

**Canopy Holdings AS**

**FINANCIAL HALF YEAR REPORT**

**from 1 May to 31 October 2022**

Canopy Holdings AS  
Financial report – H1 FY 22/23  
for the period from 1 May to 31 October 2022

## Management comments

The financial report reflects that the first half of the company's financial year is off season with lower transactional revenues from skiers. However, due to the increasing number of parks and attractions resorts in Catalate, the seasonality of the business has been reduced and consequently reported revenues increased significantly from last year's H1.

During H1, the company has continued to deliver on its growth strategy with a combination of new customers and a focus on profitability through cost saving initiatives and forced attrition of unprofitable customers.

Events subsequent to the balance sheet date include the announcement on 2 December 2022 of a series of cost rationalisation initiatives including layoffs affecting 16% of the total employees of the company.

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## Declaration by the board of directors and CEO

We hereby confirm that, to the best of our knowledge, the unaudited interim financial statements for the period from 1 May to 31 October 2022 have been prepared in accordance with NGAAP, and that the information in the financial statements gives a true and fair view of the group's assets, liabilities, financial position and profit or loss taken as a whole.

We also confirm that, to the best of our knowledge, the interim report for the first half gives a true and fair view of important events in the accounting period and their influence on the interim report for the first half, as well as the principal risks and uncertainties facing the business in the next accounting period.

The Board of Directors of Canopy Holdings AS  
Oslo, 7 December 2022

Thomas S. Wrede-Holm  
Chair

Chris Logan  
Board member

Tonje Berg  
Board member

Martí Rafel Herrero  
Board member

Marit Høvik Hartmann  
Board member

Christian Erlandson  
CEO

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## Statement of profit and loss

### INTERIM CONSOLIDATED INCOME STATEMENT

Amount in NOK 1000	Note	01.05.22 - 31.10.22 Unaudited	01.05.21 - 31.10.21 Unaudited
<b>REVENUE</b>			
Sales revenue	3	26 798	17 082
Other operating revenue	3	948	431
<b>Total operating revenue</b>		<b>27 747</b>	<b>17 513</b>
<b>OPERATING EXPENSES</b>			
Changes in inventories of finished goods and work in progress			
Change in stock of self-produced fixed assets			
Costs of goods sold		8 705	5 497
Employee benefits expense		35 648	31 941
Write-downs			
Other operating expenses		17 803	8 208
<b>Total operating expenses</b>		<b>62 156</b>	<b>45 646</b>
<b>OPERATING PROFIT/LOSS BEFORE DEPRECIATION AND AMORTIZATION</b>		<b>-34 409</b>	<b>-28 133</b>
Depreciation and amortization expenses	4	15 559	19 841
Impairment			
<b>OPERATING PROFIT/LOSS</b>		<b>-49 968</b>	<b>-47 974</b>
<b>FINANCIAL INCOME AND EXPENSE</b>			
Share of the profit/ (loss) of associates			
Income from other investments			
Finance income		361	119
Finance expense		-485	-241
<b>Net financial items</b>		<b>-123</b>	<b>-121</b>
<b>PROFIT/LOSS BEFORE INCOME TAX</b>		<b>-50 091</b>	<b>-48 095</b>
Income tax expense		-1 421	-2 163
<b>NET PROFIT/LOSS FOR THE PERIOD</b>		<b>-48 670</b>	<b>-45 932</b>
Basic and diluted earnings per share		-1	0
<b>Allocation of the period's net profit/loss:</b>			
Other equity		-48 670	-45 932
<b>Total</b>		<b>-48 670</b>	<b>-45 932</b>

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## Statement of balance sheet

