



Q3 2020

Interim Report

1 January 2020 - 30 September 2020

Risk Intelligence A/S,
Strandvejen 100, 2900 Hellerup
CVR 27475671

RiskIntelligence

Q3 2020 Interim Report

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In this document, the following definitions shall apply unless otherwise specified: “the Company” or “Risk Intelligence” refers to Risk Intelligence A/S, CVR number 27475671.

Statement by the Board of Directors

The Board of Directors provide their assurance that the interim report provides a fair and true overview of the Company's operations, financial position and results.

Hellerup, 18 November 2020

Jan Holm - Chairman of the Board

Hans Tino Hansen - Board member and CEO

Stig Streit Jensen - Board member

Jens Munch Holst - Board member

Jens Lorens Poulsen - Board member

Key figures and selected financial posts

DKK 000'	Q3 2020	Q3 2019	Q1-Q3 2020	Q1-Q3 2019	FY 2019
Net sales	3,532	3,522	9,027	9,425	14,221
Operating profit (EBITDA)	-454	-1,902	-5,079	-7,057	-10,177
Profit after financial items	-1,561	-2,391	-7,813	-8,224	-12,331
Profit/loss for the year	-1,241	-1,865	-6,120	-6,414	-9,613
Total assets	21,930	20,863	21,930	20,863	19,706
Operating margin	-12.9%	-54.0%	-56.3%	-74.9%	-71.6%
Cash flow from operating activities	-3,046	-4,727	-6,204	-5,279	-7,125
Cash flow from investing activities	-607	-2,797	-1,598	-5,734	-6,608
Equity ratio	-%	26,1%	-%	26,1%	10,6%
Number of registered shares	9,101,380	8,387,090	9,101,380	8,387,090	8,387,090
Earnings per share*)	-0.16	-0.22	-0.68	-0.76	-1.14
Number of employees	24	26	24	24	26

Definitions

Operating margin: Operating profit divided by net sales.

Equity ratio: Equity divided by total assets.

*) Earnings per share is not adjusted for change in number of registered shares

Highlights during the period 1 July 2020 – 30 September 2020

- On 3 July, the Company announces that a major South-East Asian oil and gas service provider signs up for the Risk Intelligence System.
- On 7 July, the Company announced that it reached an acceptable turnover in H1 after challenging Q2 and communicates optimistic outlook for 2020.
- On 9 July, the Company successfully completed a direct share issue of approx. DKK 2 million as part of an 8 million funding package.
- On 22 July, the Company announced it sees renewed increase in Advisory Service.
- On 24 July, it was announced that it had successfully completed the 8 million funding package.
- On 3 August, Risk Intelligence announced that the Company had signed an agreement with the Singapore War Risk Mutual.
- On 17 August, The Company announced that it had signed an agreement with the International Chamber of Shipping.
- On 4 September, The Company appoints new CCO.
- On 22 September, the Company announced that it had signed an agreement with a leading North European offshore operator.
- On 28 September, the Company announced that it had signed an agreement with major Protector and Indemnity insurer.

Highlights after the period

- On 1 October, the Company announces that it had successfully completed the first and second phase of its data and AI strategy.
- On 3 November, the Company announces that it had signed an agreement with a European NATO member.

CEO Hans Tino Hansen

After a challenging Q2, not only for us and many of our clients, but nearly everyone, we saw a noteworthy improvement in Q3 with cautious optimism for the remainder of 2020 even if uncertainty still plays a significant role.



The cautious optimism we have reported earlier this summer continues and even if the business environment is surrounded by a range of restrictions mostly, but not only, related to travel then we have witnessed increasing interest in the Risk Intelligence System, which is further supported by the general drive towards digital solutions and tools to support client operations regardless of where their staff are working from.

Risk Intelligence has reached the same level of revenue in Q3 2020 as we did during Q3 2019 with a modest 1% growth. In terms of business, the Risk Intelligence System has increased both the actual and relative sales with a 20% increase in recurring revenue, which is highly positive as each new license on average adds DKK 1.2M to future cash flow. On the other hand, our consulting arm, Advisory Services, has seen a decrease as our consultants have not been able to support our clients at their premises, vessels and operations. However, risk assessments that are delivered from desktop have increased. If Advisory Services had been on the same level as last year, we would have had a 15% growth in Q3 revenue.

Based on confirmed business, I am already confident that in Q4 we will deliver both growth in revenue and a significant positive EBITDA due to increased business and due to the reduced cost base, which has been reduced by 26% in Q3. Due to the substantially negative Q2 EBITDA and subsequently the total accumulated negative EBITDA for the Q1-Q3 period, it will most likely not be possible to reach the aim of a positive EBITDA for the full year. However, with the increase in recurring revenue, we have a solid foundation for further growth and positive EBITDA for the full year of 2021.

The discussions for LandRisk have re-started with potential clients during Q3, while others have stated their interest, but postponed decision-making to 2021 as they are concentrating on securing their supply chains. It is expected that the first major LandRisk agreement will be signed in Q4. Since the LandRisk license agreements are substantially bigger and more complex than the standard maritime license agreements, the revenue per LandRisk license agreement is also substantially higher. While the lack of LandRisk sales is certainly not satisfactory there are several reasons to this and I am convinced that the identity of the companies and level of revenue involved will make up for this over time.

