



Narrowing in on profitability with stabilized cost base

Q2 2023 webcast

August 24, 2023

Lars Ettrup, CEO & Co-founder

Tobias Demuth, CFO

Practicalities and disclaimer

Q&A session and material

Questions can be raised via the **chat function** or sent to **investors@linkfire.com**.

All material is available at **bio.to/LINKFI_IR** or can be downloaded on **investors.linkfire.com**.

Webcast recording available later today.

Forward-looking statement disclaimer

This presentation contains certain forward-looking statements and opinions. Forward-looking statements are statements that do not relate to historical facts and events and such statements and opinions pertaining to the future that, for example, contain wording such as “believes”, “deems”, “estimates”, “anticipates”, “aims”, “expects”, “assumes”, “forecasts”, “targets”, “intends”, “could”, “will”, “should”, “would”, “according to estimates”, “is of the opinion”, “may”, “plans”, “potential”, “predicts”, “projects”, “to the knowledge of” or similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements and opinions concerning the future financial returns, plans and expectations with respect to the business and management of the Company, future growth and profitability and general economic and regulatory environment and other matters affecting the Company.

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Agenda

- 01** Business & market updates
- 02** Business highlights 2023
- 03** Financial performance Q2
- 04** Outlook
- 05** Q&A

Presenting today



Lars Ettrup
CEO & Co-founder



Tobias Demuth
CFO

**“ Narrowing in on profitability with a
stabilized cost base**

Revenue up 25% to DKK 12.5M (DKK 10.0M)*

Gross profit up 53% to DKK 10.5M (DKK 6.9M) at a gross margin of 84% (68%)*

EBITDA improved 85% to negative DKK 2.4M (negative DKK 15.8M)*

EBITDA ratio of negative 19%, an improvement of 88% to Q2 2022

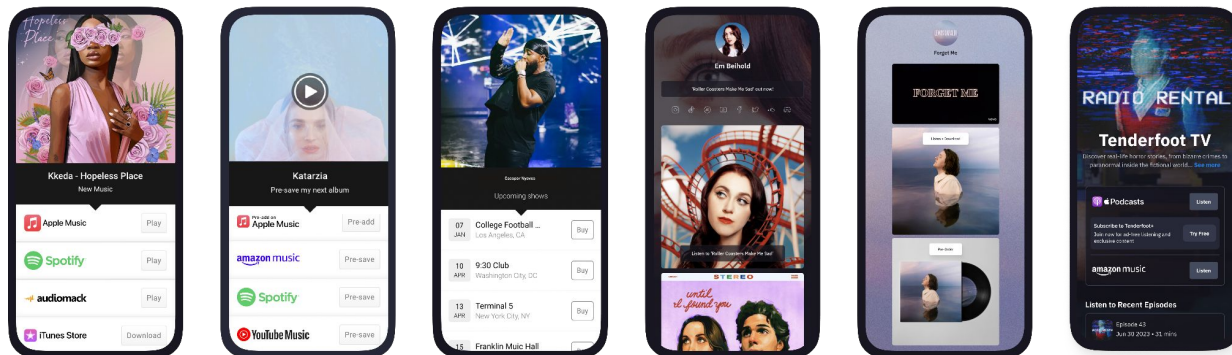
** Highlights Q2 2023 compared to Q2 2022*

01

Business & market updates

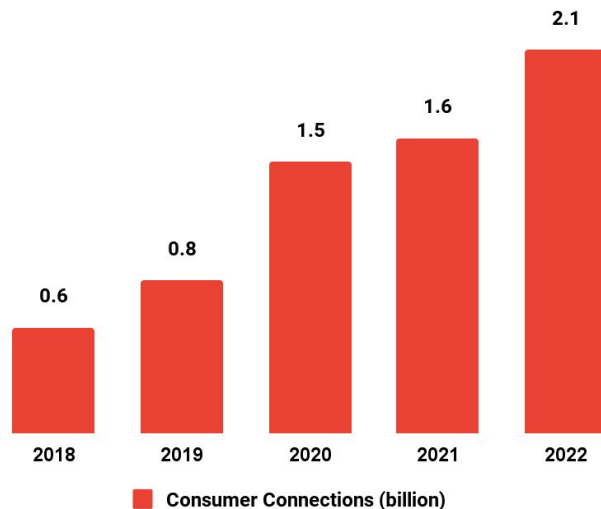
“We help music and audio creators promote their products

