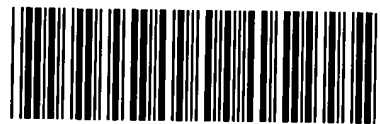


Company Registration No. 04058690 (England and Wales)

SECTIGO LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

THURSDAY



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SECTIGO LIMITED

COMPANY INFORMATION

| | | |
|------------------|---|---|
| Directors | Mr DA Smolen Mr DE Mace Mr KP Collins | (Appointed 30 September 2020) (Appointed 30 September 2020) (Appointed 30 September 2020) |
|------------------|---|---|

| | |
|------------------|---------------|
| Secretary | Mrs BJ Daynes |
|------------------|---------------|

| | |
|-----------------------|----------|
| Company number | 04058690 |
|-----------------------|----------|

| | |
|--------------------------|--|
| Registered office | 3rd Floor Building 26 Office Village Exchange Quay Trafford Road Manchester M5 3EQ |
|--------------------------|--|

SECTIGO LIMITED

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SECTIGO LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present the strategic report for the year ended 31 December 2020.

Principal activities

Sectigo Limited and subsidiaries ("Sectigo") is a certificate authority and internet security organization that provides internet security solutions for businesses and consumers worldwide. Since its inception in 2000, Sectigo has created or acquired a total of 16 publicly trusted roots that are used to issue secure sockets layer ("SSL") certificates. Sectigo is headquartered in New Jersey, U.S., and has global offices in the U.S., the United Kingdom, France, Netherlands, Canada, India, and Japan.

Sectigo has four core product areas: (1) direct sale of SSL certificates; (2) white-label capable webhost management software for SSL partner sales; (3) enterprise-level SSL certificate management software; and (4) website backup, monitoring, and restore services. Sectigo enables security, trust, and compliance for its customers through a comprehensive suite of digital certificate solutions for a variety of applications and use cases. Sectigo's tools help customers establish trust with end users who face critical online challenges such as establishing, maintaining, and verifying secure connections; identifying and avoiding spoofed websites; avoiding phishing attacks; and combating data exfiltration.

Sectigo offers web, email, code signing, and Internet of Things certificates. Additionally, Sectigo delivers security, trust, and compliance solutions for customers. It also helps companies encrypt data in transit between users' browsers and businesses' servers, establish trust with end users by verifying the site's legitimacy and providing assurance that sensitive information will be treated appropriately, and maintain compliance to conduct e-commerce.

On the close of business on September 30, 2020, GI Partners ("GI") acquired 100% of the shares of Condor Intermediate Holdco Limited ("Condor"), the immediate parent of Sectigo. The purchase of Condor was considered a single business combination for accounting purposes (the "Acquisition") (see Note 3). The Acquisition was funded by a combination of cash and long-term debt proceeds. As of the date of the Acquisition, GI completed a series of transactions resulting in the creation of Saturn Parent Limited (the "Parent"), Saturn Intermediate Limited (the "Intermediate"), and Saturn Acquisition Limited (the "Company").

While the date of incorporation for the Parent, Intermediate, and the Company was August 18, 2020, there were no transactions executed prior to the acquisition date of September 30, 2020.

Business review

The directors have reviewed the group's budget and financial forecasts, including cash flow forecasts, and have considered appropriate sensitivities. They believe that the Company has adequate resources to continue in operation for the foreseeable future. The directors have assessed the impacts of Covid-19 as part of the going concern assessment. At the date of this report, Covid-19 has not materially impacted the business. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Key performance indicators

The key financial performance indicators during the year were as follows:

| | 2020 \$'000 | 2019 \$'000 |
|-------------|----------------|----------------|
| Gross sales | \$79,009 | \$77,980 |

SECTIGO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Principle risks and uncertainties

The Company has considered the United Kingdom's exit from the European Union and does not consider that this has had or will continue to have any significant impact on the business.

The Directors have assessed the impact that Covid-19 may have on the Company's business operations. The Director observed minimal negative impact at this time and has advised the Company to continue operating under the 2021 management plan. The Company has constructed a few downside sensitivity scenario plans in order to mitigate risk, planning and monitoring purposes. The Director believes that the Company will continue to meet all liquidity requirements.

Foreign currency risk

As of January 2017, the company changed its reporting & functional currency to USD.

Monetary assets and liabilities denominated in foreign currencies are re-measured using the rate of exchange at the balance sheet date, and revenue and expenses are translated at the average exchange rates during the year. The resulting gains and losses on re-measurement are included on the statement of operations.