Finally, and almost needless to say, the importance of close and strong client relations and a high-quality product is once again underlined by the 100% renewal rate (0% churn) during Q3. We are investing more resources into continuously improving our product with new features, where some will generate additional license revenue, while at the same time further deepening our client relationships during the remainder of 2020 and during 2021. One of the important steps in this direction has been the wide range of successful webinars organised since April.

Hans Tino Hansen

CEO

Risk Intelligence A/S

About Risk Intelligence

Risk Intelligence was founded in 2001 by Hans Tino Hansen. The Company has evolved into becoming a prominent company in security risk management by delivering threat and risk assessments globally. Risk Intelligence assists its customers and partners through offices north of Copenhagen as well as representatives in Europe, Asia and North America. The business has been designed with international scalability in mind and the Company is globally regarded as experts in its field of business. Risk Intelligence provides a digital platform (the Risk Intelligence System - MaRisk + PortRisk + LandRisk) that allows clients to monitor global security risks to enable businesses to plan and implement missions in risk areas. The data is collected from direct local sources, on-site-analysts and from a major international intelligence network. On 1 October 2019, Risk Intelligence launched the third product within the Risk Intelligence System, LandRisk, to cover landside logistics security risks. Adding LandRisk to the existing maritime and port security modules on the Risk Intelligence System, provides security risk intelligence for the complete supply chain in one integrated system with a single point of access.

Risk Intelligence has undergone the following phases:

2001 - 2007: Market establishment and signing of the first maritime clients.

2008 - 2013: Operations were scaled up in 2008 upon launch of the digital platform with the MaRisk product, which was customised to maritime operations.

2014 - 2016: Launch of the new platform and the second digital product - PortRisk (2015) and a new version of MaRisk (2016). PortRisk monitors port and terminal security risks on more than two hundred specifically selected ports around the world.

2017: Development of Growth Plan for 2020. Initial internal development of the Company's third module LandRisk has begun, which has been requested by the existing customer base. With LandRisk, the Risk Intelligence System will link a whole industry chain of identification and selection of risks and threats, both on land and at sea. With LandRisk, Risk Intelligence's addressable market will increase more than tenfold.

2018: Launch of Growth Plan for 2020 as well as IPO and listing on Spotlight Stock Exchange. New office in Hellerup north of Copenhagen and hiring of a range of key staff members. End year Risk Intelligence completed the Beta test version phase of LandRisk together with the current pilot project clients.

2019: LandRisk Beta test period with more than 30 test companies and final development of LandRisk based on the feedback, input from developers and findings. LandRisk was launched at an event in Düsseldorf, Germany on 1 October. In May Risk Intelligence launched an ambitious data and artificial intelligence (AI) project over the next three years, which will substantially and fundamentally improve the use of data in Risk Intelligence and accelerate pace of operations and reduce production costs.

2020: Successfully completes the first and second phase of its data and AI strategy, effectively enabling AI and Machine Learning. Launched webinars to increase client relations and online content delivery.

Risk Intelligence System

The Risk Intelligence System is a digital security intelligence solution that has been developed in close collaboration with global businesses established in the fields of shipping, offshore, oil and gas. The digital platform has been designed based on customer needs along with the experienced security risk analysts at Risk Intelligence. The Risk Intelligence System offers customers a complete picture of immediate, short- and medium-term security risks for coastal areas, ocean, port and land. The analysis is focused on insurgency, piracy, organised crime, terrorism, military conflicts and the interplay between these. Risk Intelligence identifies where serious events arise and presents an assessment of how great the threat is in each area. This makes it possible for companies to easily evaluate both current and future security risks with the purpose of minimising risks that affect their operations. There are three modules in the Risk Intelligence System - MaRisk, PortRisk and LandRisk.



The above image illustrates Risk Intelligence System's risk notifications.



The above image illustrates a clipboard of Risk Intelligence System's global map of risk notifications.

MaRisk has been a part of the Risk Intelligence System since its launch in 2008 and provides security information for companies to plan and execute marine missions. MaRisk offers a global overview of security incidents and threats at sea. A subscription to MaRisk module includes:

- A user-friendly and easy to navigate System
- Global maps (including digital sea charts)
- 24/7 incident updates
- 24/7 piracy alerts of motherships or attack groups
- Access to Risk Intelligence Duty Watch team for queries
- Country and Area threat assessments
- Statistics tool
- Recommendations and guidance
- Satellite fleet tracking integration and SAT AIS vessel position integration

PortRisk has been included in the Risk Intelligence System since 2015. The module presents updated security information on ports and sea-level terminals in medium to high risk areas around the world. PortRisk monitors more than 220 specifically selected ports and terminals globally. All ports and terminals have undergone extensive analysis, and more than 20 percent of the ports and terminals have been surveyed onsite by a Risk Intelligence team. A subscription to PortRisk module includes:

- A user-friendly and easy to navigate System
- Global maps (including digital sea charts)
- Port data with IMO code, ISPS level, Foreign Flag State etc.
- Port risk, vulnerability and threat assessments
- City threat assessments and guidance for crew changes
- Country and Area threat assessments
- Facility security information
- Security and emergency units information
- Agents Lists
- Photos and maps

LandRisk was launched 1 October 2019. By adding LandRisk to the existing Risk Intelligence System, the client gets access to a complete, integrated end-to-end supply chain security intelligence solution that provides a single point of access for all relevant transport-related security risk intelligence. A subscription to LandRisk module includes:

- Country, Area, City and Hotspot threat analysis
- Route planning tool
- Integrated fleet tracking through API
- 24/7 access to Risk Intelligence Duty Watch team
- Incidents database
- Incident notification services

Risk Intelligence Business Model

Business Model

Risk Intelligence business model is divided into three areas:

1. Subscription/Recurring: (79% in 2019). Sale of subscription licenses that provide access to the Risk Intelligence System (MaRisk + PortRisk + LandRisk) through a subscription service where the client in advance pays for access to the system for twelve months. The subscription service creates recurring revenue and generates strong cash flow for the Company. Over the years more than 98 percent renew their subscription and several of the Company's customers have renewed their subscriptions for the 12th time. LandRisk will generate additional recurring revenue.

