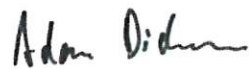


Index Data ApS

Njalsgade 76, 4., c/o Univate
2300 København S
Company reg. no. 21 23 29 39

Annual report for 1 January - 31 December 2020

Adopted at the annual general meeting on 25 June 2021.



Adam Dickmeiss
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Contents

	<u>Page</u>
Reports	
Management's report	1
Independent auditor's report	2
Management commentary	
Company information	5
Management commentary	6
Financial statements 1 January - 31 December 2020	
Income statement	7
Statement of financial position	8
Statement of changes in equity	10
Notes	11
Accounting policies	14

Management's report

Today, the board of directors has presented the annual report of Index Data ApS for the financial year 2020.

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


We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

København S, 16 June 2021

Board of directors



Adam Dickmeiss



Sebastian Hammer



Lynn Bailey

Independent auditor's report

To the shareholders of Index Data ApS

Opinion

We have audited the financial statements of Index Data ApS for the financial year 1 January - 31 December 2020, which comprise income statement, statement of financial position, statement of changes in equity, notes and accounting policies. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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 international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- 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 the 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.
- 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on and the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Brøndby, 16 June 2021

ALBJERG

Statsautoriseret Revisionspartnerselskab
Company reg. no. 35 38 28 79



Pia Søndergaard
State Authorised Public Accountant
mne15008

Company information

The company	Index Data ApS Njalsgade 76, 4. c/o Univate 2300 København S
	Company reg. no. 21 23 29 39 Domicile: Copenhagen Financial year: 1 January - 31 December
Board of directors	Adam Dickmeiss Sebastian Hammer Lynn Bailey
Auditors	ALBJERG Statsautoriseret Revisionspartnerselskab Ringager 4C, 2. th. 2605 Brøndby
Bankers	Arbejdernes Landsbank
Subsidiary	Index Data LLC, Boston, USA

Management commentary

The principal activities of the company

Index Data is a software and services company specializing in creating innovative tools for the library ecosystem. Established in 1994, Index Data has been building market-leading open source software and offering hosting, implementation services, and robust customer support relied on by libraries and service providers around the world.

Our goal as a business is to grow and develop our niche as a provider of sophisticated software components and services in the area of information retrieval and library management, and to build and nurture open source communities of interest.

Development in activities and financial matters

2020 was a challenging year as the COVID-19 pandemic wreaked havoc with the world. Our team, used to working remotely, stayed healthy so we were able to continue our community development efforts on both the FOLIO, an open source library services platform, and Project ReShare, an open source, community-owned and managed, highly scalable library resource sharing platform built on the underpinnings of FOLIO. We supported FOLIO's highly anticipated Goldenrod release which had been expected to jump-start implementations but most institutions halted or postponed their plans to move forward as they increasingly had to deal with the consequences of campuses that were shut down and budgets that were cut due to students who were not returning because of the pandemic.

We also led the development effort on ReShare V1.0 which sets the stage for an implementation of two 'early adopter' customers in 2021. To overcome the challenges of not being able to travel, we held two virtual meetings during 2020 and continued our tradition of weekly check-ins.

Our collaborations with libraries and consortia have further established us as a leading open source development team and we continue to enjoy a strong reputation in the industry.

Financial resources

Our efforts to develop direct-to-library revenue streams by establishing ourselves as a service provider for FOLIO were largely thwarted as libraries and Universities shut down and re-prioritized initiatives due to the pandemic. Total revenues in 2020 were well below expectations. Revenue came primarily from Support Agreements with long time customers who use our open source tools and from providing hosted services (SaaS) on our MasterKey platform.

Due to our ability to take advantage of powerful US tax incentives available for small businesses thanks to the pandemic-related stimulus bills, Index Data LLC showed a modest profit for the year but overall we had a significant loss. We intend to continue to invest and market our services and expect our cash reserves to support us. US customers continue to drive the majority of our work.

Events occurring after the end of the financial year

The COVID-19 pandemic continues to seriously impact us and our revenue opportunities. As Universities begin to make plans to re-open their campuses we believe the opportunities we have cultivated will yield positive results.