This is monitored by management in order to ensure any necessary actions are taken. The company does not make use of forward foreign currency contracts.

Credit risk

The company's objective is to reduce the risk of financial loss due to a counter party's failure to honour its obligations.

The majority of the company's customers pay in advance for purchases. Where sales are made without advance payment, a credit review of the customer is undertaken and exposures are monitored with customers to ensure that the company's exposure to bad debts is not significant. The company's maximum exposure to credit risk is the carrying value as at the balance sheet date.

Legislative risk

The potential impact of legislative changes to both UK and Overseas operations are constantly monitored by management.

Promoting the success of the company

Under s172 of the Companies Act 2006 directors of UK companies have a duty to promote the success of their company for the benefit of the members as a whole and in doing so, have regard to:

- The likely consequences of any decision in the long term
- The interests of the company's employees;
- The need to foster the company's business relationships with suppliers, customer and others;
- The impact of the company's operations on the community and the environment;
- The desirability of the company maintaining a reputation for high standards of business conduct ; and
- The need to act fairly between members of the company.


The directors of Sectigo Limited consider the following areas to be of key importance in the fulfillment of this duty:

- Carrying out detailed review of budgets, financial cash flow forecasting to ensure the ongoing financial safety of the business.
- Maintaining the highest standards of integrity and honesty in the company's dealings with employees, suppliers and others.
- Focusing on growth through organic and acquisition methods by making strategic investments in sales and marketing.
- Developing the core product base, expanding into rising international markets, identifying new customers cross selling opportunities and keeping ahead of the latest technology trends.

SECTIGO LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

On behalf of the board

DocuSigned by:

04B41499C104498:.....
Mr KP Collins
Director

Date: 3/14/2022
.....

SECTIGO LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their annual report and financial statements for the year ended 31 December 2020.

Results and dividends

The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

| | |
|---------------|-------------------------------|
| Mr BJ Decker | (Resigned 30 September 2020) |
| Mr DA Smolen | (Appointed 30 September 2020) |
| Mr DE Mace | (Appointed 30 September 2020) |
| Mr KP Collins | (Appointed 30 September 2020) |

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the company's performance.

Post reporting date events

On 22 February 2021, an additional Ordinary share was issued at a premium for \$30,000,000.

Future developments

The markets we operate in offer significant scope for growth and we will continue to invest in the infrastructure and people required to launch new and innovative products during the year as the business develops.

Energy and carbon report

The Streamlined Energy and Carbon Reporting (SECR) reporting requirements for this company are covered by the equivalent disclosures in the parent company accounts (see Accounting Policy 1.1).

Political and charitable contributions

There have been no political and charitable donations to date.

SECTIGO LIMITED

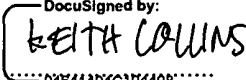
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Going concern

The director has reviewed the group's budget and financial forecasts, including cash flow forecasts, and have considered appropriate sensitivities. He believes that the Company has adequate resources to continue in operation for the foreseeable future. The director has assessed the impacts of Covid-19 as part of the going concern assessment. At the date of this report, Covid-19 has not materially impacted the business. Accordingly, he continues to adopt the going concern basis in preparing the financial statements.

On behalf of the board

DocuSigned by:

.....04B41494C1D4498.....
Mr KP Collins
Director

3/14/2022
Date:

SECTIGO LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

| | Notes | 2020 \$'000 | 2019 \$'000 |
|---|----------|------------------------|---------------------|
| Turnover | 3 | 78,308 | 68,987 |
| Cost of sales | | (1,777) | (1,721) |
| Gross profit | | <u>76,531</u> | <u>67,266</u> |
| Administrative expenses | | (120,326) | (60,284) |
| Operating (loss)/profit | 4 | (43,795) | 6,982 |
| Interest receivable and similar income | 7 | 20 | 28 |
| Interest payable and similar expenses | 8 | (80) | (2) |
| (Loss)/profit before taxation | | <u>(43,855)</u> | <u>7,008</u> |
| Tax on (loss)/profit | 9 | 87 | (27) |
| (Loss)/profit for the financial year | | <u><u>(43,768)</u></u> | <u><u>6,981</u></u> |

The profit and loss account has been prepared on the basis that all operations are continuing operations.

