

Quarterly Update | Q1 2024

Investor Presentation

May, 2024

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Forward-looking statements are based on current estimates and assumptions made according to the best of the Company’s knowledge. Forward-looking statements are inherently associated with both known and unknown risks, uncertainties, and other factors that could cause the actual results, including the Company’s cash flow, financial condition and results of operations, to differ materially from the results, or fail to meet expectations expressly or implicitly assumed or described in those statements or to turn out to be less favourable than the results expressly or implicitly assumed or described in those statements. The Company can give no assurance regarding the future accuracy of the opinions set forth herein or as to the actual occurrence of any predicted developments.

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Audit Disclaimer

The 2024 figures presented in this presentation have not undergone an audit process by a certified external auditor. As such, there may be limitations and inherent uncertainties in the accuracy and completeness of these figures. The absence of an audit does not necessarily imply inaccuracies; however, it is important to recognize that unaudited figures may not provide the same level of assurance as audited financial statements.

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Linkfire Q1 2024 In Review

KEY FIGURES

COMPARED TO Q1 2023

-16%

REVENUE GROWTH

51%

IMPROVED EARNINGS

30%

REDUCTION IN EXTERNAL
EXPENSES

26%

REDUCTION IN STAFF COSTS

HIGHLIGHTS



Delisted from
Nasdaq First
North Growth
Market



Wallet Program
grew by 14% in
Q1



20% of Top US
Apple Podcast
shows use
Linkfire for
Podcasts



Re-shaped
organisation
towards Cash
break-even
expected in H2
2024

FY 2024

**EBITDA
break-even**

Expected from Q2

**Cash
break-even**

GOAL for H2

MID-TERM FINANCIAL TARGETS

20 - 40%

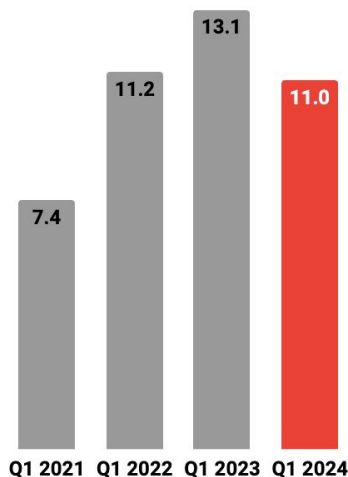
REVENUE GROWTH

~ 80%

GROSS MARGIN

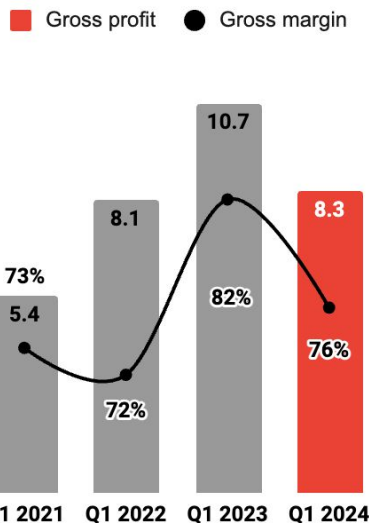
Key Financial Metrics Q1 2024

Revenue (mDKK)



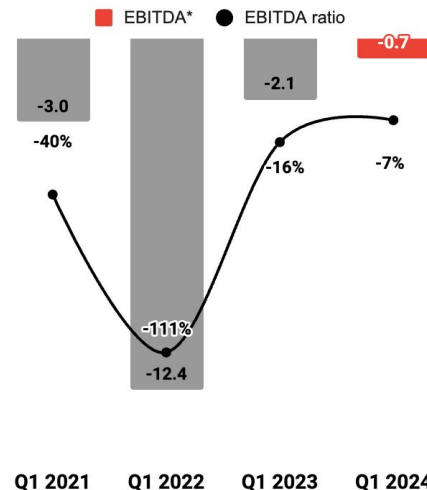
- Q1 2023 includes DKK 1.3 million of non-recurring revenue from Apple Podcasts (DKK 0 in Q1 2024).

Gross Profit (mDKK)



- Savings in server costs mitigated the negative impact of the revenue decrease and the increase in revenue shares to customers from the Wallet Program.

