



Mdundo.com A/S reaches new milestone of 30.8 million monthly active users in December 2023 and limits cash-burn to DKK 2.1 million in 1H 2023/24

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The company is presenting a solid half-year report with steep growth in monthly active users reaching 30.8 million. The company had a slight overall decline in revenue however with a steep growth in subscriber revenue of 48% and an improved EBITDA of 21% compared to the same period last year.

Company Announcement Number 03-2024

The company is hereby releasing the half-year report for the period 1st July to 31st December 2023. Mdundo.com A/S reiterates expectations for 2023/24 of 35 million monthly active users in June 2024, an increase in revenue to DKK 14-17 million and an improvement of EBITDA to between minus DKK 6.5 - 7.5 million in 2023/24.

Consistent growth in Monthly Active Users

At the end of the half-year period, the company had 30.8 million unique monthly active users (MAU), representing an increase of 16% since 30 June 2023 (26.6M 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.

Steep growth in subscription revenue and development towards positive EBITDA

- Total revenue for the period was DKK 5.7 million down by 12% compared to the same period last year, however the revenue from the subscription service has improved by 48% to DKK 3.1 million, up from DKK 2.1 million in the same period last year. Mdundo has increased revenue from the paid service from none in the year 2019/2020 to 55% of the total revenue in 1h 2023/24.
- There was a decline in advertising revenue of 41% in comparison to the same period last year from DKK 4.3 million to DKK 2.5 million. The company entered into a reseller agreement with an established South African partner, a delayed and unsatisfactory execution of the agreement has resulted in significantly lower results than expected. [Mdundo.com](https://www.mdundo.com)'s view of the earning potential and our unique advertising product in the African markets is unchanged.
- For the period the company improved EBITDA by 21% to negative DKK 3.3M, up from negative 4.2M in the same period last year. The milestone is in-line with our 2025 goal of reaching EBITDA positive.
- Cash-burn was limited to DKK 2.1 million in 1H 2023/24

Market Activation and Brand Building

Throughout the period the company has launched a number of marketing campaigns with the objective of brand building and activating the service across the key markets. A number of campaigns are executed in partnership with our telecommunication partners including two campaigns with Vodacom in Tanzania, a "hip hop anniversary" campaign and an informational "Mdundo Stories" youtube series.

New strong team members joining Mdundo to support continued growth

Within the half year a number of strong individuals has joined the Mdundo team on our mission to reach 50 million monthly active users and be EBITDA positive by 2025:

- Mark Ndungu, Chief Operating Officer.
- Israel Oladipupo Ogunseye, Senior Marketing & Partnerships Manager, West Africa.
- Tobechukwu Otuokere, Senior Product Owner.
- Jaikaran Sawhny, Board Member (elected in January 2024).

Development in activities and financial matters

The revenue for the period totals DKK 5.7 million, and EBITDA for the H1 is DKK -3.3 million. The cash balances as of 31st December 2023 stand at DKK 13.4 million, this is a reduction of DKK 2.1 million over the last 6 months from a balance of DKK 15.5 million on 30th June 2023. 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. Management consider advertising revenue below expectations and expects solid growth. The Company is striving towards positive EBITDA in 2025.

Expected Developments

Mdundo expects growth in revenue from DKK 12.2 million in 2022/23 to DKK 14-17 million in 2023/24 and an improvement of EBITDA of DKK 1-1.5 million to between minus DKK 6.5 - 7.5 million in 2023/24. The improvement in EBITDA is a result of continuously increasing revenue from current activities as well as tight cost-control and a strong focus on positive unit economics.

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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