SECTIGO LIMITED**BALANCE SHEET****AS AT 31 DECEMBER 2020**

| | Notes | 2020 | | 2019 | |
|--|-------|---------------|---------------|---------------|---------------|
| | | \$'000 | \$'000 | \$'000 | \$'000 |
| Fixed assets | | | | | |
| Intangible assets | 10 | | 178 | | 275 |
| Tangible assets | 11 | | 2,131 | | 2,916 |
| Investments | 12 | | 54,113 | | 7,180 |
| | | | <u>56,422</u> | | <u>10,371</u> |
| Current assets | | | | | |
| Debtors | 14 | 46,583 | | 84,573 | |
| Cash at bank and in hand | | 7,452 | | 7,663 | |
| | | <u>54,035</u> | | <u>92,236</u> | |
| Creditors: amounts falling due within one year | 15 | (73,267) | | (71,115) | |
| Net current (liabilities)/assets | | | (19,232) | | 21,121 |
| Total assets less current liabilities | | | <u>37,190</u> | | <u>31,492</u> |
| Creditors: amounts falling due after more than one year | 16 | | (20,403) | | (20,854) |
| Net assets | | | <u>16,787</u> | | <u>10,638</u> |
| Capital and reserves | | | | | |
| Called up share capital | 19 | | 14,524 | | 14,524 |
| Share premium account | | | 55,741 | | 5,824 |
| Capital contribution reserve | | | 7,347 | | 7,347 |
| Profit and loss reserves | | | (60,825) | | (17,057) |
| Total equity | | | <u>16,787</u> | | <u>10,638</u> |

For the financial year ended 31 December 2020 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

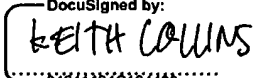
The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

SECTIGO LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

The financial statements were approved by the board of directors and authorised for issue on 3/14/2022
and are signed on its behalf by:

DocuSigned by:

.....04841394C104408.....
Mr KP Collins
Director

Company Registration No. 04058690

SECTIGO LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

| | Share capital | Share premium account | Capital contribution reserve | Profit and loss reserves | Total |
|---|------------------|-----------------------------|------------------------------------|--------------------------------|----------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at 1 January 2019 | 14,524 | 1,364 | 7,347 | (24,038) | (803) |
| Year ended 31 December 2019: | | | | | |
| Profit and total comprehensive income for the year | - | - | - | 6,981 | 6,981 |
| Share reserve (SBC Equity) | - | 4,460 | - | - | 4,460 |
| Balance at 31 December 2019 | 14,524 | 5,824 | 7,347 | (17,057) | 10,638 |
| Year ended 31 December 2020: | | | | | |
| Loss and total comprehensive income for the year | - | - | - | (43,768) | (43,768) |
| Share reserve (SBC Equity) | - | 49,917 | - | - | 49,917 |
| Balance at 31 December 2020 | 14,524 | 55,741 | 7,347 | (60,825) | 16,787 |

SECTIGO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Sectigo Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3rd Floor Building 26, Office Village Exchange Quay, Trafford Road, Manchester, M5 3EQ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in US dollars, which is the functional and presentational currency of the company. Monetary amounts in these financial statements are rounded to the nearest \$'000.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: The disclosure requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b), and 12.29A;
- Section 26 'Share based Payment': Share based payment arrangements required under FRS 102 paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Saturn Parent Limited. These consolidated financial statements are available from its registered office, Unit 7 Listerhills Science Park, Campus Road, Bradford, West Yorkshire, England, BD7 1HR.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. At 31 December 2020 the company's liabilities do not exceed its assets. The directors have reviewed the group's budgets and financial forecasts, including cash flow forecasts, and have considered appropriate sensitivities. They believe that the company has adequate resources to continue in operation for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

SECTIGO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

1.3 Turnover

Turnover represents sales of goods exclusive of VAT.

Turnover primarily relates to the sale of digital certificates which are valid for between one and five years. Our authentication services are provided over time and the associated revenues from these services are generally recognised over the contractual term or product lifetime as appropriate.