Adjusted EBITDA* (mDKK)

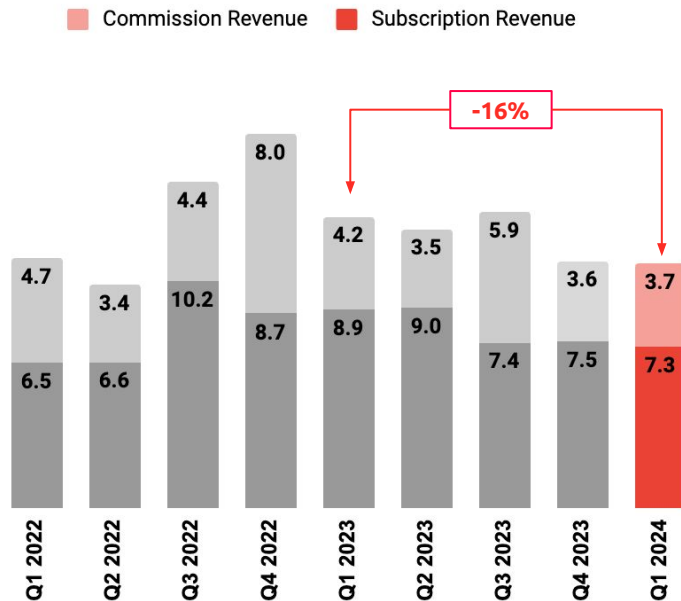


* Adjusted for extraordinary costs such as severance costs

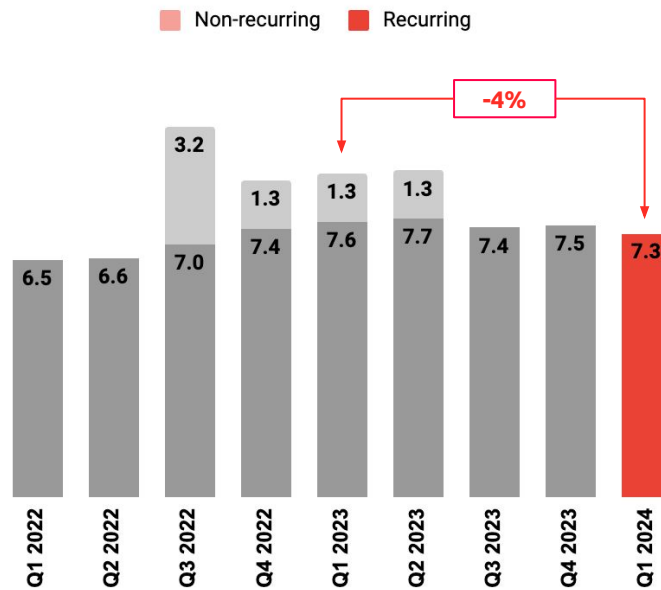
- In Q1 2024, one time severance costs were recognised for a total of DKK 0.3 million.

Key Performance Metrics Q1 2024

Revenue (mDKK)

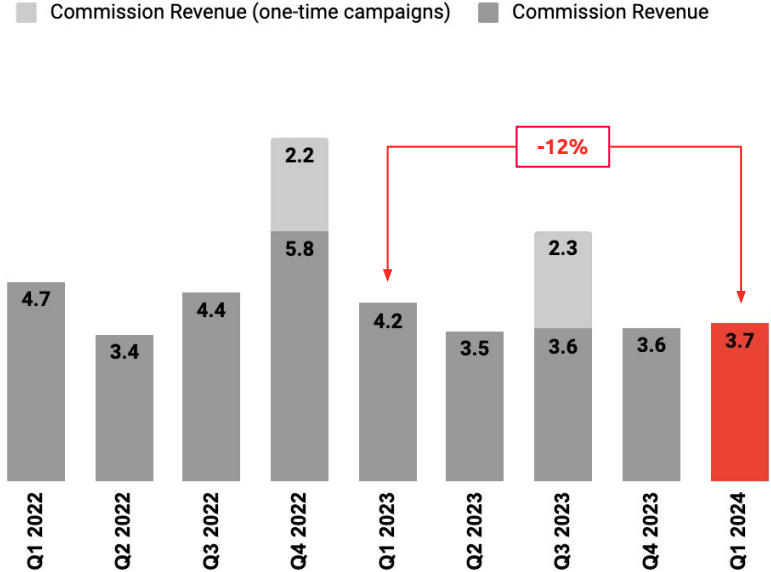


Subscription Revenue (mDKK)

