



Mdundo.com A/S announces rights issue of shares with pre-emptive rights for existing shareholders of up to DKK 10.2 million

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The Board of Directors in Mdundo.com A/S ("Mdundo" or the "Company") has today resolved to increase the share capital with up to a nominal amount of DKK 1,019,666.80 corresponding to 10,196,668 new shares (the "New Shares") each with a nominal value of DKK 0.10. The share capital increase is carried out as a rights issue with preferential rights (the "Subscription Rights") for existing shareholders ("Rights Issue" or the "Issue") at a subscription price of DKK 1.00 per New Share (the "Subscription Price"). The Rights Issue is carried out by exercising clause 5.4 of the Articles of Association. In connection with the Rights Issue, the Company has received legally binding written pre-subscription commitments and guarantee undertakings from existing shareholders and a new investor of approximately DKK 7.5 million, corresponding to approximately 73.2 percent of the total Rights Issue.

THIS COMPANY ANNOUNCEMENT CONTAINS INSIDE INFORMATION

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Summary of the Rights Issue:

The Rights Issue is to be carried out on the following main terms:

- The capital increase is carried out as a Rights Issue with preferential rights for existing shareholders exercising authorization in the Articles of Association clause 5.4.
- Existing shareholders will receive one (1) Subscription Right for every one (1) existing share, which is held on the record date of 21 April 2026. Every one (1) Subscription Right entitles the holder to subscribe for one (1) New Share in the Company.
- The Rights Issue comprises a maximum of 10,196,668 New Shares.
- The Subscription Price is set at DKK 1.00 per New Share.
- The last day of trading in the Company share, including the right to receive Subscription Rights in the Rights Issue is 17 April 2026.
- The subscription period runs from 22 April 2026 09.00 A.M. CEST to 5 May 2026 05.00 P.M. CEST.
- Upon full subscription of the Rights Issue, Mdundo will be provided with approximately DKK 10.2 million before deduction of transaction-related costs.
- The Company has received legally binding written pre-subscription commitments and guarantee undertakings from existing shareholders and an external investor of approximately DKK 7.5 million, which is equivalent to 7,467,203 new shares. This corresponds to approximately 73.2 percent of the total Rights Issue.
- The Company's share capital prior to the Rights Issue amounts to DKK 1,019,666.80 divided upon 10,196,668 shares with a nominal value of DKK 0.10 per share.

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1. Background and use of proceeds

The Platform Is Built

Since its IPO in 2020, Mdundo has built the infrastructure for legal African music distribution at scale. The platform has grown from 5 million to 41.5 million monthly active users prior to resetting for profitability cf. Company announcement 13-2025 and now hosts over

900,000 African songs uploaded directly by artists, complemented by more than 3 million international tracks and close to one million unique subscribers during the latest quarter.

Through integrations with eight leading telecom operators, Mdundo reaches 352 million potential mobile subscribers. These partnerships enable carrier billing in markets where card penetration is limited, effectively solving Africa's core digital payment barrier. Distribution, content, and monetization rails are established, creating a scalable foundation for profitable product-led growth.

The Model Is Validated

Subscription revenue has increased from DKK 0.1 million in FY20/21 to DKK 8.7 million in FY24/25 and now accounts for 79% of total revenue. Gross margins of 49% are way above industry-standards and reflect the strength of Mdundo's direct artist model and efficient royalty structure.

A Deloitte Corporate Finance-led strategic review confirmed meaningful buyer interest and highlighted a clear valuation driver: scalable premium subscription revenue. The company's next phase is therefore focused on accelerating direct paid monetization.

The Strategic Reset: Monetization Discipline

Management executed a disciplined reset to strengthen profitability before scaling further. Loss-making advertising and freemium initiatives were deprioritized, and paying subscribers replaced MAU as the primary non-financial KPI.

Operating expenses were reduced by 50%, from DKK 10.7 million to a stable annual level of DKK 5.4 million. EBITDA improved 47% year-on-year in H1 FY25/26, with Q2 losses reduced to DKK 300,000. The transition phase is complete, leaving a lean cost base and visible operating leverage.

Market Timing

Sub-Saharan Africa is entering a structural digital inflection. The region has 483 million internet users growing at ~8% annually, smartphone penetration is accelerating toward 87% by 2030, and mobile money has scaled to 621 million accounts with USD 1.26 trillion in annual transaction value (Source: GSMA Mobile Economy Sub-Saharan Africa 2024, GSMA State of the Industry Report on Mobile Money 2024).