Turnover includes amounts recognised in respect of transactions involving the swapping or exchanging of dissimilar goods and services where the transaction has commercial substance. The transaction is measured at the fair value of the goods or services received, adjusted for any cash transferred.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|------------------------|---|
| Computer software | Software that is not integral to the related hardware is treated as an intangible asset and amortised over its useful life of 10 years. |
| Trademarks and patents | Amortised over 10 years |
| Trademarks | Amortised to \$nil by equal installments over their useful economic lives, which have been estimated at 5 years. |

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|--|---------------|
| Leasehold improvements | Life of lease |
| Fixtures, fittings, tools and equipment | 4 years |
| Computer equipment, root keys and related software | 8 to 20 years |
| Software management systems | 10 years |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

SECTIGO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

SECTIGO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

SECTIGO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

SECTIGO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Foreign exchange

Transactions in currencies other than US dollars are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Judgement is required in determining the period over which turnover from the sale of digital certificates is recognised.

SECTIGO LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020****3 Turnover and other revenue**

| | 2020 | 2019 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Turnover analysed by class of business | | |
| Retail | 11,716 | 12,513 |
| Partner | 47,157 | 41,896 |
| Enterprise | 19,435 | 14,578 |
| | <u>78,308</u> | <u>68,987</u> |
| | <u>78,308</u> | <u>68,987</u> |
| Other significant revenue | | |
| Interest income | 20 | 28 |
| | <u>20</u> | <u>28</u> |
| | <u>20</u> | <u>28</u> |
| Turnover analysed by geographical market | | |
| United Kingdom | 78,308 | 68,987 |
| | <u>78,308</u> | <u>68,987</u> |
| | <u>78,308</u> | <u>68,987</u> |

4 Operating (loss)/profit

| | 2020 | 2019 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Operating (loss)/profit for the year is stated after charging: | | |
| Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss | 436 | 301 |
| Depreciation of owned tangible fixed assets | 1,427 | 1,086 |
| Amortisation of intangible assets | 44 | 115 |
| | <u>436</u> | <u>301</u> |
| | <u>436</u> | <u>301</u> |

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

| | 2020 | 2019 |
|-------------------------------|---------------|---------------|
| | Number | Number |
| Sales and Marketing | 8 | 8 |
| Operations and Administration | 14 | 14 |
| | <u>22</u> | <u>22</u> |
| Total | <u>22</u> | <u>22</u> |
| | <u>22</u> | <u>22</u> |

SECTIGO LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020****5 Employees (Continued)**

Their aggregate remuneration comprised:

| | 2020 | 2019 |
|-----------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Wages and salaries | 3,980 | 2,997 |
| Social security costs | 335 | 394 |
| Pension costs | 42 | 41 |
| | <u>4,357</u> | <u>3,432</u> |

6 Directors' remuneration

The directors did not receive any remuneration for qualifying services as a statutory director of the Company during the period.

The directors provided qualifying services to other group companies and their remuneration is paid by the ultimate controlling party, GI Partners.

7 Interest receivable and similar income

| | 2020 | 2019 |
|---------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Interest income | | |
| Interest on bank deposits | - | 28 |
| Other interest income | 20 | - |
| | <u>20</u> | <u>28</u> |

8 Interest payable and similar expenses

| | 2020 | 2019 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Interest on finance leases and hire purchase contracts | - | 2 |
| Other interest | 80 | - |
| | <u>80</u> | <u>2</u> |

SECTIGO LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020****9 Taxation**

| | 2020 | 2019 |
|--|---------------------------|-------------------------|
| | \$'000 | \$'000 |
| Current tax | | |
| UK corporation tax on profits | (244) | 216 |
| | <u> </u> | <u> </u> |
| Deferred tax | | |
| Origination and reversal of timing differences | 157 | (189) |
| | <u> </u> | <u> </u> |
| Total tax (credit)/charge | <u> </u> (87) | <u> </u> 27 |

The actual (credit)/charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

| | 2020 | 2019 |
|---|---------------------------|-------------------------|
| | \$'000 | \$'000 |
| (Loss)/profit before taxation | (43,855) | 7,008 |
| | <u> </u> | <u> </u> |
| Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%) | (8,332) | 1,332 |
| Under/(over) provided in prior years | (233) | - |
| Deferred tax adjustments in respect of prior years | (1,358) | - |
| Deferred tax asset unrecognised | - | (1,822) |
| Expenses not deductible for tax purposes | 8,697 | 1,074 |
| Group relief claimed | (417) | (1,096) |
| Timing differences | - | 431 |
| Tax adjustments and transfers | (182) | 108 |
| Other | (13) | - |
| Accounting adjustments and transfers | 1,751 | - |
| | <u> </u> | <u> </u> |
| Taxation (credit)/charge for the year | <u> </u> (87) | <u> </u> 27 |

