

Spotlio AS

FINANCIAL HALF YEAR REPORT

from 1 May to 31 October 2023

Spotlio AS
Financial report – H1 FY 23/24
for the period from 1 May to 31 October 2023

Management comments

During H1, on the back of the leading position held by the Company within the digitalization of both the Ski and Park & Attractions industries, the Company saw a significant business potential in bringing the subsidiaries of the Company together and establishing one brand to capture opportunities across destinations, attractions and seasons for the Company's products and goods. The Company has several subsidiaries and businesses which were formally brought together under the name of Spotlio during September 2023. This change will enable to harness the brand value that has been generated by the Spotlio brand in recent years, in particular within the Ski industry, and set the Company up for continued growth in upcoming years.

In addition, 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 a series of cost rationalisation initiatives carried out in January 2024 including layoffs affecting 22% of the total FTEs 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 2023 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 Spotlio AS
Oslo, 6 January 2024

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Thomas S. Wrede-Holm
Chair

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Christian Erlandson
CEO

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Statement of profit and loss

INTERIM CONSOLIDATED INCOME STATEMENT

Amount in USD 1000	Note	01.05.23 - 31.10.23 Unaudited	01.05.22 - 31.10.22 Unaudited
REVENUE			
Sales revenue	3	2 296	2 685
Other operating revenue	3	53	94
Total operating revenue		2 350	2 779
OPERATING EXPENSES			
Costs of goods sold		815	872
Employee benefit expenses		3 275	3 571
Other operating expenses		1 400	1 783
Total other operating expenses		5 489	6 226
OPERATING PROFIT/LOSS BEFORE DEPRECIATION AND AMORTISATION		-3 140	-3 447
Depreciation and amortisation expenses	4	1 590	1 623
Impairment		17	0
OPERATING PROFIT/LOSS		-4 747	-5 070
FINANCIAL INCOME AND EXPENSE			
Finance income		268	36
Finance expense		-267	-49
Net financial items		1	-12
PROFIT/LOSS BEFORE INCOME TAX		-4 745	-5 082
Income tax expense		-148	-154
NET PROFIT/LOSS FOR THE PERIOD		-4 598	-4 928
Basic and diluted earnings per share		-0,02	-0,06
Allocation of the period's net profit/loss:			
Other equity		-4 598	-4 928
Total		-4 598	-4 928

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Statement of balance sheet

INTERIM CONSOLIDATED BALANCE SHEET - ASSETS

Amounts in USD 1000	Note	31.10.23 Unaudited	30.04.23 Unaudited
NON-CURRENT ASSETS			
Intangible assets			
Research and development	4	4 258	4 589
Customer contracts	4	3 370	3 710
Brands	4	1 077	1 187
Goodwill	4	4 318	4 864
Total intangible assets		13 023	14 350
Tangible assets			
Fixtures and fittings		39	38
Total tangible assets		39	38
Total non-current assets		13 062	14 388
CURRENT ASSETS			
Receivables			
Trade receivables		1 577	718
Other receivables		258	470
Total receivables		1 834	1 188
Cash and cash equivalents		758	802
Total current assets		2 592	1 990
TOTAL ASSETS		15 654	16 377

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INTERIM CONSOLIDATED BALANCE SHEET - EQUITY AND LIABILITIES

Amounts in USD 1000	Note	31.10.23 Unaudited	30.04.23 Unaudited
EQUITY			
Owners equity			
Share capital	5	385	192
Own shares		-4	-4
Share premium		48 162	43 867
Other paid-in capital		530	595
Retained losses		-37 019	-32 611
Total owners equity		12 054	12 039
LIABILITIES			
Non-current liabilities			
Deferred tax liability		1 577	1 737
Liabilities to financial institutions		112	122
Other non-current liabilities		39	739
Total other non-current liabilities		1 728	2 598
Current liabilities			
Current portion of long term debt		66	141
Trade payables		270	642
Payable taxes		2	0
Deferred revenue		1 327	691
Other current liabilities		209	266
Total current liabilities		1 873	1 740
Total liabilities		3 601	4 338
TOTAL EQUITY AND LIABILITIES		15 655	16 377

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Statements of changes in equity

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in USD 1000	Share capital	Own shares	Share premium	Other paid-in capital	FX translation reserve	Retained earnings	Total
Balance as at 30 April 2022	190	-5	43 203	483	115	-24 393	19 593
Capital increase	2	2	664				667
Purchase of own shares							0
Fees related to capital increase							0
Share based compensation				112			112
Result of the period						-7 872	-7 872
Effect of changes in functional currency					-461		-461
Balance as at 30 April 2023	192	-4	43 867	595	-347	-32 265	12 039

Amounts in USD 1000	Share capital	Own shares	Share premium	Other paid-in capital	FX translation reserve	Retained earnings	Total
Balance as at 30 April 2023	192	-4	43 867	595	-347	-32 265	12 039
Capital increase	193		4 295				4 488
Purchase of own shares							0
Fees related to capital increase				-204			-204
Share based compensation				138			138
Result of the period						-4 598	-4 598
Effect of changes in functional currency					191		191
Balance as at 31 October 2023	385	-4	48 162	530	-156	-36 863	12 054

