



RISMA releases annual report for 2023 with ARR growth of 49%

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Company Announcement No. 4-2024

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RISMA Systems A/S closes 2023 with an Annual Recurring Revenue at 33.8 MDKK (guidance 34-38 MDKK) equivalent to a growth of 49% and EBITDA at -7.0 MDKK (guidance -6.8 to -7.8 MDKK)

Key figures full year 2023

- Annual Recurring Revenue increased by 11.1 MDKK equivalent to 49% increase and ended at 33.8 MDKK for 2023 from 22.7 MDKK in 2022
- New sales ended at 9.5 MDKK in 2023 compared to 6.2 MDKK in 2022
- The upselling ended at 3.9 MDKK in 2023, which was higher than last year at 2.8 MDKK
- Revenue churn for the full year 2023 ended at 1.7 MDKK equivalent to 5%
- Net revenue retention rate ended at 107% in 2023 which unchanged compared to 2022, which ended at 107%
- Average customer acquisition cost improved in 2023 to 119 TDKK from 129 TDKK in 2022
- Average ARR deal size in 2023 increased to 98 TDKK from 50 TDKK in 2022
- Revenue increased by 37% and ended at 30.7 MDKK for 2023 from 22.3 MDKK in 2022
- EBITDA ended at -7.0 MDKK which was a significant improvement from -19.8 MDKK in 2022

Guidance for 2024

RISMA confirms 2024 ARR guidance of 45-49 MDKK end of year and EBITDA of -5.6 to -9.5 MDKK. An ARR of 45-49 MDKK by end of 2024 corresponds to a year-on-year growth rate between 33% and 45%.

Business update

In August 2022 RISMA launched a new strategy: "Sustainable growth" following a shift in the capital markets, with investors preferring profitability over high growth rates. RISMA has as a result reduced the cash burn from 26 MDKK in 2022 to 1 MDKK in 2023.

With a strong financial position, RISMA has decided to expand the workforce rather than pursuing a positive cash flow in 2024. Most new hires will be in sales, marketing, and product development, including AI. Although this expansion is not expected to impact sales in 2024 significantly, it is anticipated to affect sales in 2025 and onwards.

Product wise 2023 has been the year in which RISMA has entered the market for software for compliance with sustainability regulation. Going forward, the markets for compliance with sustainability regulation and other legal regulation will melt into one market, also including risk management, internal controls, and vendor management. RISMA is well prepared for this market change, which we foresee will accelerate in the coming years.

In 2023 our engagement in Sweden and Norway both resulted in positive cash flow. It is, therefore, time to consider which country to enter next. In the following country, we benefit from the experiences of entering Norway and Sweden.

Web conference

On April 5 at 11:00 CEST, RISMA will hold a web conference about the report, hosted by RISMA's CEO, Lars Nybro Munksgaard. After the presentation there will be a Q&A session where investors can submit questions directly to the CEO. The Q&A is already open, meaning that you can already now submit your questions and vote for the best questions submitted by other investors. You sign up and submit questions using this link:

<https://app.stokk.io/app/risma-systems/event/136/2023-report-presentation-and-ga/>

Risma Systems has made this new solution available to make sure all interested can participate with their questions even though they may not be able to attend the event live. You will afterwards be able to find all answers in just one click after the event using a mapped Q&A solution. You will also be able to search and find information using a clickable and

searchable transcript connected to the recording. The web conference will be held in English. You can join the conference by computer or mobile device.

Further Information

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About Risma Systems A/S

RISMA is a leading SaaS company empowering companies to take their governance, risk and compliance effort to the next level. We believe in the value of good corporate citizenship, and our customers share our vision of aspiring to make a positive difference in complying with both regulatory and stakeholder expectations.

Our software platform supports our customers to be in control and decision wise when structuring, handling, and documenting their efforts across governance, risk, and compliance. Our core GRC suite offers eight business-critical solutions relevant for all companies regardless of size and industry – GDPR & Privacy, ISMS & ISO27001, ESG & sustainability, Enterprise Risk, Financial & Internal controls, Vendors & Contracts, Policy Management, and Incident Management

RISMA is listed on Nasdaq First North with a mission to become a leading GRC platform for medium and enterprise businesses and organizations. We believe that being a good business – is really great for business.

Attachments

- [Download announcement as PDF.pdf](#)
- [2023 Annual Report - Final.pdf](#)