
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 20-F

(Mark One)

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended March 31, 2019

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report

Commission file number 001-38027

CANADA GOOSE HOLDINGS INC.
(Exact name of Registrant as specified in its charter)

N/A

(Translation of Registrant's name into English)
British Columbia

(Jurisdiction of incorporation or organization)
250 Bowie Ave
Toronto, Ontario, Canada M6E 4Y2

(Address of principal executive offices)

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(Name, telephone, email and/or facsimile number and address of Company contact person)
Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Subordinate voting shares	GOOS	New York Stock Exchange

Title of each class	Name of each exchange on which registered
Subordinate voting shares	New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act:
None

(Title of Class)
Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:
None

(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the Annual Report: At March 31, 2019 , 59,106,998 subordinate voting shares and 51,004,076 multiple voting shares were issued and outstanding.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes No

Note—checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer Accelerated Filer Non-Accelerated Filer Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act.

† The term “new or revised financial accounting standard” refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP International Financial Reporting Standards as issued by the International Accounting Standards Board Other

If “Other” has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. Item 17 Item 18

If this is an Annual Report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes No

Canada Goose Holdings Inc.
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INTRODUCTION

Unless otherwise indicated, all references in this Annual Report on Form 20-F to “Canada Goose,” “we,” “our,” “us,” “the company” or similar terms refer to Canada Goose Holdings Inc. and its consolidated subsidiaries. We publish our consolidated financial statements in Canadian dollars. In this Annual Report, unless otherwise specified, all monetary amounts are in Canadian dollars, all references to “\$,” “C\$,” “CDN\$,” “CAD\$,” and “dollars” mean Canadian dollars and all references to “US\$” and “USD” mean U.S. dollars.

In connection with our initial public offering (“IPO”), we re-designated our Class A common shares into multiple voting shares. In addition, we eliminated all of our previously outstanding series of common and preferred shares and created our subordinate voting shares.

This Annual Report on Form 20-F contains our audited consolidated financial statements and related notes for the years ended March 31, 2019, 2018 and 2017 (“Annual Financial Statements”). Our Annual Financial Statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”).

Trademarks and Service Marks

This Annual Report contains references to a number of trademarks which are our registered trademarks or trademarks for which we have pending applications or common law rights. Our major trademarks include the CANADA GOOSE word mark and the ARCTIC PROGRAM & DESIGN trademark (our disc logo consisting of the colour-inverse design of the North Pole and Arctic Ocean) as well as the BAFFIN word mark and BAFFIN Half Maple Leaf design trademark.

Solely for convenience, the trademarks, service marks and trade names referred to in this Annual Report are listed without the ®, (sm) and (TM) symbols, but we will assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensors to these trademarks, service marks and trade names.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report contains forward-looking statements. These statements are neither historical facts nor assurances of future performance. Instead, they are based on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, and other future conditions. Forward-looking statements can be identified by words such as “anticipate,” “believe,” “envision,” “estimate,” “expect,” “intend,” “may,” “plan,” “predict,” “project,” “target,” “potential,” “will,” “would,” “could,” “should,” “continue,” “contemplate” and other similar expressions, although not all forward-looking statements contain these identifying words. These forward-looking statements include all matters that are not historical facts. They appear in many of places throughout this Annual Report and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, business prospects, growth, strategies, expectations regarding industry trends and the size and growth rates of addressable markets, our business plan and growth strategies, including plans for expansion to new markets and new products, expectations for seasonal trends, and the industry in which we operate.

Certain assumptions made in preparing the forward-looking statements contained in this Annual Report include:

- our ability to implement our growth strategies;
- our ability to maintain strong business relationships with our customers, suppliers, wholesalers and distributors;
- our ability to keep pace with changing consumer preferences;
- our ability to protect our intellectual property; and
- the absence of material adverse changes in our industry or the global economy.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We believe that these risks and uncertainties include, but are not limited to, those described in the “Risk Factors” section of this Annual Report, which include, but are not limited to, the following risks:

- we may not open retail stores or expand e-commerce access on our planned timelines;
- we may be unable to maintain the strength of our brand or to expand our brand to new products and geographies;
- we may be unable to protect or preserve our brand image and proprietary rights;
- we may not be able to satisfy changing consumer preferences;
- an economic downturn may affect discretionary consumer spending;
- we may not be able to compete in our markets effectively;
- we may not be able to manage our growth effectively;
- poor performance during our peak season may affect our operating results for the full year;
- our indebtedness may adversely affect our financial condition;
- we may be unable to remediate weaknesses in our internal controls over financial reporting on a timely basis;
- our ability to maintain relationships with our select number of suppliers;
- our ability to manage our product distribution through our wholesale partners and international distributors;
- the success of our new store openings;
- the success of our expansion into Greater China;
- the success of our marketing programs;
- our ability to forecast our inventory needs;
- our ability to manage our exposure to data security and cyber security events;
- the risk our business is interrupted because of a disruption at our headquarters; and
- fluctuations in raw material costs, interest rates and currency exchange rates.

Although we base the forward-looking statements contained in this Annual Report on assumptions that we believe are reasonable, we caution you that actual results and developments (including our results of operations, financial condition and liquidity, and the development of the industry in which we operate) may differ materially from those made in or suggested by the forward-looking statements contained in this Annual Report. In addition, even if results and developments are consistent with the forward-looking statements contained in this Annual Report, those results and developments may not be indicative of results or developments in subsequent periods. As a result, any or all of our forward-looking statements in this Annual Report may prove to be inaccurate. We have included important factors in the cautionary statements included in this Annual Report on Form 20-F, particularly in Section 3.D of this Annual Report on Form 20-F titled "Risk Factors", that we believe could cause actual results or events to differ materially from the forward-looking statements that we make. No forward-looking statement is a guarantee of future results. Moreover, we operate in a highly competitive and rapidly changing environment in which new risks often emerge. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make.

You should read this Annual Report and the documents that we reference herein and have filed as exhibits hereto completely and with the understanding that our actual future results may be materially different from what we expect. The forward-looking statements contained herein are made as of the date of this Annual Report, and we do not assume any obligation to update any forward-looking statements except as required by applicable laws.

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. Selected Financial Data

See the selected financial data disclosure included under Item 5. — “Operating and Financial Review and Prospects”.

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Risks Related to our Business

Our business depends on our strong brand, and if we are not able to maintain and enhance our brand we may be unable to sell our products, which would adversely affect our business.

The Canada Goose name and premium brand image are integral to the growth of our business, and to the implementation of our strategies for expanding our business. We believe that the brand image we have developed has significantly contributed to the success of our business and is critical to maintaining and expanding our customer base. Maintaining and enhancing our brand may require us to make substantial investments in areas such as product design, store openings and operations, marketing, e-commerce, community relations and employee training, and these investments may not be successful.

We anticipate that, as our business continues to expand into new markets and new product categories and as the market becomes increasingly competitive, maintaining and enhancing our brand may become difficult and expensive. Conversely, as we penetrate these new markets and our brand becomes more widely available, it could potentially detract from the appeal stemming from the scarcity of our brand. Our brand may also be adversely affected if our public image or reputation is tarnished by negative publicity. In addition, ineffective marketing, product diversion to unauthorized distribution channels, product defects, counterfeit products, unfair labour practices, and failure to protect the intellectual property rights in our brand are some of the potential threats to the strength of our brand, and those and other factors could rapidly and severely diminish consumer confidence in us. Maintaining and enhancing our brand will depend largely on our ability to be a leader in the premium outerwear industry and to continue to offer a range of high quality

products to our customers, which we may not execute successfully. Any of these factors could harm our sales, profitability or financial condition .

A key element of our growth strategy is expansion of our product offerings into new product categories. We may be unsuccessful in designing products that meet our customers' expectations for our brand or that are attractive to new customers. If we are unable to anticipate customer preferences or industry changes, or if we are unable to modify our products on a timely basis or expand effectively into new product categories, we may lose customers. Our brand is sold in 49 countries as of March 31, 2019 and we sold through 2,227 points of distribution during our Fall / Winter 2018 season. As we expand into new geographic markets, consumers in these new markets may be less compelled by our brand image and may not be willing to pay a higher price to purchase our premium functional products as compared to traditional outerwear. Our operating results would also suffer if our investments and innovations do not anticipate the needs of our customers, are not appropriately timed with market opportunities or are not effectively brought to market.

Because our business is highly concentrated on a single, discretionary product category, premium outerwear, we are vulnerable to changes in consumer preferences that could harm our sales, profitability and financial condition.

Our business is not currently diversified and consists primarily of designing, manufacturing and distributing premium outerwear and accessories. In fiscal 2019, our main product category, down-filled jackets, was made up of over 187 styles and comprised the majority of our sales. Consumer preferences often change rapidly. Therefore, our business is substantially dependent on our ability to attract customers who are willing to pay a premium for our products. Any future shifts in consumer preferences away from retail spending for premium outerwear and accessories would also have a material adverse effect on our results of operations.

In addition, we believe that continued increases in sales of premium outerwear will largely depend on customers continuing to demand technical superiority from their luxury products. If the number of customers demanding premium outerwear does not continue to increase, or if our customers are not convinced that our premium outerwear is more functional or stylish than other outerwear alternatives, we may not achieve the level of sales necessary to support new growth platforms and our ability to grow our business will be severely impaired.

A downturn in the economy may affect customer purchases of discretionary items, which could materially harm our sales, profitability and financial condition.

Many factors affect the level of consumer spending for discretionary items such as our premium outerwear and related products. These factors include general economic conditions, interest and tax rates, the availability of consumer credit, disposable consumer income, unemployment and consumer confidence in future economic conditions. Consumer purchases of discretionary items, such as our premium outerwear, tend to decline during recessionary periods when disposable income is lower. During our history, we have experienced recessionary periods, but we cannot predict the effect of future recessionary periods on our sales and profitability. A downturn in the economy in markets in which we sell our products may materially harm our sales, profitability and financial condition.

We operate in a highly competitive market and the size and resources of some of our competitors may allow them to compete more effectively than we can, resulting in a loss of our market share and a decrease in our revenue and profitability.

The market for outerwear is highly fragmented. We compete directly against other wholesalers and direct retailers of premium functional outerwear and luxury apparel. Because of the fragmented nature of the marketplace, we also compete with other apparel sellers, including those who do not

specialize in outerwear. Many of our competitors have significant competitive advantages, including larger and broader customer bases, more established relationships with a broader set of suppliers, greater brand recognition, greater financial resources, more established research and development processes, a longer history of store development, greater marketing resources, more established distribution processes, and other resources than we do.

Our competitors may be able to achieve and maintain brand awareness and market share more quickly and effectively than we can. Many of our competitors have more established and diversified marketing programs, including with respect to promotion of their brands through traditional forms of advertising, such as print media and television commercials, and through celebrity endorsements, and have substantial resources to devote to such efforts. Our competitors may also create and maintain brand awareness using traditional forms of advertising more quickly than we can. Our competitors may also be able to increase sales in their new and existing markets faster than we can by emphasizing different distribution channels than we can, such as catalog sales or an extensive retail network, and many of our competitors have substantial resources to devote toward increasing sales in such ways.

If we fail to attract new customers, we may not be able to increase sales.

Our success depends, in part, on our ability to attract new customers. In order to expand our customer base, we must appeal to and attract consumers who identify with our products. We have made significant investments in enhancing our brand and attracting new customers. We expect to continue to make significant investments to promote our current products to new customers and new products to current and new customers, including through our e-commerce platforms and retail store presence. Such marketing investments can be expensive and may not result in increased sales. Further, as our brand becomes more widely known, we may not attract new customers as we have in the past. If we are unable to attract new customers, we may not be able to increase our sales.

We have grown rapidly in recent years. If we are unable to manage our operations at our current size or to manage any future growth effectively, the pace of our growth may slow.

We have expanded our operations rapidly since 2013 and have been developing a Direct-to-Consumer (“DTC”) channel with the launch of our 12 national e-commerce markets since August of 2014, and the opening of our retail stores in Beijing, Boston, Calgary, Chicago, Hong Kong, London, Montreal, Short Hills (New Jersey), New York City, Toronto and Vancouver and a retail store operated by our distribution partner in Tokyo. Driven by this expansion, alongside continued growth in our wholesale channel, total revenue increased to \$830.5 million for fiscal 2019 from \$403.8 million for fiscal 2017, at a Compound Annual Growth Rate (“CAGR”) of 43.4%.

If our operations continue to grow, of which there can be no assurance, we will be required to continue to expand our sales and marketing, product development, manufacturing and distribution functions, to upgrade our management information systems and other processes, and to obtain more space for our expanding administrative support and other personnel. Our continued growth could increase the strain on our resources, and we could experience operating difficulties, including difficulties in hiring, training and managing an increasing number of employees and manufacturing capacity to produce our products, and delays in production and shipments. These difficulties may result in the erosion of our brand image, divert the attention of management and key employees and impact financial and operational results. In addition, in order to continue to expand our DTC channel, we expect to continue to add selling, general & administrative expenses to our operating profile. These costs, which include lease commitments, headcount and capital assets, could result in decreased margins if we are unable to drive commensurate growth.

Our growth strategy involves expansion of our DTC channel, including retail stores and on-line, which may present risks and challenges.

Our business has only recently evolved from one in which we only distributed products on a wholesale basis for resale by others to a multi-channel distribution model, which includes retail and online stores operated by us. Growing our e-commerce platforms and number of retail stores is essential to our growth strategy, as is expanding our product offerings available through these channels. This strategy has and will continue to require significant investment in cross-functional operations and management focus, along with investment in supporting technologies and retail store spaces. If we are unable to provide a convenient and consistent experience for our customers, our ability to compete and our results of operations could be adversely affected. In addition, if our e-commerce or retail store design does not appeal to our customers, reliably function as designed, or maintain the privacy of customer data, or if we are unable to consistently meet our brand promise to our customers, we may experience a loss of customer confidence or lost sales, or be exposed to fraudulent purchases, which could adversely affect our reputation and results of operations. Furthermore, with our increasing retail footprint, we are increasingly subject to risks relating to brick and mortar store locations, such as the risk that footfall at our store locations will decline, that we will be unable to secure new leases upon desirable terms, or that higher costs at our retail locations will adversely affect our margins.

We are also subject to different and evolving local laws and regulatory requirements in the various jurisdictions in which we operate retail stores and online stores. In particular, we are subject to different and evolving laws governing the operation and marketing of e-commerce websites, as well as the collection, storage and use of information on consumers interacting with those websites. We may incur additional costs and operational challenges in complying with these laws, and differences in these laws may cause us to operate our businesses differently in different territories. If so, we may incur additional costs and may not fully realize the investment in our international expansion.

Our financial performance is subject to significant seasonality and variability, which could cause the price of our subordinate voting shares to decline.

Our business is affected by a number of factors common to our industry and by other factors specific to our business model, which drive seasonality and variability. Historically, key metrics, including those related to our growth, profitability and financial condition, have fluctuated significantly across fiscal periods. We expect this to continue in the future.

Consumer purchases of down-filled jackets are heavily concentrated in the Fall / Winter season. As a result, the majority of our DTC revenue is recognized in the third and fourth fiscal quarter. Our wholesale revenue is weighted earlier in the second and third fiscal quarters, when most orders are shipped to wholesale partners.

At the consolidated level, our revenue is concentrated in the second and third fiscal quarters, while our operating costs are more evenly distributed throughout the year. In fiscal 2019, these two quarters represented 75.8% of total revenue. We have historically experienced reduced or negative net income in our first and fourth fiscal quarters, where we have significantly less revenue to offset our cost base. We expect our expanding DTC channel to continue increasing as a percentage of total revenue, resulting in a growing proportion of our revenue occurring during the third and fourth fiscal quarters.

Guided by expected demand and wholesale orders, we manufacture on a linear basis throughout the fiscal year, while adding capacity to our manufacturing network, resulting in the buildup of inventory ahead of our peak season. This causes significant fluctuations in our working capital,

cash conversion, and leverage throughout the fiscal year. At certain points in time, in anticipation of future growth, our inventory has also increased at a higher rate than our revenue growth in the same period.

Historical results, especially comparisons across fiscal quarters, should not be considered indicative of the results to be expected for any future periods. In addition to the seasonality of demand for our products, our financial performance is influenced by a number of factors which are difficult to predict and variable in nature. These include input cost volatility, the timing of consumer purchases and wholesale deliveries which very often shift between fiscal quarters, demand forecast accuracy, inventory availability and the evolution of our channel mix, as well as external trends in weather, retail traffic and discretionary consumer spending.

A number of other factors which are difficult to predict could also affect the seasonality or variability of our financial performance. Therefore, you should not rely on the results of a single fiscal quarter as an indication of our annual results or future performance.

Our business may be adversely affected by global climate change trends.

A significant portion of our business is highly dependent on cold-weather seasons and patterns to generate consumer demand for our cold-weather apparel. Consumer demand for our cold-weather and shoulder season products may be negatively affected to the extent global weather patterns trend warmer, reducing typical patterns of cold-weather events or increasing weather volatility, which could have an adverse effect on our financial condition, results of operations or cash flows.

Our indebtedness could adversely affect our financial condition.

As of March 31, 2019, we had repaid all borrowings outstanding under our Revolving Facility (as defined below) and had \$165.5 million of unused commitments under our Revolving Facility and \$152.4 million of term loans under our Term Loan Facility (as defined below), for total indebtedness of \$152.4 million. We also generally experience significant fluctuations in our aggregate indebtedness and working capital over our operating cycle due to the seasonality in our business. Our debt could have important consequences, including:

- limiting our ability to obtain additional financing to fund future working capital, capital expenditures, acquisitions or other general corporate requirements and increasing our cost of borrowing;
- requiring a portion of our cash flow to be dedicated to debt service payments instead of other purposes, thereby reducing the amount of cash flow available for working capital, capital expenditures, acquisitions and other general corporate purposes;
- requiring the net cash proceeds of certain equity offerings to be used to prepay our debt as opposed to other purposes;
- exposing us to the risk of increased interest rates as certain of our borrowings, including borrowings under our senior secured credit facilities, are at variable rates of interest; and
- limiting our flexibility in planning for and reacting to changes in the industry in which we compete.

The credit agreements governing our senior secured credit facilities contain a number of restrictive covenants that impose operating and financial restrictions on us, including restrictions on our ability to incur certain liens, make investments and acquisitions, incur or guarantee additional indebtedness, pay dividends or make other distributions in respect of, or repurchase or redeem our common or preferred shares, or enter into certain other types of contractual arrangements

affecting our subsidiaries or indebtedness. In addition, the restrictive covenants in the credit agreement governing our Revolving Facility require us to maintain a minimum fixed charge coverage ratio if excess availability under our Revolving Facility falls below a specified threshold.

Although the credit agreements governing our senior secured credit facilities contain restrictions on the incurrence of additional indebtedness, those restrictions are subject to a number of qualifications and exceptions and the additional indebtedness incurred in compliance with those restrictions could be substantial. We may also seek to amend or refinance one or more of our debt instruments to permit us to finance our growth strategy or improve the terms of our indebtedness.

Our plans to improve and expand our product offerings may not be successful, and implementation of these plans may divert our operational, managerial and administrative resources, which could harm our competitive position and reduce our revenue and profitability.

In addition to our DTC strategy and the expansion of our geographic footprint, we are growing our business by expanding our product offerings outside down-filled jackets, including softshell jackets, windwear, rainwear, knitwear and footwear. The principal risks to our ability to successfully carry out our plans to expand our product offering include:

- the success of new products and new product lines will depend on market demand and there is a risk that new products and new product lines will not deliver expected results, which could negatively impact our future sales and results of operations;
- if our expanded product offerings fail to maintain and enhance our distinctive brand identity, our brand image may be diminished and our sales may decrease;
- implementation of these plans may divert management's attention from other aspects of our business and place a strain on our management, operational and financial resources, as well as our information systems; and
- incorporation of novel materials or features into our products may not be accepted by our customers or may be considered inferior to similar products offered by our competitors.

In addition, our ability to successfully carry out our plans to expand our product offerings may be affected by economic and competitive conditions, changes in consumer spending patterns and changes in consumer preferences and styles. These plans could be abandoned, could cost more than anticipated and could divert resources from other areas of our business, any of which could negatively impact our competitive position and reduce our revenue and profitability.

Unexpected obstacles in new markets may limit our expansion opportunities and cause our business and growth to suffer.

Our future growth depends in part on our expansion efforts outside of North America, including in developing markets. We have limited experience with regulatory environments and market practices outside of this region, and we may not be able to penetrate or successfully operate in any new market, as a result of unfamiliar regulation or other unexpected barriers to entry. In connection with our expansion efforts we may encounter obstacles, including cultural and linguistic differences, differences in regulatory environments, economic or governmental instability, labour practices and market practices, difficulties in keeping abreast of market, business and technical developments, and foreign customers' tastes and preferences. In developing markets, potential challenges include relatively higher risk of political instability, economic volatility, crime, corruption and social unrest. Such challenges may be exacerbated in many cases by uncertainties regarding how local law is applied and enforced, and with respect to judiciary and administrative mechanism.

We may also encounter difficulty expanding into new international markets because of limited brand recognition leading to delayed acceptance of our outerwear by customers in these new international markets. Our failure to develop our business in new international markets or experiencing disappointing growth or inadequate management of risks outside of existing markets could harm our business and results of operations.

We rely on a limited number of third-party suppliers to provide high quality raw materials.

Our products require high quality raw materials, including cotton, polyester, wool, down and coyote fur. The price of raw materials depends on a wide variety of factors largely beyond the control of Canada Goose. A shortage, delay or interruption of supply for any reason could negatively impact our ability to fulfill orders and have an adverse impact on our financial results.

In addition, while our suppliers, in turn, source from a number of sub-suppliers, we rely on a very small number of direct suppliers for certain raw materials. As a result, any disruption to these relationships could have an adverse effect on our business. Events that adversely affect our suppliers could impair our ability to obtain inventory in the quantities and at the quality that we require. Such events include difficulties or problems with our suppliers' businesses, finances, labour relations, ability to import raw materials, costs, production, insurance and reputation, as well as natural disasters or other catastrophic occurrences. Furthermore, there can be no assurance that our suppliers will continue to provide fabrics and raw materials or provide products that are consistent with our standards.

More generally, if we need to replace an existing supplier, additional supplies or additional manufacturing capacity may not be available when required on terms that are acceptable to us, or at all, and any new supplier may not meet our strict quality requirements. In the event we are required to find new sources of supply, we may encounter delays in production, inconsistencies in quality and added costs as a result of the time it takes to train our suppliers and manufacturers in our methods, products and quality control standards. Any delays, interruption or increased costs in the supply of our raw materials could have an adverse effect on our ability to meet customer demand for our products and result in lower sales and profitability both in the short and long-term.

We could experience significant disruptions in supply from our current sources.

We generally do not enter into long-term formal written agreements with our suppliers, and typically transact business with our suppliers on an order-by-order basis. There can be no assurance that there will not be a disruption in the supply of fabrics or raw materials from current sources or, in the event of a disruption, that we would be able to locate alternative suppliers of materials of comparable quality at an acceptable price, or at all. Identifying a suitable supplier is an involved process that requires us to become satisfied with their quality control, responsiveness and service, financial stability and labour and other ethical practices. Any delays, interruption or increased costs in the supply of fabric or manufacture of our products could have an adverse effect on our ability to meet customer demand for our products and result in lower revenue and operating income both in the short and long-term.

Our business and results of operations could be harmed if we are unable to accurately forecast demand for our products.

To ensure adequate inventory supply, we and our wholesale partners forecast inventory needs, which are subject to seasonal and quarterly variations and customer demand. If we fail to accurately forecast wholesale demand, we may experience excess inventory levels or a shortage of product to deliver to our wholesale partners and through our DTC channel. Our ability to forecast accurately has become increasingly important as we have grown our DTC segment. In our wholesale segment, a majority of orders delivered in a given fiscal year are received in the prior fiscal year, enabling

us to manufacture inventory to wholesale demand. For DTC channel sales, we have to manufacture according to our forecasts. If we overestimate the demand for our products, we could face inventory levels in excess of demand, which could result in inventory write-downs or write-offs and the sale of excess inventory at discounted prices, which would harm our gross margins and our brand management efforts. The impact of an overestimation is expected to increase as a larger portion of our sales comes through our DTC channel, and as we expand our product offerings to include more new styles. If we underestimate the demand for our products, we may not be able to produce products to meet our wholesale partner requirements, and this could result in delays in the shipment of our products and our failure to satisfy demand, as well as damage to our reputation and wholesale partner relationships. In addition, failures to accurately predict the level of demand for our products could harm our profitability and financial condition.

If we are unable to establish and protect our trademarks and other intellectual property rights, counterfeiters may produce copies of our products and such counterfeit products could damage our brand image.

Given the increased popularity of our brand, we believe there is a high likelihood that counterfeit products or other products infringing on our intellectual property rights will continue to emerge, seeking to benefit from the consumer demand for Canada Goose products. These counterfeit products do not provide the functionality of our products and we believe they are of substantially lower quality, and if customers are not able to differentiate between our products and counterfeit products, this could damage our brand image. In order to protect our brand, we devote significant resources to the registration and protection of our trademarks and to anti-counterfeiting efforts worldwide. We actively pursue entities involved in the trafficking and sale of counterfeit merchandise through legal action or other appropriate measures. In spite of our efforts, counterfeiting still occurs and, if we are unsuccessful in challenging a third-party's rights related to trademark, copyright or other intellectual property rights, this could adversely affect our future sales, financial condition and results of operations. We cannot guarantee that the actions we have taken to curb counterfeiting and protect our intellectual property will be adequate to protect the brand and prevent counterfeiting in the future or that we will be able to identify and pursue all counterfeiters who may seek to benefit from our brand.

Competitors have and will likely continue to attempt to imitate our products and technology and divert sales. If we are unable to protect or preserve our intellectual property rights, brand image and proprietary rights, our business may be harmed.

As our business has expanded, our competitors have imitated, and will likely continue to imitate, our product designs and branding, which could harm our business and results of operations. Competitors who flood the market with products seeking to imitate our products could divert sales and dilute the value of our brand. We believe our trademarks, copyrights and other intellectual property rights are extremely important to our success and our competitive position.

However, enforcing rights to our intellectual property may be difficult and costly, and we may not be successful in stopping infringement of our intellectual property rights, particularly in foreign countries, which could make it easier for competitors to capture market share. Intellectual property rights necessary to protect our products and brand may also be unavailable or limited in certain countries. Furthermore, our efforts to enforce our trademarks, copyrights and other intellectual property rights may be met with defenses, counterclaims and countersuits attacking the validity and enforceability of our trademark and other intellectual property rights. Continued sales of competing products by our competitors could harm our brand and adversely impact our business, financial condition and results of operations.

Labour-related matters, including labour disputes, may adversely affect our operations.

As of March 31, 2019, less than 23% of our employees are members of labour unions, and additional members of our workforce may become represented by unions in the future. The exposure to unionized labour in our workforce presents an increased risk of strikes and other labour disputes, and our ability to alter labour costs will be subject to collective bargaining, which could adversely affect our results of operations. In addition, potential labour disputes at independent factories where our goods are produced, shipping ports, or transportation carriers create risks for our business, particularly if a dispute results in work slowdowns, lockouts, strikes or other disruptions during our peak manufacturing, shipping and selling seasons. Any potential labour dispute, either in our own operations or in those of third parties, on whom we rely, could materially affect our costs, decrease our sales, harm our reputation or otherwise negatively affect our sales, profitability or financial condition.

The majority of our workforce is composed of manufacturing employees based in the provinces of Ontario, Manitoba and Québec, a sizeable portion of whom are paid wage rates based on the applicable provincial minimum wage. Many jurisdictions, including certain Canadian provinces, either have increased or plan to increase their minimum wage and other benefits requirements, which may materially increase our manufacturing costs. Minimum wage increases such as the foregoing may not only increase the wages of our minimum wage employees, but also the wages paid to our other hourly or salaried employees who, in recognition of their tenure, performance, responsibilities and other similar considerations, historically received a rate of pay exceeding the applicable minimum wage. Further, if we fail to pay such higher wages, we could suffer increased employee turnover. It is difficult to predict when such increases may take place and any such increase could have a material adverse effect on our business, financial condition, results of operations and prospects.

We rely significantly on information technology systems for our distribution systems and other critical business functions, and are increasing our reliance on these functions as our DTC channel expands. Any failure, inadequacy, or interruption of those systems could harm our ability to operate our business effectively.

We rely on information systems to effectively manage all aspects of our business, including merchandise planning, manufacturing, allocation, distribution, sales and financial reporting. Our reliance on these systems, and their importance to our business, will increase as we expand our DTC channel and global operations. We rely on a number of third parties to help us effectively manage these systems. If information systems we rely on fail to perform as expected, our business could be disrupted. The failure of us or our vendors to manage and operate our information technology systems as expected could disrupt our business, result in our not providing adequate product, losing sales or market share, and reputational harm, causing our business to suffer. Any such failure or disruption could have a material adverse effect on our business.

Our information technology systems and vendors also may be vulnerable to damage or interruption from circumstances beyond our or their control, including fire, flood, natural disasters, systems failures, network or communications failures, power outages, viruses, security breaches, cyber-attacks and terrorism. We maintain disaster recovery procedures intended to mitigate the risks associated with such events, but there is no guarantee that these procedures will be adequate in any particular circumstance. As a result, such an event could materially disrupt, and have a material adverse effect on, our business.

We partially depend on our wholesale partners to display and present our products to customers in our wholesale segment, and our failure to maintain and further develop our relationships with our wholesale partners could harm our business.

We sell our products in our wholesale segment through knowledgeable local, regional, and national wholesale partners. Our wholesale partners service customers by stocking and displaying our products, and explaining our product attributes. Our relationships with these wholesale partners are important to the authenticity of our brand and the marketing programs we continue to deploy. Our failure to maintain these relationships with our wholesale partners or financial difficulties experienced by these wholesale partners could harm our business.

Our sales depend, in part, on wholesale partners effectively displaying our products, including providing attractive space in their stores, including shop-in-shops, and training their sales personnel to sell our products. If our wholesale partners reduce or terminate those activities, we may experience reduced sales of our products, resulting in lower revenue and gross margins, which would harm our profitability and financial condition.

We also have key relationships with wholesale partners. If we lose any of our key wholesale partners, or if any key wholesale partner reduces their purchases of our existing or new products, or their number of stores or operations or promotes products of our competitors over ours, or suffers financial difficulty or insolvency, our sales would be harmed. The recent decline in the overall retail industry has been challenging for some of our wholesale partners and caused us to negotiate shortened payment terms and reduce credit limits with certain of our wholesale partners. If the overall retail environment continues to decline or if one or more of our wholesale partners is unable or unwilling to meet our payment terms, our business and results of operations could be harmed.

A significant portion of our sales are to wholesale partners, directly and through distributors.

A significant portion of our sales are made to wholesale partners, either directly or indirectly, through distributors, who may decide to emphasize products from our competitors, to redeploy their retail floor space to other product categories, or to take other actions that reduce their purchases of our products. We do not receive long-term purchase commitments from our wholesale partners, and confirmed orders received from our wholesale partners may be difficult to enforce. Factors that could affect our ability to maintain or expand our sales to these wholesale partners include: (a) failure to accurately identify the needs of our customers; (b) lack of customer acceptance of new products or product expansions; (c) unwillingness of our wholesale partners and customers to attribute premium value to our new or existing products or product expansions relative to competing products; (d) failure to obtain shelf space from our wholesale partners; and (e) new, well-received product introductions by competitors.

We cannot assure you that our wholesale partners will continue to carry our products in accordance with current practices or carry any new products that we develop. If these risks occur, they could harm our brand as well as our results of operations and financial condition.

Our marketing programs, e-commerce initiatives and use of customer information are governed by an evolving set of laws and enforcement trends and unfavorable changes in those laws or trends, or our failure to comply with existing or future laws, could substantially harm our business and results of operations.

We collect, process, maintain and use data, including sensitive information on individuals, available to us through online activities and other customer interactions in our business. Our current and future marketing programs may depend on our ability to collect, maintain and use this information, and our ability to do so is subject to evolving and increasingly demanding international, U.S., Canadian, European and other laws and enforcement trends. For example, the European Union

recently adopted a comprehensive General Data Privacy Regulation (the "GDPR"), which became fully effective in May 2018. The GDPR requires companies to satisfy new requirements regarding the handling of personal and sensitive data, including its use, protection and the ability of persons whose data is stored to correct or delete such data about themselves. Failure to comply with GDPR requirements could result in significant penalties. We strive to comply with all applicable laws and other legal obligations relating to privacy, data protection and customer protection, including those relating to the use of data for marketing purposes. It is possible, however, that these requirements may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another, may conflict with other rules, may conflict with our practices or fail to be observed by our employees or business partners. If so, we may suffer damage to our reputation and be subject to proceedings or actions against us by governmental entities or others. Any such proceeding or action could hurt our reputation, force us to spend significant amounts to defend our practices, distract our management or otherwise have an adverse effect on our business.

Certain of our marketing practices rely upon e-mail to communicate with consumers on our behalf. We may face risk if our use of e-mail is found to violate the applicable law. We post our privacy policy and practices concerning the use and disclosure of user data on our websites. Any failure by us to comply with our posted privacy policy or other privacy-related laws and regulations could result in proceedings which could potentially harm our business. In addition, as data privacy and marketing laws change, we may incur additional costs to ensure we remain in compliance. If applicable data privacy and marketing laws become more restrictive at the international, federal, provincial or state levels, our compliance costs may increase, our ability to effectively engage customers via personalized marketing may decrease, our investment in our e-commerce platform may not be fully realized, our opportunities for growth may be curtailed by our compliance burden and our potential reputational harm or liability for security breaches may increase.

Data security breaches and other cyber security events could result in disruption to our operations or financial losses and could negatively affect our reputation, credibility and business.

As with other companies, we are subject to risks associated with data security breaches and other cyber security events. We collect, process, maintain and use personal information relating to our customers and employees, and rely on third parties for the operation of our e-commerce site and for the various social media tools and websites we use as part of our marketing strategy. Any attempted or actual unauthorized disclosure of personally identifiable information regarding our employees, customers or website visitors could harm our reputation and credibility, reduce our e-commerce sales, impair our ability to attract website visitors, reduce our ability to attract and retain customers and could result in litigation against us or the imposition of significant fines or penalties.

Our on-line activities, including our e-commerce websites, also may be subject to denial of service or other forms of cyber attacks. While we have taken measures we believe reasonable to protect against those types of attacks, those measures may not adequately protect our on-line activities from such attacks. If a denial of service attack or other cyber event were to affect our e-commerce sites or other information technology systems, our business could be disrupted, we may lose sales or valuable data, and our reputation may be adversely affected. Additionally, new and evolving data protection legislation such as the GDPR impose new requirements such as shorter notification timeframes that could increase the risks associated with data security breaches.

We have procedures and technology in place designed to safeguard our customers' debit and credit cards and our customers' and employees' other personal information, and we continue to devote significant resources to network security, backup and disaster recovery, and other security

measures. Nevertheless, these security measures cannot provide absolute security or guarantee that we will be successful in preventing or responding to every such breach or disruption.

Recently, data security breaches suffered by well-known companies and institutions have attracted a substantial amount of media attention, prompting new foreign, federal, provincial and state laws and legislative proposals addressing data privacy and security, as well as increased data protection obligations imposed on merchants by credit card issuers. As a result, we may become subject to more extensive requirements to protect the customer information that we process in connection with the purchase of our products, resulting in increased compliance costs.

A significant portion of our business functions operate out of our headquarters in Toronto. As a result, our business is vulnerable to disruptions due to local weather, economics and other factors.

All of our significant business functions reside at our headquarters in Toronto, Canada. Events such as extreme local weather, natural disasters, transportation strikes, acts of terrorism, significant economic disruptions or unexpected damage to the facility could result in an unexpected disruption to our business as a whole. Although we carry business interruption insurance, if a disruption of this type should occur, our ability to conduct our business could be adversely affected or interrupted entirely and adversely affect our financial and operating results.

Our success is substantially dependent on the continued service of our senior management.

Our success is substantially dependent on the continued service of our senior management, including Dani Reiss, who is our President and Chief Executive Officer. The loss of the services of our senior management could make it more difficult to successfully operate our business and achieve our business goals. We also may be unable to retain existing management, technical, sales and client support personnel that are critical to our success, which could result in harm to our customer and employee relationships, loss of key information, expertise or know-how and unanticipated recruitment and training costs.

We have not obtained key man life insurance policies on any members of our senior management team. As a result, we would not be protected against the associated financial loss if we were to lose the services of members of our senior management team.

We rely on payment cards to receive payments, and are subject to payment-related risks.

For our DTC sales, as well as for sales to certain wholesale partners, we accept a variety of payment methods, including credit cards, debit cards and electronic funds transfers. Accordingly, we are, and will continue to be, subject to significant and evolving regulations and compliance requirements relating to payment card processing. This includes laws governing the collection, processing and storage of sensitive consumer information, as well as industry requirements such as the Payment Card Industry Data Security Standard ("PCI-DSS"). These laws and obligations may require us to implement enhanced authentication and payment processes that could result in increased costs and liability, and reduce the ease of use of certain payment methods. For certain payment methods, including credit and debit cards, we pay interchange and other fees, which may increase over time. We rely on independent service providers for payment processing, including credit and debit cards. If these independent service providers become unwilling or unable to provide these services to us or if the cost of using these providers increases, our business could be harmed. We are also subject to payment card association operating rules and agreements, including PCI-DSS, certification requirements and rules governing electronic funds transfers, which could change or be reinterpreted to make it difficult or impossible for us to comply. If we fail to comply with these rules or requirements, or if our data security systems are breached or compromised, we may be liable for losses incurred by card issuing banks or consumers, subject to fines and higher transaction fees, lose our ability

to accept credit or debit card payments from our consumers, or process electronic fund transfers or facilitate other types of payments. Any failure to comply could significantly harm our brand, reputation, business, and results of operations.

If our independent manufacturers or our suppliers fail to use ethical business practices and fail to comply with changing laws and regulations or our applicable guidelines, our brand image could be harmed due to negative publicity.

Our core values, which include developing the highest quality products while operating with integrity, are an important component of our brand image, which makes our reputation sensitive to allegations of unethical or improper business practices, whether real or perceived. We do not control our suppliers and manufacturers or their business practices. Accordingly, we cannot guarantee their compliance with our guidelines or the law. A lack of compliance could lead to reduced sales or recalls or damage to our brand or cause us to seek alternative suppliers, which could increase our costs and result in delayed delivery of our products, product shortages or other disruptions of our operations.

In addition, many of our products include materials that are heavily regulated in many jurisdictions. Certain jurisdictions in which we sell have various regulations related to manufacturing processes and the chemical content of our products, including their component parts. Monitoring compliance by our manufacturers and suppliers is complicated, and we are reliant on their compliance reporting in order to comply with regulations applicable to our products. This is further complicated by the fact that expectations of ethical business practices continually evolve and may be substantially more demanding than applicable legal requirements. Ethical business practices are also driven in part by legal developments and by diverse groups active in publicizing and organizing public responses to perceived ethical shortcomings. Accordingly, we cannot predict how such regulations or expectations might develop in the future and cannot be certain that our guidelines or current practices would satisfy all parties who are active in monitoring our products or other business practices worldwide.

Our current and future products may experience quality problems from time to time that can result in negative publicity, litigation, product recalls and warranty claims, which could result in decreased revenue and operating margin, and harm to our brand.

There can be no assurance we will be able to detect, prevent, or fix all defects that may affect our products. Failure to detect, prevent, or fix defects, or the occurrence of real or perceived quality, health or safety problems or material defects in our current and future products, could result in a variety of consequences, including a greater number of product returns than expected from customers and our wholesale partners, litigation, product recalls, and credit, warranty or other claims, among others, which could harm our brand, sales, profitability and financial condition. We stand behind every Canada Goose product with a full lifetime warranty against defects. Because of this comprehensive warranty, quality problems could lead to increased warranty costs, and divert the attention of our manufacturing facilities. Such problems could hurt our premium brand image, which is critical to maintaining and expanding our business. Any negative publicity or lawsuits filed against us related to the perceived quality and safety of our products could harm our brand and decrease demand for our products.

Our business could be adversely affected by protestors or activists.

We have been the target of protestors and activists in the past, and may continue to be in the future. Our products include certain animal products, including goose and duck feathers in all of our down-filled parkas and coyote fur on the hoods of some of our parkas, which has drawn the attention of animal welfare activists.

Protestors can disrupt sales at our stores, or use social media or other campaigns to sway public opinion against our products. In addition, such activism could influence laws or regulations applicable to the jurisdictions in which we operate, including laws and regulations related to the use of animal by-products. If any such activists are successful, our sales and results of operations may be adversely affected.

The cost of raw materials could increase our cost of goods sold and cause our results of operations and financial condition to suffer.

The fabrics used by our suppliers and manufacturers include synthetic fabrics and natural products, including cotton, polyester, down and coyote fur. Significant price fluctuations or shortages in the cost of these raw materials may increase our cost of goods sold and cause our results of operations and financial condition to suffer. In particular, in our experience, pricing for fur products tends to be unpredictable. If we are unable to secure coyote fur for our jackets at a reasonable price, we may have to alter or discontinue selling some of our designs, or attempt to pass along the cost to our customers, any of which could adversely affect our results of operations and financial condition.

Additionally, increasing costs of labour, freight and energy could increase our and our suppliers' cost of goods. If our suppliers are affected by increases in their costs of labour, freight and energy, they may attempt to pass these cost increases on to us. If we pay such increases, we may not be able to offset them through increases in our pricing, which could adversely affect our results of operation and financial condition.

Fluctuations in foreign currency exchange rates could harm our results of operations as well as the price of our subordinate voting shares.

The presentation currency for our consolidated financial statements is the Canadian dollar. Because we recognize sales in U.S. dollars, Euros, British pounds, Swiss francs, Hong Kong dollars and Chinese yuan, if any of these currencies weakens against the Canadian dollar it would have a negative impact on our local operating results upon translation of those results into Canadian dollars for the purposes of financial statement consolidation. Although we engage in short-term hedging transactions for a portion of our foreign currency denominated cash flows to mitigate foreign exchange risks, depending upon changes in future currency rates, such gains or losses could have a significant, and potentially adverse, effect on our results of operations. Foreign exchange variations have been significant in the past and current foreign exchange rates may not be indicative of future exchange rates.

