

**Company Registration No. 12192019**

**Castle Acquisition Limited**

**Annual Report and Financial Statements**

**For the period ended 31 December 2020**



# **Castle Acquisition Limited**

## **Annual report and financial statements for the period ended 31 December 2020**

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# **Castle Acquisition Limited**

## **Annual report and financial statements for the period ended 31 December 2020**

### **Officers and professional advisers**

#### **Directors**

E Kalawksi (appointed on 5 September 2019)  
I Downie (appointed on 5 September 2019)  
M Sigler (appointed on 5 September 2019)

#### **Registered office**

100 New Bridge Street  
London  
EC4V 6JA  
United Kingdom

#### **Independent auditors**

PricewaterhouseCoopers LLP  
40 Clarendon Road  
Watford  
WD17 1JJ

## Castle Acquisition Limited

### Strategic report for the period ended 31 December 2020

The directors present their strategic report and financial statements of Castle Acquisition Limited for the period from the date of incorporation on 10 December 2019 to 31 December 2020 ("period").

#### Review of the business

Castle Acquisition Limited (the "Company") was incorporated on 5 September 2019. The company was set up as part of the acquisition of the Cision Group by Platinum Equity on 5 September 2019.

The Company is part of the Cision group of companies for which Castle Top Holding Limited is the top company. Castle Top Holding Limited and its subsidiaries together are referred to as a group for the purpose of these financial statements.

The company is an investment holding company that does not carry out a trade. The loss for the period is primarily driven by acquisition expenses relating to the purchase of the Cision group of companies plus interest payable on intercompany debt. During the period the company issued 2 ordinary shares at a value of \$1.30 per share with a total share premium of \$849,999,997.

At the balance sheet date the company had net assets of \$808,238,829.

No changes are expected to the performance or position of the Company in the foreseeable future.

#### Principal Risk and Uncertainties

As an investment holding company the principal risk that the Company is exposed to is the recoverability of its investment values. The directors carry out an annual assessment for indicators of impairment of these investments and regular performance reviews of their underlying businesses.

#### *The potential impact of COVID-19 on our business*

The COVID-19 outbreak and resulting measures taken by various governments to contain the virus negatively affected the economy worldwide in 2020 and continues to do so in 2021. This macroeconomic uncertainty causes general disruption to economic activity and the scale and duration of this pandemic remain unknown. The main risks that result from the current uncertain situation regarding COVID-19 are:

- **Revenues and profitability:** the macroeconomic uncertainty may continue to reduce the overall spend companies have available and increase the time it takes to close a sale of products offered by the group. The Company believes that the risk here remains low as the services of our subsidiaries are considered essential by our customers and we are not dependent on any one particular client base or industry. The group has taken various measures such as remote working in order to keep its employees safe and will continue to follow local Government advice in this respect.
- **Financing and liquidity:** the Company has not had any liquidity concerns up to this point and does not have any debt covenants. The group has access to additional funds totalling \$180m which it has not needed to draw down and due to which the company has the ability to obtain financing from group undertakings
- **Internal controls:** many of the Company's internal controls are built in to the systems we use and as such are still in place in a home working environment. The Company has put in place substitute internal controls to cover home working.
- The Company and its subsidiaries have not seen a material impact during the period. Based on the circumstances described above, the financial statements are prepared on the assumption that the entity is a going concern.

Approved by the Board of Directors  
and signed on behalf of the Board

BTM

M Sigler  
Director

Date: 30 July 2021

# Castle Acquisition Limited

## Directors' report for the period ended 31 December 2020 *(continued)*

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

### Results and Dividends

The results for the period and the Company's financial position at the end of the period are shown in the attached financial statements. The loss for the period is \$41,761,171. The loss for the period is primarily driven by acquisition expenses relating to the purchase of the Cision group of companies plus interest payable on intercompany debt.

