Develop Diverse ApS

Vesterbrogade 149, 1620 Copenhagen V
CVR-nr. 38 59 15 17

Annual Report 2024

1 January - 31 December

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 21 May 2025

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Jens Karstoft

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BDO Statsautoriseret revisionsaktieselskab, a Danish limited liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Company Details

Company	Develop Diverse ApS Vesterbrogade 149 1620 Copenhagen V	
	CVR No.:	38 59 15 17
	Established:	18 April 2017
	Municipality:	Copenhagen
	Financial Year:	1 January - 31 December
Board of Directors	Jens Karstoft, chairman Pil Byriel Mads Møller Schrøder Oliver Kofoed Pedersen	
Executive Board	Pil Byriel	
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V	
Bank	Danske Bank Bernstorffsgade 40 1577 Copenhagen V	

Management's Statement

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Develop Diverse ApS for the financial year 1 January - 31 December 2024.

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 Company's assets, liabilities and financial position at 31 December 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Copenhagen, 21 May 2025

Executive Board

_____
Pil Byriel

Board of Directors

_____	_____	_____
Jens Karstoft Chairman	Pil Byriel	Mads Møller Schrøder

_____
Oliver Kofoed Pedersen

The Independent Auditor's Report

To the Shareholder of Develop Diverse ApS

Conclusion
We have performed an extended review of the Financial Statements of Develop Diverse ApS for the financial year 1 January - 31 December 2024, 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 under the Danish Financial Statements Act.

Based on the work performed in our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 December 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024 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 "Auditor'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 (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements 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 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 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.

Auditor'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 in order to obtain limited assurance for our conclusion on the Financial Statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the Financial Statements.

Statement on the Management Commentary
Management is responsible for the Management Commentary.

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

The Independent Auditor's Report

In connection with our extended review 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 during the extended review, or otherwise appears to be materially misstated.

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

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 of the Danish Financial Statements Act. We did not identify any material misstatement in the Management Commentary.

Copenhagen, 21 May 2025

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Mads Juul Hansen
State Authorised Public Accountant
MNE no. mne44386

Management Commentary

Principal activities
The principal activities comprise of Development & Sales of Software for corporate D&I efforts.

Change in accounting policies and classification
Compared to previous years, the Company has changed its accounting policy regarding development projects. In the current financial year, development costs that meet the recognition criteria have been capitalised as intangible assets. Previously, such costs were expensed as incurred. The change has been implemented to better reflect the economic value of the projects and is considered an improvement in the application of accounting policies.

Development in activities and financial and economic position
During the financial year, the Company underwent significant positive developments compared to previous years. The co-founders completed a management buy-out and established full ownership of the Company. As a result, the year has been characterised as a transitional period, during which strategic and operational adjustments were made to align the business with the new ownership structure. These changes have contributed to a notably improved financial and operational performance, laying a strong foundation for continued growth in the coming years.

Significant events after the end of the financial year
Based on the geopolitical winds primarily driven by US we are expecting a stable 2025 with focus on product development and results in line with 2024.

Income Statement 1 January - 31 December

	Note	2024 DKK	2023 DKK
Gross profit		**7.106.198**	**2.138.911**
Staff costs	1	-6.620.897	-12.740.152
Operating profit/loss before depreciation and amortisation (EBITDA)		**485.301**	**-10.601.241**
Depreciation, amortisation and impairment losses for tangible and intangible assets		-140.666	-26.675
Other operating expenses		0	-26.032
Operating profit		**344.635**	**-10.653.948**
Other financial income	2	25.376	47.123
Other financial expenses	3	-218.472	-274.128
Profit before tax		**151.539**	**-10.880.953**
Tax on profit/loss for the year		0	0
Profit for the year		**151.539**	**-10.880.953**

Proposed distribution of profit		
Retained earnings	151.539	-10.880.953
Total	**151.539**	**-10.880.953**

Balance Sheet at 31 December

Assets

	Note	2024 DKK	2023 DKK
Development projects completed		1.025.919	0
Development projects in progress and prepayments		560.256	0
Intangible assets	4	**1.586.175**	**0**
Other plant, fixtures and equipment		55.571	82.246
Property, plant and equipment	5	**55.571**	**82.246**
Rent deposit and other receivables		179.493	172.589
Financial non-current assets	6	**179.493**	**172.589**
Non-current assets		**1.821.239**	**254.835**
Trade receivables		1.815.573	1.782.070
Other receivables		999	179.438
Prepayments		258.299	2.242
Receivables		**2.074.871**	**1.963.750**
Cash and cash equivalents		**1.565.966**	**2.411.773**
Current assets		**3.640.837**	**4.375.523**
Assets		**5.462.076**	**4.630.358**

