



## A Letter to **O**ur **V**alued **I**nvestors (OVIs)

What is up, my investor brethern? I'll tell ya: RISK's Market Cap. The results are in and Q2 2025 was transformative for 🦨RISK: expanded insurance, new financial tools, and Manifest 2025 funding are among just a few things to highlight. We also executed major credit algorithm updates, launched two new apps, and underwrote record policies. This report details our financials, milestones, and strategic outlook for risk management's future. We thank you for your confidence.

Some wonder if we can keep up the progress and to that I say: Snoop Doggy Dogg said it best: "Fa shizzle."

- *crowlsyong, founder & ceo*

## Q2 2025 Financial Performance

### Building a Resilient Foundation

Our financial performance this quarter reflects solid market demand for our products and a significant increase in our operational scale. We have successfully balanced aggressive growth in our insurance portfolio with prudent financial management.

#### RISK FINANCIALS

- Gross Fee Income: **M6,880**
- Total Value Insured (TVI): **M52,250**
- Policies Underwritten in Q2: **13**
- Outstanding Contingent Liabilities: **M18,545**

Our primary revenue driver, Gross Fee Income, demonstrates robust health and a clear product-market fit. The substantial increase in Total Value Insured (TVI) and the corresponding contingent liabilities are key indicators of the trust the market places in our services. This growth in our insurance portfolio is actively managed to ensure the long-term stability of the company.

### Investor Dividends

In line with our commitment to shareholder returns, the board has approved a Q2 dividend distribution of **M2,064**, representing 30% of our gross fee income for the quarter. This dividend will be distributed proportionally among all eligible shareholders on or before July 1, 2025, via 🐱 RISKBOT.


## Operational Highlights

### Innovation and Expansion

This quarter was marked by a rapid pace of innovation, with a focus on developing and shipping products that empower our users.


#### Technology & Product Development:

- **Arbitrage & Limit Order Applications:** We successfully launched two powerful new tools. The Arbitrage Calculator (v2.1.5) allows users to identify and execute profitable arbitrage opportunities between markets. The Limit Order App's Advanced Mode (v2.1.6) provides users with granular, visual control over their betting strategies. The release of these applications cements 🐱 RISK as a leader in providing sophisticated, user-centric financial instruments on Manifold.
- **Enhanced Insurance Calculator (v2.1.7):** We rolled out a significantly enhanced Insurance Calculator, making it more robust and user-friendly. This update includes comprehensive input validation for both borrower and lender usernames (with real-time existence checks and prevention of same-user loans), dynamic calculation of insurance fees with integrated partner discount codes, and a streamlined payment process. Building on our RIPE division's research into dynamic fee structures, this update notably integrates duration-based fees, ensuring our pricing remains competitive and accurately reflects the risk associated with longer loan terms. Crucially, a new Manifold API Key input has been integrated. This optional key unlocks advanced features like specifying a lender fee, and facilitates direct interaction with the Manifold API to send loan mana to borrowers, add the insurance fee as a bounty on the designated Manifold market, and post a detailed insurance receipt as a market comment, automating and professionalizing the loan insurance process.
- **Credit Score 2.0 & Historical Tracking:** We deployed a significant overhaul of our proprietary credit score algorithm, improving its accuracy and resilience. Critically, we also launched public credit history charts (v2.1.0), allowing any user to track their score over time. This is a foundational achievement in our commitment to transparency and data integrity.

- **RISK Credit Score Chrome Extension:** We are thrilled to announce the official approval and release of our Chrome Extension. This tool seamlessly injects a user's  RISK Credit Score directly into the Manifold Markets interface, providing instant insights without navigating to external sites. It also automates the injection of user-provided API keys into our tools, significantly streamlining workflows for power users.
- **Open Source Commitment:** In line with our dedication to transparency and community engagement, the RISK website (complete with all apps) and Credit Score Chrome Extension have been released as open-source software under the MIT License, with its codebase publicly available on GitHub. This move allows for community contributions and fosters trust in our operations. If RISKBOT becomes profitable, it will be open-source as well under the same license.
- **Introduction to API v0** - The Manifold Risk Markets API has undergone a significant refactor to introduce `/api/v0/` as the new standard for interacting with our services. This updated API version delivers enhanced security, clearer endpoint functionalities, and improved flexibility for user identification. All new development should target these `/v0/` endpoints. While the legacy `/api/` endpoints will remain operational until the end of August 2025 for backward compatibility, we strongly recommend migrating your integrations to `/api/v0/` immediately to leverage the latest features and ensure future compatibility. This refactor centralizes transaction logic on the server-side, providing a more robust and secure environment for all Manifold Markets operations.