As part of the corporate restructuring carried within the group, Canyon UK Americas Limited, an indirectly held subsidiary sold its trade and assets to a fellow group company in exchange for a loan note of \$ 1,288,110,330. As part of this restructuring, \$1,230,985,238 of this loan note was distributed to the company through its intermediate holding entities as a return on its investment in Cision Limited. This distribution by the subsidiary has been treated as return of capital. No dividends were distributed for the period ended 31 December 2020.

### Directors

The directors of the Company, who served during the period and up to the date of this report, unless otherwise stated, were:

E Kalawksi (appointed on 5 September 2019)

I Downie (appointed on 5 September 2019)

M Sigler (appointed on 5 September 2019)

### Going concern

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### *The entity's ability to continue as a going concern – COVID-19*

The COVID-19 outbreak developed rapidly in 2020 and continues to do so in 2021. Management seeks to obtain the best possible information to enable us to assess these risks and implement appropriate measures to respond. We have taken and continue to take a number of measures to monitor and prevent the effects of the COVID-19 virus. This includes health and safety measures for our people (like social distancing and working from home). Planned actions include, when required, short-term lock-down of locations, use of support made available by governments in the countries in which we operate and other crisis management and business continuity measures for short-, mid- and long-term scenarios. Based on the circumstances described above, the financial statements are prepared on the assumption that the entity is a going concern.

### Future developments

No change to the Company's activity is expected in the foreseeable future.

### Financial risk management objectives and policies

As an investment holding company the principal risk that the Company is exposed to is the recoverability of its investment values. The directors carry out annual impairment reviews of these investments and regular performance reviews of their underlying businesses.

### Financial instruments

The Company's principal financial instruments comprise amounts owed to and amounts owed by other group companies. The directors consider the risk arising from such assets and liabilities to be immaterial to the financial statements.

### Qualifying indemnity provision

The directors benefited from the indemnity provisions contained in the Company's Articles of Association, as well as qualifying third-party indemnity provisions in place during the financial period at the date of this report. In addition, the Company and its controlling parent, Platinum V, have arranged and maintained throughout the period liability insurance for the benefit of the Company, its directors and its officers.

## Castle Acquisition Limited

### Directors' report for the period ended 31 December 2020 (*continued*)

#### Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework', and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

#### Statement of disclosure of information to auditors

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### Independent Auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as auditors of the company and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

On behalf of the board

BTM

M Sigler  
Director

Date: 30 July 2021

## Castle Acquisition Limited

# ***Independent auditors' report to the members of Castle Acquisition Limited***

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, Castle Acquisition Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the period from 5 September 2019 to 31 December 2020 then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance sheet as at 31 December 2020; the Statement of Comprehensive Income, the Statement of changes in equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

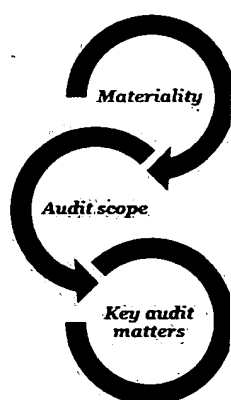
### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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### **Our audit approach**

#### *Overview*



- Overall materiality: £15.3 million, based on 1% of total assets

- 
- Full scope audit of the company

- 
- Impairment of investments
- 

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### **The scope of our audit**