Licenses are paid upfront 12 months ahead with a standard license pricing for MaRisk and PortRisk between 39,785 to 334,200 DKK depending on number of modules, license type for standard licenses with set number of users and higher license fees for bespoke licenses with e.g. additional users and/or API integration.

Each new client subscribing to the Risk Intelligence System represents an average value of future recurring revenue of DKK 1.2 million.

2. Reports/Recurring: (6% in 2019). Weekly reports on threat and risk assessments of Libya and Yemen.

Subscriptions are from 30,000 to 120,000 DKK per country and selected subscription period

3. Advisory services: (22% in 2019). Threat and risk assessments, evaluation of the client companies' security suppliers and corporate risk management consulting. The advisory services are an opportunity to establish a much closer customer relationship with the client than the subscription service currently can. The goal is that the advisory services should lead the customer to choose either to maintain an existing license agreement or to enter into a license agreement whereby the Company receives additional recurring income.

Recurring revenue

The Risk Intelligence recurring revenue accounts for 88% of total revenues in Q3 2020 (Q2 2019: 74%) and 90% for Q1-Q3 2020 (Q1-Q3 2019: 78%). The renewal rate in Q3 2020 was 100% with a churn of 0%.

Annual Recurring Revenue (ARR)

Risk Intelligence is a security intelligence provider similar to e.g. Bloomberg on financial data and analysis. For comparison with other companies Risk Intelligence should be seen as a SaaS company, which are the closest category that the Company fit into in terms of understanding the business model and in terms of key metrics (even if a SaaS company delivers software and Risk Intelligence delivers analysis).

One of the key metrics for SaaS companies is the Annual Recurring Revenue as it expresses the recurring value of the company's subscriptions (Revenue).

Annual Recurring Revenue (ARR) is one of the key figures and value drivers when looking at the performance of a Software as a Service (SaaS) company, because it is the foundation for evaluating the potential recurring revenue a SaaS company can generate over time. Equity analysts often apply a multiple to ARR in order to estimate a value of stock exchange listed SaaS companies.

A SaaS company is defined as a company that delivers access to a centrally hosted software model on subscription.

In general, ARR expresses the revenue from subscriptions the SaaS company can generate in a 12 month period from its portfolio of current client agreements. ARR is important because it expresses the recurring value of the company's subscriptions, and as long as these subscriptions are not churned, they will continue to generate revenue year after year.

This also means that if the SaaS company's ARR is increasing, the revenue that will be generated year after year is also increasing.

ARR will in general increase when the SaaS company's subscriptions with existing clients are uplifted and when the company sells new subscriptions. Similarly, ARR will decrease when subscriptions are churned, i.e. not prolonged. Hence, as long as the total value-increase from existing subscriptions and new agreements exceed the value of the agreements churned, ARR will increase and the revenue generated year after year will increase.

As long as the SaaS company can continue to increase its ARR there is - in theory - no limit for the accumulated future revenue. That said, all agreements are expected to churn at some point of time but as long as the value increase exceeds the value of churned agreements total ARR will increase.

An increase in Annual Recurring Revenue (ARR) from year 1 to year 2 can be summarised as follows:

- + Annual Recurring Revenue (ARR) end of year 1 (value of all existing client agreements)
- + increase in subscriptions and transactions from existing clients
- churn of existing clients
- + agreements with new clients

= Annual Recurring Revenue (ARR) end of year 2

Factors impacting the ARR-development

- Sales of subscriptions to new clients increases the ARR
- Upselling to existing clients:
 - Clients increase the number of communication transactions
 - Clients deploy additional communication channels and/or AI
- When clients churn, i.e. the subscription is discontinued, ARR decreases
- As long as the value of upselling to existing clients and the sales to new clients exceeds the value of the churning clients, the ARR will increase.
- In terms of upselling, several costumers have added more users to their license agreement during the year.

The Renewal ratio for YTD 2020 was 98.2% with a churn of 1.8%.

Highlights Recurring Revenue:

DKK '000	Q3 2020	Q3 2019	2019	2018
Annual Recurring revenue (ARR)	11,902	11,725	11,147	9,864
Net increase/decrease (-) in ARR	176	2,398	1,296	1,293
Average Annual Recurring Revenue (ARPU)	111	118	113	115
Renewal Ratio	100%	100%	99.3%	99%
Churn	0%	0%	0.7%	1%

Capital Resources

The Company's cash policy is at any time to have enough cash to run the company for a period of 12 months according to plans and initiatives decided upon and still have 2-3 million as cash position. To achieve that, the Company is on an ongoing basis monitoring the cash flow and at any time will fund the Company further to reach the goals and fulfill the strategy. In 2020 the Company will ensure that the cash position will reflect the cash result throughout a 12-month period by either loan- or credit facilities or further funding if needed. At this point the Company has secured funding for all planned initiatives and investments for 2020. As part of this policy the company in April has got a 2m DKK credit facility at Danske Bank supported by a financial guarantee by Vækstfonden, a loan at Vækstfonden in July of DKK 4 million and successfully completed a direct share issue of DKK 2 million also in July 2020.