Balance Sheet at 31 December

Equity and liabilities

	Note	2024 DKK	2023 DKK
Share capital		411.344	411.344
Reserve for development costs		1.237.216	0
Retained earnings		-4.062.441	-2.976.764
Equity		**-2.413.881**	**-2.565.420**
Other debt		1.814.695	2.365.990
Accruals and deferred income		368.758	225.108
Non-current liabilities	7	**2.183.453**	**2.591.098**
Other debt		546.533	0
Bank debt		162.266	0
Trade payables		226.427	155.824
Other liabilities		518.406	1.300.645
Deferred income		4.238.872	3.148.211
Current liabilities		**5.692.504**	**4.604.680**
Liabilities		**7.875.957**	**7.195.778**
Equity and liabilities		**5.462.076**	**4.630.358**
Contingencies etc.	8		
Charges and securities	9		

Equity

DKK	Share capital	Reserve for development costs	Retained earnings	Total
Equity at 1 January 2024	411.344	0	-2.976.764	-2.565.420
Proposed profit allocation			151.539	151.539
Other legal bindings				
Capitalized development costs		1.700.166	-1.700.166	0
Transfers				
Depreciations		-113.991	113.991	0
Tax on changes in equity		**-348.959**	**348.959**	**0**
Equity at 31 December 2024	**411.344**	**1.237.216**	**-4.062.441**	**-2.413.881**

Notes

	2024 DKK	2023 DKK
1 | Staff costs		
Average number of full time employees	13	22
Wages and salaries	6.432.067	12.375.693
Pensions	63.095	190.238
Social security costs	125.735	174.221
	6.620.897	**12.740.152**
2 | Other financial income		
Other interest income	25.376	47.123
	25.376	**47.123**
3 | Other financial expenses		
Other interest expenses	218.472	274.128
	218.472	**274.128**

4 | Intangible assets

DKK	Development projects completed	Development projects in progress and prepayments
Additions	1.139.910	560.256
Cost at 31 December 2024	**1.139.910**	**560.256**
Amortisation for the year	113.991	0
Amortisation at 31 December 2024	**113.991**	**0**
Carrying amount at 31 December 2024	**1.025.919**	**560.256**

Development projects relate to the company’s software solution and consist solely of internal salary costs for employees directly involved in software development. The costs have been calculated based on the company’s internal time tracking system and exclusively reflect research and development activities.

Development relates to the company’s Inclusivity Monitor, LLM baseret bias detection model, ATS Integration and Job Ad AI Editor & Creator product portfolio, which represents the main growth driver. Sustaining growth requires ongoing development of new modules and improvements to the existing platform.

The company's development projects is expected to provide future profitable earnings.

The booked value of the development projects amounts to DKK ('000) 1,586.

Notes

5 | Property, plant and equipment

DKK	Other plant, fixtures and equipment
Cost at 1 January 2024	139.048
Cost at 31 December 2024	**139.048**
Depreciation and impairment losses at 1 January 2024	56.802
Depreciation for the year	26.675
Depreciation and impairment losses at 31 December 2024	**83.477**
Carrying amount at 31 December 2024	**55.571**

6 | Financial non-current assets

DKK	Rent deposit and other receivables
Cost at 1 January 2024	179.493
Cost at 31 December 2024	**179.493**
Carrying amount at 31 December 2024	**179.493**

7 | Long-term liabilities

DKK	31/12 2024 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2023 total liabilities
Other debt	2.361.228	546.533	0	2.365.990
Accruals and deferred income	368.758	0	0	225.108
	2.729.986	**546.533**	**0**	**2.591.098**

Notes

8 | Contingencies etc.

Joint liabilities
The Company is jointly and severally liable together with the Parent Company for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group's joint taxable income is stated in the annual report of Develop Diverse Holding ApS, which serves as management Company for the joint taxation.
Joint liabilities
The Company is jointly and severally liable together with the Parent Company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group's joint taxable income is stated in the annual report of Develop Diverse Holding ApS, which serves as management Company for the joint taxation.