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

# Castle Acquisition Limited

## Independent auditors' report to the members of Castle Acquisition Limited (continued)

### Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the key audit matter
<p><i>Impairment of investments</i></p> <p>The company has investments of \$254 million as at 31 December 2020 which are material to the financial statements. Refer note 10 of the financial statements.</p> <p>Judgement is required in assessing whether indicators of investment impairment exist. This may be enhanced because the subsidiary may itself be in a net liability position or the carrying value of the investment may exceed the value of the net assets included in the subsidiary's books and records.</p> <p>If such indicators exist, the Directors assess the recoverable amount of the investments during an impairment review. If no indicators exist, no estimation of the recoverable amount is performed.</p> <p>The Directors have concluded no impairment indicators exist, principally because, the net assets of the subsidiary in their standalone financial information exceeds the carrying value of investment.</p> <p>Investments are material and there is significant judgement involved in determining whether impairment indicators exist and so we consider this to be a key audit matter.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"><li>• Understanding the process related to determining if impairment indicators exist.</li><li>• Ensuring the completeness and accuracy of the information used in calculating the net assets of the subsidiary that are compared to the carrying value of the investment.</li><li>• Assessing corroborating or contradictory evidence that indicates the carrying value of investment may be impaired, for example from the covid-19 pandemic.</li></ul> <p>Based on the procedures performed, we noted no material issues from our work.</p>

### How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which it operates.

### Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

# Castle Acquisition Limited

## *Independent auditors' report to the members of Castle Acquisition Limited (continued)*

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

<b>Overall materiality</b>	£15.3 million
<b>How we determined it</b>	1% of total assets
<b>Rationale for benchmark applied</b>	We believe that total assets is the primary measure used by the users in assessing the performance of the entity, and is a generally accepted auditing benchmark

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

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### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

#### ***Strategic Report and Directors' Report***

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the period ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

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### **Responsibilities for the financial statements and the audit**

#### ***Responsibilities of the directors for the financial statements***

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine 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, the directors are 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## Castle Acquisition Limited

### ***Independent auditors' report to the members of Castle Acquisition Limited (continued)***

#### *Auditors' 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 auditors' 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 (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Lee Jarrett (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Watford

2 August 2021

# Castle Acquisition Limited

## Statement of Comprehensive Income For the period ended 31 December 2020

	Note	31 December 2020 \$
Income from shares in group undertakings		-
Administrative expenses		(6,513,732)
<b>Operating Loss</b>	4	(6,513,732)
Finance income	5	303,531
Finance costs	6	(35,550,970)
<b>Loss before taxation</b>		(41,761,171)
Income tax expense	9	-
<b>Loss for the period</b>		(41,761,171)
<b>Total comprehensive loss for the period</b>		(41,761,171)

## Castle Acquisition Limited

### Balance sheet As at 31 December 2020

	Note	31 December 2020
<b>Non-current assets</b>		\$
Investments	10	254,163,752
		<u>254,163,752</u>
<b>Current assets</b>		
Trade and other receivables	11	1,277,806,797
Cash and cash equivalents		809,453
		<u>1,278,616,250</u>
Creditors: amounts falling due within one year	12	(680,821)
<b>Net current assets</b>		<u>1,277,935,429</u>
<b>Total assets less current liabilities</b>		1,532,099,181
Creditors: amounts falling due after more than one year	13	(723,860,352)
<b>Net assets</b>		<u>808,238,829</u>
<b>Equity</b>		
Called up share capital	15	3
Share premium account		849,999,997
Retained earnings		(41,761,171)
<b>Total Shareholders' funds</b>		<u>808,238,829</u>

The accompanying notes are an integral part of these financial statements. The financial statements of Castle Acquisition Limited, registered number 12192019, were approved by the board of directors. They were signed on its behalf by:

BTM

M Sigler  
Director

Date: 30 July 2021

## Castle Acquisition Limited

### Statement of changes in equity

	Called up share capital	Share premium account	Retained Earnings	Total shareholders' funds
	\$	\$	\$	\$
Balance at 5 September 2019	-	-	-	-
Proceeds from shares issued	3	849,999,997	-	850,000,000
Total comprehensive income	-	-	(41,761,171)	(41,761,171)
Balance at 31 December 2020	<u>3</u>	<u>849,999,997</u>	<u>(41,761,171)</u>	<u>808,238,829</u>

# Castle Acquisition Limited

## Notes to the financial statements For the period ended 31 December 2020

### 1. General information

Castle Acquisition Limited is a private company limited by shares and it is incorporated in United Kingdom. The address of its registered office is 100 New Bridge Street, London, England, EC4V 9JA. The registration no. of the entity is 12192019 (registered in England and Wales).