The Company's cash position end Q3 2020 was DKK 1 thousand and should always be seen together with Accounts Receivable, end Q3 2020 DKK 3,359. The Company has never lost any outstanding amount on clients, which is why Accounts Receivable, seen from the Company perspective, are considered as good as cash. Accounts Receivable and Cash end Q3 2020 was DKK 3,360 thousand.

The Equity is on 30 September 2020 DKK negative by 2,169 thousand and by that the share capital of DKK 910 is per definition lost. Since most of the revenue is generated in Q4 every year, earnings will lead to a reestablished share capital. Together with profit of ongoing business the direct share issue in July 2020 as part of the DKK 8 million funding package is at this point seen to be sufficient capital.

Sales streams

The Risk Intelligence business model generates new sales in three streams: Initial sales, direct sales and partner sales.

1. In-bound sales mean that the Company's services are considered so attractive that the end customer himself chooses to contact the Company to conclude an agreement. This may result in sales of all types of products and services. Risk Intelligence has a Client Portal, which essentially is a web shop for clients, where customers initially can purchase single ports in the Risk Intelligence System for a certain period and select access to one or more ports for a specified period.

2. Direct sales mean that the Risk Intelligence sales organization actively sells the Company's services based on generated leads from the Sales Lead Generation Team.
3. Partner sales mean that the Company signs an agreement with a strategic partner, such as Pole Star or GNS, which sells its products / licenses with Risk Intelligence integrated into its platform to the end-customer.

Sales goals

Risk Intelligence's latest sales stream is partner sales, which is expected to increase significantly in both revenue and in the share of the Company's total business. This part of the business is especially profitable because it delivers access to existing data to new customers, integrated into the partner's products. Risk Intelligence's goal is that inbound sales from online marketing, word-of-mouth, etc., will account for 10 percent of sales, that direct sales will account for 60 percent of sales and that partner sales will account for 30 percent.

Shareholders

The table below presents shareholders with over 5 % of the votes and capital in Risk Intelligence as per 30 September 2020.

Name	Number of shares	Percentage of capital (%)	Percentage of voting right (%)
Sandbjerg Holding ApS	3,000,000	32.96	37.42
Polaris Maritime Solutions Ltd	456,000	5.01	5.64
Others	5,645,380	62.03	56.94
Total	9,101,380	100.00	100.00

The share

The shares of Risk Intelligence A/S were listed on Spotlight Stock Market 17 August 2018. The short name/ticker is RISK and the ISIN code is DK0061031978. As per 30 September 2020, the number of shares was 9,101,380. Every stock share equals the same rights to the Company's assets and results.

Warrants

On the Annual General meeting 17 April 2020 Risk Intelligence has decided to give the Board the right to issue 600,000 new warrants. Each warrant will provide the holder with the right to subscribe for one new share in the Company at a subscription rate of DKK 3.00. The warrants program is dedicated for allocation to all the Company employees and staff. Under this program and within the authorisation of the 600,000 the Board of Directors has as per 1 May 2020 decided to issue 572,929 warrants to employees and staff. If fully issued and vested by July 2021 the program will lead to a positive cash impact of DKK 1,718,787.

Risk Intelligence has issued warrants to Gemstone Capital ApS (“Gemstone”). The warrants give Gemstone the right to 76,691 shares (equivalent to 1 percent of the total number of shares in the Company after listing). Each warrant will provide the holder with the right to subscribe for one new share in the Company at a subscription rate of DKK 6.25. If fully vested the program will lead to a cash impact of DKK 479,319.

Operational risks and uncertainties

The risks and uncertainties that Risk Intelligence operations are exposed to are summary related to factors such as development, competition, technology development, capital requirements, currencies and interest rates. During the current period, no significant changes in risk factors or uncertainties have occurred. For more detailed description of risks and uncertainties, refer to the memorandum published in June 2018. The documents are available on the Risk Intelligence website (www.riskintelligence.com).

Principles for Interim Report

The interim report has been made in accordance with Danish jurisdiction for annual accounts.

Auditor’s review

The interim report has not been reviewed by the Company’s auditor.

Financial Calendar

3 March 2021	Q4 and 2020 Year-end Report
16 April 2021	Annual General Meeting
19 May 2021	Q1 2021 Interim Report
18 August 2021	Q2 2021 Interim Report
17 November 2021	Q3 2021 Interim Report
2 March 2022	Q4 and 2021 Year-end Report

