



Mdundo.com: Lowers guidance for revenue in 2024/25 and now expects growth of up to 26% from last financial year, down from a previously expected growth of 26-43%. EBITDA and user guidance are maintained.

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The African music service, Mdundo.com, has lowered its revenue expectations for the financial year 24/25 from the previously announced DKK 15 - 17 million to DKK 12 - 15 million. The new expectation represents a growth of up to 26% compared to the last financial year. EBITDA expectations are unchanged and the company emphasizes continued strong growth from paying subscribers. The company invites for a Question & Answer session with the CEO and chairman on 29th November 2024 at 15:00 CET. Join here: <https://meet.google.com/dnf-doxd-hou>

Contains inside information

Company Announcement Number 17-2024

	23/24 Result	June 2024 Guidance	November 2024 Guidance
Revenue (DKK):	11.9	15 - 17 million	12 - 15 million
EBITDA (DKK):	Minus 6.4 million	Minus 4 - 5 million	Minus 4 - 5 million
Monthly Users:	35 million	40 million	40 million

The lower revenue guidance can be attributed to a significant drop in prices of display ads served to Mdundo's target audience and some technical challenges related to the subscription service:

Challenging development in display advertising prices in Africa: The company's display ads are hit by a significant decline of 44% in CPM (price per impression) over the last 6 months, especially in Nigeria which accounts for 55% of the display advertising revenue over the last 12 months. Mdundo is focused on optimizing the advertising setup to increase the value per user in combination with the increased focus on the paid subscription service to overcome the challenge. In addition, the company has released a native web application targeting audiences with a higher advertising value per user, including the diaspora market.

Strong growth in earnings from paying users: The company is still expecting strong growth in revenue from the paid service, but the company has been facing technical challenges in two of the existing partnerships and is working closely with the telecommunication providers to fix the challenges and increase the marketing efforts. As a result, Mdundo was included in the latest youth package from Vodacom in Tanzania. A package, where the customer gets access to Mdundo as part of their bundle and not as a separate subscription. The company has launched the paid service with Globacom and has signed an agreement with an additional telecommunication partner within the current financial year. The company has earlier communicated an expectation of two to three new telecommunication partnerships to be launched within the financial year, which is still the expectation.

Unchanged EBITDA expectations with an improvement of DKK 1.4-2.4 million from last financial year: The company expects no change in the guided EBITDA. As previously communicated, the company aims to improve EBITDA by DKK 1.4 - 2.4 million compared to the last financial year with a target of minus DKK 4 to 5 million for the financial year 2024/25. The combination of lower revenue and unchanged EBITDA is, among other things, an expression of tight cost control and in general higher efficiency than expected.

Monthly active user (MAU) expectations unchanged:

Mdundo expects to reach 40 million monthly active users in June 2025. 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 has increased the focus on driving value per user through its paid subscription service in the coming year rather than step user growth.

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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/>

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Attachments

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