The company does not trade and its purpose is to hold the investment in the Cision companies. Cision are a leading provider of cloud-based software, media intelligence and distribution services, and other related professional services to the marketing and public relations industry. Communications professionals use the Company's products and services to identify and connect with media influencers, manage industry relationships, create and distribute content, monitor media coverage, perform advanced analytics and measure the effectiveness of their campaigns. All transactions are denominated in US dollars.

### 2. Statement of compliance

The financial statements of Castle Acquisition Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

### 3. Summary of significant accounting policies

These financial statements are prepared on the going concern basis and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The particular accounting policies adopted are described below and have been consistently applied throughout the current period.

#### Basis of preparation

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3. These financial statements present all activities and results of operations of the period from inception to 31 December 2020 with no prior period comparative financial information.

#### Going concern

The Company is a holding company with the only ongoing working capital requirements being in relation to intercompany interest. The Company's investments are profitable and report significant positive cashflows from their operations. The Company expects its investment's profitability to continue. As such, dividend income from investments in subsidiary undertakings are expected to fund the interest obligations in future years. As a result of this review, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

#### Exemptions for qualifying entities under FRS 101

FRS 101 allows a qualifying entity certain disclosure exemptions, if certain conditions, have been complied with, including notification of and no objection to, the use of exemptions by the company's shareholders. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated.

## Castle Acquisition Limited

### Notes to the financial statements (*continued*) For the period ended 31 December 2020

#### 3. Summary of significant accounting policies (*continued*)

As a qualifying entity, the Company has taken advantage of the following exemptions:

- IFRS 7, 'Financial instruments: Disclosures'.
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- The following paragraphs of IAS 1, 'Presentation of financial statements': - 10(d) (statement of cash flows); - 16 (statement of compliance with all IFRS); - 38A (requirement for minimum of two primary statements, including cash flow statements); - 38B-D (additional comparative information); - 111 (statement of cash flows information); and - 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows'.
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.

#### Consolidation

The Company is a wholly owned subsidiary of Castle Top Holding Limited, a company incorporated in England and Wales. The registered number is 12357407 and the registered address is 100 New Bridge Street, London, United Kingdom, EC4V 6JA. Results of the Company are included in the consolidated financial statements of Castle Top Holding Limited, which are publicly available. Therefore, the company is exempt, by virtue of section 400 of the Companies Act 2006, from the requirement to prepare consolidated financial statements.

#### Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Dividend income is recognised when the right to receive payment is established.

#### Share capital

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

#### Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in creditors: amounts falling due within one year.

# Castle Acquisition Limited

## Notes to the financial statements *(continued)* For the period ended 31 December 2020

### 3. Summary of significant accounting policies *(continued)*

#### Financial assets and liabilities

Financial assets and liabilities are initially recorded at fair value including, where permitted by IFRS 9, any directly attributable transaction costs.

For those financial assets that are not subsequently held at fair value, the company assesses whether there is evidence of impairment at each balance sheet date. The company classifies its financial assets and liabilities into the following categories: financial assets and liabilities at amortised cost, financial assets and liabilities at fair value through profit and loss and financial assets at fair value through other comprehensive income. Where financial assets or liabilities are eligible to be carried at either amortised cost or fair value the company does not apply the fair value option.

#### Amounts owed by group undertakings

Amounts owed by group undertakings are initially measured at fair value and are subsequently reported at amortised cost. Non-interest-bearing trade receivables are stated at their nominal value as they are due on demand. Allowances for expected credit losses are made based on the risk of non-payment, taking into account ageing, previous experience, economic conditions and forward-looking data. Such allowances are measured as either 12-month expected credit losses or lifetime expected credit losses depending on changes in the credit quality of the counterparty.