For further information, please contact

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CFO Jens Krøis

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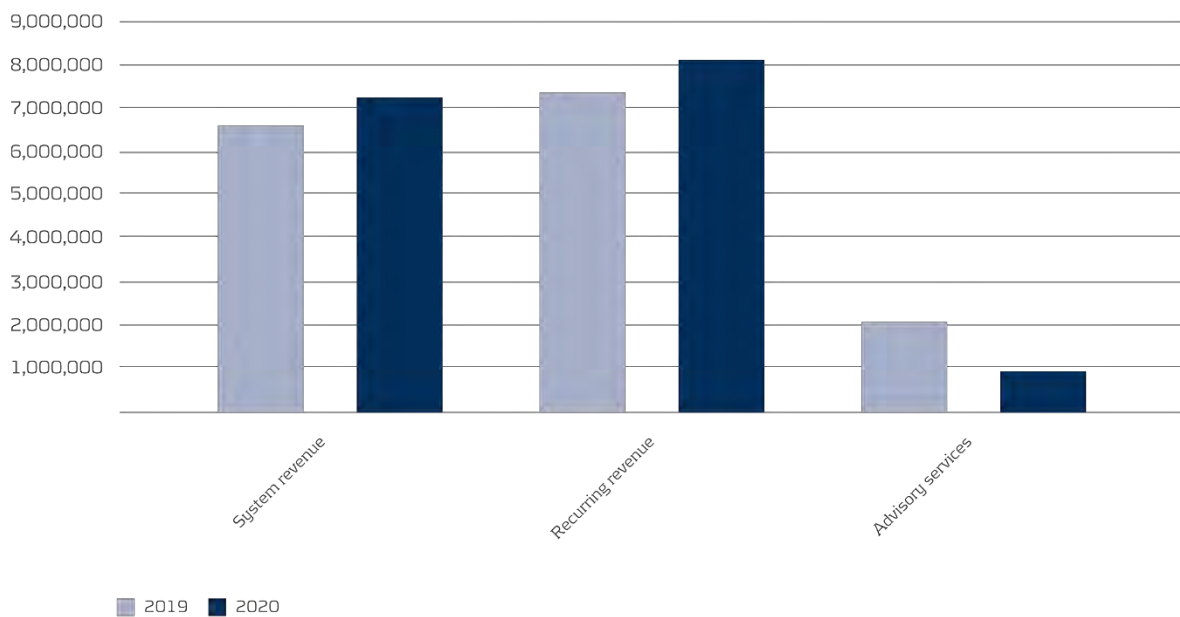
Financial Review

Income Statement

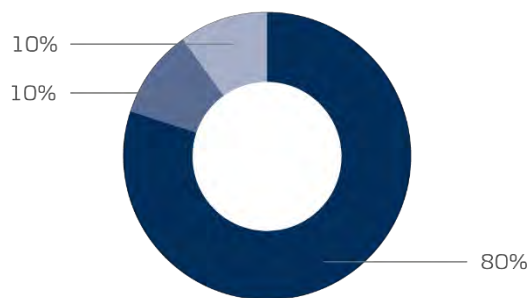
Total revenue increased 1% in Q3 2020 to DKK 3,532 thousand compared to Q3 2019 (DKK 3,522 thousand). Total recurring revenue in Q3 2020 increased by 20% to DKK 3,114 thousand compared to Q3 2019 (DKK 2,601 thousand). The non-recurring bespoke Advisory Service has decreased by 53% to 432 thousand from Q3 2019 (DKK 920 thousand).

In Q1-Q3 2020 total revenue decreased by 4% to DKK 9,027 thousand compared to Q1-Q3 2019 (DKK 9,425 thousand). The recurring revenue in Q1-Q3 2020 ended at DKK 8,111 thousand corresponding an increase of 10 % compared to the same period in 2019 (DKK 7,356 thousand).

