Skitude Group

Group Financial Statements
for Skitude Holding Group

1 May 2020 – 30 April 2021

The board of directors' report May 2020 to April 2021 for Skitude Holding AS

Business Overview

Skitude Holding AS is the parent company of Skitude Group (the "Group"). Other entities in the Group at the close of April 2021 were the following subsidiaries and branches:

- Skitude Nordic AS
- Skioo SA
- Skitude Sucursal, Spanish Branch of Skitude Holding AS (from 01.09.20)
- Skitude Ltd (from 30.11.20)
- Skitude Corp (from 01.09.20)
- Spotlio AS (from 31.12.20)
- Skitude Group Inc (from 24.11.20) with the following subsidiaries:
  - Catalate Commerce Inc (from 30.11.20)
    - Catalate GmbH (from 30.11.20)

The Group develops and sells unique technology, software, and apps to digitize the market for skiers and other mountain enthusiasts, and the Group has a long-term vision to create a one-stop-shop that offers all services related to mountain activities. 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 Group has a significant number of mountain resorts on contract, mainly in the Alps and Rocky Mountains, but also in the Pyrenees, Scandinavia, and South America. The Group also has other resorts on contracts, like waterparks. The Group's Headquarter is located in Oslo.

During the year, the total spend in resorts globally were reduced due to the implications from COVID-19 which among others caused many European ski resorts to be closed for large periods of the season and lower leisure travel activity in general worldwide.

The Group has also been through organizational changes during the year related to merger and acquisitions. The company's shares were listed on Euronext Growth in December 2020 and it raised a net of NOKm 225 in new equity at the same time.

Comments related to the financial statements

The Group's revenues increased from NOKm 1.0 last year to NOKm 53.6 in 2021. The main explanatory factor for this growth where related to the mergers and acquisitions (M&A) the company did throughout the year. In addition, the company changed its presentation of revenue, from gross to net, decreasing the comparable revenue from last year from NOKm 6.8 to 1.0. This change was made to align presentation with business acquired and did not have any profits-or cash flow effects. Pro forma revenues, revenues as if all merged and acquired entities had been consolidated for the full year, were NOKm 74.

During the financial year, research and development costs amounted to NOKm 7.1 have been capitalized due to the expectation that it will generate significant income in the coming years.

Operating loss for the Group was NOKm 41.9 vs NOKm 20.9 last year. The operating loss in the parent company was NOKm 30.9, compared to an operating loss of NOKm 0.5 last year. Net profit was negative NOKm 41.6 for the Group and negative NOKm 35.6 for the parent company. The organization and operational costs have increased from M&A, in addition there were significant amounts of one-off costs related to these M&A activities and the IPO process. The parent company employed a CEO and CFO, during the year. All in all, this caused a larger loss than the previous year both in the Group and in the parent company.

Total cash flow from operating activities was NOKm -19.9 in 2021. The difference to operating loss mainly concerns ordinary depreciation and change in accruals. The Group's capital investments during 2020 amounted to NOKm 66.3, mostly related to acquisitions. The negative cash flows from operation and investments were funded by new equity proceeds of NOKm 225 attained through the IPO.

The Group's liquidity reserve as at 30.04.2021 amounted to NOKm 147.9, which significantly exceeds its short-term debt as at the same date.

Total assets at year-end amounted to NOKm 394.2, compared to NOKm 19.5 last year. The equity ratio was 82 % as of 30.04.2021, compared to 24 % the year before.

Outlook

The market expectations over the next few years are promising. The global spend in leisure activities are steadily increasing, however COVID-19 has for the two last years represented a setback to international recreational travels that has impacted the market for the Groups services. Due to vaccination programs in the countries the Group are operating in, it is expected that most resorts will be open for most of the coming season so that negative effects directly related to the pandemic should be limited.

The skiing tourism is at a lower level of digitization than the global leisure travel industry in general, which may give the Group stable growth despite market fluctuations. The Group also expects that the pandemic has fueled the demand for digitalized offerings in resorts.

The completed merger and acquisitions have widened the product offering provided to the resorts significantly and broadened the geographical footprint to North America. It is expected that this renewed company structure and joint product offering will generate synergies and reduce market risks.

Financial risk

Overall view on objectives and strategy

In order to achieve the Group's ambitious, long-term objectives, the policy is to maintain a high equity-to-asset ratio and to maintain a solid capital base so as to maintain investor, creditor and market confidence and to grow and sustain future development of the business. The Group possesses a scalable business model that anticipates considerable cash flow in the future when growth investments are relatively lower than as of current.

The Group has financial departments in all entities with qualified finance professionals reporting to the CFO. Financials are reviewed on an ongoing basis to provide visibility of current performance and potential current and future risks.

Market risk

The Group is exposed to exchange rate risk, especially USD, EUR and CHF, as a substantial part of the Group's revenue is in these foreign currencies. The Group has not entered into derivative or other agreements to reduce the exchange rate risk and the related market risk. However, the risk is mitigated by having local operations so that costs are in the same currency as the revenues. The Group has limited exposure to changes in interest rates, as the company has minimal debt. Changes in interest rates could affect future investment opportunities.

Credit risk

The risk for losses on receivables is low, since resort contracts are invoiced up front and transactional revenues are charged to pre validated credit cards. The Group has not yet experienced significant losses on receivables.

Liquidity risk

The Group's liquidity following the IPO is strong and there is limited short term liquidity risk. However, the cash flow is seasonal due to limited revenue in the off ski-season period. To gain more traction into winter destinations in the southern hemisphere, or resorts that offer summer activities could reduce these fluctuations.

Subsequent events

There are no subsequent events of significance.

Going concern

In accordance with the Accounting Act § 3-3a, we confirm that the financial statements have been prepared under the assumption of going concern. This assumption is based on current cash position and profit forecasts for the year 2021+1 and the Group's long-term strategic forecasts. The Group's economic and financial position is sound.

Allocation of net income

The total annual loss for the period for Skitude Holding AS was NOKm 35.6. The amounts are in their entirety allocated to other equity.

The working environment and the employees

Skitude Holding AS had 37 employees as at 30.04.21. The working environment in the subsidiaries is considered as good. The total Group had 77 employees representing ending 2020, thereof 36% were women. The Group promotes cultural diversity and gender equality and has not seen it necessary to implement special actions to prevent discrimination. The Group has business throughout Europe and the US and has a multitude of nationalities represented among the employees. Among the 2 employees at the headquarter in Oslo, both are male, while among the 5 Directors in the Board, 2 are women.

Environmental report

Waste from operation facilities, including waste considered harmful to the environment, is considered to be low/non existing. The Group's operations are not regulated by licenses or impositions. A significant portion of the environmental work is to display potential net impact of our product in use: Resource utilization by optimizing the opening hours of our contacted ski resort. By using our software/apps, clients can incentivize customers to ski in low traffic hours and spread the capacity better within their resorts and opening hours. Also, digital acquisition of lift tickets reduces this bottleneck and can free personnel to focus on other tasks within the resorts.

