

# Quarterly Update | Q4 2024

Investor Presentation

February, 2025

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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.

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 Q4 2024 In Review

## KEY FIGURES

COMPARED TO Q4 2023

**7%**

REVENUE GROWTH

**182%**

IMPROVED EARNINGS

**18%**


REDUCTION IN COST OF SALES

**58%**


REDUCTION IN STAFF COSTS

## HIGHLIGHTS

 **25%**  
EBITDA/Sales  
ratio

 **27%**  
Commission  
revenue growth  
compared to  
previous year

 Renewed  
agreement with  
Warner Music and  
Universal Music  
Group

 Reduced overall  
costs by 33%  
compared to  
previous year

## YTD 2024

**81%**

GROSS MARGIN

**DKK 46.8M**

REVENUE

**DKK 6.7M**

EBITDA - BEST EVER

Consistently positive since April 2024

## FY 2025 GUIDANCE

**DKK 45M - 55M**

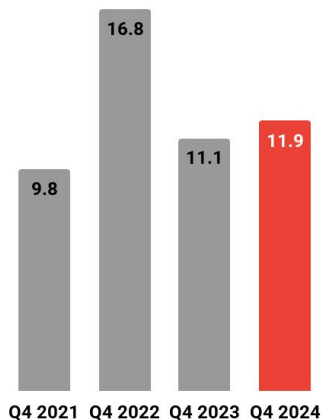
REVENUE

**DKK 10M - 20M**

EBITDA

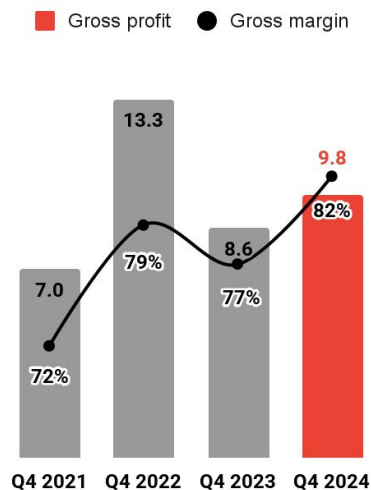
## Key Financial Metrics Q4 2024

Revenue (mDKK)



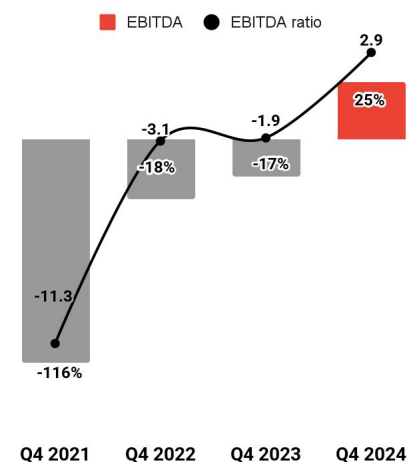
- Q4 2022 includes DKK 3.5 million of one-off revenue (DKK 0 in Q4 2024).

Gross Profit (mDKK)



- Increase in Commission revenue and savings in both server costs and revenue shares to customers from the Wallet Program, contributed to a 14% improvement in Gross Profit compared to last year.

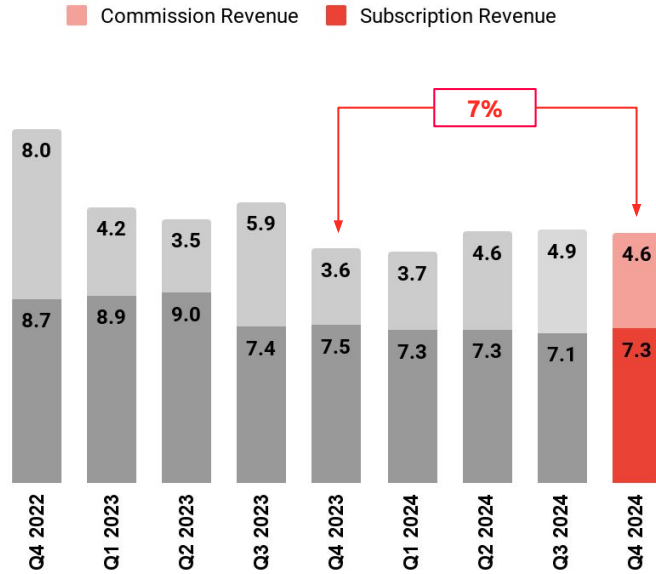
EBITDA (mDKK)



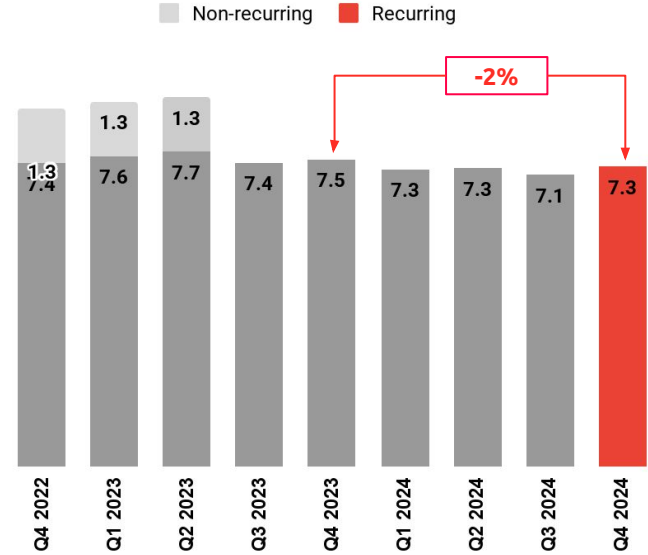
- Continuous cost control initiatives and a good performance in Commission revenue contributed in making Q4 2024 another very profitable quarter maintaining the great performance from Q3 2024.