Optimize promotional impact, drive music streams, increase ticket sales and recommend audio content to billions of fans globally



Powering promotional links and micro-sites for thousands of artists worldwide

“We connect billions of consumers to streaming, ticketing and merch services



Source: Company Information

Business recap

Subscriptions

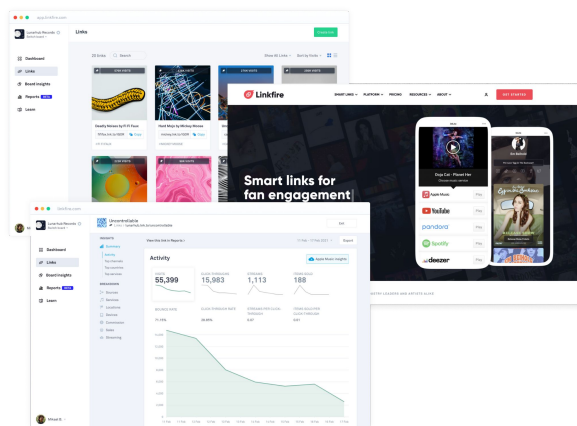
The leading marketing platform for artists and labels

61% of total revenue 2022

Customers are record labels, artists and distributors.

Features include smart links, micro-sites and data insights.

Unparalleled data partnerships with leading streaming and ticketing services.



Commission

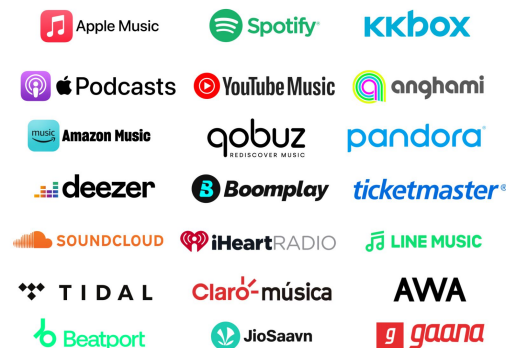
Monetising traffic sent to service providers and shops

39% of total revenue 2022

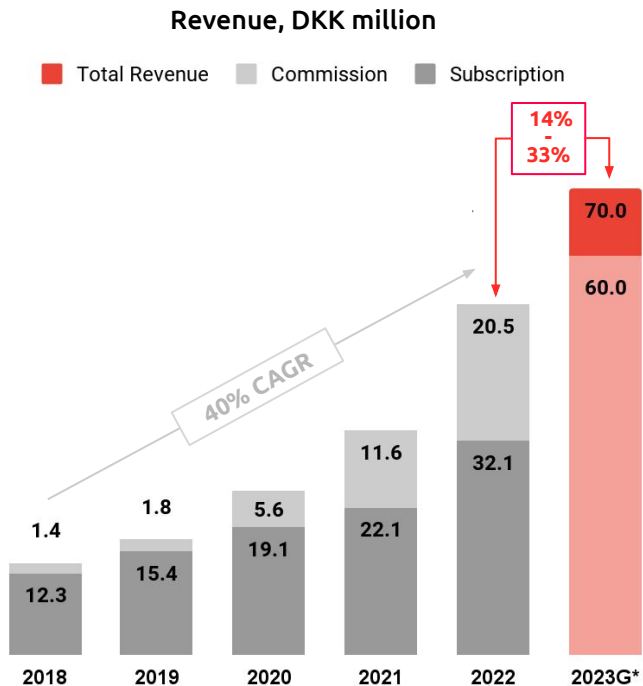
Some services pay a fee if Linkfire drives a sign up or transaction.

Commissions are driven by high traffic growth and good deals with services.