Our earnings per share are reported in Canadian dollars, and accordingly may be translated into U.S. dollars by analysts or our investors. As a result, the perceived value of an investment in our subordinate voting shares to a U.S. shareholder will fluctuate as the U.S. dollar rises and falls against the Canadian dollar. Our decision to declare a dividend depends on results of operations reported in Canadian dollars. As a result, U.S. and other shareholders seeking U.S. dollar total returns, including increases in the share price and dividends paid, are subject to foreign exchange risk as the U.S. dollar rises and falls against the Canadian dollar.

Political uncertainty and an increase in trade protectionism could have a material adverse effect on our business, results of operation and financial condition.

As a prominent Canadian brand, geopolitical events that involve Canada may have an impact on our business and share price. In addition, our brand and Canadian heritage may be detrimental to the company in the context of geopolitical disputes aimed at Canada or actors or situations with significant actual or perceived connection to Canada. We sell a significant portion of our products to customers outside of Canada and changes, potential changes or uncertainties in regulatory and economic conditions or laws and policies governing foreign trade, manufacturing, and development

and investment in the territories and countries where we operate, could adversely affect our business and consolidated financial statements. Recent events, including the U.S. presidential election and “Brexit” in the U.K., have resulted in substantial regulatory uncertainty regarding international trade and trade policy. For example, in November 2018, the United States, Mexico and Canada signed the United States-Mexico-Canada Agreement (“USMCA”) (in Canada, known as the Canada-United-States-Mexico Agreement (“CUSMA”), which is intended to succeed the North American Free Trade Agreement (“NAFTA”). USMCA/CUSMA has been signed but not ratified by the legislature of each of the United States, Canada and Mexico. It remains unclear what the U.S., Canadian, or Mexican governments will or will not do with respect to NAFTA, USMCA/CUSMA or other international trade agreements and policies. In addition, in 2018, the U.S. imposed tariffs on certain imports from China and other countries, resulting in retaliatory tariffs by China and other countries. The U.S. and China are currently involved in trade talks, the outcome of which is uncertain. This uncertainty and potential governmental action related to tariffs or international trade agreements has the potential to adversely impact demand for our products, our costs, customers, suppliers and/or the Canadian, U.S. or world economy or certain sectors thereof and, thus, to adversely impact our business.

Because of our international operations, which we are expanding as our DTC channel expands, we could be adversely affected by violations of the U.S. Foreign Corrupt Practices Act and similar worldwide anti-bribery and anti-kickback laws.

We source an increasingly significant portion of our products from outside Canada. The U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and other similar anti-bribery and anti-kickback laws and regulations generally prohibit companies and their intermediaries from making improper payments government officials for the purpose of obtaining or retaining business. While we take steps to ensure that our distributors, consultant and personnel comply with applicable law, we cannot assure you that we will be successful in preventing our employees or other agents from taking actions in violation of these laws or regulations. Such violations, or allegations of such violations, could disrupt our business and result in a material adverse effect on our financial condition, results of operations and cash flows.

We may become involved in legal or regulatory proceedings and audits.

Our business requires compliance with many laws and regulations, including labour and employment, sales and other taxes, customs, and consumer protection laws and ordinances that regulate retailers generally and/or govern the importation, promotion and sale of merchandise, and the operation of stores and warehouse facilities. Failure to comply with these laws and regulations could subject us to lawsuits and other proceedings, and could also lead to damage awards, fines and penalties. We may become involved in a number of legal proceedings and audits, including government and agency investigations, and consumer, employment, tort and other litigation. The outcome of some of these legal proceedings, audits, and other contingencies could require us to take, or refrain from taking, actions that could harm our operations or require us to pay substantial amounts of money, harming our financial condition. Additionally, defending against these lawsuits and proceedings may be necessary, which could result in substantial costs and diversion of management’s attention and resources, harming our financial condition. There can be no assurance that any pending or future legal or regulatory proceedings and audits will not harm our business, financial condition and results of operations.

We are subject to many hazards and operational risks that can disrupt our business, some of which may not be insured or fully covered by insurance.

Our operations are subject to many hazards and operational risks inherent to our business, including: general business risks, product liability, product recall and damage to third parties, our

infrastructure or properties caused by fires, floods and other natural disasters, power losses, telecommunications failures, terrorist attacks, human errors and similar events.

Our insurance coverage may be inadequate to cover our liabilities related to such hazards or operational risks. In addition, we may not be able to maintain adequate insurance in the future at rates we consider reasonable and commercially justifiable, and insurance may not continue to be available on terms as favorable as our current arrangements. The occurrence of a significant uninsured claim, or a claim in excess of the insurance coverage limits maintained by us could harm our business, results of operations and financial condition.

In connection with the audits of our consolidated financial statements for fiscal 2017, 2018 and 2019, we identified material weaknesses in our internal control over financial reporting. If we fail to remediate these weaknesses and maintain proper and effective internal controls, our ability to produce accurate and timely financial statements could be impaired, which could harm our operating results, our ability to operate our business and our reputation.

In connection with the audit of our consolidated financial statements for fiscal 2017, 2018 and 2019, we identified material weaknesses in our internal control over financial reporting. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim consolidated financial statements will not be prevented or detected on a timely basis.

As the company has experienced significant expansion of operations and revenue growth, we increased the number of personnel in our organization and specifically in our financial reporting team. Despite this progress, in fiscal 2019 we continued to identify control deficiencies in aggregate that constitute a material weakness in two components of internal control as defined by COSO 2013 (Control Activities and Information and Communication). Management determined it did not design and maintain effective controls over the following, each of which was deemed a material weakness in aggregate: (a) the occurrence and accuracy of revenue and the existence of the related accounts receivable, and access controls to customer master data; and (b) the existence and valuation of inventory, including inventory costing and access controls to inventory master data.

While we have taken steps to address these material weaknesses in fiscal 2018 and fiscal 2019, there are a number of additional steps that management plans to take in 2020 and beyond to strengthen the company's internal controls. In addition, as the company continues to evaluate and work to improve its internal control over financial reporting, management may take additional measures to address control deficiencies. The material weaknesses cannot be considered remediated until the applicable relevant controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively. No assurance can be provided at this time that the actions and remediation efforts will effectively remediate the material weaknesses identified or prevent the incidence of other material weaknesses in the company's internal control over financial reporting in the future. We do not know the specific time frame needed to fully remediate the material weaknesses identified. Implementing any appropriate changes to our internal controls and continuing to update and maintain our internal controls may distract our officers and employees, entail substantial costs to implement new processes and modify our existing processes and take significant time to complete. If we fail to enhance our internal control over financial reporting to meet the demands that are placed upon us as a public company, including the requirements of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), we may be unable to report our financial results accurately, which could increase operating costs, trigger an event of default under our Credit Agreement and harm our business,

including our investors' perception of our business, our share price and our ability to finance our operations.

For a more detailed discussion of our material weaknesses, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" - "Internal Control Over Financial Reporting."

Failure to maintain adequate financial and management processes and controls could lead to errors in our financial reporting, which could harm our business and cause a decline in our share price.

Reporting obligations as a public company and our anticipated growth have placed and are likely to continue to place a considerable strain on our financial and management systems, processes and controls, as well as on our personnel. In addition, as of March 31, 2019, we are required to document and test our internal controls over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act so that our management can certify the effectiveness of our internal controls. Since management was unable to certify the effectiveness of our internal controls or if additional material weaknesses in our internal controls are identified, we could be subject to regulatory scrutiny and a loss of public confidence, which could harm our business and cause a decline in our share price. In addition, if we do not maintain adequate financial and management personnel, processes and controls, we may not be able to accurately report our financial performance on a timely basis, which could cause a decline in our share price and harm our ability to raise capital. Failure to accurately report our financial performance on a timely basis could also jeopardize our continued listing on the Toronto Stock Exchange ("TSX"), the New York Stock Exchange ("NYSE") or any other exchange on which our subordinate voting shares may be listed. Delisting of our subordinate voting shares from any exchange would reduce the liquidity of the market for our subordinate voting shares, which would reduce the price of our subordinate voting shares and increase the volatility of our share price.

We do not expect that our disclosure controls and procedures and internal controls over financial reporting will prevent all error or fraud. A control system, no matter how well-designed and implemented, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues within an organization are detected. Due to the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected in a timely manner or at all. If we cannot provide reliable financial reports or prevent fraud, our reputation and operating results could be materially adversely affected, which could also cause investors to lose confidence in our reported financial information, which in turn could result in a reduction in the trading price of the subordinate voting shares.

Risks Related to Our Subordinate Voting Shares

The dual-class structure contained in our articles has the effect of concentrating voting control and the ability to influence corporate matters with Bain Capital and our President and Chief Executive Officer, who held our shares prior to our initial public offering.

Our multiple voting shares have 10 votes per share and our subordinate voting shares have 1 vote per share. As of March 31, 2019, shareholders who hold multiple voting shares (Bain Capital and our President and Chief Executive Officer (including their respective affiliates)), together hold approximately 90% of the voting power of our outstanding voting shares and therefore have significant influence over our management and affairs and over all matters requiring shareholder approval, including the election of directors and significant corporate transactions.

In addition, because of the 10-to-1 voting ratio between our multiple voting shares and subordinate voting shares, the holders of our multiple voting shares will control a majority of the combined voting power of our voting shares even where the multiple voting shares represent a substantially reduced percentage of our total outstanding shares. The concentrated voting control of holders of our multiple voting shares limits the ability of holders of our subordinate voting shares to influence corporate matters for the foreseeable future, including the election of directors as well as with respect to decisions regarding amending of our share capital, creating and issuing additional classes of shares, making significant acquisitions, selling significant assets or parts of our business, merging with other companies and undertaking other significant transactions. As a result, holders of multiple voting shares will have the ability to influence or control many matters affecting us and actions may be taken that holders of our subordinate voting shares may not view as beneficial. The market price of our subordinate voting shares could be adversely affected due to the significant influence and voting power of the holders of multiple voting shares. Additionally, the significant voting interest of holders of multiple voting shares may discourage transactions involving a change of control, including transactions in which an investor, as a holder of the subordinate voting shares, might otherwise receive a premium for the subordinate voting shares over the then-current market price, or discourage competing proposals if a going private transaction is proposed by one or more holders of multiple voting shares.

Future transfers by holders of multiple voting shares, other than permitted transfers to such holders' respective affiliates or direct family members or to other permitted holders, will result in those shares automatically converting to subordinate voting shares, which will have the effect, over time, of increasing the relative voting power of those holders of multiple voting shares who retain their multiple voting shares.

Bain Capital continues to have significant influence over us in the future, including control over decisions that require the approval of shareholders, which could limit shareholders' ability to influence the outcome of matters submitted to shareholders for a vote.

We are currently controlled by Bain Capital. As of March 31, 2019, Bain Capital beneficially owned approximately 60.5% of our outstanding multiple voting shares, or approximately 54.2% of the combined voting power of our multiple voting and subordinate voting shares outstanding. In addition, our President and Chief Executive Officer beneficially owns approximately 39.5% of our outstanding multiple voting shares, or approximately 35.4% of the combined voting power of our outstanding voting shares. As long as Bain Capital owns or controls at least a majority of our outstanding voting power, it will have the ability to exercise substantial control over all corporate actions requiring shareholder approval, irrespective of how our other shareholders may vote, including the election and removal of directors and the size of our board of directors, any amendment of our certificate of incorporation, notice of articles and articles, or the approval of any merger or other significant corporate transaction, including a sale of substantially all of our assets. Even if its ownership falls below 50% of the voting power of our outstanding voting shares, Bain Capital will continue to be able to strongly influence or effectively control our decisions. Bain Capital's multiple voting shares convert automatically to subordinate voting shares at the time that Bain Capital and its affiliates no longer beneficially own at least 15% of the outstanding subordinate voting shares and multiple voting shares on a non-diluted basis. Even once Bain Capital's multiple voting shares convert into subordinate voting shares we may continue to be a controlled company so long as an entity controlled by our President and Chief Executive Officer continues to hold multiple voting shares.

Additionally, Bain Capital's interests may not align with the interests of our other shareholders. Bain Capital is in the business of making investments in companies and may acquire and hold interests in businesses that compete directly or indirectly with us. Bain Capital may also pursue

acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities may not be available to us.

We are a controlled company within the meaning of the NYSE listing rules and, as a result, will qualify for, and intend to rely on, exemptions from certain corporate governance requirements. Our shareholders will not have the same protections afforded to shareholders of companies that are subject to such requirements.

We are a controlled company within the meaning of the corporate governance standards of the NYSE. Under these rules, a company of which more than 50% of the voting power for the election of directors is held by an individual, group or another company is a controlled company and may elect not to comply with certain corporate governance requirements, including the requirements that, within one year of the date of the listing of our subordinate voting shares:

- we have a board of directors that is composed of a majority of independent directors, as defined under the NYSE listing rules;
- we have a compensation committee that is composed entirely of independent directors; and
- we have a nominating and governance committee that is composed entirely of independent directors.

As a foreign private issuer, we are exempt from certain U.S. securities law disclosure requirements that apply to a domestic U.S. issuer, which may limit the information publicly available to our shareholders.

As a foreign private issuer we are not required to comply with all of the periodic disclosure and current reporting requirements of the Securities Exchange Act of 1934, as amended (“Exchange Act”) and therefore there may be less publicly available information about us than if we were a U.S. domestic issuer. For example, we are not subject to the proxy rules in the United States and disclosure with respect to our annual meetings and any special meeting of shareholders will be governed by Canadian requirements. In addition, our officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions of Section 16 of the Exchange Act and the rules thereunder. Furthermore, as a foreign private issuer, we may take advantage of certain provisions in the NYSE listing rules that allow us to follow Canadian law for certain governance matters.

Our articles, and certain Canadian legislation contain provisions that may have the effect of delaying or preventing a change in control.

Certain provisions of our articles, together or separately, could discourage potential acquisition proposals, delay or prevent a change in control and limit the price that certain investors may be willing to pay for our subordinate voting shares. For instance, our articles contain provisions that establish certain advance notice procedures for nomination of candidates for election as directors at shareholders’ meetings. A non-Canadian must file an application for review with the Minister responsible for the Investment Canada Act and obtain approval of the Minister prior to acquiring control of a “Canadian business” within the meaning of the Investment Canada Act, where prescribed financial thresholds are exceeded. Furthermore, acquisitions of our subordinate voting shares and multiple voting shares may be reviewed pursuant to the Competition Act (Canada). This legislation permits the Commissioner of Competition, or Commissioner, to review any acquisition or establishment, directly or indirectly, including through the acquisition of shares, of control over or of a significant interest in us. Otherwise, there are no limitations either under the laws of Canada or British Columbia, or in our articles on the rights of non-Canadians to hold or vote our subordinate voting shares and multiple voting shares. Any of these provisions may

discourage a potential acquirer from proposing or completing a transaction that may have otherwise presented a premium to our shareholders.

Because we are a corporation incorporated in British Columbia and some of our directors and officers are resident in Canada, it may be difficult for investors in the United States to enforce civil liabilities against us based solely upon the federal securities laws of the United States. Similarly, it may be difficult for Canadian investors to enforce civil liabilities against our directors and officers residing outside of Canada.

We are a corporation incorporated under the laws of British Columbia with our principal place of business in Toronto, Canada. Some of our directors and officers and the auditors or other experts named herein are residents of Canada and all or a substantial portion of our assets and those of such persons are located outside the United States. Consequently, it may be difficult for U.S. investors to effect service of process within the United States upon us or our directors or officers or such auditors who are not residents of the United States, or to realize in the United States upon judgments of courts of the United States predicated upon civil liabilities under the Securities Act. Investors should not assume that Canadian courts: (1) would enforce judgments of U.S. courts obtained in actions against us or such persons predicated upon the civil liability provisions of the U.S. federal securities laws or the securities or blue sky laws of any state within the United States or (2) would enforce, in original actions, liabilities against us or such persons predicated upon the U.S. federal securities laws or any such state securities or blue sky laws.

Similarly, some of our directors and officers are residents of countries other than Canada and all or a substantial portion of the assets of such persons are located outside Canada. As a result, it may be difficult for Canadian investors to initiate a lawsuit within Canada against these non-Canadian residents. In addition, it may not be possible for Canadian investors to collect from these non-Canadian residents judgments obtained in courts in Canada predicated on the civil liability provisions of securities legislation of certain of the provinces and territories of Canada. It may also be difficult for Canadian investors to succeed in a lawsuit in the United States, based solely on violations of Canadian securities laws.

Changes in U.S. tax laws and regulations or trade rules may impact our effective tax rate and may adversely affect our business, financial condition and operating results.

Changes in tax laws in any of the multiple jurisdictions in which we operate, or adverse outcomes from tax audits that we may be subject to in any of the jurisdictions in which we operate, could result in an unfavorable change in our effective tax rate, which could adversely affect our business, financial condition and operating results. Additionally, results of the November 2016 U.S. elections have introduced greater uncertainty with respect to tax and trade policies, tariffs and government regulations affecting trade between the United States and other countries. Major developments in tax policy or trade relations, such as the renegotiation of the North American Free Trade Agreement or the imposition of unilateral tariffs on imported products, could have a material adverse effect on our growth opportunities, business and results of operations.

The legislation recently enacted in the United States commonly known as the Tax Cuts and Jobs Act comprehensively changes the U.S. federal income tax system. This law and related future legislation, regulations and rulings could adversely affect the U.S. federal income tax treatment of us and the U.S. Holders of our subordinate voting shares. The interpretation and application of many provisions of this law are unclear. U.S. Holders should consult their own tax advisors in that regard.

There could be adverse tax consequence for our shareholders in the United States if we are a passive foreign investment company.

Under United States federal income tax laws, if a company is, or for any past period was, a passive foreign investment company ("PFIC") it could have adverse United States federal income tax consequences to U.S. shareholders even if the company is no longer a PFIC. The determination of whether we are a PFIC is a factual determination made annually based on all the facts and circumstances and thus is subject to change, and the principles and methodology used in determining whether a company is a PFIC are subject to interpretation. We do not believe that we currently are or have been a PFIC, and we do not expect to be a PFIC in the future, but we cannot assure you that we will not be a PFIC in the future. United States purchasers of our subordinate voting shares are urged to consult their tax advisors concerning United States federal income tax consequences of holding our subordinate voting shares if we are considered to be a PFIC.

If we are a PFIC, U.S. holders would be subject to adverse U.S. federal income tax consequences, such as ineligibility for any preferred tax rates on capital gains or on actual or deemed dividends, interest charges on certain taxes treated as deferred, and additional reporting requirements under U.S. federal income tax laws or regulations. Whether or not U.S. holders make a timely qualified electing fund ("QEF") election or mark-to-market election may affect the U.S. federal income tax consequences to U.S. holders with respect to the acquisition, ownership and disposition of our subordinate voting shares and any distributions such U.S. holders may receive. Investors should consult their own tax advisors regarding all aspects of the application of the PFIC rules to our subordinate voting shares.

Canada Goose Holdings Inc. is a holding company with no operations of its own and, as such, it depends on its subsidiary for cash to fund its operations and expenses, including future dividend payments, if any.

As a holding company, our principal source of cash flow is distributions from our main operating subsidiary, Canada Goose Inc. Therefore, our ability to fund and conduct our business, service our debt and pay dividends, if any, in the future will depend on the ability of our subsidiary to generate sufficient cash flow to make upstream cash distributions to us. Our subsidiary is a separate legal entity, and although it is wholly-owned and controlled by us, it has no obligation to make any funds available to us, whether in the form of loans, dividends or otherwise. The ability of our subsidiary to distribute cash to us will also be subject to, among other things, restrictions that may be contained in our subsidiary agreements (as entered into from time to time), availability of sufficient funds in such subsidiary and applicable laws and regulatory restrictions. Claims of any creditors of our subsidiary generally will have priority as to the assets of such subsidiary over our claims and claims of our creditors and shareholders. To the extent the ability of our subsidiary to distribute dividends or other payments to us is limited in any way, our ability to fund and conduct our business, service our debt and pay dividends, if any, could be harmed.

If securities or industry analysts do not publish or cease publishing research or reports about us, our business or our market, or if they change their recommendations regarding our subordinate voting shares adversely, the price and trading volume of our subordinate voting shares could decline.

The trading market for our subordinate voting shares is influenced by the research and reports that industry or securities analysts publish about us, our business, our market or our competitors. If any of the analysts who cover us or may cover us in the future change their recommendation regarding our subordinate voting shares adversely, or provide more favorable relative recommendations about our competitors, the price of our subordinate voting shares would likely decline. If any analyst who covers us or may cover us in the future were to cease coverage of our

company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause the price or trading volume of our subordinate voting shares to decline.

Our constating documents permit us to issue an unlimited number of subordinate voting shares and multiple voting shares without additional shareholder approval.

Our articles permit us to issue an unlimited number of subordinate voting shares and multiple voting shares. We anticipate that we will, from time to time, issue additional subordinate voting shares in the future. Subject to the requirements of the NYSE and the TSX, we will not be required to obtain the approval of shareholders for the issuance of additional subordinate voting shares. Although the rules of the TSX generally prohibit us from issuing additional multiple voting shares, there may be certain circumstances where additional multiple voting shares may be issued, including upon receiving shareholder approval. Any further issuances of subordinate voting shares or multiple voting shares will result in immediate dilution to existing shareholders and may have an adverse effect on the value of their shareholdings. Additionally, any further issuances of multiple voting shares may significantly lessen the combined voting power of our subordinate voting shares due to the 10-to-1 voting ratio between our multiple voting shares and subordinate voting shares.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

Founded in a small warehouse in Toronto in 1957, Canada Goose has grown into one of the world's leading makers of performance luxury apparel. Our products are informed by the rugged demands of the Arctic and inspired by relentless innovation and uncompromised craftsmanship. From the coldest places on Earth to global fashion capitals, people are proud to wear Canada Goose.

We are deeply involved in every stage of our business as a designer, manufacturer, distributor and retailer of outerwear, knitwear and accessories for men, women and children. This vertically integrated business model allows us to directly control the quality of our products while capturing higher margins. As of March 31, 2019, our products are sold through our DTC channel, which has e-commerce operations in 12 countries and 11 retail stores, and our wholesale channel, which is comprised of select wholesale partners in 49 countries.

In December 2013, we partnered with Bain Capital through a sale of a 70% equity interest in our business (the "Acquisition"). In connection with such sale, Canada Goose Holdings Inc. was incorporated under the *Business Corporations Act* (British Columbia) (the "BCBCA") on November 21, 2013. The initial public offering of our subordinate voting shares in the United States and Canada was completed on March 21, 2017.

In November 2018, we acquired the business of Baffin Inc. ("Baffin"), a Canadian designer and manufacturer of performance outdoor and industrial footwear. Field-tested and trusted in extreme cold weather conditions, Baffin products are predominantly sold through distributors and retailers in Canada and the United States. As a wholly-owned subsidiary, Baffin is managed and operated on a stand-alone basis, with distinct products, sales channels, and customers. In the future, we intend to develop a separate Canada Goose footwear offering leveraging Baffin's expertise, infrastructure and technology.

Our principal office is located at 250 Bowie Avenue, Toronto, Ontario, Canada, M6E 4Y2 and our telephone number is (416) 780-9850. Our registered office is located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, British Columbia, Canada, V6C 2X8. Our website address is www.canadagoose.com. Information contained on, or accessible through, our website is not a part of this Annual Report and the inclusion of our website address in this Annual Report is an inactive

textual reference. The SEC maintains a website at www.sec.gov that contains reports, proxy and information statements, and other information regarding registrants that make electronic filings with the SEC using its EDGAR system. Corporation Service Company, located at 251 Little Falls Drive, Wilmington, Delaware, is the company's agent for service of process in the United States.

Our Competitive Strengths

We believe that the following strengths are central to the power of our brand and business model:

Authentic brand. For decades, we have helped explorers, scientists, athletes and film crews embrace the elements in some of the harshest environments in the world. Our stories are real and are best told through the unfiltered lens of Goose People, our brand ambassadors. The journeys, achievements and attitudes of these incredible adventurers embody our core belief that greatness is out there and they inspire our customers to chart their own course.

Uncompromised craftsmanship. We develop superior functional products centered around protection from the elements and adaptability for a wide range of uses, climates and environments. Our expertise in matching our technical fabrics with the optimal blends of down enables us to create warmer, lighter and more durable products. The superior quality and performance of our products also extends into freedom of movement, breathability and protection from wind and rain.

Beloved and coveted globally. We believe that Canada Goose is the reference parka in the performance luxury space. On a global basis, consumer research shows that we are consistently amongst the highest in our competitive set for awareness and affinity. In a market which is largely fragmented and regional, the international breadth of our brand equity is a significant point of strength.

Proudly made in Canada. Our Canadian heritage and commitment to local manufacturing are at the heart of our business and brand. While many companies in our industry outsource to offshore manufacturers, we are deeply committed to producing our core down-filled jackets in Canada where we currently estimate that we directly or indirectly employ approximately 20% of the national cut and sew workforce. We believe that our recognized Made-in-Canada leadership is valued by our customers and difficult to replicate.

Flexible supply chain. We directly control the design, innovation, development, engineering and testing of our products, which we believe allows us to achieve greater operating efficiencies and deliver superior product quality. We manage our production through a combination of in-house manufacturing facilities and long-standing relationships with third party sub-contractors. Our flexible supply chain gives us distinct advantages including the ability to scale our operations, adapt to customer demand and achieve higher margins.

Multi-channel distribution. Our distribution strategy allows us to reach customers how and where they want to shop, through two distinct and complementary channels. In our most important markets, our DTC channel allows us to have direct and unfiltered relationships with our customers, while also realizing more favourable margins. In a world that is increasingly digital, our e-commerce platform is strong and dynamic, offering the full breadth of our product offering, available anytime. The response to our retail stores, which we began opening in the Fall of 2016, has also demonstrated that our customers value physical and immersive experiences, such as our cold rooms, in an exceptional service environment. We also recognize that many consumers value shopping in multi-brand environments. Our wholesale channel, which represented 2,227 points of distribution during

the Fall / Winter 2018 season, plays an important role in our business, extending the reach and diversity of our distribution to a level we would never want to replicate on our own. We work closely with our curated network of best-in-class partners and distributors, to ensure the highest standards of customer experience and brand storytelling.

Proven management team. Dani Reiss, our President and Chief Executive Officer since 2001, has led the transformation of Canada Goose from a small Canadian jacket manufacturer to a global luxury brand. Mr. Reiss has played a central role in transitioning the business into a consumer-facing brand, developing our international markets and building a world-class team of senior business leaders. With a deep commitment to disciplined execution, our current management team has established our innovative multi-channel distribution model, rapidly scaled Made-in-Canada manufacturing and successfully evolved our product offering beyond the parka.

B. Business Overview

Our Growth Strategies

From fiscal 2017 to fiscal 2019, we have grown our revenue at a 43.4% CAGR to \$830.5 million from \$403.8 million . Despite this rapid trajectory, we believe we still benefit from significant growth opportunities.

Pursue global growth. We believe that we have a significant opportunity to grow demand, distribution and penetration, in both existing and new geographic markets.

Strengthen brand affinity. Driving interest from new customers and building deeper connections with those who already know us is central to our market development strategy. While our brand is recognized and coveted globally, we have potential to meaningfully increase awareness, consideration and conversion. Through authentic storytelling and unique experiences, amplified by our digital-first approach, we plan to continue introducing Canada Goose to the world, activating local markets to support our distribution, and encouraging our fans to explore the full breadth of our offering.

Enhance our wholesale network. With a focus on providing a compelling and consistent brand experience, we plan to drive growth with our best-in-class wholesale partners and distributors, while selectively adding new points of distribution. Through a wide range of collaborations in areas such as assortment planning, merchandising, creative content, events and campaigns, we are working closely with our wholesale network to build awareness and affinity for the long term, while driving traffic and full price sell through.

Continue our DTC rollout. Since opening our first e-commerce site in Canada in August of 2014, we have achieved annual DTC revenue of \$ 431.3 million in fiscal 2019 , which represents 51.9% of total revenue. Alongside measured growth in our complementary wholesale channel, we intend to continue growing revenue from existing e-commerce operations and retail stores, while further expanding our footprint in our most important markets.

Drive higher penetration globally. While we plan to continue expanding our business in Canada, we have a larger long-term opportunity globally. In recent years, we have had early success developing a wide range of geographies including the United States, the United Kingdom and Greater China. Building on this momentum, we plan to drive further penetration gains in major

international markets where we already enjoy strong demand, through our proven approach to brand building and distribution expansion.

The following table presents our revenue in each of our geographic segments over the past three fiscal years:

In CAD \$millions	Fiscal year ended March 31,			'17 - '19
	2017	2018	2019	CAGR
Canada	155.1	228.8	293.3	37.5%
United States	131.9	184.2	251.1	38.0%
Rest of World	116.8	178.2	286.1	56.5%
Total	403.8	591.2	830.5	43.4%

Canada, which is our most developed market in terms of brand affinity and distribution, was our largest geographic segment by revenue in fiscal 2019. Comparatively, in the United States and our Rest of World segment, which is comprised of key markets in Western Europe and Asia, we estimate that the populations of addressable Canada Goose consumers are much larger. This is also supported by broader luxury outerwear and apparel spending levels in these regions. With penetration at an earlier stage of development in these markets, coupled with larger addressable populations, we believe that we have substantial remaining runway to increase the size of our business globally.

In fiscal 2019, for the first time, the revenue in our Rest of World segment exceeded our revenue in the United States, and nearly matched our revenue in Canada, reflecting good progress in developing major international markets in Western Europe and Greater China.

Enhance and expand our product offering. As a product-led, function-first brand we will continue to evolve and expand our product offering across styles, uses and climates. Giving people new ways to experience Canada Goose builds deeper brand loyalty, drives higher penetration and expands our geographic appeal.

Fall / Winter. While our long-standing styles continue to grow, we are also broadening our jacket offering through innovation and new styles. In fiscal 2019 we successfully introduced over 21 new down-filled jacket styles and 11 colours in our Fall / Winter collection. With outerwear becoming a more prominent part of wardrobes, we intend to continue responding to demand for more choice and variety with new jackets that address a wider range of silhouettes, colors, fits, uses and weather conditions.

Spring. We plan to continue successfully building out our Spring collections in categories such as lightweight down, rainwear, windwear and softshell jackets. While keeping our customers warm, comfortable and protected across three seasons, these extensions also increase our relevance in markets with more temperate climates.

Beyond outerwear. Our strategy is to selectively and carefully respond to customer demand for complementary functional products in adjacent categories. As a product-led, function-first brand, we are focused on going places which stay true to our heritage and where we have the right capabilities to create exceptional products that are undeniably authentic Canada Goose. Outside of outerwear, we currently offer collections of knitwear and accessories, which we intend to

thoughtfully expand in offering and distribution going forward. We are also developing a strategy and internal capabilities for a cold weather footwear offering, which we plan to commercially release in the medium to longer term.

Drive higher margins. As we scale our business, we plan to continue leveraging our brand and business model to drive operational efficiencies and higher margins in the following ways:

Channel mix. As our mix continues to shift towards the DTC channel, we expect to continue to capture incremental gross margin and realize higher operating margins. A jacket sale in our DTC channel provides significantly greater contribution to segment operating income per jacket as compared to a sale of the same product in our wholesale channel.

Price optimization. We believe that we have a significant degree of pricing power with our long-standing styles and we plan to continue optimizing our pricing to capture their full functional value. In addition, we intend to continue offering new styles at higher price points, which is incrementally beneficial to gross margin over the longer term as their volumes and production efficiencies scale.

Manufacturing. We intend to continue expanding in-house domestic jacket production to optimize our manufacturing mix, realize efficiencies and capture incremental gross margin. In fiscal 2019, 47% of total down-filled jacket production was in-house, as compared to 43% in fiscal 2018. In fiscal 2019, we opened a third manufacturing facility in Winnipeg, Manitoba and a second manufacturing facility in Greater Montreal, Québec.

Our Products

Outerwear

Since 1957, Canada Goose has been making purpose-driven products known for unparalleled warmth and functionality to thrive in some of the most extreme conditions in the world.

Over time, our product offering has evolved significantly. We leverage our tactical industrial heritage to inspire, develop and refine functional outerwear for extreme conditions and beyond. Recognizing that our consumers want to bring the functionality of our Arctic parkas into their everyday lives, we have expanded our offering for a wider range of audiences, including urban explorers and discerning luxury consumers. True to our heritage, we partner with Goose People as a source of inspiration and real-world testing. For example, while developing our award-winning HyBridge Lite product, Ray Zahab, extreme adventure athlete, put the jacket to the test while running the Sahara. The Skreslet Parka, co-designed by Laurie Skreslet, the first Canadian to summit Everest, inspired our Altitude line of mountaineering products.

We have also expanded into functional outerwear for shoulder seasons and more temperate climates. Canada Goose's authentic, adaptable and function-first approach to design delivers true protection from unpredictable weather anywhere. Our collection of raincoats, windwear and lightweight jackets are designed to offer unparalleled performance on their own - and unmatched adaptability when worn as a system.

Knitwear

Canada Goose introduced its first Knitwear Collection in 2017, pairing the natural moisture wicking and temperature regulating properties of premium ultra-fine Merino wool with the function-first focus at the core of all of our products. Our knitwear uses Thermal Mapping™ technology for

maximum comfort by increasing breathability where your body needs it most. This technique combines loose and tight stitches to increase airflow to the parts of the body that generate the most heat or require more insulation.

Accessories

Canada Goose's accessories are designed to transition seamlessly from weekday commutes to weekend retreats. Our collection of scarves and beanies are made in Italy from premium ultra-fine Merino wool and our gloves are available in reinforced leather that resists abrasion or in heavy duty fleece and down-filled styles for ultimate warmth in colder climates.

Thermal Experience Index™

From hiking trails to embarking on an urban adventure, or exploring the coldest places on Earth, Canada Goose has developed the Thermal Experience Index (TEI) to help consumers select the right product for them no matter the adventure. The five-point system breaks down each piece into a category, activity and suggested temperature. TEI categorizes warmth from lightweight pieces to parkas made for extreme weather systems; ranging from five degrees Celsius (40 degrees Fahrenheit) to negative 30 degrees Celsius (negative 25 degrees Fahrenheit) and below.

Sourcing and Manufacturing

Uncompromised craftsmanship begins with sourcing the right raw materials. We use premium fabrics and finishings that are built to last. Our blends of down and fabrics enable us to create warmer, lighter and more durable products across seasons and applications. Our products are made with down because it is recognized as one of the world's best natural insulators.

We are committed to the ethical sourcing and responsible use of animal products. We have comprehensive transparency standards for fur and down which reflect our commitment to the responsible use of these materials. Our suppliers are required to verify that our down comes as a by-product of poultry industry and has not come from force-fed or live-plucked birds and mandates that all fur is sourced in accordance with the Agreement on International Humane Trapping Standards or Best Management Practices.

As of March 31, 2019, we operate eight manufacturing facilities in Toronto, Winnipeg and Greater Montreal. We also work with 27 Canadian subcontractors and 8 international highly qualified manufacturing partners who offer specialized expertise, which provides us with flexibility to scale our production and effectively offer a broader range of product categories. We directly employed 3,104 Canadian manufacturing employees as of March 31, 2019, as compared to 2,043 manufacturing employees since March 31, 2018, and have been recognized by the Government of Canada for supporting the apparel manufacturing industry in Canada.

Intellectual Property

We own the trademarks used in connection with the marketing, distribution and sale of all of our products in the United States, Canada and in the other countries in which our products are sold. Our major trademarks include the CANADA GOOSE word mark and the ARCTIC PROGRAM & DESIGN trademark (our disc logo consisting of the colour-inverse design of the North Pole and Arctic Ocean). In addition to the registrations in Canada and the United States, our word mark and design are registered in other jurisdictions which cover approximately 60 countries. Furthermore, in certain jurisdictions we register as trademarks certain elements of our products, such as fabric, warmth categorization and style names such as our Snow Mantra parka.

We enforce our trademarks and we have taken several measures to protect our customers from counterfeiting activities. Since 2011, we have sewn a unique hologram, designed exclusively for us, into every jacket and accessory as proof of authenticity. Additionally, our website has a tool for potential online customers to verify the integrity of third party retailers that purport to sell our products. We are also active in enforcing rights on a global basis to our trademarks and taking action against counterfeiters, online and in physical stores.

Seasonality

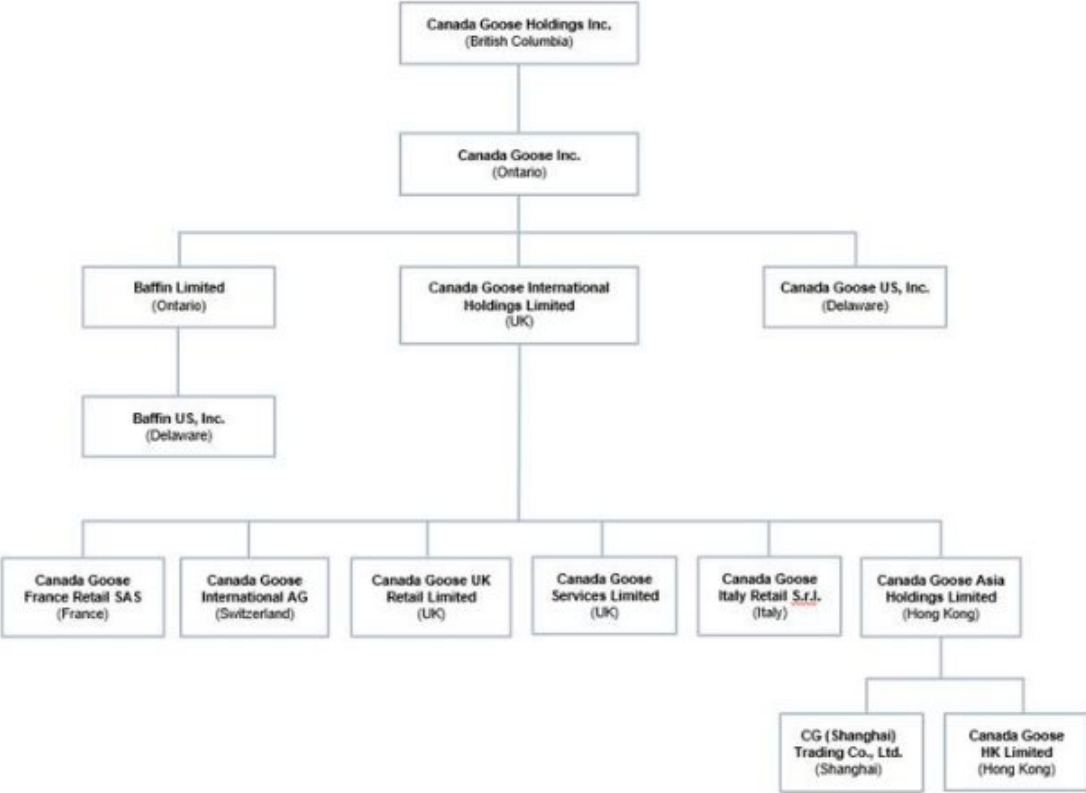
Our business is seasonal in nature. See Item 5.A - "Operating and Financial Review and Prospects" - "Management's Discussion and Analysis of Financial Results" - "Factors Affecting our Performance" - "Seasonality" and Item 3.D - "Risk Factors" - "Risks Related to our Business" for a discussion.

Government Regulation

In Canada and in the other jurisdictions in which we operate, we are subject to labour and employment laws, laws governing advertising, privacy and data security laws, safety regulations and other laws, including consumer protection regulations that apply to retailers and/or the promotion and sale of merchandise and the operation of stores and warehouse facilities. Our products sold outside of Canada are subject to tariffs, treaties and various trade agreements as well as laws affecting the importation of consumer goods. We monitor changes in these laws, regulations, treaties and agreements, and believe that we are in material compliance with applicable laws.

C. Organizational Structure

The following chart reflects our organizational structure (including the jurisdiction of formation or incorporation of the various entities).



D. Property, Plants and Equipment

We maintain the following leased facilities for our corporate headquarters and to conduct our principal manufacturing and retail activities, which we believe are in good condition and working order:

Location	Principal Activity	Gross Square Feet	Lease Expiration Date
Canada			
Toronto, Ontario	Corporate Headquarters, Showroom and Manufacturing	190,978 square feet	June 30, 2023
Scarborough, Ontario	Manufacturing	84,800 square feet	May 31, 2020
Scarborough, Ontario	Logistics	117,179 square feet	August 31, 2027
Toronto, Ontario	Retail Store	4,516 square feet	August 31, 2026
Winnipeg, Manitoba	Manufacturing	82,920 square feet	November 12, 2022
Winnipeg, Manitoba	Manufacturing	94,541 square feet	September 30, 2025
Winnipeg, Manitoba	Manufacturing	128,642 square feet	March 31, 2028
Boisbriand, Québec	Manufacturing	94,547 square feet	July 31, 2023
Calgary, Alberta	Retail Store	3,959 square feet	January 31, 2028
Vancouver, British Columbia	Retail Store	4,018 square feet	January 31, 2029
Montreal, Québec	Retail Store	8,970 square feet	January 31, 2029
Stoney Creek, Ontario	Manufacturing	166,706 square feet	October 31, 2026
Montreal, Québec	Manufacturing	68,365 square feet	February 28, 2029
Toronto, Ontario	Retail Store	2,500 square feet	January 31, 2030
Edmonton, Alberta	Retail Store	5,036 square feet	January 31, 2030
Banff, Alberta	Retail Store	3,115 square feet	January 31, 2030
United States			
New York, NY	Office and Showroom	8,604 square feet	December 31, 2024
New York, NY	Retail Store	6,970 square feet	December 31, 2026
Chicago, IL	Retail Store	10,188 square feet	July 31, 2027
Boston, MA	Retail Store	5,021 square feet	March 31, 2028
Millburn, New Jersey	Retail Store	5,354 square feet	January 31, 2029
Bloomington, Minnesota	Retail Store	5,501 square feet	January 31, 2030
Europe			
Paris, France	Office and Showroom	2,842 square feet	April 14, 2027
London, U.K.	Retail Store	13,352 square feet	September 28, 2027
Zug, Switzerland	Office and Showroom	12,411 square feet	October 31, 2023
Paris, France	Retail Store	5,608 square feet	March 31, 2031
Milan, Italy	Retail Store	4,090 square feet	March 31, 2025
Asia			
Hong Kong, China	Office	1,492 square feet	June 22, 2019
Hong Kong, China	Retail Store	3,009 square feet	July 31, 2021
Beijing, China	Retail Store	6,738 square feet	October 14, 2022
Shanghai, China	Office	6,991 square feet	June 30, 2022

ITEM 4A. UNRESOLVED STAFF COMMENTS

None.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following tables set forth our selected consolidated financial data. The selected historical consolidated financial data below should be read in conjunction with our Annual Financial Statements (Item 18), as well as Item 4. - "Information on the Company" of this Annual Report.

