
Logiva A/S

Skæringvej 110, 2., DK-DK-8520 Lystrup

Annual Report for 2023

CVR No. 21 74 24 73

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 27/6 2024

Jeff Davies
Chairman of the
general meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Company information	
Company information	4
Financial Statements	
Income Statement 1 January - 31 December	5
Balance sheet 31 December	6
Statement of changes in equity	8
Notes to the Financial Statements	9

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Logiva A/S 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.

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

Lystrup, 27 June 2024

Executive Board

Robert den Drijver
Executive Officer

Board of Directors

Jeremy David Rossen
Chairman

Jeffrey James Davies

Robert den Drijver

Independent Auditor's report

To the shareholder of Logiva A/S

Opinion

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.

We have audited the Financial Statements of Logiva A/S 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").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 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 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 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 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 Company's internal control.

Independent Auditor's report

- 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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, 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.

Hellerup, 27 June 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Bo Schou-Jacobsen

State Authorised Public Accountant

mne28703

Anders Røjleskov

State Authorised Public Accountant

mne28699

Company information

The Company	Logiva A/S Skæringvej 110, 2. DK-8520 Lystrup Telephone: 70 21 13 60 Website: www.logiva.dk CVR No: 21 74 24 73 Financial period: 1 January - 31 December Municipality of reg. office: Aarhus
Board of Directors	Jeremy David Rossen, chairman Jeffrey James Davies Robert den Drijver
Executive Board	Robert den Drijver
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup
Bankers	Danske Bank Bernstorffsgade 40 DK-1577 København V

Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
Revenue		22,360,068	19,086,256
Expenses for raw materials and consumables		-740,036	-379,667
Other external expenses		-2,935,168	-3,189,368
Gross profit		18,684,864	15,517,221
Staff expenses	2	-6,355,658	-7,309,075
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	3	-1,391,747	-1,942,071
Profit/loss before financial income and expenses		10,937,459	6,266,075
Financial expenses		-914	-118,349
Profit/loss before tax		10,936,545	6,147,726
Tax on profit/loss for the year	4	-2,408,105	-1,352,125
Net profit/loss for the year		8,528,440	4,795,601

Distribution of profit

	2023	2022
	DKK	DKK
Proposed distribution of profit		
Proposed dividend for the year	0	10,000,000
Transfer for the year to other reserves	-189,147	-230,246
Retained earnings	8,717,587	-4,974,153
	8,528,440	4,795,601

Balance sheet 31 December

Assets

	Note	2023	2022
		DKK	DKK
Completed development projects		1,801,813	2,044,310
Acquired licenses		125,497	657,192
Intangible assets	5	1,927,310	2,701,502
Other fixtures and fittings, tools and equipment		33,095	38,699
Leasehold improvements		2,186	7,908
Property, plant and equipment	6	35,281	46,607
Deposits	7	64,500	140,687
Fixed asset investments		64,500	140,687
Fixed assets		2,027,091	2,888,796
Trade receivables		8,631,972	8,451,102
Receivables from group enterprises		9,973,064	127,462
Prepayments		234,772	137,472
Receivables		18,839,808	8,716,036
Cash at bank and in hand		6,162,889	20,565,511
Current assets		25,002,697	29,281,547
Assets		27,029,788	32,170,343

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital	8	584,630	584,630
Reserve for development costs		1,405,414	1,594,561
Retained earnings		10,540,944	1,823,358
Proposed dividend for the year		0	10,000,000
Equity		12,530,988	14,002,549
Provision for deferred tax		442,886	582,689
Provisions		442,886	582,689
Prepayments received from customers		419,961	0
Long-term debt	9	419,961	0
Prepayments received from customers	9	10,532,108	9,770,925
Trade payables		269,912	321,582
Payables to group enterprises		333,323	4,372,982
Other payables		2,500,610	3,119,616
Short-term debt		13,635,953	17,585,105
Debt		14,055,914	17,585,105
Liabilities and equity		27,029,788	32,170,343
Key activities	1		
Contingent assets, liabilities and other financial obligations	10		
Related parties	11		
Subsequent events	12		
Accounting Policies	13		

Statement of changes in equity

	Share capital	Reserve for development costs	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	584,630	1,594,561	1,823,357	10,000,000	14,002,548
Ordinary dividend paid	0	0	0	-10,000,000	-10,000,000
Development costs for the year	0	-189,147	0	0	-189,147
Net profit/loss for the year	0	0	8,717,587	0	8,717,587
Equity at 31 December	584,630	1,405,414	10,540,944	0	12,530,988

Notes to the Financial Statements

1. Key activities

The Company's main activities, as in previous years, have been the delivery of digital solutions for optimization of workflows that have high demands on safety, documentation and control. The Company's primary products are Secure Mail (sikkermail.dk) and Signflow Invoice (signflow.dk), both of which are delivered to customers as Software as a Service (SaaS).