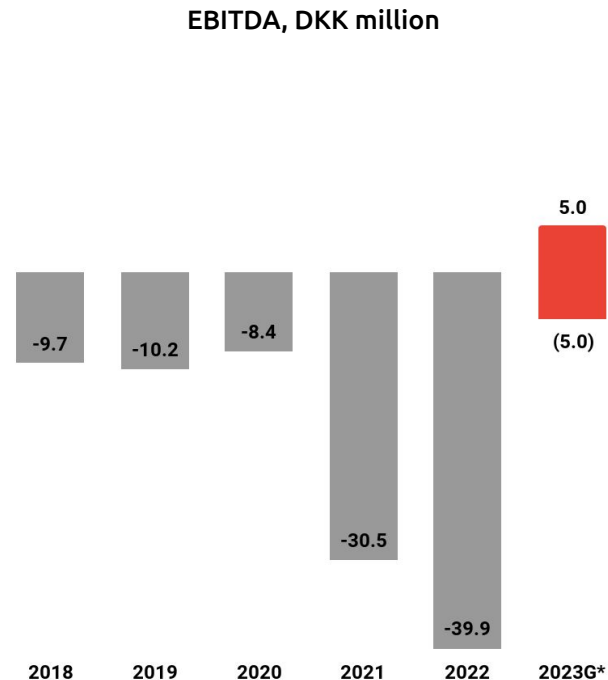
High gross margin income stream. Revenue is split with the artists / labels.



“Solid financial trajectory and underlying metrics



* Financial guidance for the fiscal year 2023



* Financial guidance for the fiscal year 2023

Focus on break-even and our core operations



EBITDA breakeven in 2023

Running a streamlined and more focused organization

Fewer strategic objectives.
Focus on our core business.

Expecting EBITDA
breakeven in 2023.



Focusing on our SaaS Platform & Customers

Improving offering and marketing funnel

Improve our core product
offering and dedicate more
resources to optimising our
marketing funnel.

New Artist bio link is key
objective.



Continue increasing traffic monetization

Continue improving our RPM

Improve on existing deals,
negotiate new and increase
click-through rates.

Maintaining solid RPM
performance in Q2/23.



Vertical Expansion

Expansion into adjacent verticals

Capture larger market share of
entertainment by expanding
our core product into adjacent
verticals such as podcasts,
audiobooks, games etc.

Launched **Linkfire for
Podcasts** in August

02

Business highlights Q2 2023

Q2 2023 Highlights



Profitability

Improved EBITDA by 85%

EBITDA improved by 85% to negative DKK 2.4 million.

Q2 2022 negative DKK 15.8 million.

Results from narrowed commercial focus.



Sustainable Growth

Less quantity, higher quality

Consumer connections decreased 24%, impacted by a decrease in partner traffic.

RPM increased 51% to DKK 8.59 from DKK 5.70 in Q2 2022.

Gross profit improved 53% to DKK 10.5 million from DKK 6.9 million.



Creator Growth

Promising unit metrics

Artists and creators globally is increasing exponentially.

100,000 new tracks on Spotify daily.

Bandlab +60 million users, up from just 10 million two years ago.