We have derived the statements of operations data for the years ended March 31, 2019 , March 31, 2018 and March 31, 2017 and the consolidated financial position information as at March 31, 2019 and March 31, 2018 from our Annual Financial Statements included elsewhere in this Annual Report. The statements of operations data for the years ended March 31, 2016 and March 31, 2015 and the consolidated financial position information as at March 31, 2017 have been derived from our audited consolidated financial statements, which are not included in this Annual Report. Our Annual Financial Statements have been prepared in accordance with IFRS and are presented in millions of Canadian dollars except where otherwise indicated. Our historical results are not necessarily indicative of the results that should be expected in any future period.

For the years ended March 31

CAD \$ millions (except per share data)	2019	2018	2017	2016	2015
Statement of Operations Data:					
Revenue	830.5	591.2	403.8	290.8	218.4
Cost of sales	313.7	243.6	191.7	145.2	129.8
Gross profit	516.8	347.6	212.1	145.6	88.6
Selling, general and administrative expenses	302.1	200.1	165.0	100.1	59.3
Depreciation and amortization	18.0	9.4	6.6	4.5	2.6
Operating income	196.7	138.1	40.5	41.0	26.7
Net interest and other finance costs	14.2	12.9	10.0	8.0	7.6
Income before income taxes	182.5	125.2	30.5	33.0	19.1
Income tax expense	38.9	29.1	8.9	6.5	4.7
Net income	143.6	96.1	21.6	26.5	14.4
Other comprehensive income (loss)	0.7	(1.8)	(0.6)	(0.7)	—
Total comprehensive income	144.3	94.3	21.0	25.8	14.4
Earnings per share					
Basic	\$ 1.31	\$ 0.90	\$ 0.22	\$ 0.26	\$ 0.14
Diluted	\$ 1.28	\$ 0.86	\$ 0.21	\$ 0.26	\$ 0.14
Weighted average number of shares outstanding					
Basic	109,422,574	107,250,039	100,262,026	100,000,000	100,000,000
Diluted	111,767,584	111,519,238	102,023,196	101,692,301	101,211,134

CAD \$ millions	March 31		
	2019	2018	2017
Financial Position Information:			
Cash	88.6	95.3	9.7
Net working capital ⁽¹⁾	188.0	72.1	89.2
Total assets	725.4	548.4	380.9
Total non-current liabilities	189.7	171.2	170.4
Shareholders' equity	399.1	243.6	146.1

⁽¹⁾ Net working capital is a non-IFRS financial measure. See "Non-IFRS Financial Measures" for a description of these measures.

CANADA GOOSE HOLDINGS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the three and twelve months ended March 31, 2019

The following Management's Discussion and Analysis ("MD&A") for Canada Goose Holdings Inc. ("us," "we," "our," "Canada Goose" or the "Company") is dated May 28, 2019 and provides information concerning our financial condition and results of operations for the three months and the fiscal year ended March 31, 2019 ("fiscal 2019"). You should read this MD&A together with our audited consolidated financial statements and the related notes for the fiscal year ended March 31, 2019 ("Annual Financial Statements"), and other financial information. Additional information about Canada Goose is available on our website at www.canadagoose.com, on the SEDAR website at www.sedar.com, and on the EDGAR section of the U.S. Securities and Exchange Commission (the "SEC") website at www.sec.gov, including this Annual Report on Form 20-F.

CAUTIONARY NOTE REGARDING FORWARD - LOOKING STATEMENTS

This MD&A contains forward-looking statements. These statements are neither historical facts nor assurances of future performance. Instead, they are based on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, and other future conditions. Forward-looking statements can be identified by words such as "anticipate," "believe," "envision," "estimate," "expect," "intend," "may," "plan," "predict," "project," "target," "potential," "will," "would," "could," "should," "continue," "contemplate" and other similar expressions, although not all forward-looking statements contain these identifying words. These forward-looking statements include all matters that are not historical facts. They appear in many places throughout this MD&A and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, business prospects, growth, strategies, expectations regarding industry trends and the size and growth rates of addressable markets, our business plan and growth strategies, including plans for expansion to new markets and new products, expectations for seasonal trends, and the industry in which we operate.

Certain assumptions made in preparing the forward-looking statements contained in this MD&A include:

- our ability to implement our growth strategies;
- our ability to maintain strong business relationships with our customers, suppliers, wholesalers and distributors;
- our ability to keep pace with changing consumer preferences;
- our ability to protect our intellectual property; and
- the absence of material adverse changes in our industry or the global economy.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We believe that these risks and uncertainties include, but are not limited to, those described in the "Risk Factors" section of our Annual Report, which include, but are not limited to, the following risks:

- we may not open retail stores or expand e-commerce access on our planned timelines;
- we may be unable to maintain the strength of our brand or to expand our brand to new products and geographies;
- we may be unable to protect or preserve our brand image and proprietary rights;

- we may not be able to satisfy changing consumer preferences;
- an economic downturn may affect discretionary consumer spending;
- we may not be able to compete in our markets effectively;
- we may not be able to manage our growth effectively;
- poor performance during our peak season may affect our operating results for the full year;
- our indebtedness may adversely affect our financial condition;
- we may be unable to remediate weaknesses in our internal controls over financial reporting on a timely basis;
- our ability to maintain relationships with our select number of suppliers;
- our ability to manage our product distribution through our wholesale partners and international distributors;
- the success of our new store openings;
- the success of our expansion into Greater China;
- the success of our marketing programs;
- our ability to forecast our inventory needs;
- our ability to manage our exposure to data security and cyber security events;
- the risk our business is interrupted because of a disruption at our headquarters; and
- fluctuations in raw material costs, interest rates and currency exchange rates.

Although we base the forward-looking statements contained in this MD&A on assumptions that we believe are reasonable, we caution you that actual results and developments (including our results of operations, financial condition and liquidity, and the development of the industry in which we operate) may differ materially from those made in or suggested by the forward-looking statements contained in this MD&A. In addition, even if results and developments are consistent with the forward-looking statements contained in this MD&A, those results and developments may not be indicative of results or developments in subsequent periods. As a result, any or all of our forward-looking statements in this MD&A may prove to be inaccurate. No forward-looking statement is a guarantee of future results. Moreover, we operate in a highly competitive and rapidly changing environment in which new risks often emerge. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make.

You should read this MD&A and the documents that we reference herein completely and with the understanding that our actual future results may be materially different from what we expect. The forward-looking statements contained herein are made as of the date of this MD&A, and we do not assume any obligation to update any forward-looking statements except as required by applicable laws.

BASIS OF PRESENTATION

The Annual Financial Statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), and are presented in millions of Canadian dollars, except where otherwise indicated. Certain financial measures contained in this MD&A are non-IFRS financial measures and are discussed further under “Non-IFRS Financial Measures” below.

All references to “\$”, “CAD” and “dollars” refer to Canadian dollars, “USD” and “US\$” refer to U.S. dollars, “GBP” refers to British pounds sterling, “EUR” refers to euros, “CHF” refers to Swiss francs, “CNY” refers to Chinese yuan, and “HKD” refers to Hong Kong dollars unless otherwise indicated. Certain totals, subtotals and percentages throughout this MD&A may not reconcile due to rounding. This MD&A and the accompanying Annual Financial Statements are presented in millions of Canadian dollars. We have conformed comparative period amounts to this convention and rounded where necessary.

All references to “fiscal 2015” are to the Company’s fiscal year ended March 31, 2015; to “fiscal 2016” are to the Company’s fiscal year ended March 31, 2016; to “fiscal 2017” are to the Company’s fiscal year ended March 31, 2017; to “fiscal 2018” are to the Company’s fiscal year ended March 31, 2018; to “fiscal 2019” are to the Company’s fiscal year ended March 31, 2019; to “fiscal 2020” are to the Company’s fiscal year ended March 31, 2020; and to “fiscal 2021” are to the Company’s fiscal year ended March 31, 2021.

SUMMARY OF FINANCIAL PERFORMANCE

The following table summarizes results of operations for the fiscal years ended March 31, 2019, 2018 and 2017 and the three months ended March 31, 2019 and 2018, and expresses the percentage relationship to revenues of certain financial statement captions. See "Results of Operations" for additional details.

CAD \$ millions (except per share data)	For the years ended March 31			For the three months ended March 31	
	2019	2018	2017	2019	2018
Statement of Operations data:					
Revenue	830.5	591.2	403.8	156.2	124.8
Gross profit	516.8	347.6	212.1	102.4	78.2
<i>Gross margin</i>	62.2%	58.8%	52.5%	65.6%	62.7%
Operating income	196.7	138.1	40.5	11.7	14.8
Net income	143.6	96.1	21.6	9.0	8.1
Earnings per share					
Basic	\$ 1.31	\$ 0.90	\$ 0.22	\$ 0.08	\$ 0.08
Diluted	\$ 1.28	\$ 0.86	\$ 0.21	\$ 0.08	\$ 0.07
Other data: ⁽¹⁾					
EBITDA	219.4	152.3	49.0	19.1	19.7
Adjusted EBITDA	229.6	149.2	81.0	20.4	21.8
<i>Adjusted EBITDA margin</i>	27.6%	25.2%	20.1%	13.1%	17.4%
Adjusted net income	151.6	94.1	44.1	10.0	10.0
Adjusted net income per share	\$ 1.39	\$ 0.88	\$ 0.44	\$ 0.09	\$ 0.09
Adjusted net income per diluted share	\$ 1.36	\$ 0.84	\$ 0.43	\$ 0.09	\$ 0.09

CAD \$ millions	March 31		
	2019	2018	2017
Financial Position:			
Cash	88.6	95.3	9.7
Net working capital ⁽¹⁾	188.0	72.1	89.2
Total assets	725.4	548.4	380.9
Total non-current liabilities	189.7	171.2	170.4
Shareholders' equity	399.1	243.6	146.1

⁽¹⁾ EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted net income per share and per diluted share, and net working capital are non-IFRS financial measures. See "Non-IFRS Financial Measures" for a description of these measures and a reconciliation to the nearest IFRS measure.

Segments

We report our results in two segments which are aligned with our sales channels: Wholesale and Direct-to-Consumer (“DTC”). We measure each reportable operating segment’s performance based on revenue and segment operating income. Through our wholesale segment, we sell to wholesale partners. Our DTC segment includes sales to customers online through our e-commerce sites and through our retail stores in the following regions and locations:

E-commerce markets	Company stores
Austria	Beijing
Belgium	Boston
Canada	Calgary
Greater China	Chicago
France	Hong Kong
Germany	London
Ireland	Montreal
Luxembourg	New York City
Netherlands	Short Hills, NJ
Sweden	Toronto
United Kingdom	Vancouver
United States	

Our DTC and wholesale segments represented 51.9% and 48.1% of our total revenue, respectively, in fiscal 2019 . For fiscal 2018 , the DTC and wholesale segments contributed 43.1% and 56.9% of the total revenue, respectively, and for fiscal 2017 , the DTC and wholesale segments contributed 28.5% and 71.5% , respectively. The overall growth in sales along with the increased proportion of sales in the DTC segment is expected to continue as we open more retail stores and expand e-commerce access in future years.

Factors Affecting our Performance

We believe that our performance and future success depend on many factors that present significant opportunities for us and may pose risks and challenges, including those discussed below.

- *Market Development.* Our market development strategy has been a key driver of our recent revenue growth and we plan to continue to execute our global expansion strategy. Across our various markets, we intend to continue increasing brand awareness and activating local markets while building out customer access in our wholesale and DTC channels. We expect that marketing expenses to support these initiatives will continue to grow in proportion to anticipated revenue growth. In executing this strategy, we have expanded our presence in the Greater China market in fiscal 2019.
- *Growth in our DTC Channel.* We introduced our DTC channel in fiscal 2015 with the launch of our Canadian e-commerce store and have since established e-commerce sites in the U.S. and in key markets in Europe and Greater China. In fiscal 2019, for the first time, revenue generated through our DTC Channel made up more than half of our total revenue.

In the third quarter of fiscal 2017, we opened our first two retail stores and have since opened nine stores across the globe, including stores in Short Hills, NJ, Hong Kong, Vancouver, Montreal, and Beijing in fiscal 2019. We intend to continue to open a select

number of additional retail locations in major metropolitan centres and premium outdoor and lifestyle destinations where we believe they can operate profitably, and have announced six new retail store locations for fiscal 2020.

Growth in our DTC channel is expected to continue to alter the seasonal concentration of our revenue since customers tend to purchase goods in retail stores and on e-commerce sites at a higher rate in our third and fourth fiscal quarters, compared to the wholesale business, where products are delivered to wholesale partners in the second and third quarters ahead of their peak selling season.

- *New Products* . Product design and innovation are a core part of our strategy and we intend to continue investing in the development and introduction of new products. We intend to continue to expand our Fall/Winter and Spring collections of outerwear, knitwear and accessories across styles, uses and climates. Additionally, in connection with the acquisition of the business of Baffin Inc. (the “Baffin Vendor”), in November, 2018 (the “Baffin acquisition”), we intend to continue to offer Baffin brand footwear through its own sales channels. We are also developing a separate Canada Goose footwear offering leveraging Baffin’s infrastructure, processes, and technology. We launched our knitwear collection in the second quarter of fiscal 2018. As we introduce additional products, we expect that they will supplement the seasonal nature of our business. We expect these products will be accretive to revenue but may carry a lower gross margin per unit relative to our long-standing styles which are produced in significantly higher volumes.
- *Seasonality*. We experience seasonal fluctuations in our revenue and operating results and historically have realized a significant portion of our annual wholesale revenue during our second and third fiscal quarters and DTC revenue in the third and fourth fiscal quarters. We generated 75.8% , 74.2% , and 83.5% of our consolidated revenues in the combined second and third fiscal quarters of fiscal 2019 , fiscal 2018 and fiscal 2017 , respectively. In our wholesale channel, we have visibility into expected future revenues, with a majority of orders received before the end of the prior fiscal year, enabling us to plan our manufacturing calendar. That said, seasonal fluctuations in wholesale and distributor customer demand have shifted the delivery timing of customer orders between quarters in the past and similar shifts may affect the quarterly pattern of wholesale revenue in future. Because of seasonal fluctuations in revenue and fixed costs associated with our business, particularly the headcount growth and premises costs associated with our expanding DTC channel, we typically experience reduced or negative net income and adjusted EBITDA ⁽¹⁾ in the first and fourth quarters. As a result of our seasonality, changes that impact gross margin and adjusted EBITDA ⁽¹⁾ can have a disproportionate impact on the quarterly results when they are recorded in our off-peak periods.

⁽¹⁾ *Adjusted EBITDA is a non-IFRS measure. See “Non-IFRS Financial Measures” for a description of these measures.*

Guided by expected demand and wholesale orders, we manufacture on a linear basis throughout the fiscal year, resulting in the buildup of inventory ahead of our peak season. Net working capital requirements typically increase in off-peak periods as inventory builds to support our peak shipping and selling season. We finance these needs through a combination of cash on hand, cash from operations, and borrowings on our U.S. dollar denominated senior secured asset-based revolving credit facility (the “Revolving Facility”). Cash flows from operating activities are typically highest in the third and fourth fiscal quarters of the fiscal year due to the peak revenue period for DTC and collection of receivables from wholesale revenue earlier in the year.

- *Developments in international trade.* We continue to prepare for the impact on our operations in Europe and the U.K. as a result of the proposed British exit from the European Union (“Brexit”). We do not expect any consequences, positive or negative, emanating from recent trade negotiations in connection with the proposed United States-Mexico-Canada Agreement (“USMCA”). The Company is currently benefiting from reduced tariffs on certain of our products imported into Europe under the Canada-European Union Comprehensive Economic and Trade Agreement (“CETA”) which entered into force provisionally on September 21, 2017 and is pending ratification by certain EU countries. We monitor developments in international trade in countries where we operate that could have an impact on our business.
- *Foreign Exchange.* We sell a significant portion of our products to customers outside of Canada, which exposes us to fluctuations in foreign currency exchange rates. In fiscal years 2019, 2018 and 2017, we generated 58.0%, 53.7% and 52.2%, respectively, of our revenue in currencies other than Canadian dollars. As most of our wholesale revenue is derived from wholesale orders made prior to the beginning of the fiscal year, we have a high degree of visibility into our anticipated future cash flows from wholesale operations. In addition, most of our raw materials are sourced outside of Canada, primarily in U.S. dollars, and selling, general and administrative (“SG&A”) expenses are typically denominated in the currency of the country in which they are incurred. As part of our risk management program, this extended visibility allows us to enter into foreign exchange forward contracts to manage certain of our exposures to exchange rate fluctuations for future foreign currency transactions, which is intended to reduce the variability of our operating costs and future cash flows denominated in local currencies.

We are exposed to translation and transaction risks associated with foreign currency exchange fluctuations on the principal and interest payable on our Revolving Facility and senior secured term loan facility (“Term Loan Facility”). On October 18, 2017, we entered into foreign exchange forward and cross-currency swap contracts to hedge a portion of the exposure to foreign currency exchange and interest rate risk on the principal amount of the Term Loan Facility. See “Quantitative and Qualitative Disclosures about Market Risk - Foreign Exchange Risk” below.

The main foreign currency exchange rates that impact our business and operations for fiscal 2019 and 2018 are summarized below:

Currency	Foreign currency exchange rate to \$1.00 CAD					
	Fiscal 2019					
	Average Rate					Closing Rate
	Q1	Q2	Q3	Q4	2019	March 31, 2019
USD/CAD	1.2912	1.3069	1.3214	1.3292	1.3122	1.3363
EUR/CAD	1.5390	1.5204	1.5080	1.5094	1.5192	1.5002
GBP/CAD	1.7567	1.7039	1.6992	1.7315	1.7228	1.7418
CHF/CAD	1.3108	1.3291	1.3274	1.3329	1.3251	1.3421
CNY/CAD	0.2024	0.1920	0.1911	0.1970	0.1956	0.1991
HKD/CAD	0.1645	0.1666	0.1688	0.1694	0.1673	0.1702

Currency	Foreign currency exchange rate to \$1.00 CAD					
	Fiscal 2018					
	Average Rate					Closing Rate
	Q1	Q2	Q3	Q4	2018	March 31, 2018
USD/CAD	1.3449	1.2528	1.2713	1.2647	1.2837	1.2894
EUR/CAD	1.4810	1.4721	1.4971	1.5544	1.5011	1.5867
GBP/CAD	1.7211	1.6396	1.6875	1.7601	1.7022	1.8106
CHF/CAD	1.3663	1.3012	1.2881	1.3337	1.3226	1.3482

Source: Bank of Canada

Components of Our Results of Operations

Revenue

Wholesale revenue is comprised of sales to third party resellers, which includes distributors and retailers of our products. Wholesale revenue from the sale of goods, net of an estimated provision for sales returns, discounts and allowances, is recognized when the control of the goods has been transferred to the reseller, which, depending on the terms of the agreement with the reseller, occurs when the products have been shipped to the reseller, are picked up from our third-party warehouse or arrive at the reseller's facilities.

DTC revenue consists of sales through our e-commerce operations and retail stores. Revenue through e-commerce operations and retail stores is recognized upon delivery of the goods to the customer and when collection is reasonably assured, net of an estimated provision for sales returns.

Cost of Sales and Gross Profit

Gross profit is our revenue less cost of sales. Cost of sales is comprised of the cost of manufacturing our products, including raw materials, direct labour and overhead, plus freight, duties and non-refundable taxes incurred in delivering the goods to distribution centres managed by third parties or to our retail stores. It also includes costs incurred in our production, design and merchandise departments, as well as inventory provisions and allowances related to obsolescence and shrinkage. The primary drivers of our cost of sales are the costs of raw materials (which are sourced in both Canadian dollars and U.S. dollars), manufacturing labour rates in the provinces of Canada and the allocation of overhead. Gross margin measures our gross profit as a percentage of revenue. Inventory acquired in connection with the Baffin acquisition was recorded at its fair value, measured as net realizable value, less costs to sell. When the opening inventory is sold, the gross profit that would otherwise have been recognized without the inventory valuation adjustment will reduce the associated gross profit and gross margin.

SG&A Expenses

SG&A expenses consist of selling costs to support our customer relationships and to deliver our products to our wholesale partners, e-commerce customers and retail stores. It also includes our marketing and brand investment activities and the corporate infrastructure required to support our ongoing operations. Foreign exchange gains and losses are recorded in SG&A and comprise the translation of assets and liabilities denominated in currencies other than the functional currency of the Company or its subsidiaries, including cash balances, the Term Loan Facility, and a portion of our Revolving Facility, mark-to-market adjustments on derivative contracts, gains or losses associated with our term loan hedges, and realized gains on settlement of foreign currency denominated assets and liabilities.

Selling costs, other than headcount-related costs, generally correlate to revenue timing and therefore experience similar seasonal trends. As a percentage of sales, we expect these selling costs to continue to change as our business evolves. This change has been and is expected to be primarily driven by the growth of our DTC channel, including the investment required to support e-commerce sites and retail stores. Retail store costs are mostly fixed and are incurred throughout the year. The growth of our DTC channel has been and is expected to be accretive to net income given that the higher gross margin for sales made through our DTC channel captures the full retail value of our products.

General and administrative expenses represent costs incurred in our corporate offices, primarily related to marketing, personnel costs, including salaries, variable incentive compensation, benefits, share-based compensation, technology support and other professional service costs. We have invested considerably in this area to support the growing volume and complexity of our business and anticipate continuing to do so in the future.

Income Taxes

We are subject to income taxes in the jurisdictions in which we operate and, consequently, income tax expense is a function of the allocation of taxable income by jurisdiction and the various activities that impact the timing of taxable events. The primary regions that determine the effective tax rate are Canada, the U.S., Switzerland and the U.K.

RECENT DEVELOPMENTS

New retail stores

In April 2019, the Company announced plans to open six new stores in Europe and North America in the fall and winter of 2019. The locations of these planned new stores are Milan, Paris, Minneapolis, Toronto, Banff and Edmonton.

Manufacturing facility in Montreal

In April 2019, the Company opened its second manufacturing facility in Québec and eighth manufacturing facility in Canada.

Amendments to long-term debt agreements

On May 10, 2019, the Company entered into agreements with its lenders to amend the terms of its Revolving Facility and Term Loan Facility. The amendment to the Revolving Facility increased the credit commitment amount to \$300.0m with a seasonal increase of up to \$350.0m during the peak season (June 1 through November 30) and extended the maturity date to June 3, 2024. The amendment to the Term Loan Facility decreased the interest rate from LIBOR plus 4.0% to LIBOR plus 3.5%, and extended the maturity date to December 2, 2024.

Normal Course Issuer Bid

The Company has initiated a normal course issuer bid in relation to its subordinate voting shares. The Company is authorized to make purchases under the normal course issuer bid from May 31, 2019 to May 30, 2020, in accordance with the requirements of the Toronto Stock Exchange (the "TSX"). The board of directors of the Company has authorized the Company to repurchase up to 1,600,000 subordinate voting shares, representing approximately 2.70% of the issued and outstanding subordinate voting shares as at May 17, 2019. Purchases will be made by means of open market transactions on both the TSX and the New York Stock Exchange (the "NYSE"), or alternative trading systems, if eligible, or by such other means as a securities regulatory authority may permit. Under the normal course issuer bid, the Company will be allowed to purchase daily, through the facilities of the TSX, a maximum of 131,422 subordinate voting shares, representing 25% of the average daily trading volume, as calculated per the TSX rules for the six-month period starting on November 1, 2018 and ending on April 30, 2019. Repurchased subordinate voting shares will be cancelled. A copy of the Company's notice of intention to commence a normal course issuer bid through the facilities of the TSX may be obtained, without charge, by contacting the Company.

The Company believes that the purchase of its subordinate voting shares under the normal course issuer bid is an appropriate and desirable use of available excess cash.

Over the past 12 months, no subordinate voting shares have been repurchased by the Company under a normal course issuer bid.

RESULTS OF OPERATIONS

Fiscal year ended March 31, 2019 compared to fiscal year ended March 31, 2018

The following table summarizes results of operations and expresses the percentage relationship to revenues of certain financial statement captions.

CAD \$ millions (except per share data) Statement of Operations data:	For the fiscal year ended March 31		\$ Change	% Change
	2019	2018		
Revenue	830.5	591.2	239.3	40.5%
Cost of sales	313.7	243.6	(70.1)	(28.8)%
Gross profit	516.8	347.6	169.2	48.7%
<i>Gross margin</i>	62.2%	58.8%		340 bps
Selling, general and administrative expenses	302.1	200.1	(102.0)	(51.0)%
<i>SG&A expenses as % of revenue</i>	36.4%	33.8%		(260) bps
Depreciation and amortization	18.0	9.4	(8.6)	(91.5)%
Operating income	196.7	138.1	58.6	42.4%
<i>Operating income as % of revenue</i>	23.7%	23.4%		30 bps
Net interest and other finance costs	14.2	12.9	(1.3)	(10.1)%
Income before income taxes	182.5	125.2	57.3	45.8%
Income tax expense	38.9	29.1	(9.8)	(33.7)%
<i>Effective tax rate</i>	21.3%	23.3%		200 bps
Net income	143.6	96.1	47.5	49.4%
Other comprehensive income (loss)	0.7	(1.8)	2.5	138.9%
Total comprehensive income	144.3	94.3	50.0	53.0%
Earnings per share				
Basic	\$ 1.31	\$ 0.90	\$ 0.41	45.6%
Diluted	\$ 1.28	\$ 0.86	\$ 0.42	48.8%
Weighted average number of shares outstanding				
Basic	109,422,574	107,250,039		
Diluted	111,767,584	111,519,238		
Other data: (1)				
EBITDA	219.4	152.3	67.1	44.1%
Adjusted EBITDA	229.6	149.2	80.4	53.9%
<i>Adjusted EBITDA margin</i>	27.6%	25.2%		240 bps
Adjusted net income	151.6	94.1	57.5	61.1%
Adjusted net income per share	\$ 1.39	\$ 0.88	\$ 0.51	58.0%
Adjusted net income per diluted share	\$ 1.36	\$ 0.84	\$ 0.52	61.9%

(1) EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income, and adjusted net income per share and per diluted share are non-IFRS measures. See "Non-IFRS Financial Measures" for a description of these measures and a reconciliation to the nearest IFRS measure.

Revenue

Revenue for the fiscal year ended March 31, 2019 increased by \$239.3m , or 40.5% from \$591.2m for the fiscal year ended March 31, 2018 to \$830.5m . The increase was driven by growth in all geographic regions and channels. On a constant currency ⁽¹⁾ basis, revenue increased by 39.0% for the fiscal year ended March 31, 2019 compared to the fiscal year ended March 31, 2018 . Revenue generated from our DTC channel represented 51.9% of total revenue for the fiscal year ended March 31, 2019 compared to 43.1% for the fiscal year ended March 31, 2018 . For the first time, DTC revenue in fiscal 2019 represented more than half of total revenue.

CAD \$ millions	For the fiscal year ended March 31			\$ Change		% Change	
	2019	2018	As reported	Foreign exchange impact	In constant currency	As reported	In constant currency
Wholesale	399.2	336.2	63.0	(5.8)	57.2	18.7%	17.0%
DTC	431.3	255.0	176.3	(3.2)	173.1	69.1%	67.9%
Total revenue	830.5	591.2	239.3	(9.0)	230.3	40.5%	39.0%

⁽¹⁾ Constant currency revenue is a non-IFRS financial measure. See "Non-IFRS Financial Measures" for a description of these measures.

Wholesale

Revenue from our wholesale channel was \$399.2m for the fiscal year ended March 31, 2019 compared to \$336.2m for the fiscal year ended March 31, 2018 . The increase of \$63.0m in revenue from our wholesale channel was driven primarily from higher order values from existing wholesale partners. Incremental revenue from Baffin and favourable foreign exchange fluctuations also contributed positively.

DTC

Revenue from our DTC channel was \$431.3m for the fiscal year ended March 31, 2019 compared to \$255.0m for the fiscal year ended March 31, 2018 . The increase in revenue of \$176.3m from our DTC channel was driven by the incremental revenue from five new retail stores and the launch of the Greater China e-commerce market. This was complemented by strong performances from established e-commerce markets and retail stores.

Revenue by geography

CAD \$ millions Revenue by geography:	For the fiscal year ended March 31					
	2019	% of total revenue	2018	% of total revenue	\$ Change	% Change
Canada	293.3	35.3%	228.8	38.7%	64.5	28.2%
United States	251.1	30.2%	184.2	31.2%	66.9	36.3%
Rest of World	286.1	34.5%	178.2	30.1%	107.9	60.5%
	830.5	100.0%	591.2	100.0%	239.3	40.5%

Revenue increased across all our geographic regions for the fiscal year ended March 31, 2019 compared to the fiscal year ended March 31, 2018 . This revenue growth is primarily attributable to the increased proportion of sales in the DTC segment and through the incremental revenues generated from retail stores and e-commerce sites that were not open throughout the fiscal year ended March 31, 2018 . Further, there is an increase in the proportion of revenues in Rest of World primarily attributable to the increase in retail stores and e-commerce access internationally.

Cost of Sales and Gross Profit

Cost of sales for the fiscal year ended March 31, 2019 increased by \$70.1m , or 28.8% , compared to the fiscal year ended March 31, 2018 . Gross profit and gross margin for the fiscal year ended March 31, 2019 were \$516.8m and 62.2% , respectively, compared to \$347.6m and 58.8% , respectively, for fiscal 2018 . The increase in gross profit was primarily attributable to revenue growth and favourable changes in channel mix, with a higher proportion of revenue from our DTC channel than in fiscal 2018 , offset by higher direct labour costs. Gross margin improved primarily due to margin expansion in both the wholesale and DTC channels as a result of ongoing cost efficiencies and pricing outweighing the reinvestment in cost inflation and new categories.

CAD \$ millions	For the fiscal year ended March 31					
	2019		2018		\$ Change	% Change
	Reported	% of segment revenue	Reported	% of segment revenue		
Wholesale						
Revenue	399.2	100.0%	336.2	100.0%	63.0	18.7 %
Cost of sales	207.0	51.9%	178.4	53.1%	(28.6)	(16.0)%
Gross profit	192.2	48.1%	157.8	46.9%	34.4	21.8 %
DTC						
Revenue	431.3	100.0%	255.0	100.0%	176.3	69.1 %
Cost of sales	106.7	24.7%	65.2	25.6%	(41.5)	(63.7)%
Gross profit	324.6	75.3%	189.8	74.4%	134.8	71.0 %
Total						
Revenue	830.5	100.0%	591.2	100.0%	239.3	40.5 %
Cost of sales	313.7	37.8%	243.6	41.2%	(70.1)	(28.8)%
Gross profit	516.8	62.2%	347.6	58.8%	169.2	48.7 %

Wholesale

Cost of sales in our wholesale channel was \$207.0m for the fiscal year ended March 31, 2019 compared to \$178.4m for the fiscal year ended March 31, 2018 . Gross profit was \$192.2m for the fiscal year ended March 31, 2019 compared to \$157.8m for the fiscal year ended March 31, 2018 . Wholesale gross margin increased to 48.1% in fiscal 2019 from 46.9% of segment revenue in fiscal 2018. The \$34.4m increase in gross profit was primarily attributable to revenue growth. The increase in gross margin primarily reflects the impact of pricing, offset by increases in manufacturing labour costs. To a lesser degree, wholesale gross margin was also impacted by production efficiencies in manufacturing overhead, partially offset by changes in product mix.

DTC

Cost of sales in our DTC channel was \$106.7m for the fiscal year ended March 31, 2019 compared to \$65.2m for the fiscal year ended March 31, 2018 . Gross profit was \$324.6m for the fiscal year ended March 31, 2019 compared to \$189.8m for the fiscal year ended March 31, 2018 . DTC gross margin increased from 74.4% of segment revenue to 75.3% in fiscal 2019 . The increase in DTC channel gross profit was attributable to the continued strong performances of our existing retail stores and e-commerce sites, as well as the incremental gross profit generated from our four retail stores which opened in the third quarter of fiscal 2018 and five retail stores which opened in fiscal 2019 . The increase in gross margin reflects pricing and production efficiencies, partially offset by an increase in direct labour manufacturing costs and shift in product mix with a higher proportion of lightweight down jacket sales.

SG&A Expenses

SG&A expenses for the fiscal year ended March 31, 2019 were \$302.1m compared to \$200.1m for the fiscal year ended March 31, 2018 . The increase of \$102.0m or 51.0% represents support for ongoing business growth and new growth opportunities including the expansion into Greater China and the Baffin acquisition. The increase was primarily driven by the expansion of our DTC footprint, increased investment in marketing to build the brand and demand, as well as the start-up costs of our Greater China operations. The business has continued to scale, with investment in headcount in corporate activities as well as information technology-related expenditures to support the growth of the business. We also incurred transaction costs related to the acquisition of Baffin and the public offerings of shares by our principal shareholders (the "Secondary Offerings") completed in June and November 2018 compared with the costs of the Secondary Offering in June 2017.

CAD \$ millions	For the fiscal year ended March 31					
	2019		2018		\$ Change	% Change
	Reported	% of segment revenue	Reported	% of segment revenue		
Segment:						
Wholesale	43.0	10.8%	37.2	11.1%	(5.8)	(15.6)%
DTC	90.0	20.9%	55.1	21.6%	(34.9)	(63.3)%
Unallocated corporate expenses	169.1		107.8		(61.3)	(56.9)%
Total SG&A expenses	<u>302.1</u>	<u>36.4%</u>	<u>200.1</u>	<u>33.8%</u>	<u>(102.0)</u>	<u>(51.0)%</u>

Wholesale

SG&A expenses in our wholesale channel for the fiscal year ended March 31, 2019 were \$43.0m compared to \$37.2m for the fiscal year ended March 31, 2018 . SG&A expenses in the wholesale segment decreased from 11.1% of segment revenue to 10.8% in fiscal 2019 . The increase of \$5.8m or 15.6% in SG&A expenses is a result of an increase in headcount and other fixed costs to support sales and operations of the wholesale business, partially offset by favourable distribution efficiencies as we consolidated warehouses.

DTC

SG&A expenses in our DTC channel for the fiscal year ended March 31, 2019 were \$90.0m compared to \$55.1m for the fiscal year ended March 31, 2018 . SG&A expenses in the DTC segment decreased from 21.6% of segment revenue to 20.9% in fiscal 2019 . The increase of \$34.9m or 63.3% was primarily attributable to the incremental operating costs of four retail stores and additional e-commerce sites launched in fiscal 2018 , and five additional retail stores that opened during fiscal 2019 . In addition, management fees to third party operating partners were incurred in connection with DTC operations in Greater China. Offsetting this trend were lower pre-opening costs for new retail stores of \$2.3m in fiscal 2019, compared to pre-opening costs of \$4.8m in fiscal 2018 . Revenue growth outpaced SG&A expense increases, resulting in positive leverage.

Unallocated Corporate Expenses

Unallocated corporate expenses for the fiscal year ended March 31, 2019 were \$169.1m compared to \$107.8m for the fiscal year ended March 31, 2018 . The increase in unallocated corporate expenses of \$61.3m , or 56.9% was primarily a result of costs of entering the Greater China market, increased investment in marketing, and people and information technology-related scaling costs. Costs also include \$3.0m of transaction and other costs in connection with the Baffin acquisition and \$2.1m of transaction costs for the Secondary Offerings completed in June and November 2018, compared with costs of \$1.5m for the Secondary Offering in June 2017.

Operating Income and Margin

Total operating income for the fiscal year ended March 31, 2019 was \$196.7m compared to \$138.1m for the fiscal year ended March 31, 2018 . Operating income as a percentage of revenue (operating margin) for the fiscal year ended March 31, 2019 was 23.7% compared to 23.4% for the fiscal year ended March 31, 2018 .

CAD \$ millions	For the fiscal year ended March 31					
	2019		2018		\$ Change	% Change
	Operating income	Operating margin	Operating income	Operating margin		
Segment:						
Wholesale	149.2	37.3%	120.6	35.9%	28.6	23.7 %
DTC	234.6	54.4%	134.7	52.8%	99.9	74.2 %
	383.8		255.3		128.5	50.3 %
Unallocated corporate expenses	169.1		107.8		(61.3)	(56.9)%
Unallocated depreciation and amortization expense	18.0		9.4		(8.6)	(91.5)%
Total operating income	196.7	23.7%	138.1	23.4%	58.6	42.4 %

Wholesale

Wholesale segment operating income for the fiscal year ended March 31, 2019 was \$149.2m compared to \$120.6m for the fiscal year ended March 31, 2018 . Operating margin in the wholesale segment increased from 35.9% of segment revenue to 37.3% in fiscal 2019 . The increase of \$28.6m was primarily attributable to higher gross profit driven by overall demand growth. The increase in

operating margin is attributable to higher gross margin for the reasons described above, and lower SG&A expenses as a percentage of segment revenue.

DTC

DTC segment operating income for the fiscal year ended March 31, 2019 was \$234.6m compared to \$134.7m for the fiscal year ended March 31, 2018 . Operating margin for the DTC segment increased to 54.4% in fiscal 2019 from 52.8% of segment revenue. The increase of \$99.9m was driven by the strong performance of our retail stores and e-commerce sites, partially offset by \$2.3m of pre-opening costs incurred for our five retail store locations which opened in fiscal 2019 compared to \$4.8m pre-opening costs for our four retail store locations which opened in fiscal 2018. As we continue to open more retail stores and expand e-commerce access in the future, we expect the proportion of operating income generated from our DTC channel to continue to increase.

Net Interest and Other Finance Costs

Net interest and finance costs for the fiscal year ended March 31, 2019 were \$14.2m , compared to \$12.9m for the fiscal year ended March 31, 2018 . The increase of \$1.3m is driven by higher average interest rates on the Revolving Facility and the Term Loan Facility.

Income Taxes

Income tax expense for the fiscal year ended March 31, 2019 was \$38.9m compared to \$29.1m for the fiscal year ended March 31, 2018 . For the fiscal year ended March 31, 2019 , the effective tax rate and statutory tax rate were 21.3% and 25.4% , respectively, compared to 23.3% and 25.4% for the fiscal year ended March 31, 2018 .

The effective tax rates for both the fiscal year ended March 31, 2019 and 2018 are lower than their corresponding statutory tax rates. For both the fiscal year ended March 31, 2019 and March 31, 2018 , this arises from the statutory tax rate differences in our foreign jurisdictions. As a significant portion of wholesale revenue and consolidated net income is attributed to an entity with a lower effective tax rate, this contributes to the reduction of rates.

Net Income

Net income for the fiscal year ended March 31, 2019 was \$143.6m compared to \$96.1m for the fiscal year ended March 31, 2018 , driven by the factors described above.

Fiscal year ended March 31, 2018 compared to fiscal year ended March 31, 2017

The following table summarizes results of operations and expresses the percentage relationship to revenues of certain financial statement captions.

CAD \$ millions (except per share data)	For the fiscal year ended March 31		\$ Change	% Change
	2018	2017		
Statement of Operations data:				
Revenue	591.2	403.8	187.4	46.4%
Cost of sales	243.6	191.7	(51.9)	(27.1)%
Gross profit	347.6	212.1	135.5	63.9%
<i>Gross margin</i>	58.8%	52.5%		630 bps
Selling, general and administrative expenses	200.1	165.0	(35.1)	(21.3)%
<i>SG&A expenses as % of revenue</i>	33.8%	40.9%		710 bps
Depreciation and amortization	9.4	6.6	(2.8)	(42.4)%
Operating income	138.1	40.5	97.6	241.0%
<i>Operating income as % of revenue</i>	23.4%	10.0%		1,340 bps
Net interest and other finance costs	12.9	10.0	(2.9)	(29.0)%
Income before income taxes	125.2	30.5	94.7	310.5%
Income tax expense	29.1	8.9	(20.2)	(227.0)%
<i>Effective tax rate</i>	23.3%	29.1%		580 bps
Net income	96.1	21.6	74.5	344.9%
Other comprehensive loss	(1.8)	(0.6)	(1.2)	(200.0)%
Total comprehensive income	94.3	21.0	73.3	349.0%
Earnings per share				
Basic	\$ 0.90	\$ 0.22	0.68	309.1%
Diluted	\$ 0.86	\$ 0.21	0.65	309.5%
Weighted average number of shares outstanding				
Basic	107,250,039	100,262,026		
Diluted	111,519,238	102,023,196		
Other data: (1)				
EBITDA	152.3	49.0	103.3	210.8%
Adjusted EBITDA	149.2	81.0	68.2	84.2%
<i>Adjusted EBITDA margin</i>	25.2%	20.1%		510 bps
Adjusted net income	94.1	44.1	50.0	113.4%
Adjusted net income per share	\$ 0.88	\$ 0.44	0.44	100.0%
Adjusted net income per diluted share	\$ 0.84	\$ 0.43	0.41	95.3%

⁽¹⁾ EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income, and adjusted net income per share and per diluted share are non-IFRS financial measures. See "Non-IFRS Financial Measures" for a description of these measures and a reconciliation to the nearest IFRS measure.

Revenue

Revenue for the fiscal year ended March 31, 2018 increased by \$187.4m , or 46.4% from \$403.8m for the fiscal year ended March 31, 2017 to \$591.2m . The increase was driven by growth in all our sales channels and across all geographic regions, with a favourable foreign exchange impact of approximately \$4.6m . On a constant currency ⁽¹⁾ basis, revenue increased by 47.5% for the fiscal year ended March 31, 2018 compared to the fiscal year ended March 31, 2017 . Revenue generated from our DTC channel represented 43.1% of total revenue for the fiscal year ended March 31, 2018 compared to 28.5% for the fiscal year ended March 31, 2017 .

CAD \$ millions	For the fiscal year ended March 31		\$ Change			% Change	
	2018	2017	As reported	Foreign exchange impact	In constant currency	As reported	In constant currency
Revenue							
Wholesale	336.2	288.6	47.6	3.0	50.6	16.5%	17.5%
DTC	255.0	115.2	139.8	1.6	141.4	121.4%	122.7%
Total revenue	591.2	403.8	187.4	4.6	192.0	46.4%	47.5%

⁽¹⁾ Constant currency revenue is a non-IFRS financial measure. See "Non-IFRS Financial Measures" for a description of these measures.

Wholesale

Revenue from our wholesale channel was \$336.2m for the fiscal year ended March 31, 2018 compared to \$288.6m for the fiscal year ended March 31, 2017 . The increase of \$47.6m in revenue from our wholesale channel reflects growth in customer orders from existing accounts year-over-year, supported by higher inventory availability through production execution, which permitted us to respond to customer re-orders.

