
BeCause ApS

Njalsgade 21E, 1., DK-2300 København S

Annual Report for 2023

CVR No. 39 74 52 67

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 30/5 2024

Christian Oxlund
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of BeCause ApS for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen S, 30 May 2024

Executive Board

Frederik Prinds Rubens
Steensgaard
CEO

Jonas Bruun Jacobsen
CTO

Board of Directors

Christian Oxlund
Chairman

Jonas Bruun Jacobsen

Frederik Prinds Rubens Steensgaard

Carsten Mahler

Kärt Siilats

Andreas Green Rasmussen

Independent Practitioner's Extended Review Report

To the shareholders of BeCause ApS

Conclusion

We have performed an extended review of the Financial Statements of BeCause ApS for the financial year 1 January - 31 December 2023, which comprise 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.

Based on the work performed, in our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for Conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review of the Financial Statements" section of our report. We are independent of the Company 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's responsibility 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Independent Practitioner's Extended Review Report

Practitioner's responsibilities for the extended review of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures to obtain limited assurance in respect of our conclusion on the Financial Statements and, moreover, that we perform supplementary procedures specifically required to obtain additional assurance in respect of our conclusion.

An extended review consists of making inquiries, primarily of Management and others within the enterprise, as appropriate, and applying analytical procedures and the supplementary procedures specifically required as well as assessing the evidence obtained.

An extended review is less in scope than an audit and, consequently, we do not express an audit opinion on the Financial Statements.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Aalborg, 30 May 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Line Borregaard
State Authorised Public Accountant
mne34353

Morten Porup
State Authorised Public Accountant
mne47816

Company information

The Company	BeCause ApS Njalsgade 21E, 1. DK-2300 København S CVR No: 39 74 52 67 Financial period: 1 January - 31 December Incorporated: 26 July 2018 Financial year: 6th financial year Municipality of reg. office: Copenhagen
Board of Directors	Christian Oxlund, chairman Jonas Bruun Jacobsen Frederik Prinds Rubens Steensgaard Carsten Mahler Kärt Siilats Andreas Green Rasmussen
Executive Board	Frederik Prinds Rubens Steensgaard Jonas Bruun Jacobsen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Skelagervej 1A DK-9000 Aalborg

Management's review

Key activities

The company's main purpose is to develop and sell software for corporate sustainability management and data distribution as well as to carry out related business hereto.

Development in the year

In 2023, BeCause pursued three overarching objectives:

1. Demonstrate product-market fit for the BeCause sustainability hub.
2. Expand subscription revenue and strategic partnerships.
3. Raise capital to accelerate growth further in 2024.

The management team concludes that all three objectives were successfully met:

1. BeCause more than doubled its customer portfolio – including market-leading and 'Fortune 500' corporations – while satisfactorily retaining every customer within our focal market segment, namely 'Travel & Hospitality'.
2. Subscription revenue grew 357% year on year, thus following the strong growth trajectory set in the years before. Moreover, BeCause has established several partnerships with leading industry associations and commercial market leaders which are expected to transform and evolve sustainability data management practices substantially within especially the focal 'Travel & Hospitality' market in the coming years.
3. BeCause ended the year raising a satisfactory and empowering 'Seed' round, thus following the 'Soft funding', 'Angel', 'Accelerator', and 'Pre-Seed' rounds raised in previous years. This latest investment round is co-led by the two venture capital firms – Ugly Duckling Ventures from Denmark and Superangel.io from Estonia – furthermore supported by a group of individual private investors, whom in addition to financing each bring strategic and complementary competencies, resources, and experience to support and bolster BeCause. Since then, as shall be elaborated below, Curiosity Venture Capital has also joined the consortium of investors in BeCause.

The annual report for 2023 shows a loss of DKK -3,700,309 which was in accordance with management expectations. Furthermore, BeCause managed to reestablish a positive equity of DKK 6,467,862 through the investment received in November 2023.

Targets and expectations for the year ahead

Following the close of the previous financial year on 31st December 2023, BeCause experienced a highly encouraging first quarter.

Firstly, due to a significant improvement in financial performance culminating in the achievement of 35 % growth of subscription revenue within the quarter.

Secondly, in extension of the 'Seed' round in November 2023, in February 2024 BeCause announced a further investment – i.e. a 'Seed Tail' – having successfully found and agreed with an additional strategically complementary investment partner in Curiosity Venture Capital from The Netherlands.

Thirdly, BeCause has within the first quarter established additional partnerships with leading industry associations and commercial market leaders with the same transformative aims and expectations as the partnerships established during 2023.

Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
Gross profit/loss		-234,297	1,552,382
Staff expenses	1	-3,291,557	-2,218,555
Amortisation and impairment losses of intangible assets		-137,184	-31,354
Other operating expenses		-17,391	0
Profit/loss before financial income and expenses		-3,680,429	-697,527
Financial income		19,517	2,051
Financial expenses		-269,232	-60,908
Profit/loss before tax		-3,930,144	-756,384
Tax on profit/loss for the year	2	229,835	0
Net profit/loss for the year		-3,700,309	-756,384
 Distribution of profit			
		2023	2022
		DKK	DKK
Proposed distribution of profit			
Retained earnings		-3,700,309	-756,384
		-3,700,309	-756,384

Balance sheet 31 December

Assets

	Note	2023	2022
		DKK	DKK
Completed development projects		2,627,047	1,013,351
Intangible assets	3	2,627,047	1,013,351
Deposits	4	258,600	48,979
Fixed asset investments		258,600	48,979
Fixed assets		2,885,647	1,062,330
Trade receivables		282,219	279,441
Other receivables		449,401	138,719
Prepayments		99,484	0
Receivables		831,104	418,160
Cash at bank and in hand		13,322,380	1,153,828
Current assets		14,153,484	1,571,988
Assets		17,039,131	2,634,318

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		52,043	41,633
Share premium account		0	998,367
Reserve for development costs		2,049,096	790,414
Retained earnings		4,366,723	-1,878,757
Equity		6,467,862	-48,343
Subordinate loan capital		2,208,810	2,046,696
Long-term debt		2,208,810	2,046,696
Convertible and profit-yielding instruments of debt		6,375,000	0
Trade payables		737,708	45,043
Other payables		411,126	420,600
Deferred income		838,625	170,322
Short-term debt		8,362,459	635,965
Debt		10,571,269	2,682,661
Liabilities and equity		17,039,131	2,634,318
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Statement of changes in equity

	Share capital	Share premium account	Reserve for development costs	Retained earnings	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	41,633	998,367	790,414	-1,878,757	-48,343
Cash capital increase	10,410	10,205,604	0	0	10,216,014
Sale of treasury shares	0	0	0	500	500
Development costs for the year	0	0	1,365,686	-1,365,686	0
Depreciation, amortisation and impairment for the year	0	0	-107,004	107,004	0
Net profit/loss for the year	0	0	0	-3,700,309	-3,700,309
Transfer from share premium account	0	-11,203,971	0	11,203,971	0
Equity at 31 December	52,043	0	2,049,096	4,366,723	6,467,862

Notes to the Financial Statements

	2023	2022
	DKK	DKK
1. Staff Expenses		
Wages and salaries	3,101,551	2,155,733
Other social security expenses	54,576	38,065
Other staff expenses	135,430	24,757
	<u>3,291,557</u>	<u>2,218,555</u>
Average number of employees	<u>8</u>	<u>6</u>
	2023	2022
	DKK	DKK
2. Income tax expense		
Adjustment of deferred tax concerning previous years	-229,835	0
	<u>-229,835</u>	<u>0</u>
3. Intangible fixed assets		
		Completed development projects
		DKK
Cost at 1 January		1,044,705
Additions for the year		1,750,880
Cost at 31 December		<u>2,795,585</u>
Impairment losses and amortisation at 1 January		31,354
Amortisation for the year		137,184
Impairment losses and amortisation at 31 December		<u>168,538</u>
Carrying amount at 31 December		<u>2,627,047</u>

The Company's development projects relate to the development of the BeCause platform. The projects are progressing as planned and are expected to be completed on an ongoing basis. Market research shows that the increased focus on climate and the Companies' environmental profiles leads to an increased demand for this type of platform.

Notes to the Financial Statements

4. Other fixed asset investments

	Deposits
	DKK
Cost at 1 January	48,979
Additions for the year	258,600
Disposals for the year	-48,979
Cost at 31 December	<u>258,600</u>
Carrying amount at 31 December	<u>258,600</u>

5. Contingent assets, liabilities and other financial obligations

Charges and security

The following assets have been placed as security with bankers:

Deed of indemnity for a total of TDKK 2,000, which provides a pledge in simple claims arising from the sale of goods and services for a total accounting value of:

2023	2022
DKK	DKK
282,219	279,441

Rental and lease obligations

Lease obligations, period of non-terminability 3-20 months

862,000	76,744
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Notes to the Financial Statements

6. Accounting policies

The Annual Report of BeCause ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in DKK.

Some reclassifications have been made in the comparative figures. The reclassifications do not affect the result or equity.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Notes to the Financial Statements

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, work on own account recognised in assets, other operating income, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation and impairment of intangible assets.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Notes to the Financial Statements

Balance sheet

Intangible fixed assets

Development projects

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item 'Reserve for development costs'. The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 10 years.

Impairment of fixed assets

The carrying amounts of intangible assets are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation.

If so, the asset is written down to its lower recoverable amount.

Other fixed asset investments

Other fixed asset investments consist of deposit.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

Treasury shares

Purchase and sales prices for treasury shares are recognised directly in retained earnings under equity. A reduction of capital by cancellation of treasury shares reduces the share capital by an amount equal to the nominal value of the shares and increases retained earnings. Dividend on treasury shares is recognised directly in equity under retained earnings.

Notes to the Financial Statements

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Financial liabilities

Debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.