#### Amounts owed to group undertakings

Amounts owed to group undertakings are initially measured at fair value and are subsequently reported at amortised cost. Non-interest bearing trade payables are stated at their nominal value as they are due on demand. For a number of loans owed to other group companies, the company has a contractual right of payment beyond one year from the balance sheet date and therefore these amounts are disclosed as non-current liabilities.

#### Other financial liabilities

Other financial liabilities are carried at amortised cost unless they are part of a fair value hedge relationship. The difference between the initial carrying amount of the financial liabilities and their redemption value is recognised in the income statement over the contractual terms using the effective interest rate method.

#### Investments in subsidiaries

Investments in subsidiaries are stated at historical cost less impairment provisions for any permanent decrease in value. The carrying amounts of the company's investments are reviewed at each reporting date to determine whether there is an indication of impairment. If such an indication exists, then the asset's recoverable amount is estimated. Losses are recognised in the statement of comprehensive income and reflected in an allowance against the carrying value. Where an event results in the asset's recoverable amount being higher than the previously impaired carrying value, the original impairment may be reversed through the statement of comprehensive income in subsequent periods.

#### Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

## Castle Acquisition Limited

### Notes to the financial statements (*continued*) For the period ended 31 December 2020

#### 3. Summary of significant accounting policies (*continued*)

##### *Taxation (continued)*

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

##### **Critical accounting judgements and key source of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

##### *Value of investment*

The most significant judgement that management have made in the process of applying the company's accounting policies is in respect of identifying possible impairment indicators in the investment in a subsidiary undertaking.

The directors have concluded there is no impairment indicator as the net value of the assets and liabilities of the subsidiary exceed the carrying value of the investment in the subsidiary. Furthermore, no other impairment indicators were identified.

Had the company of determined an impairment indicator existed, an impairment review would have been undertaken to estimate the recoverable amount of the amount investment in subsidiary.

#### 4. Operating loss

	2020 \$
Administrative expenses	6,471,599
Foreign exchange	42,133
	<hr/>

## Castle Acquisition Limited

### Notes to the financial statements *(continued)* For the period ended 31 December 2020

#### 5. Finance income

	2020 \$
Interest receivable from group undertakings	303,531
	<u>303,531</u>

#### 6. Finance costs

	2020 \$
Interest payable to group undertakings	35,550,970
	<u>35,550,970</u>

#### 7. Auditors' remuneration

The auditors' remuneration in the period was borne by another group company, however no recharge was made to the company.

#### 8. Information regarding directors

Directors' remuneration is borne by Platinum Equity Capital Partners International V (Cayman), L.P., the ultimate parent of the Group and is charged to entities within the group through management fees under a corporate advisory services agreement. There have been no cross charges to the Company during the period.

#### 9. Income tax expense

##### Recognised in the profit and loss account

	2020 \$
<i>UK corporation tax</i>	
Current tax on income for the period	-
	<u>-</u>
Total current tax	-
<i>Deferred tax</i>	
Total deferred tax	-
	<u>-</u>
Tax on profit	-
	<u>-</u>

## Castle Acquisition Limited

### Notes to the financial statements *(continued)* For the period ended 31 December 2020

#### 9. Income tax expense *(continued)*

##### Reconciliation of tax expense

The tax in the income statement for the period is calculated on rate of corporation tax in the UK of 19.00%.

	2020 \$
Loss before taxation	(41,761,171)
Tax using the UK corporation tax rate of 19.00% (2019: 19%)	(7,934,622)
Effect of:	
Non-taxable income	-
Adjustments to tax charge in respect of previous periods – current tax	-
Expenses not deductible for tax purposes	1,108,253
Group interest disallowance	3,538,293
Group relief surrendered	3,288,076
Total tax charge / (credit)	-

In the Spring Budget 2020, the UK Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020.

In the Spring budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. As the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date. Considering there is no deferred tax, no impact is included in these financial statements.

