

Quarterly update

Q1 2024



Contents

Summary and key figures	3
Management review	4
By Lars Nybro Munksgaard	
Commercial perspective	5
By Lars Nybro Munksgaard	
Statement from the CFO	6
By Henrik Flintsø	
Company Information	7

Summary and Key Figures

			2024-03-31	2023-03-31
1	Annual Recurring Revenue	Annual Recurring Revenue increased by 10.2 MDKK compared to end of 2023-Q1.	35,6 MDKK	25,4 MDKK
2	ARR Growth	ARR grew by 40% compared to end of 2023-Q1 (12-month period).	40% MDKK	45% MDKK
3	Upselling	Upselling to existing customers ended at 3.6 MDKK from end of 2023-Q1 (12-month period).	3.6 MDKK	3.2 MDKK
4	Revenue Churn	Revenue Churn was decreased by 6%-point compared to end of 2023-Q1 (12-month period)	5%	7%
5	Net Revenue Retention Rate	Net Revenue Retention Rate increased by 3%-points compared to end of 2023-Q1 (12-month period).	108%	105%
6	Customer Acquisition Cost (CAC)	Customer Acquisition Cost increased by 35 TDKK in 2024-Q1 compared to end of 2023-Q1 (12-month period).	148 TDKK	113 TDKK

FINANCIAL GUIDANCE

The ARR guidance for 2024 is at 45-49 MDKK, equivalent to a growth rate of 33-45% in 2024.

The EBITDA guidance for 2024 is -5.6 to -9.6 MDKK.

Letter from the CEO

Catching up after a slow January

ARR growth in January was significantly lower than anticipated. Since then, we have, however, regained most of the lost ground, with April for example being 60% higher than the sales budget. By end of Q1 2024 we are, however still behind budget. ARR guidance for 2024, remains to be 45 to 49 MDKK.

EBITDA was slightly better than expected in Q1. The EBITDA guidance for 2024 is also unchanged at -5.6 MDKK to -9.6 MDKK.

By 3 May, Plesner Law Firm and RISMA launched a new solution for compliance with the EU regulation Digital Operational Resilience Act (DORA). The solution is aimed for the financial sector.

There are two EU security frameworks that go into force in January 2025, are DORA and NIS2. RISMA now has solutions in place for both frameworks. We expect both of these solutions, as well as the solution for sustainability reporting, CSRD, to contribute significantly for the remaining part of 2024.

The cash position remains to be strong as we more or less had neutral cashflow again in Q1 2024.



Yours sincerely,

Lars Nybro Munksgaard,
Chief Executive Officer & Founder

Commercial perspective on Q1, 2024



Products

- CSRD solution v. 3 was launched in English, Danish and Swedish
- An updated AML solution was launched with Horten as partner.
- Focus on improving existing "classic" RISMA solutions.
- Product Development has started working on the first Finnish solutions preparing for potential entry into the market.



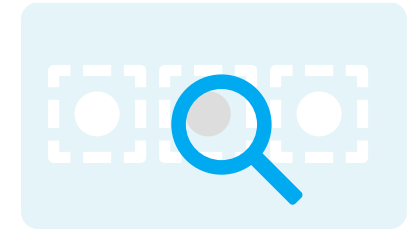
Commercial growth indicators

- Customer intake has been 11 customers in Q1-24
- Average license per new customer is DKK 120,839 compared to 110,752 in Q1-2023
- Inbound lead generation has increased by over 30% over the past year



Continued Nordic success

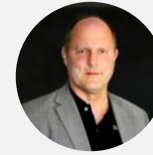
- Operation in SE and NO is cash neutral and operation in Norway is expected to become cash positive later in 2024.
- Pipeline in NO & SE is in line with growth projections
- RISMA is preparing for entrance into the Finnish market. No final decision taken though.



Commercial focus

- Continued sales of classic RISMA GRC solutions, e.g. GDPR, ISMS, Risk Mng, Internal Controls and Contract Mng.
- Continued focus on sales on solutions related to sustainability, including CSRD and Norwegian Transparency Act.
- Increased focus on solutions for IT security resilience, DORA and NIS2.

