



Mdundo.com: Financial guidance and strategy update for FY 2024/25, expecting 40 million MAUs and an improvement of DKK 1 - 3 million in EBITDA

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Mdundo.com, a leading African music platform, announces the guidance for the fiscal year 2024/25 covering the period from July 2024 to June 2025. The company expects to improve EBITDA significantly from expected minus DKK 6 - 7 million in 2023/24 to minus DKK 4 - 5 million moving towards EBITDA positive. Mdundo is expecting to limit the focus on customer acquisition while focusing on improving the unit economics, as a result hereof, the company is replacing the long term goal of 50 million monthly active users by 2025 to 40 million monthly active users by June 2025. The company still has a goal of positive EBITDA by the end of calendar year 2025.

Contains inside information

Company Announcement Number 07-2024

[Mdundo.com](https://www.mdundo.com) is experiencing rapid growth in revenue from paid subscription through partnerships with leading telecommunication companies and the company plans to prioritize the paid subscription business. In the forthcoming year, the company expects to generate total revenue of DKK 15 - 17 million, hereof 12 - 14 million from the paid subscription service. The company had a cash balance of DKK 11.0 million by the end of May 2024.

DKK	Actual FY 22/23	Forecast FY 23/24	Guidance FY 24/25
Total Revenue	12.6 million	12 - 14 million	15 - 17 million
Revenue from paid subscription	4.4 million	7.3 million	12 - 14 million
EBITDA	Minus 7.8 million	Minus 6 - 7 million	Minus 4 - 5 million
Monthly Active Users (MAU)	26 million	35 million	40 million

Prioritize Subscription service with Telecommunication partnerships: Over the last four years, [Mdundo.com](https://www.mdundo.com) has established a strong and rapidly growing subscription business in partnership with Africa's leading telecommunication providers. The first paid service was launched in 2020 with the telecommunication company Vodacom in Tanzania adding a new revenue stream to the business. The revenues from subscription has grown year on year from DKK 50 thousand (FY 20/21), DKK 1.3 million (FY 21/22), DKK 4.4 million (FY 22/23) and a forecasted DKK 7.3 million (FY 23/24). The growth in 2023/24 must be seen in the perspective of a 68% drop in the Nigerian naira value and a 10% drop in the Tanzanian shilling value against the DKK during the financial year, meaning growth in local currencies from 22/23 to 23/24 are expected to be an impressive 169%. Today the company has partnerships with MTN, Vodacom, Airtel and Safaricom across the five biggest markets in Sub-Saharan Africa (Kenya, Nigeria, Tanzania, Ghana and South Africa). The growth in subscription revenue is expected to continue to reach DKK 12 - 14 million in the next financial year (FY 2024/25) and the company expects to launch 2 - 3 new partnerships in the forthcoming financial year.

Consistent Growth in Monthly Active Users: Mdundo expects to reach 35 million monthly active users in June 2024. The company has grown significantly in the last five years from a customer base of 1.9 million monthly active users in June 2019, and the Company expects to increase the focus on driving value per user through its paid subscription service in the coming year. As a result of this prioritization, combined with a decline in the value per user from the free service, the company expects a slower growth in the total base and aims to grow the service to 40 million monthly active users by June 2025.

Upscale Advertising Sales Operations: The company expects to increase the advertising sales activities across key markets and sectors to further tap into the potential of Mdundo's unique advertising solution. The company has hired a country manager for Tanzania from June 2024 to further drive the uptake of Mdundo's advertising solution in Tanzania. The

company expects to recruit an additional Business Development Manager located in South Africa with a focus on Sub-Saharan campaigns managed from Johannesburg.

Enter secondary markets with strong partners: Mdundo has had a primary focus on five markets in the last 4 years, Kenya, Tanzania, Nigeria, Ghana and South Africa, which accounts for approximately 60% of Monthly Active Users. The company has seen significant user growth in other markets across Africa and are expecting to increase the focus on secondary markets together with a strong partner such as a telecommunication company in the forthcoming year.

Key Financial Outlook:

- **User Growth Anticipated:** Projecting 5 million increase in monthly active users from June 2024 to June 2025, aiming at 40 million.
- **Revenue Growth:** Aiming for DKK 15-17 million, reflecting a 7-42% growth from the financial year 23/24.
- **EBITDA Improvement:** Targeting DKK -4 to -5 million, showcasing an improvement of DKK 1-3 million from 23/24.

Annual Report: The company is releasing its next annual report on 26th September 2024.

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About Mdundo.com A/S

Mdundo is a leading music service for Africa with millions of people streaming and downloading music from our app and website every month. We aim to provide Africa's millions of internet users with easy access to music whilst contributing structure, legality, and income to the sector. More info: <https://mdundo.com/>

[Mdundo.com A/S](#)

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Attachments

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