SECTIGO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Intangible fixed assets

| | Computer software \$'000 | Trademarks and patents \$'000 | Total \$'000 |
|------------------------------------|-----------------------------|----------------------------------|-----------------|
| Cost | | | |
| At 1 January 2020 | 3,515 | 368 | 3,883 |
| Disposals | (212) | - | (212) |
| At 31 December 2020 | 3,303 | 368 | 3,671 |
| Amortisation and impairment | | | |
| At 1 January 2020 | 3,377 | 231 | 3,608 |
| Amortisation charged for the year | 21 | 23 | 44 |
| Disposals | (159) | - | (159) |
| At 31 December 2020 | 3,239 | 254 | 3,493 |
| Carrying amount | | | |
| At 31 December 2020 | 64 | 114 | 178 |
| At 31 December 2019 | 138 | 137 | 275 |

11 Tangible fixed assets

| | Leasehold improvements \$'000 | Fixtures, fittings, tools and equipment \$'000 | Computer equipment, root keys and related software \$'000 | Software management systems \$'000 | Total \$'000 |
|------------------------------------|----------------------------------|---|--|---------------------------------------|-----------------|
| Cost | | | | | |
| At 1 January 2020 | 26 | 245 | 17,339 | 82 | 17,692 |
| Additions | 1 | 203 | 255 | 183 | 642 |
| At 31 December 2020 | 27 | 448 | 17,594 | 265 | 18,334 |
| Depreciation and impairment | | | | | |
| At 1 January 2020 | 20 | 90 | 14,597 | 69 | 14,776 |
| Depreciation charged in the year | 1 | 41 | 1,215 | 170 | 1,427 |
| At 31 December 2020 | 21 | 131 | 15,812 | 239 | 16,203 |
| Carrying amount | | | | | |
| At 31 December 2020 | 6 | 317 | 1,782 | 26 | 2,131 |
| At 31 December 2019 | 6 | 155 | 2,742 | 13 | 2,916 |

SECTIGO LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020****12 Fixed asset investments**

| | Notes | 2020 \$'000 | 2019 \$'000 |
|-----------------------------|-------|----------------|----------------|
| Investments in subsidiaries | 13 | 54,113 | 7,180 |

Movements in fixed asset investments

| | Shares in subsidiaries \$'000 |
|--------------------------|-------------------------------------|
| Cost or valuation | |
| At 1 January 2020 | 7,180 |
| Additions | 46,933 |
| At 31 December 2020 | 54,113 |
| Carrying amount | |
| At 31 December 2020 | 54,113 |
| At 31 December 2019 | 7,180 |

13 Subsidiaries

Details of the company's subsidiaries at 31 December 2020 are as follows:

| Name of undertaking | Registered office | Class of shares held | % Held Direct |
|---|---|-------------------------|------------------|
| Sectigo (Canada) LTD | 1125 Innovation Drive, Ontario, Canada | Ordinary | 100.00 |
| Comodo CertAuth India Service Private Limited | 8th & 10th Flr Prestige Centre Court, Chennai, Tamilnadu | Ordinary | 100.00 |
| Sectigo, Inc. | 5 Becker Farm Road, Roseland, New Jersey, USA | Ordinary | 100.00 |
| SSL247 S.A.S | 87 Rue Nationale, Lille, France | Ordinary | 100.00 |
| SSL247 Limited | Suite Q, 2 East Poultry Avenue, London, EC1A 9PT | Ordinary | 100.00 |
| Xolphin B.V | Rogier van der Weydestraat 2, Alkmaar, Netherlands | Ordinary | 100.00 |
| Sectigo UK LTD | Unit 7 Listerhills science park, Campus road, Bradford, BD7 1HR | Ordinary | 100.00 |
| Kabushiki Kaisha Sectigo Jaoan | 5-2-3 Sotokanda 5-chome, Tokyo, Japan | Ordinary | 51.00 |
| Sectigo (Europe) S.L | Rbla. Catalunya No 86, 30, 1a, Barcelona, Spain | Ordinary | 100.00 |
| CodeGuard, INC | 5 Becker Farm Road, Roseland, New Jersey, USA | Ordinary | 100.00 |
| SSL247 Inc. | 6000 Metrowest Blvd, Orlando, Florida | Ordinary | 100.00 |
| Comodo Nederland B>V | Rogier van der Weydestraat 2, Alkmaar, Netherlands | Ordinary | 100.00 |
| Encrypted B.V | Rogier van der Weydestraat 2, Alkmaar, Netherlands | Ordinary | 100.00 |
| VERFY B.V | Rogier van der Weydestraat 2, Alkmaar, Netherlands | Ordinary | 100.00 |
| Ensured B.V | Rogier van der Weydestraat 2, Alkmaar, Netherlands | Ordinary | 100.00 |

