

Linkfire A/S (LINKFI.ST) adjusts its 2023 financial guidance while maintaining mid-term targets

Revised Financial Guidance for 2023 (hereby published in November, replaces guidance published in April)

For the financial year 2023, Linkfire expects its revenue to be in the range of DKK 50-55 million (previously DKK 60-70 million), corresponding to a yearly growth of negative 5% to positive 5% (previously 14-33%), and its EBITDA to be in the range of negative DKK 5-10 million (previously negative DKK 5 million to positive 5 million).

Revenue guidance

As set out in connection with the initiation of 2023 financial guidance, in order to achieve the initial 2023 financial guidance, performance on the following key drivers was listed as required:

- Continued strong RPM performance
- Sustained traffic levels on a year-on-year basis
- Continued inflow of new platform users, free and paid
- Continued ability to retain and expand existing subscription contracts
- Continued product innovation and development

The Company has performed well on most indicators, whereas traffic levels have declined in 2023 compared to 2022. In 2022, 32% of all traffic derived from partners operating as a cash-intensive activity highly reliant on upfront investments and longer returns.

No partner traffic has been operated in 2023 as a consequence of the strategic decision to discontinue the activity for the time being. Platform traffic has not grown fast enough to offset the gap which is the main reason for the lower than expected performance. However, the trend in platform traffic is growing, and we see no signs of slowing. Platform traffic is organic and comes at a higher profit.

Commission Revenue per thousand Consumer Connections (RPM) has increased substantially in 2023 and shows positive development, yet it has not been enough to offset the traffic gap.

The current state of operations is significantly more efficient from a bottom-line perspective and delivers higher returns on the revenue generated, which has been the goal for the year.

Linkfire maintains its mid-term financial target of 20-40% organic revenue growth.

EBITDA guidance

The adjustment of EBITDA guidance is a result of the lower than expected revenue performance. Throughout the year, the Company has operated on a lower cost base than expected, allowing a more efficient revenue generation from a bottom-line perspective. Management continues to diligently design and operate the organization increasingly efficiently and with the goal of reaching cash flow break-even in 2024.

Linkfire maintains its mid-term financial target of a gross margin of approximately 80%.

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About Linkfire

Linkfire empowers music and audio marketing for millions of artists and creators. Through smart links generated with its proprietary technology, Linkfire connects billions of fans with their favorite artists, driving streams, sales, and fan engagement, providing leading data insights, superior user experience, and a quality marketplace for fans, artists, and creators.

Linkfire's customers and partners count many of the biggest names in the industry, such as Apple, Amazon, Sony Music, Universal Music, and Warner Music, in addition to thousands of artists and creators directly.

Headquartered in Copenhagen, Denmark, and listed on Nasdaq First North Premier in Stockholm (LINKFI), you can find more information on investors.linkfire.com.

This information is information that Linkfire is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2023-11-22 17:37 CET.

Attachments

[Linkfire A/S \(LINKFI.ST\) adjusts its 2023 financial guidance while maintaining mid-term targets](#)