At the same time, demand for African music is surging. Consumption grew 34.7% in 2023, and Afrobeats has become the fastest-growing global music genre. The infrastructure and payment constraints that once limited premium monetization are diminishing. (source IFPI Global Music Report 2024)

Two Monetization Engines

Mdundo operates two complementary revenue engines. The telco B2B2C foundation generated DKK 8.7 million in annual subscription revenue and provides recurring, carrier-billed income embedded within telecom ecosystems.

Building on this base, the company is scaling a direct premium tier targeting higher-value segments: an emerging African middle class willing to pay approximately USD 1.50 per month and a global diaspora of approximately 350 million people transacting in USD and EUR. The premium layer increases ARPU without replacing the established telco base.

Demand is proven: 500,000-1,000,000 monthly users from diaspora markets (US, UK, Germany, France) already access the platform, and 1,500 direct paying subscribers within Africa since the launch in late 2025 validate both pricing and payment mechanics at small scale.

Conversion strategy differs by segment: African middle-class users will be converted through aggressive paywalls for heavy users combined with mobile money integration, shifting the platform's focus from optimized for strong freemium experience to premium conversion. Diaspora users will be targeted through premium app launches with international card payment support (USD/EUR).

Alongside this, the company will continue experimenting with new online entertainment offerings driving payments and ARPU from the existing customers.

Exceptional Operating Leverage and Marginal Profitability

With annual operating expenses at DKK 5.4 million and gross margins near 49%, Mdundo is positioned for significant operating leverage. Break-even requires roughly 20,000 direct paying subscribers. At 100,000 direct premium tier subscribers, annual EBITDA would approach DKK 4.8 million.

Because the cost base is largely fixed, incremental revenue converts efficiently into earnings, creating strong marginal profitability as subscriptions scale.

Capital Raise: Accelerating the Inflection

Mdundo is raising DKK 7.5 - 10.2 million to accelerate premium monetization. This leaves the Company with expected net proceeds of DKK 6.6–9.0 million. DKK 1.5–2 million secures 12–18 months of runway to EBITDA positivity, while DKK 4.6–7.5 million will be invested in product development to convert proven demand into paying subscribers. Product development priorities:

African middle class: Develop premium apps (iOS/Android) based on the existing content and telco partnerships to drive conversion of middle-high income segment in Africa expecting app-based experience.

African diaspora: Develop service targeting 500,000-1,000,000 current diaspora users and expand to Africa's 350M global diaspora with USD/EUR payment options.

Optimization: Improve conversion funnels through systematic A/B testing of conversion driving features and content.

This approach is supported by demonstrated execution: DKK 0.1M to DKK 8.7M subscription revenue growth, 8 telco partnerships integrated, and 1,500 paying subscribers acquired within four months of mobile money launch.

With infrastructure in place and a stabilized low-cost base, the company is positioned to translate subscriber growth into future rapid EBITDA expansion. As earnings become visible and scalable, valuation re-rating potential increases toward subscription-driven multiples observed in global streaming markets.

Following a successful execution, Mdundo will offer both earnings-driven upside and strategic optionality. Logical acquirers include telecom operators seeking vertical integration, regional media groups, and global streaming platforms pursuing African market depth. Simultaneously, improved profitability supports continued scaling. Investors are therefore positioned to benefit from operating leverage, multiple expansion, and credible exit pathways.

INFORMATION ABOUT THE COMPANY

Vision and Mission

[Mdundo.com](https://www.mdundo.com)'s vision is to become Africa's leading online entertainment service, providing legal, affordable music access while ensuring fair artist compensation and shareholder value. The company has completed its strategic turnaround—EBITDA improved 47%, cash burn reduced 54% in H1 FY25/26—and is approaching profitability. This rights issue raises capital to accelerate proven revenue channels from a sustainable base, not funding operating losses. Proceeds will fund diaspora subscription product development, payment optimization to improve conversion toward industry benchmarks, and music gaming expansion. With established monetization through paying customers, Mdundo now needs capital to optimize conversion and scale multiple revenue channels while addressing fundamental market needs: African users seeking legal music access and artists seeking fair distribution where international platforms underserve local content.

