



Mdundo.com: Revenue growth of +200% and the number of users 13% above expectations at the IPO

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The Board of Directors of Mdundo.com A/S has approved the company's annual report for the period 1st July 2021 – 30th June 2022, which shows high growth and significant improvement in turnover.

Contains Inside information

Company Announcement Number 09-2022

Highlights:

Rapid User Growth:

- At the end of the financial year, the group had 20.3m monthly active users, beating the original guidance of 18m for the month.
- The biggest country was Nigeria with a total of 4.9m monthly active users, followed by South Africa with 3.7m, Kenya with 2.8m and Tanzania with 2.4m.

Development in Revenues:

- Advertising revenue remained the dominating revenue stream: The revenue generated from advertising placed on Mdundo has increased by 165% from DKK 2.25m to DKK 5.95m in comparison to the year ending June 2021.
- Telecommunication partnerships fuel rapid growth in new revenue stream within 150m potential customers: The partnerships account for DKK 1.31m in revenue for the financial period, or 18% of the total revenue for the period. The company announced as part of the IPO that subscription revenue is expected to account for 40% of total revenue in the future, which is still the case.

New License Agreements and Growth in the Music Catalogue:

- The total number of songs available on [Mdundo.com](https://www.mdundo.com), directly uploaded to the service, grew by 43%, to a total above 400,000 songs.
- Management announced a licensing agreement with Universal Music Group, one of the leading music companies globally.
- Mdundo already has existing licensing agreements with Warner Music Group and Believe Digital, which together deliver 1.7 million. songs that are available to Mdundo's users.

Financial performance:

- Revenue for the financial year was DKK 7,2 million, which corresponds to 216% growth from 2020/21.
- EBITDA for the year amounts to DKK -8,0 million, which is within latest guidance of negative DKK 8-9 million for 2021/22, and significantly better than original guidance for the year of negative DKK 10 - 11 million.
- The ordinary result after tax amounts to DKK -9,7 million. Management considers the result for the year satisfactory and in line with Mdundo's growth strategy and mission to be the primary pan-African music service within a few years and have 50 million unique monthly active users mid-2025.
- In connection with the listing on Nasdaq First North in September 2020, the company raised additional capital to support the growth journey. The net proceeds were approx. DKK 36 million and at the end of the financial year 2021/22, liquidity was DKK 7,3 million plus a DKK 15 million deposit on the Company's tax account, which has now been paid to the Company's bank-account..

Outlook:

- Management expects an increase in revenue from DKK 7.3m million in 2021/22 to DKK 13-16 million in 2022/23, while EBITDA is expected to be in the range of negative DKK 7-8.5 million, as a result of an increased investment focusing on driving value per user through premium products and telco partnerships.
- For the financial year 2022/2023 management is expecting 25m monthly active users up from 20.3m in June 2022.
- Mdundo announced earlier in June 2022 that it is aiming at 50m monthly active users as well as a positive EBITDA for the financial year ending June 2025.

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/>

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Attachments

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