Declaration by the board of directors and CEO

We hereby confirm that, to the best of our knowledge, that the audited financial statements for the period from 1 May 2020 to 30 April 2021 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 annual report gives a true and fair view of important events in the accounting period and their influence on the annual report, as well as the principal risks and uncertainties facing the business in the next accounting period

Oslo, 19 August 2021

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Haavard Nord
Chairman of the Board

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Member of the Board

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CEO

CONSOLIDATED INCOME STATEMENT

01.05.2020 - 30.04.2021

		Skitude Holding Group	
Amount in NOK 1000	Notes	**2021**	**2020**
REVENUE			
Sales revenue	2	50 919	1 025
Other operating revenue		2 689	-
Revenue		***53 608***	***1 025***
OPERATING EXPENSES			
Costs of goods sold		18 153	757
Employee benefits expense	3	27 057	3 452
Depreciation and amortisation expenses	7,8	26 610	4 099
Other operating expenses	4	23 718	13 595
Total operating expenses		***95 539***	***21 903***
OPERATING PROFIT/LOSS		***-41 930***	***-20 877***
FINANCIAL INCOME AND EXPENSE			
Finance income	5	230	1 390
Finance expense	5	-766	-24
Net finance		***-535***	***1 366***
PROFIT/LOSS BEFORE INCOME TAX		***-42 466***	***-19 511***
Income tax expense	6	**-857**	**-**
NET PROFIT		***-41 609***	***-19 511***
Basic and diluted earnings per share		-0,88	-0,87
Covered by:			
Other equity	15	-41 609	-19 511
Total		***-41 609***	***-19 511***

CONSOLIDATED BALANCE SHEET - ASSETS

Amount in NOK 1000	Note	Skitude Holding Group 30.04.2021	30.04.2020
NON CURRENT ASSETS			
Intangible assets			
Research and development	7	52 088	10 054
Customer contracts	7	49 817	-
Brands	7	13 881	-
Goodwill	7	120 945	-
Total intangible assets		***236 731***	***10 054***
Tangible assets			
Fixtures and fittings, tools, etc	8	637	165
Total tangible assets		***637***	***165***
Total non current assets		***237 369***	***10 220***
CURRENT ASSETS			
Receivables			
Trade receivable	11	6 586	411
Other receivables	12	2 428	924
Total receivables		***9 014***	***1 335***
Cash and cash equivalents	13	147 847	7 993
Total current assets		***156 861***	***9 328***
TOTAL ASSETS		***394 230***	***19 548***

CONSOLIDATED BALANCE SHEET - EQUITY AND LIABILITIES

		Skitude Holding Group	
Amount in NOK 1000	Note	**30.04.2021**	**30.04.2020**
EQUITY			
Owners equity			
Issued capital	14,15	1 761	448
Share premium	15	404 957	78 727
Other paid-in capital	15	1 196	-
Total owners equity		***407 914***	***79 175***
Accumulated profits			
Other equity	15	-84 165	-74 423
Total accumulated profits		***-84 165***	***-74 423***
Total equity		***323 749***	***4 752***
LIABILITIES			
Provisions			
Deferred tax liability	6	21 984	-
Other provisions for liabilities and charges	19	12 939	-
Total provisions		***34 923***	-
Other non current liabilities			
Liabilities to financial institutions	18	1 824	-
Other long term liabilities	18	2 916	-
Total other non current liabilities		***4 740***	-
Current liabilities			
Convertible loans		-	10 000
Current portion of long term debt	18	2 439	-
Trade payable		3 861	3 122
Payable taxes	6	857	-
Public duties payable		1 916	63
Deferred revenue		2 828	-
Other current liabilities	19	18 918	1 611
Total current liabilities		***30 817***	***14 796***
Total Liabilities		***70 480***	***14 796***
TOTAL EQUITY AND LIABILITIES		***394 230***	***19 548***

Oslo, 19. August 2021

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Anne Worsøe
Member of the Board

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Bent Grøver
CEO

CONSOLIDATED CASH FLOW STATEMENT

01.05.2020-30.04.2021

	Skitude Holding Group	
Amount in NOK 1000	**2021**	**2020**
Cash flow from operating activities		
Profit/loss before income taxes	-42 466	-19 511
Depreciation and amortisation expenses	26 610	4 099
Changes in inventories, trade receivables and trade payable	-1 964	-101
Changes in other accruals	-2 025	5 169
Net cash flow from operating activities	***-19 845***	***-10 344***
Cash flow from investing activities		
Purchase of intangible and tangible non current assets	-51 958	-3 197
Business combinations	-14 382	-
Net cash flow from investing activities	***-66 340***	***-3 197***
Cash flow from financing activities		
Change in borrowings	-2 278	2 397
Payment of capital increase prior year	-	9 379
Capital increase	228 317	8 658
Net cash flow from financing activities	***226 039***	***20 433***
Net change in cash and cash equivalents	**139 854**	**6 757**
Cash and cash equivalents at the beginning of the period	7 993	1 236
Cash and cash equivalents at the end of the period	***147 847***	***7 993***

Notes to the consolidated financial statement

Skitude Holding AS, the parent company of Skitude Group, is a limited liability company with its registered office in Norway. The Company's headquarter is at Bogstadveien 54 in Oslo.

The Group develops and sells unique technology, software and apps to digitalize the market for skiers and other mountain enthusiasts, and the Group has a long-term vision to create a one-stop shop that offers all services related to mountain activities.

Note 1 Accounting Principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Change in accounting principles

In the accounting period, the Company has completed three business combinations. As a result of these three business combinations, Management has assessed accounting policies throughout the en-larged group with the aim of having harmonized accounting principles. Historically, Skitude has recorded revenue gross, due to the fact that the Company has carried the credit risk. In the acquired entities revenue have been recorded net, although the revenue streams are not identical, and the acquired entities does not carry the credit risk, management have assessed that since the credit risk is low, it would be more practical for the users of the financial statement to have net presentation of revenue across the Group.

With basis in the above, comparable figures are restated to reflect the new accounting policy (see separate section), as a result, revenue in last accounting period is reduced with NOK 5,7 million, with corresponding reduction in expenses. The net result (and cash flow) remains unchanged.

Basis for consolidation

The Group's consolidated financial statements comprise Skitude Holding AS and companies in which Skitude Holding AS has a controlling interest. A controlling interest is normally obtained when the Group owns more than 50% of the shares in the company and can exercise control over the company. Minority interests are included in the Group's equity. Transactions between group companies have been eliminated in the consolidated financial statement. The consolidated financial statement has been prepared in accordance with the same accounting principles for both parent and subsidiaries.

The purchase method is applied when accounting for business combinations. Companies that have been bought or sold during the year are included in the consolidated financial statements from the date when control is achieved and until the date when control ceases.

An associate is an entity in which the Group has a significant influence but does not exercise control the management of its finances and operations (normally when the Group owns 20%-50% of the company). The consolidated financial statements include the Group's share of the profits/losses from associates, accounted for using the equity method, from the date when a significant influence is achieved and until the date when such influence ceases.

When the Group's share of a loss exceeds the Group's investment in an associate, the amount carried in the Group's balance sheet is reduced to zero and further losses are not recognized unless the Group has an obligation to cover any such loss.

