Canada Goose Holdings Inc.

Annual Consolidated Financial Statements

March 31, 2024

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Canada Goose Holdings Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of Canada Goose Holdings Inc. and subsidiaries (the "Company") as of March 31, 2024 and April 2, 2023, the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for each of the three years in the period ended March 31, 2024, and the related notes and the schedule of Condensed Financial Information of Canada Goose Holdings Inc. (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2024 and April 2, 2023 and its financial performance and its cash flows for each of the three years in the period ended March 31, 2024, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of March 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated May 15, 2024, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgements. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Inventory Obsolescence– Refer to Notes 2k, 3 and 10 to the financial statements

Critical Audit Matter Description

Inventory comprises raw materials, work-in-process and finished goods and is carried at the lower of cost and net realizable value. In estimating net realizable value, the Company uses estimates related to fluctuations in inventory levels, planned production, customer behaviour, obsolescence, future selling prices, seasonality and costs necessary to sell the inventory. As a result of management's analysis, included in inventory are provisions for obsolete inventory.

Given the importance of inventory to the Company's operations and the judgement involved in determining net realizable value related to finished goods inventory, specifically estimated future revenue (future selling prices and product demand); our audit procedures involved a high degree of auditor judgement and an increased extent of audit effort.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the future revenue used in determining net realizable value related to finished good inventory included the following, among others:

- Evaluated the effectiveness of controls, including those related to management's process for developing the estimates used in the determination of net realizable value and the provisions for obsolete inventory.
- Analyzed inventory levels and revenue to evaluate the completeness of management's identified population of inventory with obsolescence exposure.
- Performed a retrospective review on the prior year estimated future revenue and compared it to current year activity to evaluate management's ability to accurately estimate the net realizable value.
- Evaluated the reasonableness of future selling prices and product demand by:
    - Comparing future selling price assumptions to historical trends and recent transactions.
    - Assessing management's merchandising strategy to evaluate the reasonableness of management's assumptions relating to the expected impact on overall product demand.
    - Considering industry trends and evidence obtained in other areas of the audit.

/s/ Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
Toronto, Canada
May 15, 2024

We have served as the Company's auditor since fiscal 2010.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Canada Goose Holdings Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Canada Goose Holdings Inc. and subsidiaries (the "Company") as of March 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2024, based on criteria established in *Internal Control-Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended March 31, 2024, of the Company and our report dated May 15, 2024, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
Toronto, Canada
May 15, 2024

Consolidated Statements of Income
(in millions of Canadian dollars, except per share amounts)

	Notes	March 31, 2024	April 2, 2023	April 3, 2022
			Year ended	
			Reclassified	*Reclassified*
		$	**$**	**$**
Revenue	6	1,333.8	1,217.0	1,098.4
Cost of sales	10	416.4	401.8	364.8
Gross profit		917.4	815.2	733.6
Selling, general & administrative expenses	11, 12, 13	792.9	667.6	574.1
Operating income	6	124.5	147.6	159.5
Net interest, finance and other costs	17	48.8	54.1	41.8
Income before income taxes		75.7	93.5	117.7
Income tax expense	7	17.6	24.6	23.1
Net income		58.1	68.9	94.6
Attributable to:				
Shareholders of the Company		58.4	72.7	94.6
Non-controlling interest		(0.3)	(3.8)	—
Net income		58.1	68.9	94.6
Earnings per share attributable to shareholders of the Company				
Basic	8	$ 0.58	$ 0.69	$ 0.87
Diluted	8	$ 0.57	$ 0.69	$ 0.87

The accompanying notes to the consolidated financial statements are an integral part of these financial statements.

Consolidated Statements of Comprehensive Income

(in millions of Canadian dollars, except per share amounts)

	Notes	Year ended March 31, 2024	Year ended April 2, 2023	Year ended April 3, 2022
		$	$	$
Net income		58.1	68.9	94.6
Other comprehensive income (loss)				
Items that will not be reclassified to earnings, net of tax:				
Actuarial gain on post-employment obligation		—	0.6	0.1
Items that may be reclassified to earnings, net of tax:				
Cumulative translation adjustment (loss) gain		(0.2)	16.1	(25.5)
Net (loss) gain on derivatives designated as cash flow hedges	22	(0.5)	0.4	8.7
Reclassification of net (gain) loss on cash flow hedges to income	22	(1.1)	6.0	4.7
Other comprehensive (loss) income		(1.8)	23.1	(12.0)
Comprehensive income		56.3	92.0	82.6
Attributable to:				
Shareholders of the Company		57.8	95.7	82.6
Non-controlling interest		(1.5)	(3.7)	—
Comprehensive income		56.3	92.0	82.6

The accompanying notes to the consolidated financial statements are an integral part of these financial statements.

Consolidated Statements of Financial Position
(in millions of Canadian dollars)

	Notes	March 31, 2024	April 2, 2023
Assets		**$**	**$**
Current assets			
Cash		144.9	286.5
Trade receivables	5, 9	70.4	50.9
Inventories	5, 10	445.2	472.6
Income taxes receivable		28.0	0.9
Other current assets	21	52.3	52.3
Total current assets		740.8	863.2
Deferred income taxes	7	76.3	67.5
Property, plant and equipment	5, 11	171.8	156.0
Intangible assets	12	135.1	135.1
Right-of-use assets	5, 13	279.8	291.8
Goodwill	5, 14	70.8	63.9
Other long-term assets	21	7.0	12.5
Total assets		1,481.6	1,590.0
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	5, 15, 21	177.7	195.6
Provisions	16	26.1	21.6
Income taxes payable		16.8	31.5
Short-term borrowings	17	9.4	27.6
Current portion of lease liabilities	5, 13	79.9	76.1
Total current liabilities		309.9	352.4
Provisions	16	37.3	36.5
Deferred income taxes	7	17.2	16.4
Revolving Facility	17	—	—
Term Loan	17	388.5	391.6
Lease liabilities	5, 13	250.6	258.7
Other long-term liabilities	21	54.6	56.9
Total liabilities		1,058.1	1,112.5
Equity	18		
Equity attributable to shareholders of the Company		417.0	469.5
Non-controlling interests		6.5	8.0
Total equity		423.5	477.5
Total liabilities and equity		1,481.6	1,590.0

The accompanying notes to the consolidated financial statements are an integral part of these financial statements.

Consolidated Statements of Changes in Equity
(in millions of Canadian dollars)

	Notes	Share capital: Multiple voting shares	Share capital: Subordinate voting shares	Share capital: Total	Contributed surplus	Retained earnings	Accumulated other comprehensive (loss) income	Total attributable to shareholders	Non-controlling interest	Total
		$	$	$	$	$	$	$	$	$
Balance at March 28, 2021		1.4	119.1	120.5	25.2	437.1	(5.2)	577.6	—	577.6
Normal course issuer bid purchase of subordinate voting shares	18	—	(11.9)	(11.9)	—	(241.3)	—	(253.2)	—	(253.2)
Issuance of shares	18	—	9.9	9.9	(2.8)	—	—	7.1	—	7.1
Net income		—	—	—	—	94.6	—	94.6	—	94.6
Other comprehensive loss		—	—	—	—	—	(12.0)	(12.0)	—	(12.0)
Share-based payment	19	—	—	—	14.0	—	—	14.0	—	14.0
Deferred tax on share-based payment		—	—	—	(0.2)	—	—	(0.2)	—	(0.2)
Balance at April 3, 2022		1.4	117.1	118.5	36.2	290.4	(17.2)	427.9	—	427.9
Non-controlling interest on business combination		—	—	—	—	—	—	—	11.7	11.7
Put option for non-controlling interest		—	—	—	—	(21.2)	—	(21.2)	—	(21.2)
Normal course issuer bid purchase of subordinate voting shares	18	—	(2.4)	(2.4)	—	(24.3)	—	(26.7)	—	(26.7)
Normal course issuer bid purchase of subordinate voting shares held for cancellation	18	—	(0.1)	(0.1)	—	(1.1)	—	(1.2)	—	(1.2)
Liability to broker under automatic share purchase plan	18	—	—	—	(20.0)	—	—	(20.0)	—	(20.0)
Issuance of shares	18	—	2.7	2.7	(2.7)	—	—	—	—	—
Net income (loss)		—	—	—	—	72.7	—	72.7	(3.8)	68.9
Other comprehensive income		—	—	—	—	—	23.0	23.0	0.1	23.1
Share-based payment	19	—	—	—	15.0	—	—	15.0	—	15.0
Balance at April 2, 2023		1.4	117.3	118.7	28.5	316.5	5.8	469.5	8.0	477.5
Normal course issuer bid purchase of subordinate voting shares	18	—	(17.8)	(17.8)	—	(122.4)	—	(140.2)	—	(140.2)
Liability to broker under automatic share purchase plan	18	—	—	—	20.0	—	—	20.0	—	20.0
Issuance of shares	18	—	4.0	4.0	(3.9)	—	—	0.1	—	0.1
Net income (loss)		—	—	—	—	58.4	—	58.4	(0.3)	58.1
Other comprehensive loss		—	—	—	—	—	(0.6)	(0.6)	(1.2)	(1.8)
Share-based payment	19	—	—	—	9.8	—	—	9.8	—	9.8
Balance at March 31, 2024		1.4	103.5	104.9	54.4	252.5	5.2	417.0	6.5	423.5

The accompanying notes to the consolidated financial statements are an integral part of these financial statements.

Consolidated Statements of Cash Flows

(in millions of Canadian dollars)

				Year ended
	Notes	March 31, 2024	April 2, 2023	April 3, 2022
		$	$	$
Operating activities				
Net income		58.1	68.9	94.6
Items not affecting cash:				
Depreciation and amortization	6, 11, 12, 13	126.0	109.1	95.8
Income tax expense	7	17.6	24.6	23.1
Interest expense	17	44.4	34.0	38.1
Foreign exchange loss		0.8	0.3	9.0
Acceleration of unamortized costs on debt extinguishment	17	—	—	9.5
Impairment losses	11, 13	1.2	1.0	7.7
Loss (gain) on disposal of assets		0.1	(0.1)	0.1
Share-based payment	19	10.2	15.0	14.0
Remeasurement of put option	21	1.6	10.9	—
Remeasurement of contingent consideration	21	2.8	(2.9)	—
		262.8	260.8	291.9
Changes in non-cash operating items	23	10.5	(75.4)	(82.8)
Income taxes paid		(66.3)	(37.0)	(25.2)
Interest paid		(42.4)	(32.1)	(32.3)
Net cash from operating activities		164.6	116.3	151.6
Investing activities				
Purchase of property, plant and equipment	11	(54.9)	(45.2)	(34.5)
Investment in intangible assets	12	(1.0)	(2.2)	(1.5)
Initial direct costs of right-of-use assets	13	(0.6)	(0.7)	(1.2)
Net cash (outflow) inflow from business combination	5	(15.9)	2.8	—
Net cash used in investing activities		(72.4)	(45.3)	(37.2)
Financing activities				
Mainland China Facilities (repayments) borrowings	17	(9.8)	9.8	—
Japan Facility repayments	17	(8.3)	(5.7)	—
Term Loan repayments	17	(4.0)	(4.0)	(4.7)
Revolving Facility (repayments) borrowings	17	—	(0.5)	0.5
Transaction costs on financing activities	17	(0.2)	—	(1.0)
Normal course issuer bid purchase of subordinate voting shares	18	(141.4)	(26.7)	(253.2)
Principal payments on lease liabilities	13	(69.2)	(62.2)	(46.9)
Settlement of term loan derivative contracts	22	—	8.6	—
Issuance of shares	19	0.1	—	7.1
Net cash used in financing activities		(232.8)	(80.7)	(298.2)
Effects of foreign currency exchange rate changes on cash		(1.0)	8.5	(6.4)
Decrease in cash		(141.6)	(1.2)	(190.2)
Cash, beginning of period		286.5	287.7	477.9
Cash, end of period		144.9	286.5	287.7

The accompanying notes to the consolidated financial statements are an integral part of these financial statements.

Note 1. The Company

Organization

Canada Goose Holdings Inc. and its subsidiaries (the "Company") design, manufacture, and sell performance luxury apparel for men, women, youth, children, and babies. The Company's product offerings include various styles of parkas, lightweight down jackets, rainwear, windwear, apparel, fleece, footwear, and accessories for the fall, winter, and spring seasons. The Company's head office is located at 100 Queens Quay East, Toronto, Canada, M5E 1V3. The use of the terms "Canada Goose", "we", and "our" throughout these notes to the consolidated financial statements refer to the Company.

Canada Goose is a public company listed on the Toronto Stock Exchange and the New York Stock Exchange under the trading symbol "GOOS". The principal shareholders of the Company are investment funds advised by Bain Capital LP and its affiliates ("Bain Capital"), and DTR LLC, ("DTR"), an entity indirectly controlled by the Chairman and Chief Executive Officer of the Company. The principal shareholders hold multiple voting shares representing 52.8% of the total shares outstanding as at March 31, 2024, or 91.8% of the combined voting power of the total voting shares outstanding. Subordinate voting shares that trade on public markets represent 47.2% of the total shares outstanding as at March 31, 2024, or 8.2% of the combined voting power of the total voting shares outstanding.

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements were authorized for issuance by the Company's Board of Directors on May 15, 2024.

Fiscal year

The Company's fiscal year is a 52 or 53-week reporting cycle with the fiscal year ending on the Sunday closest to March 31. Each fiscal quarter is 13 weeks for a 52-week fiscal year. The additional week in a 53-week fiscal year is added to the third quarter. Fiscal 2022 was the first 53-week fiscal year, which ended on April 3, 2022. Fiscal 2024 is a 52-week fiscal year.

Operating segments

The Company classifies its business in three operating and reportable segments: Direct-to-Consumer ("DTC"), Wholesale, and Other. The DTC segment comprises sales through country-specific e-Commerce platforms available across numerous markets, which includes the newly launched recommerce platform Canada Goose Generations, currently available in the United States and Canada, and our Company-owned retail stores located in luxury shopping locations.

The Wholesale segment comprises sales made to a mix of retailers and international distributors, who are partners that have exclusive rights to an entire market. The Wholesale segment includes the introduction of travel retail in the second quarter of fiscal 2024.

The Other segment comprises revenue and costs that are not related to the Company's DTC or Wholesale segments, such as sales to employees, friends and family sales, and results from the newly acquired Paola Confectii business (see "*Note 5. Business Combinations*" for details and definitions).

Seasonality

Our business is seasonal, and we have historically realized a significant portion of our Wholesale revenue and operating income in the second and third quarters of the fiscal year and DTC revenue and operating income in the third and fourth quarters of the fiscal year. Thus, lower-than-expected revenue in these periods could have an adverse impact on our annual operating results.

Cash flows from operating activities are typically highest in the third and fourth quarters of the fiscal year due to revenue from the DTC segment and the collection of trade receivables from Wholesale revenue earlier in the year. Working capital requirements typically increase as inventory builds. Borrowings have historically increased in the first and second quarters and been repaid in the third quarter of the fiscal year.

Note 2. Material accounting policy information

(a) Basis of presentation

The consolidated financial statements are presented in Canadian dollars, the Company's functional and presentation currency.

These consolidated financial statements have been prepared on the historical cost basis except for the following items, which are recorded at fair value:

- financial instruments, including derivative financial instruments, at fair value in other comprehensive income and through profit or loss as described in "*Note 21. Financial instruments and fair values"* and
- initial recognition of assets acquired and liabilities assumed in a business combination.

Certain comparative figures have been reclassified to conform with the current year presentation. Foreign exchange gains and losses related to the outstanding principal balance on the Term Loan, net of hedging, are reflected in the presentation of net interest, finance and other costs as outlined below (see "*Note 17. Borrowings"* for details and definitions); previously this was presented in SG&A expenses. This change was made to present all financing costs related to the Term Loan within the same financial statement caption in the consolidated statements of income. For the year ended April 2, 2023 and April 3, 2022, the Company reclassified foreign exchange losses of $12.1m and $2.8m, respectively. This reclassification did not impact net income, earnings per share, or the consolidated statements of financial position in the comparative year.

As at March 31, 2024, the Company amended the allocation basis for certain SG&A expenses between the operating segments to provide more relevant information on financial performance of each operating segment. The reclassification did not impact net income, earnings per share, or the consolidated statements of financial position in the comparative year. Comparative figures have been reclassified to conform with the current year presentation.