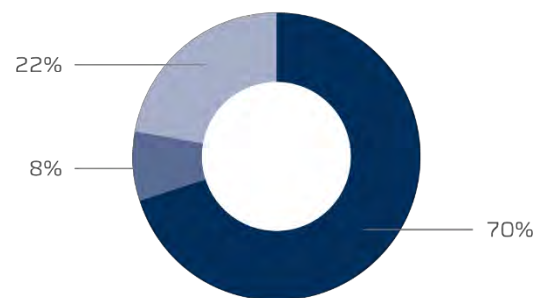
Revenue Q1-Q3 2019 - 2020



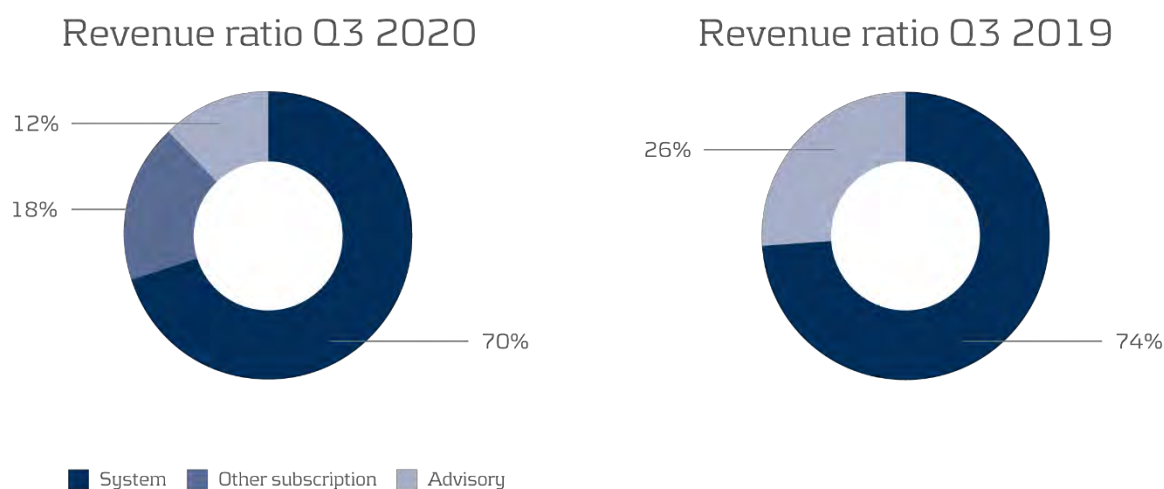
Revenue ratio 2020 Q1-Q3



Revenue ratio 2019 Q1-Q3



■ System ■ Other subscription ■ Advisory



The gross profit increased in Q3 2020 by 59% to DKK 2,246 thousand (Q3 2019: DKK 1,410 thousand), corresponding to an increased gross margin of 53% (Q2 2019: 33%). For the period of Q1-Q3 2020 the gross profit increased by 54% to DKK 4,812 thousand (Q1-Q3 2019: 3,128 thousand). The gross margin increased to 53% compared to 33% for Q1-Q3 2019.

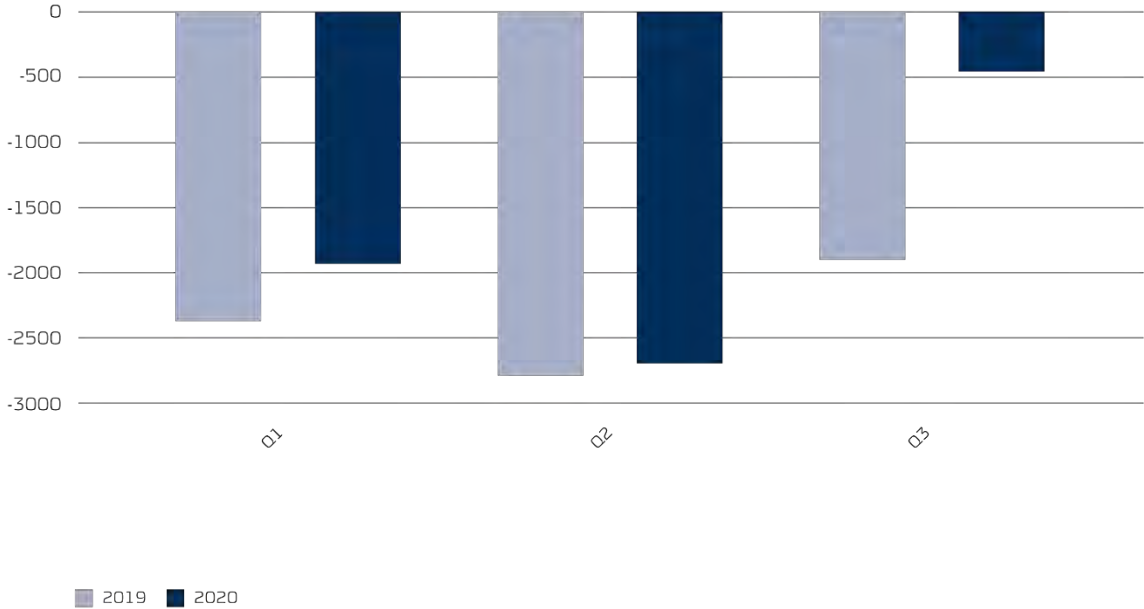
Other Operating Expenses decreased in Q3 2020 by 39% to DKK 1,286 thousand (Q3 2019: 2,112). Staff costs amounted to DKK 2,700 thousand (Q3 2019: DKK 3,312 thousand) which is decrease of 18% compared to Q3 2019. As for Q1-Q3 in total Other Operating Expenses decreased by 33% to DKK 4,215 (Q1-Q3 2019 DKK 6,297 thousand). Staff costs in Q1-Q3 2020 of DKK 9,891 thousand (2019 DKK 10,185 thousand) decreased by 294 thousand or 3%.

Costs in total decreased by DKK 1,438 thousand or by 26% in Q3 2020 reflecting the Company's prudent cost restraint due to the Covid-19 situation. For the period Q1-Q3 2020 the total costs decreased by 14% or DKK 2,376 thousand.

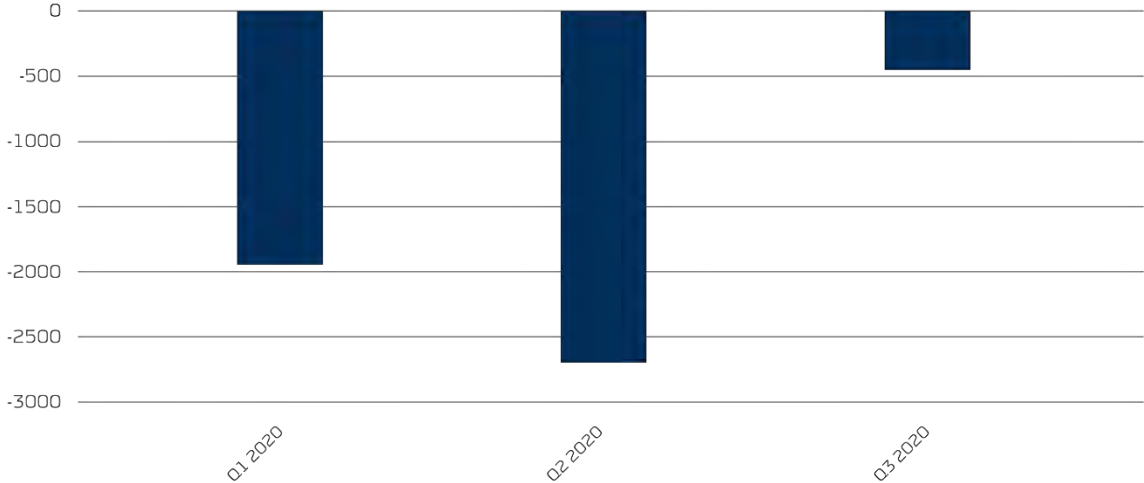
EBITDA increased in Q3 2020 by DKK 1,449 thousand (76%) to DKK -454 thousand (Q3 2019: DKK -1,902 thousand). As for Q1-Q3 EBITDA increased by 28% to DKK -5,079 (Q1-Q3 2019: DKK -7,057). The increase in EBITDA is the result of the Company's cost restraint program. The EBITDA ratio in Q1-Q3 2020 increased to -56% (2019: -75%).