### INTERIM CONSOLIDATED BALANCE SHEET - ASSETS

All amounts in NOK 1000		31.10.2022	
	Note	Unaudited	30.04.2022
<b>NON-CURRENT ASSETS</b>			
<b>Intangible assets</b>			
Research and development	4	45 624	45 374
Customer contracts	4	37 475	40 617
Brands	4	12 837	12 958
Goodwill	4	53 323	55 101
<b>Total intangible assets</b>		<b>149 259</b>	<b>154 050</b>
<b>Tangible assets</b>			
Fixtures and fittings		433	518
<b>Total tangible assets</b>		<b>433</b>	<b>518</b>
<b>Total non-current assets</b>		<b>149 692</b>	<b>154 568</b>
<b>CURRENT ASSETS</b>			
<b>Receivables</b>			
Trade receivables		11 997	4 855
Other receivables		5 105	4 157
<b>Total receivables</b>		<b>17 102</b>	<b>9 012</b>
Cash and cash equivalents		26 663	77 281
<b>Total current assets</b>		<b>43 765</b>	<b>86 293</b>
<b>TOTAL ASSETS</b>		<b>193 457</b>	<b>240 861</b>

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**INTERIM CONSOLIDATED BALANCE SHEET - EQUITY AND LIABILITIES**

**31.10.2022**

All amounts in NOK 1000 Note **Unaudited** **30.04.2022**

**EQUITY**

**Owners equity**

Share capital	5	1 781	1 761
Own shares		-34	-50
Share premium		406 348	399 751
Other paid-in capital		6 011	4 469
Retained losses		-267 960	-224 641
<b>Total owners equity</b>		<b>146 146</b>	<b>181 289</b>

**LIABILITIES**

**Long term liabilities**

Deferred tax liability		17 548	19 026
Liabilities to financial institutions		1 214	1 187
Other non-current liabilities		8 343	14 189
<b>Total other non-current debt</b>		<b>27 104</b>	<b>34 403</b>

**Current liabilities**

Current portion of long term debt		999	1 877
Trade payables		3 130	7 559
Payable taxes		0	0
Deferred revenue		12 068	8 892
Other current liabilities		4 011	6 841
<b>Total current liabilities</b>		<b>20 207</b>	<b>25 169</b>

<b>Total liabilities</b>		<b>47 311</b>	<b>59 572</b>
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<b>TOTAL EQUITY AND LIABILITIES</b>		<b>193 457</b>	<b>240 861</b>
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## Statements of changes in equity

### INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

All amounts in NOK 1000	Share capital	Own shares	Share premium	Other paid- in capital	FX translation reserve	Retained earnings	Total
<b>Balance as at 30 April 2021</b>	<b>1 761</b>	<b>0</b>	<b>404 957</b>	<b>1 196</b>	<b>-2 475</b>	<b>-81 692</b>	<b>323 748</b>
Purchase of own shares		-50	-5 206				-5 256
Fees related to capital increase				-1 722			-1 722
Share based compensation				4 995			4 995
Result of the period						-144 009	-144 009
Effect of change in functional currency					3 533		3 533
<b>Balance as at 30 April 2022</b>	<b>1 761</b>	<b>-50</b>	<b>399 751</b>	<b>4 469</b>	<b>1 059</b>	<b>-225 701</b>	<b>181 289</b>
<b>Balance as at 30 April 2022</b>	<b>1 761</b>	<b>-50</b>	<b>399 751</b>	<b>4 469</b>	<b>1 060</b>	<b>-225 701</b>	<b>181 289</b>
Capital increase	20	-	6 597	-	-	-	6 617
Changes to own shares	-	17	-	-	-	-	17
Share based compensation	-	-	-	1 542	-	-	1 542
Result of the period	-	-	-	-	-	-48 670	-48 670
Effect of change in functional currency	-	-	-	-	5 351	-	5 351
<b>Balance as at 31 October 2022</b>	<b>1 781</b>	<b>-34</b>	<b>406 348</b>	<b>6 011</b>	<b>6 411</b>	<b>-274 371</b>	<b>146 145</b>