(b) Principles of consolidation

The consolidated financial statements include the accounts of Canada Goose Holdings Inc. and its subsidiaries. All intercompany transactions and balances have been eliminated.

(c) Foreign currency translation and transactions

The functional currency of each of the Company's subsidiaries is the currency of the primary economic environment in which each entity operates. The assets and liabilities of subsidiaries whose functional currency is not the Canadian dollar are translated into the functional currency of the Company using the exchange rate at the reporting date. Revenues and expenses are translated at exchange rates prevailing at the transaction date. The resulting foreign exchange translation differences are recorded as a currency translation adjustment in other comprehensive income.

Foreign currency transactions are translated into the functional currency of each of the Company's subsidiaries using the exchange rates prevailing at the date of the transactions or valuation when items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the changes at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statements of income in SG&A expenses, except when included in other comprehensive income for qualifying cash flow and net investment hedges.

Functional currency of subsidiary

Each entity within the Company determines its functional currency based on the primary economic environment in which the entity operates. Once an entity's functional currency is determined, it is not changed unless there is a change to the underlying transactions, events, and conditions that determine the entity's primary economic environment.

(d) Revenue recognition

Revenue comprises DTC, Wholesale and Other segment revenues. Revenue is measured at the amount of consideration to which the Company expects to be entitled in exchange for the sale of goods in the ordinary course of the Company's activities. Revenue is presented net of sales tax, estimated returns, sales allowances, and discounts. The Company recognizes revenue when the Company has agreed terms with its customers, the contractual rights and payment terms have been identified, the contract has commercial substance, it is probable that consideration will be collected by the Company, and when control of the goods is transferred to the customer.

It is the Company's policy to sell merchandise through the DTC channel with a limited right of return, typically within 30 days. Accumulated experience is used to estimate and provide for such returns.

(e) Business combination

Acquisitions of businesses are accounted for using the acquisition method as of the acquisition date, which is the date when control is transferred to the Company. The consideration transferred in a business combination is measured at fair value, calculated as the sum of the acquisition date fair values of the assets transferred, liabilities incurred by the Company, and the equity interests issued by the Company in exchange for control of the acquiree. Transaction costs that the Company incurs in connection with a business combination are recognized in the statements of income as incurred.

Goodwill is measured as the excess of the sum of the fair value of the consideration transferred over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

When the consideration transferred in a business combination includes contingent consideration, the contingent consideration is measured at its acquisition date fair value. Contingent consideration is remeasured at subsequent reporting dates at its fair value, and the resulting gain or loss recognized in the statements of income.

(f) Non-controlling interest

Non-controlling interest is measured based on the proportionate share of the acquiree's identifiable net assets. Transactions with non-controlling interests are treated as transactions with equity owners of the Company. Changes in the Company's ownership interest are accounted for as equity transactions.

(g) Earnings per share

Basic earnings per share is calculated by dividing net income attributable to ordinary equity holders by the weighted average number of multiple and subordinate voting shares outstanding during the year.

Diluted earnings per share is calculated by dividing net income attributable to ordinary equity holders of the Company by the weighted average number of multiple and subordinate voting shares outstanding during the year plus the weighted average number of subordinate shares that would be issued on the exercise of stock options and settlement of restricted share units (“RSUs”) and performance share units (“PSUs”).

(h) Income taxes

Current and deferred income taxes are recognized in the statements of income, except when it relates to a business combination, or items recognized in equity or in other comprehensive income.

Current income tax

Current income tax is the expected income tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to income tax payable in respect of previous years.

Deferred income tax

Deferred income tax is provided using the liability method for temporary differences at the reporting date between the income tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax is measured using enacted or substantively enacted income tax rates expected to apply in the years in which those temporary differences are expected to be recovered or settled. A deferred tax asset is recognized for unused income tax losses and credits to the extent that it is probable that future taxable income will be available against which they can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax asset to be recovered.

Deferred income tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred tax relates to the same taxable entity and the same taxation authority.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

As disclosed in *Note 4. Changes in accounting policies*, the Company has applied the mandatory exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two rules in accordance with amendments to IAS 12 *Income Taxes*.

(i) Cash

Cash consists of cash and cash equivalents, including cash on hand, deposits in banks, and short-term deposits with maturities of less than three months. The Company uses the indirect method of reporting cash flows from operating activities.

(j) Trade receivables

Trade receivables, including credit card receivables, consist of amounts owing on product sales where we have extended credit to customers, and are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less expected credit loss and sales allowances. The allowance for expected credit losses is recorded against trade receivables and is based on historical experience.

(k) Inventories

Raw materials, work-in-process, and finished goods are valued at the lower of cost and net realizable value. Cost is determined using the weighted average cost method. The cost of work-in-process and finished goods inventories include the cost of raw materials and an applicable share of the cost of labour and fixed and variable production overhead costs, including the depreciation of property, plant and equipment used in the production of finished goods, design costs, and other costs incurred to bring the inventories to their present location and condition.

The Company estimates net realizable value as the amount at which inventories are expected to be sold, taking into consideration fluctuations in selling prices due to seasonality, less estimated costs necessary to complete the sale.

Inventories are written down to net realizable value when the cost of inventories is estimated to be unrecoverable due to obsolescence, damage, or declining selling prices. Inventory is adjusted to reflect estimated loss ("shrinkage") incurred since the last inventory count. Shrinkage is based on historical experience. When circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in realizable value, the amount of the write-down previously recorded is reversed.

Storage costs, indirect administrative overhead and certain selling costs related to inventories are expensed in the period that these costs are incurred.

(l) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and any accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset, including costs incurred to prepare the asset for its intended use and capitalized borrowing costs, when the recognition criteria are met. The commencement date for capitalization of costs occurs when the Company first incurs expenditures for the qualifying assets and undertakes the required activities to prepare the assets for their intended use.

Property, plant and equipment assets are depreciated on a straight-line basis over their estimated useful lives when the assets are available for use. When significant parts of a fixed asset have different useful lives, they are accounted for as separate components and depreciated separately. Depreciation methods and useful lives are reviewed annually and are adjusted for prospectively, if appropriate. Estimated useful lives are as follows:

Asset Category	Estimated Useful Life
Plant equipment (except moulds)	10 years
Footwear moulds	5 years
Computer equipment	3 years
Leasehold improvements	Lesser of the lease term or useful life of the asset
Show displays	5 years
Furniture and fixtures	5 to 10 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset, calculated as the difference between the net disposal proceeds and the carrying amount of the asset, is included in the statements of income when the asset is derecognized.

The cost of repairs and maintenance of property, plant and equipment is expensed as incurred and recognized in the statements of income.

Property, plant and equipment are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset is then tested for impairment by comparing its recoverable amount to its carrying value. Impairment losses are recorded in the statements of income.

(m) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets with finite lives are carried at cost less any accumulated amortization and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Asset Category	Estimated Useful Life
Brand name	Indefinite
Domain name	Indefinite
Software	5 to 7 years
Intellectual property	1 to 8 years
Customer lists (Canada Goose)	10 years
Customer lists (Paola Confectii SRL)	4 years
Distribution rights	10 years

In connection with the acquisition of the business of Paola Confectii SRL during fiscal 2024 (See *"Note 5. Business combinations"* for more details), identifiable intangible assets acquired consist of the customer list and brand.

Intangible assets with indefinite useful lives consists of the Canada Goose, Baffin, and Paola Confectii SRL brand names, as well as the Canada Goose and Baffin domain names, which were acquired as part of an acquisition and were recorded at their estimated fair value. The brand names and domain name are considered to have an indefinite life based on a history of revenue and cash flow performance, and the intent and ability of the Company to support the brand with spending to maintain its value for the foreseeable future. The brand names and domain name are tested at least annually for impairment, at the cash-generating unit ("CGU") level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Intangible assets with finite lives are amortized over the useful economic life on a straight-line basis. 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 treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statements of income over the asset's estimated useful life.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use. Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are included in the statements of income when the asset is derecognized.

Intangible assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset is then tested for impairment by comparing its recoverable amount to its carrying value. Any resulting impairment loss is recorded in the statements of income.

(n) Leases

The Company recognizes a right-of-use asset and a lease liability based on the present value of the future lease payments at the commencement date. The commencement date is when the lessor makes the leased asset available for use by the Company, typically the possession date. The discount rate used in the present value calculation for lease payments is the incremental borrowing rate, if the rate implicit in the lease is not readily determinable, for each leased asset or portfolio of leased assets with similar characteristics by reference to the Company's creditworthiness, the security, term and value of the underlying leased asset, and the economic environment in which the leased asset operates. The lease term is determined as the non-cancellable periods of a lease, together with periods covered by a renewal option if the Company is reasonably certain to exercise that option and a termination option if the Company is reasonably certain not to exercise that option.

Leases of low-value assets and short-term leases are not included in the calculation of lease liabilities. These lease expenses are recognized in cost of sales or SG&A expenses on a straight-line or other systematic basis.

Lease liabilities

Lease liabilities are measured at the present value of future lease payments, discounted using the Company's incremental borrowing rates, and include the fixed payments, variable lease payments that depend on an index or a rate, less any lease incentives receivable. Subsequent to initial measurement, the Company measures lease liabilities at amortized cost using the effective interest rate method. Lease liabilities are remeasured when there are changes to the lease payments, lease term, assessment of an option to purchase the underlying asset, expected residual value guarantee, or future lease payments due to a change in the index or rate tied to the payment.

Right-of-use assets

Right-of-use assets are measured at the initial amount of the lease liabilities, lease payments made at or before the commencement date less any lease incentives received, initial direct costs, if any, and decommissioning costs to restore the site to the condition required by the terms and conditions of the lease, and net of accumulated impairment losses. Subsequent to initial measurement, the Company applies the cost model to the right-of-use assets and measures the asset at cost less any accumulated depreciation, accumulated impairment losses in accordance with IAS 36, *Impairment of Assets* and any remeasurements of the lease liabilities. Assets are depreciated from the commencement date on a straight-line basis over the earlier of the end of the assets' useful lives or the end of the lease terms.

Right-of-use assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset is then tested for impairment by comparing its recoverable amount to its carrying value. Impairment losses are recorded in the statements of income.

(o) Goodwill

Goodwill represents the difference between the purchase price of an acquired business and the Company's share of the net identifiable assets acquired and liabilities assumed and any contingent liabilities assumed. It is initially recorded at cost and subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to CGUs based on the lowest level within the entity in which the goodwill is monitored for internal management purposes. The allocation is made to the CGUs that are expected to benefit from the business combination in which the goodwill arose. Any potential impairment of goodwill is identified by comparing the recoverable amount of a CGU to its carrying value. An impairment loss is recognized if the carrying amount of CGU exceeds its recoverable amount. Any loss identified is first applied to reduce the carrying amount of goodwill allocated to the CGU, and then to reduce the carrying amounts of the remaining assets in the CGU on a pro-rata basis. The Company tests goodwill for impairment annually at the reporting date.

The recoverable amount of a CGU is the higher of the estimated fair value less costs of disposal or value-in-use of the CGU. In assessing the recoverable amount, the estimated future cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The Company has determined that there are 12 CGUs, 11 for which goodwill contributes to the cash flows (April 2, 2023 - 11 CGUs, 10 for which goodwill contributed to the cash flows). The increase in CGUs from the comparative period is attributable to the Paola Confectii acquisition which represents an additional CGU. No other changes were made to the existing CGUs from the previous year. See *"Note 5. Business combinations"* for more details.

(p) Provisions

Provisions are recognized when the Company has a present obligation, legal or constructive, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statements of income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized in the statements of income.

The provision for warranty returns relates to the Company's obligation for defective goods sold to customers that have yet to be returned for exchange or repair. Accruals for warranty returns are estimated on the basis of historical returns and are recorded so as to allocate them to the same period the corresponding revenue is recognized.

(q) Fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The Company uses valuation techniques that it believes are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

For the purpose of fair value disclosures, the Company determines classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

There was no change in the valuation techniques applied to financial instruments during all periods presented. The following table describes the valuation techniques used in the determination of the fair values of financial instruments:

Type	Valuation Approach
Cash, trade receivables, accounts payable and accrued liabilities	The carrying amount approximates fair value due to the short term maturity of these instruments.
Derivatives (included in other current assets, other long-term assets, accounts payable and accrued liabilities or other long-term liabilities)	Specific valuation techniques used to value derivative financial instruments include: - quoted market prices or dealer quotes for similar instruments; - observable market information as well as valuations determined by external valuators with experience in the financial markets.
Revolving Facility, Term Loan, Mainland China Facilities, and Japan Facility	The fair value is based on the present value of contractual cash flows, discounted at the Company's current incremental borrowing rate for similar types of borrowing arrangements or, where applicable, market rates.
Put option liability	The fair value is based on the present value of the amount expected to be paid to the non-controlling shareholder if the put option is exercised. Subsequent changes in the present value of the amount that could be required to be paid at each reporting date are recorded with the statements of income until the put option is exercised or expires.
Contingent consideration	The fair value of the applicable contingent consideration is determined based on the estimated financial outcome and the resulting expected contingent consideration to be paid, discounted using an appropriate rate. Subsequent changes in the fair value is recognized in the statements of income.
Earn-Out included in other long-term liabilities	The fair value is based on a pre-determined percentage of net equity value of Paola Confectii SRL, determined as a multiple of EBITDA and EBITDA margin for the fiscal year ending March 30, 2025, subject to a floor, less net debt adjustments. Subsequent changes in the fair value are recognized in the statements of income.

(r) Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities classified at fair value through profit or loss) are added to, or deducted from, the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets and financial liabilities are measured subsequently as described below.

i) Non-derivative financial assets

Non-derivative financial assets include cash and trade receivables which are measured at amortized cost. The Company initially recognizes receivables and deposits on the date that they are originated. The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

ii) Non-derivative financial liabilities

Non-derivative financial liabilities include accounts payable, accrued liabilities, the Revolving Facility (as defined below), the Term Loan (as defined below), the Mainland China Facilities (as defined below), and the Japan Facility (as defined below). The Company initially recognizes debt instruments on the date that they are originated. All other financial liabilities are recognized initially on the trade date on which the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

In respect of non-controlling interests, a financial liability is recognized for the put option based on the present value of the amount expected to be paid to the non-controlling shareholder if exercised. Subsequently, the put option liability is adjusted to reflect changes in the present value of the amount that could be required to be paid at each reporting date, with fluctuations being recorded within the statements of income, until it is exercised or expires. The put option is measured at fair value through profit or loss.

iii) Derivative financial instruments

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The method of recognizing the resulting gain or loss depends on whether the derivative is designated and effective as a hedging instrument. When a derivative financial instrument, including an embedded derivative, is not designated and effective in a qualifying hedge relationship, all changes in its fair value are recognized immediately in the statements of income; attributable transaction costs are recognized in the statements of income as incurred. The Company does not use derivatives for trading or speculative purposes.

Embedded derivatives are separated from a host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related.

iv) Hedge accounting

The Company is exposed to the risk of currency fluctuations and has entered into currency derivative contracts to hedge its exposure on the basis of planned transactions. Where hedge accounting is applied, the criteria are documented at the inception of the hedge and updated at each reporting date. The Company documents the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking the hedging transactions. The Company also documents its assessment, at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flows of hedged items.

The fair value of a hedging derivative is classified as a current asset or liability when the maturity of the hedged item is less than 12 months, and as a non-current asset or liability when the maturity of the hedged item is more than 12 months.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized, net of tax, in other comprehensive income. The gain or loss relating to the ineffective portion is recognized immediately in the statements of income. Amounts accumulated in other comprehensive income are transferred to the statements of income in the periods when the hedged item affects net income. When a forecasted transaction that is hedged results in the recognition of a non-financial asset or liability, such as inventory, the amounts are included in the measurement of the cost of the related asset or liability. The deferred amounts are ultimately recognized in the statements of income.

Hedges of net investments are accounted for similarly to cash flow hedges, with unrealized gains and losses recognized, net of tax, in other comprehensive income. Amounts included in other comprehensive income are transferred to the statements of income in the period when the foreign operation is disposed of or sold.

(s) Share-based payments

Share-based payments are valued based on the grant date fair value of these awards and the Company records compensation expense over the corresponding service period. The fair value of the share-based payments is determined using acceptable valuation techniques.