Business combinations

An acquisition is considered a business combination, when the acquired asset or groups of assets constitute a business (i.e., an integrated set of operations and assets conducted and managed for the purpose of providing a return to the investors). Acquired businesses are included in the financial statements from the date on which the Group achieves control over the company or the assets constituting a business. Acquisition cost equals the fair value of the assets used as consideration, including contingent consideration, equity instruments issued and liabilities assumed in connection with the transfer of control. Acquisition cost is measured against the fair value of the acquired assets and assumed liabilities. Identifiable intangible assets are included in connection with acquisitions if they can be separated from other assets or meet the legal contractual criteria. If the acquisition cost at the time of the acquisition exceeds the fair value of the acquired net assets (when the acquiring entity achieves control of the transferring entity), goodwill arises. Goodwill is then allocated to the belonging cash generating unit.

The estimation of fair value may be adjusted up to 12 months after the acquisition date if new information emerges about facts and circumstances that existed at the time of the takeover and which, had they been known, would have affected the calculation of the amounts that were included from that date.

Use of estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Useful lives of intangible assets
The useful lives of intangible assets are assessed as either finite or indefinite and may in some cases involve significant estimates related to the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset. A detailed description of the significant estimates and assumptions is presented in note 7.

Deferred tax assets
Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. Reference is made to note 6 for information on the Company's recognised and unrecognised deferred tax assets.

Acquisition date – transfer of risk and reward

Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

Revenue recognition

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

There are several sources of revenues that can be grouped into the following categories.

- **Revenues from annual service agreements with resorts and from subscriptions by app users – Saas (Software as a service) revenues**
  Agreements are pre invoiced before the start of the service period. These invoices are recognized as revenues ratably over the period of the agreement/subscription.

- **Revenues from setting up a resort on the Saas platform - Setup fees.**
  These projects are invoiced and recognized when the set-up is delivered.

- **Revenues from voucher sales and Skioo passes – Commission**
  The Group earns revenue from its Liftopia.com, Cloud Store and Skioo product offerings. Liftopia.com is a marketplace for alpine resorts to sell lift ticket vouchers. Via Cloud Store, the Group enables individual resorts and other activity providers to sell vouchers in a white label environment. With these products, the Group provides clients the opportunity to list on its transaction-based websites a pre-determined quantity of vouchers for date specific tickets, rentals and lessons (the "tickets") to end users at prices and terms mutually agreeable to the client and the Company. The offer can be modified or rescinded at any time by either the client or the Company. Visitors to the Company's websites who elect to purchase any services settle payment immediately through use of a credit card at which time they are provided an electronic voucher to the resort as evidence for payment of the services. Purchases are not contractually refundable, nor cancellable. Fees to the Company are based on the spread between the selling price to the customer and the cost of the service remitted to the client, over cost. The Group also provides a rfid card “Skioo Pass” that skiers purchase (or enables existing ski passes to be compatible with the Skioo service free of charge) and fill up with cash, or link to a credit card. The skiers manage this themselves through a mobile app. The card can be used in all ski resorts that are customers of the Group for the Skioo product. The skiers are charged when passing the ski gates in these resorts. The price charged is equal to the price list of the Ski resort. The Company pays the customer (the ski resorts) the entire amount charged less the agreed commission, usually 10%. All costs associated with the sale and distribution of the cards are carried by the Group.

  The Company evaluates the presentation of revenue on a gross versus a net basis in accordance with relevant accounting literature. The consensus of the authoritative accounting literature is that the presentation of revenue as "the gross amount billed to a customer because it has earned revenue from the sale of goods or services or the net amount retained (that is, the amount billed to a customer less the amount paid to a supplier) because it has earned a commission or fee" is a matter of judgment that depends on the relevant facts and circumstances. In making an evaluation of this issue, some of the factors that should be considered are: whether the Company is the primary obligor in the arrangement (strong indicator); whether the Company has a general supply/service delivery risk (before customer order is placed or upon customer return) (strong indicator); and whether the Company has latitude in establishing price.

The guidance clearly indicates that the evaluation of these factors, which at times can be contradictory, are subject to significant judgment and subjectivity. If the conclusion drawn is that the Company performs as an agent or a broker without assuming the risks and rewards of ownership of goods/delivery of services, revenue should be reported on a net basis. For the primary transaction-based revenue model discussed above, the Company has determined that the net presentation is appropriate.

Transactions with the customers are neither refundable, nor cancellable and the Company has no significant post-delivery obligation. The revenue is recorded net either at transaction date or when the purchase obligation is met. For the latter the purchase obligation is normally met within a few business days after the transaction date. In limited circumstances delays might occur, if so, an individual assessment is made based on the specific circumstances leading to the delay before recording the transaction.

- **Revenues from Gift card sales**

  Users of Liftopia are often given the opportunity to purchase gift cards for future alpine resort client services which are settled in the same manner as voucher sales. Net revenue from such sales is deferred and recognized when the gift card is presented to acquire a voucher.

  The Company reduces the deferred revenue liability of a gift card when redeemed by a customer. If a gift card is not redeemed, the Company recognizes revenue when it expires or when the likelihood of its redemption becomes remote, generally two years from the date of issuance.

Share based compensation

The Group uses equity settled options to incentivize employees and qualified resource persons. The fair value of the options is recognized as a payroll expense in the statement of profit or loss over the vesting period and as other paid in equity in the balance sheet. Fair value of options is estimated by use of the Black Scholes option model and is charged to the statement of profit or loss over the vesting period without revaluation of the value of the options.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22% percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognized directly in equity to the extent that they relate to equity transactions.

Balance sheet classification

Current assets and short-term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities.

Current assets are valued at the lower of cost and fair value. Short-term liabilities including convertible loans are recognized at nominal value. The implied value of the conversion right embedded in a convertible loan is not separated nor recognized.

Fixed assets are valued at cost, less depreciation and impairment losses. Long-term liabilities are recognized at nominal value.

Research and development

Research and development expenditures on an individual project, which represents new applications/technology, are recognized as an intangible asset when the Company expect:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development
- Its ability to use or sell the intangible asset

Following initial recognition of the research and development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Intangible assets are assessed for impairment indicators at the end of each reporting period and tested for impairment if indicators exist.

Amortization of the asset begins when the asset is available for use and is amortized over the period of expected future benefit.

Initial capitalization of direct costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. The assessment of when product development is capitalized is highly subjective, as the outcome of these projects may be uncertain.

Intangible assets with finite useful lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the income statement in the line for depreciation and amortization.

Granted tax deductions (“Skattefunn”) are recognized as a reduction in acquisition cost of R&D.

Property, plant and equipment

Property, plant and equipment is capitalized and depreciated linearly over the estimated useful life. Significant fixed assets that consist of substantial components with dissimilar economic life have been unbundled; depreciation of each component is based on the economic life of the component. Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property plant and equipment are added to the acquisition cost and depreciated with the related asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net realisable value and value in use. In assessing value in use, the discounted estimated future cash flows from the asset are discounted are used.

Accounts receivable and other receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

Note 2 Revenue

Amounts in NOK 1000

	Skitude Group 2020-2021
By business area	
Commissions	41 571
Subscriptions	7 813
Services	1 535
Total	50 919
Geographical distribution	
USA	26 484
Switzerland	14 446
Canada	3 548
Spain	2 651
Italy	1 651
France	889
Other	1 251
Total	50 919

Covid-19 could continue to impact international travel and vacation on ski-resorts that again could impact the company's activity on short to medium term. It is expected that the next ski season will be more normalized.

