



Mdundo.com A/S: Improved profitability and cash flow through strategic transition to paid subscriptions

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Improved profitability and cash flow in the first half of FY 2025/26 despite lower revenue, as the Company continued its strategic transition towards a subscription-led model, implemented cost and organisational changes, and replaced MAUs with subscribers as its primary non-financial performance metric.

During the first half of the financial year 2025/26, [Mdundo.com](#) continued its strategic transition towards a more focused, subscription-led business model, prioritising the paid subscriber business and improved cash flows. Performance for the period is assessed against the updated full-year guidance communicated in October 2025 following the Company's strategic refocus towards profitability and recurring revenue. Subscription activity remained the core monetisation driver, with subscribers adopted as the primary non-financial metric. During the last quarter of the calendar year, 9.9 million subscription payments were processed across the platform.

Highlights (H1 FY 2025/26)

- **Revenue:** DKK 4.4 million (-25.6% Y/Y), reflecting a deliberate scaling back of low-margin advertising and direct sales in a challenging ad market.
- **EBITDA:** Improved by 46.9% Y/Y to DKK -1.1 million, driven by structural cost reductions and a leaner operating model; in the second quarter EBITDA was limited to approx. DKK -300k.
- **Cash flow:** Net cash flow for the period was DKK -1.6 million, compared to DKK -3.5 million in H1 FY 2024/25, reflecting materially lower operating cash burn.
- **New KPI:** Subscribers adopted as the primary non-financial metric, replacing MAUs, to better reflect value creation and economic performance.
- **Subscription activity:** 9.9 million subscription payments processed during the last quarter of the calendar year by 906k unique subscribers.
- **Product:** Multiple PWA releases, rollout across additional African markets, and launch of music-themed games generating early payment activity.
- **Efficiency and margin improvements:** The organization has been restructured, particularly within telco partnership management and licensing operations. The changes are fully executed by early March 2026 and are expected to result in a net EBITDA improvement of approximately DKK 120k in the current financial year. The yearly impact on EBITDA when the changes are fully executed is expected to be ~DKK 720k, assuming no change in revenue and a positive impact on cashflow of approximately DKK 1.2 million / yearly. In parallel, changes in terms and conditions have been executed. These changes are expected to improve gross margin by 5 percentage points already in H2 and have a positive impact on EBITDA. None of these improvements are reflected in H1 results.

Outlook for FY 2025/26

Management remains focused on improving billing stability, scaling paid entertainment formats, strengthening margins, and maintaining strict cost and cash discipline. There are no changes to previously communicated guidance:

- Revenue: DKK 9-11 million
- EBITDA: DKK -1.5 to -2.5 million
- Cash at year-end: DKK 0.5-1.5 million

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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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