



Linkfire ("LINKFI") acquires smart link pioneer and key global competitor smartURL

Linkfire A/S, a leading SaaS marketing platform for music and entertainment, has today signed an agreement to acquire smartURL, the pioneer in the music smart linking space, and all related assets from Gupta Media, LLC. The acquisition will solidify Linkfire's market position as well as increase consumer connections (Traffic) and commission revenue.

In an increasingly complex digital marketing world, smartURL founded by Gogi Gupta and Jason Frank in 2011, was the first to provide a smart link solution for the global music industry. Gupta has long been at the forefront of digital music marketing and smartURL brings along an impressive roster of clients and artists like Britney Spears, My Morning Jacket, H.E.R., and rock legends Toto. smartURL connects hundreds of millions of consumers to music services around the world every year sharing Linkfire's vision of empowering more people to discover great entertainment.

The acquisition will solidify Linkfire's market position, increase consumer connections and commission revenue

Over the past decade smartURL and Linkfire have competed head-to-head. smartURL's strong position and expertise in the global entertainment ecosystem and their passion for servicing labels, artists and consumers makes them an ideal acquisition for Linkfire.

Building upon smartURL's solid foundation, Linkfire's unparalleled features and monetization capabilities will elevate the combined offering to the next level. The acquisition of smartURL adds millions of monetizable consumer connections to Linkfire's business, supporting the strategy of driving growth in that area.

Linkfire CEO and Co-founder, Lars Ettrup:

"We've been competing head-to-head with smartURL for years now and have continuously been impressed by their prominent industry position and foothold. We are excited about the opportunities this acquisition provides to create value for shareholders and all of our stakeholders. The acquisition of smartURL further solidifies Linkfire's position as one of the leading marketing platforms for music and entertainment and strengthens our position as a trusted and reliable partner for entertainment and music discovery worldwide. It's a historic and proud moment for us at Linkfire and I warmly welcome smartURL and Gogi Gupta to the Linkfire family."

The seller of smartURL, Gupta Media LLC, is one of the strongest media houses in entertainment and has built a leading advertising offering. As part of the deal the two companies enter a partnership allowing Linkfire to leverage Gupta's marketing expertise and industry relationships to optimise monetization on Linkfire links and for Gupta Media to continue to shape and influence the global marketing toolset. Utilizing the synergies across the combined market position is a core value of the acquisition.



Gogi Gupta, Founder and CEO at smartURL, comments:

"smartURL was born of a simple need. Global marketing was broken, and we needed to fix it at the atomic level. Looking back to our launch in 2011, I couldn't have imagined the impact that smartURL would have on the music industry. I know that Lars Ettrup and the Linkfire team are well positioned to build on and extend our founding vision and I'm excited to be working with Linkfire to conceive and develop the next generation of marketing tools. Together, I believe that Linkfire & smartURL will create value for fans, artists, labels and the entire creator ecosystem.

Phase 2 in this industry begins today."

Estimated impact on company's operations

Following twelve months after closing of the acquisition, the deal is expected to account for an uplift of at least 15% of current Linkfire revenue. The uplift is a direct result of the increase in consumer connections (traffic) that smartURL is bringing and the market leading features and monetization abilities that Linkfire adds to the combined offering.

The strategic partnership with Gupta Media LLC is expected to improve Linkfire's overall RPM performance, as the partnership is bringing significant expertise in the advertising field which is currently an underdeveloped part of the overall Linkfire business model.

The combined offering and market position is expected to further improve Linkfire's market leverage for the benefit of all stakeholders in Linkfire and the market combined.

The deal is not expected to impact the financial year 2021 due to the timing of closing.

Financing

The parties have agreed a consideration of up to USD 4.8M for smartURL which will be paid through a combination of cash and equity. Upon closing, Linkfire will pay an initial consideration of USD 2.35M, equally divided in cash and Linkfire shares. The initial payment in cash, amounting to USD 1.175M, is financed through own funds. The number of Linkfire shares paid to the seller will be determined via a five-day pre-signing and a five-day post-signing volume-weighted average price ("VWAP") in Linkfire's share. To illustrate the share issue, based on yesterday's closing price, the share issue as part of the initial consideration amounts to 1.358.792 shares.

The sellers of smartURL have agreed on entering into a lock-up period of 12 months ("lock-up") for shares paid in consideration for the transaction. The agreement also includes a potential earn-out of up to of USD 2.46M over 2 years paid out in cash or shares at the buyer's discretion. The earn-out is subject to certain predetermined targets, related to future commission revenues for Linkfire in the smartURL platform, to be generated by Gupta Media LLC.

Conditions

Closing of the transaction is subject to certain conditions related to asset separation from the seller and preparation for transfer to the buyer.



Closing is expected to occur later this year or early 2022.

Advisors

Bruun & Hjeje is acting as legal advisor to Linkfire A/S in the transaction.
McLane Middleton is acting as legal advisor to Gupta Media, LLC in the transaction.

Webcast

Questions relating to the acquisition are welcome during the conference call relating to the publication of the company's Q3 Interim Financial Report which will take place on 18 November at 10:00 CET.

For further information, please contact:

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Link to visuals:

<https://lnk.to/LFSUpres>

About Linkfire A/S

Linkfire is the world's leading SaaS marketing platform for the music and entertainment industries. Linkfire's offering consists of two solutions: the Linkfire SaaS Marketing Platform for labels and artists and the Linkfire Discovery Network connecting consumers to music products through apps and partner websites. Linkfire's platform has over 50,000 users, including the vast majority of the top 100 Billboard artists and largest record labels. In 2020, 1.5 billion consumers were connected through Linkfire and the Company's revenue amounted to DKK 24.7 million, corresponding to a year-on-year growth of 43 percent. Linkfire has 68 employees and is headquartered in Copenhagen, with additional offices in New York, Los Angeles, Lisbon and Accra. Linkfire ("LINKFI") is listed on Nasdaq First North Premier Growth Market, Sweden. For further information, please visit: linkfire.com

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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 2021-11-04 18:30 CET.

Image Attachments

[Lars Ettrup](#)



Press Release
04 November 2021 18:30:00 CET

Attachments

[Linkfire \("LINKFI"\) acquires smart link pioneer and key global competitor smartURL](#)