



Driversnote ApS

Skelbækgade 4, 3. th
1717 København V
CVR No. 36090405

Annual report 2023

The Annual General Meeting adopted the annual report on 10.05.2024

Martin Frank Poulsen
Chairman of the General Meeting

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Entity details

Entity

Driversnote ApS
Skelbækgade 4, 3. th
1717 København V

Business Registration No.: 36090405
Registered office: København
Financial year: 01.01.2023 - 31.12.2023

Executive Board

Martin Frank Poulsen
Jonas Kej Åradsson

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus C

Statement by Management

The Executive Board has today considered and approved the annual report of Driversnote ApS for the financial year 01.01.2023 - 31.12.2023.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 10.05.2024

Executive Board

Martin Frank Poulsen

Jonas Kej Åradsson

Independent auditor's report

To the shareholders of Driversnote ApS

Opinion

We have audited the financial statements of Driversnote ApS for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aarhus, 10.05.2024

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Sune Pagh Sølvsteen

State Authorised Public Accountant

Identification No (MNE) mne47819

Management commentary

Primary activities

Driversnote is an international mileage tracking platform. We empower people all over the world to easily track and report their business trips.

The purpose of our company is to provide a hassle free experience in mileage tracking and reporting. We do this through continued development, support, and product-led sale of our SaaS product, as well as the purchase, sale, and distribution of related hardware.

Our service is offered in a freemium model, where our users can try a limited version of the service for free and then subscribe either via monthly or annual payment to obtain the service's full functionality. When creating an annual subscription, a piece of physical hardware is sent at no additional cost, which improves the user's overall experience.

Description of material changes in activities and finances

In 2023 Driversnote continued to focus on high profitability while still maintaining high growth in both absolute numbers and across geographies.

Driversnote has together with our partners and vendors managed to end 2023 with an improved profit margin.

Higher interest rates combined with a larger cash reserve due to last financial year's change in accounting practices for accrual of income has resulted in a significant increase in financial income.

As seasonality generally presents the largest growth opportunities in H1; 2023 ended with a significant increase in hardware inventory as preparation for this.

The company's biggest cost is wages and salaries, of which the development team is the primary cost. The focus of the development team in the past financial year has, among other things, been to keep developing our tracking technology, improving the in-app user experience, and optimizing the lifetime value of a user.

To sum up, the 2023 financial year presented Driversnote with continued sustainable growth and increased profitability.

The management considers this to be satisfactory

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2023

	Notes	2023 DKK	2022 DKK
Gross profit/loss		25,665,305	17,634,980
Staff costs	1	(13,624,863)	(14,286,279)
Depreciation, amortisation and impairment losses	2	(1,740,976)	(233,811)
Operating profit/loss		10,299,466	3,114,890
Other financial income	3	271,669	8,870
Other financial expenses	4	0	(106,073)
Profit/loss before tax		10,571,135	3,017,687
Tax on profit/loss for the year	5	(2,214,368)	(681,253)
Profit/loss for the year		8,356,767	2,336,434
Proposed distribution of profit and loss			
Ordinary dividend for the financial year		2,900,000	0
Extraordinary dividend distributed in the financial year		4,000,000	0
Retained earnings		1,456,767	2,336,434
Proposed distribution of profit and loss		8,356,767	2,336,434

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Completed development projects	7	1,390,574	2,514,756
Intangible assets	6	1,390,574	2,514,756
Other fixtures and fittings, tools and equipment		200,566	30,824
Leasehold improvements		773,849	696,587
Property, plant and equipment	8	974,415	727,411
Deposits		547,950	547,950
Financial assets		547,950	547,950
Fixed assets		2,912,939	3,790,117
Manufactured goods and goods for resale		2,441,737	487,317
Inventories		2,441,737	487,317
Trade receivables		1,281,411	799,812
Receivables from group enterprises		766,332	0
Other receivables		185,873	0
Income tax receivable		0	725,761
Prepayments		60,976	19,270
Receivables		2,294,592	1,544,843
Cash		18,700,992	5,255,124
Current assets		23,437,321	7,287,284
Assets		26,350,260	11,077,401

