



Mdundo.com Strategy Update: Expects 50m users and positive EBITDA by 2025

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Mdundo.com is pleased to announce a strategy update for the period June 2022 to June 2025 including guidance for the year 2022/23. The company expects 50m users and positive EBITDA by 2025. For the financial year 2022/23, 25m monthly active users and a growth in revenue to DKK 13-16m are expected.

Contains insider information:

Company Announcement Number 4-2022

As part of the IPO process in September 2020, Mdundo presented a two-year strategy and guidance. During these two years, Mdundo has grown the number of Monthly Active Users by 290% from 5m to an expected 19-20m monthly active users by June 2022 and revenue has grown approximately 340% over the same period. The Company is now presenting "2025 strategy" as well as 2022/23 guidance.

Mdundo's 2025 Strategic Focus:

- Towards 2025, Mdundo's focus is to grow monthly active users from an expected 19-20m monthly active users in June 2022 to a total of 50m monthly active users.
- The company furthermore strives towards a positive EBITDA in the year ending June 2025.
- An increased focus on driving value per user through paid telco products. Last year Mdundo announced telco partnerships with Vodacom in Tanzania as well as MTN and Airtel in Nigeria. The partnerships enable the telco customers to subscribe to Mdundo's premium products directly through their telco.
- A deeper focus on the five biggest music markets in Sub-Saharan Africa: Kenya, Tanzania, Nigeria, Ghana and South Africa. The five countries account for a total population of 410m people (30% of Africa's population).
- Mdundo will continue the strong focus on the mass market consumers across Africa. From 2020 to 2025, the mobile internet subscribers are expected to grow with an average growth rate of 9.3% and reach nearly 500m internet subscribers.
- Continue its focus on locally relevant content, formats, and channels. The service is primarily accessed through the website, [Mdundo.com](https://mdundo.com), and has more than 100,000 African artists signed up directly through the platform offering locally relevant music.
- The vision is adjusted from "Provide Africa with Easy and Legal Access to Music" to "Provide Africa with Easy and Legal Access to Online Entertainment", which reflects a long-term ambition of moving into other types of online content and entertainment, like sports-content and podcasts to attract a wider audience to the service.

"Our growth strategy the last 2 years has paid off with strong user growth and consistent revenue growth across our core markets. Looking forward towards 2025 we will continue focusing on aggressive growth in users and revenue but with an increased focus on driving value per user and we expect a positive EBITDA by end year ending 2025." CEO, Martin Møller Nielsen.

Guidance for financial year 2022/23:

- User Target for 2022/23: 25m monthly active users by June 2023.
- Revenue Target for 2022/23: DKK 13-16m.
- EBITDA Target for 2022/23: DKK -7 to -8.5m.

"Our focus will remain on user and revenue growth and we expect to grow our revenues by approximately 100% from this year to the year ending June 2023. The heavy focus on growth will show in the bottom-line again next year as a result of continuous investments in acquisition of paying subscribers and brand building in the forthcoming year." CEO, Martin Møller Nielsen.

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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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