

PRESS RELEASE

## Varengold Bank and HandEX announce collaboration to optimise export financing for small and medium-sized enterprises

*Good news for small and medium-sized enterprises: An online platform now makes financing solutions, such as forfaiting and buyer's credit, available to exporters and importers in a fast and customer-friendly manner. Euler Hermes AG processes the related export credit guarantees on behalf of the German Federal Government.*

- **In line with the market:** The focus is on order values between EUR 100,000 and EUR 5 million.
- **Fast:** Financing processes are fully digitalised.
- **Customer-friendly:** The HandEX online platform enables export financing applications to be submitted with minimal effort.

**Hamburg, 26/09/2019** – With a market share of around EUR 220 billion, small and medium-sized enterprises are responsible for approximately one fifth of German foreign trade. Although imports and exports keep reaching record highs, large banks refuse about every second request for financing on the grounds that they are too small and too costly to process. This makes it increasingly difficult for small and medium-sized enterprises to meet potential orders. The solution is called HandEX, an online credit platform for export financing from EUR 100,000 to EUR 5 million launched at the beginning of 2019.

“We have identified an attractive niche market, developed streamlined processes and made sure that all of the information which is relevant to a decision-making process can be incorporated directly into our platform”, says Vincent Lauer, founder and CEO of HandEX GmbH. “We want to help small and medium-sized enterprises hold their own when competing globally. Our partnership with Varengold Bank will allow us to expand our business operations even faster”, adds Lauer. Financial inclusion is a further mission of HandEX. With this in mind, HandEX also offers its services to importers based in emerging markets. “We attended the Intersolar conference in Mexico recently and we received some really positive feedback about our platform,” explains Lauer in reference to the problem that exports from Germany sometimes flounder because credit-checking importers is too costly. The platform makes exchanging information a great deal easier.

For Varengold Bank, the partnership is a further step towards establishing itself as the preferred banking partner for FinTechs. “HandEX has presented us with a new, innovative solution to an age-old problem,” says Frank Otten, Member of the Executive Board of Varengold Bank AG. “Export financing is an essential parameter for companies looking to scale their business model to international markets. Thanks to the products offered by HandEX, this will become much easier, particularly for small and medium-sized enterprises.”

## About Varengold Bank AG

Varengold Bank AG is a German bank founded in 1995 and in possession of a full banking licence since 2013. In addition to its head office in Hamburg, the bank has branches in London and Sofia. Its core business areas are Marketplace Banking and Transaction Banking (Commercial Banking), and its focus is on cooperation with European fintechs, in particular credit platforms. The portfolio on offer includes funding, debt and equity capital markets products, fronting services for products subject to banking licence obligations and international payment services. Members of the Board of Managing Directors are Dr. Bernhard Fuhrmann and Frank Otten, who together with a 70-strong international team continuously help shape the modernisation of the financial sector. Varengold Bank is registered with the Federal Financial Supervisory Authority (BaFin) under 109 520 and the Varengold share (ISIN: DE0005479307) has been listed on the Open Market of the Frankfurt Stock Exchange since 2007. Further information can be found at <https://www.varengold.de/home/>

## About HandEX GmbH

HandEX is a platform for export financing and revolutionised the market by using leading technologies, natural language processing and robotic process automation in order to modernise processes and make it as easy as possible for exporters and importers to gain access to the financial resources required in order to trade internationally. Refusals of requests for credit as well as the length of time taken to process applications are driven primarily by the current, paper-based, analogue processes and information that is missing or difficult to verify in terms of Know your customer (KYC) and risk assessment. HandEX focuses on financing between EUR 100,000 and EUR 5 million and also includes export insurance from Euler Hermes, including Federal Government guarantees, in the financing solutions it offers. The platform launched in 2019 was founded by Vincent Lauer (CEO), Patrick Kupitz (CFO) and Asfandyar Malik (CTO). HandEX investors include the well-known early stage venture fund, High-Tech Gründerfonds, as well as prominent business angels such as Andrew Shaw (Coya AG) and Ingo Saleck (start-up investor). Further information can be found at <https://www.handex.co/>

## About Federal Government Export Credit Guarantees (Hermes Cover)

Export credit guarantees are processed on behalf of the Federal Government by Euler Hermes AG as government mandatory. Hermes Cover is generally available to all German export companies regardless of the size of the company or transaction. A prerequisite for granting cover is that the transaction is eligible for support and the risk involved is justifiable. Federal Government export credit guarantees complement the offering of private credit insurers. They come into play when the private economy offers no appropriate or adequate cover. Consequently, a Federal Government transaction focuses on the protection of deliveries and services in emerging and developing countries. Export credit guarantees help small and medium-sized enterprises in particular to develop difficult to access markets and to maintain business relationships during difficult times. They protect exporters against bad debt losses due to economic or political factors and in many cases enable the necessary sales financing of a transaction in the first place. Further information: <https://www.agaportal.de/>

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**Image Content:**



Caption: Frank Otten, Member of the Executive Board of Varengold Bank AG and Vincent Lauer, CEO of HandEX GmbH (left to right); Photo credit: Marc Schultz-Coulon