

Quarterly update





Q1 2023



RISMA Systems A/S



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Summary and key figures Q1

			2023-Q1	2022-Q1
1	ANNUAL RECURRING REVENUE*	Annual Recurring Revenue increased by 45% compared to the first quarter of 2022.	25.4 MDKK	17.5 MDKK
2	ARR QUARTERLY GROWTH	ARR grew by 7.9 MDKK compared to Q1 2022.	45%	32%
3	UPSELLING*	Upselling to existing customers ended at 0.8 MDKK in Q1 2023.	0.8 MDKK	0.7 MDKK
4	REVENUE CHURN*	Revenue Churn was at the expected level at 3% in Q1 2023.	2.9%	1.4%
5	NET REVENUE RETENTION RATE*	Net Revenue Retention Rate ended at 100% for Q1 2023 which was a small decline compared to 2022.	100%	103%
6	CUSTOMER ACQUISITION COST	Customer Acquisition Cost decreased by 60 TDKK in the first quarter of 2023 compared to the first quarter of 2022.	96 TDKK	156 TDKK

FINANCIAL GUIDANCE

The ARR guidance for 2023 is at 34-38 MDKK, equivalent to a growth rate of 50-70% in 2023.

The EBITDA guidance for 2023 is -9 to -13 MDKK.

*(See page 7 for definitions of key figures)

Letter from the CEO

RISMA sales in Q1 2023 was better than expected

The sales in Q1 was better than expected. The growth in Annual Recurring Revenue (ARR) is, however, as expected as one of RISMA's larger customers left RISMA because they were acquired. It is primarily in Sweden and Norway that sales have been higher than expected.

The reception of RISMA's new solution for sustainability reporting, CSRD, has been positive. We expect this solution to contribute significantly to growth in Q2, but the main part of the sales is expected to happen in H2 2023 and H1 2024.

RISMA is, furthermore, in the process of developing new solutions for a new IT-security framework, NIS2, and for a Norwegian regulation related to sustainability, Åpenhetsloven. We expect these solutions to contribute to growth in H2 2023 and in 2024.

RISMA's cash burn has decreased significantly. This is a result of increasing revenue related to both licenses fee and implementation services, as well as of the cost cutting initiatives initiated in H2 2022. We expect to have a positive cash flow from operation in Q4 2023 and by and large neutral or positive cash flow from operations in Denmark, Sweden and Norway in 2024.

Yours sincerely,

Lars Nybro Munksgaard,
Chief Executive Officer & Founder

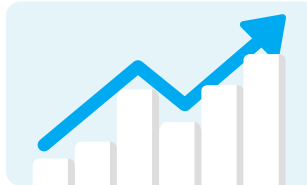


Commercial perspective on Q1, 2023



New sustainability related Solution, CSRD

- Launched as planned
- First five sales completed, including one in Sweden
- Lead-gen is progressing according to plan
- Positive response from existing and potential new customers



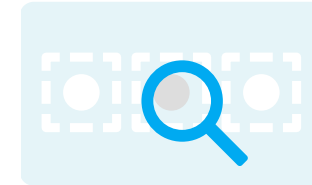
Commercial growth indicators

- Overall sales as expected
- Customer intake has been 24 customers
- Average license per new customer is DKK 9.357 compared to 3.408 in Q1 2022



Continued Nordic success

- Sales in Norway are 8% above budget in Q1 in local currency
- Sales in Sweden are 66% above budget in Q1 in local currency
- Increase in the pipeline in NO & SE is in line with growth projections



Commercial organization and focus

- There have been no changes in the commercial organization in Q1
- Focus is gradually shifting away from outbound lead generation
- Inbound lead generation has increased by over 50% over the past year

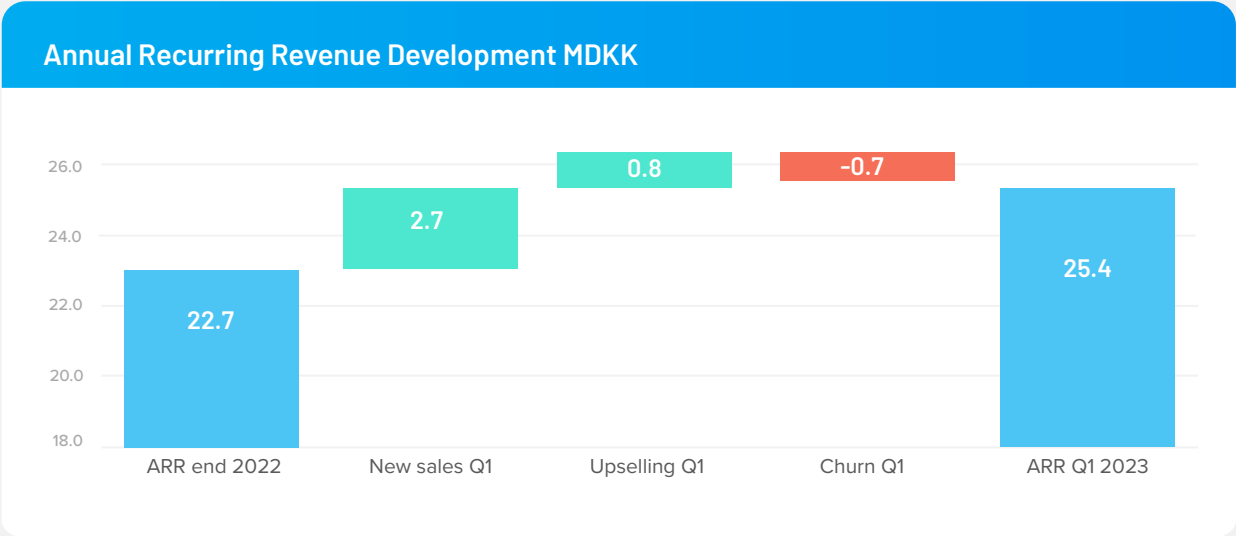
Statement from the CFO

HIGHLIGHTS OF ANNUAL RECURRING REVENUE Q1 2023

ARR ended at 25.4 MDKK in 2023-Q1 which is 45% higher than 17.5 MDKK end of 2022-Q1, and on track to reach our guidance for 2023.

Total ARR increased by 7.9 MDKK in 2023-Q1 compared with 2022-Q1, which was at the expected level and on track to reach the ARR guidance for full year 2023. RISMA churned revenue for 3% in Q1 2023 while the upselling was 3%. The retention rate for Q1 2023 was 100%.

RISMA has in the first quarter of 2023 onboarded 24 customers with an average ARR of 111 TDKK.



Jacob Halberg
Chief Financial Officer

DEFINITIONS

ANNUAL RECURRING REVENUE

The annual recurring revenue, also referred to as ARR, is defined as currently contracted revenue, and can be used to forecast the future annual revenue stream.

NEW SALES

New sales is defined as revenue derived from new acquired customers. In the ARR the value of new licenses is added, however revenue from the implementation is excluded.

UPSELLING

Upselling consists of sales of additional licenses or modules and index regulations on existing contracts.

REVENUE CHURN

Revenue churn is customers with terminated contracts, which have expired and there is no future revenue, hence they are not depicted in the ARR.

NET REVENUE RETENTION RATE

The Net Revenue Retention Rate is the difference between the positive impact of revenue upselling and the negative impact of revenue churn, compared to the level of ARR by the start of the period.