Note 3 Salary and personnel costs, number of employees and auditor's fee

Amounts in NOK 1000

Salary and personnel costs	Skitude Group 2020-2021	Skitude Group 2019-2020
Salaries	21 681	2 688
Payroll tax	3 958	277
Pension costs	88	120
Other benefits	1 329	367
Total	27 057	3 452
Average full-time employees	42	3

	2020-2021			
Management remuneration	**Salary**	**Pension costs**	**Other benefits**	**Total**
Chief executive officer	372	0	1	373
Members of Management Group	1 423	0	848	2 271
Board of Directors	621	0	0	621

The Group CEO started 22th of February 2021. The CEO has a notice period of 6 months in addition to rights to compensation for 6 months and a bonus agreement that is limited to a maximum of 50% of the base salary.

A special remuneration of NOK 400,000 to the Board Chairman for extra work related to the IPO was decided, but not yet paid out as per the balance sheet date, so this is not included in the table above.

The company has established a share based option program for key employees. As of end April 2021 two employees have been granted option rights for in a total of 1.1 million shares. The options are vested over a 4 year period with granting date set to date 18 December 2020, of which ¼ is fully vested after 12 months, while the remaining options will vest on a linear basis at the expiry of each quarter over the following 3 years. The strike price is NOK 6.70 per share and is conditional on employment during the vesting period. As of the balance sheet date no options are fully vested.

Total costs of 124 KNOK related to the option program have been expensed in the accounting period. The Group used the Black Scholes model to estimate fair value of the options granted. At grant date the estimated fair value per option was NOK 1.24. The company expects to expand the option program during 2021.

Specification of auditor's fee:

	Skitude Group 2020-2021	**Skitude Group 2019-2020**
Statutory audit fee	105	47
Assurance services	881	74
Total fee to auditor	986	122

Amounts include VAT.

Assurance services are primarily related to attestations and confirmations related to IPO.

Note 4 Other operating expenses

Amounts in NOK 1000

Other operating expenses	**Skitude Group 2020-2021**	**Skitude Group 2019-2020**
Selling and marketing costs	1 389	666
Rental and leasing costs	755	242
Travel costs	131	156
Consultancy fees and external personnel	10 394	11 969
IT & operations	1 693	-
Other operating costs	9 355	562
Total operating expenses	23 718	13 595

Consultancy fees and external personnel include NOKm 3.1 related to IPO.

Note 5 Finance income and expenses

Amounts in NOK 1000

Finance income	Skitude Group 2020-2021	Skitude Group 2019-2020
Other interest income	130	17
Other financial income (agio)	101	1 373
Total finance income	230	1 390

Finance expenses	Skitude Group 2020-2021	Skitude Group 2019-2020
Other interest expenses	73	11
Other financial expenses (disagio)	694	13
Total finance expenses	766	24

Note 6 Income taxes

Amounts in NOK 1000

Income tax expense	Skitude Group 2020-2021	Skitude Group 2019-2020
Tax payable	819	-
Changes in deferred tax	-1,676	-
Total income tax expense	-857	-
Tax base calculation		
Profit before income tax	-42,466	-19,511
Permanent differences	-9,103	-2
Change in temporary differences	-377	-582
Tax base	-51,946	-20,095
Temporary differences:		
Fixed assets *	99,594	-710
Tax loss carry forward	-114,987	-28,233
Basis for deferred tax / tax asset (-)	-15,393	-28,943
Deferred tax / deferred tax assets (-)	-776	-5,437
Deferred tax asset not recognised	22,760	5,437
Deferred tax in balance sheet	21,984	-

The Group is in an early phase, and has since incorporation incurred losses, accordingly as per the accounting standard no convincing evidence for recording deferred tax assets exists. The total losses carried forward are NOKm -115.0, which represents a tax asset of NOKm 22.8. In Norway there is no limitation of carrying forward tax losses. In Switzerland there is limitation of seven years of carrying forward tax losses.

* Mainly related to surplus values from completed M&A activity and cannot necessary be offset against unrecognized tax losses carried forward as it relates to different jurisdiction (netting not

allowed) and secondly timing of utilization is different. Tax liability related to business combination will not become payable.

Note 7 Intangible assets

Amounts in NOK 1000

Skitude Group

	Research and development cost	Customer contracts	Brands	Goodwill	Total
Acquisition cost at 30.04.20	37 164	-	-	-	37 164
Business combinations	49 696	50 328	14 571	129 785	244 379
Additions	10 968	4 034	0	0	15 002
FX translations effects	-5 609	-	-	-	-5 609
Acquisition cost 30.04.21	92 219	54 362	14 571	129 785	290 936
Accumulated amortisation at 30.04.20	-27 109	-	-	-	-27 109
Business combinations	-4 863	-	-	-	-4 863
This year amortisation	-12 379	-4 584	-704	-8 897	-26 563
FX translation effets	4 220	39	15	57	4 331
Accumulated amortisation at 30.04.21	-40 131	-4 545	-689	-8 840	-54 205
Net carrying value at 30.04.20	10 054	-	-	-	10 054
Net carrying value at 30.04.21	**52 088**	**49 817**	**13 881**	**120 945**	**236 731**
Useful econmic lifetime	5-8 years	8 years	8 years	8 years	
Amortisation plan	Linear	Linear	Linear	Linear	

The Group has assessed if there are any impairment needs related to intangible assets. Both Catalate and Spotlio was acquired quite late in the year and their performance has been as expected. The Spanish entity of Skitude, which was merged with Skitude Holding in August, has not performed in accordance with the business plan. NOKm 133.2 of the total intangibles values as of 30.04.21 is related to the Spanish entity, of which NOKm 68.3 is goodwill. However, no impairment has been made given the short time from the initial investment. Last financial year was heavily impacted by COVID-19, while there are expectations that next ski season will be more normalized. To be able to avoid impairment related to this entity going forward, management has initiated a strategic process to assess the cost basis and revenue basis, to be able to deliver in accordance with the business plan from the merger.

The Group’s total research and development costs expensed during the year amounts to NOKm 7.1.

Note 8 Tangible assets

Amounts in NOK 1000

	Fixtures and fittings
Acquisition cost at 30.04.20	376
Business combinations	430
Additions	216
FX translations effects	-83
Acquisition cost 30.04.21	939
Accumulated amortisation at 30.04.20	-211
Business combinations	-84
This year amortisation	-45
FX translation effets	38
Accumulated amortisation at 30.04.21	-302
Net carrying value at 30.04.20	165
Net carrying value at 30.04.21	**637**
Useful econmic lifetime	3-10 years
Amortisation plan	Linear

Note 9 Group subsidiaries

Amounts in NOK 1000

Company	Acquisition date	Location	Share ownership	Voting rights
Skitude Nordic AS	03.07.2016	Oslo	100 %	100 %
Skioo SA	14.06.2016	Lusanne	100 %	100 %
Skitude Group Inc	24.11.2020	Delaware	100 %	100 %
Spotlio AG	31.12.2020	St. Moritz	100 %	100 %
Skitude Ltd	30.11.2020	Brighton	100 %	100 %
Skitude Corp Inc	27.08.2020	Delaware	100 %	100 %

Company name	Share capital	Number of shares	Equity	Net profit 2020-2021
Skitude Nordic AS	30	30 000	-9 304	-1 821
Skioo SA	1 734	163 731	-42 613	-9 818
Skitude Group Inc	1	100	1 876	1 614
Spotlio AG	30	2 000 000	487	-566
Skitude Ltd	1	100	27	-2
Skitude Corp Inc	41	100	37	10

Skitude Group Inc includes the subsidiary Catalate Commerce Inc that is the operating company in the subgroup.