Partnerships expansion

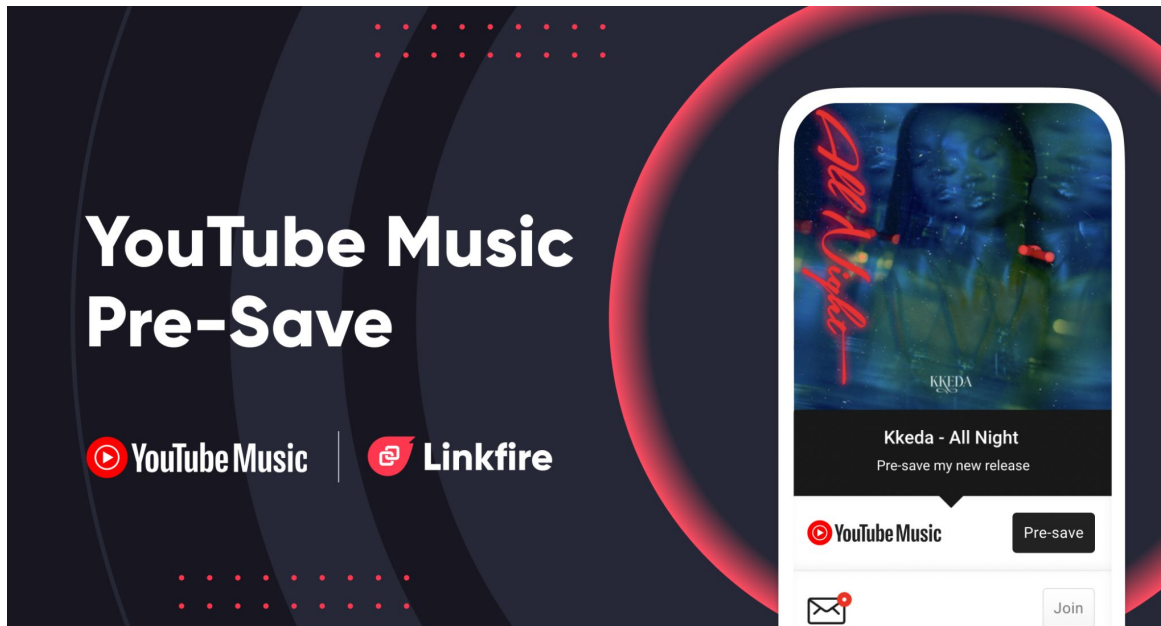
YouTube Music and Apple

In July, we launched the first-ever **YouTube Music pre-save** through our expanded partnership.

This week we launched **Linkfire for Podcasts**, with an exclusive integration with Apple Podcasts that allows us to expand into the multibillion-dollar podcast industry

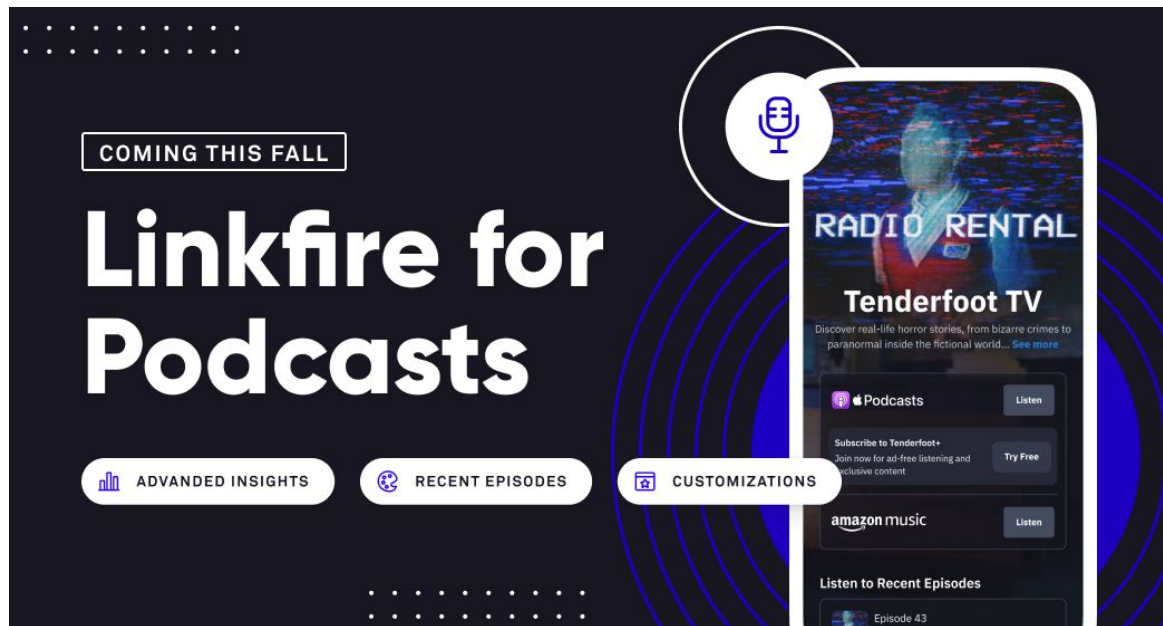
“Launched YouTube Music pre-save

Maximizing artist exposure. Option to monetize.