DTC

Revenue from our DTC channel was \$255.0m for the fiscal year ended March 31, 2018 compared to \$115.2m for the fiscal year ended March 31, 2017 . The increase of \$139.8m in revenue from our DTC channel was driven by the continued strong performance of our existing retail and e-commerce sites, as well as a full year of operations for our Toronto and New York City retail stores, and the incremental revenue from our four new Company-owned retail stores and eight e-commerce sites which opened in fiscal 2018 .

Revenue by geography

CAD \$ millions	For the fiscal year ended March 31					
	2018	% of total revenue	2017	% of total revenue	\$ Change	% Change
Canada	228.8	38.7%	155.1	38.4%	73.7	47.5%
United States	184.2	31.2%	131.9	32.7%	52.3	39.7%
Rest of World	178.2	30.1%	116.8	28.9%	61.4	52.6%
	591.2	100.0%	403.8	100.0%	187.4	46.4%

Revenue growth was strong across all our geographical regions for the fiscal year ended March 31, 2018 compared to the fiscal year ended March 31, 2017 , with growth in both our wholesale and DTC channels as discussed above.

Cost of Sales and Gross Profit

Cost of sales for the fiscal year ended March 31, 2018 increased by \$51.9m or 27.1% , compared to the fiscal year ended March 31, 2017 . This was driven primarily by higher sales volume. Gross profit and gross margin for the fiscal year ended March 31, 2018 were \$347.6m and 58.8% , respectively, compared to \$212.1m and 52.5% , respectively, for the same period in fiscal 2017 . The increase in gross profit and expanded gross margin in fiscal 2018 were primarily attributable to favourable changes in channel mix, with a higher proportion of revenue from our DTC channel as compared to fiscal 2017 , partially offset by higher inventory adjustments.

CAD \$ millions	For the fiscal year ended March 31					
	2018		2017		\$ Change	% Change
	Reported	% of segment revenue	Reported	% of segment revenue		
Wholesale						
Revenue	336.2	100.0%	288.6	100.0%	47.6	16.5 %
Cost of sales	178.4	53.1%	163.5	56.7%	(14.9)	(9.1)%
Gross profit	157.8	46.9%	125.1	43.3%	32.7	26.1 %
DTC						
Revenue	255.0	100.0%	115.2	100.0%	139.8	121.4 %
Cost of sales	65.2	25.6%	28.2	24.5%	(37.0)	(131.2)%
Gross profit	189.8	74.4%	87.0	75.5%	102.8	118.2 %
Total						
Revenue	591.2	100.0%	403.8	100.0%	187.4	46.4 %
Cost of sales	243.6	41.2%	191.7	47.5%	(51.9)	(27.1)%
Gross profit	347.6	58.8%	212.1	52.5%	135.5	63.9 %

Wholesale

Cost of sales in our wholesale channel was \$178.4m for the fiscal year ended March 31, 2018 compared to \$163.5m for the fiscal year ended March 31, 2017 . Gross profit was \$157.8m for the fiscal year ended March 31, 2018 compared to \$125.1m for the fiscal year ended March 31, 2017 . Wholesale gross margin increased to 46.9% from 43.3% of segment revenue in fiscal 2018. The increase of \$32.7m in gross profit was primarily attributable to demand growth in customer orders, including re-orders. In addition, both gross profit and gross margin increased due to a greater proportion of wholesale revenue from higher margin jackets within our Fall/Winter collection and lower material costs, partially offset by higher inventory provisions in fiscal 2018 .

DTC

Cost of sales in our DTC channel was \$65.2m for the fiscal year ended March 31, 2018 compared to \$28.2m for the fiscal year ended March 31, 2017 . Gross profit was \$189.8m for the fiscal year ended March 31, 2018 compared to \$87.0m for the fiscal year ended March 31, 2017 . DTC gross margin slightly decreased from 75.5% of segment revenue to 74.4% in the period. The increase in DTC channel gross profit of \$102.8m was attributable to the continued strong performance of our existing retail stores and e-commerce sites, as well as the incremental gross profit generated from our four new Company-owned retail stores and additional eight e-commerce sites which opened in fiscal 2018 . Gross margin decreased because of a higher proportion of sales in the non-peak season of lower margin products.

SG&A Expenses

SG&A expenses for the fiscal year ended March 31, 2018 were \$200.1m compared to \$165.0m for the fiscal year ended March 31, 2017 . The increase of \$35.1m or 21.3% includes expenses that did not recur in fiscal 2018, including a \$9.6m fee related to the termination of the Management Agreement and \$10.0m of transaction costs related to the IPO. SG&A expenses in fiscal 2017 before these items amounted to \$145.4m ; the increase in SG&A expenses, excluding these amounts in 2017, was \$54.8m or 37.7% . The increase is the result of expansion of the DTC footprint, increased investment in marketing, professional fees, primarily related to public company compliance and expansion in headcount to accommodate business growth, partially offset by higher foreign exchange gains of \$9.3m in fiscal 2018, as well as lower share-based compensation expense.

CAD \$ millions	For the fiscal year ended March 31					
	2018		2017		\$ Change	% Change
	Reported	% of segment revenue	Reported	% of segment revenue		
Segment:						
Wholesale	37.2	11.1%	30.7	10.6%	(6.5)	(21.2)%
DTC	55.1	21.6%	27.5	23.8%	(27.6)	(100.4)%
Unallocated corporate expenses	107.8		106.8		(1.0)	(0.9)%
Total SG&A expenses	200.1	33.8%	165.0	40.9%	(35.1)	(21.3)%

Wholesale

SG&A expenses in our wholesale channel for the fiscal year March 31, 2018 were \$37.2m compared to \$30.7m for the fiscal year ended March 31, 2017 . SG&A expenses in the wholesale segment increased to 11.1% from 10.6% of segment revenue in the period. The increase of \$6.5m or 21.2% in SG&A expenses for our wholesale channel, as well as the increase in SG&A expenses as a percentage of revenue, were primarily attributable to higher volume which drives warehousing and outbound freight charges, and higher employee headcount.

DTC

SG&A expenses in our DTC channel for the fiscal year ended March 31, 2018 were \$55.1m compared to \$27.5m for the fiscal year ended March 31, 2017 . SG&A expenses in the DTC segment decreased to 21.6% from 23.8% of segment revenue in the period. The increase of \$27.6m or 100.4% was primarily attributable to the continued operating costs of our Toronto and New York retail stores for the full year in fiscal 2018 , the incremental operating costs of recently opened retail stores and eight e-commerce sites which launched in fiscal 2018 , and the pre-opening costs of \$4.8m incurred for our Boston, Calgary, Chicago and London stores, compared to \$1.8m in pre-opening costs for our Toronto and New York stores in fiscal 2017 .

Unallocated Corporate Expenses

Unallocated corporate expenses for the fiscal year ended March 31, 2018 were \$107.8m compared to \$106.8m for the fiscal year ended March 31, 2017 . Unallocated corporate expenses in fiscal 2017 included \$19.6m of expenses that did not recur in fiscal 2018 , as described above. Unallocated corporate expenses before these items amounted to \$87.2m ; the increase in unallocated corporate expenses, excluding these amounts in 2017, was \$20.5m , or 23.6% . The increase is the result of expansion of our retail network, increased investment in marketing, scaled investment in headcount to accommodate business growth, and professional fees, primarily related to public company

compliance, partially offset by higher foreign exchange gains of \$9.3m in fiscal 2018, as well as lower share-based compensation expense.

Operating Income and Margin

Total operating income for the fiscal year ended March 31, 2018 was \$138.1m compared to \$40.5m for the fiscal year ended March 31, 2017 . Operating income as a percentage of revenue (operating margin) for the fiscal year ended March 31, 2018 was 23.4% compared to 10.0% for the fiscal year ended March 31, 2017 .

CAD \$ millions	For the fiscal year ended March 31					
	2018		2017		\$ Change	% Change
	Operating income	Operating margin	Operating income	Operating margin		
Segment:						
Wholesale	120.6	35.9%	94.4	32.7%	26.2	27.8 %
DTC	134.7	52.8%	59.5	51.7%	75.2	126.4 %
	255.3		153.9		101.4	65.9 %
Unallocated corporate expenses	107.8		106.8		(1.0)	(0.9)%
Unallocated depreciation and amortization expense	9.4		6.6		(2.8)	(42.4)%
Total operating income	138.1	23.4%	40.5	10.0%	97.6	241.0 %

Wholesale

Wholesale segment operating income for the fiscal year ended March 31, 2018 was \$120.6m compared to \$94.4m for the fiscal year ended March 31, 2017 . Operating margin in the wholesale segment increased to 35.9% from 32.7% of segment revenue in the period. The increase of \$26.2m and improved operating margin were primarily attributable to higher gross profit driven by overall volume growth and improved gross margin for the reasons described above.

DTC

DTC segment operating income for the fiscal year ended March 31, 2018 was \$134.7m compared to \$59.5m for the fiscal year ended March 31, 2017 . Operating margin for the DTC segment increased to 52.8% from 51.7% of segment revenue in the period. The increase of \$75.2m was driven by the strong performances of our new and existing retail stores and e-commerce sites, as described above, partially offset by \$4.8m of pre-opening costs incurred for our Boston, Calgary, Chicago and London retail store locations which opened in fiscal 2018 , compared to \$1.8m of retail store pre-opening costs in fiscal 2017 . As we continue to open more retail stores and expand e-commerce access in the future, we expect the proportion of operating income generated from our DTC channel to continue to increase.

Net Interest and Other Finance Costs

Net interest and finance costs for the fiscal year ended March 31, 2018 were \$12.9m , compared to \$10.0m for the fiscal year ended March 31, 2017 , an increase of \$2.9m.

Interest expense on the Revolving Facility and the previous credit facility decreased by \$0.6m in fiscal 2018 due to a lower average loan balance outstanding during the year. In fiscal 2017 , \$0.9m of unamortized costs were written off due to repayment of the previous credit facility.

The debt structure of the Company changed substantially in fiscal 2017 as a result of a series of share capital and debt transactions we completed on December 2, 2016 (the “Recapitalization”) and the IPO on March 21, 2017. Interest expense on the Term Loan Facility increased by \$3.6m in fiscal 2018 because the loan was outstanding for the full year, but at a lower balance after repayment of \$65.0m from the proceeds of the IPO. Interest expense was incurred for four months in fiscal 2017 at a rate of LIBOR plus 5.0%, and in fiscal 2018 at a reduced margin of LIBOR plus 4.0%. Amortized costs included in interest expense increased by \$1.9m for the full year in fiscal 2018 . As a result of the partial repayment of the Term Loan Facility in 2017, \$3.0m of unamortized costs were written off, offset by a gain of \$5.9m to recognize the change in fair value of the loan balance from the 1.0% reduction in the effective interest rate for the remaining term of the loan. In fiscal 2017 , the Company incurred interest expense of \$3.8m on subordinated debt prior to its repayment in the Recapitalization.

Income Taxes

Income tax expense for the fiscal year ended March 31, 2018 was \$29.1m compared to \$8.9m for the fiscal year ended March 31, 2017 . For the fiscal year ended March 31, 2018 , the effective tax rate and statutory tax rate were 23.3% and 25.4%, respectively, compared to 29.1% and 25.3% for the fiscal year ended March 31, 2017 . The decrease in the effective tax rate for the fiscal year ended March 31, 2018 relates primarily to decrease in stock option expense and differences in tax rates between entities.

On December 22, 2017, the U.S. government enacted comprehensive tax reform legislation, referred to as the Tax Cuts and Jobs Act, which decreased the federal statutory income tax rate for the Company's U.S. subsidiary from 34% to 21% effective January 1, 2018.

Net Income

Net income for the fiscal year ended March 31, 2018 was \$96.1m compared to \$21.6m for the fiscal year ended March 31, 2017 . The increase in net income of \$74.5m was driven by the factors described above.

Three months ended March 31, 2019 compared to three months ended March 31, 2018

The following table summarizes results of operations and expresses the percentage relationship to revenues of certain financial statement captions.

CAD \$ millions (except share and per share data)	For the three months ended March 31		\$ Change	% Change
	2019	2018		
Statement of Operations data:				
Revenue	156.2	124.8	31.4	25.2%
Cost of sales	53.8	46.6	(7.2)	(15.5)%
Gross profit	102.4	78.2	24.2	30.9%
<i>Gross margin</i>	65.6 %	62.7%		290 bps
Selling, general and administrative expenses	85.0	60.9	(24.1)	(39.6)%
<i>SG&A expenses as % of revenue</i>	54.4 %	48.8%		560 bps
Depreciation and amortization	5.7	2.5	(3.2)	(128.0)%
Operating income	11.7	14.8	(3.1)	(20.9)%
<i>Operating income as % of revenue</i>	7.5 %	11.9%		(440) bps
Net interest and other finance costs	3.1	2.8	(0.3)	(10.7)%
Income before income taxes	8.6	12.0	(3.4)	(28.3)%
Income tax (recovery) expense	(0.4)	3.9	(4.3)	(110.3)%
<i>Effective tax rate</i>	(5.1)%	32.7%		(3,780) bps
Net income	9.0	8.1	0.9	11.1%
Other comprehensive loss	(3.0)	(1.4)	(1.6)	114.3%
Total comprehensive income	6.0	6.7	(0.7)	(10.4)%
Earnings per share				
Basic	\$ 0.08	\$ 0.08	\$ 0.00	0.0%
Diluted	\$ 0.08	\$ 0.07	\$ 0.01	14.3%
Weighted average number of shares outstanding				
Basic	109,867,553	108,074,609		
Diluted	111,606,200	111,629,427		
Other data: (1)				
EBITDA	19.1	19.7	(0.6)	(3.0)%
Adjusted EBITDA	20.4	21.8	(1.4)	(6.4)%
<i>Adjusted EBITDA margin</i>	13.1 %	17.4%		(430) bps
Adjusted net income	10.0	10.0	0.0	0.0%
Adjusted net income per share	\$ 0.09	\$ 0.09	\$ 0.00	0.0%
Adjusted net income per diluted share	\$ 0.09	\$ 0.09	\$ 0.00	0.0%

⁽¹⁾ EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income, and adjusted net income per share and per diluted share are non-IFRS measures. See "Non-IFRS Financial Measures" for a description of these measures and a reconciliation to the nearest IFRS measure.

Revenue

Revenue for the three months ended March 31, 2019 increased by \$31.4m , or 25.2% , from \$124.8m for the three months ended March 31, 2018 to \$156.2m . All geographic regions benefited, with the increase driven primarily by growth in our DTC channel. On a constant currency basis ⁽¹⁾, revenue increased by 23.2% for the three months ended March 31, 2019 compared to three months ended March 31, 2018 . Revenue generated from our DTC channel represented 78.4% of total revenue for the three months ended March 31, 2019 compared to 76.0% for the three months ended March 31, 2018 .

CAD \$ millions	For three months ended March 31			\$ Change		% Change	
	2019	2018	As reported	Foreign exchange impact	In constant currency	As reported	In constant currency
	Wholesale	33.8	30.0	3.8	(0.9)	2.9	12.7%
DTC	122.4	94.8	27.6	(1.5)	26.1	29.1%	27.5%
Total revenue	156.2	124.8	31.4	(2.4)	29.0	25.2%	23.2%

⁽¹⁾ Constant currency revenue is a non-IFRS financial measure. See “Non-IFRS Financial Measures” for a description of these measures.

Wholesale

Revenue from our wholesale channel was \$33.8m for the three months ended March 31, 2019 compared to \$30.0m for the three months ended March 31, 2018 . The increase of \$3.8m is driven by higher order values from wholesale partners. Incremental revenue from Baffin and favourable foreign exchange fluctuations also contributed positively.

DTC

Revenue from our DTC channel was \$122.4m for the three months ended March 31, 2019 compared to \$94.8m for the three months ended March 31, 2018 . The increase of \$27.6m was driven by incremental revenue from five new retail stores and one new e-commerce market, as well as the strong performance of existing e-commerce markets and retail stores.

Revenue by geography

CAD \$ millions	For the three months ended March 31					
	2019	% of total revenue	2018	% of total revenue	\$ Change	% Change
Canada	54.5	34.9%	49.4	39.6%	5.1	10.3%
United States	47.4	30.3%	44.6	35.7%	2.8	6.3%
Rest of World	54.3	34.8%	30.8	24.7%	23.5	76.3%
	156.2	100.0%	124.8	100.0%	31.4	25.2%

Revenue growth was positive across all our geographic regions for the three months ended March 31, 2019 compared to the three months ended March 31, 2018 . All geographic regions experienced a significant increase in DTC revenue for the reasons described above. Further, there was an increase in the proportion of revenues in Rest of World primarily attributable to the increase in retail stores and e-commerce access in Greater China.

Cost of Sales and Gross Profit

Cost of sales for the three months ended March 31, 2019 increased by \$7.2m or 15.5% , compared to the three months ended March 31, 2018 . Gross profit and gross margin for the three months ended March 31, 2019 were \$102.4m and 65.6% , respectively, compared to \$78.2m and 62.7% , respectively, for the same period in fiscal 2018 . The increase in gross profit was primarily attributable to revenue growth. Gross margin has improved due to changes in channel mix, with an increased proportion of revenue from our DTC channel partially offset by a seasonal fourth quarter shift in product mix to lower margin products.

CAD \$ millions	For the three months ended March 31					
	2019		2018		\$	% Change
	Reported	% of segment revenue	Reported	% of segment revenue		
Wholesale						
Revenue	33.8	100.0%	30.0	100.0%	3.8	12.7 %
Cost of sales	21.4	63.3%	19.8	66.0%	(1.6)	(8.1)%
Gross profit	12.4	36.7%	10.2	34.0%	2.2	21.6 %
DTC						
Revenue	122.4	100.0%	94.8	100.0%	27.6	29.1 %
Cost of sales	32.4	26.5%	26.8	28.3%	(5.6)	(20.9)%
Gross profit	90.0	73.5%	68.0	71.7%	22.0	32.4 %
Total						
Revenue	156.2	100.0%	124.8	100.0%	31.4	25.2 %
Cost of sales	53.8	34.4%	46.6	37.3%	(7.2)	(15.5)%
Gross profit	102.4	65.6%	78.2	62.7%	24.2	30.9 %

Wholesale

Cost of sales in our wholesale channel was \$21.4m for the three months ended March 31, 2019 compared to \$19.8m for the three months ended March 31, 2018 . Gross profit was \$12.4m for the three months ended March 31, 2019 compared to \$10.2m for the three months ended March 31, 2018 . Wholesale gross margin increased to 36.7% of segment revenue from 34.0% in the period. The increase in gross profit of \$2.2m in the fourth quarter of fiscal 2019 is attributable to higher sales. Gross margin has improved as a result of the impact of pricing offsetting an increase in manufacturing labour costs. To a lesser degree, wholesale gross margin was also impacted by production efficiencies in manufacturing overhead, partially offset by a shift in product mix.

DTC

Cost of sales in our DTC channel for the three months ended March 31, 2019 was \$32.4m compared to \$26.8m for the three months ended March 31, 2018 . Gross profit was \$90.0m for the three months ended March 31, 2019 compared to \$68.0m for the three months ended March 31, 2018 . DTC gross margin increased from 71.7% of segment revenue to 73.5% in the period. The increase in DTC channel gross profit of \$22.0m includes the incremental gross profit generated from five new retail stores that were not open in fiscal 2018. The increase in gross margin reflects pricing, production efficiencies and favourable regional mix, offset by an increase in manufacturing labour costs and a seasonal shift in product mix, with a higher proportion of lightweight down jacket sales.

SG&A Expenses

SG&A expenses for the three months ended March 31, 2019 were \$85.0m compared to \$60.9m for the three months ended March 31, 2018 . The increase of \$24.1m , or 39.6% represents the impact of the expanded retail footprint as well as the associated entry into Greater China and continued investment in marketing. The costs of scaling the business in terms of headcount and IT investment also continued in the period.

CAD \$ millions	For the three months ended March 31					
	2019		2018		\$ Change	% Change
	Reported	% of segment revenue	Reported	% of segment revenue		
Segment:						
Wholesale	11.3	33.4%	8.0	26.7%	(3.3)	(41.3)%
DTC	26.0	21.2%	18.7	19.7%	(7.3)	(39.0)%
Unallocated corporate expenses	47.7		34.2		(13.5)	(39.5)%
Total SG&A expenses	85.0	54.4%	60.9	48.8%	(24.1)	(39.6)%

Wholesale

SG&A expenses in our wholesale channel for the three months ended March 31, 2019 were \$11.3m compared to \$8.0m for the three months ended March 31, 2018 . SG&A expenses in the wholesale segment increased to 33.4% from 26.7% of segment revenue in the period. While some SG&A expenses vary with revenue, certain costs in our wholesale business are fixed and represent a higher proportion of wholesale revenue in our off-peak fourth quarter. The increase of \$3.3m primarily resulted from an increase in headcount and other fixed costs to support sales and operations and SG&A expenses for Baffin, partially offset by favourable distribution efficiencies.

DTC

SG&A expenses in our DTC channel for the three months ended March 31, 2019 were \$26.0m compared to \$18.7m for the three months ended March 31, 2018 . SG&A expenses in the DTC segment increased to 21.2% from 19.7% of segment revenue in the period. The \$7.3m increase in SG&A expenses is primarily attributable to the expansion of our retail footprint. In addition, management fees are payable in fiscal 2019 to third party operating partners in connection with DTC operations in Greater China. While some SG&A expenses vary with revenue, certain costs in our DTC business are fixed and represent a higher proportion of DTC revenue in this shoulder quarter.

Unallocated Corporate Expense

Unallocated corporate expenses for the three months ended March 31, 2019 were \$47.7m compared to \$34.2m for the three months ended March 31, 2018 . The increase in unallocated corporate expenses of \$13.5m was primarily a result of increased investment in marketing and people and IT-related scaling costs.

Operating Income and Margin

Total operating income for the three months ended March 31, 2019 was \$11.7m compared to \$14.8m for the three months ended March 31, 2018 . Operating income as a percentage of revenue (operating margin) for the three months ended March 31, 2019 was 7.5% compared to 11.9% for the three months ended March 31, 2018 , reflecting a decrease of 4.4% percentage points which is attributable to SG&A expenses increasing as a percentage of revenues in this shoulder quarter.

CAD \$ millions	For the three months ended March 31					
	2019		2018		\$ Change	% Change
	Operating income	Operating margin	Operating income	Operating margin		
Segment:						
Wholesale	1.1	3.3%	2.2	7.3%	(1.1)	(50.0)%
DTC	64.0	52.3%	49.3	52.0%	14.7	29.8 %
	65.1		51.5		13.6	26.4 %
Unallocated corporate expenses	47.7		34.2		(13.5)	(39.5)%
Unallocated depreciation and amortization expense	5.7		2.5		(3.2)	(128.0)%
Total operating income	11.7	7.5%	14.8	11.9%	(3.1)	(20.9)%

Wholesale

Wholesale segment operating income for the three months ended March 31, 2019 was \$1.1m compared to wholesale segment operating income of \$2.2m for the three months ended March 31, 2018 . Operating margin in the whole segment decreased from 7.3% of segment revenue to 3.3% in the period. The decrease in operating income and margin was primarily driven by SG&A expenses increasing as a percentage of revenues from 26.7% to 33.4% in this shoulder quarter.

DTC

DTC segment operating income for the three months ended March 31, 2019 was \$64.0m compared to \$49.3m for the three months ended March 31, 2018 . Operating margin in the DTC segment increased from 52.0% of segment revenue compared to 52.3% in the period. The \$14.7m increase is primarily driven by the growth in DTC revenue, described above. The improvement in operating income and margin for the three months ended March 31, 2019 was primarily attributable to retail store productivity offset by increases in the fixed costs of retail store operations in SG&A expenses.

Net Interest and Other Finance Costs

Net interest and finance costs for the three months ended March 31, 2019 was \$3.1m compared with \$2.8m for the three months ended March 31, 2018 . The \$0.3m increase was primarily driven by higher average interest rates on the Term Loan Facility.

Income Taxes

Income tax expense for the three months ended March 31, 2019 was a recovery of \$0.4m compared to an expense of \$3.9m for the three months ended March 31, 2018 . For the three months ended March 31, 2019 , the effective tax rate and statutory tax rate were (5.1)% and 25.4% , respectively, compared to 32.7% and 25.4% , respectively, for the three months ended March 31, 2018 . The

decrease in the effective tax rate for the three months ended March 31, 2019 relates primarily to the statutory tax rate differences in our foreign jurisdictions.

Net Income

Net income for the three months ended March 31, 2019 was \$9.0m compared to \$8.1m for the three months ended March 31, 2018, driven primarily by factors described above.

QUARTERLY FINANCIAL INFORMATION

CAD \$ millions (except per share data)	Fiscal 2019				Fiscal 2018			
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Revenue								
Wholesale	33.8	164.0	179.9	21.5	30.0	134.2	152.1	19.9
DTC	122.4	235.3	50.4	23.2	94.8	131.6	20.2	8.3
Total	156.2	399.3	230.3	44.7	124.8	265.8	172.3	28.2
% of fiscal revenue	18.8%	48.1%	27.7%	5.4%	21.1%	45.0%	29.2%	4.8%
Net income (loss)	9.0	103.4	49.9	(18.7)	8.1	62.9	37.1	(12.1)
Basic earnings (loss) per share	\$ 0.08	\$ 0.94	\$ 0.46	\$ (0.17)	\$ 0.08	\$ 0.59	\$ 0.35	\$ (0.11)
Diluted earnings (loss) per share	\$ 0.08	\$ 0.93	\$ 0.45	\$ (0.17)	\$ 0.07	\$ 0.57	\$ 0.33	\$ (0.11)
Adjusted EBITDA ⁽¹⁾	20.4	151.1	70.9	(13.5)	21.7	94.7	46.3	(13.6)
Adjusted net income (loss) per diluted share ⁽¹⁾	\$ 0.09	\$ 0.96	\$ 0.46	\$ (0.16)	\$ 0.09	\$ 0.58	\$ 0.29	\$ (0.12)

⁽¹⁾ Adjusted EBITDA and adjusted net income (loss) per diluted share are non-IFRS financial measures. See "Non-IFRS Financial Measures" for a description of these measures and a reconciliation to the nearest IFRS measure.

Revenue in our wholesale segment is highest in our second and third quarters as we fulfill wholesale customer orders in time for the Fall and Winter retail seasons, and, in our DTC segment, in the third and fourth quarters. Our net income is typically reduced or negative in the first and fourth quarters due to lower revenue and higher fixed costs.

Revenue

Over the last eight quarters, revenue has been impacted by the following factors:

- timing of retail store openings;
- launch of e-commerce sites in Rest of World;
- customer demand and increased manufacturing efficiency which had an impact on the timing of execution of wholesale deliveries;
- availability of new product offering;
- successful execution of global pricing strategy;
- shift in mix of revenue from wholesale to DTC, with the result that total revenue and profitability are increasingly concentrated in the third quarter;

- shift in geographic mix of sales to increase sales outside of Canada;
- fluctuation of foreign currencies relative to the Canadian dollar; and
- acquisition of Baffin on November 1, 2018.

Net Income (Loss)

Over the last eight quarters, net income (loss) has been affected by the following factors:

- impact of the items affecting revenue, as discussed above;
- increase and timing of our investment in brand, marketing, and administrative support as well as increased investment in property, plant, and equipment and intangible assets to support growth initiatives;
- increase in fixed SG&A costs associated with our business, particularly the headcount growth and premises costs associated with our expanding DTC channel, resulting in reduced or negative net income in our seasonally low-revenue first and fourth quarters;
- impact of foreign exchange;
- higher average cost of borrowings to address the growing net working capital requirements and higher seasonal borrowings in the first and second quarters of each fiscal year to address the seasonal nature of revenue;
- pre-opening store costs incurred and timing of leases signed and retail store openings;
- timing of achieving performance vesting conditions of stock options;
- transaction costs in relation to the Secondary Offerings in the second quarter of fiscal 2018, and the first and third quarters of fiscal 2019; and
- proportion of taxable income in non-Canadian jurisdictions.

NON-IFRS FINANCIAL MEASURES

CAD \$ millions (except per share data)	For the fiscal year ended March 31			For the three months ended March 31	
	2019	2018	2017	2019	2018
EBITDA	219.4	152.3	49.0	19.1	19.7
Adjusted EBITDA	229.6	149.2	81.0	20.4	21.8
Adjusted EBITDA margin	27.6%	25.2%	20.1%	13.1%	17.4%
Adjusted net income	151.6	94.1	44.1	10.0	10.0
Adjusted net income per share	\$ 1.39	\$ 0.88	\$ 0.44	\$ 0.09	\$ 0.09
Adjusted net income per diluted share	\$ 1.36	\$ 0.84	\$ 0.43	\$ 0.09	\$ 0.09

CAD \$ millions	March 31	
	2019	2018
Net debt	(63.8)	(51.3)
Net working capital	188.0	72.1

EBIT, adjusted EBIT, adjusted EBIT margin, EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income and adjusted net income per share and per diluted share

EBIT, adjusted EBIT, adjusted EBIT margin, EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income (loss) and adjusted net income (loss) per share and per diluted share are financial measures that are not defined under IFRS. We use these non-IFRS financial measures and believe they enhance an investor's understanding of our financial and operating performance from period to period, because they exclude certain material non-cash items and certain other adjustments we believe are not reflective of our ongoing operations and our performance. Accordingly, we use these metrics to measure our core financial and operating performance for business planning purposes and as a component in the determination of incentive compensation for salaried employees. In addition, we believe investors use both IFRS and non-IFRS measures (EBIT, adjusted EBIT, adjusted EBIT margin, EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income and adjusted net income per share and per diluted share) to assess management's past, current and future decisions associated with our priorities and our allocation of capital, as well as to analyze how our business operates in, or responds to, swings in economic cycles or to other events that impact the apparel industry. However, these measures do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies in our industry. These financial measures are not intended to represent and should not be considered as alternatives to net income, operating income or any other performance measures derived in accordance with IFRS as measures of operating performance or operating cash flows or as measures of liquidity.

EBIT, adjusted EBIT, adjusted EBIT margin, EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income (loss) and adjusted net income (loss) per share and per diluted share have important limitations as analytical tools and should not be considered in isolation or as a substitute for any standardized measure under IFRS. For example, these financial measures:

- exclude certain tax payments that may reduce cash available to us;
- do not reflect any cash capital expenditure requirements for the assets being depreciated and amortized that may have to be replaced in the future;
- do not reflect changes in, or cash requirements for, our net working capital needs; and
- do not reflect the interest expense, or the cash requirements necessary to service interest or principal payments on our debt.

Other companies in our industry may calculate these measures differently than we do, limiting their usefulness as comparative measures.

Constant currency revenue

Because we are a global company, the comparability of revenue reported in Canadian dollars is also affected by foreign currency exchange rate fluctuations when the underlying currencies in which we transact change in value over time compared to the Canadian dollar. These currencies include the U.S. dollars, euros, British pounds sterling, Swiss francs, Chinese Yuan and Hong Kong dollars. These rate fluctuations can have a significant effect on our reported results. Therefore, in addition to financial measures prepared in accordance with IFRS, our revenue discussions often contain references to constant currency measures, which are calculated by translating the prior year reported amounts into comparable amounts using a single foreign exchange rate for each currency calculated based on the current period exchange rates ⁽¹⁾. This measure should not be considered in isolation or as a substitute for any standardized measure under IFRS. We present constant currency financial information, which is a non-IFRS financial measure, as a supplement to our reported operating results. We use constant currency information to provide a framework to

assess how our business segments performed excluding the effects of foreign currency exchange rate fluctuations. We believe this information is useful to investors to facilitate comparisons of operating results and better identify trends in our businesses. See the Revenue sections of the “Results of Operations” for a reconciliation of reported revenue and revenue on a constant currency basis.

Other companies in our industry may calculate this measure differently than we do, limiting its usefulness as a comparative measure.

⁽¹⁾ *In prior periods, we calculated change in revenue expressed in constant currency by applying the prior period exchange rates to current period revenue. Prior periods have been restated to conform to the current year presentation.*

Net debt and net debt leverage

Net debt and net debt leverage are financial measures that are not defined under IFRS. We use, and believe that certain investors and analysts use, these non-IFRS financial measures to determine a company’s financial leverage. We define net debt as total indebtedness, net of cash, and net debt leverage as the ratio of net debt to adjusted EBITDA, both measured on a trailing twelve month basis using financial information reported each quarter. These measures should not be considered in isolation or as a substitute for any standardized measure under IFRS . See “Indebtedness” below for a table providing the calculation of net debt and discussion of net debt leverage.

Other companies in our industry may calculate these measures differently than we do, limiting their usefulness as comparative measures.

Net working capital and net working capital turnover

Net working capital and net working capital turnover are financial measures not defined under IFRS. We use, and believe that certain investors and analysts use, this information to assess the Company’s liquidity and management of net working capital resources. We define net working capital as current assets, net of cash, less current liabilities. Net working capital turnover is the ratio of average net working capital to revenue, both measured on a trailing twelve month basis using financial information reported each quarter. These measures should not be considered in isolation or as a substitute for any standardized measure under IFRS . See “Financial Condition, Liquidity and Capital Resources” below for a table providing the calculation of net working capital.

Other companies in our industry may calculate these measures differently than we do, limiting their usefulness as comparative measures.

The tables below reconcile net income to EBIT, adjusted EBIT, EBIT margin, EBITDA, adjusted EBITDA, and adjusted net income for the periods indicated. Adjusted EBIT margin is equal to adjusted EBIT for the period presented as a percentage of revenue for the same period. Adjusted EBITDA margin is equal to adjusted EBITDA for the period presented as a percentage of revenue for the same period.

CAD \$ millions	For the year ended March 31			For the three months ended March 31	
	2019	2018	2017	2019	2018
Net income	143.6	96.1	21.6	9.0	8.1
<i>Add (deduct) the impact of:</i>					
Income tax expense (recovery)	38.9	29.1	8.9	(0.4)	3.9
Net interest and other finance costs	14.2	12.9	10.0	3.1	2.8
EBIT	196.7	138.1	40.5	11.7	14.8
Transaction costs (a)	2.1	1.5	10.0	0.3	0.0
Transaction and other costs of the Baffin acquisition (b)	3.0	0.0	0.0	0.9	0.0
Unrealized foreign exchange loss (gain) on Term Loan Facility (c)	0.9	(6.7)	(0.1)	(0.4)	1.8
Share-based compensation (d)	2.8	1.0	5.9	0.5	0.3
Pre-store-opening costs (e)	1.4	1.1	1.4	0.0	0.0
Bain Capital management fees (f)	0.0	0.0	10.3	0.0	0.0
Unrealized loss on derivatives (g)	0.0	0.0	4.4	0.0	0.0
International restructuring costs (h)	0.0	0.0	0.1	0.0	0.0
Amortization on intangible assets acquired by Bain Capital (i)	0.0	1.4	2.2	0.0	0.0
Total adjustments	10.2	(1.7)	34.2	1.3	2.1
Adjusted EBIT	206.9	136.4	74.7	13.0	16.9
<i>Adjusted EBIT margin</i>	24.9%	23.1%	18.5%	8.3%	13.5%
<i>Add the impact of:</i>					
Depreciation and amortization	22.7	12.8	6.3	7.4	4.9
EBITDA	219.4	152.3	49.0	19.1	19.7
Adjusted EBITDA	229.6	149.2	81.0	20.4	21.8
<i>Adjusted EBITDA margin</i>	27.6%	25.2%	20.1%	13.1%	17.4%

CAD \$ millions	For the year ended March 31			For the three months ended March 31	
	2019	2018	2017	2019	2018
Net income	143.6	96.1	21.6	9.0	8.1
<i>Add (deduct) the impact of:</i>					
Transaction costs (a)	2.1	1.5	10.0	0.3	—
Transaction and other costs of the Baffin acquisition (b)	3.0	—	—	0.9	—
Unrealized foreign exchange loss (gain) on Term Loan Facility (c)	0.9	(6.7)	(0.1)	(0.4)	1.8
Share-based compensation (d)	2.8	1.0	5.9	0.5	0.3
Pre-store-opening costs (e)	1.4	1.1	1.4	—	—
Bain Capital management fees (f)	—	—	10.3	—	—
Unrealized loss on derivatives (g)	—	—	4.4	—	—
International restructuring costs (h)	—	—	0.1	—	—
Amortization on intangible assets acquired by Bain Capital (i)	—	1.4	2.2	—	—
Non-cash change in carrying value for change in underlying interest rate (j)	—	—	(5.9)	—	—
Total adjustments	10.2	(1.7)	28.3	1.3	2.1
Tax effect of adjustments	(2.2)	(0.3)	(5.8)	(0.3)	(0.2)
Adjusted net income	151.6	94.1	44.1	10.0	10.0

- (a) In connection with the Secondary Offerings completed in November 2018, June 2018 and July 2017 and the IPO in March 2017, we incurred expenses related to professional fees, consulting, legal, and accounting that would otherwise not have been incurred.
- (b) Represents transaction and other costs in connection with the Baffin acquisition and the impact of gross margin that would otherwise have been recognized on inventory recorded at net realizable value less costs to sell.
- (c) Represents non-cash unrealized gains and losses on the translation of the Term Loan Facility from USD to CAD, net of the effect of derivative transactions entered into to hedge a portion of the exposure to foreign currency exchange risk.
- (d) Represents non-cash share-based compensation expense on stock options issued prior to the IPO under the Legacy Plan and cash payroll taxes paid by the Company of \$0.3m and \$2.0m in the three months and fiscal year ended March 31, 2019, respectively, on gains earned by option holders (compensation) when stock options are exercised.
- (e) Represents non-cash lease amortization charges during pre-opening periods for new store leases.
- (f) In connection with the Bain Capital's purchase of a 70% equity interest in our business on December 9, 2013, we entered into a management agreement with certain affiliates of Bain Capital for a term of five years ("Management Agreement"). This amount represents payments made pursuant to the Management Agreement for ongoing consulting and other services. In connection with the IPO on March 21, 2017, the Management Agreement was terminated in

consideration for a termination fee of \$9.6m and Bain Capital no longer receives management fees from the Company.

- (g) Represents non-cash unrealized gains on foreign exchange forward contracts recorded in fiscal 2016 that related to fiscal 2017. We manage our exposure to foreign currency risk by entering into foreign exchange forward contracts. Management forecasts its net cash flows in foreign currency using expected revenue from orders it receives for future periods. The unrealized gains and losses on these contracts are recognized in net income from the date of inception of the contract, while the cash flows to which the derivatives related are not realized until the contract settles. Management believes that reflecting these adjustments in the period in which the net cash flows occur is more appropriate.
- (h) Represents expenses incurred to establish our international headquarters in Zug, Switzerland, including closing several smaller offices across Europe, relocating personnel, and incurring temporary office costs.
- (i) In connection with Bain Capital's purchase of a 70% equity interest in our business on December 9, 2013, we recognized an intangible asset for customer lists in the amount of \$8.7m, which had a useful life of four years and was fully amortized in the third quarter of fiscal 2018.
- (j) We partially repaid the Term Loan Facility using a portion of the proceeds of the IPO, which resulted in a change to our prospective underlying interest rate and caused a remeasurement of the carrying value of the debt by calculating the net present value using the revised estimated cash flows for both the repayment and change in interest rate and original effective interest rate. The result was a non-cash gain of \$5.9m recorded in net interest and other finance costs.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Financial condition

The following table represents our net working capital ⁽¹⁾ position as at March 31, 2019 and March 31, 2018 :

CAD \$ millions	March 31, 2019	March 31, 2018	\$ Change	% Change
Current assets, net of cash	324.6	205.7	118.9	57.8 %
Current liabilities	136.6	133.6	(3.0)	(2.2)%
Net working capital	188.0	72.1	115.9	160.7 %

⁽¹⁾ *Net working capital and net working capital turnover are non-IFRS financial measures. See "Non-IFRS Financial Measures" for a description of these measures.*

As at March 31, 2019, we had \$88.6m of cash and \$188.0m of net working capital, compared to \$95.3m of cash and \$72.1m of net working capital as at March 31, 2018. The \$115.9m increase arose primarily from an increased volume of business, in particular growth in our DTC channel, including a \$101.9m increase in inventory from higher production to match our forecasted demand and a \$8.5m increase in trade receivables. Net working capital is significantly impacted by the seasonal trends of our business and has been further impacted in recent quarters by the opening of our retail stores. Net working capital includes balances for Baffin as at March 31, 2019. Net working capital turnover was 20.6% on a trailing twelve month basis as at March 31, 2019, using financial information reported each quarter.

Cash flows

The Company's consolidated statement of cash flows for the fiscal year ended March 31, 2019 compared to March 31, 2018 , the fiscal year ended March 31, 2018 compared to March 31 , 2017 , and for the three months ended March 31, 2019 compared to the three months ended March 31, 2018 , and are noted below:

CAD \$ millions	For the year ended March 31			For the year ended March 31			For the three months ended		
	2019	2018	\$ Change	2018	2017	\$ Change	2019	2018	\$ Change
Total cash provided by (used in):									
Operating activities	73.4	126.2	(52.8)	126.2	39.4	86.8	(1.0)	38.0	(39.0)
Investing activities	(82.9)	(34.4)	(48.5)	(34.4)	(27.0)	(7.4)	(14.5)	(7.3)	(7.2)
Financing activities	3.1	(7.9)	11.0	(7.9)	(9.9)	2.0	0.6	0.8	(0.2)
Effects of foreign currency exchange rate changes on cash	(0.3)	1.7	(2.0)	1.7	—	1.7	1.2	1.7	(0.5)
(Decrease) increase in cash	(6.7)	85.6	(92.3)	85.6	2.5	83.1	(13.7)	33.2	(46.9)
Cash, beginning of period	95.3	9.7	85.6	9.7	7.2	2.5	102.3	62.1	85.6
Cash, end of period	88.6	95.3	(6.7)	95.3	9.7	85.6	88.6	95.3	(6.7)

Cash requirements

Our primary need for liquidity is to fund net working capital, capital expenditure, debt service, and general corporate requirements of our business. Our primary source of liquidity to meet our cash requirements is cash generated from operating activities over our annual operating cycle. We also maintain the Revolving Facility to provide short-term liquidity and to have funds available for net working capital. Our ability to fund our operations, invest in planned capital expenditures, meet debt obligations, and repay or refinance indebtedness depends on our future operating performance and cash flows, which are subject, but not limited to, prevailing economic, financial, and business conditions, some of which are beyond our control. Cash generated from operating activities is significantly impacted by the seasonality of our business. Cash flows from operating activities are typically highest in the third and fourth quarters of the fiscal year due to reduced net working capital requirements during these periods and the collection of receivables from revenue earlier in the year. The Company has also benefited from a more rapid cash conversion cycle in its DTC segment as that channel continues to grow.