The annual accounts of Skitude Holding AS includes the Spanish Branch, Skitude Holding AS Sucursal En España (former Skitude Technologies SL), which was merged with Sktiude Holding AS (surviving company) with effect from 27 August 2020.

Note 10 Financial market risk

Currency risk

The Group has international operations and is exposed to foreign exchange risk in several currencies. This risk is particularly relevant for CHF, EUR and USD. Currency risk arises from future trade transactions and recognized assets and liabilities. The company has not implemented any hedging of currency income and assets.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate cash balances and monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Credit risk

Credit risk is the risk that any counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk is considered on Group level. Credit risk arises in transactions involving loans receivable, cash and cash equivalents, deposits in banks and credit institutions in addition to transactions with ski resorts and consumers, including trade receivables. There are no significant concentrations of credit risk, whether through exposure to individual customers and regions.

Note 11 Trade receivable

	Skitude Group 30.04.2021	Skitude Group 30.04.2020
Trade receivables	6 586	411
Allowance for doubtful debt	-	-
Total trade receivables	6 586	411
Not due	1 587	
0-60 days overdue	1 353	-
61-180 days overdue	1 777	-
181-365 overdue	1 729	-
More than 1 year overdue	140	-
Total trade receivables	6 586	-

Note 12 Other receivable

Amounts in NOK 1000

	Skitude Group 30.04.2021	Skitude Group 30.04.2020
Accrued interests	97	4
VAT receivable	1 383	160
Income TAX receivable	43	380
Prepaid expenses	538	380
Other	367	-
Total other receivables	2 428	924

Note 13 Bank deposits

Amounts in NOK 1000

	30.04.2021	30.04.2020
Total bank deposits	147 847	7 993
of which restricted cash	957	30
Available cash	146 891	7 963
Available credit line	-	-
Total liquidity	**146 891**	**7 963**

Note 14 Share capital and shareholder information

Amounts in NOK

Skitude Holding AS

Share capital

	Number of shares	Face value	Book value
Ordinary shares	88 025 700	0,02	1 760 514
Total	88 025 700		1 760 514

Main shareholders at 30.04.2021:

	Ordinary shares	Ownership interest	Voting rights
Skitude Holding Spain SL	24 220 763	27,5 %	27,5 %
Canica AS	9 478 917	10,8 %	10,8 %
Investinor Direkte AS	7 855 993	8,9 %	8,9 %
J.P. Morgan Bank Luxembourg S.A.	4 409 267	5,0 %	5,0 %
Kesse Invest SLU	3 197 595	3,6 %	3,6 %
Danske Invest Norge Vekst	2 985 074	3,4 %	3,4 %
Kvantia AS	2 686 567	3,1 %	3,1 %
Curious Capital AS	2 350 736	2,7 %	2,7 %
Skandinaviska Enskila Banken AB	2 052 489	2,3 %	2,3 %
The Bank of New York Mellon SA	2 030 000	2,3 %	2,3 %
State Street Bank and Trust Comp	1 984 925	2,3 %	2,3 %
J.P. Morgan Bank Luxembourg S.A.	1 542 537	1,8 %	1,8 %
Equinor Pensjon	1 315 000	1,5 %	1,5 %
J.P. Morgan Bank Luxembourg S.A.	1 128 861	1,3 %	1,3 %
Urs Peter Grimm	1 033 209	1,2 %	1,2 %
Albert Ferrando Lopez	1 033 209	1,2 %	1,2 %
Clu Holding AS	915 059	1,0 %	1,0 %
A Management AS	905 219	1,0 %	1,0 %
Others	16 900 280	19,2 %	19,2 %
Totalt / Total	**88 025 700**	100,0 %	100,0 %

The following shareholders are represented by members of the board:

- Investinor Direkte AS with 7,855,993 shares by Thomas Wrede-Holm
- Canica AS with 9,478,917 shares by Christopher Logan
- Kvantia AS with 2,686,567 shares by Kristin Skau Åbyholm
- Caaby AS with 298,507 shares by Kristin Skau Åbyholm
- Karian AS with 100,000 shares by Haavard Nord

Subsequent to the balance sheet date Skitude Holding Spain SL was dissolved and the shares were distributed to its owners, among others the founders of the merged entity Skitude Technologies SLU. Simultaneously Investinor Direkte AS took delivery of 5.236.746 that it had lent out to the founders for them to sell at the secondary offering in the IPO. Hence, the shareholding of Investinor Direkte AS after this is 13,092,984 shares while the former owners of Skitude Holding Spain SL together have 18,984,017 shares.

Note 15 Equity

Amounts in NOK 1000

Skitude Group

	Issued capital	Share premium	Other paid-in capital	Accumulated profits	FX translation reserve / other	Total equity
Equity 01.05.20	448	78 727	-	-74 288	-136	4 752
Capital increase	1 313	326 230	13 845	-	-	341 388
Fair value adjustment merger	-	-	-	-	33 781	33 781
Equity contribution from business combinations	-	-	-	-	423	423
Transaction costs	-	-	-12 773	-	-	-12 773
Share based compensation	-	-	124	-	-	124
Net profit	-	-	-	-41 689	-	-41 689
FX translation reserve / other	-	-	-	-	-2 257	-2 257
Equity 30.04.21	1 761	404 957	1 196	-115 977	31 811	323 749

Note 16 Pensions

The companies in the group have various defined contribution pension plans in accordance with local legislation. The plans are recognized as a contribution based pension plan where the contributions are expensed as incurred, and no provisions are made in the financial statements.

Skitude Holding AS is required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon"). The company's pension scheme meets the requirements of that law.

Note 17 Business combinations

In 2019 Skitude Holding AS entered into a merger agreement with the Spanish company Skitude Technologies, S.L.U. with Skitude Holding AS, while the Spanish company was transformed to a Spanish branch of Skitude Holding AS. On 27 August 2020 the merger was formally completed and registered in the Norwegian Register of Business Enterprises.

End of November 2020, Catalate Commerce Inc, a subsidiary of Sktiude Group Inc, acquired the assets in Liftopia Inc; Liftopia underwent a so-called "ABC" procedure or an assignment for the benefit of creditors. An ABC is an alternative to a bankruptcy case under United States federal law. ABCs are typically simpler, faster, and less expensive than bankruptcy cases. In an ABC, an insolvent company legally transfers all of its assets to an assignee. Liftopia executed its assignment on October 29, 2020 while continuing to operate its business through the assignee in the form of a subsidiary owned and operated by Armanino LLP, an accounting and consulting firm. After a bidding competition, the Company won the right to purchase the Liftopia assets from the assignee. The transaction was signed on 25 November 2020, and the parties at the same time signed a TSA or transition services agreement to ensure that the operation of the Liftopia assets continue uninterrupted until the Company has taken over the Liftopia business. The Company has set up a new limited liability holding (Catalate Commerce Inc) in California, holding all the assets, which is fully owned by Skitude Group Inc, which is fully owned by the Company. The transaction process is designed to protect the value of the Liftopia assets.