The Company has issued stock options to purchase subordinate voting shares, RSUs, and PSUs under its equity incentive plans, prior to the public offering on March 21, 2017 (the “Legacy Plan”) and subsequently (the “Omnibus Plan”). All Legacy Plan options have fully vested or been cancelled prior to the year ended March 31, 2024. Under the terms of the Omnibus Plan, options are granted to certain executives of the Company with vesting, generally over four years, contingent upon meeting the service conditions of the Omnibus Plan. The compensation expense related to the options, RSUs, and PSUs is recognized ratably over the requisite service period, provided it is probable that the vesting conditions will be achieved and the occurrence of the exit event, if applicable, is probable.

Note 3. Significant accounting judgments, estimates, and assumptions

The preparation of the consolidated financial statements requires management to make estimates and judgments in applying the Company's accounting policies that affect the reported amounts and disclosures made in the consolidated financial statements and accompanying notes.

Estimates and assumptions are used mainly in determining the measurement of balances recognized or disclosed in the consolidated financial statements and are based on a set of underlying data that may include management's historical experience, knowledge of current events and conditions and other factors that are believed to be reasonable under the circumstances. Management continually evaluates the estimates and judgments it uses. These estimates and judgments have been applied in a manner consistent with prior periods and there are no known trends, commitments, events or uncertainties that we believe will materially affect the methodology or assumptions utilized in making these estimates and judgments in these financial statements.

The following are the accounting policies subject to judgments and key sources of estimation uncertainty that the Company believes could have the most significant impact on the amounts recognized in the consolidated financial statements.

Functional currency

Judgments Made in Relation to Accounting Policies Applied: The Company assesses the relevant factors related to the primary economic environment in which its entities operate to determine the functional currency. Where the assessment of primary indicators is mixed, management assesses the secondary indicators, including the relationship between the foreign operations and reporting entity.

Income and other taxes

Key Sources of Estimation: In determining the recoverable amount of deferred tax assets, the Company forecasts future taxable income by legal entity and the period in which the income occurs to ensure that sufficient taxable income exists to utilize the attributes. Inputs to those projections are Board-approved financial forecasts and statutory tax rates.

Judgments Made in Relation to Accounting Policies Applied: The calculation of current and deferred income taxes requires management to make certain judgments regarding the tax rules in jurisdictions where the Company performs activities. Application of judgments is required regarding the classification of transactions and in assessing probable outcomes of claimed deductions including expectations about future operating results, the timing and reversal of temporary differences and possible audits of income tax and other tax filings by the tax authorities.

Trade receivables

Key Sources of Estimation: The Company has a significant number of customers which minimizes the concentration of credit risk. The Company does not have any customers which account for more than 10% of sales or accounts receivable. Ongoing estimates are made relating to the ability to collect our accounts receivable and maintain an allowance for estimated credit losses resulting from the inability of our customers to make required payments. In determining the amount of expected credit losses, the Company considers the historical level of credit losses and makes judgments about the creditworthiness of significant customers based on ongoing credit evaluations.

Inventories

Key Sources of Estimation: Inventories are carried at the lower of cost and net realizable value. In estimating net realizable value, the Company uses estimates related to fluctuations in inventory levels, planned production, customer behaviour, obsolescence, future selling prices, seasonality and costs necessary to sell the inventory. Inventory is adjusted to reflect shrinkage incurred since the last inventory count. Shrinkage is based on historical experience.

Leases

Judgments Made in Relation to Accounting Policies Applied: The Company exercises judgment when contracts are entered into that may give rise to a right-of-use asset that would be accounted for as a lease. Judgment is required in determining the appropriate lease term on a lease by lease basis. The Company considers all facts and circumstances that create an economic incentive to exercise a renewal option or to not exercise a termination option at inception and over the term of the lease, including investments in major leaseholds, operating performance, and changed circumstances. The periods covered by renewal or termination options are only included in the lease term if the Company is reasonably certain to exercise that option. Changes in the economic environment or changes in the retail industry may impact the assessment of the lease term and any changes in the estimate of lease terms may have a material impact on the Company's statement of financial position.

Key Sources of Estimation: The critical assumptions and estimates used in determining the present value of future lease payments require the Company to estimate the incremental borrowing rate specific to each leased asset or portfolio of leased assets. Management determines the incremental borrowing rate of each leased asset or portfolio of leased assets by incorporating the Company's creditworthiness, the security, term, and value of the underlying leased asset, and the economic environment in which the leased asset operates. The incremental borrowing rates are subject to change mainly due to macroeconomic changes in the environment.

Impairment of non-financial assets (goodwill, intangible assets, property, plant & equipment, and right-of-use assets)

Judgments Made in Relation to Accounting Policies Applied: Management is required to use judgment in determining the grouping of assets to identify their CGUs for the purposes of testing non-financial assets for impairment. Judgment is further required to determine appropriate groupings of CGUs for the level at which goodwill and intangible assets are tested for impairment. For the purpose of goodwill and intangible assets impairment testing, CGUs are grouped at the lowest level at which goodwill and intangible assets are monitored for internal management purposes. Judgment is also applied in allocating the carrying amount of assets to CGUs. In addition, judgment is used to determine whether a triggering event has occurred requiring an impairment test to be completed. The Company has concluded that it has 12 CGUs (April 2, 2023 - 11 CGUs) and tests impairment of non-financial assets on that basis.

Key Sources of Estimation: In determining the recoverable amount of a CGU or a group of CGUs, various estimates are employed. The Company determines value-in-use by using estimates including projected future revenues, margins, costs, and capital investment consistent with strategic plans presented to the Board of Directors. Fair value less costs of disposal are estimated with reference to observable market transactions. Discount rates are consistent with external industry information reflecting the risk associated with the Company and its cash flows.

Warranty

Key Sources of Estimation: The critical assumptions and estimates used in determining the warranty provision at the statement of financial position date are: the number of jackets expected to require repair or replacement; the proportion to be repaired versus replaced; the period in which the warranty claim is expected to occur; the cost to repair a jacket; the cost to replace a jacket, and the risk-free rate used to discount the provision to present value.

Financial instruments

Key Sources of Estimation: The critical assumptions and estimates used in determining the fair value of financial instruments are: equity prices; future interest rates; the relative creditworthiness of the Company to its counterparties; estimated future cash flows; discount rates, and volatility utilized in option valuations.

Share-based payments

Key Sources of Estimation: Compensation expense for share-based compensation granted is measured at the fair value at the grant date using the Black Scholes option pricing model for the year ended March 31, 2024. The critical assumptions used under both of these option valuation models at the grant date are: stock price valuation; exercise price; risk-free interest rate; expected time to exercise in years; expected dividend yield, and volatility.

Consolidation

Judgments Made in Relation to Accounting Policies Applied: The Company uses judgment in determining the entities that it controls and therefore consolidates. The Company controls an entity when the Company has the existing rights that give it the current ability to direct the activities that significantly affect the entity’s returns. Judgment is applied in determining whether the Company controls the entities in which it does not have full ownership rights. Most often, judgment involves reviewing contractual rights to determine if rights are participating (giving power over the entity) or protective rights (protecting the Company’s interest without giving it power).

Note 4. Changes in accounting policies

Standards issued and not yet adopted

Certain new standards, amendments, and interpretations to existing IFRS standards have been published but are not yet effective and have not been adopted early by the Company. Management anticipates that pronouncements will be adopted in the Company's accounting policy for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments, and interpretations is provided below.

In January 2020, the IASB issued an amendment to IAS 1, *Presentation of Financial Statements* ("IAS 1") to clarify its requirements for the presentation of liabilities in the statement of financial position. The limited scope amendment affected only the presentation of liabilities in the statement of financial position and not the amount or timing of its recognition. The amendment clarified that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period and specified that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. It also introduced a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. On October 31, 2022, the IASB issued Non-Current Liabilities with Covenants (Amendments to IAS 1). These amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. The amendment is effective for annual reporting periods beginning on or after January 1, 2024. Earlier application is permitted, however the Company has elected not to early adopt this amendment. The Company has performed an initial assessment on the impact of the amendment and the Company expects that adoption will result in a reclassification of the non-current portion of warranty provisions to be reported as current in nature, based on the terms and conditions of the Company's warranty program. The impact is expected to be material in the consolidated statements of financial position.

Standards issued and adopted

In February 2021, the IASB issued narrow-scope amendments to IAS 1, IFRS Practice Statement 2, *Making Materiality Judgements* and IAS 8, *Accounting Polices, Changes in Accounting Estimates and Errors*. The amendments require the disclosure of material accounting policy information rather than disclosing significant accounting policies and clarified how to distinguish changes in accounting policies from changes in accounting estimates. Beginning April 3, 2023, the Company adopted the amendments. The adoption of the amendments did not have a material impact on the Annual Financial Statements.

In May 2023, the IASB issued International Tax Reform, Pillar Two Model Rules, Amendments to IAS 12, *Income Taxes* (the "Amendments"). The Amendments provide the Company with an exception from recognition and disclosure requirements for deferred tax assets and liabilities arising from the OECD Pillar Two international tax reform. The mandatory temporary exception has been adopted by the Company.

(in millions of Canadian dollars, except share and per share data)

Note 5. Business combinations

Transactions during the year ended March 31, 2024

On November 1, 2023, a newly incorporated subsidiary of the Company, Paola Confectii Manufacturing Limited ("Paola Confectii"), acquired the business of Paola Confectii SRL, a luxury knitwear manufacturer for total cash consideration of $15.9m. This acquisition is expected to enhance product margins and supply control, while deepening in-house product expertise and capability.

The aggregate purchase consideration for the business combination is as follows:

	$
Cash	16.4
Working capital adjustments	(0.5)
Total purchase consideration	**15.9**

Management determined that the assets and substantive processes comprised a business and therefore accounted for the transaction as a business combination under IFRS 3, *Business Combinations* using the acquisition method of accounting. Under the acquisition method, assets and liabilities of the acquiree are recorded at their fair values.

Assets acquired and liabilities assumed have been recorded at the date of acquisition as follows:

	$
Assets acquired	
Trade receivables	7.2
Inventories	1.6
Prepaid expenses	0.1
Property, plant and equipment	2.6
Intangible assets	
Customer list	3.5
Brand	1.0
Right-of-use assets	1.2
Goodwill	8.3
Accounts payable and accrued liabilities	(8.4)
Lease liability	(1.2)
Total assets acquired, net of liabilities assumed	**15.9**

The determination of the fair value of assets acquired and liabilities assumed is based on estimates and certain assumptions with respect to the fair values of the assets acquired and liabilities assumed that were finalized as at the reporting date, within one year of the acquisition.

Goodwill of $8.3m was recognized as the excess of the acquisition cost over the fair value of net identifiable assets at the date of acquisition. Goodwill is mainly attributable to the strengthening of our vertically integrated supply chain and expected future growth potential of the knitwear category. Goodwill recognized is not expected to be deductible for income tax purposes.

Identifiable intangible assets acquired consist of the customer list and brand. The fair value of the customer list was $3.5m, measured using the multi-period excess earnings method, which will be amortized over a 4-year period on a straight-line basis. The fair value of the brand was $1.0m, measured using the relief-from-royalty method.

In connection with the business combination, subject to the controlling shareholders of Paola Confectii SRL ("PCML Vendors") remaining employees through November 1, 2025, a further amount is payable to the PCML Vendors if certain performance conditions are met based on financial results (“Earn-Out”). The estimated value is calculated as a pre-determined percentage of net equity value, determined as a multiple of EBITDA and EBITDA margin for the fiscal year ending March 30, 2025, subject to a floor, less net debt adjustments. As at the reporting date, the estimated value of the payout was $7.4m. The Company recognized the amount payable to the PCML Vendors as a separate transaction that was not included in applying the acquisition method as the amount reflects remuneration for future services to be performed conditional on employment until November 1, 2025, and therefore this amount will be expensed over two years.

The Company incurred $0.8m in transaction related costs which are included in SG&A expenses in the consolidated statements of income and comprehensive income for the year ended March 31, 2024.

Paola Confectii’s results are consolidated into the Company’s financial results effective from the date of acquisition and are presented in the Company’s Other operating segment. The results of Paola Confectii were not significant for the period beginning on the date of acquisition and ended on March 31, 2024 and would not have been either during fiscal 2024 if the acquisition had occurred as of the beginning of the fiscal year.

The PCML Vendors are employed as members of key management and continue to lead and maintain regular operations at Paola Confectii. The Earn-Out to the PCML Vendors and transactions with one of the PCML Vendors in connection with the acquisition for the lease of the manufacturing facility are related party transactions as they have been retained as employees of the Company. See *“Note 20. Related Party Transactions”* for more details.

Transactions during the year ended April 2, 2023

The Company and a former distributor of the Company's products in Japan, Sazaby League, Ltd. ("Sazaby League"), entered into an agreement (the "Joint Venture Agreement") to form a joint venture (the “Japan Joint Venture”) pursuant to which the Company acquired 50% of the issued and outstanding voting shares of the legal entity comprising the joint venture, Canada Goose Japan, K.K. (“CG Japan”), on April 4, 2022. CG Japan was established to market, distribute and sell Canada Goose products, and to operate retail stores and e-Commerce in Japan.

Prior to the establishment of CG Japan, the Company sold its products to Sazaby League. The majority of sales historically occurred in the first and second quarters and were recorded in the Wholesale operating segment. Subsequent to the transaction, the Company has consolidated the results of CG Japan and revenue and results of operations will be aligned to the respective operating segments and are expected to occur more in line with the seasonality of the Company's Wholesale and DTC segments.

(in millions of Canadian dollars, except share and per share data)

Management performed an analysis under IFRS 10, *Consolidated Financial Statements* and since the Company has the power to direct the relevant activities of CG Japan, is exposed to variable returns, and can use its power to influence those returns, management determined that the Company has control over CG Japan for accounting purposes. In addition, management performed an analysis under IFRS 3, *Business Combinations* and has determined that the Company is the acquirer of CG Japan. Management determined that the assets and processes acquired comprised a business and therefore, accounted for the transaction as a business combination using the acquisition method of accounting. Under the acquisition method, assets and liabilities of the acquiree are recorded at their fair values.

The Company paid cash consideration to CG Japan of JPY250.0m ($2.6m) plus deferred contingent consideration to the non-controlling shareholder with an estimated fair value of JPY1,958.9m ($20.0m) resulting in total consideration of JPY2,208.9m ($22.6m). The deferred contingent consideration is payable if an agreed cumulative adjusted EBIT target is not reached through the period ended June 30, 2026. The fair value of the applicable contingent consideration is determined based on the estimated financial outcome and the resulting expected contingent consideration to be paid, discounted using an appropriate rate. As at April 4, 2022, the contingent consideration amount was recorded in other long-term liabilities. The amount of contingent consideration is remeasured at its fair value each reporting period, with changes in fair value recorded in the consolidated statements of income and comprehensive income.

The Company incurred $1.3m in transaction related costs which are included in SG&A expenses in the consolidated statements of income and consolidated statements of comprehensive income for the year ended April 2, 2023. For the year ended April 3, 2022, the Company incurred $0.7m in transaction related costs.

(in millions of Canadian dollars, except share and per share data)

Assets acquired and liabilities assumed have been recorded based on the final valuation of their fair values at the date of acquisition as follows:

	$
Assets acquired	
Cash	5.4
Inventories	27.3
Property, plant and equipment	1.2
Intangible assets	14.9
Right-of-use assets	3.3
Goodwill	10.8
Other assets	2.4
	65.3
Liabilities assumed	
Bank loan	19.4
Lease liabilities	3.2
Warranty provision	0.3
	22.9
Total identifiable net assets acquired	42.4
Less: Deferred tax liability	(8.1)
Less: Non-controlling interests	(11.7)
Net assets acquired	22.6
Consideration	
Cash paid	2.6
Contingent consideration	20.0
Total purchase consideration	22.6
Cash consideration paid	(2.6)
Plus: Cash balance acquired	5.4
Net cash inflow on business combination	2.8

The determination of the fair value of assets acquired and liabilities assumed is based on estimates and certain assumptions with respect to the fair values of the assets acquired and liabilities assumed that were finalized as at April 2, 2023, within one year of the acquisition.

Goodwill is calculated as the difference between total consideration and the fair value of the net assets acquired and is attributable to expected synergies between CG Japan and the Company's existing operations. Goodwill of $10.8m was recognized as the excess of the acquisition cost over the fair value of net identifiable assets at the date of acquisition. Goodwill recognized is not expected to be deductible for income tax purposes. Intangible assets of $14.9m relate to the fair value of the customer list and reacquired distribution rights of the Japan market, which will be amortized over a 10-year period.