## Key Performance Metrics Q4 2024

Revenue (mDKK)

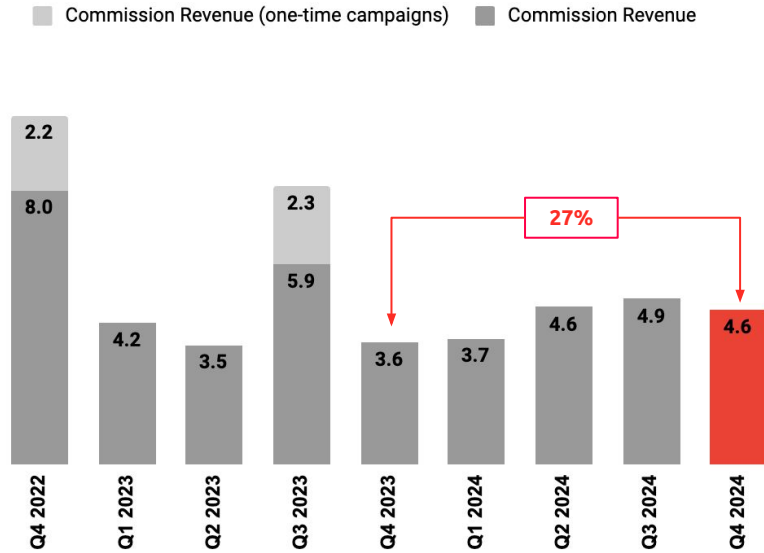


Subscription Revenue (mDKK)

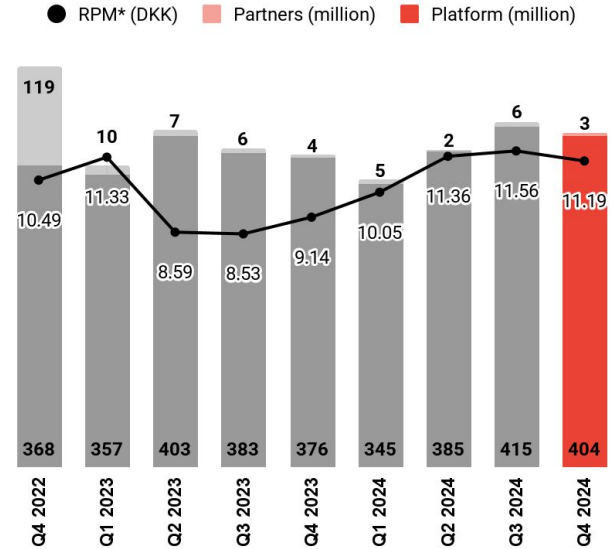


# Key Performance Metrics Q4 2024

Commission Revenue (mDKK)



Commission Revenue Drivers



\* Revenue per Mille: Commission Revenue per thousand Consumer Connections, adjusted to exclude one-time campaigns

# Q4 In Review - Financial Highlights

Income Statement (DKK thousand)	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY 2024	FY 2023
Recognized Revenue	13,104	12,547	13,321	11,113	10,984	11,914	12,004	11,879	46,781	50,084
<i>y/y Growth (%)</i>	17%	25%	(9)%	(34)%	(16)%	(5)%	(10)%	7%	(7)%	-5%
Gross Profit	10,726	10,495	11,163	8,562	8,310	9,750	9,907	9,798	37,765	40,945
<i>y/y Growth (%)</i>	33%	53%	(2)%	(36)%	(23)%	(7)%	(11)%	14%	(8)%	3%
Operating loss before interest, taxes, depreciation & amortization (EBITDA)	(2,148)	(2,363)	158	(3,572)	(1,052)	1,842	3,029	2,918	6,737	(8,572)
<i>y/y Growth (%)</i>	83%	85%	103%	33%	51%	178%	1822%	182%	179%	79%
Key Metrics	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY 2024	FY 2023
Consumer connections (Traffic) (Million)	367	410	389	381	350	387	421	407	1,565	1,546
Consumer connections, Platform (Million)	357	403	383	376	345	385	415	404	1,549	1,518
Consumer connections, Partners (Million)	10	7	6	4	5	2	6	3	16	27
Financial ratios	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY 2024	FY 2023
Gross Margin (%)	82%	84%	84%	77%	76%	82%	83%	82%	81%	82%
Operating profit before interest, depreciation & amortizations (EBITDA) margin (%)	(16)%	(19)%	1%	(32)%	(10)%	15%	25%	25%	14%	(17)%

## Insights

- Including a 7% growth in revenue, EBITDA for Q4 2024 shows an improvement of 182% compared to the same quarter in 2023 and a very similar profit compared to previous quarter, which was the most profitable quarter in Linkfire's history. Consistent EBITDA break-even has been achieved since April 2024 and is expected to continue for 2025 and beyond.
- As per the release date of this quarterly update, the Company has a cash preparedness of DKK 7,126 thousand, including outstanding balance from the warrant agreement and cash at hand.