Catalate Commerce Inc has a very strong presence in the North American market and a smaller but noticeable business in Europe and over 75 customers in total. Its customers are leisure centers such as ski venues and amusements parks. Through a dynamic pricing model, Catalate Commerce helps hotels, ski-lifts and other customers increase presales and revenue through an easy booking system for products. The end customers book their purchases through an app on their phone or on a computer. The company has around 20 employees based in San Francisco.

Catalate Commerce Inc has a considerable value for the Group due to its solid presence in the US with its many large customers. With the Company's solid position in Europe, especially after the acquisition of Spotlio AG (see below), the Group will have a sound and extensive presence in both the US and Europe, the two most important markets form its services in the world. In addition, Catalate Commerce's technology is complimentary to the Company's technology, with a strong pricing and cloud platform that could be beneficial for the Company's services in some markets.

The main assets of Liftopia consisted of customer contracts and website development. The total consideration for the assets was USDm 3,6 based on following allocation:

- R&D of USDm 0.6
- Brand value of USDm 1.0
- Goodwill of USDm 3.8
- Liabilities (mainly related to resort rebates and gift cards) USDm -1.8

End of December 2020, Skitude Holding AS acquired all of the shares in Spotlio AG; Spotlio AG is a Swiss company headquartered in St. Moritz. The company offers a leading solution for bundled sales of a full vacation package. They also provide interactive maps over the skiing area and other user-friendly services that are not offered by the Company or Liftopia. It has approximately 50 customers, mostly in the US but the company also has some presence in Europe. The end customers book their purchases though an app on their phone or on a computer.

The sellers and founders of Spotlio AG, Mr Urs Grimm and Albert Ferrando, are continuing to lead Spotlio AG and also be shareholders in the Company

The amounts recognized in respect of the identifiable assets acquired and liabilities assumed are set out in the table below:

Amounts in NOK 1000

	Skitude Holding (Spanish Branch)	Spotlio AG	Total
Intangible assets	145 334	54 718	200 052
Tangible assets	193	337	530
Trade and other receivables	14 723	3 202	17 925
Cash and cash equivalents	4 846	1 977	6 823
Equity contribution merger	-33 781	5 278	-28 503
Deferred tax liability	-16 575	-7 085	-23 660
Other long term liabilities	-28 696	-6 121	-34 817
Trade and other payables	-9 467	-3 645	-13 112
Total identifiable net assets	**76 577**	**48 661**	**125 238**

Total consideration transferred for shares			
Net cash outflow arising on business combination:			
Considertation for acquisition of shares	76 577	48 661	125 238
Less consideration shares	-76 577	-13 845	-90 422
Less earn-out liability	-	-13 611	-13 611
Less cash and cash equivalents acquired	-4 846	-1 977	-6 823
Net cash outflow on business combination:	**-4 846**	**19 228**	**14 382**

The Spanish Branch of Skitude Holding contributed NOKm 6.7 of revenue and NOKm -8.6 to the Group's net loss for the period between the date of acquisition and the reporting date.

Spotlio AG contributed NOKm 2.4 of revenue and NOKm -0.6 to the Group's net loss for the period between the date of acquisition and the reporting date.

If the merger of the Spanish Branch had been completed on the first day of the financial year, Group revenue for the year would have been NOKm 54.1 and Group loss would have been NOKm -44.8.

If the acquisition of Spotlio AG had been completed on the first day of the financial year, Group revenue for the year would have been NOKm 58.3 and Group loss would have been NOKm -43.5.

Note 18 Borrowings

None of the Groups liabilities to financial institutions or other long-term debt is due later than five years. There are no collaterals or pledged assets related to the borrowings of the Group.

Note 19 Other current liabilities

Of the NOKm 18.9 disclosed as other current liabilities NOKm 11.3 is related to unused gift cards.

Note 20 Transactions with related parties

The previous shareholders of Spotlio AG have invoiced EURk 80 in consultancy fees for management services in the accounting period.

As part of the acquisition of Spotlio AG NOK the Group has recognized an earn-out liability of NOKm 12.9. The management expects that the earn-out conditions will be met and the potential liability is fully provided for. The earn-out liability shall be settled by shares provided by the Group, whereas 50% is due within end of 2021 and 50% is due within end of 2022.

Note 21 Events after the reporting period

No other significant events have occurred in the period from the balance sheet date to the date of approval of the financial statements that have affected the financial position of the Group to a material degree and which should have been reflected in the financial statement presented.

Note 22 Approval by the board of directors

The consolidated financial statements were approved and authorized for issue by the Board of Directors on 19. August 2021.

Financial Statements

for

Skitude Holding AS

1 May 2020-

30 April 2021

INCOME STATEMENT

01.05.2020 - 30.04.2021

Skitude Holding AS

Amount in NOK 1000	Notes	2021	2020
REVENUE			
Sales revenue	2	11 351	-
Other operating revenue		72	-
Revenue		***11 423***	**-**
OPERATING EXPENSES			
Costs of goods sold		1 566	-
Employee benefits expense	6	10 349	-
Depreciation and amortisation expenses	7,8	16 244	-
Other operating expenses	6	14 225	530
Total operating expenses		***42 384***	***530***
OPERATING PROFIT/LOSS		***-30 961***	***-530***
FINANCIAL INCOME AND EXPENSE			
Interest income from group companies		789	**664**
Other interest income		127	**13**
Finance income	2	725	6 128
Other interest expense		-62	-
Finance expense	2	-7 571	-12
Net finance		***-5 992***	***6 793***
PROFIT/LOSS BEFORE INCOME TAX		***-36 953***	***6 263***
Income tax expense	5	**-1 381**	**1 046**
NET PROFIT		***-35 572***	***5 218***
Covered by:			
Other equity	4	-35 572	5 218
Total		***-35 572***	***5 218***

BALANCE SHEET - ASSETS

Skitude Holding AS

Amount in NOK 1000	Note	**30.04.2021**	**30.04.2020**
NON CURRENT ASSETS			
Intangible assets			
Research and development	7	35 884	-
Customer contracts	7	29 031	-
Goodwill	7	68 311	-
Total intangible assets		***133 225***	***-***
Tangible assets			
Fixtures and fittings, tools, etc	8	48	-
Total tangible assets		***48***	***-***
Financial assets			
Investments in subsidiaries	2	76 286	32 902
Loans to group companies	2	89 321	43 266
Total financial assets		***165 607***	***76 168***
Total non current assets		***298 880***	***76 168***
CURRENT ASSETS			
Receivables			
Trade receivable		1 816	-
Trade receivables group companies		14 606	-
Other receivables		1 732	10 888
Total receivables		***18 153***	***10 888***
Cash and cash equivalents	9	132 029	7 407
Total current assets		***150 182***	***18 295***
TOTAL ASSETS		***449 062***	***94 463***