Cash flows from operating activities

Cash generated from operating activities for the fiscal year ended March 31, 2019 were \$73.4m compared to \$126.2m for the fiscal year ended March 31, 2018 . The decrease of \$52.8m in cash from operating activities was primarily due to an increase in working capital (\$98.4m), an increase in income taxes paid (\$33.6m) and in interest paid (\$0.9m), offset by an inflow of cash from the results of operations of (\$80.1m).

Cash generated from operating activities for the fiscal year ended March 31, 2018 was \$126.2m compared to \$39.4m for the fiscal year ended March 31, 2017 . The increase of \$86.8m in cash

from operating activities was primarily due to an inflow of funds from the results of operations (\$93.5m), a decrease in income taxes paid (\$12.9m) and a decrease in interest paid (\$2.7m), offset by an increase in working capital (\$22.2m).

Cash used in operating activities for the three months ended March 31, 2019 were \$1.0m compared to cash generated of \$38.0m for the three months ended March 31, 2018 . The net change of \$39.0m in cash from operating activities was primarily due to an increase in working capital (\$35.9m), an increase in income taxes paid (\$2.6m) and in interest paid (\$0.2m), offset by an inflow of cash from the results of operations of (\$0.3m).

Cash flows from investing activities

Cash used in investing activities for the fiscal year ended March 31, 2019 were \$82.9m compared to \$34.4m for the fiscal year ended March 31, 2018 . The increase in cash used in investing activities of \$48.5m related primarily to the acquisition of Baffin (\$33.6m), outflows for retail store construction, investments in information technology and product development, and capital additions for manufacturing capacity.

Cash used in investing activities for the fiscal year ended March 31, 2018 was \$34.4m compared to \$27.0m for the fiscal year ended March 31, 2017 . The increase in cash used for investing activities of \$7.4m was primarily due to the expansion of our manufacturing facilities and the opening of four retail stores, the build out of shop-in-shop initiatives with our wholesale partners, and investment in information technology to support our business operations in fiscal 2018. The cash used in investing activities for the fiscal year ended March 31, 2018 was all funded through cash generated from operations during the year.

Cash used in investing activities for the three months ended March 31, 2019 were \$14.5m compared to \$7.3m for the three months ended March 31, 2018 . The increase in cash used in investing activities of \$7.2m related primarily to our continued investments to support growth including retail store construction, investments in information technology and product development, and capital additions for manufacturing capacity.

Cash flows from financing activities

Cash generated from financing activities for the fiscal year ended March 31, 2019 was \$3.1m compared to cash used of \$7.9m for the fiscal year ended March 31, 2018 . The net change of \$11.0m relates primarily to the repayment for all amounts owing on the Revolving Facility.

Cash used in financing activities for the fiscal year ended March 31, 2018 was \$7.9m compared to \$9.9m for the fiscal year ended March 31, 2017 . The outflow of cash in fiscal 2018 relates primarily to the repayment of the balance of the Revolving Facility of \$8.9m . In fiscal 2017 , the Company effected recapitalization and refinancing transactions which resulted in the repayment of subordinated debt of \$85.3m and the distribution of capital of \$121.5m to the principal shareholders, funded by an increase in the Term Loan Facility of \$147.6m and net proceeds of the public share offering of \$98.1m . The Revolving Facility refinanced the previous credit facility, with a decrease in the outstanding balance of \$49.0m over the year.

Cash generated from financing activities for the three months ended March 31, 2019 was \$0.6m compared to \$0.8m for the three months ended March 31, 2018 . The decrease in cash generated in financing activities of \$0.2m was primarily attributable to higher net borrowings repaid on the Revolving Facility in the three months ended March 31, 2018 compared to the three months ended March 31, 2019 .

Indebtedness

The following table presents our net debt ⁽¹⁾ as of March 31, 2019 and March 31, 2018 .

CAD \$ millions	March 31, 2019	March 31, 2018	\$ Change
Cash	88.6	95.3	(6.7)
Revolving Facility	—	—	—
Term Loan Facility	(152.4)	(146.6)	(5.8)
Net debt	(63.8)	(51.3)	(12.5)

⁽¹⁾ Net debt and net debt leverage are non-IFRS financial measures. See “Non-IFRS Financial Measures” for a description of these measures.

As at March 31, 2019 , net debt was \$63.8m compared to \$51.3m as at March 31, 2018 . The increase of \$12.5m was primarily due to a decrease of \$6.7m in the cash balance as at March 31, 2019 and an increase of \$5.8m in the value of the principal amount owing under the Term Loan Facility due to a stronger U.S. dollar.

Average net debt represents net debt leverage of 0.6 times adjusted EBITDA for the trailing twelve months ended March 31, 2019 .

Revolving Facility

Canada Goose and its wholly-owned subsidiaries, Canada Goose Inc. and Canada Goose International AG, have a Revolving Facility with a syndicate of lenders. The Revolving Facility has commitments of \$200.0m, with a seasonal increase up to \$250.0m during the peak season from June 1 through November 30. In addition, the Revolving Facility includes a letter of credit commitment in the amount of \$25.0m. All obligations under the Revolving Facility are unconditionally guaranteed by the Company and, subject to certain exceptions, our U.S., Swiss, U.K. and Canadian subsidiaries. The Revolving Facility matures on June 3, 2021 and provides for customary events of default.

Loans under the Revolving Facility, at our option may be maintained from time to time as (a) Prime Rate Loans, which bear interest at a rate per annum equal to the Applicable Margin for Prime Rate Loans plus the Prime Rate, (b) Banker’s Acceptances funded on a discounted proceeds basis given the published discount rate plus a rate per annum equal to the Applicable Margin for stamping fees, (c) ABR Loans, which bear interest at a rate per annum equal to the Applicable Margin for ABR Loans plus the ABR, (d) European Base Rate Loans, which bear interest at a rate per annum equal to the Applicable Margin for European Base Rate Loans plus the European Base Rate, (e) LIBOR Loans, which bear interest at a rate per annum equal to the Applicable Margin for LIBOR Loans plus the LIBOR Rate or (f) EURIBOR Loans, which bear interest at a rate per annum equal to the Applicable Margin for EURIBOR Loans plus the applicable EURIBOR.

A commitment fee is charged on the average daily unused portion of the Revolving Facility of 0.25% per annum if average utilization under the Revolving Facility is greater than 50% or 0.375% if average utilization under the Revolving Facility is less than 50%. A letter of credit fee, with respect to standby letters of credit, will accrue on the aggregate face amount of outstanding letters of credit under the Revolving Facility equal to the Applicable Margin for LIBOR Loans, and, with respect to trade or commercial letters of credit, 50% of the then Applicable Margin on LIBOR Loans. A fronting fee will be charged on the aggregate face amount of outstanding letters of credit equal to 0.125% per annum. In addition, we pay the administrative agent under the Revolving Facility a monitoring fee of one thousand dollars per month.

The Revolving Facility contains financial and non-financial covenants which could impact the Company's ability to draw funds. As at and during the fiscal year ended March 31, 2019, the Company was in compliance with all covenants.

As at March 31, 2019 and 2018, the Company had repaid all amounts owing under the Revolving Facility and related deferred financing charges in the amounts of \$1.2m and \$1.7m respectively, were included in other long-term liabilities.

The Company has unused borrowing capacity under the Revolving Facility of \$165.5m as at March 31, 2019 (2018 - \$97.8m). Amounts under the Revolving Facility may be borrowed, repaid and re-borrowed to fund our general corporate purposes and are available in Canadian dollars, U.S. dollars, and euros and, subject to an aggregate cap of \$40.0m, such other currencies as are approved in accordance with the credit agreement governing the Revolving Facility.

Term Loan Facility

The Company and Canada Goose Inc. have a Term Loan Facility in the amount of US \$113.8m with Credit Suisse AG, Cayman Islands Branch, as administrative agent and collateral agent, and certain financial institutions as lenders, which matures on December 2, 2021. All obligations under the Term Loan Facility are unconditionally guaranteed by the Company and, subject to certain exceptions, our U.S., U.K. and Canadian subsidiaries. The Term Loan Facility provides for customary events of default.

The interest rate on the loan outstanding under the Term Loan Facility is the LIBOR Rate (subject to a minimum rate of 1.00% per annum) plus an Applicable Margin of 4.00%. The loan can also be maintained as an ABR loan which bears interest at ABR plus an Applicable Margin which is 1.00% less than that for LIBOR loans.

The Company has pledged substantially all of its assets as collateral for the Term Loan Facility. The Term Loan Facility contains non-financial covenants. As at and during the fiscal year ended March 31, 2019, the Company was in compliance with all covenants.

As the Term Loan Facility is denominated in U.S. dollars, the Company remeasures the outstanding balance in Canadian dollars at each balance sheet date. As at March 31, 2019, we had \$152.4m aggregate principal amount outstanding under the Term Loan Facility compared to \$146.6m as at March 31, 2018. Amounts prepaid or repaid under the Term Loan Facility may not be re-borrowed.

Capital Management

The Company manages its capital, which consists of equity (subordinate voting shares and multiple voting shares) and long-term debt (the Revolving Facility and the Term Loan Facility), with the objectives of safeguarding sufficient net working capital over the annual operating cycle and providing sufficient financial resources to grow operations to meet long-term consumer demand. Management targets a ratio of trailing twelve months adjusted EBITDA to net debt, reflecting the seasonal borrowing requirements while working capital builds through the second fiscal quarter. The board of directors of the Company monitors the Company's capital management on a regular basis. We will continually assess the adequacy of the Company's capital structure and capacity and make adjustments within the context of its strategy, economic conditions, and the risk characteristics of the business.

Contractual Obligations

The following table summarizes our significant contractual obligations and other obligations as at March 31, 2019 :

CAD \$ millions	For the fiscal year ended March 31						Total
	2020	2021	2022	2023	2024	Thereafter	
Accounts payable and accrued liabilities	110.4	—	—	—	—	—	110.4
Revolving Facility	—	—	—	—	—	—	—
Term Loan Facility	—	—	152.4	—	—	—	152.4
Note payable	—	3.0	—	—	—	—	3.0
Interest commitments relating to long-term debt ⁽¹⁾	9.9	9.9	6.6	—	—	—	26.4
Operating leases	32.4	36.0	34.5	32.9	30.6	87.0	253.4
Pension obligation	—	—	—	—	—	2.2	2.2
Total contractual obligations	152.7	48.9	193.5	32.9	30.6	89.2	547.8

⁽¹⁾ Interest commitments are calculated based on the loan balance and the interest rate payable on the Term Loan Facility of 6.50% as at March 31, 2019 .

As at March 31, 2019 , we had additional long-term liabilities which included provisions for warranty, agent termination fees, sales returns, and asset retirement obligations, and deferred income tax liabilities. These long-term liabilities have not been included in the table above as the timing and amount of future payments are uncertain.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on its financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources.

OUTSTANDING SHARE CAPITAL

Canada Goose is a publicly traded company and the subordinate voting shares are listed on the New York Stock Exchange (NYSE: GOOS) and on the Toronto Stock Exchange (TSX: GOOS). As of May 24, 2019 , there were 59,151,443 subordinate voting shares issued and outstanding, and 51,004,076 multiple voting shares issued and outstanding.

As at May 24, 2019 , there were 2,392,106 options outstanding under the Company's equity incentive plans, 988,644 of which were vested as of such date and 10,650 restricted share units. Each such option is or will become exercisable for one subordinate voting share. We expect that restricted share units will be paid at settlement through the issuance of one subordinate voting share per restricted share unit.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to certain market risks arising from transactions in the normal course of our business. Such risk is principally associated with foreign currency exchange rates and interest rates.

Foreign exchange risk

Foreign exchange risk in operating cash flows

Our Annual Financial Statements are expressed in Canadian dollars, but a portion of the Company's net assets are denominated in foreign currencies, primarily U.S. dollars, euros, British Pounds sterling, and Swiss francs Chinese yuan, Hong Kong dollars and Swedish krona through its foreign operations in the U.S., U.K., France, Switzerland, Hong Kong, China and Sweden. Furthermore, as our business in Greater China grows, transactions in Chinese yuan and Hong Kong dollars will increase. Net monetary assets denominated in currencies other than Canadian dollars that are held in entities with Canadian dollar functional currency are translated into Canadian dollars at a foreign currency exchange rate in effect at each balance sheet date. As a result, we are exposed to foreign currency translation gains and losses. 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. Appreciating foreign currencies relative to the Canadian dollar 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.

We are also exposed to fluctuations in the prices of U.S. dollar denominated purchases as a result of changes in U.S. dollar exchange rates. A depreciating Canadian dollar relative to the U.S. dollar will negatively impact operating income and net income by increasing our costs of raw materials, while an appreciating Canadian dollar relative to the U.S. dollar will have the opposite impact.

Since fiscal 2016, we entered into derivative instruments in the form of forward contracts to manage the majority of our current and anticipated exposure to fluctuations in the U.S. dollar, euro, British Pound sterling, and Swiss franc, Chinese yuan, Hong Kong dollars and Swedish krona exchange rates for revenues and purchases. Beginning in fiscal 2017, certain foreign exchange forward contracts have been designated and accounted for as cash flow hedges.

A summary of foreign currency forward exchange contracts and the corresponding amounts as at March 31, 2019 is as follows:

(millions)	Contract Amount		Primary Currencies
Forward contract to purchase Canadian dollars	US\$	155.0	U.S. dollars
	€	72.9	Euros
Forward contract to sell Canadian dollars	US\$	65.9	U.S. dollars
	€	32.7	Euros
Forward contract to purchase Euros	CHF	2.1	Swiss francs
	CNY	588.5	Chinese yuan
	£	16.0	British Pounds sterling
	HKD	121.6	Hong Kong dollar
	SEK	10.7	Swedish Krona
Forward contract to sell Euros	CHF	11.4	Swiss francs
	£	1.0	British Pounds sterling

Foreign exchange risk of principal and interest payments on the Term Loan Facility

Amounts available for borrowing under the Term Loan Facility and part of our Revolving Facility are denominated in U.S. dollars. Based on our outstanding balance of \$152.4m (US \$113.8m) under the Term Loan Facility as at March 31, 2019 , a \$0.01 depreciation in the value of the Canadian dollar compared to the U.S. dollar would result in a decrease in our pre-tax income of \$1.1m (2018 - \$1.1m) solely as a result of that exchange rate fluctuation's effect on the debt.

On October 18, 2017, the Company entered into derivative transactions to hedge a portion of its exposure to foreign currency exchange risk on principal and interest payments related to the Term Loan Facility.

The Company entered into a long-dated forward exchange contract to buy \$75.0m, or US\$59.4m in equivalent U.S. dollars as measured on the trade date, to fix the foreign exchange risk on the related principal amount of the Term Loan Facility over the term to maturity (December 2, 2021). Unrealized gains and losses in the fair value of the forward contract are recognized in selling, general and administrative expenses in the statement of income.

The Company also entered into a cross-currency swap by selling \$50.0m, or US\$40.0m in equivalent U.S. dollars floating rate debt bearing interest at LIBOR plus 4.00% as measured on the trade date, and receiving \$50.0m fixed rate debt bearing interest at a rate of 5.80%. This cross-currency swap has been designated at inception and is accounted for as a cash flow hedge, and to the extent that the hedge is effective, unrealized gains and losses are included in other comprehensive income until reclassified to the statement of income as the related hedged transactions impact net income.

Concurrently, the Company entered into a second cross-currency swap by selling the \$50.0m fixed rate debt bearing interest at a rate of 5.80% and receiving \$50.0m, or €34.0m in equivalent Euro-denominated fixed rate debt bearing interest at a rate of 3.84%. This cross-currency swap has been designated and is accounted for as a hedge of the net investment in the Company's European subsidiary. Hedges of net investments are accounted for similarly to cash flow hedges, with unrealized gains and losses included in other comprehensive income. Amounts included in other comprehensive income are reclassified to net income in the period when the foreign operation is disposed of or sold.

Interest rate risk

We are exposed to interest rate risk primarily related to the effect of interest rate changes on borrowings outstanding under our Revolving Facility and Term Loan Facility. As at March 31, 2019 , the Company has repaid all amounts owing on the Revolving Facility. The amount owing under our Term Loan Facility was \$152.4m as at March 31, 2019 , which currently bears interest at 6.50% . Based on the weighted average amount of borrowings outstanding under the Revolving Facility during the fiscal year ended March 31, 2019 , a 1.00% increase in the average interest rate on our borrowings would have increased interest expense by \$0.6m in the year. Correspondingly, a 1.00% increase in the average interest rate on our Term Loan Facility would have increased interest expense by an additional \$1.5m , to the extent that the risk is not hedged. The impact on future interest expense as a result of future changes in interest rates will depend largely on the gross amount of our borrowings at that time.

RELATED PARTY TRANSACTIONS

On December 9, 2013, the Company entered into the Management Agreement with certain affiliates of Bain Capital for a term of five years, which was terminated upon the closing of the IPO on March 21, 2017, in accordance with the terms of the Management Agreement. During the year ended March 31, 2017 , the Company incurred management fees of \$10.3m , including \$9.6m paid on termination.

In the year ended March 31, 2017, the Company incurred interest expense of \$3.8m on the subordinated debt owing to Bain Capital. The subordinated debt and accrued interest were repaid in full on December 2, 2016 in connection with the Recapitalization.

The Company enters into transactions from time to time with its principal shareholders and organizations affiliated with members of its Board of Directors by incurring expenses for business services. During the year ended March 31, 2019, the Company incurred expenses with related parties of \$1.0m, measured at the exchange amount (2018 - \$1.4m) to companies related to certain shareholders. Net balances owing to related parties as at March 31, 2019 were \$0.1m (2018 - \$0.1m).

The Company has incurred expenses for lease of premises and other operating costs payable to entities affiliated with the Baffin Vendor totaling \$0.6m for the year ended March 31, 2019. Under the terms of the purchase agreement, the Company agreed to acquire the inventories in transit at the time of the acquisition when received. Purchases of inventories for the year ended March 31, 2019 amounted to \$3.0m. Related amounts owing to Baffin entities as at March 31, 2019 were \$ nil. In connection with the acquisition of Baffin, \$3.0m is payable to the Baffin Vendor on November 1, 2020 and will be charged to expense over two years.

For a discussion of additional related party transactions see Item 7B. — “Major Shareholders and Related Party Transactions” — “Related Party Transactions”.

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 of the Company.

Key management compensation

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

CAD \$ millions	For the year ended March 31		
	2019	2018	2017
Short term employee benefits	13.2	10.4	5.4
Long term employee benefits	0.1	—	—
Termination benefits	—	0.2	0.4
Share-based compensation	2.9	1.6	4.5
Compensation expense	16.2	12.2	10.3

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our Annual Financial Statements have been prepared in accordance with IFRS as issued by the IASB. The preparation of our financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. We base our estimates on historical experience and on various other assumptions that we believe are reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. While our significant accounting policies are more fully described in the notes to our Annual Financial Statements, we believe that the following accounting policies and estimates are critical to our business operations and understanding our financial results.

The Company has adopted IFRS 15, *Revenue from Contracts with Customers* and IFRS 9, *Financial Instruments* effective April 1, 2018, which did not have a material effect on the financial statements. See “Changes in Accounting Policies” below for a description of the impact from adopting these new standards.

The following are the accounting policies subject to judgments and key sources of estimation uncertainty that we believe could have the most significant impact on the amounts recognized in the Annual Financial Statements.

Revenue recognition. Revenue comprises of the 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 specific criteria for transfer of control to the customer have been met for each of the Company's activities, as described below.

- i) Wholesale revenue comprises sales of the Company's products to third party resellers (which includes international distributors and retailers). Wholesale revenue from the sale of goods is recognized when the control of the goods has been transferred to the reseller, which depends on the precise terms of the agreement with each reseller, net of an estimated provision for sales returns.

The Company, at its discretion, may cancel all or a portion of any firm wholesale sales order. The Company is therefore obligated to return any prepayments or deposits made by resellers for which the product is not provided. All advance payments are therefore included in accrued liabilities in the statement of financial position.

- ii) DTC revenue consists of sales through the Company's e-commerce operations and Company-owned retail stores. Sales through e-commerce operations are recognized upon estimated delivery of the goods to the customer, net of an estimated provision for sales returns, when control of the goods has transferred from the Company to the customer. Sales through our retail stores are recognized delivery to the customer at the point of sale, net of an estimated provision for sales returns.

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

The Company's warranty obligation is to provide an exchange or repair for manufacturing defective products under the standard warranty terms and conditions. The warranty obligation is recognized as a provision when goods are sold.

Inventories. Inventories are carried at the lower of cost and net realizable value which requires us to use estimates related to fluctuations in obsolescence, shrinkage, future retail prices, seasonality, and costs necessary to sell the inventory.

We periodically review our inventories and make provisions as necessary to appropriately value obsolete or damaged raw materials and finished goods. In addition, as part of inventory valuations, we accrue for inventory shrinkage for lost or stolen items based on historical trends from actual physical inventory counts.

Impairment of non-financial assets (goodwill, intangible assets, and property and equipment). We are required to use judgment in determining the grouping of assets to identify their cash generating units ("CGU") for the purposes of testing fixed 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. Judgment is also applied in allocating the carrying amount of assets to CGUs. 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. 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 seven CGUs and tests goodwill and these intangible assets for impairment on that basis.

In determining the recoverable amount of a CGU or a group of CGUs, various estimates are employed. We determine value-in-use by using estimates including projected future revenues, earnings, working capital and capital investment consistent with strategic plans presented to the board of directors of the Company. Discount rates are consistent with external industry information reflecting the risk associated with the specific cash flows.

Income and other taxes. Current and deferred income taxes are recognized in the consolidated statements of income and comprehensive income, except when it relates to a business combination, or items recognized in equity or in other comprehensive income. 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 in the various jurisdictions in which the Company operates.

Functional currency. Items included in the Annual Financial Statements of the Company's subsidiaries are measured using the currency of the primary economic environment in which each entity operates (the functional currency). The Annual Financial Statements are presented in Canadian dollars, which is our functional and presentation currency.

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

We enter into financial instruments with highly-rated creditworthy institutions and instruments with liquid markets and readily-available pricing information.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue 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, Revolving Facility, and Term Loan Facility. The Company initially recognizes debt instruments issued on the date that they are originated. All other financial liabilities are recognized initially on the trade date at 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.

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 statement of income; attributable transaction costs are recognized in the statement 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 twelve months, and as a non-current asset or liability when the maturity of the hedged item is more than twelve 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 statement of income. Amounts accumulated in other comprehensive income are transferred to the statement of income in the periods when the hedged item affects net income. When a forecast transaction that is hedged results in the recognition of a non-financial asset or liability, such as inventory, the amounts included in the measurement of the cost of the related asset or liability. The deferred amounts are ultimately recognized in the statement 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 statement of income in the period when the foreign operation is disposed of or sold.

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 and RSUs under its equity incentive plans, prior to the public offering on March 21, 2017 (the "Legacy Plan") and subsequently (the "Omnibus Plan"). Under the terms of the Legacy Plan, options were granted to certain employees of the Company with vesting contingent upon meeting the service, performance goals and exit event conditions of the Legacy Plan. There are two types of stock options: service-vested options are time based and generally vest over five years of service, and performance-

based and exit event options vest upon attainment of performance conditions and the occurrence of an exit event. 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 and RSUs is recognized ratably over the requisite service period, provided it is probable that the vesting conditions will be achieved and the occurrence of the exist event, if applicable, is probable.

Warranty. The critical assumptions and estimates used in determining the warranty provision at the balance sheet date are: number of jackets expected to require repair or replacement; proportion to be repaired versus replaced; period in which the warranty claim is expected to occur; cost of repair; cost of jacket replacement; and risk-free rate used to discount the provision to present value. We review our inputs to this estimate on a quarterly basis to ensure the provision reflects the most current information regarding our products.

Sales returns. Sales returns relate primarily to goods sold through the DTC sales channel which have a limited right of return, typically within 30 days. The Company bases its estimate on historical return rates in its e-commerce and retail stores and reviews its actual returns experience periodically to assess the appropriateness of the return rates used.

CHANGES IN ACCOUNTING POLICIES

Standards issued and adopted

Certain new standards became effective at the beginning of the current fiscal year. The impact from the adoption of these new standards is described below.

Revenue

Effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2018, the IASB issued IFRS 15, *Revenue from Contracts with Customers* (“IFRS 15”) which replaces the guidance on revenue recognition requirements that previously existed under IFRS. The new standard provides a comprehensive framework for the recognition, measurement and disclosure of revenue from contracts with customers, excluding contracts within the scope of the accounting standards on leases, insurance contracts and financial instruments. IFRS 15 also contains enhanced disclosure requirements.

The Company adopted the standard effective April 1, 2018 using the modified retrospective approach, which resulted in no adjustment to opening retained earnings. Comparative information has not been restated and continues to be reported under previous accounting standards. After completing the analysis of its customer contracts, the Company has determined that the implementation of IFRS 15 did not result in any adjustments to the opening balance of retained earnings or to the presentation of the Annual Financial Statements.

As a result of adopting IFRS 15, the Company updated its accounting policies for the recognition of revenue. See “Critical Accounting Policies and Estimates”.

Financial instruments

Effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2018, the IASB issued IFRS 9, *Financial Instruments* (“IFRS 9”) which replaces IAS 39, *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. IFRS 9 introduces new requirements for classification and measurement, impairment, and hedge accounting and new impairment requirements that are based on a forward-looking expected credit loss model. IFRS 9 also amends other standards dealing with financial instruments such as IFRS 7, *Financial Instruments: Disclosures* .

The Company adopted the standard effective April 1, 2018, resulting in no significant adjustment to retained earnings and no material effect on the Annual Financial Statements.

The Company assessed which business models apply to the financial assets and liabilities held and has classified its financial instruments into the appropriate IFRS 9 categories. These reclassifications did not have an impact on the measurement of financial assets and liabilities. Adoption of the new classification requirements under IFRS 9 did not result in significant changes in the measurement of financial assets and financial liabilities.

The following table summarizes the original classification under IAS 39 and the new classification under IFRS 9 for the Company's financial assets and financial liabilities.

Asset/Liability	Original classification under IAS 39	New classification under IFRS 9
Cash	Loans and other receivables	Amortized cost
Trade receivables	Loans and other receivables	Amortized cost
Accounts payable and accrued liabilities	Other liabilities	Amortized cost
Revolving Facility	Other liabilities	Amortized cost
Term Loan Facility	Other liabilities	Amortized cost
Derivative, not in a hedging relationship	Fair value through profit or loss	Fair value through profit or loss

Reclassification of financial assets is required if the objective of the business model in which they are held changes after initial recognition and if the change is significant to the entity's operations. No reclassification of financial liabilities is permitted.

Upon transition the Company's derivatives designated as hedges continue to meet the hedging criteria, therefore the fair values flow through other comprehensive income under both IAS 39 and IFRS 9.

Application of the expected credit loss model for trade accounts receivable did not result in any significant changes in the Company's impairment allowance, with expected credit losses to be measured over the life of the asset, typically the annual wholesale sales cycle.

We have updated our accounting policies as a result of adopting IFRS 9. See "Critical Accounting Policies and Estimates".

Share-based payment

Effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2018, the IASB issued an amendment to IFRS 2, Share-based Payment, clarifying the accounting for certain types of share-based payment transactions. The Company adopted the standard effective April 1, 2018, with no material effect on the Annual financial statements.

Standards issued but not yet effective

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 by the Company for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments, and interpretations are provided below.

Leases

In January 2016, the IASB issued IFRS 16, Leases ("IFRS 16"), replacing IAS 17, Leases and related interpretations. The standard provides a new framework for lessee accounting that requires substantially all assets related to operating leases to be capitalized and a corresponding liability

to be recorded. The new standard seeks to provide a more complete picture of a company's leased assets and related liabilities and create greater comparability between companies who lease assets and those who purchase assets. IFRS 16 becomes effective for annual periods beginning on or after January 1, 2019 and is to be applied retrospectively. The standard permits the application of various transition options and practical expedients on initial adoption, and the more significant choices are described below.

The Company will adopt the standard on April 1, 2019 using the modified retrospective approach with the cumulative effect of initial application recorded in opening retained earnings and no restatement of prior period financial information. Under the modified retrospective approach, the Company measured the right-of-use asset at the depreciated net book value as if the standard had been applied since the commencement date of the lease, but using the discount rate at the date of initial application. The Company used hindsight in determining the lease term at the date of initial application.

The Company determined the discount rate at the time of initial adoption to be its incremental borrowing rate for each leased asset or portfolio of leased assets with similar characteristics by reference to the Company's creditworthiness, the original term of the lease, the quality of the underlying leased asset, and the economic environment where the leased asset is located.

IFRS 16 is expected to have a material impact on the Company's consolidated statements of financial position. The Company is in the process of finalizing its assessment, and based on current estimates, it expects to recognize right-of-use assets in the range of \$130m to \$150m and related lease obligations in the range of \$140m to \$160m, before taking into account the related deferred tax impact. Deferred rent liabilities under the existing standard will be adjusted to opening retained earnings.

In April, 2019, the Company recorded additional right-of-use assets and lease obligations with an impact of between \$55m and \$65m for leases with a commencement date following the transition.

CHANGE IN FISCAL YEAR EFFECTIVE APRIL 1, 2019

Fiscal 2019 and previous fiscal years of the Company ended on March 31 each year. Effective for fiscal 2020 and subsequent years, the Company will be adopting a 52 or 53-week reporting cycle, common in the retail industry, with the fiscal year ending on the Sunday closest to March 31. Fiscal 2020 will end on March 29, 2020. The quarters in fiscal 2020 will end on June 30, September 29, and December 29, 2019 .

INTERNAL CONTROL OVER FINANCIAL REPORTING

Disclosure Controls and Procedures

Disclosure controls and procedures are defined in Rule 13a-15(e) and Rule 15d-15(e) of the Exchange Act.

Based on management's evaluation, the Company's CEO and CFO concluded that the Company's disclosure controls and procedures were not effective as of March 31, 2019 as a result of the material weaknesses in the Company's internal control over financial reporting described below.

There were no material adjustments to our Annual Financial Statements as a result of incremental procedures performed by management. Accordingly, management has concluded that the Company's audited consolidated financial statements filed as part of this annual report fairly present in all material respects the Company's financial position, results of operations, changes in equity, and cash flows for the periods presented, in accordance with IFRS.

Management's Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as such term is defined in Rule 13a-15(f) and Rule 15d-15(f) under the Exchange Act) and has designed such internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with IFRS.

Management of the Company, under the supervision and with the participation of the CEO and CFO, conducted an evaluation of the effectiveness of the Company's internal control over financial reporting as of March 31, 2019, using the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control - Integrated Framework (2013)* ("COSO 2013"). Based on the evaluation performed, management concluded that the material weaknesses described below existed as of March 31, 2019. Excluded from our assessment were controls over financial reporting at Baffin Limited, which acquired assets of Baffin Inc. on November 1, 2018 in a business combination. The acquired Baffin business represented less than 5% of the Company's consolidated total assets and less than 10% of the Company's consolidated net assets as of March 31, 2019.

A material weakness in internal control over financial reporting is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company's annual or interim financial statements will not be prevented or detected on a timely basis by the company's internal controls.

As of March 31, 2018, management had identified certain material weaknesses in the Company's internal control over financial reporting. During fiscal 2019, management made the following changes to internal control over financial reporting to remediate the identified material weaknesses in the Risk Assessment and Monitoring components of internal control:

- Engaged an external advisor with subject matter expertise and significant resources to assist management with all elements of the internal control program, including risk assessment, process flows, and design of internal controls;
- Built a larger team with a combination of external advisors and internal personnel, including a Director of Internal Audit, to plan and execute testing, including quality assurance, earlier than in fiscal 2018 such that deficiencies were identified and communicated to control owners;
- The program status was regularly monitored by senior Finance personnel, including the CFO, to ensure accountability was present throughout the program;
- Performed a detailed risk assessment to identify key account and business processes and related controls, which was informed by process flow mapping with key control owners;
- Enhanced its Internal Control Steering Committee to drive accountability throughout the organization. The Steering Committee provided oversight to the program and control owners by monitoring remediation plans and testing progress;
- Increased the financial oversight of its new subsidiaries in Asia through recurring month end operating performance meetings with local senior management; and
- Designed controls in new business processes, such as the Company's business in Asia, changes to IT systems, and financial reporting controls over business combinations and new accounting standards.

As noted above, we have invested significantly in our IT environment and added critical resources across the organization and specifically in the finance team to establish a sustainable internal control environment. Despite this progress, management determined it did not remediate material

weaknesses identified as of March 31, 2018 in two components of internal control as defined by COSO 2013 (Control Activities and Information and Communication). In relation to Control Activities, management did not design and maintain effective controls over the following, each of which is a material weakness: (a) the occurrence and accuracy of revenue and the existence of the related accounts receivable, and access controls to customer master data; and (b) the existence and valuation of inventory, including inventory costing and access controls to inventory master data. The material weakness in Information and Communication is the result of the evaluation of the accuracy and completeness of information used in the execution of internal controls primarily related to spreadsheets created from data extracted from our enterprise resource planning (“ERP”) system. Due to these control deficiencies, a reasonable possibility exists that material misstatements in the Company’s financial statements will not be prevented or detected on a timely basis in the future.

As a result of the identified material weaknesses, management, including the CEO and CFO, concluded that internal control over financial reporting was not effective as of March 31, 2019 . Deloitte LLP, the independent registered public accounting firm that audited our financial statements included in this annual report, has issued an attestation report on the effectiveness of our internal control over financial reporting as of March 31, 2019 . Their attestation report is included in this annual report.

Remediation Plan and Activities

Management has taken the following steps to address the material weaknesses described above:

- Upgraded its enterprise resource planning (“ERP”) system on April 1, 2019, designed with consideration for enhanced system functionality, user roles reflecting segregation of duties, use of reporting tools, and master data management;
- Hired a Vice President of Internal Audit & Loss Prevention in late Q4 fiscal 2019 to lead the governance and testing of internal controls over financial reporting;
- Hired internal audit personnel to support the VP Internal Audit & Loss Prevention; and
- Added control remediation goals to management’s formal performance objectives to increase control accountability and ownership.

Management anticipates taking the following additional steps during fiscal 2020 :

- Update its process flows for the change in the business processes and controls as a result of the new ERP system;
- Design and operate controls in the new ERP system related to user provisioning, access, master data management, and reporting;
- Hiring additional employees with financial reporting, internal audit, and internal control remediation expertise and capacity throughout the global organization;
- Training control owners on the control execution and evidencing, particularly in relation to information used in controls; and
- Increase the frequency of testing of internal controls over financial reporting .

Senior management has discussed the material weaknesses described above with the Audit Committee, which will continue to review progress on these remediation activities.

As the Company continues to evaluate and work to improve its internal control over financial reporting, management may determine to take additional measures to address control deficiencies. The material weaknesses cannot be considered remediated until the applicable relevant controls operate for a sufficient period of time and management has concluded, through testing, that these

controls are operating effectively. No assurance can be provided at this time that the actions and remediation efforts will effectively remediate the material weaknesses described above or prevent the incidence of other material weaknesses in the Company's internal control over financial reporting in the future. We do not know the specific time frame needed to fully remediate the material weaknesses identified above. See "Risk Factors." Management, including the CEO and CFO, does not expect that disclosure controls and procedures or internal control over financial reporting will prevent all misstatements, even as the remediation measures are implemented and further improved to address the material weaknesses. The design of any system of internal controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving the stated goals under all potential future conditions.

Changes in Internal Control over Financial Reporting

Other than those described above, there have been no changes in the Company's internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-5(f) under the Exchange Act) during the quarter and year ended March 31, 2019, that have materially affected, or that are reasonably likely to materially affect, the Company's internal control over financial reporting.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

The following table sets forth certain information relating to our directors and executive officers as of May 24, 2019. Other than for Pat Sherlock and Penny Brook, whose business address is 135 Baarerstrasse, 6300 Zug, Switzerland, and for Scott Cameron, whose business address is 43/F & 44/F, Champion Tower, 3 Garden Road, Central, Hong Kong, the business address for our directors and officers is c/o Canada Goose Holdings Inc., 250 Bowie Ave, Toronto, Ontario, Canada M6E 4Y2.

Name	Age	Position
Dani Reiss	45	President and Chief Executive Officer and Director
Jonathan Sinclair	57	Executive Vice President, Chief Financial Officer
Pat Sherlock	45	President, Canada Goose International AG
Ana Mihaljevic	38	Chief Commercial Officer
Penny Brook	42	Chief Marketing Officer
Lee Turlington	64	Chief Product Officer
Kara MacKillop	43	Executive Vice President, People and Culture
Scott Cameron	41	President, Greater China
David Forrest	39	Senior Vice President, General Counsel
Carrie Baker	43	Executive Vice President, Chief of Staff
John Moran	56	Executive Vice President, Manufacturing and Supply Chain
Spencer Orr	41	President, Canada Goose Innovation Lab
Rick Wood	47	Executive Advisor
Paul Hubner	58	President and Chief Executive Officer, Baffin Limited
Joshua Bekenstein	60	Director
Jodi Butts	46	Director
Maureen Chiquet	56	Director
Ryan Cotton	40	Director
John Davison	60	Director
Stephen Gunn	64	Director
Jean-Marc Huët	50	Director

Dani Reiss C. M. (Member of the Order of Canada), President and Chief Executive Officer and Director

The grandson of our founder, Mr. Reiss joined the company in 1997 and was named President and Chief Executive Officer of the company in 2001. Mr. Reiss has worked in almost every area of the company and successfully developed our international sales channels prior to assuming the role of President and Chief Executive Officer. Mr. Reiss received a Bachelor of Arts from University of Toronto. Mr. Reiss is the Chairman of our board of directors and brings leadership and operational experience to our board of directors as our President and Chief Executive Officer.

Jonathan Sinclair, Executive Vice President and Chief Financial Officer

Mr. Sinclair joined the company in June 2018 as Executive Vice President and Chief Financial Officer. Prior to joining the company, Mr. Sinclair served as Chief Financial Officer and Executive Vice President of Business Operations at Jimmy Choo PLC from June 2014 to May 2018, Chief Operating Officer at Vertu from June 2013 to June 2014, Chief Operating Officer at Jimmy Choo from December 2008 to May 2013, and Group Finance Director at Pentland Brands Plc from November 2003 to December 2008. He brings more than 20 years of global financial and operational experience to his role. Mr. Sinclair received a Bachelor of Arts from Loughborough University of Technology.

Pat Sherlock, President, Canada Goose International AG

Mr. Sherlock joined the company in November 2012 as the Director of Canadian Sales and was named Senior Director of Sales in May 2014, Vice President of Sales Canada in May 2015, Senior Vice President of Global Wholesale in April 2016 and President of Canada Goose International AG in April 2018, overseeing all operations in Europe, the Middle East, Asia and South America. Prior to joining the company, Mr. Sherlock served as the National Sales Manager of New Balance Canada Inc., from January 2008 to November 2012 and Managing Director, Central Eastern Canada for Lothar Heinrich Agencies Ltd. (Warsteiner) from December 2006 to January 2008. He spent 10 years at InBev (Labatt), from 1997 to 2007 most recently as National Field Sales Manager. Mr. Sherlock received a Bachelor of Business Administration and Management from University of Winnipeg.

Ana Mihaljevic, Chief Commercial Officer

Ms. Mihaljevic joined the company in April 2015 as Vice President of Planning and became Vice President of Planning and Sales Operations in April 2016, Senior Vice President of Planning and Sales Operations in April 2017 and Chief Commercial Officer in April 2019. Prior to joining the company, Ms. Mihaljevic served as the Director of Business Planning at Marc Jacobs International, a designer apparel company, from March 2013 to March 2015, the Director of Sales and Planning at Jones Apparel Group, a women's apparel company, from May 2011 to March 2013, and as an Account Executive at Ralph Lauren from April 2008 to May 2011. Ms. Mihaljevic received a Bachelor in Commerce from Queen's University.

Penny Brook, Chief Marketing Officer

Ms. Brook joined the company in 2014 as European Marketing Director. She most recently served as General Manager and Vice President of International Marketing for the company and was named Chief Marketing Officer in January 2018. Prior to joining the company, Ms. Brook served in progressively senior marketing roles across a wide range of industries including luxury, fashion, consumer electronics and fast-moving consumer goods, at companies such as Mulberry Group

plc, Clarks and Philips Electronics. Ms. Brook received a Bachelor of Arts from Kingston University in London.

Lee Turlington, Chief Product Officer

Mr. Turlington began working with Canada Goose in October 2015 as an independent consultant, and formally joined the company as Chief Product Officer in March 2016. Prior to joining the company Mr. Turlington spent seven years as independent consultant with TURLINGTON, Inc., advising companies such as International Marketing Partners Ltd., Mission Athlete Care, Ape & Partners S.P.A/Parajumpers, Quiksilver Inc., Ironclad Performance Wear Corporation, Haglofs, and LK International AG/KJUS. He spent five years at Patagonia Inc. from 2008-2013, most recently serving as Vice President, Global Product. From March 1999 to April 2007, Mr. Turlington served as a Global Director and General Manager for Nike Inc. Prior to that, he served at Fila Sports Pa from March 1994 to February 1999, as Senior Vice President, Fila Apparel. From June 1977 to April 1992, he served as Vice President, Sales, Marketing, Global Product and various other executive roles at The North Face. Mr. Turlington received a Bachelor of Economics from Lenoir-Rhyne University.

Kara MacKillop, Executive Vice President, People and Culture

Ms. MacKillop joined the company in September 2014 as the Vice President of Human Resources. She was promoted to Senior Vice President of Human Resources in 2016 and Executive Vice President, People and Culture in April 2018. Prior to joining our team, Ms. MacKillop served as the Director of Human Resources for Red Bull Canada, a company that produces and sells energy drinks, from September 2010 to September 2014, and as Director of Human Resources for Indigo Books and Music from August 2003 until September 2010. Ms. MacKillop received a Bachelor of Science from the University of Western Ontario.

Scott Cameron, President, Greater China

Mr. Cameron joined the company in December 2015 as Chief Strategy and Business Development Officer, was named Executive Vice President e-Commerce, Stores and Strategy in July 2016 and President, Greater China in March 2018. Prior to joining our team, Mr. Cameron spent eight years focused on luxury and apparel retail brands at McKinsey & Co. Toronto, a management consulting firm, most recently as a principal. Mr. Cameron received a Bachelor in Commerce (Honours) degree from Queen's University and a Master of Business Administration from Harvard Business School, where he was a Baker Scholar.