## Subscription Growth Reacceleration

Following a growing end of Q3, we successfully carried our momentum into Q4, delivering a 2.8% net MRR increase, making this our best-performing quarter for the Linkfire subscription business in 2024.

Key growth drivers in Q4 2024:

- **5 new enterprise customers** across Music, Podcast, and DSP verticals
- Successful price update campaign in the lower market segment
- **Controlled churn rate**, maintaining healthy retention levels
- Product innovation, including the launch of the merchandise block in bio links, allowing customers to showcase and sell merch seamlessly
- **Strong Q1 pipeline**, with 5 additional enterprise deals closed in Q4, set to impact revenue in early 2025



**2.8%**  
Net MRR  
increase



**5**  
new  
Enterprise  
customers

## Podcast Vertical: Revenue Impact & Strong Q1 Pipeline



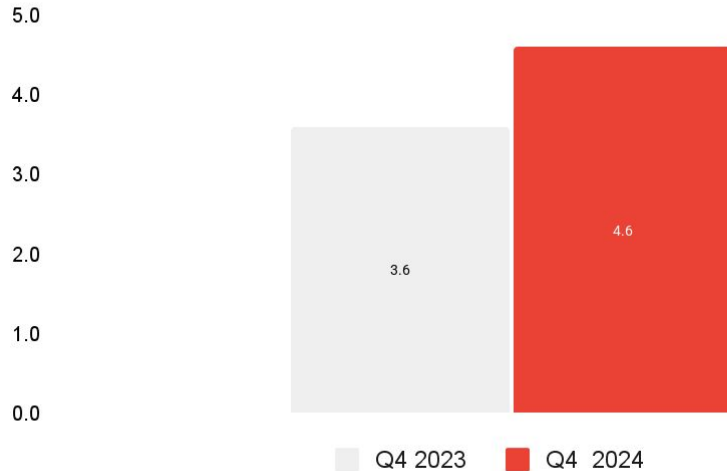
Q4 marked a significant milestone for Linkfire's podcast business, as we began seeing direct revenue impact from our first podcast enterprise customers, the BBC and Lemonada Media. This transition from trial to paid customers validates our value proposition for major media brands.

Key highlights from Q4:

- **Revenue impact** from first podcast enterprise customers – The BBC and Lemonada Media are now fully onboarded, contributing to subscription growth.
- Continued **enterprise and mid-market expansion**, with ARN by iHeart Radio and Tortoise Media closed in Q4, set to influence revenue in early Q1 2025.
- **Strong industry interest** following Chartable's sunset, with major brands such as Boston Consulting Group, Goldman Sachs, Starbucks, and The Stylist (DC Thomson Group) trialing Linkfire as a podcast marketing solution.

## Sustained Growth and Expansion

Linkfire Commission Revenue (mDKK)



Q4 2024 saw significant growth across multiple commercial commission metrics.

- Commission revenue increased 27% year-over-year
- Traffic grew 7% year-over-year
- Revenue per Mille (RPM) rose 22% YoY, from DKK 9 in Q4 2023 to DKK 11 in Q4 2024

A milestone in Q4 was the first major labels joining Linkfire's monetization program, further validating our strategy and paving the way for future revenue growth.



### **EBITDA & Cash Break-even**

**Running a streamlined and  
even more focused  
organization**

Consistent EBITDA break-even since April and expected to continue.

Positive operating cash break-even achieved in H2 2024, and expected to be maintained during 2025.



### **Debt ReFinancing & Capital Raise**

**Ensuring sufficient cash  
towards achieving full  
break-even**

Quarterly interest payments still represent a heavy burden for the company.

A long term solution to refinance current debt with better terms remains essential, but in the meantime further cost reductions will allow the company to serve interest payments with operating cash from H2 2025.



### **Reaccelerate subscription growth**

**Optimize approaches to  
maximize subscriber growth**

Focus on B2B sales in music, and podcast verticals.

Maintain customer satisfaction and high retention rates.

Shift towards a workspace-based platform model where customers pay per artist, show, film or book etc.



### **Wallet Expansion**

**Grow advertising inventory**

Introduce a new and innovative ad inventory designed to extend the consumer journey to perform multiple actions.

Continue the expansion of Linkfire Wallet to Enterprise customers with high levels of traffic.

## 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. The case will proceed to an initial external expert opinion and an assessment at the district court, with proceedings anticipated to commence in the second half of 2025.

### Other

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



# Thank you!

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