Mondu Raises New €20m Debt Financing Round from VVRB

- The loan from Vereinigte Volksbank Raiffeisenbank (VVRB) will support further expansion of the German FinTech company domestically and internationally and in developing further products.
- Mondu is now opening an office in the Netherlands as part of its ongoing expansion plan.
- Since announcing its Series A round in May, Mondu has grown to over 120 people and recently appointed a new CCO and CPO.

Berlin, Germany. 09.00 AM CEST 13th October 2022: B2B payments company Mondu has raised a €20m debt investment round from German bank Vereinigte Volksbank Raiffeisenbank.

This is the first loan to Mondu, granted to a Luxembourg-based SPV and collateralized. This SPV-set-up allows Mondu to swiftly scale and diversify its refinancing with external investors - both German and International.

In parallel, as part of its growth plans Mondu is expanding into the Netherlands this October.

Founded in late 2021, Mondu launched a Buy Now, Pay Later for B2B solution for merchants and marketplaces. The company's solutions are already available to business customers in Germany and Austria, and will now be available in the Netherlands and enable cross-border commerce between these countries. Mondu's BNPL and Installments solutions offer business buyers their favorite offline payment methods in B2B and flexible payment terms in an online B2B checkout.

Since the business was founded, Mondu has raised a combined $57m from a Seed and Series A equity round from investors including US-based Valar Ventures, Cherry Ventures, FinTech Collective and angel investors.

Philipp Povel, Co-Founder Co-CEO of Mondu, said "This is another strategic milestone for Mondu. To have VVRB, a member of the distinguished Group of German Cooperative Banks, provide this loan gives a high level of credibility to our business. It's proof that our payments solutions are appealing to outside creditors. The financing will further support our European expansion and allow us to develop further payment solutions that benefit business customers."

It is not the first time that VVRB has used this innovative form of lending to diversify its credit portfolio. **Ralf Magerkurth, VVRB's CEO, commented** "We see incredible potential in Mondu and its outstanding leadership team. We believe that BNPL for B2B can have a significant impact on SMEs and we were well convinced by the concept the management team presented to us. We are excited to support Mondu`s growth."

As part of its expansion, Mondu plans to open a new office in the Netherlands, hire local personnel and invest in local marketing activities. A vast recruitment campaign is currently

on-going in Amsterdam. The expansion to the Dutch market is a logical next step in Mondu's ongoing growth streak.

Philipp Povel added, "The Netherlands has a modern trade market, with 48 percent of B2B orders placed online. This year, B2B e-commerce revenue from physical goods alone will hit approximately $38 billion. By 2025, revenues are expected to grow to $54.5 billion. With Mondu's BNPL solutions, B2B businesses in the Netherlands will be able to increase conversion rates and loyalty by allowing buyers to experience a fast and frictionless B2C-like payment experience with flexible terms. Local B2B Businesses will have better cash flow management, minimize operational workload, and be able to effortlessly expand their operations by selling cross-border to buyers in Germany and Austria without risk."

In recent weeks Mondu announced the expansion of its C-Suite team with the appointment of Julian Kurz as Chief Commercial Officer and Lauren Hoehlein Joseph as Chief People Officer. Mondu now counts more than 120 Monduneers in its team.

In addition to scaling its team, Mondu has also launched Split Payments. The new solution allows business buyers to divide their purchases into equal, interest-free payments – with no additional or hidden fees.

For more information, go to mondu.ai

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Notes to Editors

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Mondu Press Kit

About Mondu
Mondu is changing the B2B payments ecosystem. The Berlin-based fintech enables merchants and marketplaces to offer their business customers the most popular B2B payment methods - such as purchase on invoice and SEPA direct debit - and flexible payment terms in online checkouts. Vendors who work with Mondu are protected from default risk and save the hassle of collections and dunning, enabling them to focus on their core business and scale faster.

Mondu's product brings B2B payments up to par with B2C payments, putting customers in the heart of the payment flow and ensuring they have a seamless, modern and state-of-the-art experience.

The result is a win-win story: business customers have the power to purchase and pay when they want, which translates to a higher conversion rate and basket size for the supplier.

Mondu GmbH was founded in Berlin in 2021 by entrepreneurs Malte Huffmann, Philipp Povel and Gil Danziger to simplify B2B payment transactions, having experienced the pain points of online payment transactions as merchants for many years.

Mondu's mission is simple, to provide payment solutions that enable any B2B company to grow quickly and safely.

About Vereinigte Volksbank Raiffeisenbank (VVRB)
VVRB eG is a cooperative bank with over 65,000 members that offers all the banking services one expects from a bank. Its focus is on the financing and securities business, in which it has been breaking new ground for years. The bank is centred in Southern Hesse and Churfranken.