



MDUNDO.COM A/S: Reaching 13.3 million monthly active users

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Mdundo.com A/S is presenting a strong half-year result with a growth of 90% in both monthly active users and revenue, reaching 13.3 million monthly active users in December 2021, up from 7 million monthly active users in December 2020, and revenue of DKK 2.5m, up from DKK 1.3m in the same period last financial year. The company has within the period announced a partnership with the leading telco provider in Nigeria, MTN.

Company Announcement Number 01-2022

The company is hereby releasing the half-year report for the period 1st July to 31st December 2021, and the results will be presented by management on a webinar today Monday 7th of February at 3pm (CET). Sign-up here:

<https://kapitalpartner.dk/arrangementer/>

Highlights:

Strong user and catalogue growth, especially in new key territories

- At the end of the period in December 2021, the Company had 13.3m unique active users, up 90% since December 2020.
- The fastest growing region was Western Africa, and Nigeria is now the platform's largest market with 2.8m monthly active users in December.
- Eastern Africa as a region, including Kenya, Tanzania, and Uganda, had the largest user base for the company at the end of the period.
- At the end of the half-year period, Mdundo's music service had 1.7m international songs as well as 367k tracks (up 46% from December 2020) directly uploaded onto [Mdundo.com](https://mdundo.com) by 122,000 African musicians.

Rapid growth in revenue as a result of new partnerships:

- The revenue for the period totals DKK 2.5m., and EBITDA is minus DKK 3.7m. Management considers the loss for the period satisfactory and in line with the growth strategy and mission of the company to become the primary pan-African music service with 18m unique monthly users by 2022.
- Focus is primarily on the free service which is advertisement funded. The revenue generated from advertisement has increased by 63% from DKK 1.3m to DKK 2.1m in comparison to the same period last financial year.
- The company changed advertisement network partner in November improving revenue from display advertisement from an average of DKK 55k from July to October to an average of DKK 225k in December and January. This is in addition to advertisement space sold directly to brands in key commercial markets, which is still the primary revenue source.
- Mdundo has launched telecommunication partnerships across Africa with Vodacom in Tanzania as well as MTN and Airtel in Nigeria, with a combined customer base of 125 million subscribers that can now access Mdundo's premium music packages.
- Revenue generated from telco partnerships accounts for an estimate 14% of the total revenue for the period. The company announced in September 2020 that subscription revenue is expected to account for 40% of total revenue within a few years, which is still the case. Telco partnerships supports 1) Mdundo's mission to become the primary pan-African music platform and 2) to achieve a larger share of paying users over time.

Outlook:

- The company has previously announced to the market that the number of monthly active users is expected to increase to 18 million in 2022. This is still the case.
- The company expects to reach revenue of DKK 9-10 million for the year ending 30th June 2022, as a result of growing commercial activities, growing sales organisation in Tanzania and Nigeria, new advertising partner in regards to display ads and growth in telco-subscribers.
- EBITDA is expected to be in the range of minus DKK 10 to 11 million in 2021/22, as a result of continued aggressive investment in user growth and geographic expansion. This is in line with previous expectations set by the company.

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

- [Download announcement as PDF.pdf](#)
- [Mdundo - Half year report - H1-202122.pdf](#)