



Mdundo.com A/S Refocuses Strategy on Paid Subscriptions and Profitability Following Ownership Review

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Company replaces Monthly Active Users with Paying Subscribers as key metric, scales back advertising operations, and updates FY2025/26 guidance to reflect stronger focus on sustainable, recurring revenue.

Inside information

Company announcement 13-2025

As announced in Company Announcement No. 03-2025, the Board of Directors of Mdundo initiated a strategic review aimed at accelerating value creation and leveraging the Company's strengthened position since its IPO. The review was intended to explore potential strategic options, including a change in ownership, merger, investment from a strategic partner, or other forms of consolidation. Deloitte Corporate Finance South Africa was appointed as financial advisor to assist the Board in this process.

At present, no opportunities have advanced to a stage the Board considers sufficiently attractive to pursue further. However, discussions remain ongoing with a potential strategic investor that could result in an investment. Should these discussions not materialize, the Board intends to explore the possibility of a capital raise to further strengthen the Company's growth and development prospects.

Change in operational focus:

Insights from the ownership review have led management to refocus the Company's strategy towards paid user growth and monetisation rather than overall scale. Accordingly, Mdundo will, with immediate effect, replace Monthly Active Users (MAU) as its primary non-financial performance metric with paying subscribers per quarter.

This change underscores a strategic shift towards building a sustainable, paid digital entertainment business. The ownership review concluded that MAU is no longer the most relevant indicator of long-term value creation, particularly as Mdundo reduces its freemium offering and concentrates on attracting and retaining paying users. As a result, MAU figures are expected to fluctuate heavily as new payment models, paid features, and user journey adjustments are introduced.

In line with this strategic direction, management has also decided to scale back activities within the advertising segment, which has underperformed growth expectations and currently contributes negatively to EBITDA. Reducing reliance on advertising will enhance the Company's profitability profile for the financial year and allow greater focus on expanding subscription-based revenues and other paid features.

Adjustment of guidance:

Reflecting the slower-than-expected start to advertising sales and the reallocation of resources toward subscription growth and other paid services, Mdundo updates its full-year financial guidance as follows:

Metric	Previous Guidance	New Guidance
Revenue (DKK)	12-15 million	9-11 million
EBITDA (DKK)	-2 to -3 million	-1.5 to -2.5 million
Cash at Year-End (DKK)	1-2 million	0.5-1.5 million
MAU	45 million	Suspended

Vision: Africa's Leading Online Entertainment Service

[Mdundo.com](https://mdundo.com) remains committed to its long-term ambition of becoming Africa's leading online entertainment service, integrating music and music gaming into one accessible and engaging platform.

With a focus base of paying subscribers, strengthened payment integrations such as mobile money via PawaPay, and new gaming-led entertainment formats, the Company sees rising willingness to pay across both African and diaspora audiences.

This renewed focus on subscription revenue, and entertainment innovation is expected to strengthen Mdundo's profitability, resilience, and long-term shareholder value creation.

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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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