

## **The board of Risk Intelligence A/S has resolved on a partially (75.2 percent) secured rights issue of shares of approx. DKK 18.4 million**

The Board of Directors of Risk Intelligence A/S ("Risk Intelligence" or the "Company") announces that the Board of Directors has today formally resolved on the previously announced rights issue of units containing a maximum of 14,158,512 shares, equivalent of approx. DKK 18.4 million, before issue costs, with pre-emptive right for current shareholders ("Rights issue") The resolution was made based on the authorisation from the Extraordinary General Meeting of the Company that was held on the 3 October, 2023. In addition, the Company has received a conditional commitment from EIFO (Vækstfonden) of a long-term loan up to approx. DKK 5 million upon completion of the Rights Issue. The subscription price amounts to DKK 15.6 per unit, corresponding to DKK 1.30 per share. In connection with the Rights Issue, the Company has received subscription commitments of approx. DKK 5.6 million and guarantee undertakings of approx. DKK 8.3 million, corresponding in total to approx. 75.2 percent of the Rights Issue. The proceeds from the Rights Issue will be used to reestablish the equity, repay all short-term loans and for investments in new technology as well as to secure working capital for ongoing and upcoming growth initiatives. The Company also expects that the strengthened financial position, combined with increased market demand, will have a positive impact on discussions and negotiations with current and potential clients.

### **Motivation**

To enable successful implementation of the 2025 Strategy, the Board of Directors has formulated a comprehensive strategy. This strategy includes addressing the balance sheet, reestablishing the equity, eliminating all short-term loans, establishing a substantial liquidity reserve, and securing capital for necessary investments. These measures are intended to create a stable foundation for the entire 2025 Strategy and significantly reduce financial costs, ultimately leading to positive EBT in combination with positive cash flow from operations.

### **Background**

Risk Intelligence A/S is a leading provider of security risk intelligence, offering global security threat and risk assessments. With the cutting-edge cloud-based solution, the Risk Intelligence System, clients gain the power to monitor international security threats at sea, in ports, and on land, empowering planning and operations. The Company assists clients operating 15.7% of the World commercial fleet, as well as a range of other private and government clients and two of the world's top three largest logistics companies.

Crafted with global expansion in mind, Risk Intelligence's business model is designed for international scalability. Through a subscription-based approach, the company not only generates consistent annual revenues with a net retention rate of 116%, but also increases the client base with close to full scalability in its operations.

Risk Intelligence operates from its headquarters located north of Copenhagen and has an office in Singapore. Additionally, the presence is reinforced by dedicated team members spread across Europe, Asia, and North America. Risk Intelligence is publicly listed on the Spotlight Stock market under the ticker symbol [RISK].

The overarching objective of the 2025 Strategy is to achieve a 30% average year-on-year growth in topline revenue throughout the designated period in combination with reaching initially positive EBITDA and subsequently profit. This ambitious target is set to be realized through a series of strategic initiatives.

First and foremost, the company launches a new platform for the Risk Intelligence System in Q4 2023. This innovative move will expand the revenue streams from one to three: the original standard

subscription fees, additional revenue from new fee-based features, and revenue derived from new fee-based third-party data.

Secondly, revenue growth will also be enabled by close cooperation with partner companies to facilitate the sale of Risk Intelligence data integrated into their products, targeting market segments horizontally or vertically previously unexplored by Risk Intelligence. This dual-pronged approach encompasses both horizontal market expansion, such as venturing into the luxury leisure market involving super and mega yachts in collaboration with MedAire/International SOS, as well as vertical market growth in the existing commercial shipping market with Navtor. Finally, with Geollect, Risk Intelligence has a partnership with a dual focus on commercial ventures as well as technical development and continuous updating of the new platform.

Lastly, the 2025 Strategy is geared towards achieving a positive net result starting in 2024, with support stemming from the transition to positive cash flow from operations commencing in Q4 2023 and continuing onwards throughout the strategy period.