We strongly believe in the direction of the company and expect much of our future revenues to be derived from services provided for both FOLIO and ReShare platforms.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Gross loss	-74.484	2.924.495
1 Staff costs	-3.504.017	-4.179.723
2 Depreciation and impairment of property, land, and equipment	0	-514
Operating profit	-3.578.501	-1.255.742
Income from equity investments in group enterprises	518.951	-1.267.386
Other financial income from group enterprises	254.171	560.861
Other financial income	193	220.833
3 Other financial costs	-523.197	-4.564
Pre-tax net profit or loss	-3.328.383	-1.745.998
4 Tax on net profit or loss for the year	846.414	104.514
Net profit or loss for the year	-2.481.969	-1.641.484
Proposed appropriation of net profit:		
Reserves for net revaluation according to the equity method	518.951	-1.267.386
Allocated from retained earnings	-3.000.920	-374.098
Total allocations and transfers	-2.481.969	-1.641.484

Statement of financial position at 31 December

All amounts in DKK.

Assets			
<u>Note</u>		<u>2020</u>	<u>2019</u>
Non-current assets			
6	Equity investments in group enterprises	5.574.204	5.613.600
7	Deposits	16.391	45.002
	Total investments	<u>5.590.595</u>	<u>5.658.602</u>
	Total non-current assets	<u>5.590.595</u>	<u>5.658.602</u>
Current assets			
	Trade receivables	148.874	68.429
	Receivables from group enterprises	4.398.918	4.653.338
	Deferred tax assets	957.715	111.301
	Receivable corporate tax	0	211.000
	Other debtors	2.901	13.051
	Total receivables	<u>5.508.408</u>	<u>5.057.119</u>
	Available funds	<u>3.270.589</u>	<u>6.764.227</u>
	Total current assets	<u>8.778.997</u>	<u>11.821.346</u>
	Total assets	<u>14.369.592</u>	<u>17.479.948</u>

Statement of financial position at 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2020</u>	<u>2019</u>
Equity			
8	Contributed capital	200.000	200.000
	Reserves for net revaluation as per the equity method	5.574.204	5.613.600
	Retained earnings	8.148.134	11.149.054
	Total equity	<u>13.922.338</u>	<u>16.962.654</u>
Liabilities other than provisions			
	Trade creditors	48.711	63.750
	Other payables	361.876	395.125
	Accrued expenses and deferred income	36.667	58.419
	Total short term liabilities other than provisions	<u>447.254</u>	<u>517.294</u>
	Total liabilities other than provisions	<u>447.254</u>	<u>517.294</u>
	Total equity and liabilities	<u>14.369.592</u>	<u>17.479.948</u>

9 Charges and security

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Reserve for net revalua-tion according to the eq- uity method</u>	<u>Retained earnings</u>	<u>Proposed dividend for the financial year</u>	<u>Total</u>
Equity 1 January					
2019	200.000	6.720.876	11.523.152	750.000	19.194.028
Distributed					
dividend	0	0	0	-750.000	-750.000
Share of results	0	-1.267.386	-374.098	0	-1.641.484
Exchange rate					
adjustments	<u>0</u>	<u>160.110</u>	<u>0</u>	<u>0</u>	<u>160.110</u>
Equity 1 January					
2020	200.000	5.613.600	11.149.054	0	16.962.654
Share of results	0	518.951	-3.000.920	0	-2.481.969
Exchange rate					
adjustments	<u>0</u>	<u>-558.347</u>	<u>0</u>	<u>0</u>	<u>-558.347</u>
	<u>200.000</u>	<u>5.574.204</u>	<u>8.148.134</u>	<u>0</u>	<u>13.922.338</u>

Notes

All amounts in DKK.

