



MDUNDO.COM A/S: Reaching 23.4m monthly active users and +500% YoY growth in paying subscriber revenue

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Mdundo.com A/S is presenting a strong half-year report with steep growth in monthly active users reaching 23.4m, and a total revenue growth of 161% from the same period last financial year (reaching DKK 6.4m in the first 6 months of the financial year 22-23).

Company Announcement Number 01-2023

The company is hereby releasing the half-year report for the period 1st July to 31st December 2022, and the results will be presented by management on a webinar on 8th of February at 11am (CET). Sign-up here:

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

Reaching 23.4m monthly active users across Africa

- At the end of the half-year period (July - December 2022), the company had 23.4 million unique monthly active users (MAU), representing an increase of 15% since 30 June 2022 (20.3m MAU). The milestone is in-line with our 2025 goal of reaching 50 million monthly active users and driving value per user through premium telco products.

508% growth in subscriber revenue YoY

- Paying Subscriber revenue accounts for DKK 2.1 million in revenue for the financial period or an estimated 33% of the total revenue for the period. The previous H1 revenue (2021-22) from subscription was at DKK 345k showing a 6x increase on the revenue line.
- The company has launched two new billing partnerships with telecommunication companies in the first half year of 2022-23, with MTN Ghana and MTN South Africa. The Mdundo Premium tier is now available to a total of 185 million customers within Nigeria, Tanzania, Ghana, and South Africa or roughly 30% of the 600 million mobile subscribers in Sub-Saharan Africa.
- The company announced at the start of the year that subscription revenue is expected to account for 40% of total revenue within a few years, which is still the case.

Strong growth in advertising revenue

- The revenue generated from advertisements closed at DKK 4.3 million in the financial period H1 22-23 compared to DKK 2.3 million in the period H1 21-22.
- 89% growth in advertising revenue, consisting of display banners and audio advertisements embedded into the music tracks.
- The total orders received were 57, up from 47 in the same period last year. The majority of the orders (24) were from Kenya however a growing number of deals from new commercial focus markets, 15 from Tanzania, 8 from Nigeria, and 10 from Uganda.

Approaching 500,000 African songs directly uploaded to Mdundo:

- At the end of the half-year period, 487k tracks had been uploaded directly by +140,000 African rights holders onto [Mdundo.com](https://mdundo.com) (up by 32% from December 2021). In addition, the service offers 1.7 million songs from Warner Music Group, Universal Music Group, and Believe Digital.
- The fastest growing licensing partners on Mdundo in the period were Slide Digital (Tanzania), Dapper and Mavin (Nigeria), Content Connect Africa (South Africa) and Saldid Records (Kenya). The growth is an indication of the catalog released within the period as well as marketing initiatives within the Mdundo service.

Financial Development:

- The revenue for the period totals DKK 6.4 million, and EBITDA is DKK -4.2 million. The cash balances as of 31st December 2022 stand at DKK 18.5 million. Management considers the loss for the period as well as the cash burn in line with the growth strategy and mission of the company to become the primary pan-African music service with 50 million unique monthly users by 2025. The Company is striving towards positive EBITDA in 2025.

Outlook:

- The company has previously announced to the market that the number of monthly active users is expected to increase to 25 million by June 2023. This is still the expectation.
- The company expects to reach revenue of DKK 13-16 million for the year ending 30th June 2023, which is in line with latest guidance, as a result of an increased investment focusing on driving value per user through premium products and telco partnerships.
- EBITDA is expected to be in the range of minus DKK 7 to 8.5 million in 2022-23. This is in line with previous expectations set by the company.

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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

- [Download announcement as PDF.pdf](#)
- [Mdundo H1 Report FY 22-23.pdf](#)