

Linkfire: Solid Q3 performance in line with financial guidance for 2022

Linkfire (LINKFI.ST) announces an update on its Q3 2022 financial performance expecting material improvements to EBITDA in the quarter. The guidance for the full year 2022 remains unchanged.

Linkfire laid a strong foundation for continued growth in the first half year and has throughout 2022 signed additional milestone partnership agreements and taken cost adjustment actions in order to reach profitability in 2023. The new multi-year agreement with Amazon Music in April, the extended and expanded agreement with Apple in September, the uptake in commission revenue as well as the reduced cost base have generated a positive financial effect. Related to this effect and the overall profitability plan proceeding as planned, Linkfire provides guidance for the current quarter, in addition to the previously published annual financial guidance for 2022.

Expected financial performance for Q3 2022 and YTD 2022

- In Q3 2022, Linkfire expects its **revenue** to be in the range of DKK 13.0-15.0M, corresponding to year-on-year growth of 46-69 per cent compared to Q3 2021 and 29-49 per cent compared to Q2 2022. YTD 2022 revenue is expected to amount to DKK 34.3-36.3M, corresponding to a year-on-year growth of 43-52 per cent. The main drivers behind the expected revenue growth are an uptake in commission revenue and nonrecurring impacts from market development contracts in both Q3 and Q4. The nonrecurring impacts are expected to lead to recurring revenue in 2023.
- **EBITDA** ratio is expected to be in the range of negative 48-63 per cent, a 10-31 per cent year-on-year improvement compared to Q3 2021 and a 60-70 per cent improvement compared to Q2 2022. EBITDA is expected to amount to (negative DKK 6.5-8.5M). YTD 2022 EBITDA is expected to amount to negative DKK 34.7-36.7M. The main drivers behind the expected positive development in Q3 2022 are the cost reductions done in Q2 and the expected revenue growth.

Lars Ettrup, CEO and Co-founder, comments:

"In 2022, we have further improved our market position and have also shown that we remain committed to taking the necessary measures to achieve profitability in 2023.

We publish guidance for the current quarter due to the clearly improved financial performance and as the operating environment is increasingly characterized by uncertainty, including increasing inflation and rising interest rates."

Linkfire expects a further improved EBITDA performance in Q4 due to continued nonrecurring revenue impact through Q4, continued growth in both revenue streams and ongoing cost base reductions.

Linkfire is maintaining its full-year guidance for 2022 as communicated in the Q2 Interim report, expecting its revenue for the full year to be in the range of DKK 50-60M, corresponding to a yearly growth of 48-78 per cent, and its EBITDA to be in the range of negative DKK 32-42M.

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About Linkfire – Empowering Entertainment Discovery Everywhere

Linkfire makes entertainment marketing easy. We optimize impact, drive streams, increase ticket sales and recommend audio content to billions of fans and listeners on a global scale. Our SaaS marketing platform transformed music marketing and we are now building a global recommendation network for audio entertainment discovery to connect even more fans and listeners to the content they love. Linkfire's customers and partners include most artists on Billboard's annual Hot 100, all major music labels, global audio and music streaming services, social media apps and media publishers.

In 2021, Linkfire enabled 1.6 billion consumer connections and the company's revenue amounted to DKK 34.5M, an annual growth of 42 per cent. Co-founded in 2014 and headquartered in Copenhagen, Linkfire today employs a global workforce and also has offices in New York and Los Angeles. Linkfire's share (LINKFI) is listed on Nasdaq's First North Premier Growth Market in Stockholm. Learn more at www.linkfire.com or follow @Linkfire on LinkedIn and @getlinkfire on Twitter and Instagram.

Attachments

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