The fair value of property, plant and equipment and right-of-use assets was based on management's assessment of the acquired assets' condition, as well as an evaluation of the current market value for such assets. In addition, the Company considered the length of time over which the economic benefit of these assets is expected to be realized and estimated the useful life of such assets as of the acquisition date. The fair value of inventories has been measured at net realizable value, less cost to sell.

CG Japan's results are consolidated into the Company's financial results effective April 4, 2022. For the year ended April 2, 2023, CG Japan contributed approximately $54.0m to the Company's consolidated revenue and $1.0m to the Company's operating income.

In connection with the business combination, the Joint Venture Agreement includes a put option that allows the non-controlling shareholder to sell its 50% interest to the Company within six months after certain circumstances constituting a "put option trigger" event occur. If the put option is not exercised during such six-month period, the put option will expire. The Company established a financial liability for the put option in respect of non-controlling interests. The fair value of the put option is classified as Level 3 within IFRS 13, *Fair value measurement*. As at April 4, 2022, the fair value of the put option held in Japanese yen by the non-controlling shareholder was recorded in other long-term liabilities in the amount of JPY2,076.4m ($21.2m).

The Company recorded the put option liability based on the present value of the amount expected to be paid to the non-controlling shareholder if exercised. Subsequently, the put option liability is adjusted to reflect changes in the present value of the amount that could be required to be paid at each reporting date, with fluctuations being recorded within the Company's consolidated statements of income, until it is exercised or expires.

Note 6. Segment information

The Company has three reportable operating segments: DTC, Wholesale, and Other. The Company measures each reportable operating segment's performance based on revenue and segment operating income (loss), which is the profit metric utilized by the Company's chief operating decision maker, the Chairman and Chief Executive Officer, for assessing the performance of operating segments. No single customer contributed 10 per cent or more to the Company's revenue for the years ended March 31, 2024, April 2, 2023, and April 3, 2022.

As at March 31, 2024, the performance measure for our Other segment was revised to exclude corporate general and administrative expenses; these expenses are now presented as a reconciling item to the Company's consolidated operating income. This change in segment reporting was made to improve the understanding of financial performance in the Other segment.

Corporate expenses comprises costs that do not occur through the DTC, Wholesale, or Other segments, including the cost of marketing expenditures to build brand awareness across all segments, management overhead costs in support of manufacturing operations, other corporate costs, and foreign exchange gains and losses not specifically associated with segment operations.

(in millions of Canadian dollars, except share and per share data)

The following table presents key performance information of the Company's reportable operating segments:

	Year ended		
	March 31, 2024	April 2, 2023	April 3, 2022
	$	$	$
Revenue			
DTC	950.7	807.3	740.4
Wholesale	312.3	373.8	348.5
Other	70.8	35.9	9.5
Total segment revenue	1,333.8	1,217.0	1,098.4
Operating income (loss)		*Reclassified*	*Reclassified*
DTC	387.1	347.4	322.9
Wholesale	114.0	131.2	121.5
Other	14.0	10.5	4.1
Total segment operating income	515.1	489.1	448.5

The following table reconciles the Company's reportable segment operating income to income before income taxes:

	Year ended		
	March 31, 2024	April 2, 2023	April 3, 2022
	$	$	$
Total segment operating income	515.1	489.1	448.5
Corporate expenses	(390.6)	(341.5)	(289.0)
Total operating income	124.5	147.6	159.5
Net interest, finance and other costs	48.8	54.1	41.8
Income before incomes taxes	75.7	93.5	117.7

(in millions of Canadian dollars, except share and per share data)

The following table summarizes depreciation and amortization in SG&A expenses of each reportable operating segment and depreciation and amortization included in corporate expenses:

	Year ended		
	March 31, 2024	**April 2, 2023**	**April 3, 2022**
	$	**$**	**$**
Depreciation and amortization expense			
DTC	96.5	81.6	78.1
Wholesale	3.9	3.9	2.3
Other	—	—	—
Total segment depreciation and amortization expense	100.4	85.5	80.4
Corporate expenses	15.8	14.9	8.3
Total depreciation and amortization expense	116.2	100.4	88.7

Geographic information

The Company determines the geographic location of revenue based on the location of its customers.

	Year ended		
	March 31, 2024	**April 2, 2023**	**April 3, 2022**
	$	**$**	**$**
Canada	246.3	241.0	213.1
United States	324.6	340.2	305.9
North America	570.9	581.2	519.0
Greater China[1]	422.2	287.3	288.8
Asia Pacific (excluding Greater China[1])	84.7	66.9	38.3
Asia Pacific	506.9	354.2	327.1
EMEA[2]	256.0	281.6	252.3
Total revenue	**1,333.8**	**1,217.0**	**1,098.4**

1. *Greater China comprises Mainland China, Hong Kong, Macau, and Taiwan.*
2. *EMEA comprises Europe, the Middle East, Africa, and Latin America.*

(in millions of Canadian dollars, except share and per share data)

The Company's non-current, non-financial assets (comprising of property, plant and equipment, intangible assets and right-of-use assets) are geographically located as follows:

	Year ended	
	March 31, 2024	**April 2, 2023**
	$	**$**
Canada	222.1	232.9
United States	140.7	111.7
North America	362.8	344.6
Greater China[1]	63.6	73.6
Asia Pacific (excluding Greater China[1])	34.1	33.1
Asia Pacific	97.7	106.7
EMEA[2]	126.2	131.6
Non-current, non-financial assets	586.7	582.9

1. *Greater China comprises Mainland China, Hong Kong, Macau, and Taiwan.*
2. *EMEA comprises Europe, the Middle East, Africa, and Latin America.*

Note 7. Income taxes

The components of the provision for income tax are as follows:

	Year ended		
	March 31, 2024	**April 2, 2023**	**April 3, 2022**
Current income tax expense	**$**	**$**	**$**
Current period	15.4	44.0	35.6
Adjustment in respect of prior periods	9.5	(1.9)	(0.4)
	24.9	42.1	35.2
Deferred income tax recovery			
Origination and reversal of temporary differences	(0.8)	(18.5)	(11.9)
Effect of change in income tax rates	(0.2)	(0.6)	—
Adjustment in respect of prior periods	(6.3)	1.6	(0.2)
	(7.3)	(17.5)	(12.1)
Income tax expense	17.6	24.6	23.1

(in millions of Canadian dollars, except share and per share data)

The effective income tax rates differ from the weighted average basic Canadian federal and provincial statutory income tax rates for the following reasons:

	Year ended		
	March 31, 2024	**April 2, 2023**	**April 3, 2022**
	$	**$**	**$**
Income before income taxes	75.7	93.5	117.7
Expected Statutory Rate	*25.5 %*	*25.3 %*	*25.4 %*
Income tax at expected statutory rate	19.3	23.7	29.8
Non-deductible (taxable) items	(0.1)	0.8	(0.8)
Non-deductible stock option expense	1.7	3.0	2.9
Effect of foreign tax rates	(10.3)	(10.0)	(14.6)
Non-deductible (taxable) remeasurement of contingent consideration and put option	1.4	2.4	—
Non-deductible (taxable) foreign exchange loss (gain)	0.9	1.4	0.2
Change in tax rates	(0.2)	(0.4)	0.1
Change in deferred tax asset not recognized	1.7	4.1	6.1
Adjustments in respect of prior years	3.2	(0.4)	(0.6)
Income tax expense	17.6	24.6	23.1

Pillar Two legislation has been enacted or substantively enacted locally in a number of jurisdictions in which the Company operates in, where they would be effective for financial year beginning on April 1, 2024. Based on a preliminary assessment, the Pillar Two effective tax rate in most of the jurisdictions in which the company operates in, is above 15%. As a result, any impact of these rules is not expected to be material. However, the Company will continue to monitor and reassess the impact of the Pillar Two rules.

(in millions of Canadian dollars, except share and per share data)

The change in the year in the components of deferred tax assets and liabilities are as follows:

	April 2, 2023	Change in the year affecting Net income	Foreign exchange translation	Other comprehensive income (loss)	March 31, 2024
	$	$	$	$	$
Losses carried forward	11.5	15.5	—	—	27.0
Employee future benefits	0.1	—	—	0.1	0.2
Other liabilities	1.9	5.0	0.8	—	7.7
Inventory capitalization	6.8	(4.2)	—	—	2.6
Capital lease	9.3	3.0	—	—	12.3
Tax relief from Swiss tax reform	7.6	(5.9)	—	—	1.7
Unrealized profit in inventory	36.9	(1.6)	0.1	—	35.4
Provisions and other temporary differences	7.6	0.4	—	—	8.0
Total deferred tax asset	81.7	12.2	0.9	0.1	94.9
Unrealized foreign exchange	(3.1)	0.7	—	(0.3)	(2.7)
Intangible assets	(18.8)	(0.8)	—	—	(19.6)
Property, plant and equipment	(8.7)	(4.8)	—	—	(13.5)
Total deferred tax liabilities	(30.6)	(4.9)	—	(0.3)	(35.8)
Net deferred tax assets (liabilities)	51.1	7.3	0.9	(0.2)	59.1

The change in deferred tax assets and liabilities as presented in the statement of financial position are as follows:

	April 2, 2023	Changes in the year affecting Net income	Foreign exchange translation	Other comprehensive loss	March 31, 2024
	$	$	$	$	$
Deferred tax assets	67.5	8.8	0.2	(0.2)	76.3
Deferred tax liabilities	(16.4)	(1.5)	0.7	—	(17.2)
	51.1	7.3	0.9	(0.2)	59.1

Available deferred income tax assets related to capital losses, and Swiss tax relief in the amount of $0.5m and $31.8m, respectively, were not recognized as it is not probable that future taxable income will be available to the Company to utilize the benefits.

The corporate entities within the Company have the following tax-loss carry-forwards that are expected to expire in the following years, if not utilized.

	$
2040 and prior	13.1
2041	8.8
2042	8.5
2043	7.5
2044	8.1
	46.0

An additional $52.2m of operating losses can be carried forward indefinitely.

(in millions of Canadian dollars, except share and per share data)

As at March 31, 2024, deferred income taxes have not been provided on $419.8m (April 2, 2023 - $417.7m, April 3, 2022 - $356.4m) of undistributed earnings of foreign subsidiaries, as the Company has concluded that such earnings should not give rise to additional tax liabilities upon repatriation or are indefinitely reinvested.

As at March 31, 2024, in addition to the amount charged to profit or loss and other comprehensive income, no tax recovery was recognized directly in equity related to excess tax deductions on share-based payments for stock options exercised (April 2, 2023 - $nil, April 3, 2022 - $nil). No tax expense was reversed out of equity related to reduction of expected tax deductions on issuance of RSU and PSU (April 2, 2023 - $nil and $nil, respectively, April 3, 2022 - $0.2m and $nil, respectively).

Note 8. Earnings per share

The following table presents details for the calculation of basic and diluted earnings per share:

			Year ended
	March 31, 2024	**April 2, 2023**	**April 3, 2022**
	$	**$**	**$**
Net income attributable to shareholders of the Company	58.4	72.7	94.6
Weighted average number of multiple and subordinate voting shares outstanding	100,816,758	105,058,643	108,296,802
Weighted average number of shares on exercise of stock options, RSUs and PSUs[1]	1,006,315	563,669	857,919
Diluted weighted average number of multiple and subordinate voting shares outstanding	101,823,073	105,622,312	109,154,721
Earnings per share attributable to shareholders of the Company			
Basic	$ 0.58	$ 0.69	$ 0.87
Diluted	$ 0.57	$ 0.69	$ 0.87

[1] Subordinate voting shares issuable on exercise of stock options are not treated as dilutive if including them would decrease the loss per share, or if the weighted average daily closing share price for the period was greater than the exercise price. As at March 31, 2024, there were 3,904,366 shares (April 2, 2023 - 2,231,231 shares, April 3, 2022 - 1,475,545 shares) that were not taken into account in the calculation of diluted earnings per share because their effect was anti-dilutive.

(in millions of Canadian dollars, except share and per share data)

Note 9. Trade receivables

	March 31, 2024	April 2, 2023
	$	$
Trade accounts receivable	57.1	30.4
Credit card receivables	3.7	2.5
Other receivables	12.3	19.5
	73.1	52.4
Less: expected credit loss and sales allowances	(2.7)	(1.5)
Trade receivables	70.4	50.9

The following are the continuities of the Company's expected credit loss and sales allowances deducted from trade receivables:

	March 31, 2024			April 2, 2023		
	Expected credit loss	Sales allowances	Total	Expected credit loss	Sales allowances	Total
	$	$	$	$	$	$
Balance at the beginning of the year	(0.4)	(1.1)	(1.5)	(0.3)	(0.8)	(1.1)
Losses recognized	(1.8)	—	(1.8)	(0.1)	(0.3)	(0.4)
Amounts settled or written off during the year	0.1	0.5	0.6	—	—	—
Balance at the end of the year	(2.1)	(0.6)	(2.7)	(0.4)	(1.1)	(1.5)

Note 10. Inventories

	March 31, 2024	April 2, 2023
	$	$
Raw materials	48.4	60.3
Work in progress	25.8	17.5
Finished goods	371.0	394.8
Total inventories at the lower of cost and net realizable value	445.2	472.6

Inventories are written down to net realizable value when the cost of inventories is estimated to be unrecoverable due to obsolescence, damage, or declining rate of sale.

(in millions of Canadian dollars, except share and per share data)

The breakdown of the provision for obsolescence is presented as follows:

	March 31, 2024	April 2, 2023
	$	$
Raw material shrink reserves	0.1	0.2
Finished goods shrink reserves	0.9	0.4
Raw material obsolete inventory reserves	22.1	20.5
Finished goods obsolete inventory reserves	37.7	22.1
Provision for obsolescence	60.8	43.2

Amounts charged to cost of sales comprise the following:

			Year ended
	March 31, 2024	April 2, 2023	April 3, 2022
	$	$	$
Cost of goods manufactured	405.5	392.1	350.1
Depreciation and amortization included in costs of sales	10.9	9.7	14.7
Cost of sales	416.4	401.8	364.8

Note 11. Property, plant and equipment

The following table presents changes in the cost and the accumulated depreciation on the Company's property, plant and equipment:

	Plant equipment	Computer equipment	Leasehold improvements	Show displays	Furniture and fixtures	In progress	Total
Cost	$	$	$	$	$	$	$
April 3, 2022	30.9	12.8	125.1	9.4	34.8	4.1	217.1
Additions	—	0.9	8.8	—	2.2	63.3	75.2
Additions from business combinations (note 5)	—	—	0.9	—	0.3	—	1.2
Disposals	—	(0.1)	(1.0)	—	(0.1)	—	(1.2)
Transfers	1.1	1.5	15.5	1.6	1.6	(21.3)	—
Impact of foreign currency translation	—	0.2	2.1	0.4	1.0	0.4	4.1
April 2, 2023	32.0	15.3	151.4	11.4	39.8	46.5	296.4
Additions	0.2	1.9	11.5	0.2	3.7	42.9	60.4
Additions from business combinations (note 5)	2.4	0.1	0.1	—	—	—	2.6
Disposals	(0.1)	(0.3)	(6.4)	(1.0)	(1.1)	(0.1)	(9.0)
Transfers	2.9	4.4	70.4	(0.4)	7.7	(85.0)	—
Impact of foreign currency translation	(0.1)	(0.1)	(1.8)	0.1	(0.4)	(0.2)	(2.5)
March 31, 2024	37.3	21.3	225.2	10.3	49.7	4.1	347.9

(in millions of Canadian dollars, except share and per share data)

	Plant equipment	Computer equipment	Leasehold improvements	Show displays	Furniture and fixtures	In progress	Total
Accumulated depreciation	$	$	$	$	$	$	$
April 3, 2022	12.1	9.3	53.9	7.3	20.3	—	102.9
Depreciation	3.2	2.7	23.1	1.1	7.3	—	37.4
Disposals	—	(0.1)	(1.0)	—	(0.1)	—	(1.2)
Impairment losses	—	—	0.2	—	—	—	0.2
Impact of foreign currency translation	—	0.2	(0.1)	0.3	0.7	—	1.1
April 2, 2023	15.3	12.1	76.1	8.7	28.2	—	140.4
Depreciation	3.7	3.4	30.2	1.2	6.9	—	45.4
Disposals	(0.1)	(0.2)	(6.4)	(1.0)	(1.0)	—	(8.7)
Impairment losses	—	—	0.2	—	—	—	0.2
Impact of foreign currency translation	—	—	(1.0)	—	(0.2)	—	(1.2)
March 31, 2024	18.9	15.3	99.1	8.9	33.9	—	176.1
Net book value							
April 2, 2023	16.7	3.2	75.3	2.7	11.6	46.5	156.0
March 31, 2024	18.4	6.0	126.1	1.4	15.8	4.1	171.8

Impairment losses for the years ended March 31, 2024 and April 2, 2023 were booked within the DTC segment as part of SG&A expenses in the statements of income.