Business Model

Mdundo operates a three-tier revenue model maximizing reach and monetization across African markets. The foundation tier offers free, ad-supported music for user acquisition and artist ecosystem development. The core tier comprises telco B2B2C subscriptions, where operators bundle Mdundo's service with data plans using carrier billing, generating DKK 8.7 million annually. The growth tier targets direct premium subscriptions at \$1.50/month for the African middle class and diaspora, offering the highest ARPU and clearest profitability path.

The value proposition varies by stakeholder. Users access 900,000 African and 3 million international tracks at affordable prices, with mobile money and telco billing (no credit cards required) plus data-efficient offline downloads. Artists gain direct upload without labels, transparent royalty payments, pan-African distribution, and legal monetization versus piracy. Telcos receive content differentiation for retention, revenue sharing, and locally-relevant value-added services enhancing their data offerings.

Market Size and Growth Dynamics

Sub-Saharan Africa represents one of the world's largest and fastest-growing digital entertainment markets, with unique characteristics creating opportunities for local platforms. The region has 1.2 billion people with a median age of 19—the world's youngest population—and 60% under age 25, representing the core music streaming demographic. Internet penetration has reached 483 million users representing 40% of the population and growing at 8% annually, while smartphone adoption at 676 million devices (65% of connections) is projected to reach 87% penetration by 2030. Mobile money accounts have reached 621 million with \$1.26 trillion in transaction value, enabling digital payments for populations without traditional banking access. Consumer spending on mobile entertainment is expected to reach \$11 billion by 2028, growing at 18% CAGR from \$4.7 billion in 2023, while the African music streaming market specifically is projected to grow from \$92 million in 2023 to \$314 million by 2030 at 19% CAGR. (Source: GSMA Mobile Economy Sub-Saharan Africa 2024, GSMA State of the Industry Report on Mobile Money 2024, PwC Global Entertainment & Media Outlook 2024-2028)

Multiple macro trends support continued growth in African digital music consumption. Smartphone penetration continues expanding rapidly as device costs decline and network coverage improves. Data costs are declining 15-20% annually in key markets like Kenya, Nigeria, and Tanzania, making streaming increasingly accessible (source: Data costs declining 15-20% annually in Kenya, Nigeria, Tanzania). Telecommunications operators are increasingly offering content bundles combining data with streaming services as a

differentiation strategy. African music genres including Afrobeats, Amapiano, and Gengetone are experiencing global breakout success, driving both domestic demand and diaspora engagement—African music consumption grew 34.7% in 2023 with Afrobeats streams up 550% globally over five years. The 350 million African diaspora represents an additional addressable market with higher purchasing power and cultural connection to African content (source: World Bank Migration and Remittances Data).

Competitive Positioning

Mdundo competes against three primary categories of competitors, each with distinct advantages and vulnerabilities. Global digital streaming platforms including Spotify, Apple Music, and YouTube Music possess superior technology, brand recognition, and capital resources, but Mdundo maintains several defensible advantages: Affordable monthly pricing addresses price-sensitive African markets; 900,000+ African songs; local payment method support including mobile money and carrier billing; and 49% gross margins versus 29% for licensing-dependent competitors through direct artist relationships. Regional competitors compete more directly in African markets, but Mdundo's 8 established telecommunications partnerships representing 352 million combined reach, direct artist model enabling superior margins, and proven B2B subscription revenue of DKK 8.7 million annually provide competitive edge. Against piracy and free alternatives like YouTube, Mdundo offers legal access with artist compensation, superior user experience with offline capability, and curated local content discovery not easily found on generic platforms.

Financial Profile and Outlook

For the current financial year 2025/26, the company maintains guidance of DKK 8.5-10 million in revenue, EBITDA of DKK -1.3 to -1.8 million, and cash position of DKK 0.5-1.5 million without new capital. Following the capital raise, management targets achieving EBITDA positive within 12-18 months through conversion of users to direct paying subscribers at an average of \$1.50 monthly pricing on top of existing telco subscribers. The company views this scenario as achievable given proven willingness-to-pay from current subscribers, established distribution partnerships, defensible content advantages, and favorable macro trends supporting African digital entertainment adoption.

2. Detailed terms and conditions

This section will describe the complete terms and conditions of the Rights Issue.

Structure

The share capital increase is carried out as a Rights Issue with preferential rights for the Company's existing shareholders. The Board of Directors is exercising clause 5.4 of the Articles of Association granted in the recently held Extraordinary General Meeting.