SECTIGO LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

| 14 Debtors | 2020 | 2019 |
|---|---------------|---------------|
| Amounts falling due within one year: | \$'000 | \$'000 |
| Trade debtors | 10,713 | 17,145 |
| Corporation tax recoverable | 405 | - |
| Amounts owed by group undertakings | 25,447 | 53,975 |
| Other debtors | 758 | 1,070 |
| Prepayments and accrued income | 9,228 | 12,194 |
| | <u>46,551</u> | <u>84,384</u> |
| Deferred tax asset (note 17) | 32 | 189 |
| | <u>46,583</u> | <u>84,573</u> |

Amounts due from group undertakings are payable on demand. Prepayments includes an amount of \$4,344,000 (2019-\$9,833,347) which are commissions that were paid to Comodo Security Solutions (CSS) for contracts with customers entered into as at the time of the purchase which would otherwise have been attributed to CSS. The commission will be recognised in cost of sales over the remaining term of the related contracts - up to 3 years.

| 15 Creditors: amounts falling due within one year | 2020 | 2019 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Trade creditors | 1,245 | 784 |
| Amounts owed to group undertakings | 3,230 | 6,277 |
| Corporation tax | - | 216 |
| Other taxation and social security | 238 | - |
| Other creditors | 6,122 | 824 |
| Accruals and deferred income | 62,432 | 63,014 |
| | <u>73,267</u> | <u>71,115</u> |

Amounts owed by fellow group undertakings are unsecured and are payable on demand.

| 16 Creditors: amounts falling due after more than one year | 2020 | 2019 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Accruals and deferred income | 20,403 | 20,854 |
| | <u>20,403</u> | <u>20,854</u> |

Deferred income represents the difference between the value of certificates sold to customers for non-refundable payment and the amount recognised as revenue in the financial statements. Revenue is recognised evenly over the life of the product which primarily ranges from one to five years.

SECTIGO LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020****17 Deferred taxation**

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

| | Assets 2020 \$'000 | Assets 2019 \$'000 |
|--------------------------------|-----------------------------------|-----------------------------------|
| Balances: | | |
| Fixed asset timing differences | 32 | 189 |
| | <u> </u> | <u> </u> |
| Movements in the year: | | 2020 \$'000 |
| Asset at 1 January 2020 | | (189) |
| Charge to profit or loss | | 157 |
| | | <u> </u> |
| Asset at 31 December 2020 | | <u>(32)</u> |

The deferred tax asset set out above is not expected to reverse within 12 months and relates to fixed asset timing differences.

18 Retirement benefit schemes

| | 2020 \$'000 | 2019 \$'000 |
|---|------------------------|------------------------|
| Defined contribution schemes | | |
| Charge to profit or loss in respect of defined contribution schemes | 42 | 41 |
| | <u> </u> | <u> </u> |

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

19 Share capital

| | 2020 Number | 2019 Number | 2020 \$'000 | 2019 \$'000 |
|---|------------------------|------------------------|------------------------|------------------------|
| Ordinary share capital Issued and fully paid | | | | |
| Ordinary shares of \$1 each of \$1.8892 each | 7,500,000 | 7,500,000 | 14,169 | 14,169 |
| Ordinary 'A' shares of \$1 each of \$1 each | 1,000 | 1,000 | 1 | 1 |
| Ordinary B shares of \$1 each of 0.18981335p each | 186,499,000 | 186,499,000 | 354 | 354 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | <u>194,000,000</u> | <u>194,000,000</u> | <u>14,524</u> | <u>14,524</u> |

SECTIGO LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020****20 Operating lease commitments**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2020 | 2019 |
|----------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Within one year | 62 | 67 |
| Between two and five years | 245 | - |
| | <u>307</u> | <u>67</u> |

21 Events after the reporting date

On 22 February 2021, an additional Ordinary share was issued at a premium for \$30,000,000.

22 Ultimate controlling party

The company is a subsidiary undertaking of Condor Buyer Limited. The ultimate parent undertaking is Saturn Parent Limited. In the opinion of the directors the ultimate controlling party is GI Partners.