	2023	2022
	DKK	DKK
2. Staff Expenses		
Wages and salaries	6,094,631	6,261,450
Pensions	209,297	845,557
Other social security expenses	51,730	202,068
	<u>6,355,658</u>	<u>7,309,075</u>
Average number of employees	<u>10</u>	<u>12</u>

	2023	2022
	DKK	DKK
3. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		
Amortisation of intangible assets	1,362,057	1,893,524
Depreciation of property, plant and equipment	29,690	48,547
	<u>1,391,747</u>	<u>1,942,071</u>

	2023	2022
	DKK	DKK
4. Income tax expense		
Current tax for the year	2,547,908	1,560,635
Deferred tax for the year	-139,803	-208,510
	<u>2,408,105</u>	<u>1,352,125</u>

Notes to the Financial Statements

5. Intangible fixed assets

	Completed development projects	Acquired licenses
	DKK	DKK
Cost at 1 January	31,585,621	4,449,695
Additions for the year	587,866	0
Cost at 31 December	<u>32,173,487</u>	<u>4,449,695</u>
Impairment losses and amortisation at 1 January	29,541,312	3,792,503
Amortisation for the year	830,362	531,695
Impairment losses and amortisation at 31 December	<u>30,371,674</u>	<u>4,324,198</u>
Carrying amount at 31 December	<u>1,801,813</u>	<u>125,497</u>
Amortised over	5 years	5 years

Research and development

The intangible asset, research and development, constitutes Logiva's own developed workflow platform, which is the technical basis for provide solutions, as software as a service (SaaS), to the company's customers. Time consumption on further development of the software is capitalized and depreciated on a straight-line basis over a 5-year period.

6. Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improve- ments
	DKK	DKK
Cost at 1 January	2,460,595	102,531
Additions for the year	18,364	0
Cost at 31 December	<u>2,478,959</u>	<u>102,531</u>
Impairment losses and depreciation at 1 January	2,421,896	94,623
Depreciation for the year	23,968	5,722
Impairment losses and depreciation at 31 December	<u>2,445,864</u>	<u>100,345</u>
Carrying amount at 31 December	<u>33,095</u>	<u>2,186</u>

Notes to the Financial Statements

7. Other fixed asset investments

	Deposits
	DKK
Cost at 1 January	140,687
Additions for the year	64,500
Disposals for the year	-140,687
Cost at 31 December	<u>64,500</u>
Carrying amount at 31 December	<u>64,500</u>

8. Share capital

The share capital consists of 584,630 shares of a nominal value of DKK 1. No shares carry any special rights.

9. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Prepayments received from customers

	2023	2022
	DKK	DKK
After 5 years	0	0
Between 1 and 5 years	419,961	0
Long-term part	419,961	0
Other prepayments from customers	10,532,108	9,770,925
	<u>10,952,069</u>	<u>9,770,925</u>

Notes to the Financial Statements

10. Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Leases

The company has entered into 1 operational leasing contracts. and the total outstanding leasing payment is DKK 24k (2022: DKK 128k).

Others

The company has entered into a rent contract with a non-cancellable period. The rent liability amounts to DKK 574k. (2022: DKK 52k)

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. J2 Global Denmark is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Charges and securities

There are no charges and securities.

11. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

Name	Place of registered office
Ziff Davies Inc.	New York, NY, USA

12. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

13. Accounting policies

The Annual Report of Logiva A/S 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.

Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Leases

Lease payments under operating leases are recognised in the income statement on a straight-line basis over the lease term. The remaining liability is stated under contingent liabilities.

Translation policies

Danske 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.

Notes to the Financial Statements

Income statement

Revenue

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. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

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

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 include costs for sales, advertising, administration, premises, bad debts, rental expenses under operating leases, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, 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, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement based on the amounts which relate 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.

The Company is jointly taxed with other domestic enterprises of the J2 Global Denmark Group. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Notes to the Financial Statements

Balance sheet

Intangible fixed assets

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding year.

Development costs comprise costs, including wages and salaries that are directly or indirectly attributable to the development activities of the enterprise and meet the recognition criteria.

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

Capitalised development costs are amortised on a straight-line basis over the estimated economic life after completion of the development work. The normal amortisation period is 5 years, but never more than 20 years.

Research and development

The intangible asset, research and development, constitutes Logiva's own developed workflow platform, which is the technical basis for provide solutions, as software as a service (SaaS), to the company's customers. Time consumption on further development of the software is capitalized and depreciated on a straight-line basis over a 5-year period.

Property, plant and equipment

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

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	10 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

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

Other fixed asset investments

Other fixed asset investments consist of deposits which are measured at cost.

Notes to the Financial Statements

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 recognised under assets include costs already defrayed but relating to the subsequent financial year.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate Dividend item.

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.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

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

Prepayments received from customers

Prepayments received from customers comprise payments received in respect of income in subsequent years.