Minimum offer and proceeds

The Board of Directors of the Company has resolved on the share capital increase subject to a minimum of 7,467,203 new shares being subscribed (the "**Minimum Offer**"), equivalent to a subscription rate of approximately 73.2 percent. The Minimum Offer has been secured through binding pre-subscription and guarantee undertakings. Upon subscription of the Minimum Offer, Mdundo will be provided with approximately DKK 7.5 million in gross proceeds before deduction of transaction-related costs. The transaction-related costs associated with the Minimum Offer have been estimated at approximately DKK 0.9 million, providing the Company with approximately DKK 6.6 million in net proceeds.

Maximum offer and proceeds

The Rights Issue comprises of a maximum of 10,196,668 New Shares (the "**Maximum Offer**").

Upon subscription of the Maximum Offer, Mdundo will be provided with approximately DKK 10.2 million in gross proceeds before deduction of transaction-related costs. The transaction-related costs associated with the Maximum Offer have been estimated at approximately DKK 1.2 million, providing the Company with approximately DKK 9.0 million in net proceeds.

Allocation of Subscription Rights

Existing shareholders are allocated one (1) Subscription Right for each one (1) share held in the Company that the respective shareholder holds in their account at VP Securities (Euronext Securities Copenhagen) at the record date of 21 April 2026 at 5.00 P.M. CEST. The holders of Subscription Rights can for every one (1) Subscription Right subscribe for one (1) New Share in the Company. The Company has 10,196,668 shares registered before the commencement of the Issue. In the issue a total of 10,196,668 Subscription Rights will be allocated.

The last day of trading in the Company share, including the right to receive Subscription Rights in the Rights Issue, is 17 April 2026, provided the trade is settled on the customary two-trading-day value date. Mdundo's management and Board of Directors own, directly and indirectly, the following shareholdings prior to the Rights Issue:

Name	Association	Number of shares
Jesper Vester Drescher	Chairman of Board of Directors	1,328,803

Kristopher Senau	Board Member	0
Joseph Hundah	Board Member	0
Jaikaran Sawhny	Board Member	0
Martin Møller Nielsen	CEO	323,259
Total		1,655,062

Trading of Subscription Rights

The Subscription Rights will be admitted to trading on Nasdaq First North Growth Market Denmark under the ISIN code DK0064868350. The trading period for Subscription Rights runs from 20 April 2026 9.00 A.M. CEST to 1 May 2026 at 5.00 P.M. CEST.

Upon expiry of the trading period of Subscription Rights, any Subscription Rights not exercised will lapse without value, and the holders of lapsed Subscription Rights will not be entitled to any compensation. Investors who have acquired Subscription Rights will incur a loss equivalent to the purchase price of the Subscription Rights and the transaction costs associated with their acquisition of the Subscription Rights if left unused. Trading of Subscription Rights is conducted at the sole account and risk of the investor.

Subscription Price

The Subscription Price is DKK 1.00 for every one (1) New Share in the Company.

Subscription period

The subscription period for the Rights Issue runs from 22 April 2026 9.00 A.M. CEST to 5 May 2026 5.00 P.M. CEST.

Subscription with the support of Subscription Rights

Holders of Subscription Rights can subscribe for New Shares and must do so through their custodian institution or financial intermediary, in accordance with the rules of the respective institution. The deadline for notification of exercise depends on the holder's agreement with, and the rules and procedures of, the relevant custodian institution or other financial intermediary and may be earlier than the end of the subscription period. Once a holder has exercised its Subscription Rights, the exercise may not be revoked or modified. During the trading period of Subscription Rights, holders of Subscription Rights who do not wish to exercise their Subscription Rights to subscribe for New Shares may sell their Subscription Rights on Nasdaq First North Growth Market Denmark, and a purchaser may use the acquired rights to subscribe for New Shares. Holders wishing to sell their Subscription Rights should instruct their custodian institution or other financial intermediary accordingly.

Subscription of remaining shares

Remaining shares may, without compensation to the holders of unused Subscription Rights, be subscribed for by existing shareholders and new investors who submit a subscription form for subscription of remaining shares without support of Subscription Rights before the end of the subscription period, and existing shareholders and investor who have entered guarantee undertakings.

The subscription form shall be filled out and submitted to the account holders' own bank according to their respective instructions and deadlines.

