce a new strategic partnership. Together they will allow platforms to launch tailor-made embedded loan products in a few weeks without any technical or regulatory effort.

The cooperation reflects the trend of embedded financial services within the European market. Embedded Finance is becoming more and more an enabler for commerce.

As a first project, the two companies went live with a revenue-based merchant financing product in the first days of 2022. This will provide merchants selling via ecommerce marketplaces or payment providers with an easy access to liquidity. Varengold as a fully licensed bank provides the regulatory infrastructure as part of their Banking-as-a-Service offering. Banxware has built a fully automated loan underwriting and servicing platform. The German fintech startup was founded in 2020 by industry experts and is working with leading marketplaces and payment providers to launch their own digital SME lending programs.

"We strongly believe in Banxware´s vision of embedded lending and look forward to bringing their innovative loan products to more European markets together", says Lukas Diehl, Head of Marketplace Banking of Varengold Bank.

Nicolas Kipp, Co-Founder of Banxware, adds: "With Varengold Bank we found a partner that is bridging both of two worlds: They have a deep understanding of European banking regulation as well as modern technology. With their regulatory infrastructure we brought the new generation of SME financing to the market in a very short time."

About Banxware

Banxware is a Lending as-a-Service provider that enables digital platforms such as marketplaces and other aggregators like Payment Service Providers or Shop System Providers to offer embedded lending products in real time to its business customers. As lending experts, Banxware empowers digital platforms to help their business customers grow. With Banxware, platforms can instantly launch tailored embedded lending solutions such as white label merchant cash advances.

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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 presences in London and Sofia. Core business areas are Marketplace Banking and Transaction Banking (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 (Banking-as-a-Service) and International Payment Services. Dr Bernhard Fuhrmann and Frank Otten from the Board of Managing Directors, together with a 100-strong international team, continue to help shape the modernisation of the financial sector. Varengold Bank is registered with the Federal Financial Supervisory Authority (BaFin) under no. 109 520 and the Varengold shares (ISIN: DE0005479307) have been listed on the Open Market of the Frankfurt Stock Exchange since 2007. Further information can be found at https://www.varengold.de/.

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