	<u>2020</u>	<u>2019</u>
1. Staff costs		
Salaries and wages	3.492.220	4.161.538
Other costs for social security	11.797	18.185
	<u>3.504.017</u>	<u>4.179.723</u>
Average number of employees	<u>5</u>	<u>6</u>
2. Depreciation and impairment of property, land, and equipment		
Depreciation on plants, operating assets, fixtures and furniture	<u>0</u>	<u>514</u>
	<u>0</u>	<u>514</u>
3. Other financial costs		
Other financial costs	<u>523.197</u>	<u>4.564</u>
	<u>523.197</u>	<u>4.564</u>
4. Tax on net profit or loss for the year		
Adjustment for the year of deferred tax	<u>-846.414</u>	<u>-104.514</u>
	<u>-846.414</u>	<u>-104.514</u>
5. Other fixtures and fittings, tools and equipment		
Cost 1 January 2020	<u>95.175</u>	<u>95.175</u>
Cost 31 December 2020	<u>95.175</u>	<u>95.175</u>
Depreciation and writedown 1 January 2020	<u>-95.175</u>	<u>-94.661</u>
Depreciation for the year	<u>0</u>	<u>-514</u>
Depreciation and writedown 31 December 2020	<u>-95.175</u>	<u>-95.175</u>
Carrying amount, 31 December 2020	<u>0</u>	<u>0</u>

Notes

All amounts in DKK.

	<u>31/12 2020</u>	<u>31/12 2019</u>
6. Equity investments in group enterprises		
Acquisition sum, opening balance 1 January 2020	<u>0</u>	<u>0</u>
Cost 31 December 2020	<u>0</u>	<u>0</u>
Revaluations at 1 January 2020	5.613.600	6.720.876
Net profit/loss for the year	518.951	-1.267.386
Exchange adjustment	<u>-558.347</u>	<u>160.110</u>
Revaluation 31 December 2020	<u>5.574.204</u>	<u>5.613.600</u>
Carrying amount, 31 December 2020	<u>5.574.204</u>	<u>5.613.600</u>

Financial highlights for the enterprises according to the latest approved annual reports

	Equity interest	Equity	Results for the year
Index Data LLC, Boston, USA	100 %	<u>5.574.204</u>	<u>518.951</u>
		<u>5.574.204</u>	<u>518.951</u>

Der specificeres således:			
7. Deposits			
Cost 1 January 2020		45.002	45.002
Additions during the year		16.391	0
Disposals during the year		<u>-45.002</u>	<u>0</u>
Cost 31 December 2020		<u>16.391</u>	<u>45.002</u>
Carrying amount, 31 December 2020		<u>16.391</u>	<u>45.002</u>
8. Contributed capital			
Contributed capital 1 January 2020		<u>200.000</u>	<u>200.000</u>
		<u>200.000</u>	<u>200.000</u>

The share capital consists of 200 shares of a nominal value of DKK 1.000. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

9. Charges and security

The company has no charges and securities at 31 december 2020.

Notes

All amounts in DKK.

9. Charges and security (continued)

Accounting policies

The annual report for Index Data ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or writedown for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

Income statement

Gross loss

Gross loss comprises the revenue, changes in inventories of finished goods, and work in progress, work performed for own account and capitalised, other operating income, and external costs.

Accounting policies

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, etc.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from equity investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual group enterprises are recognised in the income statement as a proportional share of the group enterprises' post-tax profit or loss.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Property, plant, and equipment

Other property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Accounting policies

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Investments

Equity investments in group enterprises

Equity investments in group enterprises are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Consolidated goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Consolidated goodwill is amortised on a straight-line basis over the amortisation period, which represent 5-20 years. The depreciation period is determined on the basis of an assessment that these are strategically acquired enterprises with a strong market position and a long-term earnings profile.

In relation to material assets and liabilities recognised in group enterprises, associates and equity interests but are not represented in the parent, the following accounting policies have been applied.

Equity investments in group enterprises with a negative equity value are measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover a negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

On the acquisition of enterprises, the acquisition method, the uniting-of-interests method or the book value method is applied, cf. the above description under Business combinations.

Accounting policies

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Equity

Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method comprises net revaluation of equity investments in subsidiaries, associates and equity interests proportional to cost.

The reserve may be eliminated in the event of losses, realisation of equity investments, or changes in the accounting estimates.

The reserve cannot be recognised by a negative amount.

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Accruals and deferred income

Payments received concerning future income are recognised under accruals and deferred income.