

Half-year Interim Report 1 January – 30 June 2023

Risk Intelligence A/S ("Risk Intelligence" or "Company") hereby publishes the Half-year Interim Report for the period January - June 2023. The report is available on the Company's investor website (investor.riskintelligence.eu).

Highlights:

- Total reported revenue up by 14% in Q2 2023 and by 15% in H1
- Total invoiced revenue up by 42% in Q2 2023 and by 76% in H1
- Total recurring revenue up by 44% in Q2 2023
- Net Retention Rate 116%
- Costs decreased by 1% in Q2
- EBITDA in Q2 2023 +31%
- Net profit in Q2 increased by 10%
- 5 new clients signed during Q2 2023 or 9 new during H1 2023

In 2022, Risk Intelligence changed the principle for recognising revenue to full periodisation. Due to this change, revenue, total assets, and equity for 2021 have been restated as well as updated for 2022 compared to quarterly reports. According to the new principle, revenue is recognized over the length of the license agreement rather than the time of invoicing. This means that as of 30 June 2023, a total deferred revenue of DKKm 10.5 exists, which will be recognized as income in future periods.

The new accounting and reporting principles have no impact on liquidity and cash flow, as all licenses will continue to be invoiced 12 months in advance with no option to terminate during the license period. Finally, the change has no impact on clients and partners. Invoiced revenue is revenue from all business streams, which has been invoiced in the period (no periodisation). This is what is the basis for liquidity and cash flow.

Reporting period H1: January 2023 – June 2023

DKK '000 (2022)

| | | | |
|-------------------------------|--------|----------|-----|
| • Revenue (recognised): | 10,043 | (8,711) | 15% |
| • Revenue (invoiced) | 11,095 | (6,296) | 76% |
| • Costs: | 13,099 | (12,106) | 8% |
| • EBITDA: | -3,056 | (-3,395) | 10% |
| • EBT: | -6,076 | (-5,568) | -9% |
| • Profit/loss for the period: | -4,739 | (-4,518) | -8% |
| • Earnings per share: | -0,31 | (-0.41) | 24% |

Reporting period Q2: April 2023 – June 2023

DKK '000 (2022)

| | | | |
|-------------------------------|--------|----------|-----|
| • Revenue (recognised): | 4,920 | (4,332) | 14% |
| • Revenue (invoiced) | 4,301 | (3,022) | 42% |
| • Costs: | 6,417 | (6,499) | -1% |
| • EBITDA: | -1,497 | (-2,167) | 31% |
| • EBT: | -2,884 | (-3,214) | 10% |
| • Profit/loss for the period: | -2,271 | (-2,513) | 10% |
| • Earnings per share: | -0.15 | (-0.23) | 35% |

Metrics H1 2023:

DKK '000 (2022)

| | | |
|---------------------------|--------|----------|
| • ARR total | 18,172 | (16,152) |
| • ARR Net increase | 2,020 | (2,740) |
| • ARR Growth | 13% | (32%) |
| • System ARR | 17,097 | (14,910) |
| • System ARR Net increase | 2,187 | (2,889) |
| • System ARR Growth | 15% | (24%) |
| • ARPU | 151 | (138) |
| • Renewal Ratio | 99.1% | (98.7%) |
| • Churn | 0.9% | (1.3%) |
| • NRR | 116% | (111%) |

Metrics Q2 2023:

DKK '000 (2022)

| | | |
|---------------------------|-------|---------|
| • Total ARR | 3,586 | (2,482) |
| • Total ARR Net increase | 1,104 | (607) |
| • Total ARR Growth | 44% | (32%) |
| • System ARR | 3,558 | (2,301) |
| • System ARR Net increase | 1,257 | (663) |
| • System ARR Growth | 55% | (40%) |
| • Renewal Ratio | 99.1% | (96.6%) |
| • Churn | 0.9% | (3.4%) |

Guidance 2023 (Unchanged):

- ARR Growth: 15 - 30%
- System ARR: 18.5M – 20.9M DKK
- EBITDA: Negative
- Net result: Negative
- Net cash-flow: Positive

CEO Hans Tino Hansen

Risk Intelligence has shown significant progress in the second quarter towards achieving operational cash flow break-even. The company has effectively balanced revenue growth and cost management, validating its strategic approach. Invoiced revenue has seen significant growth of 42% in Q2 and an exceptional 76% in the first half of the year compared to the previous year. Reported revenue has also increased by 14% in Q2 and 15% in the first six months.

Costs have decreased by 1% compared to Q2 2022 and 4% compared to Q1 2023, demonstrating adherence to the strategy and budget and paving the way for positive operational cash flow in Q4. Existing and new client agreements and continuously minimized churn have contributed to the company's growth strategy. The Net Retention Rate (NRR) of 116% underscores the value of existing client contributions.

One of the central aspects of the 2025 Strategy's implementation is the execution of partnerships and the collaborative development of a new platform with our partner, Geollect. This platform is scheduled to launch in the final quarter, signifying a pivotal milestone in strategy execution.

Securing 6.5 million in funding during June and July ensures financial stability through Q3 and Q4, bolstering confidence in achieving positive cash flow from operations and reaffirming a prudent financial management approach.

Presentations:

Video presentation (in English) with NyhetsByrå Direkt will be available from about 17.30, 16 August, on our [Investor presentations](#) page.

Live presentation 22 August 13.00 at Stokk.io, please subscribe on [Stokk.io live presentation](#)

For more information on services and the System:

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

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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].