## Statements of cash flow

### INTERIM CONSOLIDATED CASH FLOW STATEMENT

All amounts in NOK 1000	Note	01.05.2022 - 31.10.2022	01.05.2021 - 30.04.2022
<b>Cash flow from operating activities</b>			
Profit/loss before income tax payable		-50 091	-147 612
Net finance		123	-496
Depreciation, amortisation and impairment	4	15 559	95 608
Share based compensation		1 542	4 995
Change in trade receivables and trade payables		-11 572	5 429
Changes in other operating items		-766	-10 009
<b>Net cash flow from operating activities</b>		<b>-45 204</b>	<b>-52 084</b>
<b>Cash flow from investing activities</b>			
Purchase of intangible and tangible non-current assets		-4 400	-8 902
Business combinations		-	-
<b>Net cash flow from investing activities</b>		<b>-4 400</b>	<b>-8 902</b>
<b>Cash flow from financing activities</b>			
Repayment of borrowings		-955	-2 602
Payment of interests		-59	
Change in own shares		-	-5 256
Capital increase and related fees <sup>1</sup>		-	-1 722
<b>Net cash flow from financing activities</b>		<b>-1 014</b>	<b>-9 580</b>
Net change in cash and cash equivalents		-50 618	-70 566
Cash and cash equivalents at the beginning of the period		77 281	147 847
<b>Cash and cash equivalents at the end of the period</b>		<b>26 663</b>	<b>77 281</b>

## Notes to the unaudited interim financial statements

### **Note 1 – General information and basis for preparation**

Canopy Holdings AS and its subsidiaries (collectively "the Group", or "Canopy") is a publicly listed company on the Euronext Growth Oslo, with the ticker symbol CAN. Canopy Holdings AS was admitted to trading on Euronext Growth Oslo 18 December 2020. Canopy Holdings AS is incorporated and domiciled in Norway.

The Group's main business is to develop and sell unique technology, software, and apps to digitalize the market for resorts, destinations, parks and attractions in key markets. The Group's operational activities mainly take place in Oslo, Norway, Lausanne and St. Moritz, Switzerland, Girona and Vilanova, Spain and San Francisco, USA.

The unaudited interim consolidated financial statements of the Group were authorised for issue in accordance with a resolution of the Board of Directors on 7th December 2022. The unaudited interim consolidated financial statements are presented in Norwegian kroner (NOK 1000), which is also the functional currency of the parent company.

The unaudited interim consolidated financial statements of the Group comprise interim consolidated statement of profit or loss, interim consolidated balance sheet, interim consolidated statement of cash flows, interim consolidated statement of changes in equity and selected notes. The interim financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway. The interim financial statements are unaudited and do not include a complete set of financial statement disclosures, thus they should be viewed together with the annual report for the period ended 30 April 2022.

Loss before tax was MNOK 50.1 and loss after tax was MNOK 48.7 for the first half of the financial year.

### **Note 2 – Revenue recognition**

The Group recognises revenue when persuasive evidence of a sale arrangement exists, services have been rendered, the price is fixed or determinable and payment is reasonably assured.

Contracts with ski resorts are based on milestones deliverables that are considered met within the accounting year. The accounting period is similar to the annual contractual period with the ski resorts.

The first half of the financial year is normally a quiet period for Canopy Group because this is the summer season. Most of the Group's revenue are generated from contracts with ski resorts and thus most of the revenue is generated during the winter season, which is mainly the second half of the financial year.



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### Note 3 – Revenue

Amounts in NOK 1000

	Canopy Holdings Group 01.05.2022 - 31.10.2022	Canopy Holdings Group 01.05.2021 - 31.10.2021
<b>By business area</b>		
Commissions	18 807	9 435
Subscriptions	6 482	7 014
Services	1 526	634
Other	933	430
<b>Total</b>	<b>27 747</b>	<b>17 513</b>
<b>Geographical distribution</b>		
USA	18 666	7 414
Switzerland	2 130	1 726
Canada	2 144	1 662
Spain	589	1 654
Italy	335	935
France	1 877	1 558
Other	2 006	2 564
<b>Total</b>	<b>27 747</b>	<b>17 513</b>