9 | Charges and securities

The group has pledged a company charge to Danmarks Eksport- og Investeringsfond of DKK ('000) 2,000 for loan facility.

As security for debt amounting to DKK ('000) 2,361, the company has provided a company charge covering non-current assets with a carrying amount of DKK ('000) 1,821 as at the balance sheet date.

Accounting Policies

The Annual Report of Develop Diverse ApS for 2024 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

Change in accounting policies and classification
The accounting policies have been changed in the following areas:

- Development projects that meet the recognition criteria have been capitalised in accordance with the applied accounting policies. In previous years, such costs were expensed as incurred. The carrying amount at 31 December 2024 is DKK ('000) 1.586. The capitalisation has no tax impact on the 2024 financial year.

Income Statement

Net revenue
Net revenue from the sale of software licences as well as services is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Revenue is measured at fair value excl. VAT and less granted discounts.

Revenue is recognised when the following criteria have been met:
- persuasive evidence of an arrangement exists
- the control of the asset has passed to the buyer or service has been or is being provided to the buyer
- the fee is fixed or determinable and cost can be measured reliably
- collectability is probable

Revenue regarding sale of software licenses and services is recognised when the customers has gained control of all signifcant benefits from the use of the software and the service has been provided to the customer.

Cost of sales
Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other operating income
Other operating income includes items of a secondary nature in relation to the enterprises' principal activities, including profit from sale of intangible and tangible assets, operating loss and conflict compensations, as well as salary refunds. Compensations are recognised when the income is estimated to be realisable.

Other external expenses
Other external expenses include other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts, lease expenses, etc

Staff costs
Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Company's employees.

Other operating expenses
Other operating expenses include items of a secondary nature in relation to the Group’s and the Company’s activities. Losses from sale of intangible and tangible fixed assets are also included.

Accounting Policies

Financial income and expenses
Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

Tax
The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

Balance Sheet

Intangible fixed assets
Development costs comprise costs, including wages and salaries, and amortisation, which directly or indirectly can be related to the company's development activities and which fulfil the criteria for recognition.

Capitalised development costs are measured at the lower of cost less accumulated amortisation or recoverable amount.

Capitalised development costs are amortised on a straight-line basis over the estimated useful life after completion of the development work. The amortisation period is 10 years.

Intangible fixed assets are generally written down to the recoverable amount if this is lower than the carrying amount.

Profit or loss from sale of intangible fixed assets is calculated at the difference between the sales price and the carrying amount at the time of the sale. Profit and loss are recognised in the Income Statement under other operating income or other operating expenses.

Property, plant and equipment
Other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plant, fixtures and equipment	3-8 years	0%

Profit or loss on sale of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the date of sale. Profit or loss is recognised in the Income Statement as other operating income or other operating expenses.

Accounting Policies

Investment properties are initially recognised at cost, which comprise the purchase price and possible direct costs related to the properties. The investment properties are subsequently recognised at fair value corresponding to the market value of the properties. Changes in the fair market value are recognised in the Income Statement

Properties under construction are recognised at cost.

Financial non-current assets
Deposits include rental deposits which are recognised and measured at cost. Deposits are not depreciated.

Impairment of fixed assets
The carrying amount of intangible fixed and property, plant and equipment together with fixed assets, which are not measured at fair value,, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

Receivables
Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Write-off is performed to provide for losses when an objective indication has been assessed to have incurred that a receivable or a portfolio of receivables are impaired. If there is an objective indication that an individual receivable is impaired, the write-off is performed at individual level.

Receivables for which there are no objective indication of impairment at individual level are assessed at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' registered office and credit rating in accordance with the Company's policy for credit risk management. The objective indicators, which are applied for portfolios, are determined based on the historical loss experiences.

Write-off is determined as the difference between the carrying amount of receivables and the present value of the expected cash flows, including realisable value of any received collaterals. The effective interest rate is used as discount rate for the single receivable or portfolio.

Accruals, assets
Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax
Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Accounting Policies

The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff 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 under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities
The amortised cost of current liabilities corresponds usually to the nominal value.

Accruals, liabilities
Accruals recognised as liabilities include payments received regarding income in subsequent years.

Foreign currency translation
Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the Income Statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the Balance Sheet date are translated at the exchange rate on the Balance Sheet date. The difference between the exchange rate on the Balance Sheet date and the exchange rate at the date when the receivables or payables come into existence recognised in the Income Statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.