BALANCE SHEET - EQUITY AND LIABILITIES

Skitude Holding AS

Amount in NOK 1000	Note	30.04.2021	30.04.2020
EQUITY			
Owners equity			
Issued capital	3,4	1 761	448
Share premium	4	404 957	78 727
Other paid-in capital	4	1 072	-
Total owners equity		***407 790***	***79 175***
Accumulated profits			
Other equity	4	1 342	5 218
Total accumulated profits		***1 342***	***5 218***
Total equity		***409 132***	***84 392***
LIABILITIES			
Provisions			
Deferred tax liability	5	15 194	-
Other provisions for liabilities	11	12 939	-
Total provisions		***28 133***	-
Other non current liabilities			
Other long term liabilities	10	4 024	-
Total other non current liabilities		***4 024***	-
Current liabilities			
Convertible loans		-	10 000
Current portion of long term debt	10	1 334	-
Trade payable		2 089	70
Trade payable group companies		849	-
Public duties payable		2 039	-
Other current liabilities		1 461	-
Total current liabilities		***7 773***	***10 070***
Total Liabilities		***39 930***	***10 070***
TOTAL EQUITY AND LIABILITIES		***449 062***	***94 463***

Oslo, 19. August 2021

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Haavard Nord
Chairman of the Board

DocuSigned by: Chris Logan
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Member of the Board

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Member of the Board

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Anne Worsøe
Member of the Board

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Bent Grøver
CEO

CASH FLOW STATEMENT

01.05.2020-30.04.2021

	Skitude Holding AS	
Amount in NOK 1000	**2021**	**2020**
Cash flow from operating activities		
Profit/loss before income taxes	-36 953	6 263
Depreciation and amortisation expenses	16 244	-
Changes in trade receivables and trade payable	-1 175	-403
Changes in other operating activities	2 229	-6
Net cash flow from operating activities	***-19 654***	***5 854***
Cash flow from investing activities		
Purchase of intangible and tangible non current assets	-2 770	-
Investments in subsidiaries	-43 384	-
Business combinations	4 846	-
Net cash flow from investing activities	***-41 308***	***-***
Cash flow from financing activities		
Change in borrowings	-35 674	-17 417
Payment of capital increase prior year	-	9 353
Capital increase	221 259	8 658
Net cash flow from financing activities	***185 584***	***594***
Net change in cash and cash equivalents	**124 622**	**6 448**
Cash and cash equivalents at the beginning of the period	7 407	959
Cash and cash equivalents at the end of the period	***132 029***	***7 407***

Note 1 Accounting principles

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway.

The accounting period is 1. May 2020 until 30. April 2021. The annual accounts includes the Spanish Branch, Skitude Holding AS Sucursal En España (former Skitude Technologies SL), which was merged with Sktiude Holding AS (surviving company) with effect from 27 August 2020.

Basis for consolidation

The financial statements comprise the Norwegian Branch, Skitude Holding AS, and the Spanish Branch, Skitude Holding AS Sucursal En España. Transactions between branches have been eliminated in the consolidated financial statement. The consolidated financial statement has been prepared in accordance with the same accounting principles for both entities.

Business combinations

A merger is considered a business combination, when the acquired asset or groups of assets constitute a business (i.e., an integrated set of operations and assets conducted and managed for the purpose of providing a return to the investors). Acquired businesses are included in the financial statements from the date on which the Group achieves control over the company or the assets constituting a business. Acquisition cost equals the fair value of the assets used as consideration, including contingent consideration, equity instruments issued and liabilities assumed in connection with the transfer of control. Acquisition cost is measured against the fair value of the acquired assets and assumed liabilities. Identifiable intangible assets are included in connection with acquisitions if they can be separated from other assets or meet the legal contractual criteria. If the acquisition cost at the time of the acquisition exceeds the fair value of the acquired net assets (when the acquiring entity achieves control of the transferring entity), goodwill arises. Goodwill is then allocated to the belonging cash generating unit.

The estimation of fair value may be adjusted up to 12 months after the acquisition date if new information emerges about facts and circumstances that existed at the time of the takeover and which, had they been known, would have affected the calculation of the amounts that were included from that date.

Revenue recognition

The company recognizes 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.

Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long-term receivables are, however, not classified as short-term liabilities and current assets.

Research and development

Research and development expenditures on an individual project, which represents new applications/technology, are recognized as an intangible asset when the Company expect:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development
- its ability to use or sell the intangible asset

Following initial recognition of the research and development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Intangible assets are assessed for impairment indicators at the end of each reporting period and tested for impairment if indicators exist.

Amortization of the asset begins when the asset is available for use and is amortized over the period of expected future benefit.

Initial capitalization of direct costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. The assessment of when product development is capitalized is highly subjective, as the outcome of these projects may be uncertain.

Intangible assets with finite useful lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the income statement in the line for depreciation and amortization.

Fixed assets
Assets intended for long term ownership and use have been classified as fixed assets. Fixed assets are recognized at purchase cost. Interest incurred in connection with the production of fixed assets is recognized in the balance sheet. Tangible fixed assets are reflected in the balance sheet and depreciated over the asset's expected useful life. Tangible fixed assets with a decrease in value are written down to fair value if the decrease is not expected to be temporary. Impairment is reversed when the basis for the impairment no longer exists. Long-term liabilities are recognised at nominal value at the transaction date.

Investments in other companies
Except for short term investments in listed shares, the cost method is applied to investments in other companies. The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are initially taken to income. Dividends exceeding the portion of retained equity after the purchase are reflected as a reduction in purchase cost. Dividend/group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividend from other companies are reflected as financial income when it has been approved. The carrying amount is written down to the estimated fair value when it is lower.

Debtors
Trade debtors are recognized in the balance sheet after provision for bad debts. The bad debts provision is made on basis of an individual assessment of each debtor and an additional provision is made for other debtors to cover expected losses.

Taxes
The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carryforward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carryforward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net. Tax reduction on group contributions given and tax on group contribution received, booked as a reduction of cost price or taken directly to equity, are booked directly against tax in the balance sheet (offset against payable taxes if the group contribution has affected payable taxes, and offset against deferred taxes if the group contribution has affected deferred taxes). Deferred tax is reflected at nominal value.

Net deferred tax assets are not capitalized, in accordance with accepted accounting principles.

Note 2 Subsidiaries

Amounts in NOK 1 000

	Location	Ownership/ voting right	Equity last year (100%)	Result last year (100%)	Balance sheet value
Subsidiaries:					
Skioo SA	Sveits, Lausanne	100%	-42,613	-9,818	29,165
Skitude Nordic AS	Oslo	100%	-9,304	-1,821	3,737
Skitude Group Inc *)	USA, Delaware	100%	1,876	1,614	1
Spotlio AG	Sveits, St. Moritz	100%	487	-566	43,383
Sktiude Ltd.	UK, Brighton	100%	27	-2	-
Skitude Corp Inc	USA, Delaware	100%	37	10	-
Total			-49,490	-10,583	76,286

**) Skitude Group Inc includes the subsidiary Catalate Commerce Inc which is the operating company in the subgroup.*

The company's equity portfolio and receivables are in companies mainly engaged in the development of digitization of services related to, among other things, skiing / ski resorts. The companies have historically been through a capital-intensive establishment and R&D phase and are now in the early commercialization phase. There is a risk of the value of the investments and the receivables. The value of the equity and the receivables is pretext that the companies succeed in business. Should the underlying company fail to succeed, it could result in losses in equity values and receivables in the accounts of Skitude Holding AS The company has registered a merger plan with Skitude Technologies, S.L.U (Spain), dated 17. December 2019. On 27 August 2020 the merger was formally completed and registered in the Norwegian Register of Business Enterprises.