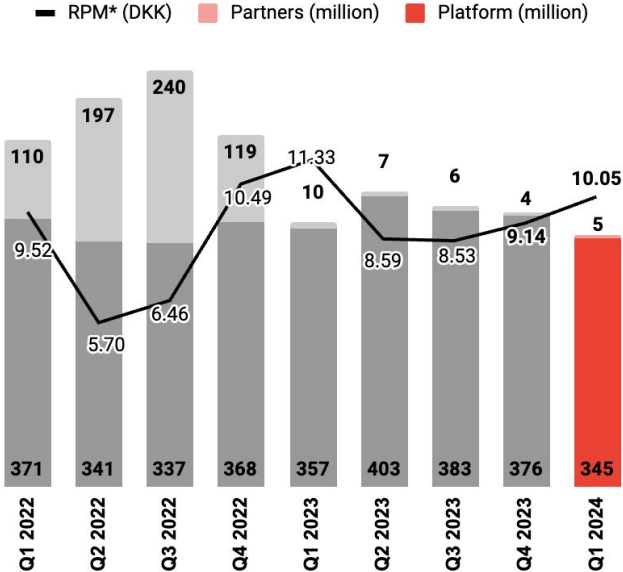


Key Performance Metrics Q1 2024

Commission Revenue (mDKK)



Commission Revenue Drivers



* Revenue per Mille on a constant currency basis: Commission Revenue per thousand Consumer Connections, adjusted to exclude one-time campaigns

Q1 In Review - Financial Highlight

Income Statement (DKK thousand)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	FY 2022	FY 2023
Recognized Revenue	11,231	10,039	14,642	16,793	13,104	12,547	13,321	11,113	10,984	52,590	50,084
y/y Growth (%)	51%	31%	65%	72%	17%	25%	-9%	-34%	-16%	56%	-5%
Gross Profit	8,064	6,857	11,415	13,343	10,726	10,495	11,163	8,562	8,310	39,564	40,945
y/y Growth (%)	48%	24%	78%	90%	33%	53%	-2%	-36%	-23%	62%	3%
Operating loss before interest, taxes, depreciation & amortization (EBITDA)	(12,428)	(15,810)	(6,164)	(5,359)	(2,148)	(2,363)	158	(3,572)	(1,052)	(39,875)	(7,925)
y/y Growth (%)	-320%	-65%	0%	55%	83%	85%	103%	33%	51%	-31%	80%
Key Metrics	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	FY 2022	FY 2023
Consumer connections (Traffic) (Million)	481	538	577	487	367	410	389	380	350	2,083	1,545
Consumer connections, Platform (Million)	371	342	337	368	357	403	383	376	345	1,417	1,518
Consumer connections, Partners (Million)	110	197	240	119	10	7	6	4	5	666	27
Financial ratios	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	FY 2022	FY 2023
Gross Margin (%)	72%	68%	78%	79%	82%	84%	84%	77%	76%	75%	82%
Operating profit before interest, depreciation & amortizations (EBITDA) margin (%)	(111)%	(157)%	(42)%	(32)%	(16)%	(19)%	1%	(32)%	(10)%	(76)%	(16)%

Insights

- Despite the decrease in revenue, EBITDA for Q1 2024 shows an improvement of 51% compared to the same quarter in 2023, due to the continuous focus on cost reductions.
- One time severance costs were recognised for a total of DKK 0.3 million (DKK 0 in Q1 2023).
- As per the release date of this quarterly update, the Company has a cash preparedness of DKK 4,108 thousand, including credit lines and cash at hand.

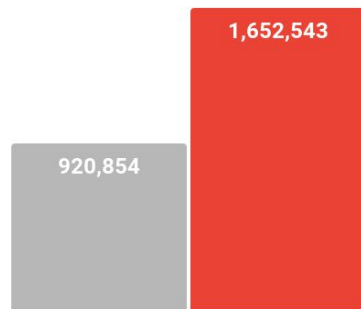
Podcasts Vertical*

* Linkfire For Podcasts was not live in Q1 2023, so the QoQ comparison is with Q4 2024

Linkfire For Podcasts

Podcast Traffic QoQ

■ Q4 2023 ■ Q1 2024



Podcast traffic increased by 80% over Q4 2023, reaching the milestone of 1.6M visitors on podcast links.



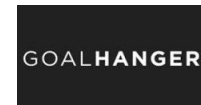
+ 1.150
Podcasters
onboarded



Link creation for podcast shows increased by 30% over Q4 2023, surpassing the milestone of 1,000 podcast users.



WONDERY



TENDERFOOT

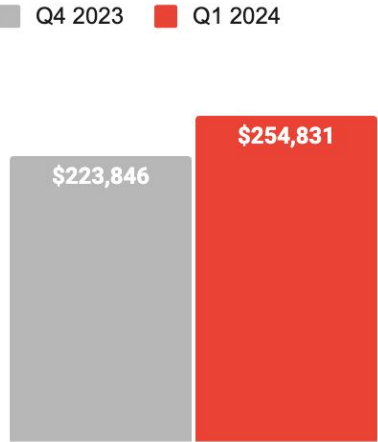
Enterprise partners and popular shows have begun using Linkfire for Podcasts, including “*Archetypes*” by Lemonada, “*The Rest Is Politics*” by Goalhanger, and “*How I Built This*” by Wondery.