David Forrest, Senior Vice President, General Counsel

Mr. Forrest joined the company in May 2014 as Director, Legal and was named Senior Director, Legal in May 2015, Vice President, Legal in October 2016 and Senior Vice President, General Counsel in April 2017. Prior to joining the company, Mr. Forrest served as the General Counsel and Corporate Secretary of Thomas Cook North America from May 2012 to May 2014, prior to which he practiced law at Osler, Hoskin & Harcourt LLP, from August 2006 until May 2012. Mr. Forrest received a Bachelor of Laws (with distinction) from Western University in 2006 and a Honours Bachelor of Arts, Applied Economics from Queen's University in 2002.

Carrie Baker, Executive Vice President, Chief of Staff

Ms. Baker joined the company in May 2012 as the Vice President of Communications and served as Chief of Staff and Senior Vice President until April 2018 when she was named Executive Vice

President, Chief of Staff. Prior to joining the company Ms. Baker spent 12 years at High Road Communications, a North American communications agency, from May 2000 to April 2012, serving most recently as Senior Vice President. Ms. Baker received a Bachelor of Arts from the University of Western Ontario.

John Moran, Executive Vice President, Manufacturing and Supply Chain

Mr. Moran joined the company in November 2014 as Vice President of Manufacturing, was promoted in January 2017 to Senior Vice President, Manufacturing and Supply Chain, and was named as Executive Vice President, Manufacturing and Supply Chain in April 2018. Prior to joining the company, Mr. Moran served as Chief Operating Officer at Smith & Vandiver Corp. in 2014 and as Vice President, Operations from October 2003 to March 2011 and later Chief Operating Officer from April 2011 to April 2013 at Robert Talbott Inc. in Monterey, California, a renowned producer of men's and women's luxury apparel. Throughout his time with Robert Talbott Inc., Mr. Moran's responsibilities ranged from strategic planning and business development to sales, sourcing, manufacturing, distribution and finance. Prior to his time with Robert Talbott Inc., Mr. Moran was employed full-time with Gitman Brothers Shirt Company, based in Ashland, Pennsylvania, from 1984 to October 2003 holding positions of varying levels of responsibility in manufacturing, distribution and finance. At the time of his departure in October 2003 he held the position of Chief Operating Officer.

Spencer Orr, President, Canada Goose Innovation Lab

Mr. Orr joined the company in January 2009 as Product Manager. He was promoted to Vice President of Design and Merchandising in 2012, Vice President of Merchandising and Product Strategy in June 2016, Senior Vice President of Merchandising and Product Strategy in April 2017 and President, Canada Goose Innovation Lab in January 2019. Prior to joining the company, Mr. Orr served as the Manager of Product Design and Development at Sierra Designs, an industry leading outerwear and outdoor equipment brand. Mr. Orr received an Honours Bachelors in Outdoor Recreation from Lakehead University and a Masters in Business Administration from Ivey Business School at University of Western Ontario.

Rick Wood, Executive Advisor

Mr. Wood joined the company in November 2017 as Chief Commercial Officer and became Executive Advisor in April 2018. Prior to joining the company, Mr. Wood most recently served as Executive Director at ArchPoint Consulting and previously held numerous management positions in VF Corporation, including President of Outdoor and Action Sports Coalition for Europe, Middle East and Africa and Vice President and General Manager of VF Outdoor Canada. Throughout his career, Mr. Wood has led teams in sales optimization, product development, marketing, and strategy development and execution, working with global brands including The North Face, Vans, Timberland, Reef, JanSport and SmartWool. Mr. Wood attended the University of Manitoba.

Paul Hubner, President and Chief Executive Officer, Baffin Limited

Paul Hubner is the founder of Baffin, an industry-leading designer and manufacturer of performance outdoor and industrial footwear, and currently serves as President and Chief Executive Officer. With more than 30 years of footwear construction and design expertise and senior management experience, he has led the expansion and growth of the brand since 1997. Prior to founding Baffin, Paul worked at Deloitte as a Certified Management Accountant. He graduated from McMaster University with a Bachelor of Commerce Degree.

Joshua Bekenstein, Director

Mr. Bekenstein has served as a member of our board of directors since December 2013. He is a Managing Director at Bain Capital. Prior to joining Bain Capital, in 1984, Mr. Bekenstein spent several years at Bain & Company, Inc., where he was involved with companies in a variety of industries. Mr. Bekenstein serves as a director of The Michaels Companies, Inc., BRP Inc., Dollarama Inc., and Bright Horizons Family Solutions Inc. He previously served as a member of the board of directors of The Gymboree Corporation, Burlington Stores, Inc. and Waters Corporation. Mr. Bekenstein received a Bachelor of Arts from Yale University and a Master of Business Administration from Harvard Business School. Mr. Bekenstein provides strong executive and business operations skills to our board of directors and valuable experience gained from previous and current board service.

Jodi Butts, Director

Ms. Butts has served as a member of our board of directors since November 2017. Prior to joining the board, Ms. Butts served as the Chief Executive Officer of Rise Asset Development and Senior Vice-President of Operations and Redevelopment at Mount Sinai Hospital Toronto. Ms. Butts also serves as the Board Chair of Aereus Technologies Inc., an antimicrobial technology company, as a member of the Board of Governors and Audit Committee of the University of Windsor, as a board member and member of the Risk Management Committee of the Walrus Foundation, advisory board member to Bayshore Home Healthcare, and as the Chair of the World Health Innovation Network. Ms. Butts is also a former member of the Ontario Ministry of Health Expert Panel on Healthcare Sector Supply Chain Integration. As a lawyer and entrepreneur, Ms. Butts was a founding partner of a boutique litigation firm. She received a Bachelor of Arts from University of Windsor, a Master of Arts in Canadian History from the University of Toronto and a Bachelor of Laws from the University of Toronto.

Maureen Chiquet, Director

Ms. Chiquet has served as a member of our board of directors since August 2017. Ms. Chiquet began her career in marketing at L'Oreal Paris in 1985, started working at The Gap in 1988, where she helped launch and build the Old Navy brand, and served as President of Banana Republic in 2002 prior to becoming Chief Operating Officer and President of U.S. Operations of Chanel in 2003. In 2007, Ms. Chiquet became Chanel's first Global Chief Executive Officer. She left Chanel in 2016. Ms. Chiquet served as a Trustee to the New York Academy of Art. Ms. Chiquet also served as a Trustee to the Yale Corporation and was a fellow of Yale University, where she received a Bachelor of Arts in literature. She serves as a non-executive director on the board of MatchesFashion. Ms. Chiquet provides strong executive, product, marketing and business operations skills to the board of directors.

Ryan Cotton, Director

Mr. Cotton has served as a member of our board of directors since December 2013. He joined Bain Capital in 2003, and is currently a Managing Director. Prior to joining Bain Capital, Mr. Cotton was a consultant at Bain & Company from 2001 to 2003. Mr. Cotton serves as a director of Advantage Solutions, The Michaels Companies, Inc., TOMS, Virgin Voyages, and Blue Nile. He previously served as a member of the board of directors of Apple Leisure Group, International Market Centers, Inc., Daymon Worldwide, and Sundial Brands. Mr. Cotton received a bachelor's degree from Princeton University and a Master of Business Administration from the Stanford

Graduate School of Business. Mr. Cotton provides strong executive and business operations skills to our board of directors and valuable experience gained from previous and current board service.

John Davison, Director

Mr. Davison has served as a member of our board of directors since May 2017. Mr. Davison is currently the Chief Financial Officer and Executive Vice President of Four Seasons Holdings Inc. (“Four Seasons”), the luxury hotel and resort management company, a position he has held since 2005 after joining the company as Senior Vice President, Project Financing in 2002. He is also currently serving as the Interim President and Chief Executive Officer of Four Seasons. In addition to managing the group’s financial activities, John oversees the company’s information systems and technology area. Prior to joining Four Seasons Holdings Inc., John spent four years as a member of the Audit and Business Investigations Practices at KPMG in Toronto, followed by 14 years at IMAX Corporation from 1987 to 2001, ultimately holding the position of President, Chief Operating Officer and Chief Financial Officer. Currently he also serves on the board of IMAX China Holding, Inc. and Benevity, Inc. John has been a Chartered Professional Accountant since 1986, and a Chartered Business Valuator since 1988. He received a Bachelor of Commerce from the University of Toronto. Mr. Davison provides strong executive and business operations skills to our board of directors.

Stephen Gunn, Director

Mr. Gunn has served as a member of our board of directors since February 2017. He previously served as a Co-Chair of Sleep Country Canada Inc. (“Sleep Country”). He co-founded Sleep Country in 1994 and served as its Chair and Chief Executive Officer from 1997 to 2014. Prior to founding Sleep Country Mr. Gunn was a management consultant with McKinsey & Company from 1981 to 1987 and then co-founded and was President of Kenrick Capital, a private equity firm. Mr. Gunn serves as the Chair of the board of directors of Dollarama Inc. Mr. Gunn is also the Chair of the audit committee of Recipe Unlimited Corporation (formerly Cara Operations Limited), and served as a director of Golf Town Canada Inc. from 2008 to 2016. He received a Bachelor of Electrical Engineering from Queens University and a Master of Business Administration from the University of Western Ontario. Mr. Gunn provides strong executive and business operations skills to our board of directors and valuable experience gained from previous and current board service.

Jean-Marc Huët, Director

Mr. Huët has served as a member of our board of directors since February 2017. He serves as the Chairman of Heineken N.V., a member of the advisory committee of Bridgepoint Capital and a non-executive director of J2 plc. Mr. Huët served as a director of Formula One from 2012 to January 2017, and was an Executive Director and Chief Financial Officer of Unilever N.V. from 2010 to 2015. Mr. Huët was also Executive Vice President and Chief Financial Officer of Bristol-Myers Squibb Company from 2008 to 2009 and as a member of the Executive Board and Chief Financial Officer of Royal Numico N.V. from 2003 to 2007. Prior to that, he worked at Goldman Sachs International. He received a Bachelor of Arts from Dartmouth College and a Master of Business Administration from INSEAD. Mr. Huët provides strong executive, consumer and financial expertise to our board of directors and valuable experience gained from previous and current board service.

B. Compensation

Board of Director Compensation

Other than Mr. Reiss, whose compensation is included with that of our other named executive officers, only Messrs. Davison, Gunn and Huët and Mmes. Chiquet and Butts received compensation for their service on our board of directors during fiscal 2019. Canada Goose does not compensate representatives of Bain Capital for their service on our board. The following table sets forth information concerning the compensation paid by the company to Messrs. Davison, Gunn and Huët and Mmes. Chiquet and Butts in fiscal 2019:

Name	Fees Earned or Paid in		Total (\$)
	Cash (\$)	Option Awards (\$) ⁽¹⁾	
John Davison	100,000	71,581	171,581
Stephen Gunn	87,500	97,610	185,110
Jean-Marc Huët	131,974 ⁽²⁾	97,610	229,584
Maureen Chiquet	114,940 ⁽³⁾	52,059	166,999
Jodi Butts	87,500	32,537	120,037

- (1) Amount shown reflects the grant date fair value of options to purchase subordinate voting shares granted to Messrs. Davison, Gunn and Huët and Mmes. Chiquet and Butts in fiscal 2019. The value was determined in accordance with IFRS 2 "Share-based Payment".
- (2) Compensation paid in Euros converted at an exchange rate of €1.00 to \$1.51, which is an average rate determined in accordance with the company's policies based on exchange rates available as at the applicable payment dates for the fiscal year.
- (3) Compensation paid in U.S. dollars converted at an exchange rate of US\$1.00 to \$1.31, which is an average rate determined in accordance with the company's policies based on exchange rates available as at the applicable payment dates for the fiscal year.

As compensation for service on our board of directors, the company pays each of Messrs. Gunn and Davison and Ms. Butts fees of \$75,000 per year, Mr. Huët fees of €75,000 per year, and Ms. Chiquet fees of US\$75,000 per year. In addition, non-employee directors, other than representatives of Bain Capital, who serve as members of committees of our board of directors are paid an additional \$12,500 per year (Mr. Huët - €12,500 and Ms. Chiquet - US\$12,500) for their committee service and Mr. Davison is paid an additional \$12,500 per year for his service as the Chair of the Audit Committee.

On June 26, 2018, Mr. Davison was granted an award of 2,761 options to purchase our subordinate voting shares ("Options"), Mr. Gunn and Mr. Huët were each granted an award of 3,765 Options, Ms. Chiquet was granted an award of 2,008 Options and Ms. Butts was granted an award of 1,255 Options. The Options granted to our non-employee directors on June 26, 2018 have an exercise price of \$83.53 per share and expire on June 26, 2028.

Executive Compensation

Components of Executive Compensation

Each year, the compensation committee of our board of directors is responsible for determining our executive compensation framework, which consisted of the following elements for fiscal 2019: (i) base salary; (ii) annual bonus; (iii) equity-based long-term incentives; and (iv) employee benefits and other compensation.

Named Executive Officers

The following tables and discussion relate to the compensation paid to or earned by our President and Chief Executive Officer, Dani Reiss; our Executive Vice President and Chief Financial Officer, Jonathan Sinclair; our former Chief Financial Officer, John Black; and our three most highly compensated executive officers (other than Messrs. Reiss, Sinclair and Black) who were serving as executive officers on the last day of fiscal 2019. They are Lee Turlington, our Chief Product Officer; John Moran, our Executive Vice President, Manufacturing and Supply Chain; and Pat Sherlock, our President of Canada Goose International AG. Messrs. Reiss, Sinclair, Black, Turlington, Moran and Sherlock are referred to collectively in this Annual Report as our named executive officers.

The following table sets forth information about certain compensation awarded to, earned by, or paid to our named executive officers during fiscal 2019:

Name and principal position	Salary (\$)	Bonus (\$) ⁽¹⁾	Stock awards (\$) ⁽²⁾	Option awards (\$) ⁽³⁾	Non-equity incentive plan compensation (\$) ⁽⁴⁾	All other compensation (\$) ⁽⁵⁾	Total compensation (\$)
Dani Reiss, President and Chief Executive Officer	1,239,231	—	—	1,874,342	1,910,640	38,599	5,062,812
Jonathan Sinclair, Executive Vice President, Chief Financial Officer ⁽⁶⁾	599,231	602,022	825,062	917,662	—	461,808	3,405,785
John Black, Chief Financial Officer ⁽⁷⁾	240,908	91,500	—	—	—	14,839	347,247
Lee Turlington, Chief Product Officer ⁽⁸⁾	495,131	247,594	—	—	—	281,349	1,024,074
John Moran, Executive Vice President, Manufacturing and Supply Chain	359,808	213,220	—	218,682	—	18,986	810,696
Pat Sherlock, President, Canada Goose International AG	402,649	186,248	—	—	—	246,913	835,810

- (1) Amounts shown reflect the bonuses earned by our named executive officers, other than Mr. Reiss, in respect of fiscal 2019. Amount shown for Mr. Sinclair includes a signing bonus paid in fiscal 2019.
- (2) Amount shown reflects the grant date fair value of a restricted share unit award granted to Mr. Sinclair in fiscal 2019. The value was determined in accordance with IFRS 2 “Share-based Payment”.
- (3) Amounts shown reflect the grant date fair value of Options granted to Messrs. Reiss, Sinclair and Moran in fiscal 2019. The values were determined in accordance with IFRS 2 “Share-based Payment”.
- (4) Amount shown reflects the bonus earned by Mr. Reiss in respect of fiscal 2019.
- (5) Amount shown for each executive officer includes company-paid personal insurance premiums. Amount shown for Mr. Reiss includes complimentary jackets to which he was entitled in fiscal 2019 (\$27,846) and supplemental health coverage. Amount shown for Mr. Sinclair includes his housing allowance (\$119,420) a relocation allowance (\$36,000), relocation reimbursements (\$93,316), each as described below under “Agreements with our Named Executive Officers”, a tax gross-up related to such allowances and reimbursements (\$204,782), complimentary jackets to which he was entitled in fiscal 2019 and supplemental health coverage. Amount shown for Mr. Black includes complimentary jackets to which he was entitled in fiscal 2019, company contributions to the Deferred Profit Sharing Plan for the Employees of Canada Goose Inc. (referred to as the DPSP) as described below under “Retirement Plans” and supplemental health coverage. Amount shown for Mr. Turlington includes his housing and car allowance (\$113,400), described below under “Agreements with our Named Executive Officers”, a tax gross up related to such allowance (\$142,403) and complimentary jackets to which he was entitled in fiscal 2019. Amount shown for Mr. Moran includes complimentary jackets to which he was entitled in fiscal 2019, company contributions to the DPSP and supplemental health coverage. Amount shown for Mr. Sherlock includes complimentary jackets to which he was entitled in fiscal 2019, company contributions to the DPSP, supplemental health coverage, as well as his housing allowance (\$42,593), reimbursement of school fees for his children (\$60,962), a personal travel allowance (\$25,708) and a tax gross-up related to such amounts (\$100,889), each as described below under “Agreements with our Named Executive Officers”.
- (6) Mr. Sinclair joined the company as Executive Vice President on June 18, 2019 and was appointed Chief Financial Officer on June 26, 2018, upon Mr. Black’s transition from Chief Financial Officer to Strategic Advisor.
- (7) Mr. Black served as the company’s Chief Financial Officer until June 26, 2018. He then served as Strategic Advisor to the company until his retirement on December 31, 2018.
- (8) Bonus paid in U.S. dollars converted for the purposes of this table at an exchange rate of US\$1.00 to \$1.34.
- (9) Compensation includes \$132,127 earned while serving as Senior Vice President, Global Wholesale in Canada from March 1, 2018 to July 31, 2018 and \$270,522 earned while serving as President, Canada Goose International AG from August 1, 2019 to March 31, 2019 (the \$270,522 was paid in Swiss francs at an exchange rate of CHF1.00 to \$1.33, the Bank of Canada average rate between August 1, 2018 and March 31, 2019). Amounts under “All other compensation” paid in Swiss francs at the same exchange rate of CHF1.00

to \$1.33. Bonus paid in Swiss francs converted for the purposes of this table at an exchange rate of CHF1.00 to \$1.35, the Bank of Canada exchange rate on March 31, 2019.

Base Salary

Base salaries provide our named executive officers with a fixed amount of compensation each year. Base salary levels reflect the executive's title, experience, level of responsibility, and performance. Messrs. Reiss, Black, Turlington, Moran and Sherlock received base salary increases in fiscal 2019, effective as of April 1, 2018. Mr. Reiss's base salary increased to \$1,200,000, Mr. Black's base salary increased to \$305,000, Mr. Turlington's base salary increased to US\$361,640, Mr. Moran's base salary increased to \$350,000 and Mr. Sherlock's base salary increased to \$260,100. Upon his promotion to President of Canada Goose International AG on August 7, 2018, Mr. Sherlock's base salary increased to CHF 312,421.

Bonus

Each named executive officer is eligible to receive an annual bonus pursuant to his or her employment agreement and in accordance with the bonus plan of the company. Fiscal 2019 bonuses earned by Messrs. Reiss, Sinclair, Black, Turlington, Moran and Sherlock are reflected in the compensation table above.

For fiscal 2019, Mr. Reiss was eligible to earn a target annual bonus equal to 100% of his base salary, based on the achievement of pre-established fiscal 2019 EBIT targets. Target EBIT was approved by our board of directors at the beginning of fiscal 2019 in connection with the annual budgeting process, with payout of Mr. Reiss's bonus being earned at 100% upon achievement of EBIT of 100% of target. No portion of Mr. Reiss's bonus was eligible to be earned if EBIT was determined to have been achieved at 85% or less below target. Achievement of EBIT between 85% of target and less than 100% of target would have resulted in Mr. Reiss's bonus being earned on a straight-line basis between 0% and 100%. Achievement of EBIT above 100% of target would have resulted in the EBIT component of Mr. Reiss's bonus being earned at 100% of target plus 4.4% of target for each 1% over target EBIT. Our board of directors determined that Mr. Reiss earned a fiscal 2019 bonus of 159.22% of target based on a deemed achievement of 2019 EBIT.

Messrs. Sinclair, Black, Turlington, Moran and Sherlock were eligible to earn annual bonuses for fiscal 2019 under a broad-based annual bonus plan for salaried employees targeted at 45% (Mr. Sinclair) and 40% (Messrs. Black, Turlington, Moran and Sherlock), respectively, of base salary. Bonuses were eligible to be earned under the plan based on the achievement of pre-established EBIT targets and a participant's individual performance review for fiscal 2019. Target EBIT for purposes of our fiscal 2019 annual bonus plan was determined the same as for Mr. Reiss. No bonuses were eligible to be paid under the plan for achievement of EBIT at less than 80% of target or an individual performance rating of "needs immediate improvement". Upon achievement of EBIT of at least 80% of target, a participant could receive an annual bonus depending on an individual performance rating of "exceptional," "leading," "tracking," or "inconsistent," with ranges of bonuses as a percentage of target eligible to be earned at each performance rating. Achievement of EBIT between 80% of target and less than 100% of target would have resulted in a participant's bonus being earned on a straight-line basis between 0% and 100%. At a "leading" rating, achievement of EBIT above 100% of target would have resulted in the EBIT component of a participant's bonus being earned at 100% of target plus 2% of target for each 1% over target EBIT. At an "exceptional" rating, achievement of EBIT above 100% of target would have resulted in the EBIT component of a participant's bonus being earned at 100% of target plus 2% of target for each 1% over target

EBIT multiplied by a factor of 1.2. Messrs. Sinclair, Black, Turlington, Moran and Sherlock were determined to earn fiscal 2019 bonuses each equal to 152.3% (prorated), 100.0% (prorated), 126.9%, 152.3% and 126.9% of target, respectively.

Executive Employment Agreements

We have entered into an employment agreement with each of our named executive officers. The terms of the agreements are as follows.

Compensation and Bonus Opportunities

Under his amended and restated employment agreement, effective March 9, 2017, Mr. Reiss is entitled to an annual base salary of \$1,000,000, subject to annual review and increase by our board of directors, and which has subsequently increased as described above under "Base Salary". Mr. Reiss is also eligible for an annual incentive bonus, which under his employment agreement is targeted at 75% of his annual base salary, and which has subsequently increased to 100% of his annual base salary. The employment agreement also provides for an annual equity grant to Mr. Reiss under our long-term equity incentive plan.

Under his employment agreement, effective February 6, 2018, Mr. Sinclair is entitled to an annual base salary of \$760,000, subject to annual review. Mr. Sinclair is also eligible for an annual incentive bonus targeted at 45% of his annual base salary. The employment agreement also provided for a signing bonus of up to \$450,000 (or \$225,000 if his employment commenced after June 18, 2018), reduced by any bonus payments he received from his prior employer in March and June 2018. Mr. Sinclair was paid a signing bonus of \$192,578. If Mr. Sinclair terminates his employment with us (other than for good reason) or we terminate his employment for cause on or before June 18, 2019, he will be required to repay his signing bonus. Mr. Sinclair's employment agreement also provides for an annual equity grant to Mr. Sinclair under our long-term equity incentive plan, initially equal to 80% of his annual base salary. The employment agreement further provides for reimbursement of up to \$50,000 for relocation expenses (which was subsequently increased to \$95,000), a relocation allowance of \$10,000 (which was subsequently increased to \$36,000), and a monthly housing allowance of \$13,000 for 36 months following Mr. Sinclair's commencement of employment, each grossed up for applicable taxes, as well as reimbursement of one pair of business-class tickets between Toronto and the UK within one year of Mr. Sinclair's commencement of employment. Canada Goose will also cover the costs of a Canadian work permit for Mr. Sinclair and his spouse, including legal advice as necessary, and tax preparation services for two tax years following Mr. Sinclair's commencement of employment.

Under his employment agreement, effective June 26, 2013 and amended as of July 8, 2013, Mr. Black is entitled to an annual base salary of \$250,000, subject to annual review, which has subsequently increased as described above under "Base Salary". Mr. Black is also eligible for an annual incentive bonus targeted at 25% of his annual base salary, which has subsequently increased to 40% of his annual base salary. In connection with Mr. Black's retirement, we entered into an agreement as of June 4, 2018, which provides that he is eligible for an annual incentive bonus for fiscal 2019 on a prorated basis and confirms that the remainder of his previously granted option awards would continue to vest in accordance with their terms.

Under his employment agreement, effective March 16, 2016, and amended as of January 16, 2019, Mr. Turlington is entitled to an annual base salary of US\$350,000, subject to annual review and increase, which has subsequently increased as described above under "Base Salary". Mr.

Turlington is also eligible to participate in our annual bonus plan, with an annual incentive bonus targeted at 40% of his annual base salary. Mr. Turlington's employment agreement further provides for reimbursement of up to \$60,000 per year for accommodations and reasonable transportation while in Toronto for Canada Goose business, as well as a travel allowance of up to \$30,000 for Mr. Turlington and his family to travel between their home in the United States and Toronto. These reimbursement amounts were subsequently increased in March 2017 to \$9,450 per month, retroactive to September 1, 2016, grossed up for applicable taxes, and paid in full in fiscal 2018.

Under his employment agreement, effective October 3, 2014 and amended January 10, 2017, Mr. Moran is entitled to an annual base salary of \$250,000, subject to annual review, which has subsequently increased as described above under "Base Salary". Mr. Moran is also eligible to participate in our annual bonus plan, with an annual incentive bonus targeted at 35% of his annual base salary, which has subsequently increased to 40% of his annual base salary.

Under his employment agreement, effective on or around August 1, 2018, Mr. Sherlock is entitled to an annual base salary of CHF 312,421. Mr. Sherlock is also eligible to participate in our annual bonus plan, with an annual incentive bonus targeted at 40% of his annual base salary. In connection with Mr. Sherlock's assignment in Switzerland, Mr. Sherlock's employment agreement further provides for a monthly housing allowance of CHF 4,000, a goods and services allowance of CHF 4,200, monthly car rental or leasing reimbursement of up to CHF 1,065, reimbursement of up to CHF 23,000 for relocation expenses from Canada to Switzerland, as well as reimbursement for relocation expenses back to Canada at the end of Mr. Sherlock's assignment, reimbursement of school fees and associated costs for Mr. Sherlock's children of up to CHF 5,725 per month, supplemental medical coverage, reimbursement of four premium economy plane tickets between Canada and Switzerland up to twice per year, and reimbursement of all reasonable expenses related to the preparation of his Canadian and Swiss tax returns, with each such payment or benefit grossed up for applicable taxes. In addition, Mr. Sherlock was entitled to payment of the following one-time expenses: \$6,000 in respect of a loss on the sale of Mr. Sherlock's vehicle in connection with his relocation, reimbursement of immigration expenses, reimbursement of expenses relating to setting up banking arrangements in Switzerland and a spousal support payment of CHF 5,000, each grossed up for applicable taxes. Mr. Sherlock's employment agreement further entitles him to tax equalization payments designed to maintain a tax burden comparable to that of a similarly situated employee in Canada, as well as reimbursement for any Canadian taxes incurred as a direct result of Mr. Sherlock's assignment in Switzerland.

Severance

If Mr. Reiss's employment were terminated by us without cause or he resigned for good reason, he would be entitled to (i) a severance amount representing two times his annual base salary plus two times the average amount of the annual bonus earned by Mr. Reiss in the two complete fiscal years preceding the date of his termination of employment, (ii) a pro rata bonus amount for the year in which the termination occurs, based on the actual bonus amount paid in the prior year and (iii) continued participation in our benefit plans for a period of 24 months following the date of termination of employment.

If Mr. Sinclair's employment were terminated by us without cause, he would be entitled to base salary continuation for one year, as well as continued participation in our benefit plans for one year. In addition, if Mr. Sinclair's employment were terminated by us without cause within the first two years of his employment, or if Mr. Sinclair dies or becomes permanently disabled during that time,

he or his estate, as applicable, would be entitled to reimbursement of up to \$20,000 for relocation expenses back to London, UK.

If Mr. Black's employment had been terminated by us without cause, he would be entitled to notice or pay in lieu of notice and benefits continuation for nine months. As previously announced, Mr. Black retired from his position as Chief Financial Officer during fiscal 2019.

If Mr. Turlington's employment were terminated by us without cause, he would be entitled to base salary continuation for one year, as well as continuation of his insured benefits (other than disability coverage and global medical coverage) for one year. In addition, he would be entitled to receive a bonus in respect of the fiscal year in which he receives notice of termination, pro-rated for the number of whole or partial months that he is employed by us during that fiscal year up until the date on which he receives notice of termination, so long as all bonus criteria are otherwise met by him and by Canada Goose. If Mr. Turlington's employment with us is terminated by us without cause during fiscal 2020, and Mr. Turlington is eligible for a fiscal 2020 annual bonus of less than \$100,000, Canada Goose may, in its sole discretion, increase his bonus to \$100,000 in recognition of an orderly transition of Mr. Turlington's position to a new individual. If Mr. Turlington's employment with us terminates during the 2019 calendar year, he is entitled to reimbursement of 50% of his residential lease expense for the period of time after which Mr. Turlington ceases to be employed by us, or after which Mr. Turlington ceases to be paid compensation in lieu of service through December 31, 2019.

If Mr. Moran's employment were terminated by us without cause, he would be entitled to six months' notice or pay in lieu of notice and benefits continuation for six months.

If Mr. Sherlock's employment were terminated by us without cause, he would be entitled to six months' notice.

Equity-Based Compensation

Messrs. Reiss, Sinclair and Moran were our only named executive officers granted equity awards in fiscal 2019. On June 26, 2018, each of Messrs. Reiss, Sinclair and Moran was granted 72,297, 35,396 and 8,435 Options, respectively. One-quarter of Messrs. Reiss, Sinclair and Moran's awards will vest on June 26, 2019 and one-quarter of each award will vest on each of June 26, 2020, June 26, 2021 and June 26, 2022, subject to the executive's continued employment with us.

On July 5, 2018, Mr. Sinclair was granted 10,650 restricted share units in respect of our subordinate voting shares. Mr. Sinclair's award was originally scheduled to vest in three equal tranches on July 5, 2019, July 5, 2020 and July 5, 2021. The Board subsequently authorized a modification of the vesting terms pertaining to the tranche scheduled to vest on July 5, 2019 (the "2019 Tranche"), subject to any applicable regulatory or stock exchange approval, so that the 2019 Tranche will vest on the first business day following the expiration of the blackout period relating to the release of financial results for fiscal 2019. Such modification generally results in a slight acceleration of vesting for the 2019 Tranche, and was authorized to better align vesting and settlement with corporate actions and decisions made at fiscal year end in connection with the release of financial results for fiscal 2019.

The following table sets forth information regarding equity awards held by our named executive officers as of March 31, 2019 :

Name	Number of securities underlying unexercised options (#) exercisable	Number of securities underlying unexercised options (#) unexercisable	Equity incentive plan awards: Number of securities underlying unexercised options unearned (#)	Option exercise price (\$)	Option expiration date	Number of shares of stock that have not vested (\$)	Market value of shares of stock that have not vested (\$)
Dani Reiss ⁽¹⁾	26,316	78,947	—	30.73	6/1/2027	—	—
	—	72,297	—	83.53	6/26/2028	—	—
Jonathan Sinclair ⁽²⁾⁽³⁾	—	35,396	—	83.53	6/26/2028	—	—
	—	—	—	—	—	10,650	683,517
John Black ⁽⁴⁾	—	—	—	—	—	—	—
Lee Turlington ⁽⁵⁾	56,394	—	84,591	4.62	4/1/2026	—	—
John Moran ⁽⁶⁾	6,420	44,445	—	1.79	11/1/2024	—	—
	—	8,435	—	83.53	6/26/2028	—	—
Pat Sherlock ⁽⁷⁾	—	22,827	—	0.02	4/17/2024	—	—
	30,142	44,447	—	1.79	4/1/2025	—	—

- (1) Mr. Reiss was granted 105,263 Options on June 1, 2017 and 72,297 Options on June 26, 2018. His Options are subject to time-based vesting of 25% on each of the first, second, third and fourth anniversaries of the respective grant dates.
- (2) Mr. Sinclair was granted 35,396 Options on June 26, 2018. His Options are subject to time-based vesting of 25% on each of the first, second, third and fourth anniversaries of the grant date.
- (3) Mr. Sinclair was granted 10,650 restricted share units on July 5, 2018. His restricted share units are subject to time-based vesting of one-third on each of the first, second and third anniversaries of the grant date. The market value of Mr. Sinclair's restricted share units was calculated by multiplying the number of restricted share units subject to his award by \$64.18 which was the closing price of our subordinate voting shares on the TSX on March 29, 2019, the last trading day of fiscal 2019.
- (4) Mr. Black retired as Chief Financial Officer of the company on December 31, 2018. As of March 31, 2019, he had fully exercised all options.
- (5) Mr. Turlington was granted 192,664 options to purchase Class B Common Shares and 288,998 options to purchase Class A Preferred Shares on April 1, 2016, which options were exchanged for 253,773 Options in connection with a recapitalization of the company's authorized and outstanding share capital on December 2, 2016 (the "Recapitalization"). His Options are subject to both time-based and performance-based vesting, with one-third of his Options becoming eligible to vest on each of the first, second and third anniversary of the grant date, provided that the performance milestones described in the award agreement are met prior to the applicable vesting date. The performance milestones include specific product development and organization goals and, as of March 31, 2019, the

performance milestones applicable to all of Mr. Turlington's options had been achieved. The vesting of Mr. Turlington's Options will accelerate in full upon a change of control.

- (6) Mr. Moran was granted 168,712 options to purchase Class B Common Shares and 253,067 options to purchase Class A Junior Preferred Shares on November 1, 2014, which options were exchanged for 222,222 Options in connection with the Recapitalization. One third of his Options are subject to time-based vesting of 40% on the second anniversary of the grant date and 20% on each anniversary of the grant date thereafter (the "Moran Time-Based Options"). The remaining two-thirds of his Options are subject to both time-based and performance-based vesting with the performance metrics reflecting a multiple of Bain Capital's return on its investment in us (the "Moran Performance-Based Options"). The Moran Performance-Based Options are subject to the same time-based vesting schedule as the Moran Time-Based Options and, as of March 31, 2019, the performance metrics applicable to the Moran Performance-Based Options had been achieved. The Moran Time-Based Options and the time-vesting component of the Moran Performance-Based Options, to the extent then unvested, will accelerate in full upon a change of control. Mr. Moran was also granted 8,435 Options on June 26, 2018. His Options are subject to time-based vesting of 25% on each of the first, second, third and fourth anniversaries of the grant date.
- (7) Mr. Sherlock was granted 84,355 options to purchase Class B Common Shares and 126,533 options to purchase Class A Junior Preferred Shares on April 17, 2014, which options were exchanged for 114,125 Options in connection with the Recapitalization. Mr. Sherlock was also granted 84,355 options to purchase Class B Common Shares and 126,533 options to purchase Class A Junior Preferred Shares on April 1, 2015, which options were exchanged for 111,110 Options in connection with the Recapitalization. One third of his Options are subject to time-based vesting of 40% on the second anniversary of the grant date and 20% on each anniversary of the grant date thereafter (the "Sherlock Time-Based Options"). The remaining two-thirds of his Options are subject to both time-based and performance-based vesting with the performance metrics reflecting a multiple of Bain Capital's return on its investment in us (the "Sherlock Performance-Based Options"). The Sherlock Performance-Based Options are subject to the same time-based vesting schedule as the Sherlock Time-Based Options and, as of March 31, 2019, the performance metrics applicable to the Sherlock Performance-Based Options had been achieved. The Sherlock Time-Based Options and the time-vesting component of the Sherlock Performance-Based Options, to the extent then unvested, will accelerate in full upon a change of control.

All Other Compensation - Benefits and Perquisites

Our full-time employees, including our named executive officers, are eligible to participate in our health and welfare benefit plans, which include medical, dental, vision, basic and dependent life, supplemental life, accidental death, dismemberment and specific loss, long-term disability, and optional critical illness insurance. Employees are also eligible to receive continuing education support and to participate in our employee purchase program, which allows employees to purchase a specified number of jackets and accessories at 50% of the manufacturer's suggested retail price. Our named executive officers participate in these plans on a slightly better basis than other salaried employees, including in some instances with slightly lower deductibles, better cost-sharing rates and the ability to purchase supplemental health coverage. Our named executive officers, other than Mr. Reiss, are also entitled to three complimentary jackets each calendar year. Mr. Reiss is entitled to 100 complimentary jackets each calendar year.

Retirement Plans

In fiscal 2019, Messrs. Black, Moran and Sherlock participated in the Group Retirement Savings Plan for the Employees of Canada Goose Inc. (referred to as the RSP), a broad-based registered defined contribution plan offered to all of our full-time Canada-based employees. Salaried employees in Toronto (including Messrs. Reiss, Sinclair, Black, Turlington, Moran and Sherlock) may defer a portion of their annual earnings into the RSP and may make additional voluntary contributions. We will match any such employee contributions, other than those of Mr. Reiss, by making a contribution to the Deferred Profit Sharing Plan for the Employees of Canada Goose Inc. (referred to as the DPSP), a broad-based defined contribution plan offered to all of our full-time salaried employees. The match is equal to 100% of a participant's contributions to the RSP up to 3% of the participant's annual base salary. In fiscal 2019, we made contributions to the DPSP on behalf of Messrs. Black, Moran and Sherlock, but did not otherwise set aside or accrue any amounts for pension, retirement or similar benefits for our named executive officers. We do not sponsor or maintain any qualified or non-qualified defined benefit plans or supplemental executive retirement plans.

C. Board Practices

Composition of our Board of Directors

Under our articles, our board of directors consists of a number of directors as determined from time to time by the directors. Our board of directors is comprised of eight directors. Our articles provide that a director may be removed with or without cause by a resolution passed by a special majority comprised of $66\frac{2}{3}\%$ of the votes cast by shareholders present in person or by proxy at a meeting and who are entitled to vote. The directors are elected by the shareholders at each annual general meeting of shareholders, and all directors hold office for a term expiring at the close of the next annual shareholders meeting or until their respective successors are elected or appointed. Under the BCBCA and our articles, between annual general meetings of our shareholders, the directors may appoint one or more additional directors, but the number of additional directors may not at any time exceed one-third of the number of current directors who were elected or appointed other than as additional directors.

Director Term Limits and Other Mechanisms of Board Renewal

Our board of directors has not adopted director term limits, a retirement policy for its directors or other automatic mechanisms of board renewal. Rather than adopting formal term limits, mandatory age-related retirement policies and other mechanisms of board renewal, the nominating and governance committee of our board of directors develop appropriate qualifications and criteria for our board of directors as a whole and for individual directors. In accordance with its mandate, the nominating and governance committee oversees a process for the assessment of our board of directors, each committee and individual director regarding his, her or its effectiveness and contribution, and also reports evaluation results to our board of directors at least annually. It is further the responsibility of the nominating and governance committee to develop a succession plan for the board of directors, including maintaining a list of qualified candidates for director positions. The company is not in the practice of providing any severance benefits to directors upon termination of service.

Board Committees

Each of our board committees operates under its own written charter adopted by our board of directors.

Audit Committee

Our audit committee is composed of Mr. Davison, Mr. Gunn and Mr. Huët, with Mr. Davison serving as chairperson of the committee. Our board of directors has determined that Mr. Gunn, Mr. Davison and Mr. Huët meet the independence requirements under the rules of the NYSE, the BCBCA and under Rule 10A-3 of the Exchange Act. Our board of directors has determined that Mr. Davison is an “audit committee financial expert” within the meaning of the SEC’s regulations and applicable Listing Rules of the NYSE.

Our audit committee reviews and approves the scope of the annual audits of our financial statements, reviews our internal control over financial reporting, recommends to the board of directors the appointment of our independent auditors, reviews and approves any non-audit services performed by the independent auditors, reviews the findings and recommendations of the internal and independent auditors and periodically reviews major accounting policies.

Compensation Committee

Our compensation committee is composed of Mr. Bekenstein, Mr. Cotton and Ms. Chiquet, with Mr. Bekenstein serving as chairperson of the committee. Its primary purpose, with respect to compensation, is to assist our board of directors in fulfilling its oversight responsibilities and to make recommendations to our board of directors with respect to the compensation of our directors and executive officers.

Nominating and Governance Committee

Our nominating and governance committee is composed of Mr. Bekenstein, Mr. Cotton, Mr. Reiss, and Ms. Butts, with Mr. Cotton serving as chairperson of the committee. The nominating and governance committee’s primary responsibilities are to develop and recommend to the board of directors criteria for board and committee membership and recommend to the board of directors the persons to be nominated for election as directors and to each of the committees of the board of directors. The nominating and governance committee also reviews and makes recommendations in respect of the company’s corporate governance principles and practices and associated disclosure.

D. Employees

As of March 31, 2019, 2018 and 2017, we had 3,932, 2,656, and 1,716 employees, including both full-time and part-time employees. The number of employees by function as of the end of the period for our fiscal years ended March 31, 2019, 2018 and 2017 was as follows:

	2019	2018	2017
By Function:			
Canadian manufacturing	3,104	2,043	1,340
Selling and retail	360	267	107
Corporate head office	468	346	269
Total	3,932	2,656	1,716

The increase in the number of manufacturing employees in fiscal 2019 was primarily as a result of hiring employees in our new Greater Montreal and Winnipeg production facilities which opened in July 2018 and March 2019, respectively, as well as incremental growth at certain of our other production facilities during the year. The increase in selling and retail employees in fiscal 2019 was primarily due to the opening of our new retail stores in Montreal, Vancouver, Short Hills (New Jersey), Hong Kong and Beijing. We also had a greater number of employees at our corporate head office in fiscal 2019 to support the continued growth of the business.

E. Share Ownership

See Item 6.B. - "Compensation" and Item 7 –"Major Shareholders and Related Party Transactions."

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders.

Security Ownership

The following table sets forth information relating to the beneficial ownership of our shares as of May 24, 2019 , by:

- each person or group who is known by us to own beneficially more than 5% of our subordinate voting shares;
- each of our directors; and
- each of our named executive officers.

Beneficial ownership is determined in accordance with SEC rules. The information is not necessarily indicative of beneficial ownership for any other purpose. In general, under these rules a beneficial owner of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise has or shares voting power or investment power with respect to such security. A person is also deemed to be a beneficial owner of a security if that person has the right to acquire beneficial ownership of such security within 60 days. Except as otherwise indicated, and subject to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all shares held by that person.

The percentage of voting shares beneficially owned is computed on the basis of 59,151,443 subordinate voting shares and 51,004,076 multiple voting shares outstanding as of May 24, 2019 .