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital		52,500	52,500
Reserve for development expenditure		1,084,648	1,961,510
Retained earnings		79,538	(2,254,091)
Proposed dividend		2,900,000	0
Equity		4,116,686	(240,081)
Deferred tax		337,000	580,415
Provisions		337,000	580,415
Deposits		94,500	0
Trade payables		2,942,899	1,063,410
Joint taxation contribution payable		2,577,498	0
Other payables		1,032,230	255,111
Deferred income		15,249,447	9,418,546
Current liabilities other than provisions		21,896,574	10,737,067
Liabilities other than provisions		21,896,574	10,737,067
Equity and liabilities		26,350,260	11,077,401
Unrecognised rental and lease commitments	9		
Contingent liabilities	10		

Statement of changes in equity for 2023

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Proposed extraordinary dividend DKK	Proposed dividend DKK
Equity beginning of year	52,500	1,961,510	(2,254,091)	0	0
Extraordinary dividend paid	0	0	0	(4,000,000)	0
Dissolution of reserves	0	(876,862)	876,862	0	0
Profit/loss for the year	0	0	1,456,767	4,000,000	2,900,000
Equity end of year	52,500	1,084,648	79,538	0	2,900,000

	Total DKK
Equity beginning of year	(240,081)
Extraordinary dividend paid	(4,000,000)
Dissolution of reserves	0
Profit/loss for the year	8,356,767
Equity end of year	4,116,686

Notes

1 Staff costs

	2023	2022
	DKK	DKK
Wages and salaries	13,233,131	13,915,158
Pension costs	279,025	212,164
Other social security costs	112,707	158,957
	13,624,863	14,286,279
Average number of full-time employees	22	17

2 Depreciation, amortisation and impairment losses

	2023	2022
	DKK	DKK
Amortisation of intangible assets	146,040	204,823
Impairment losses on intangible assets	1,353,362	0
Depreciation of property, plant and equipment	241,574	28,988
	1,740,976	233,811

3 Other financial income

	2023	2022
	DKK	DKK
Other interest income	193,832	8,870
Exchange rate adjustments	77,837	0
	271,669	8,870

4 Other financial expenses

	2023	2022
	DKK	DKK
Other interest expenses	0	53,350
Exchange rate adjustments	0	21,014
Other financial expenses	0	31,709
	0	106,073

5 Tax on profit/loss for the year

	2023	2022
	DKK	DKK
Current tax	2,577,498	374,522
Change in deferred tax	(243,415)	306,731
Adjustment concerning previous years	(119,715)	0
	2,214,368	681,253

6 Intangible assets

	Completed development projects DKK
Cost beginning of year	2,785,145
Additions	375,220
Cost end of year	3,160,365
Amortisation and impairment losses beginning of year	(270,389)
Impairment losses for the year	(1,353,362)
Amortisation for the year	(146,040)
Amortisation and impairment losses end of year	(1,769,791)
Carrying amount end of year	1,390,574

7 Development projects

The company's development program consist of a series of ongoing projects aimed at developing, demonstrating, and generating additional intellectual property rights for the company's technology for new product types. The recorded development costs are calculated based on a principle of directly incurred personnel as well as allocated administrative costs.

Impariment test is done yearly by management. Impairment losses for the year consists of costs activated in 2022 regarding 2021 and 2022. Management estimates that activated costs regarding specific projects will most likely not bring future economic value to the company as the activated projects have been replaced by new and improved feautres.

Amortisation of the remaining development projects is done over 10 years.

8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	95,965	706,382
Additions	238,505	250,073
Cost end of year	334,470	956,455
Depreciation and impairment losses beginning of year	(65,141)	(9,795)
Depreciation for the year	(68,763)	(172,811)
Depreciation and impairment losses end of year	(133,904)	(182,606)
Carrying amount end of year	200,566	773,849

9 Unrecognised rental and lease commitments

	2023 DKK	2022 DKK
Liabilities under rental or lease agreements until maturity in total	2,535,702	3,601,602

Unrecognised rental and lease commitments consists of commitments regarding rental of officespace. The rental agreement is irrevocable until september 30th 2025. Hereafter the rental agreement can be cancelled with a 6 months notice.

10 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Business Development ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, own work capitalised, other operating income, external expenses, cost of sales and other external expenses.

Revenue

Revenue from the sale of goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Own work capitalised

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for proprietary intangible assets.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities including salary refunds.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's normal activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year.

Other financial income

Other financial income comprises interest income payables and transactions in foreign currencies.

Other financial expenses

Other financial expenses comprise interest expenses, payables and transactions in foreign currencies.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet**Intellectual property rights etc.**

Intellectual property rights etc. comprise development projects completed.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives

which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. The amortisation periods used is 10 years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	6 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Joint taxation contributions payable or receivable

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.