Subscription of remaining shares via subscription form

The subscription form is to be submitted to the investor's own custodian bank within the subscription period. For a subscription to be binding, the subscription form must be submitted to the investor's own custodian bank in due time for the custodian bank to process and deliver the order, so that the subscription has been received by Danske Bank A/S no later than 5 May 2026 at 5.00 P.M. CEST. It is solely the investor's responsibility that their subscription is received in due course by Danske Bank A/S.

Temporary shares, payment and settlement of New Shares

Upon exercise of Subscription Rights and payment of the Subscription Price, temporary shares will be issued and allocated on subscribers' account with VP Securities A/S (Euronext Securities Copenhagen). The temporary shares will be issued with the ISIN code DK0064868277. The temporary shares will not be admitted to trading on Nasdaq First North Growth Market Denmark under the temporary ISIN code. The temporary share is registered in VP Securities A/S (Euronext Securities Copenhagen) solely for the subscription of New Shares and will be held in VP Securities A/S (Euronext Securities Copenhagen) expected until 20 May 2026, where the temporary share will be merged with the permanent share. The temporary shares will automatically be exchanged for ordinary shares. Registration of the New Shares with the Danish Business Authority is expected to take place on 13 May 2026.

Plan of distribution and allotment

Allocation of subscribed shares in the Rights Issue will be decided by the Company's Board of Directors, with the following guiding principles:

1. Subscription with support of Subscription Rights
2. Subscription for remaining shares without support of Subscription Rights
3. Guarantee undertakings

In the event of an oversubscription and the need for a reduction in allocations, the Board of Directors shall determine the method of allocation at its discretion for subscription for remaining shares without support of Subscription Rights. Individual investors will be informed of their respective allocations through their respective banks.

Withdrawal of applications of subscription

Instructions to exercise Subscription Rights related to the Rights Issue are irrevocable, except in the event of any material changes in connection with the information in the Company announcement announcing the Rights Issue which may affect the evaluation of the Subscription Rights, the New Shares or the existing shares, which occurs or is ascertained between the time of publication of said Company announcement and the completion of the Rights Issue or the delivery of the New Shares. In the event that a supplement to this announcement is published by the Company during the time for trading in Subscription Rights and/or the subscription period, investors will have the right to withdraw subscriptions made for New Shares within three (3) business days from publishing such information.

Withdrawal of the Rights Issue

The Rights Issue is subject to no events occurring prior to the registration of the share capital increase with the Danish Business Authority which, in the evaluation of the Board of Directors of the Company, would result in the completion of the Rights Issue being inadvisable. The Rights Issue may be withdrawn at any time prior to the registration of the capital increase related to the New Shares with the Danish Business Authority. In the event of withdrawal, none of the submitted subscriptions, with and without the support of Subscription Rights, for New Shares will be accepted and no New Shares will be issued. Trading with New Shares made prior to the withdrawal will not be affected.

If the Rights Issue is withdrawn, any exercise of Subscription Rights that has already taken place will be cancelled automatically. The subscription amount for New Shares will be refunded to the last registered holder of the New Shares at the time of withdrawal. All Subscription Rights will be cancelled, and none of the New Shares will be issued.

Trades involving Subscription Rights, executed during the trading period of Subscription Rights and completed will not be affected. Consequently, investors who have acquired Subscription Rights will incur a loss equivalent to the purchase price of the Subscription Rights and the transaction costs associated with their acquisition of the Subscription Rights if the Rights Issue is withdrawn.

Investors who have acquired New Shares will receive a refund of the subscription amount for New Shares.

The Company is not liable for any losses that investors may suffer as a result of withdrawal including but not limited to any transaction costs or lost interest.

Trading, purchase, and subscription in Subscription Rights and/or New Shares prior to the completion of the Rights Issue is made at the holder's own account and risk.

Any withdrawal of the Rights Issue will be announced immediately through Nasdaq First North Growth Market Denmark.

Announcement of the result of the Rights Issue

The result of the Rights Issue will be communicated in a company announcement expected to be published on 8 May 2026.

Change of share capital and dilution

At the assumption of a fully subscribed Rights Issue, the number of shares in the Company will increase by a maximum of 10,196,668 New Shares, from 10,196,668 shares to 20,393,336 shares, and the share capital will increase by a maximum of DKK 1,019,666.80, from DKK 1,019,666.80 to DKK 2,039,333.60. This means that existing shareholders who choose not to participate in the Rights Issue will, if fully subscribed, experience a dilution corresponding to 50 percent. At the assumption of the minimum subscription, the number of shares in the Company will increase by 7,467,203 new shares, from 10,196,668 shares to 17,663,871 shares, corresponding to a dilution of approximately 42.3 percent, and the share capital will increase by 746,720.30 DKK, from 1,019,666.80 DKK to 1,766,387.10 DKK.

