



Mdundo.com quarterly statement: Reaches 34.5 million monthly users, on track for year on year EBITDA improvement

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Company Announcement Number 06-2024

Highlights:

- **User Growth Trajectory:** [Mdundo.com](#) maintains its upward trajectory, reaching 34.5 million monthly active users in March 2024, marking a 41% increase from the previous year. The company anticipates further growth, projecting an increase to 35 million monthly active users by June 2024 and aiming for 50 million by 2025.
- **Revenue Outlook:** Targeting revenue of DKK 12-14 million for the financial year ending June 2024.
- **EBITDA Improvement:** The company expects a year on year improvement and with an expected minus DKK 6 to 7 million, [Mdundo.com](#) is demonstrating progress towards its strategic goal of being EBITDA positive.
- **Regional Focus and Stakeholder Engagements:** [Mdundo.com](#) expanded its market presence with targeted campaigns, engaging audiences in regions such as northern Nigeria and Kenya's Kalenjin tribe. Furthermore, the company hosted successful stakeholder events, such as the "Mdundo Mixers" in Uganda and Ghana, driving insights, conversations, and new opportunities within the music industry.

Outlook:

- **Strategic Goals:** [Mdundo.com](#) A/S aims to reach 50 million monthly active users as well as EBITDA positive by 2025. The company has set three clear strategic focus areas: 1. Delivering a locally relevant service and content for the approx. 625 million mobile subscribers in Africa expected by 2025. 2. Increasing the value per user through telecommunication partnerships. 3. Focusing on key markets; Kenya, Nigeria, Ghana, Tanzania and South Africa.
- **User Growth Anticipated:** Projecting an increase in monthly active users from 34.5 million in March 2024 to 35 million by June 2024, aiming to increase further to 50 million by 2025.
- **Revenue:** Aiming at DKK 12-14 million for the financial year ending June 2024.
- **EBITDA Improvement:** Targeting minus DKK 6 to 7 million, showcasing an improvement of approx. DKK 1-2 million from the prior financial year.

Management Review:

Consistent growth in monthly active users

[Mdundo.com](#) continued the consistent growth in monthly active users with 34.5 million monthly active users in March 2024. This is a 41% growth from March last year. Management expects 35 million monthly active users by June 2024, the user growth is expected to slow down as a result shifting focus from user acquisition to a stronger focus on improving unit economics for the current customer base.

Live Events: Mixers in Uganda and Ghana

Within the quarter Mdundo organized stakeholder events, the so-called "Mdundo Mixers", in Ghana and in Uganda. The events were well attended by Mdundo's partners within the music industry in both countries and considered very successful. The event has the objectives of collecting insights, driving direct conversations and exploring new opportunities. In addition, the events generated a high level of online engagements and PR within both markets.

Locally Present: Hausa & Kalenjin

Mdundo has had a strong focus on regional catalogue and launched two campaigns specifically targeting the Hausa tribe in Nigeria and the Kalenjin tribe in Kenya. The Hausa tribe is the largest tribe in Africa with an estimated population of 74 million people across northern Nigeria and neighbouring countries. The Kalenjin tribe is the 5th biggest tribe in Kenya, approximately 6.4 million people, it is especially known for some of the fastest runners in the world. Mdundo onboarded a

number of key influencers and musicians within both regions to drive engagement and customer acquisition within both tribes.

Leading impactful advertising campaigns

Throughout the quarter a number of leading advertisers have run campaigns on Mdundo. In total 22 campaigns have run across Kenya, Tanzania, Nigeria and Uganda. The campaigns are for global leading brands such as Coca Cola including Coke, Sprite and Fanta as well as Diageo including Captain Morgan, Chrome, Tusker and Serengeti Lite.

The "Twende Mbele na NCBA" campaign aimed to bolster NCBA's brand visibility and drive consideration and conversion through a CSR initiative. Mdundo organized a one-hour X (Twitter) conversation engaging users with questions like how NCBA inspires them, their financial routines involving NCBA, music preferences for the NCBA Twende Mbele Playlist, and Easter investment reflections. Leveraging audio ads that are still ongoing, the campaign garnered significant traction, trending on Twitter with 971 tweets and 178 reposts, effectively amplifying NCBA's presence and fostering community engagement.

Mdundo collaborated with Tusker Lager to empower female artists across Africa. Partnering with influential figures like Fena Gitu and Crystal Asige, we created compelling audio advertisements to inspire the next generation of female musicians. These ads, supported by Tusker Lager, conveyed messages of empowerment and resilience. Additionally, we captured powerful stories from artists, with Crystal Asige's journey as a blind artist resonating with disabled female audiences. The video content was strategically disseminated across our social media platforms, YouTube channel, LinkedIn, and published articles, maximizing the campaign's reach.

Navigating major opportunities in Nigeria with +200 million people:

One of Mdundo's focus markets, Nigeria, is facing challenges due to the declining value of the naira. Subscription and advertising revenue growth measured in DKK is impacted by a 38% decline in the Naira value from January to March 2024. Despite this, revenue in Nigeria keeps growing when measured in naira. Furthermore, the naira's depreciation reduces operating costs in DKK, leading to improved EBITDA guidance for 2023/24 on 26th of March. With Nigeria's sizable market and vibrant music industry, Mdundo sees long-term potential. Management closely monitors the evolving situation in Nigeria.

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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](#)
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