Name and address of beneficial owner	Subordinate Voting Shares		Multiple Voting Shares	
	Number of shares	Percentage of shares	Number of shares	Percentage of shares
5% shareholders:				
Bain Capital Entity ⁽¹⁾	—	—	30,873,742	60.5%
Dani Reiss ⁽²⁾	70,706	*	20,130,334	39.5%
FIL Limited ⁽³⁾	6,746,264	11.4%	—	—
Lord Abbett & Co. LLC ⁽⁴⁾	3,159,315	5.3%	—	—
T. Rowe Price Associates, Inc. ⁽⁵⁾	6,020,984	10.1%	—	—
Artisan ⁽⁶⁾	4,226,167	7.1%	—	—
Ameriprise Financial, Inc. ⁽⁷⁾	3,875,181	6.5%	—	—
Columbia Management ⁽⁷⁾	3,853,691	6.5%	—	—
FMR LLC ⁽⁸⁾	3,160,381	5.3%	—	—
Named executive officers and directors:				
Joshua Bekenstein ⁽⁹⁾	—	—	—	—
Jodi Butts	6,250	*	—	—
Maureen Chiquet	11,146	*	—	—
Ryan Cotton ⁽⁹⁾	—	—	—	—
Stephen Gunn	52,562	*	—	—
Jean-Marc Huët	38,162	*	—	—
John Davison	16,480	*	—	—
Jonathan Sinclair	12,399	*	—	—
John Black ⁽¹⁰⁾	148,365	*	—	—
Lee Turlington	140,985	*	—	—
Pat Sherlock	75,192	*	—	—
John Moran	8,528	*	—	—

* Less than 1%

- (1) Includes shares registered in the name of Brent (BC) Participation S.à r.l (the “Bain Capital Entity”), which is owned by Brent (BC) S.à r.l, which in turn is owned by Bain Capital Integral Investors 2008, L.P. Bain Capital Investors, LLC (“BCI”) is the general partner of Bain Capital Integral Investors 2008, L.P. The governance, investment strategy and decision-making process with respect to investments held by the Bain Capital Entity is directed by the Global Private Equity Board of BCI. As a result of the relationships described above, BCI may be deemed to share beneficial ownership of the shares held by the Bain Capital Entity. The Bain Capital Entity has an address c/o Bain Capital Private Equity, LP, 200 Clarendon Street, Boston, Massachusetts 02116.
- (2) Includes shares registered in the name of DTR LLC, DTR (CG) Limited Partnership and DTR (CG) II Limited Partnership, which are entities indirectly controlled by Dani Reiss.
- (3) Based on information obtained from Schedule 13G filed by FIL Limited and its affiliates (“FIL”) on February 13, 2019. Includes shares of Fidelity Canadian Growth Company

Fund. According to that report, FIL possesses sole power to vote or to direct the voting of 6,619,610 of such shares and possesses shared power to vote or to direct the voting of none of such shares and possesses sole power to dispose or to direct the disposition of 6,746,264 of such shares and possesses shared power to dispose or to direct the disposition of none of such shares. In addition, according to that report, FIL's business address is Pembroke Hall, 42 Crow Lane, Hamilton, Bermuda HM19.

- (4) Based on information obtained from Schedule 13G filed by Lord, Abbett & Co. LLC ("Lord, Abbett & Co.") on February 14, 2018. According to that report, Lord, Abbett & Co. possesses sole power to vote or to direct the voting of 3,097,273 of such shares and possesses shared power to vote or to direct the voting of none of such shares and possesses sole power to dispose or to direct the disposition of 3,159,315 of such shares and possesses shared power to dispose or to direct the disposition of none of such shares. In addition, according to that report, Lord, Abbett & Co.'s business address is 90 Hudson Street, Jersey City, New Jersey 07302.
- (5) Based on information obtained from Schedule 13G filed by T. Rowe Price Associates, Inc. ("Price Associates") on February 11, 2019. According to that report, Price Associates possesses sole power to vote or to direct the voting of 2,643,792 of such shares and possesses shared power to vote or to direct the voting of none of such shares and possesses sole power to dispose or to direct the disposition of 6,020,984 of such shares and possesses shared power to dispose or to direct the disposition of none of such shares. In addition, according to that report, Price Associates' business address is 100 E. Pratt Street, Baltimore, Maryland 21202.
- (6) Based on information obtained from Schedule 13G filed by Artisan Partners Limited Partnership and its affiliates ("Artisan") on February 7, 2019. According to that report, Artisan possesses sole power to vote or to direct the voting of none of such shares and possesses shared power to vote or to direct the voting of 3,723,177 of such shares and possesses sole power to dispose or to direct the disposition of none of such shares and possesses shared power to dispose or to direct the disposition of 4,226,167 of such shares. In addition, according to that report, Artisan's business address is 875 East Wisconsin Avenue, Suite 800, Milwaukee, WI 53202.
- (7) Based on information obtained from Schedule 13G filed by Ameriprise Financial, Inc. ("Ameriprise") and Columbia Management Investment Advisers, LLC ("Columbia Management") on February 14, 2019. According to that report, Ameriprise possesses sole power to vote or to direct the voting of none of such shares and possesses shared power to vote or to direct the voting of 3,453,751 of such shares and possesses sole power to dispose or to direct the disposition of none of such shares and possesses shared power to dispose or to direct the disposition of 3,875,181 of such shares. Also according to that report, Columbia Management possesses sole power to vote or to direct the voting of none of such shares and possesses shared power to vote or to direct the voting of 3,433,102 of such shares and possesses sole power to dispose or to direct the disposition of none of such shares and possesses shared power to dispose or to direct the disposition of 3,853,691 of such shares. In addition, according to that report, Ameriprise's business address is 145 Ameriprise Financial Center, Minneapolis, MN 55474 and Columbia Management's business address is 225 Franklin St., Boston, MA 02110.
- (8) Based on information obtained from Schedule 13G filed by FMR LLC and its affiliates ("FMR") on February 13, 2019. According to that report, FMR possesses sole power to

vote or to direct the voting of 1,077,763 of such shares and possesses shared power to vote or to direct the voting of none of such shares and possesses sole power to dispose or to direct the disposition of 3,160,381 of such shares and possesses shared power to dispose or to direct the disposition of none of such shares. In addition, according to that report, FMR's business address is 245 Summer St., Boston, MA 02210.

- (9) Does not include shares held by the Bain Capital Entity. Each of Messrs. Cotton and Bekenstein is a Managing Director of BCI and as a result may be deemed to share beneficial ownership of the shares held by the Bain Capital Entity. The address for Messrs. Cotton and Bekenstein is c/o Bain Capital Private Equity, LP, 200 Clarendon Street, Boston, Massachusetts 02116.
- (10) Based on beneficial ownership as of December 31, 2018, the date of Mr. Black's retirement.

Significant Changes in Ownership

Initial Public Offering

Prior to our initial public offering in March 2017, DTR LLC, an entity indirectly controlled by Dani Reiss owned 30% of our shares. In connection with our initial public offering, DTR LLC sold 5,007,554 subordinate voting shares, and transferred a certain portion of subordinate voting shares to DTR (CG) Limited Partnership and DTR (CG) II Limited Partnership, entities indirectly controlled by Dani Reiss, resulting in collective ownership of 24% of our total issued and outstanding shares.

Prior to our initial public offering in March 2017, the Bain Capital Entity owned 70% of our shares. In connection with our initial public offering, the Bain Capital Entity sold 11,684,292 subordinate voting shares, resulting in ownership of 55% of our total issued and outstanding shares.

July 2017 Secondary Offering

Prior to our secondary offering in July 2017 (the "July 2017 Secondary Offering"), DTR LLC DTR (CG) Limited Partnership and DTR (CG) II Limited Partnership collectively owned 23.4% of our shares. In connection with the July 2017 Secondary Offering, DTR LLC sold 1,862,112 subordinate voting shares, resulting in ownership of 21.7% of our total issued and outstanding shares.

Prior to the July Secondary Offering, the Bain Capital Entity owned 54.6% of our total issued and outstanding shares. In connection with the July 2017 Secondary Offering, the Bain Capital Entity sold 8,451,212 subordinate voting shares, resulting in ownership of approximately 44.7% of our total issued and outstanding shares.

June 2018 Secondary Offering

Prior to our secondary offering in June 2018 (the "June 2018 Secondary Offering"), DTR LLC, DTR (CG) Limited Partnership and DTR (CG) II Limited Partnership collectively owned 21.2% of our shares. In connection with the June 2018 Secondary Offering, DTR LLC sold 1,500,000 subordinate voting shares, resulting in ownership of 19.9% of our total issued and outstanding shares.

Prior to the June 2018 Secondary Offering, the Bain Capital Entity owned 43.9% of our total issued and outstanding shares. In connection with the June 2018 Secondary Offering, the Bain Capital Entity sold 7,287,836 subordinate voting shares, resulting in ownership of approximately 36.2% of our total issued and outstanding shares.

November 2018 Secondary Offering

Prior to our secondary offering in November 2018 (the “November 2018 Secondary Offering”), DTR LLC, DTR (CG) Limited Partnership and DTR (CG) II Limited Partnership collectively owned 19.7% of our shares. In connection with the November 2018 Secondary Offering, DTR LLC sold 1,500,000 subordinate voting shares, resulting in ownership of 18.3% of our total issued and outstanding shares.

Prior to the November 2018 Secondary Offering, the Bain Capital Entity owned 35.9% of our total issued and outstanding shares. In connection with the November 2018 Secondary Offering, the Bain Capital Entity sold 8,490,000 subordinate voting shares, resulting in ownership of approximately 28.1% of our total issued and outstanding shares.

Voting Rights

Holders of our multiple voting shares are entitled to 10 votes per multiple voting share and holders of subordinate voting shares held in the United States (and outside the United States) are entitled to one vote per subordinate voting share on all matters upon which holders of shares are entitled to vote.

U.S. Shareholders. On March 31, 2019, we had 4 registered shareholders with addresses in the United States (which may include addresses of investment managers holding securities on behalf of non-U.S. beneficial owners) holding approximately 20,172,177 subordinate voting shares. Residents of the United States may beneficially own subordinate voting shares or multiple voting shares registered in the names of non-residents of the United States, and non-U.S. residents may beneficially own subordinate voting shares or multiple voting shares registered in the names of U.S. residents.

Controlled Company

We are currently controlled by Bain Capital. As of March 31, 2019, Bain Capital indirectly beneficially owns approximately 60.5% of our outstanding multiple voting shares, or approximately 54.2% of the combined voting power of our multiple voting and subordinate voting shares outstanding.

B. Related Party Transactions

Investor Rights Agreement

In connection with our IPO, we entered into an Investor Rights Agreement with Bain Capital and DTR LLC, an entity indirectly controlled by our President and Chief Executive Officer (the “Investor Rights Agreement”).

The following is a summary of certain registration rights and nomination rights of our principal shareholders (including their permitted affiliates and transferees) under the Investor Rights Agreement, which summary is not intended to be complete. The following discussion is qualified in its entirety by the full text of the Investor Rights Agreement.

Registration Rights

Pursuant to the Investor Rights Agreement, Bain Capital is entitled to certain demand registration rights which enable it to require us to file a registration statement and/or a Canadian prospectus and otherwise assist with public offerings of subordinate voting shares (including subordinate voting shares issuable upon conversion of multiple voting shares) under the Securities Act and applicable Canadian securities laws, in accordance with the terms and conditions of the Investor Rights Agreement. DTR LLC is entitled to similar demand registration rights at such time as Bain Capital no longer holds securities subject to registration rights, as well as certain incidental registration rights in connection with demand registrations initiated by Bain Capital, and Bain Capital and DTR LLC is entitled to certain “piggy-back” registration rights in the event that we propose to register securities as part of a public offering.

We are entitled to postpone or suspend a registration request for a period of up to 60 days during any 12-month period where such registration request would require us to make any adverse disclosure. In addition, in connection with an underwritten offering, the number of securities to be registered thereunder may be limited, for marketing reasons, based on the opinion of the managing underwriter or underwriters for such offering.

All costs and expenses associated with any demand registration or “piggy-back” registration will be borne by us other than underwriting discounts, commissions and transfer taxes, if any, attributable to the sale of the subordinate voting shares (including following the conversion of multiple voting shares) by the applicable selling shareholder. We will also be required to provide indemnification and contribution for the benefit of Bain Capital and DTR LLC and their respective affiliates and representatives in connection with any demand registration or “piggy-back” registration.

Nomination Rights

Pursuant to the Investor Rights Agreement, Bain Capital is entitled to designate 50% of our directors (rounding up to the next whole number) and will continue to be entitled to designate such percentage of our directors for so long as it holds at least 40% of the number of subordinate voting shares and multiple voting shares outstanding, provided that this percentage will be reduced (i) to the greater of one director or 30% of our directors (rounding up to the next whole number) once Bain Capital holds less than 40% of the subordinate voting shares and multiple voting shares outstanding, (ii) to the greater of one director or 10% of our directors (rounding up to the next whole number) once Bain Capital holds less than 20% of the subordinate voting shares and multiple voting shares outstanding, and (iii) to none once Bain Capital holds less than 5% of the subordinate voting shares and multiple voting shares outstanding. DTR LLC is entitled to designate one director for as long as it holds 5% or more of the subordinate voting shares and multiple voting shares outstanding.

The nomination rights contained in the Investor Rights Agreement provide that Bain Capital and DTR LLC, at the relevant time, will cast all votes to which they are entitled to elect directors designated in accordance with the terms and conditions of the Investor Rights Agreement.

Management Agreement

In connection with the Acquisition, on December 9, 2013 we entered into a Management Agreement with certain affiliates of Bain Capital, L.P., (the “Manager”) for a term of five years, pursuant to which the Manager provides us with certain business consulting services. In exchange for these services, we paid the Manager a quarterly fee equal to four-tenths of one percent (0.4%) of our

total revenue generated during the calendar quarter beginning six months prior to such payment date, not to exceed \$2 million per year. In addition, the Manager was entitled to a transaction fee in connection with any financing, acquisition, disposition or change of control transaction. The fees paid for these services, including transaction fees in connection with the Acquisition, were \$10.3 million for fiscal 2017. We also reimbursed the Manager for out-of-pocket expenses incurred in connection with the provision of the services. The Management Agreement included customary exculpation and indemnification provisions in favor of the Manager and its affiliates. The Management Agreement terminated pursuant to its terms upon the consummation of our IPO, at which time we paid the Manager a lump sum amount of \$9.6 million. The indemnification and exculpation provisions in favor of the Manager survived such termination.

Promissory Note from DTR LLC

As part of our Recapitalization, we received a non-interest bearing promissory note in the amount of \$63.6 million from DTR LLC, an entity indirectly controlled by our President and Chief Executive Officer, (the "DTR Promissory Note"). The DTR Promissory Note was secured by a pledge of 63,576,003 Class D Preferred Shares held by DTR LLC. On January 31, 2017, all of our Class D Preferred Shares were redeemed by the company in exchange for the cancellation of the DTR Promissory Note.

Other Related Party Transactions

During fiscal 2019, the Company contributed approximately \$1.0 million to Polar Bears International (PBI), a charitable organization for which our President and Chief Executive Officer, Dani Reiss, serves as a board member. The company also paid the Baffin vendor and related entities, which continue to be controlled by Paul Hubner, a member of management of the Company, approximately \$0.6 million for lease costs associated with the Baffin manufacturing facility and other operating costs, as well as approximately \$3.0 million for purchases of inventory during fiscal 2019.

Interest of Management and Others in Material Transactions

Except as set out above or described elsewhere in this Annual Report, there are no material interests, direct or indirect, of any of our directors or executive officers, any shareholder that beneficially owns, or controls or directs (directly or indirectly), more than 10% of any class or series of our outstanding voting securities, or any associate or affiliate of any of the foregoing persons, in any transaction within the three years before the date in this Annual Report that has materially affected or is reasonably expected to materially affect us or any of our subsidiaries.

Indebtedness of Directors, Executive Officers and Employees

Except as set out above or described elsewhere in this Annual Report, as of the date of this Annual Report, none of our directors, executive officers, employees, former directors, former executive officers or former employees or any of our subsidiaries, and none of their respective associates, is indebted to us or any of our subsidiaries or another entity whose indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar agreement or understanding provided by us or any of our subsidiaries, except, as the case may be, for routine indebtedness as defined under applicable securities legislations.

C. Interests of Experts and Counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Financial Statements and Other Financial Information

See Item 18. — “Financial Statements.”

A.7 Legal Proceedings

From time to time, we may be subject to legal or regulatory proceedings and claims in the ordinary course of business, including proceedings to protect our intellectual property rights. As part of our monitoring program for our intellectual property rights, from time to time we file lawsuits for acts of trademark counterfeiting, trademark infringement, trademark dilution, patent infringement or breach of other state or foreign laws. These actions often result in seizure of counterfeit merchandise and negotiated settlements with defendants. Defendants sometime raise the invalidity or unenforceability of our proprietary rights as affirmative defenses or counterclaims. We currently have no material legal or regulatory proceedings pending.

A.8 Dividend Policy

Our board of directors does not currently intend to pay dividends on our subordinate voting shares or multiple voting shares. We currently intend to retain any future earnings to fund business development and growth, and we do not expect to pay any dividends in the foreseeable future. Any future determination to declare cash dividends will be made at the discretion of our board of directors, subject to applicable laws, and will depend on a number of factors, including our financial condition, results of operations, capital requirements, contractual restrictions, general business conditions and other factors that our board of directors may deem relevant. Currently, the provisions of our senior secured credit facilities place certain limitations on the amount of cash dividends that our main operating subsidiary can pay.

B. Significant Changes

We have not experienced any significant changes since the date of our Annual Financial Statements included in this Annual Report.

ITEM 9. THE OFFER AND LISTING

Not applicable except for Item 9.A.4 and Item 9.C.

Our subordinate voting shares have been listed on both the New York Stock Exchange and the Toronto Stock Exchange since March 16, 2017 under the symbol “GOOS.”

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

The following is a summary of certain important provisions of our articles and certain related sections of the BCBCA. Please note that this is only a summary and is not intended to be exhaustive. This summary is subject to, and is qualified in its entirety by reference to, the provisions of our articles and the BCBCA.

Stated Objects or Purposes

Our articles do not contain stated objects or purposes and do not place any limitations on the business that we may carry on.

Directors

Power to vote on matters in which a director is materially interested . Under the BCBCA a director who has a material interest in a contract or transaction, whether made or proposed, that is material to us, must disclose such interest to us, subject to certain exceptions such as if the contract or transaction: (i) is an arrangement by way of security granted by us for money loaned to, or obligations undertaken by, the director for our benefit or for one of our affiliates' benefit; (ii) relates to an indemnity or insurance permitted under the BCBCA; (iii) relates to the remuneration of the director in his or her capacity as director, officer, employee or agent of our company or of one of our affiliates; (iv) relates to a loan to our company while the director is the guarantor of some or all of the loan; or (v) is with a corporation that is affiliated to us while the director is also a director or senior officer of that corporation or an affiliate of that corporation.

A director who holds such disclosable interest in respect of any material contract or transaction into which we have entered or propose to enter may be required to absent himself or herself from the meeting while discussions and voting with respect to the matter are taking place. Directors will also be required to comply with certain other relevant provisions of the BCBCA regarding conflicts of interest.

Directors' power to determine the remuneration of directors. The remuneration of our directors, if any, may be determined by our directors subject to our articles. The remuneration may be in addition to any salary or other remuneration paid to any of our employees (including executive officers) who are also directors.

Number of shares required to be owned by a director. Neither our articles nor the BCBCA provide that a director is required to hold any of our shares as a qualification for holding his or her office. Our board of directors has discretion to prescribe minimum share ownership requirements for directors.

Issuance of Additional Multiple Voting Shares

The rules of the TSX generally prohibit us from issuing additional multiple voting shares, however there may be certain circumstances where additional multiple voting shares may be issued, including upon receiving shareholder approval. Notably, approval is not required in connection with a subdivision or consolidation on a pro rata basis as between the subordinate voting shares and the multiple voting shares.

Subdivision or Consolidation

No subdivision or consolidation of the subordinate voting shares or the multiple voting shares may be carried out unless, at the same time, the multiple voting shares or the subordinate voting shares, as the case may be, are subdivided or consolidated in the same manner and on the same basis.

Certain Amendments and Change of Control

In addition to any other voting right or power to which the holders of subordinate voting shares shall be entitled by law or regulation or other provisions of our articles from time to time in effect,

but subject to the provisions of our articles, holders of subordinate voting shares shall be entitled to vote separately as a class, in addition to any other vote of our shareholders that may be required, in respect of any alteration, repeal or amendment of our articles which would adversely affect the rights or special rights of the holders of subordinate voting shares or affect the holders of subordinate voting shares and multiple voting shares differently, on a per share basis, including an amendment to our articles that provide that any multiple voting shares sold or transferred to a Person that is not a Permitted Holder shall be automatically converted into subordinate voting shares.

Pursuant to our articles, holders of subordinate voting shares and multiple voting shares will be treated equally and identically, on a per share basis, in certain change of control transactions that require approval of our shareholders under the BCBCA, unless different treatment of the shares of each such class is approved by a majority of the votes cast by the holders of our subordinate voting shares and multiple voting shares, each voting separately as a class.

Our articles do not otherwise contain any change of control limitations with respect to a merger, acquisition or corporate restructuring that involves us.

Shareholder Meetings

Subject to applicable stock exchange requirements, we must hold a general meeting of our shareholders at least once every year at a time and place determined by our board of directors, provided that the meeting must not be held later than 15 months after the preceding annual general meeting. A meeting of our shareholders may be held anywhere in or outside British Columbia.

A notice to convene a meeting, specifying the date, time and location of the meeting, and, where a meeting is to consider special business, the general nature of the special business must be sent to each shareholder entitled to attend the meeting and to each director not less than 21 days and no more than 60 days prior to the meeting, although, as a result of applicable securities laws, the minimum time for notice is effectively longer in most circumstances. Under the BCBCA, shareholders entitled to notice of a meeting may waive or reduce the period of notice for that meeting, provided applicable securities laws are met. The accidental omission to send notice of any meeting of shareholders to, or the non-receipt of any notice by, any person entitled to notice does not invalidate any proceedings at that meeting.

A quorum for meetings of shareholders is present if shareholders who, in the aggregate, hold at least 25% of the issued shares plus at least a majority of multiple voting shares entitled to be voted at the meeting are present in person or represented by proxy. If a quorum is not present at the opening of any meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place, unless the meeting was requisitioned by shareholders, in which case the meeting is dissolved.

Holders of our subordinate voting shares and multiple voting shares are entitled to attend and vote at meetings of our shareholders except meetings at which only holders of a particular class are entitled to vote. Except as otherwise provided with respect to any particular series of preferred shares, and except as otherwise required by law, the holders of our preferred shares are not entitled as a class to receive notice of, or to attend or vote at any meetings of our shareholders. Our directors, our secretary (if any), our auditor and any other persons invited by our chairman or directors or with the consent of those at the meeting are entitled to attend any meeting of our shareholders but will not be counted in the quorum or be entitled to vote at the meeting unless he or she is a shareholder or proxyholder entitled to vote at the meeting.

Shareholder Proposals and Advance Notice Procedures

Under the BCBCA, qualified shareholders holding at least one percent (1%) of our issued voting shares may make proposals for matters to be considered at the annual general meeting of shareholders. Such proposals must be sent to us in advance of any proposed meeting by delivering a timely written notice in proper form to our registered office in accordance with the requirements of the BCBCA. The notice must include information on the business the shareholder intends to bring before the meeting. To be a qualified shareholder, a shareholder must currently be and have been a registered or beneficial owner of at least one share of the company for at least two years before the date of signing the proposal.

We have included certain advance notice provisions with respect to the election of our directors in our articles (the "Advance Notice Provisions"). The Advance Notice Provisions are intended to: (i) facilitate orderly and efficient annual general meetings or, where the need arises, special meetings; (ii) ensure that all shareholders receive adequate notice of board nominations and sufficient information with respect to all nominees; and (iii) allow shareholders to register an informed vote. Only persons who are nominated in accordance with the Advance Notice Provisions will be eligible for election as directors at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors.

Under the Advance Notice Provisions, a shareholder wishing to nominate a director would be required to provide us notice, in the prescribed form, within the prescribed time periods. These time periods include, (i) in the case of an annual meeting of shareholders (including annual and special meetings), not less than 30 days prior to the date of the annual meeting of shareholders; provided, that if the first public announcement of the date of the annual meeting of shareholders (the "Notice Date") is less than 50 days before the meeting date, not later than the close of business on the 10th day following the Notice Date; and (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for any purpose which includes electing directors, not later than the close of business on the 15th day following the Notice Date, provided that, in either instance, if notice-and-access (as defined in National Instrument 54-101- *Communication with Beneficial Owners of Securities of a Reporting Issuer*) is used for delivery of proxy related materials in respect of a meeting described above, and the Notice Date in respect of the meeting is not less than 50 days prior to the date of the applicable meeting, the notice must be received not later than the close of business on the 40th day before the applicable meeting.

These provisions could have the effect of delaying until the next shareholder meeting the nomination of certain persons for director that are favored by the holders of a majority of our outstanding voting securities.

Take-Over Bid Protection

Under applicable securities laws in Canada, an offer to purchase multiple voting shares would not necessarily require that an offer be made to purchase subordinate voting shares. In accordance with the rules of the TSX designed to ensure that, in the event of a take-over bid, the holders of subordinate voting shares will be entitled to participate on an equal footing with holders of multiple voting shares, the holders of multiple voting shares upon completion of this offering will enter into a customary coattail agreement with us and a trustee (the "Coattail Agreement"). The Coattail Agreement will contain provisions customary for dual-class, TSX-listed corporations designed to prevent transactions that otherwise would deprive the holders of subordinate voting shares of rights

under applicable securities laws in Canada to which they would have been entitled if the multiple voting shares had been subordinate voting shares.

The undertakings in the Coattail Agreement will not apply to prevent a sale by the holders of multiple voting shares or their Permitted Holders of multiple voting shares if concurrently an offer is made to purchase subordinate voting shares that:

- (a) offers a price per subordinate voting share at least as high as the highest price per share to be paid pursuant to the take-over bid for the multiple voting shares;
- (b) provides that the percentage of outstanding subordinate voting shares to be taken up (exclusive of shares owned immediately prior to the offer by the offeror or persons acting jointly or in concert with the offeror) is at least as high as the percentage of multiple voting shares to be sold (exclusive of multiple voting shares owned immediately prior to the offer by the offeror and persons acting jointly or in concert with the offeror);
- (c) has no condition attached other than the right not to take up and pay for subordinate voting shares tendered if no shares are purchased pursuant to the offer for multiple voting shares; and
- (d) is in all other material respects identical to the offer for multiple voting shares.

In addition, the Coattail Agreement will not prevent the transfer of multiple voting shares to Permitted Holders, provided such transfer is not or would not have been subject to the requirements to make a take-over bid (if the vendor or transferee were in Canada) or constitutes or would be exempt from certain requirements applicable to take-over bids under applicable securities laws in Canada. The conversion of multiple voting shares into subordinate voting shares, whether or not such subordinate voting shares are subsequently sold, would not constitute a disposition of multiple voting shares for the purposes of the Coattail Agreement.

Under the Coattail Agreement, any sale of multiple voting shares by a holder of multiple voting shares party to the Coattail Agreement will be conditional upon the transferee becoming a party to the Coattail Agreement, to the extent such transferred multiple voting shares are not automatically converted into subordinate voting shares in accordance with our articles.

The Coattail Agreement will contain provisions for authorizing action by the trustee to enforce the rights under the Coattail Agreement on behalf of the holders of the subordinate voting shares. The obligation of the trustee to take such action will be conditional on us or holders of the subordinate voting shares providing such funds and indemnity as the trustee may reasonably require. No holder of subordinate voting shares will have the right, other than through the trustee, to institute any action or proceeding or to exercise any other remedy to enforce any rights arising under the Coattail Agreement unless the trustee fails to act on a request authorized by holders of not less than 10% of the outstanding subordinate voting shares and reasonable funds and indemnity have been provided to the trustee.

Other than in respect of non-material amendments and waivers that do not adversely affect the interests of holders of subordinate voting shares, the Coattail Agreement will provide that, among other things, it may not be amended, and no provision thereof may be waived, unless, prior to giving effect to such amendment or waiver, the following have been obtained: (a) the consent of the TSX and any other applicable securities regulatory authority in Canada; and (b) the approval of at least two-thirds of the votes cast by holders of subordinate voting shares represented at a

meeting duly called for the purpose of considering such amendment or waiver, excluding votes attached to subordinate voting shares held by the holders of multiple voting shares or their affiliates and related parties and any persons who have an agreement to purchase multiple voting shares on terms which would constitute a sale or disposition for purposes of the Coattail Agreement, other than as permitted thereby.

No provision of the Coattail Agreement will limit the rights of any holders of subordinate voting shares under applicable law.

Forum Selection

We have included a forum selection provision in our articles that provides that, unless we consent in writing to the selection of an alternative forum, the Superior Court of Justice of the Province of Ontario, Canada and the appellate courts therefrom, will be the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf; (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, or other employees to us; (iii) any action or proceeding asserting a claim arising pursuant to any provision of the BCBCA or our articles; or (iv) any action or proceeding asserting a claim otherwise related to the relationships among us, our affiliates and their respective shareholders, directors and/or officers, but excluding claims related to our business or such affiliates. The forum selection provision also provides that our securityholders are deemed to have consented to personal jurisdiction in the Province of Ontario and to service of process on their counsel in any foreign action initiated in violation of the foregoing provisions.

Limitation of Liability and Indemnification

Under the BCBCA, a company may indemnify: (i) a current or former director or officer of that company; (ii) a current or former director or officer of another corporation if, at the time such individual held such office, the corporation was an affiliate of the company, or if such individual held such office at the company's request; or (iii) an individual who, at the request of the company, held, or holds, an equivalent position in another entity (an "indemnifiable person") against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him or her in respect of any civil, criminal, administrative or other legal proceeding or investigative action (whether current, threatened, pending or completed) in which he or she is involved because of that person's position as an indemnifiable person, unless: (i) the individual did not act honestly and in good faith with a view to the best interests of such company or the other entity, as the case may be; or (ii) in the case of a proceeding other than a civil proceeding, the individual did not have reasonable grounds for believing that the individual's conduct was lawful. A company cannot indemnify an indemnifiable person if it is prohibited from doing so under its articles or by applicable law. A company may pay, as they are incurred in advance of the final disposition of an eligible proceeding, the expenses actually and reasonably incurred by an indemnifiable person in respect of that proceeding only if the indemnifiable person has provided an undertaking that, if it is ultimately determined that the payment of expenses was prohibited, the indemnifiable person will repay any amounts advanced. Subject to the aforementioned prohibitions on indemnification, a company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by an indemnifiable person in respect of such eligible proceeding if such indemnifiable person has not been reimbursed for such expenses, and was wholly successful, on the merits or otherwise, in the outcome of such eligible proceeding or was substantially successful on the merits in the outcome of such eligible proceeding. On application from an indemnifiable person, a court may make any order the court considers appropriate in

respect of an eligible proceeding, including the indemnification of penalties imposed or expenses incurred in any such proceedings and the enforcement of an indemnification agreement. As permitted by the BCBCA, our articles require us to indemnify our directors, officers, former directors or officers (and such individual's respective heirs and legal representatives) and permit us to indemnify any person to the extent permitted by the BCBCA.

C. Material Contracts

The following is a summary of each material contract, other than material contracts entered into in the ordinary course of business, to which we are a party, for the two years immediately preceding the date of this Annual Report:

Employment Agreements

See Item 6.B. — “Directors, Senior Management and Employees” — “Compensation” — “Employment Agreements and Arrangements with Directors and Related Parties”.

Revolving Facility Credit Agreement

On June 3, 2016, Canada Goose Holdings Inc. and its wholly-owned subsidiaries, Canada Goose Inc. and Canada Goose International AG, entered into a senior secured asset-based revolving facility (the “Revolving Facility”), with Canadian Imperial Bank of Commerce, as administrative agent, and certain financial institutions as lenders. A copy of the Revolving Facility Credit Agreement is included as Exhibit 10.3 to the company's Registration Statement on Form F-1, as amended (File No. 333-216078), filed with the SEC on February 15, 2017, and is incorporated by reference herein.

On August 15, 2017, the company entered into an amendment (the “2017 Revolving Facility Amendment”) to the Revolving Facility. The 2017 Revolving Facility Amendment increased the commitments to \$200.0 million with a seasonal increase of up to \$250.0 million from June 1 through November 30 (“peak season”).

On May 10, 2019, the company entered into a further amendment (the “2019 Revolving Facility Amendment”) to the Revolving Facility. The 2019 Revolving Facility Amendment increased the aggregate credit commitments to \$300.0 million with a seasonal increase of up to \$350.0 million during peak season and extended the credit maturity date to the earlier of June 3, 2024 and the date that is six months prior to the maturity date of the Term Loan Facility.

Term Loan Credit Agreement

On December 2, 2016, Canada Goose Holdings Inc. and Canada Goose Inc. entered into a senior secured term loan facility (the “Term Loan Facility”), with Credit Suisse AG, Cayman Islands Branch, as administrative agent and collateral agent, and certain financial institutions as lenders. A copy of the Term Loan Credit Agreement is included as Exhibit 10.4 to the company's Registration Statement on Form F-1, as amended (File No. 333-216078), filed with the SEC on February 15, 2017, and is incorporated by reference herein.

On August 15, 2017, the company entered into an amendment (the “2017 Term Loan Amendment”) to the Term Loan Facility. The 2017 Term Loan Amendment was executed in connection with the syndication of the outstanding term loans by the existing term loan lenders and, among other things: (i) added a provision whereby the company would be required to pay a 1% prepayment premium on any prepayment of the term loans made in connection with a “Repricing

Transaction” (as defined in the 2017 Term Loan Amendment) or in connection with an amendment that constitutes a Repricing Transaction, in each case, within six months from August 15, 2017 and (ii) reset the “most-favored nation” protection in favor of the term loan lenders in the incremental facilities provisions of the Term Loan Facility, whereby if the company were to issue additional term loans under such incremental facilities provisions within 18 months from August 15, 2017 and the all-in yield on such additional term loans were to exceed the all-in-yield on the existing term loans by more than 50 basis points, the all-in-yield on such existing term loans would be increased so that the all-in-yield of the additional term loans does not exceed the all-in-yield on the existing term loans by more than 50 basis points.

On May 10, 2019, the company entered into an amendment (the “2019 Term Loan Amendment”) to the Term Loan Facility. The term loans issued in connection with the 2019 Term Loan Amendment (the “2019 Refinancing Term Loans”) were used to refinance in full all of the initial term loans then outstanding under the Term Loan Facility. The interest rates for the 2019 Refinancing Term Loans are LIBOR plus 3.50% for LIBOR Loans and ABR plus 2.50% for ABR Loans. Among other things, the 2019 Term Loan Amendment extended the maturity date for the Term Loan Facility to December 2, 2024.

Indemnification Agreements

We have entered into indemnification agreements with our directors and executive officers pursuant to which we have agreed to indemnify them against a number of liabilities and expenses incurred by such persons in connection with claims made by reason of their being a director or executive officer of the company. A copy of the Form of Indemnification Agreement is included as Exhibit 10.28 to the company’s Registration Statement on Form F-1, as amended (File No. 333-216078), filed with the SEC on February 15, 2017, and is incorporated by reference herein.

D. Exchange Controls

We are not aware of any governmental laws, decrees, regulations or other legislation in Canada that restrict the export or import of capital, including the availability of cash and cash equivalents for use by our affiliated companies, or that affect the remittance of dividends, interest or other payments to non-resident holders of our securities. Any remittances of dividends to residents of the United States and to other non-resident holders are, however, subject to withholding tax. See Item 10.E. - “Taxation”.

E. Taxation

Subject to the limitations and qualifications stated herein, this discussion sets forth certain material U.S. federal income tax considerations relating to the ownership and disposition by U.S. Holders (as defined below) of the subordinate voting shares. The discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the “Code”), its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as currently in effect and all subject to change at any time, possibly with retroactive effect. This summary applies only to U.S. Holders and does not address tax consequences to a non-U.S. Holder (as defined below) investing in our subordinate voting shares.

This discussion of a U.S. Holder’s tax consequences addresses only those persons that acquire and hold subordinate voting shares as capital assets and does not address the tax consequences to any special class of holders, including without limitation, holders (directly, indirectly or constructively) of 10% or more of our equity (based on voting power or value), dealers in securities

or currencies, banks, tax-exempt organizations, insurance companies, financial institutions, broker-dealers, regulated investment companies, real estate investment trusts, traders in securities that elect the mark-to-market method of accounting for their securities holdings, persons that hold securities that are a hedge or that are hedged against currency or interest rate risks or that are part of a straddle, conversion or “integrated” transaction, U.S. expatriates, partnerships or other pass-through entities for U.S. federal income tax purposes and U.S. Holders whose functional currency for U.S. federal income tax purposes is not the U.S. dollar. This discussion does not address the effect of the U.S. federal alternative minimum tax, U.S. federal estate and gift tax, the 3.8% Medicare contribution tax on net investment income or any state, local or non-U.S. tax laws on a holder of subordinate voting shares.

In addition, new rules enacted pursuant to the legislation recently enacted in the United States commonly known as the Tax Cuts and Jobs Act (“TCJA”) may also accelerate the timing when a holder must include income recognized with respect to our subordinate voting shares. U.S. Holders should consult their own tax advisors in this regard.

For purposes of this discussion, a “U.S. Holder” is a beneficial owner of subordinate voting shares that is for U.S. federal income tax purposes: (a) an individual who is a citizen or resident of the United States; (b) a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia; (c) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or (d) a trust (i) if a court within the United States can exercise primary supervision over its administration, and one or more U.S. persons have the authority to control all of the substantial decisions of that trust, or (ii) that has a valid election in effect under applicable Treasury regulations to be treated as a U.S. person. The term “non-U.S. Holder” means any beneficial owner of our subordinate voting shares that is not a U.S. Holder, a partnership (or an entity or arrangement that is treated as a partnership or other pass-through entity for U.S. federal income tax purposes) or a person holding our subordinate voting shares through such an entity or arrangement.

If a partnership or an entity or arrangement that is treated as a partnership for U.S. federal income tax purposes holds our subordinate voting shares, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. Partners in partnerships that hold our subordinate voting shares should consult their own tax advisors.

The TCJA comprehensively changes the U.S. federal income tax system. The interpretation and application of many provisions of this law are unclear and we are assessing potential adverse consequences to us and holders of our subordinate voting shares. U.S. Holders should consult their own tax advisors regarding such changes and their potential impact related to an investment in our subordinate voting shares.

You are urged to consult your own independent tax advisor regarding the specific U.S. federal, state, local and non-U.S. income and other tax considerations relating to the ownership and disposition of our subordinate voting shares.

Cash Dividends and Other Distributions

As described in Item 8.A.8 above, we currently intend to retain any future earnings to fund business development and growth, and we do not expect to pay any dividends in the foreseeable future. However, to the extent there are any distributions made with respect to our subordinate voting

shares, subject to the passive foreign investment company, or “PFIC,” rules discussed below, a U.S. Holder generally will be required to treat distributions received with respect to its subordinate voting shares (including the amount of Canadian taxes withheld, if any) as dividend income to the extent of our current or accumulated earnings and profits (computed using U.S. federal income tax principles), with the excess treated as a non-taxable return of capital to the extent of the holder’s adjusted tax basis in its subordinate voting shares and, thereafter, as capital gain recognized on a sale or exchange on the day actually or constructively received by a U.S. Holder. There can be no assurance that we will maintain calculations of our earnings and profits in accordance with U.S. federal income tax accounting principles. U.S. Holders should therefore assume that any distribution with respect to our subordinate voting shares will constitute ordinary dividend income. Dividends paid on the subordinate voting shares will not be eligible for the dividends received deduction allowed to U.S. corporations.

Dividends paid to a non-corporate U.S. Holder by a “qualified foreign corporation” may be subject to reduced rates of taxation if certain holding period and other requirements are met. A qualified foreign corporation generally includes a foreign corporation (other than a PFIC) if (i) its subordinate voting shares are readily tradable on an established securities market in the United States or (ii) it is eligible for benefits under a comprehensive U.S. income tax treaty that includes an exchange of information program and which the U.S. Treasury Department has determined is satisfactory for these purposes. U.S. Holders should consult their own tax advisors regarding the availability of the reduced tax rate on dividends in light of their particular circumstances.

Non-corporate U.S. Holders will not be eligible for reduced rates of taxation on any dividends received from us if we are a PFIC in the taxable year in which such dividends are paid or in the preceding taxable year.

Distributions paid in a currency other than U.S. dollars will be included in a U.S. Holder’s gross income in a U.S. dollar amount based on the spot exchange rate in effect on the date of actual or constructive receipt, whether or not the payment is converted into U.S. dollars at that time. The U.S. Holder will have a tax basis in such currency equal to such U.S. dollar amount, and any gain or loss recognized upon a subsequent sale or conversion of the foreign currency for a different U.S. dollar amount will be U.S. source ordinary income or loss. If the dividend is converted into U.S. dollars on the date of receipt, a U.S. Holder generally should not be required to recognize foreign currency gain or loss in respect of the dividend income.

A U.S. Holder who pays (whether directly or through withholding) Canadian taxes with respect to dividends paid on our subordinate voting shares may be entitled to receive either a deduction or a foreign tax credit for such Canadian taxes paid. Complex limitations apply to the foreign tax credit, including the general limitation that the credit cannot exceed the proportionate share of a U.S. Holder’s U.S. federal income tax liability that such U.S. Holder’s “foreign source” taxable income bears to such U.S. Holder’s worldwide taxable income. In applying this limitation, a U.S. Holder’s various items of income and deduction must be classified, under complex rules, as either “foreign source” or “U.S. source.” In addition, this limitation is calculated separately with respect to specific categories of income. Dividends paid by us generally will constitute “foreign source” income and generally will be categorized as “passive category income.” However, if 50% or more of our equity (based on voting power or value) is treated as held by U.S. persons, we will be treated as a “United States-owned foreign corporation,” in which case dividends may be treated for foreign tax credit limitation purposes as “foreign source” income to the extent attributable to our non-U.S. source earnings and profits and as “U.S. source” income to the extent attributable to our U.S. source

earnings and profits. Because the foreign tax credit rules are complex, each U.S. Holder should consult its own tax advisor regarding the foreign tax credit rules.