3. Subscription undertakings

Mdundo has received legally binding written pre-subscription commitments and guarantee undertakings from existing shareholders and an external investor. The commitments amount to DKK 7,467,203 in total in cash, which is equivalent to 7,467,203 new shares (which corresponds to approximately 73.2 percent of the total Rights Issue). The full list of pre-subscribers and their subscription amounts are set out in the table below:

Name	Association	Pre-subscription (exercise of subscription rights) (DKK)	Bottom Guarantee (DKK)	Top Guarantee (DKK)	Part of the Issue (approximately)
Jvd Holding ApS	Chairman	1,328,803	0	0	13.0%
Henrik Lund	Existing shareholder	447,377	0	252,623	6.9%
Sten Nymark	Existing shareholder	359,853	0	140,147	4.9%
Martin Møller Nielsen	CEO	75,000	0	0	0.7%
Runar Standal Consulting ApS	Existing shareholder	209,799	0	30,201	2.4%
Lars V. Drescher ApS	Existing shareholder and closely related to chairman	140,000	0	0	1.4%
Lars Gammeltoft	Existing shareholder	178,666	0	250,000	4.2%
Tobias Gammeltoft	Existing shareholder	82,430	0	0	0.8%
Pejseforum A/S	Existing shareholder	26,750	0	0	0.3%
Arve Nilsson	Existing shareholder	176,449	0	750,000	9.1%
Caroline Nilsson	Existing shareholder	43,263	0	0	0.4%
Carl Emil Nilsson	Existing shareholder	50,842	0	0	0.5%
Jacob Rasmussen	Existing shareholder	125,000	0	0	1.2%
&grow family ApS	Existing shareholder	174,098	0	125,902	2.9%
HOLDINGSELSKABET AF 29. JUNI 2010 ApS	External investor	0	2,500,000	0	24.5%
Total		3,418,330	2,500,000	1,548,873	73.2%

All participants who have entered into pre-subscription commitments in the Rights Issue are guaranteed full allotment in accordance with their respective commitments. Existing shareholders who have entered into guarantee undertakings will, through their pre-subscription commitment, exercise their allocated Subscription Rights.

The guarantee undertakings are structured as a so-called bottom guarantee and a top guarantee. The bottom guarantee will be activated, in whole or in part, to the extent that the subscription, with and without exercise of subscription rights, is less than the amount covered by the bottom guarantee and the pre-subscription, however not in excess of the total amount of the bottom guarantee. The top guarantee will be activated, in whole or in part, to ensure that the Issue is fully subscribed, however not in excess of the total amount of the top-down guarantee.

For the bottom guarantee and top-down guarantee a compensation of 12% either in cash or in shares of the guaranteed amount has been agreed between the participants and the Company and the compensation shall be applicable regardless of whether the guarantee is called in whole or in part or not activated at all. In the event of all the guarantee participants choose shares as compensation 485,865 new shares will be issued as off-set of debt on identical terms as the Issue resulting in issuance of 485,865 new shares. Subject to completion of the minimum offering and the election by all guarantors to receive compensation in the form of new shares, this will result in an additional dilution effect of approximately 2.7%. Under the assumption of completion of the maximum offering and the election by all guarantors to receive compensation in the form of new shares, this will result in an additional dilution effect of approximately 2.3%. Existing shareholders acting as top guarantors shall, through a pre-subscription commitment, fully exercise all subscription rights allocated to them for the acquisition of new shares.

The commitments have not been secured through advance transactions, bank guarantees, blocking funds, pledging or similar arrangements. The pre-subscriber's commitments and guarantee undertakings are documented in separate bilateral agreements.

Subscription in accordance with the commitments are made to the same terms as in the Rights Issue.