### Note 4 – Intangible assets

Amounts in NOK 1000	Research and development (unaudited)	Customer contracts (unaudited)	Brands (unaudited)	Goodwill (unaudited)	Total (unaudited)
Acquisition cost at 30.04.22	100 586	51 574	15 647	80 845	248 651
Additions	4 505	-	0	-	4 505
Disposals	0	-	-	-	0
FX translations effects	5 366	153	1 121	4 302	10 943
Reclassifications	-	-	-	-	-
Acquisition cost 31.10.22	110 456	51 728	16 769	85 147	264 099
Accumulated amortisation at 30.04.22	-55 211	-10 957	-2 689	-25 744	-94 600
This year amortisation	-6 035	-3 146	-1 021	-5 225	-15 426
FX translation effects	-3 586	-150	-221	-856	-4 813
Reclassifications	-	-	-	-	-
Accumulated amortisation at 31.10.22	-64 831	-14 253	-3 932	-31 824	-114 840
Net carrying value at 30.04.22	45 375	40 617	12 958	55 101	154 051
Net carrying value at 31.10.22	<b>45 624</b>	<b>37 475</b>	<b>12 837</b>	<b>53 323</b>	<b>149 260</b>
Useful economic lifetime	5-8 years	8 years	8 years	8 years	
Amortisation plan	Linear	Linear	Linear	Linear	

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**Note 5 – Share capital and shareholder information**

<b>Share capital in Canopy Holdings AS</b>	<b>Numbers of shares issued and fully paid</b>	<b>Par value per share (NOK)</b>	<b>Carrying amount (Unaudited)</b>
<b>At 30 April 2022</b>	<b>88 025 691</b>	<b>0,02</b>	<b>1 760 514</b>
<b>At 31 October 2022</b>	<b>89 013 235</b>	<b>0,02</b>	<b>1 780 265</b>

At 31.10.2022 Canopy Holdings AS had 1 041 shareholders.

<b>Shareholders in Canopy Holdings at 31.10.2022</b>	<b>Ordinary shares</b>	<b>Ownership</b>	<b>Voting rights</b>
State Street Bank and Trust Comp	17 881 797	20,09 %	20,09 %
INVESTINOR DIREKTE AS	13 092 894	14,71 %	14,71 %
CANICA AS	9 478 917	10,65 %	10,65 %
INVERSIS/ KESSE INV	4 901 808	5,51 %	5,51 %
BNP Paribas	3 200 000	3,59 %	3,59 %
Danske Invest Norge Vekst	2 985 074	3,35 %	3,35 %
CORPORATE INVESTMENT CONSULTING AS	2 395 237	2,69 %	2,69 %
CURIOUS CAPITAL AS	2 350 736	2,64 %	2,64 %
The Bank of New York Mellon SA/NV	2 013 900	2,26 %	2,26 %
CANOPY HOLDINGS AS	1 675 000	1,88 %	1,88 %
GRIMM	1 526 981	1,72 %	1,72 %
LOPEZ	1 526 981	1,72 %	1,72 %
NORDNET LIVSFORSIKRING AS	1 079 231	1,21 %	1,21 %
A MANAGEMENT AS	905 219	1,02 %	1,02 %
AASEN	895 010	1,01 %	1,01 %
BNP Paribas	825 000	0,93 %	0,93 %
PACTUM GAMMA AS	719 285	0,81 %	0,81 %
JAHATT AS	671 641	0,75 %	0,75 %
CCI COTTING consulting Ltd	616 165	0,69 %	0,69 %
CLU HOLDING AS	500 000	0,56 %	0,56 %
Other	19 772 359	22,21 %	22,21 %
<b>Total</b>	<b>89 013 235</b>	<b>100,00 %</b>	<b>100,00 %</b>

**Note 6 – Transactions with related parties**

The CEO of Spotlio AG has been paid 796 kNOK as consultancy fees through his company Webbile SL and the former CFO/COO of Spotlio AG has been paid 191 kNOK in consultancy fees through his company Grimm Consult. Both the CEO and the former CFO/COO are shareholders in Canopy Holding AS.

**Note 7 – Borrowings**

All long-term debt in the Group is due within five years. There are no collaterals or pledged assets related to the borrowings of the Group. There has been no default of loans or breach of terms on loan agreements as of the balance sheet date.

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**Note 8 - Events after the reporting period**

On 2 December 2022 the company announced of a series of cost rationalisation initiatives including layoffs affecting 16% of the total employees of the company.

No other significant events have occurred in the period from the balance sheet date to the date of approval of the interim financial report that have affected the financial position of the Group to a material degree, including events related to the conflict in Ukraine, Russia and/or Belarus, and which should have been reflected in the financial report presented.