#### 10. Investments

	Total \$
<i>Cost</i>	
At beginning of period	-
Additions	1,485,148,990
Return of capital during the period	(1,230,985,238)
At 31 December 2020	254,163,752

Acquisitions made by Castle Acquisition Limited in the period are summarised below:

Company	Date	Total (\$)
Cision Limited	29/02/2020	1,485,148,990

As part of the corporate restructuring carried within the group, Canyon UK Americas Limited, an indirectly held subsidiary sold its trade and assets to a fellow group company in exchange for a loan note of \$ 1,288,110,330. As part of this restructuring, \$1,230,985,238 of this loan note was distributed to the company through its intermediate holding entities as a return on its investment in Cision Limited. This distribution by the subsidiary has been treated as return of capital.

# Castle Acquisition Limited

## Notes to the financial statements (continued) For the period ended 31 December 2020

The investments in group companies are as follows:

### 10. Investments (continued)

Name of company	Registered Office	Proportion of		Principal activity
		Directly	Indirectly	
Cision Limited	P.O. Box 309 Ugländ House, South Church Street, George	100%	-	Intermediate parent/holding company
Cision Canyon Limited	2nd Floor Sir Walter Raleigh House 48-50 Esplanade St Helier Jersey JE2 3QB	-	100%	
Canyon Companies Sarl	12E rue Guillaume Kroll, L-1882, Luxembourg	-	100%	
Canyon Group Sarl	12E rue Guillaume Kroll, L-1882, Luxembourg	-	100%	
Canyon UK Investments Ltd	5 Churchill Place, London, England, E14 5HU	-	100%	
Canyon UK Americas Limited	5 Churchill Place, London, England, E14 5HU	-	100%	
Canyon Valor Holdings, Inc	12051 Indian Creek Court, Beltsville, MD 20705	-	100%	
Canyon Valor Companies, Inc	12051 Indian Creek Court, Beltsville, MD 20705	-	100%	
PRN Delaware Inc	12051 Indian Creek Court, Beltsville, MD 20705	-	100%	
PWW International Limited	5 Churchill Place, London, England, E14 5HU	-	100%	
PWW Acquisition International II Limited	5 Churchill Place, London, England, E14 5HU	-	100%	
Falcon.io Holdings ApS	H. C. Andersens Blvd. 27, 1553 København V, Denmark	-	100%	Holding company of IP and Trademark
Canyon UK Ventures Ltd	5 Churchill Place, London, England, E14 5HU	-	100%	
Cision US Inc	12051 Indian Creek Court, Beltsville, MD 20705	-	100%	Journalist database, media monitoring and analysis
Prime Research Holding Corp	309 Maynard Suite 200, Ann Arbor, MI 48104	-	100%	
Prime Research LP	309 Maynard Suite 200, Ann Arbor, MI 48104	-	100%	
Bulletin Intelligence LLC	11190 Sunrise Valley Drive, Reston, VA 20191	-	100%	
Bulletin Healthcare LLC	11190 Sunrise Valley Drive, Reston, VA 20191	-	100%	
Bulletin Media LLC	11190 Sunrise Valley Drive, Reston, VA 20191	-	100%	
iContact LLC	2121 RDU Center Drive, 4th Floor, Morrisville, NC 27560	-	100%	
Vocus NM LLC	12051 Indian Creek Court, Beltsville, MD 20705	-	100%	
Vocus Social Media LLC	12051 Indian Creek Court, Beltsville, MD 20705	-	100%	
Vocus PRW Holdings LLC	12051 Indian Creek Court, Beltsville, MD 20705	-	100%	
Cedrom SNi Sarl	28, boul. Haussmann, 75009, Paris, France	-	100%	
Falcon Social Inc	200 Vesey Street, 19th Floor, New York, NY 10281, USA	-	100%	
Trendkite Ltd	5 New Street Square, London, EC4A 3TW, UK	-	100%	
Cision Canada Inc	88 Queens Quay West, Suite 3000, Toronto, ON, M5J 0B8	-	100%	
Cision Quebec Inc	1001 Sherbrooke St E, Montreal, Quebec H2L 1L3, Canada	-	100%	
Unmetric, Inc	25 Broadway, 9th floor, New York, NY 10004	-	100%	
Unmetric Technologies Private Ltd	40, 2nd St, Kodandarama Nagar, Perungudi, Chennai, Tamil Nadu 600078, India	-	100%	
Cision SAS	137 rue du 8 mai 1945, 42153 Riorges, France	-	100%	
Cision Sverige AB	Box 24194, 104 51 Stockholm, Sweden	-	100%	
Cision Finland OY	Salomonkatu 17 B, 00100 HELSINKI	-	100%	
Cision Norge AS	CISION NORGE AS, c/o RTB AS, Stortingsgata 10, 0161 OSLO	-	100%	
Cision Germany GmbH	Hanauer Landstraße 287, 60314 Frankfurt am Main	-	100%	
Cision Portugal	Avenida Fontes Pereira de Melo, nº 21, 5º, 1050-116 Lisbon, parish of Avenidas Novas, Lisbon	-	100%	
Cision Group Limited	5 Churchill Place, London, England, E14 5HU	-	100%	
Falcon.io ApS	H. C. Andersens Blvd. 27, 1553 København V, Denmark	-	100%	
Falcon.io EOOD	Litex Tower, Lachezar Stanchev Str. 3, 1756 Sofia, Bulgaria	-	100%	
Falcon.io kft.	Regus West End Centre, Váci út 22-24. 7. Emelet, 1132 Budapest, Hungary	-	100%	
Falcon.io Pty Limited	Level 22, 120 Spencer ST, Melbourne VIC, 3000, Australia	-	100%	
Falcon.io GmbH	Wattstraße 11, 13355 Berlin, Germany	-	100%	
Prime Research AG	Badenerstrasse 549, 8048 Zürich, Schweiz	-	100%	
Prime opinion analysis INDIA PRIVATE LTD	1st Floor Harbans Bhawan-II, Commercial complex – Nangal Rai, New Delhi 110046	-	100%	
Prime Brazil Pesquisas de Midia LTDA.6	Av. Roque Petroni Júnior, 1089 Sao Paulo, Brazil	-	100%	
PRIME.com GmbH	Kaiserstrasse 22, 55118 Mainz, Germany	-	100%	
Prime Research UK Limited	5 Churchill Place, London, England, E14 5HU	-	100%	