Note 12. Intangible assets

Intangible assets comprise the following:

	March 31, 2024	April 2, 2023
	$	$
Intangible assets with finite lives	18.3	19.3
Intangible assets with indefinite lives:		
Brand name	116.5	115.5
Domain name	0.3	0.3
	135.1	135.1

(in millions of Canadian dollars, except share and per share data)

The following table presents the changes in cost and accumulated amortization of the Company's intangible assets with finite lives:

	Intangible assets with finite lives				
	Software	**Intellectual property**	**Customer lists**	**Distribution rights**	**Total**
Cost	**$**	**$**	**$**	**$**	**$**
April 3, 2022	8.5	18.2	—	—	26.7
Additions	1.8	0.1	—	—	1.9
Additions from business combinations (note 5)	—	—	7.7	7.2	14.9
April 2, 2023	10.3	18.3	7.7	7.2	43.5
Additions	0.8	0.1	—	—	0.9
Additions from business combinations (note 5)	—	—	3.5	—	3.5
Disposals	(0.1)	—	—	—	(0.1)
Impact of foreign currency translation	(0.1)	0.1	(0.7)	(0.9)	(1.6)
March 31, 2024	10.9	18.5	10.5	6.3	46.2

	Software	**Intellectual property**	**Customer lists**	**Distribution rights**	**Total**
Accumulated amortization	**$**	**$**	**$**	**$**	**$**
April 3, 2022	3.6	16.7	—	—	20.3
Amortization	1.8	0.7	0.7	0.7	3.9
April 2, 2023	5.4	17.4	0.7	0.7	24.2
Amortization	1.8	0.5	0.8	0.7	3.8
Disposals	(0.1)	—	—	—	(0.1)
Impact of foreign currency translation	—	—	0.1	(0.1)	—
March 31, 2024	7.1	17.9	1.6	1.3	27.9
Net book value					
April 2, 2023	4.9	0.9	7.0	6.5	19.3
March 31, 2024	3.8	0.6	8.9	5.0	18.3

Intellectual property consists of acquired technology, patents and trademarks.

Indefinite life intangible assets

Indefinite life intangible assets recorded by the Company are comprised of the Canada Goose, Baffin, and Paola Confectii brand names, as well as the Canada Goose and Baffin domain names associated with the Company's websites. The Company expects to renew the registration of the brand names and domain names at each expiry date indefinitely, and expects these assets to generate economic benefit in perpetuity. As such, the Company assessed these intangibles to have indefinite useful lives.

(in millions of Canadian dollars, except share and per share data)

The Company completed its annual impairment tests for the years ended March 31, 2024 and April 2, 2023 for indefinite life intangible assets and concluded that there was no impairment.

Key Assumptions

The key assumptions used to calculate the value-in-use ("VIU") are consistent with the assumptions used for goodwill impairment testing (see *"Note 14. Goodwill"* for more details).

Note 13. Leases

Right-of-use assets

The following table presents changes in the cost and the accumulated depreciation of the Company's right-of-use assets:

	Retail stores	Manufacturing facilities	Other	Total
Cost	**$**	**$**	**$**	**$**
April 3, 2022	296.3	36.7	17.4	350.4
Additions	82.8	8.2	39.6	130.6
Additions from business combinations (note 5)	1.5	—	1.8	3.3
Lease modifications	2.4	—	—	2.4
Derecognition on termination	(1.8)	—	(1.0)	(2.8)
Impact of foreign currency translation	15.5	—	0.6	16.1
April 2, 2023	396.7	44.9	58.4	500.0
Additions	29.8	0.2	2.7	32.7
Additions from business combinations (note 5)	—	1.2	—	1.2
Lease modifications	31.9	—	1.8	33.7
Derecognition on termination	(5.1)	(2.1)	(1.8)	(9.0)
Impact of foreign currency translation	(3.0)	—	(0.2)	(3.2)
March 31, 2024	450.3	44.2	60.9	555.4

(in millions of Canadian dollars, except share and per share data)

	Retail stores	Manufacturing facilities	Other	Total
Accumulated depreciation	**$**	**$**	**$**	**$**
April 3, 2022	110.1	15.2	9.9	135.2
Depreciation	55.5	5.4	7.2	68.1
Derecognition on termination	(1.2)	—	(1.0)	(2.2)
Impairment losses	0.8	—	—	0.8
Impact of foreign currency translation	5.9	—	0.4	6.3
April 2, 2023	171.1	20.6	16.5	208.2
Depreciation	63.8	5.5	7.3	76.6
Derecognition on termination	(5.1)	(2.1)	(1.8)	(9.0)
Impairment losses	1.0	—	—	1.0
Impact of foreign currency translation	(1.1)	—	(0.1)	(1.2)
March 31, 2024	229.7	24.0	21.9	275.6
Net book value				
April 2, 2023	225.6	24.3	41.9	291.8
March 31, 2024	220.6	20.2	39.0	279.8

Impairment losses for the year ended March 31, 2024 and April 2, 2023 were booked within the DTC segment as part of SG&A expenses in the statements of income.

(in millions of Canadian dollars, except share and per share data)

Lease liabilities

The following table presents the changes in the Company's lease liabilities:

	Retail stores	Manufacturing facilities	Other	Total
	$	$	$	$
April 3, 2022	217.2	24.8	8.7	250.7
Additions	82.1	8.2	39.6	129.9
Additions from business combinations (note 5)	1.5	—	1.7	3.2
Lease modifications	2.4	—	—	2.4
Derecognition on termination	(0.7)	—	—	(0.7)
Principal payments	(54.5)	(5.3)	(2.4)	(62.2)
Impact of foreign currency translation	11.2	—	0.3	11.5
April 2, 2023	259.2	27.7	47.9	334.8
Additions	29.7	0.2	2.3	32.2
Additions from business combinations (note 5)	—	1.2	—	1.2
Lease modifications	31.9	—	1.8	33.7
Principal payments	(63.0)	(5.3)	(0.9)	(69.2)
Impact of foreign currency translation	(2.1)	—	(0.1)	(2.2)
March 31, 2024	255.7	23.8	51.0	330.5

Lease liabilities are classified as current and non-current liabilities as follows:

	Retail stores	Manufacturing facilities	Other	Total
	$	$	$	$
Current lease liabilities	64.7	6.1	5.3	76.1
Non-current lease liabilities	194.5	21.6	42.6	258.7
April 2, 2023	259.2	27.7	47.9	334.8
Current lease liabilities	65.8	6.3	7.8	79.9
Non-current lease liabilities	189.9	17.5	43.2	250.6
March 31, 2024	255.7	23.8	51.0	330.5

In the year ended March 31, 2024, $39.6m of lease payments were not included in the measurement of lease liabilities (April 2, 2023 - $23.5m, April 3, 2022 - $21.5m). The majority of these balances related to short-term leases and variable rent payments, net of rent concessions, which are expenses as incurred.

(in millions of Canadian dollars, except share and per share data)

Note 14. Goodwill

Goodwill arising from business combinations is as follows:

	March 31, 2024	April 2, 2023
	$	$
Opening balance	63.9	53.1
Business combination (note 5)	8.3	10.8
Impact of foreign currency translation	(1.4)	—
Goodwill	70.8	63.9

The Company has determined there to be 11 CGUs (April 2, 2023 - 10 CGUs) for which goodwill and indefinite life intangible assets are tested for impairment. The increase in CGUs from the comparative period is attributable to the recognition of goodwill from the Paola Confectii business combination which represents an additional CGU. No other changes were made to the existing CGUs from the previous year. The Company completed its annual impairment tests and concluded that there was no impairment in the years ended March 31, 2024 and April 2, 2023.

The following table outlines the goodwill allocation for the applicable CGUs for the current year:

	March 31, 2024	April 2, 2023
	$	$
North America DTC - Retail	11.7	11.7
North America DTC - e-Commerce	6.6	6.6
North America Wholesale	5.7	5.7
Asia Pacific DTC - Retail	9.8	9.8
Asia Pacific DTC - e-Commerce	2.6	2.6
Asia Pacific Wholesale	3.6	3.6
EMEA[1] DTC - Retail	4.3	4.3
EMEA[1] DTC - e-Commerce	2.8	2.8
EMEA[1] Wholesale	6.0	6.0
Japan Joint Venture[2]	9.4	10.8
Paola Confectii	8.3	—
Goodwill	70.8	63.9

1 *EMEA comprises Europe, the Middle East, Africa, and Latin America.*
2 *Goodwill for the Japan Joint Venture is JPY1,059.3m; year-over-year movement in the balance in Canadian Dollars is due to the impact of foreign exchange translation from JPY to CAD of $1.4m.*

Key Assumptions

The key assumptions used to calculate the VIU are those regarding discount rate, revenue and gross margin growth rates, sales channel mix, and growth in SG&A expenses. These assumptions are considered to be Level 3 in the fair value hierarchy. The goodwill impairment tests resulted in excess of recoverable value over carrying value of at least 23.5% for each CGU. Because the VIU amount exceeds the CGUs' asset carrying amount, the CGU is not impaired and the fair value less costs of disposition has not been calculated.

(in millions of Canadian dollars, except share and per share data)

Cash flow projections were discounted using the Company's weighted average cost of capital, determined to be 12.80% (April 2, 2023 - 12.67%) based on a risk-free rate, an equity risk premium adjusted for betas of comparable publicly traded companies, an unsystematic risk premium, country risk premium, specific risk premium, a cost of debt based on comparable corporate bond yields and the capital structure of the Company. Cash flow projections are based on management's most recent forecasts over a five year period. A long term growth rate of 2% has been applied to cash flows beyond the forecasted period.

Note 15. Accounts payables and accrued liabilities

Accounts payable and accrued liabilities consist of the following:

	March 31, 2024	April 2, 2023
	$	$
Trade payables	57.6	60.1
Accrued liabilities	73.5	82.4
Employee benefits	38.6	21.9
Derivative financial instruments	1.9	3.3
ASPP liability (note 18)	—	20.0
Other payables	6.1	7.9
Accounts payable and accrued liabilities	177.7	195.6

Note 16. Provisions

Provisions consist primarily of amounts recorded with respect to customer warranty obligations, sales returns, and asset retirement obligations.

The provision for warranty claims represents the present value of management's best estimate of the future outflow of economic resources that will be required to meet the Company's obligations for warranties upon the sale of goods, which may include repair or replacement of previously sold products. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes, customer behaviour and expectations, or other events affecting product quality and production.

The sales contract provision relates to management's estimated cost of the departure of certain third-party dealers and distributors.

Sales returns relate primarily to goods sold through the DTC segment which have a limited right of return (typically within 30 days), or exchange only, in certain jurisdictions.

Asset retirement obligations relate to legal obligations associated with the retirement of tangible long-lived assets, primarily for leasehold improvements that the Company is contractually obligated to remove at the end of the lease term. The Company recognizes the liability when such obligations are incurred. The fair value of the liability is estimated based on a number of assumptions requiring management's judgment, including closing costs and inflation rates, and is accreted to its projected future value over time.

(in millions of Canadian dollars, except share and per share data)

	Warranty	Sales returns	Asset retirement obligations	Total
	$	$	$	$
April 3, 2022	29.2	12.9	7.7	49.8
Additional provisions recognized	7.6	10.8	4.1	22.5
Reductions resulting from settlement	(6.4)	(7.5)	—	(13.9)
Release of provisions	—	(1.3)	—	(1.3)
Other	—	0.7	0.3	1.0
April 2, 2023	30.4	15.6	12.1	58.1
Additional provisions recognized	6.6	20.8	2.6	30.0
Reductions resulting from settlement	(6.8)	(16.9)	—	(23.7)
Release of provisions	—	(0.7)	(0.1)	(0.8)
Other	0.1	—	(0.3)	(0.2)
March 31, 2024	30.3	18.8	14.3	63.4

Provisions are classified as current and non-current liabilities based on management's expectation of the timing of settlement, as follows:

	March 31, 2024	April 2, 2023
	$	$
Current provisions	26.1	21.6
Non-current provisions	37.3	36.5
Provisions	63.4	58.1

Note 17. Borrowings

Amendments to borrowings

Effective June 30, 2023, LIBOR rates are no longer published for U.S Dollars. As a result, in the first quarter ended July 2, 2023, the Company transitioned facilities and contracts denominated in U.S dollars applying LIBOR to the Secured Overnight Financing Rate published by the Federal Reserve Bank of New York ("SOFR"). At this time, the Company entered into further amendments to its Revolving Facility (as defined below), Term Loan Facility (as defined below) and the interest rate swaps to transition to SOFR. In connection with the amendments, during the first quarter ended July 2, 2023, the Company also extended the maturity of the Revolving Facility to May 15, 2028 and incurred transaction costs of $0.7m, on the extension of the Revolving Facility, which are being amortized using the effective interest rate method over the new term to maturity. There were no further amendments to borrowings in the year ended March 31, 2024.

See *"Note 22. Financial risk management objectives and policies"* for more details on the amendments to the interest rate swaps.

Revolving Facility

The Company has an agreement with a syndicate of lenders for a senior secured asset-based revolving credit facility ("Revolving Facility") in the amount of $467.5m, with an increase in commitments to $517.5m during the peak season (June 1 - November 30). The Revolving Facility matures on May 15, 2028. Amounts owing under the Revolving Facility may be borrowed, repaid and re-borrowed for general corporate purposes. The Company has pledged substantially all of its assets as collateral for the Revolving Facility. The Revolving Facility contains financial and non-financial covenants which could impact the Company’s ability to draw funds.

The Revolving Facility has multiple interest rate charge options that are based on the Canadian prime rate, Banker's Acceptance rate, the lenders' Alternate Base Rate, European Base Rate, SOFR rate, or EURIBOR rate plus an applicable margin, with interest payable the earlier of quarterly or at the end of the then current interest period (whichever is earlier).

As at March 31, 2024, the Company had repaid all amounts owing on the Revolving Facility (April 2, 2023 - $nil). As at March 31, 2024, no interest and administrative fees remain outstanding (April 2, 2023 - $nil). Deferred financing charges in the amounts of $1.0m (April 2, 2023 - $0.5m), were included in other long-term liabilities. As at and during the year ended March 31, 2024, the Company was in compliance with all covenants.

The Company had unused borrowing capacity available under the Revolving Facility of $203.7m as at March 31, 2024 (April 2, 2023 - $238.4m).

The revolving credit commitment also includes a letter of credit commitment in the amount of $25.0m, with a $5.0m sub-commitment for letters of credit issued in a currency other than Canadian dollars, U.S. dollars, euros or British pounds sterling, and a swingline commitment for $25.0m. As at March 31, 2024, the Company had letters of credit outstanding under the Revolving Facility of $1.5m (April 2, 2023 - $1.8m).

Term Loan

The Company has a senior secured loan agreement with a syndicate of lenders that is secured on a split collateral basis ("Term Loan") alongside the Revolving Facility. The Term Loan has an aggregate principal amount of USD300.0m, with quarterly repayments of USD0.75m on the principal amount and a maturity date of October 7, 2027. Moreover, the Term Loan has an interest rate of SOFR plus a term SOFR adjustment of 0.11448% with an applicable margin of 3.50% payable monthly in arrears. SOFR plus the term SOFR adjustment may not be less than 0.75%.

Voluntary prepayments of amounts owing under the Term Loan may be made at any time without premium or penalty but once repaid may not be reborrowed. As at March 31, 2024, the Company had USD290.3m (April 2, 2023 - USD293.3m) aggregate principal amount outstanding under the Term Loan. The Company has pledged substantially all of its assets as collateral for the Term Loan. The Term Loan contains financial and non-financial covenants which could impact the Company’s ability to draw funds. As at and during the year ended March 31, 2024, the Company was in compliance with all covenants.