Intercompany

Debtors		**2021**	**2020**
Skioo SA	Loans	32,602	32,750
Catalate Commerce Inc	Loans	39,035	-
Spotlio AG	Loans	5,985	-
Skitude Nordic AS	Loans	11,699	10,515
Total		89,321	43,266

Of sales revenue is NOK 4 710 thousands related to intercompany sales.

Of other finance income is NOK 153 thousands related to agio adjustments of intercompany loan.

Of other finance expense is NOK 3 326 thousands related to agio adjustments of intercompany loan.

Note 3 Share capital and shareholder information

The share capital of NOK 1 760 514 consists of 88 025 700 shares with nominal value of NOK 0,02 each. All shares have equal rights.

The company's shareholders at 30.04.2021

Shareholders	Number of shares	rights
Skitude Holding Spain SL	24,220,763	27.5 %
Canica AS	9,478,917	10.8 %
Investinor Direkte AS	7,855,993	8.9 %
J.P. Morgan Bank Luxembourg S.A.	4,409,267	5.0 %
Kesse Invest SLU	3,197,595	3.6 %
Danske Invest Norge Vekst	2,985,074	3.4 %
Kvantia AS	2,686,567	3.1 %
Curious Capital AS	2,350,736	2.7 %
Skandinaviska Enskila Banken AB	2,052,489	2.3 %
The Bank of New York Mellon SA	2,030,000	2.3 %
State Street Bank and Trust Comp	1,984,925	2.3 %
J.P. Morgan Bank Luxembourg S.A.	1,542,537	1.8 %
Equinor Pensjon	1,315,000	1.5 %
J.P. Morgan Bank Luxembourg S.A.	1,128,861	1.3 %
Urs Peter Grimm	1,033,209	1.2 %
Albert Ferrando Lopez	1,033,209	1.2 %
Clu Holding AS	915,059	1.0 %
A Management AS	905,219	1.0 %
Others	16,900,280	19.2 %
Total	**88,025,700**	**100.0 %**

Subsequent to the balance sheet date Skitude Holding Spain SL was dissolved and the shares were distributed to its owners, among others the founders of the merged entity Skitude Technologies SLU. Simultaneously Investinor Direkte AS took delivery of 5.236.746 that it had lent out to the founders for them to sell at the secondary offering in the IPO. Hence, the shareholding of Investinor Direkte AS after this is 13,092,984 shares while the former owners of Skitude Holding Spain SL together have 18,984,017 shares.

Note 4 Equity

Note 4 Equity

	Share capital	Share premium	Other paid-in capital	Other equity	Total
Equity 01.05.2020	448	78,727	0	5,218	84,392
Capital increase	1,313	326,230	1,072	0	328,615
Fair value adjustment merger	0	0	0	33,781	33,781
Fx translation diff	0	0	0	-2,084	-2,084
Profit for the year	0	0	0	-35,572	-35,572
Equity 30.04.2021	**1,761**	**404,957**	**1,072**	**1,342**	**409,132**

Note 5 Income tax

The components of income tax are as follows:	**2021**	**2020**
Changes in deferred tax	-1,381	-
Proift before tax	-36,953	6,263
Non-deductible expenses	-4,839	-
Chg. in temp. differences	-14	-
Tax loss carry forward	-	-1,510
Group contribution	-	-4,753
Tax base	**-41,807**	**-**

Calculation of deferred tax:	**2021**	**2020**
Temporary differences		
Tangible assets	69,078	-
Tax loss carry forward	-55,743	-
Basis for deferred tax	**13,335**	**-**
Deferred tax	2,172	-
Deferred tax asset not recognised	13,022	-
Deferred tax in the balance sheet	**15,194**	**-**

Note 6 Payroll expenses, number of employees, remunerations, loans to employees, etc.

Employees benefit expense:	**2021**	**2020**
Salaries	7,321	-
Payroll tax	2,180	-
Pension costs	34	-
Other benefits	815	-
Total	**10,349**	**-**
Average full-time employees	25	-

The company's pension scheme meets the requirements of the Norwegian law on required occupational pension

Management remuneration	**CEO**	**BoD**
Salaries	372	621
Other benefits	1	-

The CEO started the 22th of February 20220.
No loans or securities has been granted to the CEO, the chairman of the board or other related parties.

Expensed audit fee	**2021**	**2020**
Statutory audit	72	19
Assurance services	877	-
Total audit fees	**949**	**19**

Amounts include VAT.

Assurance services are primarily related to attestations and confirmations related to IPO.

Note 7 Intangible assets

Note 7 Intangible assets

	Research and development	Customer contracts	Goodwill	Total
Acquisition cost at 30.04.20	-	-	-	-
Business combinations	44,253	31,670	74,521	150,444
Additions	4,218	-	-	4,218
FX translations effects	-823	-	-	-823
Acquisition cost at 30.04.21	47,647	31,670	74,521	153,838
Accumulated amortisation at 30.04.20	-	-	-	-
Business combinations	-4,863	-	-	-4,863
This year amortisation	-7,394	-2639	-6210	-16,243
FX translation effets	494	-	-	494
Accumulated amortisation at 30.04.21	-11,764	-2,639	-6,210	-20,613
Net carrying value at 30.04.20	-	-	-	-
Net carrying value at 30.04.21	**35,884**	**29,031**	**68,311**	**133,225**
Useful econmic lifetime	5-8 years	8 years	8 years	

The company has assessed if there are any impairment needs related to intangible assets. The Spanish entity of Skitude, that was merged with Skitude Holding in August has not performed in accordance with the business plan. NOKm 133.2 of the total intangibles values as of 30.04.21 is related to the Spanish entity, of which NOKm 68.3 is goodwill. However, no impairment have been made given the short time from the initial investment. Last financial year was heavily impacted by COVID-19, while there are expectations that next ski season will be more normalized. To be able to avoid impairment related to this entity going forward, management has initiated a strategic process to assess the cost basis and revenue basis, to be able to deliver in accordance with the business plan from the merger.

Note 8 Tangible assets

	Fixtures and fittings
Acquisition cost at 01.05.20	-
Additions	48
Acquistion cost at 30.04.21	48
Accumulated depreciation at 30.04.21	-
Carrying value 30.04.21	48
This year depreciation	-

The acquisition is done by the end of the accounting period and will be depreciated over 3 years starting from the next account period.

Note 9 Restricted cash

Bank deposits includes restricted cash deposits of NOK 615 thousand. Restricted cash deposits cover withholding tax payable as of 30.04.2021.

Note 10 Borrowings

None of the company’s other long-term debt is due later than five years. There are no collaterals or pledged assets related to the borrowings of the company.

Note 11 Provisions

As part of the acquisition of Spotlio AG NOK the Group has recognized an earn-out liability of NOK 12,9 mill. The management expects that the earn-out conditions will be met and the potential liability is fully provided for. The earn-out liability shall be settled by shares provided by the Group, whereas 50% is due within end of 2021 and 50% is due within end of 2022.

Note 12 Events after the balance sheet date

No other significant events have occurred in the period form the balance sheet date to the date of approval of the financial statements that have affected the financial position of the Company to a material degree, and which should have been reflected in the financial statement presented.