MDUNDO.COM QUARTERLY STATEMENT Q1 2025/2026

July to September 2025

21st October, 2025

mdundo

Mdundo.com A/S: Expanding local payment options and launching mobile music games

Mdundo.com A/S continues to strengthen its position as one of Africa's leading music platforms, providing millions of users with legal and affordable access to music while ensuring fair compensation to artists. Since the company's IPO in 2020, Mdundo has scaled from 5 million to over 41.8 million monthly active users, expanded partnerships with the continent's largest telecom operators, and established one of the most extensive catalogues of African music available online.

The company's focus remains clear: to make music easily accessible and build a profitable, scalable business anchored in Africa's fast-growing digital economy. While Mdundo continues to operate in a challenging advertising environment, management remains confident in the long-term fundamentals of the African music market and focused on initiatives within its control, expanding subscription revenue, diversifying payment channels, and introducing innovative products that strengthen user engagement and artist value.

Highlights:

- **41.8 million monthly active users in September 2025, up 11% year-on-year.**
- **Mobile money payments launched in Uganda through PawaPay, unlocking potential reach to 19 African markets via a single integration.**
- **Music gaming experience launched in Uganda, showing high engagement and early signs of willingness to pay for gamified entertainment.**
- **Bi-annual artist payout completed, distributing royalties across 20+ African countries; extensive PR coverage across Kenya, Nigeria, Tanzania, Ghana, and Uganda strengthened Mdundo's pan-African brand and artist trust.**

Quarterly Review

Strategic Focus on Subscriptions

During the quarter, the company launched mobile money as an alternative payment method, launched in Uganda with the payment aggregator Pawapay which allows for expansion to 19 African markets with a single integration. The feature allows users to pay directly from their mobile wallets, significantly improving convenience and accessibility, however the service only supports one-off payments and does not support recurring billing as required for subscription.

The $1.99/month diaspora plan remains a focus for the company, targeting Africans living abroad, adding an additional layer of stable, USD-denominated income. This is an entirely new segment for us, and while we see strong interest in our content, establishing the right product-market fit and scaling across this audience will naturally take time.

These developments support the company's broader ambition to build predictable, subscription-based revenue streams and reduce reliance on fluctuating advertising yields. Mdundo expects subscription revenue to remain the company's strongest performing segment throughout FY25/26.

Development of Music Gaming

A major milestone in the quarter was the public launch of Mdundo's music gaming experience, a new interactive format that combines entertainment and competition. The game enables users to identify artists or songs, earn points, and compete on weekly leaderboards for prizes, introducing a gamified layer of engagement that enhances both user retention and monetisation potential.

The product was rolled out in Uganda during the quarter, with strong early adoption among core audiences. Initial tests show a high interest in engaging with the games and willingness to pay for games where there's a chance to win prizes and get extra assistance.

The new feature represents a strategic product evolution for Mdundo — adding interactivity, deepening user engagement, and aligns with the objective of driving user payments.

Artist Payout and Empowerment

In the first quarter of the financial year, Mdundo executed its bi-annual royalty payout, distributing earnings to artists and rights holders across more than 20 African countries. Mdundo's royalty-sharing model allocates 50% of eligible net revenue to content holders, proportionately distributed according to their share of downloads/plays within a payout period.

This year's payout was amplified by storytelling and digital campaigns spotlighting artists in Kenya, Nigeria, Tanzania, Ghana, and Uganda. In Kenya, for example, local press highlighted how Kenyan musicians earned from Mdundo. The media visibility around the payout — including coverage in various media outlets across Mdundo's key markets, reinforced Mdundo's positioning as a leading pan-African music brand committed to fair compensation and artist empowerment.

Through these efforts, the payout itself becomes a brand building moment, resonating with artists (existing and prospective), strengthening trust amongst rights holders, and elevating Mdundo's public reputation as a platform that prioritises both scale and fairness across Africa's music ecosystem.

Operational Focus and Outlook

Management maintains a clear focus on:

- Expanding subscription revenues through diversified local billing, product innovation and diaspora growth.
- Optimise cost base & build a leaner organisation. Ensure resources focus on high-return activities; disciplined OPEX control to support profitability.

Guidance Financial Year 2025/2026:

- Revenue: DKK 12–15 million (2024/25: DKK 11.0 million)
- EBITDA: DKK -2 to -3 million (2024/25: DKK -5.5 million)
- Cash Position: DKK 1-2 million (2024/25: DKK 4.7 million)
- MAUs: 45 million (2024/25: 40.5 million)

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