As the Term Loan is denominated in U.S. dollars, the Company remeasures the outstanding balance plus accrued interest at each balance sheet date.

(in millions of Canadian dollars, except share and per share data)

The amount outstanding with respect to the Term Loan is as follows:

	March 31, 2024	April 2, 2023
	$	$
Term Loan	393.1	396.3
Unamortized portion of deferred transaction costs	(0.6)	(0.6)
Term Loan, net of unamortized deferred transaction costs	392.5	395.7

Mainland China Facilities

A subsidiary of the Company in Mainland China has two uncommitted loan facilities in the aggregate amount of RMB266.4m ($50.0m) ("Mainland China Facilities"). The term of each draw on the loans is one, three or six months or such other period as agreed upon and shall not exceed 12 months (including any extension or rollover). The interest rate on each facility is equal to loan prime rate of 1 year, minus a marginal rate between 0.35% and 0.45%, and payable at one, three or six months, depending on the term of each draw. Proceeds drawn on the Mainland China Facilities are being used to support working capital requirements and build up of inventory for peak season sales. As at March 31, 2024, the Company had no amounts owing on the Mainland China Facilities (April 2, 2023 - $9.8m (RMB50.0m)).

Japan Facility

A subsidiary of the Company in Japan has a loan facility in the aggregate amount of JPY4,000.0m ($35.8m) ("Japan Facility") with a floating interest rate of Japanese Bankers Association Tokyo Interbank Offered Rate (“JBA TIBOR”) plus an applicable margin of 0.30%. The term of the facility is 12 months and each draw on the facility is payable within the term. Proceeds drawn on the Japan Facility are being used to support build up of inventory for peak season sales. As at March 31, 2024, the Company had $5.4m (JPY600.0m) owing on the Japan Facility (April 2, 2023 - $13.7m (JPY1,350.0m)).

Short-term Borrowings

As at March 31, 2024, the Company has short-term borrowings in the amount of $9.4m. Short-term borrowings include $5.4m (April 2, 2023 - $13.7m) owing on the Japan Facility, and $4.0m (April 2, 2023 - $4.1m) for the current portion of the quarterly principal repayments on the Term Loan. For the year ended April 2, 2023, short-term borrowings included $9.8m on the Mainland China Facilities. Short-term borrowings are all due within the next 12 months.

(in millions of Canadian dollars, except share and per share data)

Net interest, finance and other costs consist of the following:

	Year ended		
	March 31, 2024	**April 2, 2023**	**April 3, 2022**
	$	**$**	**$**
		Reclassified	*Reclassified*
Interest expense			
Mainland China Facilities	0.9	0.5	0.4
Japan Facility	0.1	0.1	—
Revolving Facility	2.8	1.1	1.8
Term Loan	19.9	18.8	17.4
Lease liabilities	17.7	11.6	9.1
Standby fees	1.2	1.8	0.9
Acceleration of unamortized costs on debt extinguishment	—	—	9.5
Foreign exchange losses on Term Loan net of hedges	2.1	12.1	2.8
Fair value remeasurement on the put option liability (note 21)	1.6	10.9	—
Fair value remeasurement on the contingent consideration (note 21)	2.8	(2.9)	—
Interest income	(1.3)	(0.9)	(0.4)
Other costs	1.0	1.0	0.3
Net interest, finance and other costs	48.8	54.1	41.8

Note 18. Shareholders' equity

The authorized and issued share capital of the Company are as follows:

Authorized

The authorized share capital of the Company consists of an unlimited number of subordinate voting shares without par value, an unlimited number of multiple voting shares without par value, and an unlimited number of preferred shares without par value, issuable in series.

Issued

Multiple voting shares **-** Holders of the multiple voting shares are entitled to 10 votes per multiple voting share. Multiple voting shares are convertible at any time at the option of the holder into one subordinate voting share. The multiple voting shares will automatically be converted into subordinate voting shares when they cease to be owned by one of the principal shareholders. In addition, the multiple voting shares of either of the principal shareholders will automatically be converted to subordinate voting shares at such time as the beneficial ownership of that shareholder falls below 15% of the outstanding subordinate voting shares and multiple voting shares outstanding, or additionally, in the case of DTR, when the current Chairman and Chief Executive Officer no longer serves as a director of the Company or in a senior management position.

Subordinate voting shares - Holders of the subordinate voting shares are entitled to one vote per subordinate voting share.

The rights of the subordinate voting shares and the multiple voting shares are substantially identical, except for voting and conversion. Subject to the prior rights of any preferred shares, the holders of subordinate and multiple voting shares participate equally in any dividends declared and share equally in any distribution of assets on liquidation, dissolution, or winding up.

Share capital transactions for the year ended March 31, 2024

Normal course issuer bid for Fiscal 2024

The Board of Directors has authorized the Company to initiate a normal course issuer bid, in accordance with the requirements of the Toronto Stock Exchange, to purchase up to 4,980,505 subordinate voting shares over the 12-month period from November 22, 2023 and ending no later than November 21, 2024 (the "Fiscal 2024 NCIB"). Purchased subordinate voting shares will be cancelled.

In connection with the Fiscal 2024 NCIB, the Company also entered an automatic share purchase plan (the “Fiscal 2024 ASPP”) under which a designated broker may purchase subordinate voting shares under the Fiscal 2024 NCIB during the regularly scheduled quarterly trading blackout periods of the Company. The repurchases made under the Fiscal 2024 ASPP will be made in accordance with certain purchasing parameters and will continue until the earlier of the date in which the Company has acquired the maximum limit of subordinate voting shares pursuant to the Fiscal 2024 ASPP or upon the date of expiry of the Fiscal 2024 NCIB.

During the year ended March 31, 2024, under the Fiscal 2024 NCIB, the Company purchased 3,586,124 subordinate voting shares for cancellation for total cash consideration of $56.9m. The amount to purchase the subordinate voting shares was charged to share capital, with the remaining $48.8m charged to retained earnings. Of the 3,586,124 subordinate voting shares purchased, 3,088,648 were purchased under the Fiscal 2024 ASPP for total cash consideration of $49.6m.

For the trading blackout period relating to the fiscal year ended March 31, 2024, the Company elected not to rely on the Fiscal 2024 ASPP. Therefore, there was no liability due to the designated broker as at March 31, 2024.

Normal course issuer bid for Fiscal 2023

The Board of Directors authorized the Company to initiate a normal course issuer bid, in accordance with the requirements of the Toronto Stock Exchange, to purchase and cancel up to 5,421,685 subordinate voting shares over the 12-month period from November 22, 2022 and concluded on November 21, 2023 (the “Fiscal 2023 NCIB”).

In connection with the Fiscal 2023 NCIB, the Company also entered an automatic share purchase plan (the “Fiscal 2023 ASPP”) under which a designated broker purchased subordinate voting shares under the Fiscal 2023 NCIB during the regularly scheduled quarterly trading blackout periods of the Company. This Fiscal 2023 ASPP terminated on November 21, 2023, along with the Fiscal 2023 NCIB, and the liability to the broker was fully settled at the end of the plan.

During the three fiscal quarters ended December 31, 2023, under the Fiscal 2023 NCIB until its expiration, the Company purchased 4,268,883 subordinate voting shares for cancellation for total cash consideration of $83.3m. The amount to purchase the subordinate voting shares has been charged to share capital, with the remaining $73.6m charged to retained earnings. Of the

(in millions of Canadian dollars, except share and per share data)

4,268,883 subordinate voting shares purchased, 1,184,152 were purchased under the ASPP for total cash consideration of $25.3m.

Since the commencement of the Fiscal 2023 NCIB, the Company purchased 5,421,685, which represents the total authorized subordinate voting shares for cancellation for total cash consideration of $111.2m.

The transactions affecting the issued and outstanding share capital of the Company are described below:

	Multiple voting shares		Subordinate voting shares		Total	
	Number	$	Number	$	Number	$
April 2, 2023	51,004,076	1.4	53,184,912	117.3	104,188,988	118.7
Purchase of subordinate voting shares	—	—	(7,855,007)	(17.8)	(7,855,007)	(17.8)
Total share purchases	—	—	(7,855,007)	(17.8)	(7,855,007)	(17.8)
Exercise of stock options	—	—	64,058	0.2	64,058	0.2
Settlement of RSUs	—	—	134,475	3.8	134,475	3.8
Total share issuances	—	—	198,533	4.0	198,533	4.0
March 31, 2024	51,004,076	1.4	45,528,438	103.5	96,532,514	104.9

Share capital transactions for the year ended April 2, 2023

In connection with the Fiscal 2023 NCIB, during the year ended April 2, 2023, the Company purchased 1,152,802 subordinate voting shares for cancellation for total cash consideration of $26.7m. The amount to purchase the subordinate voting shares has been charged to share capital, with the remaining $25.4m charged to retained earnings. Of the 1,152,802 subordinate voting shares purchased, 821,622 were purchased under the Fiscal 2023 ASPP for total cash consideration of $20.0m.

A liability representing the maximum amount that the Company could be required to pay the designated broker under the Fiscal 2023 ASPP was $20.0m as at April 2, 2023. The amount was charged to contributed surplus.

The transactions affecting the issued and outstanding share capital of the Company are described below:

	Multiple voting shares		Subordinate voting shares		Total	
	Number	$	Number	$	Number	$
April 3, 2022	51,004,076	1.4	54,190,432	117.1	105,194,508	118.5
Purchase of subordinate voting shares	—	—	(1,103,102)	(2.4)	(1,103,102)	(2.4)
Purchase of subordinate voting shares held for cancellation	—	—	(49,700)	(0.1)	(49,700)	(0.1)
Total share purchases	—	—	(1,152,802)	(2.5)	(1,152,802)	(2.5)
Exercise of stock options	—	—	60,248	—	60,248	—
Settlement of RSUs	—	—	87,034	2.7	87,034	2.7
Total share issuances	—	—	147,282	2.7	147,282	2.7
April 2, 2023	51,004,076	1.4	53,184,912	117.3	104,188,988	118.7

(in millions of Canadian dollars, except share and per share data)

Share capital transactions for the year ended April 3, 2022

The Company previously maintained another NCIB in relation to its subordinate voting shares. The Company was authorized to make purchases from August 20, 2021 to August 19, 2022, in accordance with the requirements of the TSX. The Board of Directors of the Company had authorized the Company to repurchase up to 5,943,239 subordinate voting shares, representing approximately 10% of the issued and outstanding subordinate voting shares as at August 6, 2021. Purchases were made during the validity of such NCIB by means of open market transactions on the TSX, the NYSE and one Canadian alternative trading system.

During the year ended April 3, 2022, the Company purchased 5,636,763 subordinate voting shares for cancellation for total cash consideration of $253.2m. The amount to purchase the subordinate voting shares has been charged to share capital, with the remaining $241.3m charged to retained earnings.

The transactions affecting the issued and outstanding share capital of the Company are described below:

	Multiple voting shares		Subordinate voting shares		Total	
	Number	**$**	**Number**	**$**	**Number**	**$**
March 28, 2021	51,004,076	1.4	59,435,079	119.1	110,439,155	120.5
Purchase of subordinate voting shares	—	—	(5,636,763)	(11.9)	(5,636,763)	(11.9)
Total share purchases	—	—	(5,636,763)	(11.9)	(5,636,763)	(11.9)
Exercise of stock options	—	—	342,148	8.5	342,148	8.5
Settlement of RSUs	—	—	49,968	1.4	49,968	1.4
Total share issuances	—	—	392,116	9.9	392,116	9.9
April 3, 2022	51,004,076	1.4	54,190,432	117.1	105,194,508	118.5

Note 19. Share-based payments

Stock options

The Company has issued stock options to purchase subordinate voting shares under its incentive plans, prior to the public share offering on March 21, 2017, the Legacy Plan, and subsequently, the Omnibus Plan. All options are issued at an exercise price that is not less than market value at the time of grant and expire 10 years after the grant date.

Legacy Plan

Under the terms of the Legacy Plan, options were granted to certain executives of the Company which are exercisable to purchase subordinate voting shares. All Legacy Plan options have fully vested or been cancelled prior to the year ended March 31, 2024. No new options will be issued under the Legacy Plan.

Omnibus Plan

Under the terms of the Omnibus Plan, options are granted to certain employees of the Company which are exercisable to purchase subordinate voting shares. The options vest over four years contingent upon meeting the service conditions of the Omnibus Plan, 25% on each anniversary of the date of grant.

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Stock option transactions are as follows:

	Year ended March 31, 2024		April 2, 2023	
	Weighted average exercise price	Number of shares	Weighted average exercise price	Number of shares
Options outstanding, beginning of period	$ 36.58	4,055,199	$ 42.99	2,722,690
Granted to purchase shares	$ 19.77	1,278,211	$ 24.63	1,580,506
Exercised	$ 1.61	(64,058)	$ 0.23	(60,248)
Cancelled	$ 28.83	(660,575)	$ 40.66	(187,749)
Options outstanding, end of period	$ 33.51	4,608,777	$ 36.58	4,055,199

The following table summarizes information about stock options outstanding and exercisable at March 31, 2024:

	Options Outstanding		Options Exercisable	
Exercise price	Number	Weighted average remaining life in years	Number	Weighted average remaining life in years
$0.02	15,434	0.0	15,434	0.0
$1.79	44,307	0.8	44,307	0.8
$8.94	122,221	2.8	122,221	2.8
$14.29	2,565	9.6	—	0.0
$16.21	519,884	9.9	—	0.0
$22.24	611,798	9.1	—	0.0
$23.64	42,576	3.4	42,576	3.4
$23.77	12,285	8.2	3,072	8.2
$24.64	1,169,619	7.9	322,809	7.2
$30.73	48,730	3.0	48,730	3.0
$31.79	35,622	3.6	35,622	3.6
$33.97	635,096	5.8	462,427	5.6
$45.34	33,708	4.0	33,708	4.0
$48.93	541,197	6.9	284,064	6.6
$50.00	250,000	6.2	187,500	6.2
$63.03	359,157	4.8	359,157	4.8
$83.53	164,578	3.8	164,578	3.8
	4,608,777	7.0	2,126,205	5.3

(in millions of Canadian dollars, except share and per share data)

Restricted share units

The Company has granted shares as part of the RSU program under the Omnibus Plan to employees of the Company. The RSUs are treated as equity instruments for accounting purposes. We expect that vested RSUs will be paid at settlement through the issuance of one subordinate voting share per RSU. The RSUs vest over a period of three years, a third on each anniversary of the date of grant.

RSUs transactions are as follows:

		Year ended
	March 31, 2024	April 2, 2023
	Number of shares	Number of shares
RSUs outstanding, beginning of period	318,082	215,590
Granted	438,814	209,187
Settled	(134,475)	(87,034)
Cancelled	(141,903)	(19,661)
RSUs outstanding, end of period	480,518	318,082

Performance share units

In May 2023, the Company implemented a PSU program under the Omnibus Plan. A PSU represents the right to receive a subordinate voting share settled by the issuance of shares at the vesting date. PSUs vest on the third anniversary of the award date and are earned only if certain performance targets are achieved. Shares issued per PSU at the vesting date can decrease or increase if minimum or maximum performance targets are achieved ranging from 0% to 200% of the PSU award granted. PSUs are treated as equity instruments for accounting purposes.

PSUs transactions are as follows:

		Year ended
	March 31, 2024	April 2, 2023
	Number of shares	Number of shares
PSUs outstanding, beginning of period	—	—
Granted	399,349	—
Cancelled	(56,424)	—
PSUs outstanding, end of period	342,925	—

Shares reserved for issuance

As at March 31, 2024, subordinate voting shares, to a maximum of 5,310,387 shares, have been reserved for issuance under equity incentive plans to select employees of the Company, with vesting contingent upon meeting the service, performance goals and other conditions of the Omnibus Plan.

(in millions of Canadian dollars, except share and per share data)

Accounting for share-based awards

For the year ended March 31, 2024, the Company recorded $10.4m as compensation expense for stock options, RSUs and PSUs (April 2, 2023 - $15.0m, April 3, 2022 - $14.0m). Share-based compensation expense is included in SG&A expenses.