Statement from the CFO



Henrik Flintsø,
Chief Financial Officer

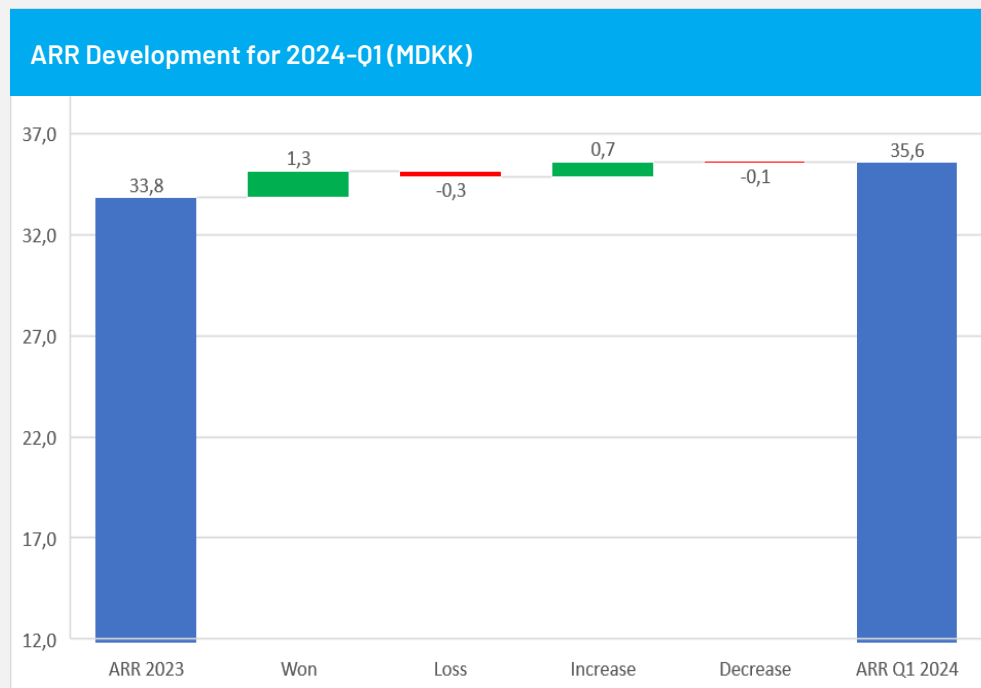
Highlight of annual recurring revenue 2024-Q1.

ARR ended at 35.6 MDKK end of 2024-Q1 which was 40% higher than 25.4 MDKK end of 2023-Q1.

ARR increased by 10.2 MDKK compared to end of 2023-Q1, which was lower than expected but still on track to reach the ARR guidance for full year 2024. RISMA churned revenue for 5% compared to end of 2023-Q1 (12-month). The net revenue retention rate was 108% compared to end of 2023-Q1 (12-month).

Customer Acquisition Cost (CAC) increased by 35 TDKK to 148 TDKK end of 2024-Q1 from 113 TDKK end of 2023-Q1 (12-month).

RISMA has in the first quarter of 2024 onboarded 11 customers with an average ARR of 120,839 TDKK an increase from 110,752 TDKK in 2023-Q1



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.

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

UPSELLING Upselling consists of additional licenses and modules sales to existing customers as well as price regulation of current contracts.

NET REVENUE RETENTION RATE The net revenue retention rate is the difference between negative impact of revenue churn, downgrading and positive impact of revenue upselling.

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

Company Information

Entity

RISMA Systems A/S
Ejby Industrivej 34-38
2600 Glostrup

CVR: 32769713

Board of Directors

Lars Ankjer Jensen, Chairman
Lars Nybro Munksgaard
Claus Henrik Christiansen
Rolf Erik Hall
Merete Søby
Rolf Bladt

Executive Board

Lars Nybro Munksgaard, CEO

Certified Advisor

Grant Thornton
Stockholmsgade 45
2100 Copenhagen Ø