Wallet Program*

* The Wallet Program was not live in Q1 2023, so the QoQ comparison is with Q4 2024

Linkfire Wallet Expansion & Optimization

Wallet Revenue QoQ

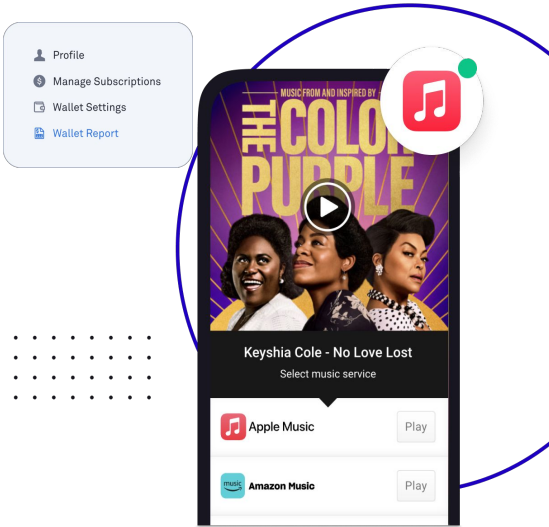


≈ 7000
Organizations
enrolled

+10%
RPM

Revenue from the Wallet Program grew by 14% in Q1 2024 compared to Q4 2023, establishing it as a key revenue driver.

Strong emphasis on boosting revenue per mille resulted in a 10% increase over Q4 2024. Additionally, nearly 7,000 customers organizations were enrolled into the Wallet Program.



Product developments in Q1 2024 have set the program up well for the year ahead. These include introducing auto-enrolment solutions to attract and enroll new Wallet customers.



EBITDA & Cash Breakeven

Running a streamlined and more focused organization

Fewer strategic bets.
Focus on our core business.

Preliminary April numbers already show positive EBITDA, which is expected to be maintained during Q2.



Debt ReFinancing & Capital Raise

Ensuring sufficient cash towards achieving break-even

Efforts are underway to refinance current debt with better terms, alongside an equity raise.

The aim is to complete both transactions during July 2024.



Continue Increasing Traffic Monetization

Continue improving RPM

Further expand Linkfire Wallet to:

- Unlock premium inventory
- Improve terms in existing deals
- Negotiate new deals
- Increase click-through rates through more ad units



Vertical Expansion

Expand into Podcasts

Currently, onboarding Enterprise customers in collaboration with Apple Podcasts.

20% of Top US Apple Podcast Shows use Linkfire For Podcasts.

Subsequent Events

Tax Credit Scheme

The Danish Tax Authorities have requested Linkfire to share its calculations for received payouts under the Tax Credit Scheme for FY 2020 and 2021. Under this program, the Tax Authorities encourage innovation in Denmark, supporting Danish loss-making, innovative companies with paying out the tax value of qualified research and development costs. The program is a great driver for keeping innovation in Denmark and for global exposure to Denmark as an accommodating and innovative business market. This is a regular procedure conducted by the Tax Authorities. The event prompted management to reiterate the implicit uncertainty in receiving payouts under the Tax Credit Scheme since calculations and assumptions can be challenged. Linkfire received DKK 4.5 million in 2021 (for FY 2020) and DKK 5.5 million in 2022 (for FY 2021), and expected to receive DKK 5.5 million in November 2023 (for FY 2022).

Linkfire's management believes in having solid documentation for its innovative development in the global audio entertainment market and welcomes the control as an important part of such a supportive arrangement for innovation in Denmark. Linkfire delivered its first batch of documentation to the Tax Authorities, who had an initial proposal to change Linkfire's taxable income, and needed to see further documentation. Therefore, the Tax Authorities were invited to Linkfire's office for a walkthrough of our product and developments during the challenged years, and asked Linkfire to prepare additional documentation to prove the innovative element of the developments, which was delivered in March 2024.

In April 2024, Linkfire received the decision by The Danish Tax Authorities, who deemed Linkfire ineligible, demanding repayment of DKK 12.3M including interest for 2020 and 2021, and rejecting payment of the expected funds corresponding to FY 2022, which was recognized as tax receivable of DKK 5.5 million. Many Danish software companies are facing the same decision from The Danish Tax Authorities regarding R&D under the Tax Credit Scheme. Based on the advice from tax specialists from Deloitte and Bech Bruun, Linkfire appealed the decision to the Danish Tax Tribunal, including a deferred payment request, meaning no payments need to be made until the Tax Tribunal makes a final ruling.

Other

There have not been any other significant subsequent events after the reporting period.

Thank you!

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