## Castle Acquisition Limited

### Notes to the financial statements (continued) For the period ended 31 December 2020

#### 10. Investments (continued)

Name of company	Registered Office	Proportion of Directly Indirectly	Principal activity
PR Newswire Asia	Flat/RM 1607-8 16/F, China Resources Building, 26 Harbour Road WanChai, Hong Kong	- 100%	News Distribution
PR Newswire Europe	5 Churchill Place, London, England, E14 5HU	- 100%	
PWW Distribution India Private Ltd	One Indiabulls Centre, 14th Floor, Tower One, Elphinstone Road, Mumbai - 400013, India	- 100%	
PRN Business Consulting	Room 1808, No. 338 Nanjing West Road, Huangpu District, Shanghai, China	- 100%	
PR Newswire S de RL de CV	Avenida Monterrey No. 150, Office 601, Col. Roma, Deleg. Cuauhtémoc, C.P. 06700, Mexico	- 100%	
PR Newswire Ltda	Av. Paulista, 688, 12th floor, Bela Vista, São Paulo, ZIP Code 01310-100	- 100%	
PRN Argentina SA	25 de Mayo 168, 6th Floor, Buenos Aires	- 100%	
Notilog PRN Argentina SA	25 de Mayo 168, 6th Floor, Buenos Aires	- 100%	
PRN Middle East Ltd	Unit 504, Level 5, Index Tower, DIFC, PO Box 507073, Dubai, UAE	- 100%	
PR Newswire GmbH	Innere Kanalstraße 15, c/o Osborne Clarke, 50823 Köln	- 100%	
PR Newswire Benelux Ltd	5 Churchill Place, London, England, E14 5HU	- 100%	
CNW Group Ltd	88 Queens Quay West, Suite 3000, Toronto, ON, M5J 0B8	- 100%	
Health Response Ltd	88 Queens Quay West, Suite 3000, Toronto, ON, M5J 0B8	- 100%	
DNA 13 Inc	88 Queens Quay West, Suite 3000, Toronto, ON, M5J 0B8	- 100%	
DNA 13 (US) Inc	88 Queens Quay West, Suite 3000, Toronto, ON, M5J 0B8	- 100%	
Communication CNW Quebec Inc	2000 McGill College Avenue, 3rd floor, Montréal, Québec, H3A 3H3	- 100%	
PR Newswire Association LLC	350 Hudson Street, 3rd Floor, New York, NY 10014	- 100%	