Below figure explains the changes or differences from one comparable period to another in nominal numbers:

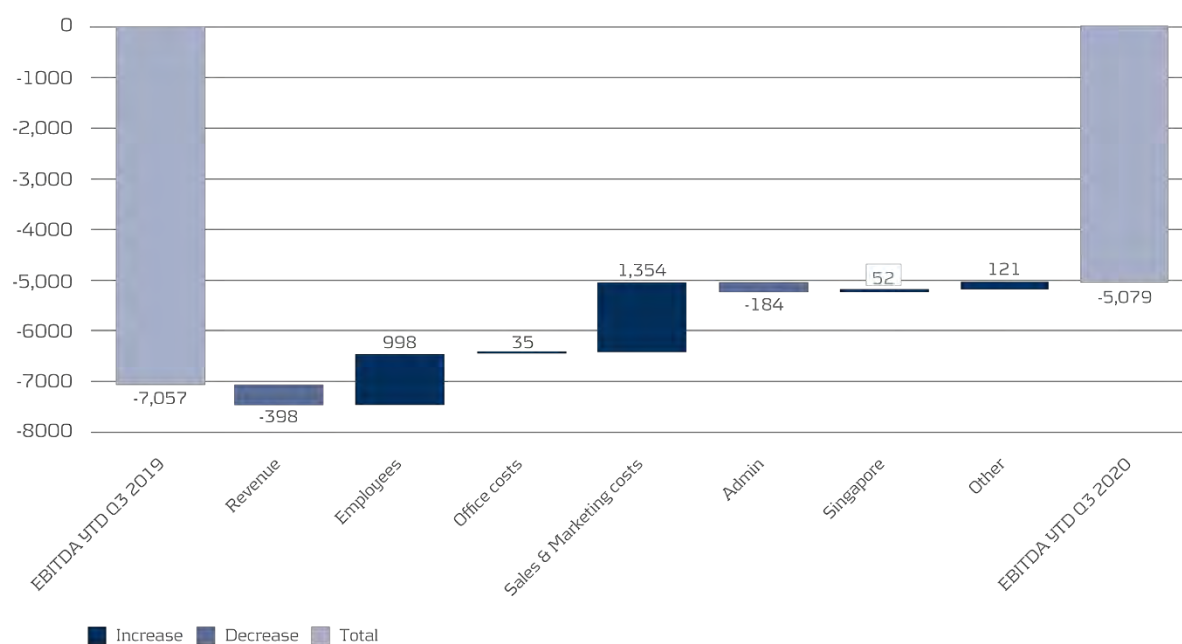
EBITDA 2019-2020



Quarterly EBITDA 2020



EBITDA development Q3 YTD 2019 - 2020



EBITDA YTD Q3 2019

-7,057

Revenue	-398
Employees	998
Office costs	35
Sales & Marketing costs	1,354
Admin	-184
Singapore	52
Other	121

EBITDA YTD Q3 2020

-5,079

Balance Sheet

The balance sheet total end of Q3 2020 was DKK 21,930 thousand (2019 DKK 19,706 thousand).

Equity at the end of Q3 2020 increased to negative DKK 2,169 thousand from end Q2 2020 due to capital increase impacted by the result of the period.

As part of the Company's DKK 8 million funding package a direct share issue of DKK 2 million was completed in July 2020 increasing the equity by the same amount.

Cash-Flows

Investments in Q3 amounted to DKK 607 thousand (Q3 2019: 2,797 thousand). The main part is related to develop a machine learning intelligence collection tool as part of the Risk Intelligence System. In total investment amounted to DKK 1,598 thousand for the first nine months of 2020 (Q1-Q3 2019: DKK 5,734 thousand).

Cash-flow from financing amounted to DKK 3,651 thousand in Q3 2020 (Q3 2019: DKK 6,929 thousand) and for the first nine months DKK 6,976 thousand (Q1-Q3 2019 DKK 9,598). Financing in 2020 comes from a credit facility in Danske Bank, a loan in Vækstfonden and a capital increase.