### Strategic Initiatives & Community Engagement








- **Manifest 2025:** Our attendance at Manifest was an unqualified success, resulting in over M15,000 in new venture capital funding and allowing us to forge invaluable connections with key members of the community.
- **Website (risk.markets):** We have officially migrated our web presence to the risk.markets domain, a move that professionalizes our brand and provides a central hub for our suite of applications.

- Partnerships & Investments: We have solidified our strategic investments in  BANK and the Insured Mana Fund (IMF). These partnerships are symbiotic, driving deal flow to our insurance products and creating a more robust, integrated financial ecosystem for all users.
  - Offshore Banking: RISK is looking into offshore tax-havens in order to reduce the financial strain of mana taxes should the new Manifold government form.
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## Divisional Updates

### A Multi-Faceted Approach

Our specialized divisions have each made significant contributions to our quarterly success.

-  RIPE (Research In Prediction Markets): Our research arm has been instrumental in our technological advancement. After transparently documenting the lessons from our v1 trading bot,  RIPE successfully developed and deployed a more sophisticated v2 strategy. This bot now actively trades in the market, and 40% of its profits contribute directly to our investor dividend pool. A new version (v3) of this bot is in active development. Furthermore,  RIPE is actively researching more dynamic fee structures, including duration-based fees, to ensure our pricing remains competitive and equitable.
-  POOR (Philanthropic Outreach Offering Relief): Our nonprofit arm remains capitalized and prepared to act as a financial backstop for the community. While no major bailouts were required this quarter,  POOR's mission is supported by its 2% equity stake in  RISK, ensuring it scales alongside our commercial success. It failed to assist in the Tumbles bailout, but it sure did try, investing (and losing) over 10k mana into the JUMBLES bailout program during the final weeks.
-  LAWS (Legal Action With Strategy): Our legal and compliance division has worked to ensure our Terms & Conditions are robust and that our operations

remain fully compliant with Manifold's platform rules. This proactive legal strategy is essential for mitigating risk and safeguarding the long-term interests of the company and its investors. Additionally, it may have a hand in crafting legislation should the new Manifold government form.

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## Challenges & Strategic Outlook (Q3)

We believe in transparently addressing our challenges as we navigate a dynamic market.

### Challenges

- **Scaling Risk Models:** Our primary ongoing challenge is the continuous refinement of our credit score algorithm. As the market evolves, we must ensure our models stay ahead of complex new dynamics and potential attempts at manipulation.
- **Managing Growth:** The rapid increase in our Total Value Insured requires diligent management of our capital reserves and a disciplined approach to risk exposure.

### Strategic Outlook for Q3 2025

Our focus for the next quarter is to build upon our recent successes and deepen our market penetration.

- **Product Refinement:** We will focus on iterating on our Arbitrage and Limit Order tools, incorporating user feedback to enhance functionality and user experience.
- **Data-Driven Modeling:** We will leverage the rich dataset from our new credit history feature to perform deeper analysis, further improving the predictive power of our scoring models.

- Deepening Partnerships: We will explore tighter integrations with IMF and BANK to create a seamless, one-stop experience for users seeking to acquire and insure loans.
  - Credit Cards: Yep, you heard it here first. We are actively working with our partners to produce not only the first Manifold Credit Cards, but also the first *insured* credit cards. Keep your eye out for updates about that.
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The second quarter has set a new standard for growth and innovation at 🐾RISK. It was “lit.” We are energized by the progress we have made and are confident in our strategy moving forward. We thank you once again for your invaluable trust and support.

Love,

The 🐾**RISK** Team