#### 11. Trade and other receivables: due within one year

	2020 \$
Amounts owed by group undertakings	1,277,806,797
<b>Due within one year</b>	<b>1,277,806,797</b>

Amounts owed by group undertakings are made up of two balances. \$46,518,028 relates to trade balances and as such is not interest bearing, has no fixed repayment terms and is payable on demand. \$1,231,288,769 relates to a promissory note with fellow Group company, Castle Intermediate Holding V Limited. Interest accrues on a quarterly basis at a rate of 3% per annum; there are no fixed repayment terms and is payable on demand. Amounts owed by group undertakings are unsecured.

## Castle Acquisition Limited

### Notes to the financial statements (*continued*) For the period ended 31 December 2020

#### 12. Creditors: amounts falling due within one year

	2020 \$
Amounts owed to group undertakings	680,821
<b>Due after more than one year</b>	<b>680,821</b>

Amounts owed to group undertakings relate to trade balances and as such are not interest bearing, have no fixed repayment terms and are payable on demand. Amounts shown are unsecured.

#### 13. Creditors: amounts due after more than one year

	2020 \$
Amounts owed to group undertakings	723,860,352
<b>Due after more than one year</b>	<b>723,860,352</b>

This balance reflects an unsecured loan note which was issued by the Group to an affiliated company. Interest accrues at a rate of 5.5% per annum and is to be paid on the last business day of each six-month calendar period. The maturity date is 31 January 2027. Eurobonds are listed on The International Stock Exchange (TISE).

#### 14. Called up share capital

	2020 \$
<b>Called up, allotted and fully paid</b>	
2 ordinary shares of \$1.30 each	3

#### 15. Controlling parties

The immediate parent undertaking is Castle Intermediate Holding V Limited. Platinum Equity Capital Partners International V (Cayman), L.P is the ultimate controlling party of the Group.

Group consolidated financial statements are prepared by Castle Top Holding Limited and are publicly available at Companies House.

## **Castle Acquisition Limited**

### **Notes to the financial statements (*continued*) For the period ended 31 December 2020**

#### **16. Related party transactions**

The company has made use of the exemption contained in FRS 101, not to disclose related party transactions with other group companies, as it is a wholly owned subsidiary of a company, Castle Top Holding Limited, which prepares consolidated financial statements incorporating those transactions.

#### **17. Events after the end of the reporting period**

On March 5, 2021, the Group announced the acquisition of Brandwatch. The acquisition closed on 1 June 2021 for \$450 million with cash and equity as consideration. The addition of Brandwatch will enable Cision to bring social media management to its existing press release and consumer intelligence business. At the date of the acquisition, Brandwatch has over 500 employees with offices in England, France, Spain, Germany, Singapore, Australia, and the United States. Results of operations for Brandwatch will be included in Cision's group consolidated financial statements from the date of acquisition.