Income Statement

DKK '000	Q3 2020	Q3 2019	Q1-Q3 2020	Q1-Q3 2019	FY 2019
Net sales	3,532	3,522	9,027	9,425	14,221
Other operating expenses	-1,286	-2,112	-4,215	-6,297	-10,720
Gross profit	2,246	1,410	4,812	3,128	3,500
Staff costs	-2,700	-3,312	-9,891	-10,185	-13,677
Earnings before depreciation and amortization (EBITDA)	-454	-1,902	-5,079	-7,057	-10,177
Depreciation / amortization of tangible and intangible fixed assets	-451	-258	-1,350	-790	-1,287
Other operating expenses	0	0	0	-13	0
Profit/loss before financial items	-906	-2,160	-6,429	-7,860	-11,464
Financial costs	-655	-231	-1,384	-364	-867
Profit/loss before taxes	-1,561	-2,391	-7,813	-8,224	-12,331
Tax on profit for the year	320	526	1,693	1,808	2,718
Net profit	-1,241	-1,865	-6,120	-6,414	-9,613
Proposed distribution of profit					
Transfer of profits for development projects	216	1,817	648	3,708	4,323
Retained earnings	-1,457	-3,682	-6,768	-10,122	-13,936

Balance Sheet in comparison

DKK 000'	30-09-2020	30-09-2019	31-12-2019
Assets			
Intangible assets			
Completed development projects	7,243	3,114	7,106
Ongoing development projects	2,995	6,069	2,537
Total intangible fixed assets	10,238	9,183	9,643
Tangible fixed assets			
Other facilities, fixtures and accessories	1,776	2,098	2,107
Total tangible assets	1,776	2,098	2,107
Financial assets			
Investments in subsidiaries	0	-	0
Other long-term receivables	378	386	393
Financial assets	378	386	393
Total fixed assets	12,392	11,667	12,143
Receivables			
Accounts Receivables	3,359	3,880	2,319
Other receivables	283	99	276
Tax	1,340	366	1,340
Deferred tax	3,858	2,595	2,164
Accruals	697	595	636
Total Receivables	9,537	7,535	6,736
Assets			
Cash at bank and in hand	1	1,661	827
Current assets total	9,538	9,196	7,563
Assets total	21,930	20,863	19,706

Balance Sheet in comparison

DKK 000'	30-09-2020	30-09-2019	31-12-2019
Liabilities and equity			
Equity			
Share capital	910	839	839
Reserve for development costs	7,369	6,106	6,721
Retained earnings	-10,448	-1,498	-5,463
Total equity	-2,169	5,447	2,097
Long-term liabilities			
Other credit institutions	5,604	1,744	1,448
Shareholder and Management	7,000	7,000	7,000
Long-term liabilities	12,604	8,744	8,448
Current liabilities			
Short-term part of long-term debt	370	416	585
Trade payables	1,454	2,419	1,597
Payables to subsidiaries	18	0	11
Lease obligations	941	1,090	1,086
Shareholder and Management	-	-	2,364
Other payables	6,537	2,747	3,027
Credit institutions	2,176	0	0
Deferred income	0	0	491
Short-term liabilities	11,496	6,672	9,161
Debt total	24,099	15,416	17,609
Liabilities and equity total	21,930	20,863	19,706

Cash-Flows

DKK 000'	Q3 2020	Q3 2019	Q1-Q3 2020	Q1-Q3 2019	Q1-Q4 2019
Profit/loss for the year	-1,240	-1,864	-6,120	-6,414	-9,613
Adjustments	131	-267	-344	-1,019	-1,380
Change in working capital	-1,937	-2,596	260	2,154	3,652
Cash-flows from ordinary activities	-3,046	-4,727	-6,204	-5,279	-7,340
Corporation tax paid (-)/received	0	0	0	0	215
Cash-flows from operating activities	-3,046	-4,727	-6,204	-5,279	-7,125
Purchases of intangible assets	-583	-2,497	-1,639	-5,248	-5,993
Purchases of property, plant and equipment	-9	-300	25	-505	-627
Deposits	-15	-	15	-	12
Fixed asset investments made etc.	0	-	-	19	0
Cash-flow from investing activities	-607	-2,797	-1,598	-5,734	-6,608
Change in lease obligations	-37	376	-145	363	358
Loans from credit institutions	3,288	6,683	6,331	6,566	8,608
Cash capital increase	1,853	-130	1,853	2,670	2,519
Other financing	-1,453	-	-1,063	-	-
Cash-flow from financing activities	3,651	6,929	6,976	9,598	11,485
Change in cash and cash equivalents	-1	-595	-826	-1,415	-2,249
Cash and cash equivalents beginning	2	2,256	827	3,076	3,076
Cash and cash equivalents	1	1,661	1	1,661	827

Equity

1 January 2019 – 31 December 2019	Share capital	Share premium account	Reserve for development costs	Total profit	Total
<i>DKK '000</i>					
Equity at 1 January 2019	767	-	2,398	6,026	9,191
Cash capital increase	72	2,447	-		2,519
Transfer, reserves		-2,447	-	2,447	0
Net profit/loss for the year	-	-	4,323	-13,936	-9,613
Equity at 31 December 2019	839	-	6,721	-5,463	2,097

1 January 2020 – 30 September 2020	Share capital	Share premium account	Reserve for development costs	Total profit	Total
<i>DKK '000</i>					
Equity at 1 January 2020	839	-	6,721	-5,463	2,097
Profit for the period	-	-	648	-6,768	-6,120
Capital increase	71	1,783			1,854
Transferred from share premium	-	-1,783	-	1,783	0
Equity at 30 September 2020	910	-	7,369	-10,448	-2,169

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