“Linkfire expands to podcasting

Powerful marketing toolkit built for podcasters. Exclusive integration with Apple.



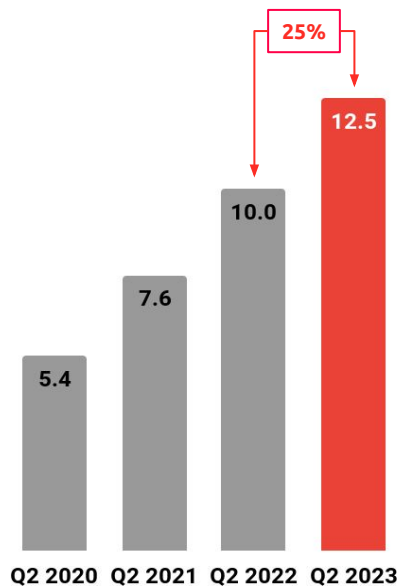
03

Financial performance

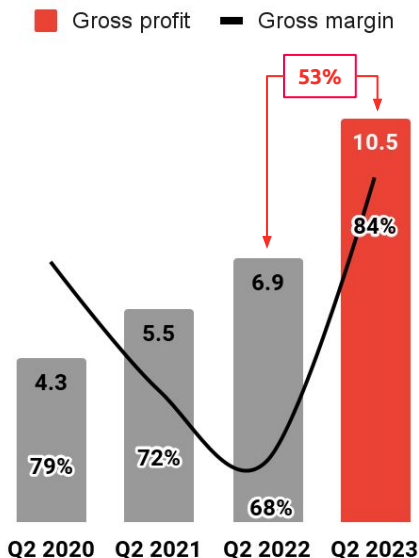
Q2

Key financial metrics Q2 2023

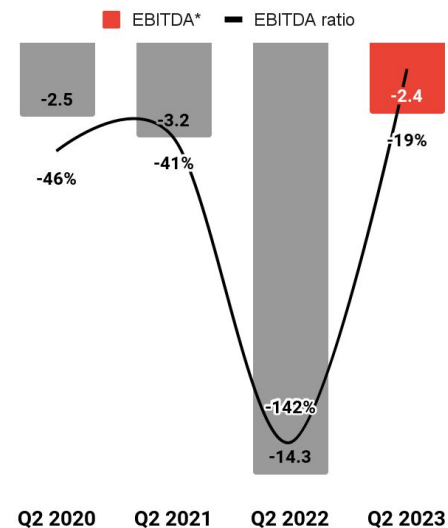
Revenue (mDKK)