The assumptions used to measure the fair value of options granted under the Black-Scholes option pricing model at the grant date were as follows:

	Year ended	
	March 31, 2024	**April 2, 2023**
Weighted average stock price valuation	$ 19.77	$ 24.63
Weighted average exercise price	$ 19.77	$ 24.63
Risk-free interest rate	4.09 %	2.52 %
Expected life in years	5.4	5.0
Expected dividend yield	— %	— %
Volatility	40 %	40 %
Weighted average fair value of options issued	$ 6.82	$ 7.86

RSU and PSU fair values are determined based on the market value of the subordinate voting shares at the time of grant. As at March 31, 2024, the weighted average fair value of RSUs was $21.37 (April 2, 2023 - $24.63). As at March 31, 2024, the weighted average fair value of PSUs was $22.21.

Note 20. Related party transactions

The Company enters into transactions from time to time with its principal shareholders and organizations affiliated with members of the Board of Directors by incurring expenses for business services. During the year ended March 31, 2024, the Company had transactions with related parties of $1.1m (April 2, 2023 - $1.3m, April 3, 2022 - $1.7m) from companies related to certain shareholders. Net balances owing to related parties as at March 31, 2024 were $0.2m (April 2, 2023 - $0.4m).

A lease liability due to the previous controlling shareholder of the acquired Baffin Inc. business (the "Baffin Vendor") for leased premises was $2.5m as at March 31, 2024 (April 2, 2023 - $3.1m). During the year ended March 31, 2024, the Company paid principal and interest on the lease liability, net of rent concessions, and other operating costs to entities affiliated with the Baffin Vendor totaling $1.6m (April 2, 2023 - $1.4m, April 3, 2022 - $1.4m). No amounts were owing to Baffin entities as at March 31, 2024 and April 2, 2023.

The joint venture between the Company and the Sazaby League (“Japan Joint Venture”), has lease liabilities due to the non-controlling shareholder, Sazaby League for leased premises. Lease liabilities were $1.9m as at March 31, 2024 (April 2, 2023 - $2.7m). During the year ended March 31, 2024, the Company incurred principal and interest on lease liabilities, royalty fees, and other operating costs to Sazaby League totalling $5.2m (April 2, 2023 - $5.9m, April 3, 2022 - $nil). Balances owing to Sazaby League as at March 31, 2024 were $0.3m (April 2, 2023 - $0.2m).

During the year ended March 31, 2024, the Japan Joint Venture sold inventory of $1.5m to companies wholly owned by Sazaby League (April 2, 2023 - $1.7m, April 3, 2022 - $nil). As at

(in millions of Canadian dollars, except share and per share data)

March 31, 2024, the Japan Joint Venture recognized a trade receivable of $0.1m from these companies (April 2, 2023 - $0.1m).

Pursuant to the agreement entered between the Company and Sazaby League to form the Japan Joint Venture ("Joint Venture Agreement"), during the year ended April 2, 2023 the Company sold inventory of $11.9m to Sazaby League for repurchase by the Japan Joint Venture, and subsequently the Japan Joint Venture repurchased $11.9m of inventory from Sazaby League. These transactions were measured based on pricing established through the Joint Venture Agreement at market terms and were not recognized as sales transactions. There were no similar inventory transactions for the year ended March 31, 2024. The repurchase of inventory pursuant to this Joint Venture Agreement was completed during the fourth quarter ended April 2, 2023.

In connection with the business combination during the year ended March 31, 2024, the Company recognized $1.5m of remuneration costs related to the Earn-Out based on the estimated value of $7.4m for the payout. These costs have been included in other long-term liabilities on the statement of financial position, and reflects the amount owing to the PCML Vendors as at March 31, 2024.

A lease liability due to one of the PCML Vendors for leased premises was $1.2m as at March 31, 2024. During the year ended March 31, 2024, the Company paid principal and interest on the lease liability, to one of the PCML Vendors totalling less than $0.1m. No amounts were owing to one of the PCML Vendors as at March 31, 2024.

Terms and conditions of transactions with related parties

Transactions with related parties are conducted on terms pursuant to an approved agreement, or are approved by the Board of Directors.

Key management compensation

Key management consists of the Board of Directors, the Chairman and Chief Executive Officer and the executives who report directly to the Chairman and Chief Executive Officer.

			Year ended
	March 31, 2024	**April 2, 2023**	**April 3, 2022**
	$	**$**	**$**
Short term employee benefits	10.8	10.1	12.5
Long term employee benefits	0.2	0.1	0.1
Termination benefits	1.0	—	—
Share-based compensation	7.3	11.2	11.5
Compensation expense	19.3	21.4	24.1

Note 21. Financial instruments and fair values

The Company's derivative financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined, in particular, the valuation technique(s) and inputs used.

Financial assets/ financial liabilities	Fair value hierarchy	Valuation technique(s) and key input(s)
Foreign currency forward contracts	Level 2	Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
Foreign currency and interest rate swap contracts	Level 2	Future cash flows are estimated based on forward exchange rates (from observable forward exchange and interest swap rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
Revolving Facility, Term Loan and Japan Facility	Level 2	The fair value is based on the present value of contractual cash flows, discounted at the Company's current incremental borrowing rate for similar types of borrowing arrangements or, where applicable, market rates.
Mainland China Facilities	Level 3	The fair value is based on the present value of contractual cash flows, discounted at the Company's current incremental borrowing rate for similar types of borrowing arrangements or, where applicable, market rates.
Put option liability	Level 3	The fair value is based on the present value of the amount expected to be paid to the non-controlling shareholder if the put option is exercised.
Contingent consideration	Level 3	The fair value of the applicable contingent consideration is determined based on the estimated financial outcome and the resulting expected contingent consideration to be paid, discounted using an appropriate rate.
Earn-Out (note 5)	Level 3	The fair value is based on a pre-determined percentage of net equity value of Paola Confectii SRL, determined as a multiple of EBITDA and EBITDA margin for the fiscal year ending March 30, 2025, subject to a floor, less net debt adjustments.

(in millions of Canadian dollars, except share and per share data)

The following table presents the fair values and fair value hierarchy of the Company's financial instruments and excludes financial instruments carried at amortized cost that are short-term in nature, where fair value approximates carrying values:

					March 31, 2024					April 2, 2023
	Level 1	Level 2	Level 3	Carrying value	Fair value	Level 1	Level 2	Level 3	Carrying value	Fair value
	$	$	$	$	$	$	$	$	$	$
Financial assets										
Derivatives included in other current assets	—	15.1	—	15.1	15.1	—	12.4	—	12.4	12.4
Derivatives included in other long-term assets	—	6.9	—	6.9	6.9	—	12.4	—	12.4	12.4
Financial liabilities										
Derivatives included in accounts payable and accrued liabilities	—	1.9	—	1.9	1.9	—	3.3	—	3.3	3.3
Mainland China Facilities	—	—	—	—	—	—	—	9.8	9.8	9.8
Japan Facility	—	5.4	—	5.4	5.4	—	13.7	—	13.7	13.7
Term Loan	—	392.5	—	392.5	389.2	—	395.7	—	395.7	433.1
Derivatives included in other long-term liabilities	—	5.3	—	5.3	5.3	—	6.0	—	6.0	6.0
Put option liability included in other long-term liabilities	—	—	29.4	29.4	29.4	—	—	32.1	32.1	32.1
Contingent consideration included in other long-term liabilities	—	—	17.7	17.7	17.7	—	—	16.8	16.8	16.8
Earn-Out included in other long-term liabilities (note 5)	—	—	1.5	1.5	1.5	—	—	—	—	—

In connection with the Japan Joint Venture, for the year ended March 31, 2024, the Company recorded an increase of JPY327.0m ($0.9m, excluding translation losses of $1.9m) on the remeasurement of the contingent consideration. The Company recorded an increase of JPY129.3m (a decrease of $2.7m, excluding translation losses of $4.3m) on the remeasurement of the put option liability during the year ended March 31, 2024. The change in fair values of the contingent consideration and put option liability were driven by updated cash flow forecasts, progression through the 4-year and 10-year terms, respectively, and lower cost of equity in the market.

For the year ended April 2, 2023, the Company recorded a decrease of JPY301.2m ($3.2m, excluding translation losses of $0.3m) on the remeasurement of the contingent consideration. The Company recorded an increase of JPY1,079.9m ($10.9m, excluding translation gains of less than $0.1m) on the remeasurement of the put option liability during the year ended April 2, 2023.

(in millions of Canadian dollars, except share and per share data)

Note 22. Financial risk management objectives and policies

The Company's primary risk management objective is to protect the Company's assets and cash flow, in order to increase the Company's enterprise value.

The Company is exposed to capital management risk, liquidity risk, credit risk, market risk, foreign exchange risk, and interest rate risk. The Company's senior management and Board of Directors oversee the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

Capital management

The Company manages its capital and capital structure with the objectives of safeguarding sufficient working capital over the annual operating cycle and providing sufficient financial resources to grow operations to meet long-term consumer demand. The Board of Directors of the Company monitors the Company's capital management on a regular basis. The Company will continually assess the adequacy of the Company's capital structure and capacity and make adjustments within the context of the Company's strategy, economic conditions, and risk characteristics of the business.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to satisfy the requirements for business operations, capital expenditures, debt service and general corporate purposes, under normal and stressed conditions. The primary source of liquidity is funds generated by operating activities; the Company also relies on the Revolving Facility, the Mainland China Facilities, and Japan Facility as sources of funds for short term working capital needs. The Company continuously reviews both actual and forecasted cash flows to ensure that the Company has appropriate capital capacity.

The following table summarizes the amount of contractual undiscounted future cash flow requirements as at March 31, 2024:

	2025	2026	2027	2028	2029	Thereafter	Total
	$	$	$	$	$	$	$
Accounts payable and accrued liabilities	177.7	—	—	—	—	—	177.7
Japan Facility	5.4	—	—	—	—	—	5.4
Term Loan	4.0	4.1	4.1	380.9	—	—	393.1
Interest commitments relating to borrowings[1]	35.2	35.2	35.2	17.5	—	—	123.1
Lease obligations	92.0	75.8	66.3	42.1	32.5	81.6	390.3
Pension obligation	—	—	—	—	—	1.8	1.8
Total contractual obligations	314.3	115.1	105.6	440.5	32.5	83.4	1,091.4

[1] *Interest commitments are calculated based on the loan balance and the interest rate payable on the Japan Facility and the Term Loan of 0.45% and 8.94% respectively, as at March 31, 2024.*

As at March 31, 2024, we had additional liabilities which included provisions for warranty, sales returns, asset retirement obligations, deferred income tax liabilities, the Earn-Out to the PCML Vendors, the put option liability and the contingent consideration on the Japan Joint Venture.

These liabilities have not been included in the table above as the timing and amount of future payments are uncertain.

Letter of guarantee facility

On April 14, 2020, Canada Goose Inc. entered into a letter of guarantee facility in the amount of $10.0m. Within the facility, letters of guarantee are available for terms of up to 12 months from the date of issuance and will be charged a fee equal to 1.0% per annum calculated against the face amount and over the term of the guarantee. Amounts issued on the facility will be used to finance working capital requirements through letters of guarantee, standby letters of credit, performance bonds, counter guarantees, counter standby letters of credit, or similar credits. The Company immediately reimburses the issuing bank for amounts drawn on issued letters of guarantees. At March 31, 2024, the Company had $7.4m outstanding.

In addition, a subsidiary of the Company in Mainland China entered into letters of guarantee and as at March 31, 2024 the amount outstanding was $9.1m. Amounts will be used to support retail operations of such subsidiaries through letters of guarantee, standby letters of credit, performance bonds, counter guarantees, counter standby letters of credit, or similar credits.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

Credit risk arises from the possibility that certain parties will be unable to discharge their obligations. The Company manages its credit risk through a combination of third party credit insurance and internal house risk. Credit insurance is provided by a third party for customers and is subject to continuous monitoring of the credit worthiness of the Company's customers. Insurance covers a specific amount of revenue, which may be less than the Company's total revenue with a specific customer. The Company has an agreement with a third party who has insured the risk of loss for up to 90% of trade accounts receivable from certain designated customers subject to a total deductible of $0.1m, to a maximum of $30.0m per year. As at March 31, 2024, trade accounts receivable totaling approximately $14.8m (April 2, 2023 - $10.3m) were insured subject to the policy cap. Complementary to the third party insurance, the Company establishes payment terms with customers to mitigate credit risk and continues to closely monitor its trade accounts receivable credit risk exposure.

Within CG Japan, the Company has an agreement with a third party who has insured the risk of trade accounts receivable for certain designated customers for a maximum of JPY540.0m per annum subject to a deductible of 10% and applicable only to accounts with receivables over JPY100k. As at March 31, 2024, trade accounts receivable totalling approximately $0.3m (JPY32.5m) were insured subject to the policy cap (April 2, 2023 - $0.7m (JPY72.8m)).

Customer deposits are received in advance from certain customers for seasonal orders to further mitigate credit risk, and applied to reduce accounts receivable when goods are shipped. As at March 31, 2024, customer deposits of $22.9m (April 2, 2023 - $0.2m) were included in accounts payable and accrued liabilities.

(in millions of Canadian dollars, except share and per share data)

The aging of trade receivables was as follows:

			Past due		
	Total	**Current**	**≤ 30 days**	**31-60 days**	**≥ 61 days**
	$	**$**	**$**	**$**	**$**
Trade accounts receivable	57.1	33.5	10.0	5.1	8.5
Credit card receivables	3.7	3.7	—	—	—
Other receivables	12.3	11.8	0.3	—	0.2
March 31, 2024	73.1	49.0	10.3	5.1	8.7
Trade accounts receivable	30.4	22.2	4.4	1.1	2.7
Credit card receivables	2.5	2.5	—	—	—
Other receivables	19.5	18.9	0.5	—	0.1
April 2, 2023	52.4	43.6	4.9	1.1	2.8

Trade accounts receivable factoring program

A subsidiary of the Company in Europe has an agreement to factor, on a limited recourse basis, certain of its trade accounts receivable up to a limit of EUR20.0m in exchange for advanced funding equal to 100% of the principal value of the invoice. Accepted currencies include euros, British pounds sterling, and Swiss francs. The Company is charged a fee of the applicable sterling overnight index average reference rate plus 1.15% per annum, based on the number of days between the purchase date and the invoice due date, which is lower than the Company's average borrowing rate under its Revolving Facility. The program is utilized to provide sufficient liquidity to support its international operating cash needs. Upon transfer of the receivables, the Company receives cash proceeds and continues to service the receivables on behalf of the third-party financial institution. The program meets the derecognition requirements in accordance with IFRS 9, *Financial Instruments* as the Company transfers substantially all the risks and rewards of ownership upon the sale of a receivable. These proceeds are classified as cash flows from operating activities in the statement of cash flows.

For the year ended March 31, 2024, the Company received total cash proceeds from the sale of trade accounts receivable with carrying values of $46.3m which were derecognized from the Company's statement of financial position (April 2, 2023 - $45.7m). Fees of $0.4m were incurred during the year ended March 31, 2024 (April 2, 2023 - $0.3m) and included in net interest, finance and other costs in the statements of income. As at March 31, 2024, the outstanding amount of trade accounts receivable derecognized from the Company's statement of financial position, but which the Company continued to service was $0.6m (April 2, 2023 - $1.1m). Subsequent to the year ended March 31, 2024, the Company has terminated its factoring program.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise foreign exchange risk and interest rate risk.

(in millions of Canadian dollars, except share and per share data)

Foreign exchange risk

Foreign exchange risk in operating cash flows

The Company's consolidated financial statements are expressed in Canadian dollars, but a substantial portion of the Company's revenues, purchases, and expenses are denominated in other currencies, primarily U.S. dollars, euros, British pounds sterling, Swiss francs, Chinese yuan, Hong Kong dollars and Japanese yen. The Company has entered into forward foreign exchange contracts to reduce the foreign exchange risk associated with revenues, purchases, and expenses denominated in these currencies. Certain forward foreign exchange contracts were designated at inception and accounted for as cash flow hedges.

Revenues and expenses of all foreign operations are translated into Canadian dollars at the foreign currency exchange rates that approximate the rates in effect at the dates when such items are recognized. As a result, we are exposed to foreign currency translation gains and losses. Appreciating foreign currencies relative to the Canadian dollar, to the extent they are not hedged, will positively impact operating income and net income by increasing our revenue, while depreciating foreign currencies relative to the Canadian dollar will have the opposite impact.