### **Use of proceeds**

Upon full subscription in the Rights Issue, Risk Intelligence will receive approx. DKK 18.4 million before issue costs, which are estimated to amount to up to approx. DKK 2.6 million. The net proceeds from the Rights Issue of approx. DKK 15.8 million will together with a long-term loan with EIFO, the Danish State growth fund, (former Vækstfonden), of up to DKK 5 million (based on a conditional commitment as per above), or a total of DKK 20.8 million are intended to be available for the following uses, in priority order with estimated distribution of the issue and loan proceeds:

- Investments in the new platform (approx. DKK 2 million).
- Removal of all short-term loans (approx. DKK 13 million).
- General liquidity reserve and for growth initiatives (approx. 5.8 million).

### **Terms and conditions of the Rights Issue**

The Board of Directors of Risk Intelligence A/S has today resolved on the Rights Issue, with the authorization from the Extraordinary General Meeting held on 3 October 2023, in accordance with the following main conditions:

- The Rights Issue comprises a maximum of 14,158,512 shares of nominally DKK 0.10, corresponding to an increase in the share capital of a maximum of DKK 1,415,851.20.
- Anyone who, on the record date of 10 October 2023, is entered in the share register, maintained by VP Securities A/S has preferential rights to subscribe for new shares in the Rights Issue. One (1) existing share entitles to one (1) unit right. Thirteen (13) unit rights give the right to subscribe for one (1) unit consisting of twelve (12) new shares.
- The subscription price in the Rights Issue will be DKK 15.6 per unit, corresponding to DKK 1.30 per share.
- The Rights Issue corresponds to a valuation of Risk Intelligence (pre-money) of approx. DKK 19,9 million.
- The subscription period in the Rights Issue runs from 11 October 2023 to and including 24 October, 2023.
- The last day of trading in the Company's share including the right to receive unit rights is 6 October, 2023 and the first day of trading excluding the right to receive unit rights is 9 October, 2023.
- Risk Intelligence has received pre-subscription commitments and guarantee commitments of approx. DKK 13.9 million, which corresponds to approx. 75.2 percent of the initial issue volume, of which approx. DKK 5.6 million is pre-subscription commitments and approx. DKK 8.3 million is guarantee commitments.
- In the event of full subscription in the Rights Issue, Risk Intelligence will receive approx. DKK 18.4 million before costs for the Rights Issue

### **Subscription commitments and underwriting commitments**

Risk Intelligence A/S has received subscription commitments of approx. DKK 5.6 million, corresponding

to approx. 30.2 percent of the Rights Issue, from board and management, existing and new shareholders. No remuneration will be paid for the subscription commitment. In addition, the Company has received guarantee commitments from external investors of approx. DKK 8.3 million, corresponding to approx. 45 percent of the Rights Issue. The Company has received subscription commitments and underwriting commitments of approx. DKK 13.9 million in total, corresponding to approx. 75.2 percent of the Rights Issue.

For the underwriting commitments, an underwriting compensation of twelve (12) percent of guaranteed amount will be paid in cash.

### **Share capital and number of shares**

Upon full subscription in the Rights Issue, the number of shares in the Company will increase by 14,158,512 shares from 15,338,389 to 29,496,901 and the share capital will increase by approx. DKK 1,415,851.2 from approx. DKK 1,533,838.9 to approx. DKK 2,949,690.1, corresponding to a dilution effect of approx. 48 percent.

### **Indicative timetable for the Rights Issue**

- Memorandum is expected to be published: 10 October, 2023
- The record date in the Rights Issue: 10 October, 2023
- The subscription period in the Rights Issue: 11 October, 2023 - 24 October, 2023

### **Memorandum**

The full terms and conditions of the Rights Issue and other information about the Company will be set out in the memorandum expected to be published no later than the day before the first day of the subscription period.

### **Long-term loan from EIFO (Vækstfonden)**

Risk Intelligence has received conditional commitment upon completion of the Rights Issue for a long-term loan with EIFO (Vækstfonden) of up to an additional DKK 5 million.

### **Financial advisor and issuing agent**

Corpura Fondkommission AB ([www.corpura.se](http://www.corpura.se)) is acting as financial advisor and Mazanti-Andersen is acting as legal advisor to Risk Intelligence in connection with the Rights Issue. VP is acting as issuing agent and Nordic Issuing AB is acting as settlement agent.

*This information is information that Risk Intelligence A/S is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication through the agency of the contact person(s) set out below, on 3 October 2023.*

### **For further information about Risk Intelligence, please contact:**

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