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Statements of cash flow

INTERIM CONSOLIDATED CASH FLOW STATEMENT

Amounts in USD 1000	Note	01.05.23 - 31.10.23 Unaudited	01.05.22 - 30.04.23 Unaudited
Cash flow from operating activities			
Profit/loss before income tax payable		-4 745	-8 192
Net finance		-1	1
Depreciation, amortisation and impairment	4	1 590	3 278
Share based compensation		138	112
Changes in trade receivables and trade payables		-1 231	-368
Changes in other operating items		996	-1 237
Net cash flow from operating activities		-3 254	-6 405
Cash flow from investing activities			
Purchase of intangible and tangible non-current assets		-294	-880
Business combinations		0	0
Net cash flow from investing activities		-294	-880
Cash flow from financing activities			
Repayment of borrowings		-101	-230
Payment of interest		-11	-33
Change in own shares		0	-2
Capital increase and related fees		3 616	0
Net cash flow from financing activities		3 504	-265
Net change in cash and cash equivalents		-44	-7 550
Cash and cash equivalents at the beginning of the period		802	8 352
Cash and cash equivalents at the end of the period		758	802

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Notes to the unaudited interim financial statements

Note 1 – General information and basis for preparation

Spotlio AS and its subsidiaries (collectively "the Group", or "Spotlio") is a publicly listed company on the Euronext Growth Oslo, with the ticker symbol SPOT. Spotlio AS was admitted to trading on Euronext Growth Oslo 18 December 2020. Spotlio AS is incorporated and domiciled in Norway. As of 19 September 2023, the Company changed name from Canopy Holdings AS to Spotlio AS.

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 Zug, 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 6 February 2024. The unaudited interim consolidated financial statements are presented in United States Dollars (USD 1000), which is also the functional currency of the parent company since May 2023.

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 2023 which was reported in Norwegian Krone (NOK).

Loss before tax was 4.75 mUSD and loss after tax was 4.56 mUSD 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 Spotlio 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

	Spotlio Group 01.05.23 - 31.10.23	Spotlio Group 01.05.22 - 31.10.22
By business area		
Commissions	1 508	1 883
Subscriptions	789	649
Services	0	153
Other	53	93
Total	2 350	2 779
Geographical distribution		
USA	1 430	1 869
Switzerland	279	213
Canada	139	215
Spain	44	59
Italy	26	34
France	173	188
Norway	147	112
Other	112	48
Total	2 350	2 779

Note 4 – Intangible assets

Amounts in NOK 1000	Research and development (unaudited)	Customer contracts (unaudited)	Brands (unaudited)	Goodwill (unaudited)	Total (unaudited)
Acquisition cost at 30.04.23	12 377	5 574	1 688	14 441	34 079
Additions	230	-	1	-	230
FX translations effects	-167	-	0	-	-167
Acquisition cost 31.10.23	12 439	5 574	1 689	14 441	34 143
Accumulated amortisation at 30.04.23	-7 478	-1 864	-501	-3 874	-13 716
This year amortisation	-524	-340	-111	-547	-1 522
FX translation effects	127	-	-	-	127
Accumulated amortisation at 31.10.23	-7 875	-2 204	-612	-4 420	-15 111
Accumulated impairment loss 30.04.23	-309	-	-	-5 703	-6 012
This years impairment	-	-	-	-	-
FX translation diff	4	-	-	-	4
Accumulated impairment loss 31.10.22	-305	-	-	-5 703	-6 008
Net carrying value at 30.04.23	4 589	3 710	1 187	4 864	14 350
Net carrying value at 31.10.23	4 258	3 370	1 077	4 318	13 023
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

On 6 May 2024, a total of 100,000,000 new shares related to a private placement and a total of 1,119,892 new shares to cover a earn-out liability related to the acquisition of Spotlio AG were registered. Furthermore, on 8 June 2024, a total of 7,007,086 new shares related to a subsequent offering were registered.

Share capital in Spotlio AS	Numbers of shares issued and fully paid	Par value per share (NOK)	Carrying amount (Unaudited)
At 30 April 2023	89 013 235	0,02	1 780 265
At 31 October 2023	197 140 213	0,02	3 942 804

At 31.10.2023 Spotlio AS had 916 shareholders.

Shareholders in Spotlio AS at 31.10.2023	Ordinary shares	Ownership	Voting rights
INVERIS/ KESSE INV	61 290 340	31,09 %	31,09 %
State Street Bank and Trust Comp	31 689 297	16,07 %	16,07 %
INVESTINOR DIREKTE AS	28 796 648	14,61 %	14,61 %
CANICA AS	20 127 797	10,21 %	10,21 %
MUEN INVEST AS	6 565 002	3,33 %	3,33 %
BNP Paribas	3 198 873	1,62 %	1,62 %
CURIOUS CAPITAL AS	2 600 736	1,32 %	1,32 %
Albert Ferrando	2 500 000	1,27 %	1,27 %
Urs Peter Grimm	2 086 927	1,06 %	1,06 %
Albert Ferrando Lopez	2 086 927	1,06 %	1,06 %
SPOTLIO AS	1 675 000	0,85 %	0,85 %
NORDNET LIVSFORSIKRING AS	1 620 117	0,82 %	0,82 %
Petter Andre Lade	1 591 089	0,81 %	0,81 %
STELLA INVEST AS	1 456 950	0,74 %	0,74 %
A MANAGEMENT AS	1 155 219	0,59 %	0,59 %
Deniz Michael Aasen	1 128 184	0,57 %	0,57 %
PIMA AS	935 777	0,47 %	0,47 %
Civis Capital Hub SL	933 020	0,47 %	0,47 %
SAGSTUA INVEST AS	900 142	0,46 %	0,46 %
SPECTER INVEST AS	850 000	0,43 %	0,43 %
Other	23 952 168	12,15 %	12,15 %
Total	197 140 213	100,00 %	100,00 %

Note 6 – Transactions with related parties

The CPO of Spotlio AS has been paid 97 kUSD as consultancy fees through his company Webbile Apps SL. He is currently a shareholder in Spotlio 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

Events subsequent to the balance sheet date include a series of cost rationalisation initiatives carried out in January 2024 including layoffs affecting 22% of the total FTEs 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 geopolitical events, and which should have been reflected in the financial report presented.