

Q3 Interim Report 1 January – 30 September 2022

Risk Intelligence A/S ("Risk Intelligence" or "Company") hereby publishes the Q3 2022 Interim Report for the period January - September 2022. The report is available on the Company's investor website (investor.riskintelligence.eu).

Highlights:

- Recurring revenue continues to be strong. Up by 19% in Q3 and by 19% in Q1-Q3
- Net Retention Rate 122%
- Revenue increased by 9% in Q3
- Costs have increased by 24% in Q3 and by 20% in Q1-Q3
- EBITDA Q3 decreased by 314%
- Net profit Q3 decreased by 115%
- Full year guidance for 2022 intact

Reporting period Q1-Q3 January 2022 – September 2022

DKK '000 (2021)

• Revenue:	11,561	(11,293)	2%
• Costs:	17,649	(14,665)	20%
• EBITDA:	-6,088	(-3,372)	-81%
• EBT:	-9,787	(-6,061)	-61%
• Profit/loss for the period:	-7,634	(-4,728)	-61%
• Earnings per share:	-0.69	(-0.43)	-54%

Reporting period Q3: July 2022 – September 2022

DKK '000 (2021)

• Revenue:	4,614	(4,231)	9%
• Costs:	5,543	(4,455)	24%
• EBITDA:	-929	(-224)	-314%
• EBT:	-2,454	(-1,121)	-119%
• Profit/loss for the period:	-1,882	(-875)	-115%
• Earnings per share:	-0.17	(-0.08)	-105%

Metrics Q3 YTD 2022:

DKK '000 (2021)

• ARR total	17,460	(14,654)
• ARR Net increase	2,806	(2,752)
• ARR Growth	19%	(23%)
• System ARR	16,278	(13,491)
• System ARR Net increase	2,787	(2,614)
• System ARR Growth	21%	(24%)
• ARPU	152	(128)
• Renewal Ratio	98.4%	(98.2%)
• Churn	1.6%	(1.8%)
• NRR	122%	(124%)

Metrics Q3 2022:

DKK '000 (2021)

• Total ARR	4,285	(3,696)
• Total ARR Net increase	589	(581)
• Total ARR Growth	19%	(19%)

• System ARR	4,211	(3,424)
• System ARR Net increase	787	(946)
• System ARR Growth	23%	(38%)
• Renewal Ratio	98.5%	(100%)
• Churn	1.5%	(0%)

Guidance 2022:

Unchanged

- Growth: 15 - 25%
- Revenue: 21.5M - 23.5M DKK
- EBITDA: Negative
- Net result: Negative
- Net cash-flow: Positive

CEO Hans Tino Hansen

"The Q3 period and the year to date have been characterised by a significant impact from the geopolitical situation; the war in Ukraine, continued supply chain challenges, rising inflation, and the turmoil in the financial markets. Some of these aspects have increased demand for Risk Intelligence's products and services, while others have impacted negatively on the business - on par with the rest of the market. We have assessed the combined net impact in the short term to be neutral to negative, while in the long term it is assessed to be positive, due to the increase in recurring revenue and new client relations.

The short-term net negative impact mainly stems from increased operating costs and increasing financial costs. Total operating costs increased by 24% in Q3 compared to Q3 2021. However, the main part of this increase is rooted in planned growth initiatives, predominantly within intelligence analysis, and sales and marketing. The rest are cost increases in a range of areas with staff costs being the main element.

The challenging geopolitical situation has increased risk globally, and thereby our clients' need for intelligence analysis. This is the key factor behind the significant increase in license fees for the Risk Intelligence System. Also weighing in is an increasing need for reporting and compliance, as well as an increased need to understand security risk in other departments within our clients' organisations. Therefore, it is safe to say that the impact on balance for our business in the medium term and long term will be positive.

During Q3, the System Annual Recurring Revenue (ARR) increased by 23% and by 21% for Q1-Q3. At the same time, the total ARR increased by 19% in both Q3, and Q1-Q3. This implies that System revenue is increasing at a higher growth rate than the subscription-based intelligence reports. The high Net Retention Rate (NRR) of 122% again underlines our high level of client satisfaction. Although Advisory Services have decreased with 38% in Q3 (compared to the same period in 2021), activity is picking up in Q4.

Risk Intelligence is experiencing growth in our core business, the Risk Intelligence System, while retaining a high level of client loyalty and developing client relations with new and longstanding clients. In other words, Risk Intelligence is securing long term growth.

For the rest of 2022 and for 2023, we will continue to implement the 2025 Strategy, which will lead to positive figures during the full year of 2023. At the same time, we are experiencing an increase in business related to critical infrastructure, energy and renewable energy production in Europe, Asia and elsewhere. Our partnerships will also start to generate revenue as partner products integrating Risk Intelligence analytical data are introduced to the markets. Both areas will be further developed during 2023. Additional clients are being added for the maritime business and recurring revenue from existing clients, new clients, and partners is increasing during Q4. The land-based business is also finally starting to see traction. This will further fuel our growth in 2023.

Finally, the Board of Directors are working to change the long-term capital structure of the company. As part of this, Risk Intelligence Board of Directors and management is continuously securing liquidity for its

operations and investments, which has included additional loan capital during Q3. A limited capital increase is planned."

From November 2022, the Company will not make press releases in Swedish but only in English. All communication from the company will continue in English.

Video presentation:

Presentation (in English) with NyhetsByrån Direkt will be available from about 16.00, 16 November, on our [Investor presentations](#) page.

For more information on services and the System:

Please watch our corporate video: [Knowing Risk](#)

For further information about Risk Intelligence, please contact:

Hans Tino Hansen, CEO
Jens Krøis, CFO
Telephone: +45 7026 6230
E-mail: investor@riskintelligence.eu

Website and social media:

Website: investor.riskintelligence.eu
Twitter: twitter.com/riskstaff
LinkedIn: linkedin.com/company/risk-intelligence
Facebook: facebook.com/riskstaff

Risk Intelligence A/S was founded in 2001 by Hans Tino Hansen. The company has evolved to become a prominent company in security risk management by delivering threat and risk assessments worldwide. Risk Intelligence operates and assists customers and partners from headquarters located north of Copenhagen, the office in Singapore as well as through representatives in Europe, Asia and North America. The business model is designed with international scalability in mind and the company is globally regarded as an expert in its field. Risk Intelligence's core product is the 'Risk Intelligence System (MaRisk + PortRisk + LandRisk)', a digital solution that allows clients to monitor global security risks and enables them to plan and implement missions in risk areas. Risk Intelligence is listed on the Spotlight Stock market [RISK].