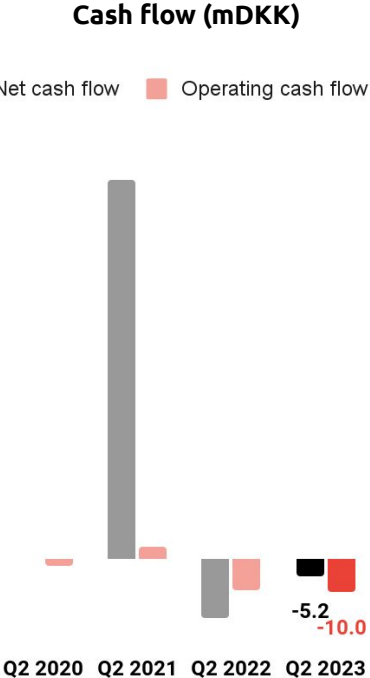
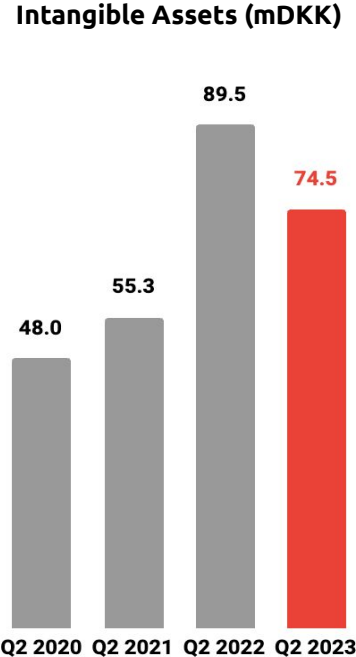
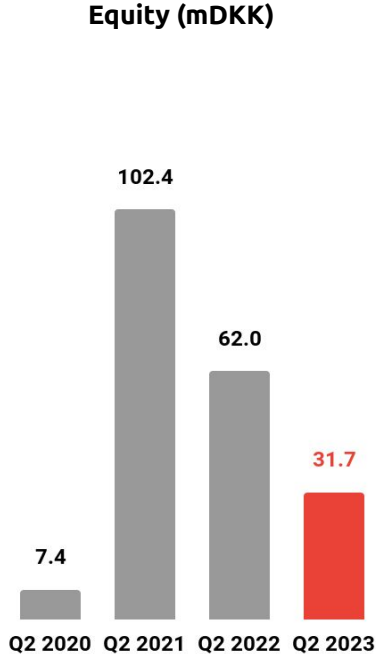
Gross profit (mDKK)



EBITDA (mDKK)

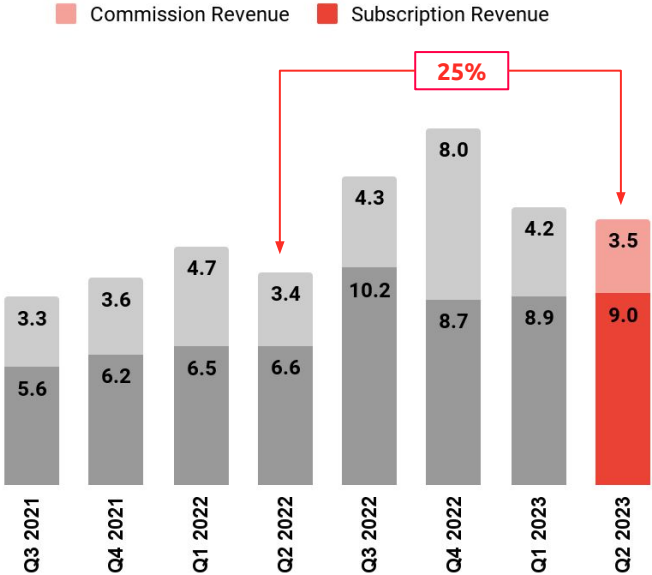


Key financial metrics Q2 2023

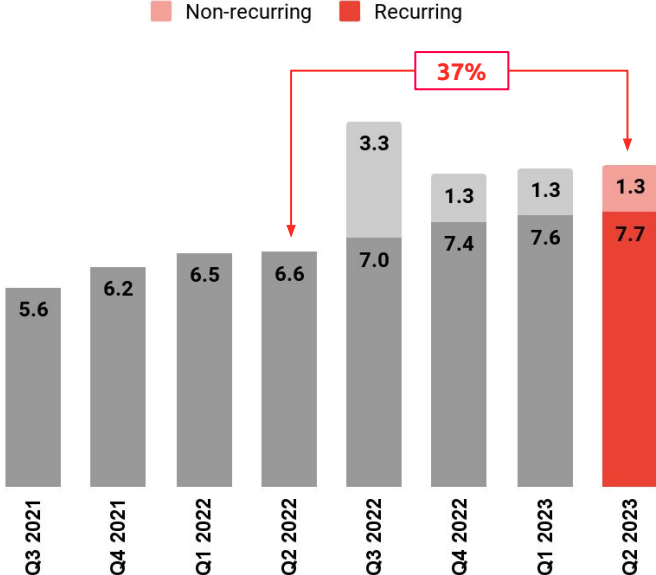


Key performance metrics Q2 2023

Revenue (mDKK)