4. Expected timetable

This section outlines the expected timetable for the Rights Issue and includes important dates. It must be noted that custodian banks and financial institutions might have different deadlines. The Company will publish company announcements in the event of any delay, or other factors that will impact on the timetable:

- 10 April 2026: Announcement of Rights Issue
- 17 April 2026: Last day of trading including the right to receive Subscription Rights
- 20 April 2026: First day of trading without the right to receive Subscription Rights
- 20 April 2026: First day of trading period of Subscription Rights
- 21 April 2026: Record date
- 22 April 2026: First day of subscription period
- 1 May 2026: Last day of trading period of Subscription Rights
- 5 May 2026: Last day of subscription period
- 8 May 2026: Announcement of result of Rights Issue
- 13 May 2026: Expected registration of the capital increase at Danish Business Authority
- 19 May 2026: First day of trading New Shares

5. Risk factors

As with any investment, there are certain risks associated with Mdundo's operations and market conditions. Key company-specific risks include:

- **Dependency on telecom partners:** A significant portion of subscription revenue is currently generated through telecom operators, and changes in partner strategy, billing stability, or commercial terms could materially impact revenue. Mitigation: The Company is actively diversifying payment methods through mobile money, card payments, and direct billing to reduce reliance on telco partners.
- **Low ARPU in core African markets:** Revenue per user in African markets is structurally lower than in developed markets, which may limit revenue growth despite strong user scale. Mitigation: The Company is focusing on higher-value segments, including the African middle class and diaspora users, through a premium subscription tier with higher ARPU.
- **Competition from global streaming platforms:** International players such as Spotify, Apple Music, and YouTube Music may increase focus on African markets, leveraging superior technology, brand recognition, and capital resources. Mitigation: The Company maintains a strong local competitive advantage through its extensive African catalogue, local payment integrations, telco partnerships, and a price point tailored to local markets.
- **Currency and foreign exchange risk:** Revenue generated in multiple African currencies is subject to volatility against DKK, which may impact reported financial performance. Mitigation: The Company benefits from a natural hedge as a significant portion of costs are incurred in local currencies, and increasing revenue from diaspora users in USD and EUR is expected to reduce exposure over time.
- **Political and regulatory risk:** Operating across multiple African markets exposes the Company to political instability, regulatory changes, and potential government intervention in digital services. Mitigation: The Company operates across a diversified set of markets, reducing dependency on any single jurisdiction.

Investors should carefully consider these risks before participating in the rights issue.

6. Legal rights

This section outlines the rights of the New Shares.

The shares transferability

As of the date of this announcement, there are no general restrictions on the transferability of the existing shares registered and neither will it be for New Shares.

General rights attached to the New Shares

The New Shares will have rights identical to the existing shares. These include voting rights, right to receive dividends, the right to participate in the proceeds in case of a dissolution or liquidation of the Company. All shares have equal rights in the event of insolvency, liquidation or winding up. The rights of the shareholders can only be changed in accordance with the procedures specified in the Articles of Association and the Danish Companies Act (no. 1451 of 09/11 2022).

The New Shares expected to be issued in connection with the Rights Issue are ordinary shares and no shares of the Company carry special rights. At general meetings, each share has one vote, and each shareholder can vote for their full number of shares without limitation. The right of a shareholder to attend a general meeting and to vote is determined by the shares held by the shareholder on the record date.

Right to dividend

The New Shares will, when fully paid up and registered with the Danish Business Authority, have the same rights as the existing shares, including with respect to eligibility for any dividends paid to holders of shares. Mdundo is a growth company and has not since its formation paid dividends to the shareholders.

In the event of a dividend, all shares in the Company carry equal right to dividends. Consequently, the New Shares from the Rights Issue is eligible for dividends as of the date of registration with the Danish Business Authority. The registration is expected to take place on 13 May 2026. Further, the right to dividends applies to investors who are registered as shareholders in Mdundo on the record day applicable for the distribution of dividends. Any dividends will be paid in DKK to the shareholder's account with VP Securities. No restrictions on dividends or special procedures apply to holders of shares who are not residing in Denmark. Dividend withholding tax may be withheld by the Company in accordance with applicable Danish law.

7. Other information

Compliance

Any holders of Subscription Rights that exercise any of their Subscription Rights shall be deemed to have represented that they have complied with all applicable laws. Custodian banks exercising Subscription Rights on behalf of any holders of Subscription Rights shall be deemed to have represented that they have complied with the Rights Issue procedures set forth in this announcement. Upon expiry of the trading period of Subscription Rights, any Subscription Rights not exercised will lapse without value, and the holders of lapsed Subscription Rights will not be entitled to any compensation.