The Company recognized the following unrealized gains and losses in the fair value of derivatives designated as cash flow hedges in other comprehensive income:

						Year ended
		March 31, 2024		April 2, 2023		April 3, 2022
	Net gain	Tax recovery	Net loss	Tax recovery	Net loss	Tax expense
	$	$	$	$	$	$
Forward foreign exchange contracts designated as cash flow hedges	1.3	0.1	(3.7)	0.9	(4.5)	(0.1)

The Company reclassified the following losses and gains from other comprehensive income on derivatives designated as cash flow hedges to locations in the consolidated financial statements described below:

			Year ended
	March 31, 2024	April 2, 2023	April 3, 2022
Loss (gain) from other comprehensive income	$	$	$
Forward foreign exchange contracts designated as cash flow hedges			
Revenue	1.8	5.5	3.9
SG&A expenses	(0.4)	0.1	(0.4)
Inventory	0.5	0.8	(0.9)

During the year ended March 31, 2024, an unrealized gain of $1.7m (April 2, 2023 - unrealized gain of $4.5m, April 3, 2022 - unrealized gain of $4.7m) on forward exchange contracts that were not treated as hedges was recognized in SG&A expenses in the statements of income.

Foreign currency forward exchange contracts outstanding as at March 31, 2024 related to operating cash flows were:

(in millions)	Aggregate Amounts		Currency
Forward contract to purchase Canadian dollars	USD	62.1	U.S. dollars
	€	89.3	euros
	¥	2,085.8	Japanese yen
Forward contract to sell Canadian dollars	USD	22.4	U.S. dollars
	€	40.1	euros
Forward contract to purchase euros	CNY	525.4	Chinese yuan
	£	25.5	British pounds sterling
	HKD	32.9	Hong Kong dollars
	CHF	0.1	Swiss francs
Forward contract to sell euros	CHF	3.3	Swiss francs
	£	1.5	British pounds sterling
	CNY	9.2	Chinese yuan
	HKD	7.0	Hong Kong dollars

Foreign exchange risk on borrowings

The Company enters into derivative transactions to hedge a portion of its exposure to interest rate risk and foreign currency exchange risk related to principal and interest payments on the Term Loan denominated in U.S. dollars (see "*Note 17. Borrowings*"). The Company also entered into a five-year forward exchange contract by selling $368.5m and receiving USD270.0m as measured on the trade date, to fix the foreign exchange risk on a portion of the term loan borrowings.

The Company recognized the following unrealized losses and gains in the fair value of derivatives designed as hedging instruments in other comprehensive income:

						Year ended
		March 31, 2024		April 2, 2023		April 3, 2022
	Net loss	Tax recovery	Net gain	Tax expense	Net gain	Tax expense
	$	$	$	$	$	$
Swaps designated as cash flow hedges	(1.8)	0.3	4.1	(0.8)	13.2	(4.5)

(in millions of Canadian dollars, except share and per share data)

The Company reclassified the following gains and losses from other comprehensive income on derivatives designated as hedging instruments to net interest, finance and other costs:

	Year ended		
	March 31, 2024	April 2, 2023	April 3, 2022
(Gain) loss from other comprehensive income	**$**	**$**	**$**
Swaps designated as cash flow hedges	(2.0)	0.5	0.9

During the year ended March 31, 2024, an unrealized loss of $1.3m (April 2, 2023 - unrealized gain of $17.5m, April 3, 2022 - unrealized loss of $4.6m) in the fair value of the long-dated forward exchange contract related to a portion of the Term Loan balance has been recognized in net interest, finance and other costs in the consolidated statements of income.

Interest rate risk

The Company is exposed to interest rate risk related to the effect of interest rate changes on the borrowings outstanding under the Japan Facility, and the Term Loan, which currently bear interest rates at 0.45%, and 8.94%, respectively.

Interest rate risk on the Term Loan is partially mitigated by interest rate swap hedges. The Company entered into five-year interest rate swaps agreements terminating December 31, 2025 to pay fixing interest rate and receiving floating interest rates on notional debt of USD270.0m. Effective June 30, 2023, the floating interest benchmark reference rate contained within the swap agreements were amended from LIBOR to SOFR and the average fixed rates were reduced from 1.97% to 1.76%. These swap agreements fix the interest rate on the USD300.0m Term Loan. Following the amendment, the interest rate swaps continue to be designated and accounted for as cash flow hedges.

Based on the closing balance of outstanding borrowings, a 1.00% increase in the closing interest rate during the year ended March 31, 2024 would have increased interest expense on the Japan Facility and the Term Loan before hedging by $0.1m and $3.9m, respectively (April 2, 2023 - $0.3m, and $3.9m, respectively).

Until the third quarter ended December 31, 2023, the Company calculated interest rate sensitivity on debt facilities using the average balance of the facility and average interest rate in the reporting period. Following the third quarter, and applicable for the fourth quarter and fiscal year ended March 31, 2024, the Company calculated interest rate sensitivity on debt facilities using the closing balance of the facility and the closing interest rate. The Company believes this change provides more relevant information on interest rate sensitivity. The Company has recognized this change as a change in estimates and had adjusted the disclosure prospectively.

(in millions of Canadian dollars, except share and per share data)

Note 23. Selected cash flow information

Changes in non-cash operating items

	Year ended		
	March 31, 2024	**April 2, 2023**	**April 3, 2022**
	$	**$**	**$**
Trade receivables	(12.4)	(4.6)	(8.7)
Inventories	27.2	(49.9)	(60.7)
Other current assets	2.8	(9.4)	(3.4)
Accounts payable and accrued liabilities	(9.5)	(16.8)	(8.5)
Provisions	5.2	9.0	3.7
Other	(2.8)	(3.7)	(5.2)
Change in non-cash operating items	10.5	(75.4)	(82.8)

Changes in liabilities and equity arising from financing activities

	Mainland China Facilities	**Japan Facility**	**Revolving Facility**	**Term Loan**	**Lease liabilities**	**Share capital**
	$	**$**	**$**	**$**	**$**	**$**
April 2, 2023	9.8	13.7	(0.5)	395.7	334.8	118.7
Cash flows:						
Mainland China Facilities borrowings	(9.8)	—	—	—	—	—
Japan Facility borrowings	—	(8.3)	—	—	—	—
Term Loan repayments	—	—	—	(4.0)	—	—
Transactions costs on financing activities	—	—	(0.1)	(0.1)	—	—
Normal course issuer bid purchase of subordinate voting shares	—	—	—	—	—	(140.2)
Principal payments on lease liabilities	—	—	—	—	(69.2)	—
Issuance of shares	—	—	—	—	—	0.1
Additions from business combination	—	—	—	—	1.2	—
Non-cash items:						
Accrued transaction costs	—	—	(0.7)	—	—	—
Amortization of deferred transaction costs	—	—	0.3	0.2	—	—
Unrealized foreign exchange loss (gain)	—	—	—	0.7	(2.2)	—
Additions and amendments to lease liabilities (note 13)	—	—	—	—	65.9	—
Share purchase charge to retained earnings (note 18)	—	—	—	—	—	122.4
Contributed surplus on share issuances (note 18)	—	—	—	—	—	3.9
March 31, 2024	—	5.4	(1.0)	392.5	330.5	104.9

(in millions of Canadian dollars, except share and per share data)

	Mainland China Facilities	Japan Facility	Revolving Facility	Term Loan	Lease liabilities	Net derivative asset on terminated contracts	Share capital
	$	$	$	$	$	$	$
April 3, 2022	—	—	(0.9)	370.0	250.7	(7.3)	118.5
Cash flows:							
Cash inflow from business combination	—	19.4	—	—	3.2	—	—
Mainland China Facilities borrowings	9.8	—	—	—	—	—	—
Japan Facility repayments	—	(5.7)	—	—	—	—	—
Term Loan repayments	—	—	—	(4.0)	—	—	—
Normal course issuer bid purchase of subordinate voting shares	—	—	—	—	—	—	(26.7)
Principal payments on lease liabilities	—	—	—	—	(62.2)	—	—
Settlement of term loan derivative contracts	—	—	—	—	—	8.6	—
Non-cash items:							
Amortization of deferred transaction costs	—	—	0.4	0.2	—	—	—
Fair market valuation	—	—	—	—	—	(0.6)	—
Unrealized foreign exchange loss (gain)	—	—	—	29.5	11.5	(0.7)	—
Additions and amendments to lease liabilities (note 13)	—	—	—	—	132.3	—	—
Derecognition on termination of lease liabilities (note 13)	—	—	—	—	(0.7)	—	—
Share purchase charge to retained earnings (note 18)	—	—	—	—	—	—	24.3
Normal course issuer bid purchase of subordinate voting shares held for cancellation (note 18)	—	—	—	—	—	—	(0.1)
Contributed surplus on share issuances (note 18)	—	—	—	—	—	—	2.7
April 2, 2023	9.8	13.7	(0.5)	395.7	334.8	—	118.7

Note 24. Subsequent Events

Subsequent to the year ended March 31, 2024, the Company and Sazaby League amended the Joint Venture Agreement to extend the period by which the deferred contingent consideration is payable if an agreed cumulative adjusted EBIT target is not reached through the period ended June 30, 2026 to April 2, 2028.

Subsequent to the year ended March 31, 2024, the Company has terminated its trade receivables factoring program.

SCHEDULE I – CONDENSED FINANCIAL INFORMATION OF CANADA GOOSE HOLDINGS INC. (PARENT COMPANY)

All operating activities of Canada Goose Holdings Inc. (the “Parent Company”) are conducted by its subsidiaries. The Parent Company is a holding company and does not have any material assets or conduct business operations other than investments in its subsidiaries. The credit agreement of Canada Goose Inc., a wholly owned subsidiary of the Parent Company, contains provisions whereby Canada Goose Inc. has restrictions on the ability to pay dividends, loan funds and make other upstream distributions to the Parent Company.

These condensed parent company financial statements have been prepared using the same accounting principles and policies described in the notes to the consolidated financial statements. See the consolidated financial statements and notes presented above for additional information and disclosures with respect to these condensed financial statements.

PARENT COMPANY INFORMATION
Canada Goose Holdings Inc.
Schedule I – Condensed Statements of Income
(in millions of Canadian dollars)

	Year ended		
	March 31, 2024	**April 2, 2023**	**April 3, 2022**
	$	**$**	**$**
Equity in comprehensive income of subsidiary	62.9	97.5	88.6
Fee income from subsidiary	7.6	10.2	10.8
	70.5	107.7	99.4
Selling, general and administration expenses	16.7	16.8	16.9
Net interest, finance and other costs	—	0.5	1.9
Income before income taxes	53.8	90.4	80.6
Income tax recovery	(2.5)	(1.6)	(2.0)
Net income	56.3	92.0	82.6
Attributable to:			
Shareholders of the Company	57.8	95.7	82.6
Non-controlling interest	(1.5)	(3.7)	—
Net income	56.3	92.0	82.6

The accompanying notes to the condensed financial statements are an integral part of these financial statements.

PARENT COMPANY INFORMATION
Canada Goose Holdings Inc.
Schedule I – Condensed Statements of Financial Position
(in millions of Canadian dollars)

	March 31, 2024	April 2, 2023
		Reclassified
Assets	**$**	**$**
Current assets		
Cash	—	6.9
Total current assets	—	6.9
Note receivable from subsidiary	92.6	76.4
Investment in subsidiary	408.9	479.8
Deferred income taxes	13.4	10.9
Total assets	514.9	574.0
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	1.6	20.1
Due to subsidiary	60.4	44.3
Total current liabilities	62.0	64.4
Other non-current liabilities	29.4	32.1
Total liabilities	91.4	96.5
Equity		
Equity attributable to shareholders of the Company	417.0	469.5
Non-controlling interests	6.5	8.0
Total equity	423.5	477.5
Total liabilities and equity	514.9	574.0

The accompanying notes to the condensed financial statements are an integral part of these financial statements.

PARENT COMPANY INFORMATION
Canada Goose Holdings Inc.
Schedule I – Condensed Statements of Changes in Equity
(in millions of Canadian dollars)

	Share capital	Contributed surplus	Retained earnings	Total attributable to shareholders	Non-controlling interest	Total
	$	$	$	$	$	$
Balance at March 28, 2021	120.5	25.2	431.9	577.6	—	577.6
Normal course issuer bid purchase of subordinate voting shares	(11.9)	—	(241.3)	(253.2)	—	(253.2)
Issuance of shares	9.9	(2.8)	—	7.1	—	7.1
Net income	—	—	82.6	82.6	—	82.6
Share-based payment	—	14.0	—	14.0	—	14.0
Deferred tax on share-based payment	—	(0.2)	—	(0.2)	—	(0.2)
Balance at April 3, 2022	118.5	36.2	273.2	427.9	—	427.9
Non-controlling interest on business combination	—	—	—	—	11.7	11.7
Put option for non-controlling interest	—	—	(21.2)	(21.2)	—	(21.2)
Normal course issuer bid purchase of subordinate voting shares	(2.4)	—	(24.3)	(26.7)	—	(26.7)
Normal course issuer bid purchase of subordinate voting shares held for cancellation	(0.1)	—	(1.1)	(1.2)	—	(1.2)
Liability to broker under automatic share purchase plan	—	(20.0)	—	(20.0)	—	(20.0)
Issuance of shares	2.7	(2.7)	—	—	—	—
Net income	—	—	95.7	95.7	(3.7)	92.0
Share-based payment	—	15.0	—	15.0	—	15.0
Balance at April 2, 2023	118.7	28.5	322.3	469.5	8.0	477.5
Normal course issuer bid purchase of subordinate voting shares	(17.8)	—	(122.4)	(140.2)	—	(140.2)
Liability to broker under automatic share purchase plan	—	20.0	—	20.0	—	20.0
Issuance of shares	4.0	(3.9)	—	0.1	—	0.1
Net income	—	—	57.8	57.8	(1.5)	56.3
Share-based payment	—	9.8	—	9.8	—	9.8
Balance at March 31, 2024	104.9	54.4	257.7	417.0	6.5	423.5

The accompanying notes to the condensed financial statements are an integral part of these financial statements.

PARENT COMPANY INFORMATION
Canada Goose Holdings Inc.
Schedule I – Condensed Statements of Cash Flows
(in millions of Canadian dollars)

	Year ended		
	March 31, 2024	**April 2, 2023**	**April 3, 2022**
	$	**$**	**$**
Operating activities			
Net income	56.3	92.0	82.6
Items not affecting cash:			
Equity in undistributed earnings of subsidiary	(62.9)	(97.5)	(88.6)
Net interest expense	—	0.5	1.9
Income tax recovery	(2.5)	(1.6)	(2.0)
Share-based compensation	9.8	15.0	14.0
	0.7	8.4	7.9
Changes in assets and liabilities	1.0	(493.5)	(20.2)
Intercompany accounts payable	—	240.0	242.5
Net cash from (used in) operating activities	1.7	(245.1)	230.2
Investing activities			
Dividend received	131.5	198.4	—
Investment in shares of subsidiary	—	80.0	—
Net cash from investing activities	131.5	278.4	—
Financing activities			
Subordinate voting shares purchased and cancelled under NCIB	(140.2)	(26.7)	(241.3)
Exercise of stock options	0.1	—	7.1
Net cash used in financing activities	(140.1)	(26.7)	(234.2)
(Decrease) increase in cash	(6.9)	6.6	(4.0)
Cash, beginning of year	6.9	0.3	4.3
Cash, end of year	—	6.9	0.3

The accompanying notes to the condensed financial statements are an integral part of these financial statements.

PARENT COMPANY INFORMATION
Canada Goose Holdings Inc.
Schedule I – Notes to the Condensed Financial Statements
(in millions of Canadian dollars)

1. BASIS OF PRESENTATION

The Parent Company is a holding company that conducts substantially all of its business operations through its subsidiaries. The Parent Company (a British Columbia corporation) was incorporated on November 21, 2013.

The Parent Company has accounted for the earnings of its subsidiaries under the equity method in these unconsolidated condensed financial statements.

Certain comparative figures have been reclassified to conform with the current year presentation.

2. TRANSACTIONS WITH SUBSIDIARIES

The Parent Company received cash dividends from its consolidated subsidiaries totaling $131.5m during the year ended March 31, 2024, $198.4m dividends were received for the year ended April 2, 2023, and no dividends were received for the year ended April 3, 2022.

3. COMMITMENTS AND CONTINGENCIES

The Parent Company has no material commitments or contingencies during the reported periods.

4. SHAREHOLDERS' EQUITY

See the Annual Consolidated Financial Statements note 18 Shareholders' equity during the year ended March 31, 2024.