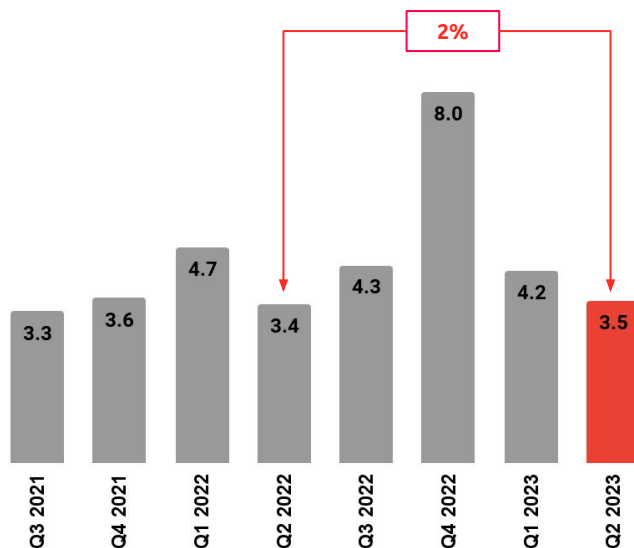


Subscription Revenue (mDKK)

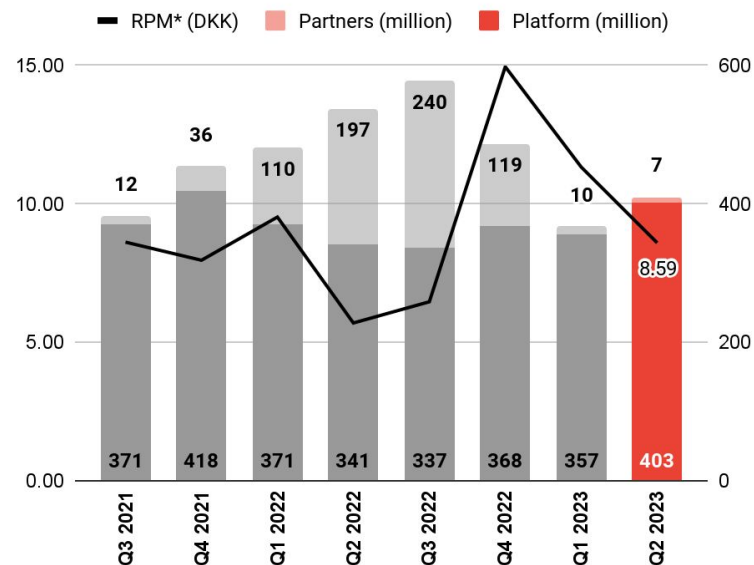


Key performance metrics Q2 2023

Commission Revenue (mDKK)



Commission Revenue Drivers



* Revenue per Mille on a constant currency basis - Commission Revenue per thousand Consumer Connections



04 Outlook and guidance

Our outlook and financial guidance

Mid-term targets (3-5 yrs from IPO)

20-40%*

Organic Growth

≈80%

Gross Margin

Financial guidance for 2023

In 2023, Linkfire expects continued revenue growth and guides **revenue within the range between DKK 60-70 million for the full financial year**. This corresponds to a yearly growth of 14-33%.

To achieve our guidance, performance on the following key drivers is 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

Linkfire expects to achieve EBITDA breakeven for the year and guides **EBITDA within the range between negative (DKK 5 million) to positive DKK 5 million for the full financial year**. Linkfire is committed to reaching breakeven, while the guidance on both sides of neutral EBITDA takes into account the inherited uncertainty of balancing around the breakeven point.

Continued investments into innovation and development of our offering are expected throughout the year and are the basis for expecting continued growth in the coming years. Possible deviations from the guided ranges depend on investments into new strategic opportunities supporting our announced growth and long-term growth and profitability strategy.

05 Q&A

Thank you for joining us!

Our **Q3/23** interim report is out on **November 23, 2023**.

In the meantime, you can reach us via phone or through investors@linkfire.com.

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