Legal regulations

The New Shares are issued according to the Danish Companies Act (no. 1451 of 09/11 2022) and the Company's Articles of Association as at the date of this announcement. Mdundo is, moreover, subject to general Danish legislation, including Regulation (EU) 2017/1129 and the Danish Act on Capital Markets (no. 41 of 13/01/2023). Due to its listing on Nasdaq First North Growth Market Denmark, a multilateral trading facility platform, Mdundo is bound to the obligations set out in the applicable Nasdaq First North Growth Market regulations. Companies admitted to trade on Nasdaq First North Growth Market are subject to the European parliament and the Council Regulation (EU) No 596/2014 on Market Abuse Regulation (MAR) which contains regulation on information obligations and a prohibition on market abuse. Such obligations include, but are not limited to, complying with disclosure and information requirements in the Danish Securities market.

Tax considerations

Investment in the Rights Issue may result in tax consequences for the investor. Mdundo is a Danish registered company that has unlimited tax liability in Denmark. The Company's New Shares will be traded on Nasdaq First North Growth Market Denmark, a multilateral trading facility (MTF), and the shares in Mdundo are therefore covered by the Danish tax rules for shares trading at a MTF. The tax legislation in the investor's jurisdiction may influence any income received from the Issue described in this announcement. Taxation of any dividend, as well as capital gains tax and rules regarding capital losses on sale of securities depends on the individual investors' specific situation. Shareholders may need to consult their own accountant or tax adviser for a closer assessment of tax consequences, including applicability and effect of foreign tax rules and tax treaties when a shareholder being in Mdundo.

Advisors

HC Andersen Capital ("HC") is the Certified Adviser, Lund Elmer Sandager ("LES") acts as the legal adviser, Gemstone Capital ApS ("Gemstone") acts as financial adviser, Danske Bank A/S ("Danske Bank") is the settlement agent to Mdundo in connection with the Rights Issue. All external parties contributing to the preparation of Issue disclaim any liability towards Mdundo's shareholders as well as any other direct or indirect consequences resulting from investment decisions or other decisions made in connection with the Issue.

Conflict of interest

Apart from the shareholdings mentioned, there are to the Company's best knowledge, no member of the Board of Directors or executive management who has any other private interests which might conflict with the Company's interests.

Miscellaneous

The Group is part of a claim from an artist against a Record Label. The case has not been at pre-trial yet. Management does not see any relationship between the Group and the claim, and therefore Management does not expect the claim to effect the financial position of the Company. Nor has the Company been informed of claims that could lead to Mdundo becoming a party to such a process or arbitration. There are no arrangements, known to the Company, which may at a subsequent date result in or prevent a change in control of the Issuer. No provisions in Mdundo's Articles of Association, statutes, charter, or bylaws have an effect of delaying, deferring, or preventing a change in control of Mdundo.

Additional information

[Mdundo.com](https://www.mdundo.com) A/S (CVR no. 41305754, LEI no. 984500N3E985FDB8F929) is headquartered in the Municipality of Gentofte and the Company's headquarters are located on the address, Jagtvænget 2, 2920 Charlottenlund, Denmark., www.mdundo.com

Corporate matters

The Company's share capital is fully paid up. The Company is registered with the Danish Business Authority with CVR no. 41305754 and governed by Danish laws.

Key people

The Board of Directors

- Jesper Vesten Drescher, Chairman of the Board
- Joseph Hundah, Board Member
- Kristopher Mawijena Kris Senanu, Board Member
- Jaikaran Singh Sawhny, Board Member

Management

- Martin Møller Nielsen, CEO

Important notice

This announcement is for the information of the Company's shareholders and does not constitute an offer or invitation to subscribe for or purchase subscription rights or shares in the Company. There is no public offer of shares outside Denmark. Persons outside Denmark who come into possession of information about the Rights Issue are advised by the Company to observe any restrictions and should inform themselves about the legislation, including tax consequences, that may be relevant to them prior to investing in shares issued by Mdundo.

This announcement contains certain forward-looking statements, including statements about the Company's operations. Such forward-looking statements are based on information, assumptions and estimates that the Company believes are reasonable. These forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause the Company's actual results, performance or achievements or industry performance to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. If one or more of these risks or uncertainties materialize, or if an underlying assumption proves incorrect, the Company's actual financial position or results of operations could differ materially from those described as assumed, evaluated, estimated or expected.

Contacts

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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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