Sale or Disposition of Subordinate Voting Shares

A U.S. Holder generally will recognize gain or loss on the taxable sale or exchange of its subordinate voting shares in an amount equal to the difference between the U.S. dollar amount realized on such sale or exchange (determined in the case of subordinate voting shares sold or exchanged for currencies other than U.S. dollars by reference to the spot exchange rate in effect on the date of the sale or exchange or, if the subordinate voting shares sold or exchanged are traded on an established securities market and the U.S. Holder is a cash basis taxpayer or an electing accrual basis taxpayer, the spot exchange rate in effect on the settlement date) and the U.S. Holder's adjusted tax basis in the subordinate voting shares determined in U.S. dollars. The initial tax basis of the subordinate voting shares to a U.S. Holder will be the U.S. Holder's U.S. dollar purchase price for the subordinate voting shares (determined by reference to the spot exchange rate in effect on the date of the purchase, or if the subordinate voting shares purchased are traded on an established securities market and the U.S. Holder is a cash basis taxpayer or an electing accrual basis taxpayer, the spot exchange rate in effect on the settlement date).

Assuming we are not a PFIC and have not been treated as a PFIC during a U.S. Holder's holding period for our subordinate voting shares, such gain or loss will be capital gain or loss and will be long-term gain or loss if the subordinate voting shares have been held for more than one year. Under current law, long-term capital gains of non-corporate U.S. Holders generally are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations. Capital gain or loss, if any, recognized by a U.S. Holder generally will be treated as U.S. source income or loss for U.S. foreign tax credit purposes. U.S. Holders are encouraged to consult their own tax advisors regarding the availability of the U.S. foreign tax credit in their particular circumstances.

Passive Foreign Investment Company Considerations

Status as a PFIC

The rules governing PFICs can have adverse tax effects on U.S. Holders. We generally will be classified as a PFIC for U.S. federal income tax purposes if, for any taxable year, either: (1) 75% or more of our gross income consists of certain types of passive income, or (2) the average value (determined on a quarterly basis), of our assets that produce, or are held for the production of, passive income is 50% or more of the value of all of our assets.

Passive income generally includes dividends, interest, rents and royalties (other than certain rents and royalties derived in the active conduct of a trade or business), annuities and gains from assets that produce passive income. If a non-U.S. corporation owns at least 25% by value of the stock of another corporation, the non-U.S. corporation is treated for purposes of the PFIC tests as owning its proportionate share of the assets of the other corporation and as receiving directly its proportionate share of the other corporation's income.

Additionally, if we are classified as a PFIC in any taxable year with respect to which a U.S. Holder owns subordinate voting shares, we generally will continue to be treated as a PFIC with respect to such U.S. Holder in all succeeding taxable years, regardless of whether we continue to meet the tests described above, unless the U.S. Holder makes the "deemed sale election" described below.

We do not believe that we are currently a PFIC, and we do not anticipate becoming a PFIC in the foreseeable future. Notwithstanding the foregoing, the determination of whether we are a PFIC is made annually and depends on the particular facts and circumstances (such as the valuation of our assets, including goodwill and other intangible assets) and also may be affected by the application of the PFIC rules, which are subject to differing interpretations. The fair market value of our assets is expected to depend, in part, upon (a) the market price of our subordinate voting shares, which is likely to fluctuate, and (b) the composition of our income and assets, which will be affected by how, and how quickly, we spend any cash that is raised in any financing transaction. In light of the foregoing, no assurance can be provided that we are not currently a PFIC or that we will not become a PFIC in any future taxable year. U.S. Holders should consult their own tax advisors regarding our potential PFIC status.

U.S. federal income tax treatment of a shareholder of a PFIC

If we are classified as a PFIC for any taxable year during which a U.S. Holder owns subordinate voting shares, the U.S. Holder, absent certain elections (including the mark-to-market and QEF elections described below), generally will be subject to adverse rules (regardless of whether we continue to be classified as a PFIC) with respect to (i) any “excess distributions” (generally, any distributions received by the U.S. Holder on its subordinate voting shares in a taxable year that are greater than 125% of the average annual distributions received by the U.S. Holder in the three preceding taxable years or, if shorter, the U.S. Holder’s holding period for its subordinate voting shares) and (ii) any gain realized on the sale or other disposition, including a pledge, of its subordinate voting shares.

Under these adverse rules (a) the excess distribution or gain will be allocated ratably over the U.S. Holder’s holding period, (b) the amount allocated to the current taxable year and any taxable year prior to the first taxable year in which we are classified as a PFIC will be taxed as ordinary income and (c) the amount allocated to each other taxable year during the U.S. Holder’s holding period in which we were classified as a PFIC (i) will be subject to tax at the highest rate of tax in effect for the applicable category of taxpayer for that year and (ii) will be subject to an interest charge at a statutory rate with respect to the resulting tax attributable to each such other taxable year.

If we are classified as a PFIC, a U.S. Holder will generally be treated as owning a proportionate amount (by value) of stock or shares owned by us in any direct or indirect subsidiaries that are also PFICs and will be subject to similar adverse rules with respect to any distributions we receive from, and dispositions we make of, the stock or shares of such subsidiaries. You are urged to consult your tax advisors about the application of the PFIC rules to any of our subsidiaries.

If we are classified as a PFIC and then cease to be so classified, a U.S. Holder may make an election (a “deemed sale election”) to be treated for U.S. federal income tax purposes as having sold such U.S. Holder’s subordinate voting shares on the last day of our taxable year during which we were a PFIC. A U.S. Holder that makes a deemed sale election would then cease to be treated as owning stock in a PFIC by reason of ownership of our subordinate voting shares. However, gain recognized as a result of making the deemed sale election would be subject to the adverse rules described above and loss would not be recognized.

PFIC “mark-to-market” election

In certain circumstances, a U.S. Holder can avoid certain of the adverse rules described above by making a mark-to-market election with respect to its subordinate voting shares, provided that the subordinate voting shares are “marketable.” Subordinate voting shares will be marketable if they are “regularly traded” on a “qualified exchange” or other market within the meaning of applicable U.S. Treasury Regulations. The NYSE is a “qualified exchange.” U.S. Holders should consult their own tax advisors with respect to such rules.

A U.S. Holder that makes a mark-to-market election must include in gross income, as ordinary income, for each taxable year that we are a PFIC an amount equal to the excess, if any, of the fair market value of the U.S. Holder’s subordinate voting shares at the close of the taxable year over the U.S. Holder’s adjusted tax basis in its subordinate voting shares. An electing U.S. Holder may also claim an ordinary loss deduction for the excess, if any, of the U.S. Holder’s adjusted tax basis in its subordinate voting shares over the fair market value of its subordinate voting shares at the close of the taxable year, but this deduction is allowable only to the extent of any net mark-to-market gains previously included in income. A U.S. Holder that makes a mark-to-market election generally will adjust such U.S. Holder’s tax basis in its subordinate voting shares to reflect the amount included in gross income or allowed as a deduction because of such mark-to-market election. Gains from an actual sale or other disposition of subordinate voting shares in a year in which we are a PFIC will be treated as ordinary income, and any losses incurred on a sale or other disposition of subordinate voting shares will be treated as ordinary losses to the extent of any net mark-to-market gains previously included in income.

If we are classified as a PFIC for any taxable year in which a U.S. Holder owns subordinate voting shares but before a mark-to-market election is made, the adverse PFIC rules described above will apply to any mark-to market gain recognized in the year the election is made. Otherwise, a mark-to-market election will be effective for the taxable year for which the election is made and all subsequent taxable years. The election cannot be revoked without the consent of the Internal Revenue Service (“IRS”) unless the subordinate voting shares cease to be marketable, in which case the election is automatically terminated.

A mark-to-market election is not permitted for the shares of any of our subsidiaries that are also classified as PFICs. Prospective investors should consult their own tax advisors regarding the availability of, and the procedure for making, a mark-to-market election.

PFIC “QEF” election

In some cases, a shareholder of a PFIC can avoid the interest charge and the other adverse PFIC consequences described above by obtaining certain information from such PFIC and by making a QEF election to be taxed currently on its share of the PFIC’s undistributed income. We do not, however, expect to provide the information regarding our income that would be necessary in order for a U.S. Holder to make a QEF election with respect to subordinate voting shares if we are classified as a PFIC .

PFIC information reporting requirements

If we are a PFIC in any year, a U.S. Holder of subordinate voting shares in such year will be required to file an annual information return on IRS Form 8621 regarding distributions received on such

subordinate voting shares and any gain realized on disposition of such subordinate voting shares. In addition, if we are a PFIC, a U.S. Holder will generally be required to file an annual information return with the IRS (also on IRS Form 8621, which PFIC shareholders are required to file with their U.S. federal income tax or information return) relating to their ownership of subordinate voting shares. This new filing requirement is in addition to the pre-existing reporting requirements described above that apply to a U.S. Holder's interest in a PFIC (which this requirement does not affect).

NO ASSURANCE CAN BE GIVEN THAT WE ARE NOT CURRENTLY A PFIC OR THAT WE WILL NOT BECOME A PFIC IN THE FUTURE. U.S. HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE OPERATION OF THE PFIC RULES AND RELATED REPORTING REQUIREMENTS IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES, INCLUDING THE ADVISABILITY OF MAKING ANY ELECTION THAT MAY BE AVAILABLE.

Reporting Requirements and Backup Withholding

Information reporting to the U.S. Internal Revenue Service generally will be required with respect to payments on the subordinate voting shares and proceeds of the sale, exchange or redemption of the subordinate voting shares paid within the United States or through certain U.S.-related financial intermediaries to holders that are U.S. taxpayers, other than exempt recipients. A "backup" withholding tax may apply to those payments if such holder fails to provide a taxpayer identification number to the paying agent or fails to certify that no loss of exemption from backup withholding has occurred (or if such holder otherwise fails to establish an exemption). We or the applicable paying agent will withhold on a distribution if required by applicable law. The amounts withheld under the backup withholding rules are not an additional tax and may be refunded, or credited against the holder's U.S. federal income tax liability, if any, provided the required information is timely furnished to the IRS.

U.S. Holders that own certain "foreign financial assets" (which may include the subordinate voting shares) are required to report information relating to such assets, subject to certain exceptions, on IRS Form 8938. In addition to these requirements, U.S. Holders may be required to annually file FinCEN Report 114, Report of Foreign Bank and Financial Accounts ("FBAR") with the U.S. Department of Treasury. U.S. Holders should consult their own tax advisors regarding the applicability of FBAR and other reporting requirements in light of their individual circumstances.

Canadian Tax Implications for Non-Canadian Holders

The following is a general summary, as of the date hereof, of the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the "Tax Act") generally applicable to the holding and disposition of subordinate voting shares by a beneficial owner. This summary only applies to such a holder who, for the purposes of the Tax Act and at all relevant times: (1) is not, and is not deemed to be, resident in Canada for purposes of any applicable income tax treaty or convention; (2) deals at arm's length with us; (3) is not affiliated with us; (4) does not use or hold, and is not deemed to use or hold, subordinate voting shares in a business carried on in Canada; (5) has not entered into, with respect to the subordinate voting shares, a "derivative forward agreement" as that term is defined in the Tax Act and (6) holds the subordinate voting shares as capital property (a "Non-Canadian Holder"). Special rules, which are not discussed in this summary, may apply to a Non-Canadian Holder that is an insurer carrying on an insurance business in Canada and elsewhere.

This summary is based on the current provisions of the Tax Act, and an understanding of the current administrative policies of the Canada Revenue Agency (“CRA”) published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act and the Canada-United States Tax Convention (1980), as amended (the “Canada-U.S. Tax Treaty”) publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “Proposed Amendments”) and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policy or assessing practice whether by legislative, regulatory, administrative or judicial action nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ from those discussed herein.

This summary is of a general nature only and is not, and is not intended to be, legal or tax advice to any particular shareholder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, you should consult your own tax advisor with respect to your particular circumstances. Generally, for purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of the subordinate voting shares must be converted into Canadian dollars based on the exchange rates as determined in accordance with the Tax Act. The amount of any dividends required to be included in the income of, and capital gains or capital losses realized by, a Non-Canadian Holder may be affected by fluctuations in the Canadian exchange rate.

Dividends

Dividends paid or credited on the subordinate voting shares or deemed to be paid or credited on the subordinate voting shares to a Non-Canadian Holder will be subject to Canadian withholding tax at the rate of 25%, subject to any reduction in the rate of withholding to which the Non-Canadian Holder is entitled under any applicable income tax convention between Canada and the country in which the Non-Canadian Holder is resident. For example, under the Canada-U.S. Tax Treaty, where dividends on the subordinate voting shares are considered to be paid to or derived by a Non-Canadian Holder that is a beneficial owner of the dividends and is a U.S. resident for the purposes of, and is entitled to benefits of, the Canada-U.S. Tax Treaty, the applicable rate of Canadian withholding tax is generally reduced to 15%. A disposition of subordinate voting shares to us may in certain circumstances result in a deemed dividend.

Dispositions

A Non-Canadian Holder will not be subject to tax under the Tax Act on any capital gain realized on a disposition or deemed disposition of a subordinate voting share, unless, at the time of disposition, the subordinate voting shares are “taxable Canadian property” to the Non-Canadian Holder for purposes of the Tax Act and the Non-Canadian Holder is not entitled to relief under an applicable income tax convention between Canada and the country in which the Non-Canadian Holder is resident.

Generally, the subordinate voting shares will not constitute “taxable Canadian property” to a Non-Canadian Holder at a particular time provided that the subordinate voting shares are listed at that time on a “designated stock exchange” (as defined in the Tax Act), which includes the NYSE and the TSX, unless at any particular time during the 60-month period that ends at that time (i) one or any combination of (a) the Non- Canadian Holder, (b) persons with whom the Non-Canadian

Holder does not deal at arm's length, and (c) partnerships in which the Non-Canadian Holder or a person described in (b) holds a membership interest directly or indirectly through one or more partnerships, has owned 25% or more of the issued shares of any class or series of our capital stock, and (ii) more than 50% of the fair market value of the subordinate voting shares was derived, directly or indirectly, from one or any combination of : (i) real or immoveable property situated in Canada, (ii) "Canadian resource properties" (as defined in the Tax Act), (iii) "timber resource properties" (as defined in the Tax Act) and (iv) options in respect of, or interests in, or for civil law rights in, property in any of the foregoing whether or not the property exists. Notwithstanding the foregoing, in certain circumstances set out in the Tax Act, subordinate voting shares could be deemed to be "taxable Canadian property." Non-Canadian Holders whose subordinate voting shares may constitute "taxable Canadian property" should consult their own tax advisors.

THE ABOVE DISCUSSION DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR INVESTOR. YOU ARE STRONGLY URGED TO CONSULT YOUR OWN TAX ADVISOR ABOUT THE TAX CONSEQUENCES TO YOU OF AN INVESTMENT IN THE SUBORDINATE VOTING SHARES.

F. Dividends and Payment Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

This Annual Report and the related exhibits are available for viewing at our offices at 250 Bowie Ave, Toronto, Ontario, Canada, M6E 4Y2, telephone: (416) 780-9850. Copies of our financial statements and other continuous disclosure documents required under the Securities Act (Ontario) are available for viewing on SEDAR at www.sedar.com. All of the documents referred to are in English.

We are subject to the informational requirements of the Exchange Act and are required to file reports and other information with the SEC. The SEC maintains a website at www.sec.gov that contains reports, proxy and information statements, and other information regarding registrants that make electronic filings with the SEC using its EDGAR system.

We also make available on our website's investor relations page, free of charge, our Annual Report and the text of our reports on Form 6-K, including any amendments to these reports, as well as certain other SEC filings, as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. The information contained on our website is not incorporated by reference in this Annual Report.

I. Subsidiary Information

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Please see Item 5.F — “Operating and Financial Review and Prospects” — “Quantitative and Qualitative Disclosures About Market Risk”.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not applicable.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

A. – D. Material Modifications to the Rights of Security Holders

None.

E. Use of Proceeds

None.

ITEM 15. CONTROLS AND PROCEDURES

A. – D.

See Item 5. - “Operating and Financial Review and Prospects” - “Management’s Discussion and Analysis of Financial Condition and Results of Operations” - “Disclosure Controls and Procedures”, “Management’s Annual Report on Internal Control over Financial Reporting”, “Remediation Plan and Activities”, and “Changes in Internal Control over Financial Reporting”.

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

Our audit committee is comprised of Messrs. Stephen Gunn, John Davison and Jean-Marc Huët, with Mr. Davison serving as chairman of the committee. Messrs. Gunn, Davison and Huët each meet the independence requirements under the rules of the New York Stock Exchange and under Rule 10A-3 under the Exchange Act. We have determined that Mr. Davison is an “audit committee financial expert” within the meaning of Item 407 of Regulation S-K. For information relating to qualifications and experience of each audit committee member, see Item 6 - “Directors, Senior Management and Employees”.

ITEM 16B. CODE OF ETHICS

Our board of directors has adopted a code of ethics applicable our principal executive officer, principal financial officer, principal accounting officer or controller, and persons performing similar functions. This code is intended to qualify as a “code of ethics” within the meaning of the applicable rules of the SEC. Our code of ethics is available on our website at <https://investor.canadagoose.com/corporate-governance/default.aspx?section=documents>. Information contained on, or that can be accessed through, our website is not incorporated by reference into this Annual Report.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Principal Accountant Fees and Services

The following table summarizes the fees charged by Deloitte LLP for certain services rendered to our company during fiscal 2018 and fiscal 2019 .

CAD \$ millions	For the year ended March 31,	
	2019	2018
Audit fees ⁽¹⁾	4.5	2.5
Audit-related fees ⁽²⁾	0.6	—
Tax fees ⁽³⁾	1.9	1.4
All other fees ⁽⁴⁾	0.2	—
Total	7.2	3.9

- (1) “Audit fees” means the aggregate fees billed in each of the fiscal years for professional services rendered by Deloitte LLP for the audit of our annual financial statements and review of our interim financial statements.
- (2) “Audit-related fees” includes assurance and related services reasonably related to the financial statement audit and not included in audit services.
- (3) “Tax fees” means the aggregate fees billed in each of the fiscal years for professional services rendered by Deloitte LLP for tax compliance and tax advice.
- (4) “All other fees” includes the aggregate fees billed in each of the fiscal years for non-audit services rendered which were not listed above.

Audit Committee Pre-Approval Policies and Procedures

Our audit committee reviews and pre-approves the scope and the cost of audit services related to us and permissible non-audit services performed by the independent auditors, other than those for *de minimis* services which are approved by the audit committee prior to the completion of the audit. All of the services related to our company provided by Deloitte LLP listed above have been pre-approved by the audit committee.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

Not applicable.

ITEM 16F. CHANGE IN REGISTRANT’S CERTIFYING ACCOUNTANT

Not applicable.

ITEM 16G. CORPORATE GOVERNANCE

The listing rules of the NYSE (the “NYSE Listing Rules”), include certain accommodations in the corporate governance requirements that allow foreign private issuers, such as us, to follow “home country” corporate governance practices in lieu of the otherwise applicable corporate governance standards of the NYSE. The application of such exceptions requires that we disclose any significant ways that our corporate governance practices differ from the NYSE Listing Rules that we do not follow. We are currently a “controlled company” as defined in the NYSE Listing Rules. Upon ceasing to be a “controlled company”, as a foreign private issuer, we intend to continue to follow Canadian corporate governance practices and TSX rules in lieu of the corporate governance requirements of the NYSE in respect of the following:

- the requirement under Section 303A.01 of the NYSE Listing Rules that a majority of the board be comprised of independent directors;
- the requirement under Section 303A.04 of the NYSE Listing Rules that director nominees be selected or recommended for selection by a nominations committee comprised solely of independent directors and to post the charter for that committee on our investor website;
- the requirement under Section 303A.05 of the NYSE Listing Rules to have a compensation committee that is comprised solely of independent directors and to post the charter for that committee on our investor website;
- the requirement under Section 303A.08 of the NYSE Listing Rules that shareholders be given the opportunity to vote on all equity-compensation plans and material revisions thereto; and
- the requirement under Section 303A.09 of the NYSE Listing Rules to have a set of corporate governance guidelines and to disclose such guidelines on our investor website.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

PART III

ITEM 17. FINANCIAL STATEMENTS.

See Item 18. — “Financial Statements”.

ITEM 18. FINANCIAL STATEMENTS.

Our Annual Financial Statements are included at the end of this Annual Report.

ITEM 19. EXHIBITS

EXHIBIT INDEX

- 1.1 [Articles of Canada Goose Holdings Inc. \(incorporated by reference to Exhibit 1.1 to our Annual Report on Form 20-F \(file no. 001-38027\) filed with the SEC on June 6, 2017\)](#)
- 2.1 [Form of Share Certificate for Subordinate Voting Shares \(incorporated by reference to Exhibit 4.1 to our Registration Statement on Form F-1 \(file no. 333-216078\) filed with the SEC on March 1, 2017\)](#)
- 4.1 [Investor Rights Agreement by and among Canada Goose Holdings Inc. and certain shareholders of Canada Goose Holdings Inc. \(incorporated by reference to Exhibit 10.1 to our Registration Statement on Form F-1 \(file no. 333-216078\) filed with the SEC on March 10, 2017\)](#)
- 4.2 [Coattail Agreement, between Canada Goose Holdings Inc., certain shareholders of Canada Goose Holdings Inc. and Computershare Trust Company of Canada \(incorporated by reference to Exhibit 4.2 to our Annual Report on Form 20-F \(file no. 001-38027\) filed with the SEC on June 6, 2017\)](#)
- 4.3 [Credit Agreement dated June 3, 2016, by and among Canada Goose Holdings Inc., Canada Goose Inc., Canada Goose International AG and Canadian Imperial Bank of Commerce \(incorporated by reference to Exhibit 10.3 to our Registration Statement \(file no. 333-216078\) filed with the SEC on February 15, 2017\)](#)
- 4.4 [Third Amendment to Credit Agreement dated August 15, 2017, by and among Canada Goose Holdings Inc., Canada Goose Inc., Canada Goose International AG and Canadian Imperial Bank of Commerce \(incorporated by reference to Exhibit 99.2 to our Form 6-K \(file no. 001-38027\) filed with the SEC on August 21, 2017\)](#)
- 4.5 [Credit Agreement dated December 2, 2016, by and among Canada Goose Holdings Inc., Canada Goose Inc. and Credit Suisse AG, Cayman Islands Branch \(incorporated by reference to Exhibit 10.4 to our Registration Statement on Form F-1 \(file no. 333-216078\) filed with the SEC on February 15, 2017\)](#)
- 4.6 [First Amendment to Credit Agreement dated August 15, 2017, by and among Canada Goose Holdings Inc., Canada Goose Inc. and Credit Suisse AG, Cayman Islands Branch \(incorporated by reference to Exhibit 99.1 to our Form 6-K \(file no. 001-38027\) filed with the SEC on August 21, 2017\)](#)
- 4.7 [Canada Goose Holdings Inc. Promissory Note in favour of DTR LLC dated January 31, 2017, exchanged for cancellation of the DTR Promissory Note \(incorporated by reference to Exhibit 10.9 to our Registration Statement on Form F-1 \(file no. 333-216078\) filed with the SEC on February 15, 2017\)](#)
- 4.8 [Lease Agreement dated February 3, 2012, by and between 250 Bowie Holdings Inc., as Landlord and Canada Goose Inc., as Tenant \(incorporated by reference to Exhibit 10.10 to our Registration Statement on Form F-1 \(file no. 333-216078\) filed with the SEC on February 15, 2017\)](#)
- 4.9 [First Lease Expansion and Amending Agreement dated July 1, 2013, by and between 250 Bowie Holdings Inc., as Landlord and Canada Goose Inc., as Tenant \(incorporated by reference to Exhibit 10.11 to our Registration Statement on Form F-1 \(file no. 333-216078\) filed with the SEC on February 15, 2017\)](#)
- 4.10 [Second Lease Expansion and Amending Agreement dated January 27, 2014, by and between 250 Bowie Holdings Inc., as Landlord and Canada Goose Inc., as Tenant \(incorporated by reference to Exhibit 10.12 to our Registration Statement on Form F-1 \(file no. 333-216078\) filed with the SEC on February 15, 2017\)](#)

- 4.11 [Third Lease Expansion and Amending Agreement dated November 14, 2014, by and between 250 Bowie Holdings Inc., as Landlord and Canada Goose Inc., as Tenant \(incorporated by reference to Exhibit 10.13 to our Registration Statement on Form F-1 \(file no. 333-216078\) filed with the SEC on February 15, 2017\)](#)
- 4.12 [Fourth Lease Expansion and amending Agreement dated April 30, 2015, by and between 250 Bowie Holdings Inc., as Landlord and Canada Goose Inc., as Tenant \(incorporated by reference to Exhibit 10.14 to our Registration Statement on Form F-1 \(file no. 333-216078\) filed with the SEC on February 15, 2017\)](#)
- 4.13 [Fifth Lease Expansion and Amending Agreement dated June 8, 2016, by and between 250 Bowie Holdings Inc., as Landlord and Canada Goose Inc., as Tenant \(incorporated by reference to Exhibit 10.15 to our Registration Statement on Form F-1 \(file no. 333-216078\) filed with the SEC on February 15, 2017\)](#)
- 4.14 [Canada Goose Holdings Inc. Amended and Restated Stock Option Plan \(incorporated by reference to Exhibit 4.17 to our Annual Report on Form 20-F \(file no. 001-38027\) filed with the SEC on June 6, 2017\)](#)
- 4.15 [Canada Goose Holdings Inc. Omnibus Incentive Plan](#)
- 4.16 [Form of Option Agreement under the Omnibus Incentive Plan \(incorporated by reference to Exhibit 10.19 to our Registration Statement on Form F-1 \(file no. 333-216078\) filed with the SEC on March 1, 2017\)](#)
- 4.17 [Board Director's Agreement dated September 17, 2015, by and between Canada Goose International AG and Daniel Reiss \(incorporated by reference to Exhibit 10.21 to our Registration Statement on Form F-1 \(file no. 333-216078\) filed with the SEC on February 15, 2017\)](#)
- 4.18 [Amended and Restated Employment Agreement dated March 9, 2017 by and between Canada Goose Inc. and Dani Reiss \(incorporated by reference to Exhibit 10.30 to our Registration Statement on Form F-1 \(file no. 333-216078\) filed with the SEC on March 10, 2017\)](#)
- 4.19 [Employment Agreement dated February 6, 2018 by and between Canada Goose Inc. and Jonathan Sinclair.](#)
- 4.20 [Canada Goose Holdings Inc. Employee Share Purchase Plan \(incorporated by reference to Exhibit 4.28 to our Annual Report on Form 20-F \(file no. 001-38027\) filed with the SEC on June 6, 2017\)](#)
- 4.21 [Form of Indemnification Agreement for Directors and Officers \(incorporated by reference to Exhibit 10.28 to our Registration statement on Form F-1 \(file no. 333-216078\) filed with the SEC on February 15, 2017\)](#)
- 8.1 [Subsidiaries of Canada Goose Holdings Inc.](#)
- 12.1 [Rule 13a-14\(a\)/15d-14\(a\) Certification of Chief Executive Officer.](#)
- 12.2 [Rule 13a-14\(a\)/15d-14\(a\) Certification of Chief Financial Officer.](#)
- 13.1 [Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.](#)
- 13.2 [Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.](#)
- 15.1 [Consent of Deloitte LLP](#)

Canada Goose Holdings Inc.

Annual Consolidated Financial Statements

March 31, 2019

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, 2019 and 2018, the related consolidated statements of income and comprehensive income, changes in equity, and cash flows for each of the three years in the period ended March 31, 2019, 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, 2019 and 2018, and its financial performance and its cash flows for each of the three years in the period ended March 31, 2019, in conformity 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, 2019, 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 28, 2019, expressed an adverse opinion on the Company's internal control over financial reporting because of material weaknesses.

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.

/s/ Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
May 28, 2019

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, 2019, 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, because of the effect of the material weaknesses identified below on the achievement of the objectives of the control criteria, the Company has not maintained effective internal control over financial reporting as of March 31, 2019, 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, 2019, of the Company and our report dated May 28, 2019, expressed an unqualified opinion on those financial statements.

As described in Management's Annual Report on Internal Control over Financial Reporting, management excluded from its assessment the internal control over financial reporting at Baffin Limited, which was acquired on November 1, 2018, and whose financial statements constitute less than 5% and less than 10% of total assets and net assets, respectively, of the consolidated financial statements as of and for the year ended March 31, 2019. Accordingly, our audit did not include the internal control over financial reporting at Baffin Limited.

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.

Material Weaknesses

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. The following material weaknesses have been identified and included in management's assessment: Management identified material weaknesses in the Company's overall control environment due to the aggregate effect of multiple deficiencies in internal controls, which affected two components of the internal control as defined by COSO, namely control activities and, information and communication. Management did not design and maintain effective controls over the following, each of which is a material weakness: (a) the occurrence and accuracy of revenue and the existence of the related accounts receivable, and access controls to customer master data; and (b) the existence and valuation of inventory, including inventory costing and access controls to inventory master data. These material weaknesses were considered in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements as of and for the year ended March 31, 2019, of the Company, and this report does not affect our report on such financial statements.

/s/ Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
May 28, 2019

Consolidated Statements of Income and Comprehensive Income
For the years ended March 31
(in millions of Canadian dollars, except per share amounts)

	Notes	2019	2018	2017
		\$	\$	\$
Revenue	6	830.5	591.2	403.8
Cost of sales	10	313.7	243.6	191.7
Gross profit		516.8	347.6	212.1
Selling, general and administrative expenses		302.1	200.1	165.0
Depreciation and amortization	11, 12	18.0	9.4	6.6
Operating income		196.7	138.1	40.5
Net interest and other finance costs	16	14.2	12.9	10.0
Income before income taxes		182.5	125.2	30.5
Income tax expense	7	38.9	29.1	8.9
Net income		143.6	96.1	21.6
Other comprehensive income (loss)				
Items that will not be reclassified to earnings, net of tax:				
Actuarial loss on post-employment obligation		(0.7)	(0.3)	(0.2)
Items that may be reclassified to earnings, net of tax:				
Cumulative translation adjustment		(1.3)	3.2	(0.4)
Net (loss) gain on derivatives designated as cash flow hedges		(4.6)	0.1	—
Reclassification of net loss (gain) on cash flow hedges to income		3.8	(1.3)	—
Net gain (loss) on derivatives designated as a net investment hedge		3.5	(3.5)	—
Other comprehensive income (loss)		0.7	(1.8)	(0.6)
Comprehensive income		144.3	94.3	21.0
Earnings per share	8			
Basic		\$ 1.31	\$ 0.90	\$ 0.22
Diluted		\$ 1.28	\$ 0.86	\$ 0.21

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

Consolidated Statements of Financial Position
March 31
(in millions of Canadian dollars)

	Notes	2019	2018
		\$	\$
Assets			
Current assets			
Cash	23	88.6	95.3
Trade receivables	9	20.4	11.9
Inventories	10	267.3	165.4
Income taxes receivable	7	4.0	5.1
Other current assets	21	32.9	23.3
Total current assets		413.2	301.0
Deferred income taxes	7	12.2	3.0
Property, plant and equipment	11	84.3	60.2
Intangible assets	12	155.6	136.8
Other long-term assets	21	7.0	2.1
Goodwill	13	53.1	45.3
Total assets		725.4	548.4
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	14, 21	110.4	109.6
Provisions	15	8.1	6.3
Income taxes payable	7	18.1	17.7
Total current liabilities		136.6	133.6
Provisions	15	14.7	10.8
Deferred income taxes	7	16.7	13.3
Revolving facility	16	—	—
Term loan	16	145.2	137.1
Other long-term liabilities	16, 21	13.1	10.0
Total liabilities		326.3	304.8
Shareholders' equity	17	399.1	243.6
Total liabilities and shareholders' equity		725.4	548.4

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

Consolidated Statements of Changes in Equity
March 31
(in millions of Canadian dollars)

	Notes	Share Capital			Contributed Surplus	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
		Common Shares	Preferred Shares	Total				
		\$	\$	\$				
Balance as at March 31, 2016		3.4	56.8	60.2	57.7	25.5	(0.7)	142.7
Recapitalization transactions:	17							
Redemption of Class A senior preferred shares		—	(53.1)	(53.1)	—	—	—	(53.1)
Redemption of Class A junior preferred shares		—	(3.7)	(3.7)	—	(0.4)	—	(4.1)
Return of capital Class A common shares		(0.7)	—	(0.7)	—	—	—	(0.7)
Redemption of Class B preferred and common shares		—	—	—	(56.9)	(6.7)	—	(63.6)
Public share offering:	17							
Net proceeds of issue of subordinate voting shares, after underwriting commission of \$5.4 (net of tax of \$1.9)		101.9	—	101.9	—	—	—	101.9
Share issue costs, net of tax of \$0.5		(1.4)	—	(1.4)	—	—	—	(1.4)
Exercise of stock options	17	0.1	—	0.1	—	—	—	0.1
Net income		—	—	—	—	21.6	—	21.6
Other comprehensive loss		—	—	—	—	—	(0.6)	(0.6)
Recognition of share-based compensation	18	—	—	—	3.3	—	—	3.3
Balance as at March 31, 2017		103.3	—	103.3	4.1	40.0	(1.3)	146.1
Exercise of stock options	17, 18	2.8	—	2.8	(1.6)	—	—	1.2
Net income		—	—	—	—	96.1	—	96.1
Other comprehensive loss		—	—	—	—	—	(1.8)	(1.8)
Recognition of share-based compensation	18	—	—	—	2.0	—	—	2.0
Balance as at March 31, 2018		106.1	—	106.1	4.5	136.1	(3.1)	243.6
Issuance of common shares in business combination	5, 17	1.5	—	1.5	—	—	—	1.5
Exercise of stock options	17, 18	5.0	—	5.0	(1.9)	—	—	3.1
Net income		—	—	—	—	143.6	—	143.6
Other comprehensive income		—	—	—	—	—	0.7	0.7
Recognition of share-based compensation (including tax recovery of \$2.8)	18	—	—	—	6.6	—	—	6.6
Balance as at March 31, 2019		112.6	—	112.6	9.2	279.7	(2.4)	399.1

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

Consolidated Statements of Cash Flows
For the years ended March 31
(in millions of Canadian dollars)

	Notes	2019	2018	2017
		\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net income		143.6	96.1	21.6
Items not affecting cash:				
Depreciation and amortization	11, 12	22.7	14.2	8.5
Income tax expense	7	38.9	29.1	8.9
Interest expense		13.7	12.5	11.8
Unrealized foreign exchange loss (gain)		2.7	(8.6)	(0.2)
Write off deferred financing charges on debt repaid	16	—	—	3.9
Revaluation of term loan for change in interest rate	16	—	—	(5.9)
Share-based compensation	18	3.8	2.0	3.3
Loss on disposal of assets		0.2	0.2	0.1
		225.6	145.5	52.0
Changes in non-cash operating items	23	(100.7)	(2.3)	19.9
Income taxes paid		(41.0)	(7.4)	(20.2)
Interest paid		(10.5)	(9.6)	(12.3)
Net cash from operating activities		73.4	126.2	39.4
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of property, plant and equipment	11	(30.3)	(26.1)	(15.8)
Investment in intangible assets	12	(19.0)	(7.7)	(10.5)
Business combination	5	(33.6)	(0.6)	(0.7)
Net cash used in investing activities		(82.9)	(34.4)	(27.0)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Net (repayment) borrowings on revolving facility (2017 - net of deferred financing fees of \$2.5)	16	—	(8.8)	41.3
Deferred financing fees		—	(0.3)	—
Repayment of credit facility	16	—	—	(55.2)
Recapitalization transactions:				
Borrowings on term loan, net of deferred financing fees of \$3.3 and original issue discount of \$2.2		—	—	212.6
Repayment of subordinated debt		—	—	(85.3)
Redemption of Class A senior preferred shares		—	—	(53.1)
Redemption of Class A junior preferred shares		—	—	(4.1)
Return of capital on Class A common shares		—	—	(0.7)
Redemption of Class B common and preferred shares		—	—	(63.6)
Public share offering:				
Net proceeds of issue of subordinate voting shares, after underwriting commission of \$7.2		—	—	100.0
Share issue costs paid		—	—	(1.9)
Repayment of revolving facility		—	—	(35.0)
Repayment of term loan		—	—	(65.0)
Exercise of stock options	17	3.1	1.2	0.1
Net cash from (used in) financing activities		3.1	(7.9)	(9.9)
Effects of foreign currency exchange rate changes on cash		(0.3)	1.7	—
(Decrease) increase in cash		(6.7)	85.6	2.5
Cash, beginning of year		95.3	9.7	7.2
Cash, end of year		88.6	95.3	9.7

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

Notes to the Consolidated Financial Statements

March 31, 2019

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

Note 1 . The Company

Organization

Canada Goose Holdings Inc. and its subsidiaries (the “Company”) design, manufacture, and sell premium outdoor apparel for men, women, youth, children, and babies. The Company’s apparel collections include various styles of parkas, jackets, shells, vests, knitwear, footwear, and accessories for fall, winter, and spring seasons. The Company’s head office is located at 250 Bowie Avenue, Toronto, Canada M6E 4Y2. The use of the terms “Canada Goose”, “we”, “us” 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 (CG) Limited Partnership, and DTR (CG) II Limited Partnership (collectively “DTR”), entities indirectly controlled by the President and Chief Executive Officer of the Company. The principal shareholders hold multiple voting shares representing 46.3% of the total shares outstanding as at March 31, 2019 , or 89.6% of the combined voting power of the total voting shares outstanding. Subordinate voting shares that trade on public markets represent 53.7% of the total shares outstanding as at March 31, 2019 , or 10.4% of the combined voting power of the total voting shares outstanding.

Statement of compliance

The accompanying 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 28, 2019.

Fiscal year

The fiscal year-end of the Company ends on March 31 .

Basis of presentation

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, and
- initial recognition of assets acquired and liabilities assumed in a business combination.

The significant accounting policies set out below have been applied consistently in the preparation of the consolidated financial statements for all periods presented, with the exception of transitional provisions applied in adopting new accounting standards (note 4).

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

Basis of consolidation

Subsidiaries are entities controlled by the Company. Control exists when the Company has power over, exposure or rights to variable returns from the Company’s involvement with the entity, and

Notes to the Consolidated Financial Statements

March 31, 2019

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

the ability to use its power over the entity to affect the amount of the Company's returns. The financial accounts and results of subsidiaries are included in the consolidated financial statements of the Company from the date that control commences until the date that control ceases.

Note 2 . Significant accounting policies

(a) Operating segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Segment operating results are reviewed regularly to make decisions about resources to be allocated to the segment and assess its performance.

The Company classifies its business in two operating and reportable segments: Wholesale and Direct-to-Consumer. The Wholesale business comprises sales made to a mix of functional and fashionable retailers, including major luxury department stores, outdoor specialty stores, individual shops, and to international distributors.

The Direct-to-Consumer business comprises sales through our country-specific e-commerce platforms and Company-owned retail stores located in luxury shopping malls and high street locations.

(b) Foreign currency translation

Functional and presentation currency

Items included in the consolidated financial statements of the Company's subsidiaries are measured in the functional currency, which is using the currency of the primary economic environment in which each entity operates.

Transactions and balances

Foreign currency transactions are translated into the functional currency 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 statement of income in selling, general and administrative expenses, except when included in other comprehensive income for qualifying cash flow and net investment hedges.

Foreign operations

The Company's foreign operations are principally conducted through Canada Goose US, Inc., Canada Goose International AG, and CG (Shanghai) Trading Co. Ltd.

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.

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(c) Seasonality

We experience seasonal fluctuations in our revenue and operating results and historically have realized a significant portion of our wholesale revenue and operating income for the year during our second and third fiscal quarters and Direct-to-Consumer revenue and operating income in our third and fourth fiscal quarters. Thus, lower-than-expected net revenue in these periods could have an adverse impact on our annual operating results.

Working capital requirements typically increase during the first and second quarters of the fiscal year as inventory builds to support peak shipping and selling periods and, accordingly, typically decrease during the third and fourth quarter of the fiscal year as inventory is sold and trade receivables are converted to cash. After retail stores are opened, operating costs in our Direct-to-Consumer channel are consistent over the year while revenue and related cash collections fluctuate. Borrowings on our revolving facility have historically increased over the first and second quarters and are repaid in the third quarter of the fiscal year. Cash flows from operating activities are typically highest in the third and fourth quarters of the fiscal year due to the timing of collection of wholesale trade receivables and revenue in the Direct-to-Consumer channel during that period and increased cash inflows from the peak selling season.

(d) Revenue recognition

Revenue comprises of the 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 specific criteria for transfer of control to the customer have been met for each of the Company's activities, as described below.

i) Wholesale

Wholesale revenue comprises sales of the Company's products to third-party resellers (which includes international distributors and retailers). Wholesale revenue from the sale of goods is recognized, net of an estimated provision for sales returns, discounts and allowances, when the control of the goods has been transferred to the reseller, which depends on the precise terms of the agreement with each reseller.

The Company, at its discretion, may cancel all or a portion of any firm wholesale sales order. The Company is therefore obligated to return any prepayments or deposits made by resellers for which the product is not provided. All advance payments are therefore included in accrued liabilities in the statement of financial position.

ii) Direct-to-Consumer

Direct-to-Consumer revenue consists of sales through the Company's e-commerce operations and Company-owned retail stores. Sales through e-commerce operations are recognized upon estimated delivery of the goods to the customer, net of an estimated provision for sales returns, when control of the goods has transferred from the Company to the customer. Sales through our Company-owned

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retail stores are recognized upon delivery to the customer at the point of sale, net of an estimated provision for sales returns.

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

The Company's warranty obligation is to provide an exchange or repair for manufacturing defective products under the standard warranty terms and conditions. The warranty obligation is recognized as a provision when goods are sold.

(e) Business combinations

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, which is 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 statement of income as incurred.

Goodwill is measured as the excess of the sum of the fair value of 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 statement of income.

(f) Earnings per share

Basic earnings per share is calculated by dividing net income for the year attributable to ordinary equity holders of the common shares by the weighted average number of multiple and subordinated 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 subordinated voting shares outstanding during the year plus the weighted average number of subordinate shares that would be issued on the exercise of all stock options and settlement of restricted share units ("RSU").

(g) Income taxes

Current and deferred income taxes are recognized in the consolidated statements of income and other comprehensive 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.

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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.

(h) Cash

Cash consists of cash and cash equivalents, including cash on hand, deposits in banks, and short-term deposits with maturities of less than 3 months. The Company uses the indirect method of reporting cash flow from operating activities.

(i) Trade receivables

Trade receivables, including credit card receivables, consist of amounts owing where we have extended credit to customers on product sales 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 loss is recorded against trade receivables and is based on historical experience.

(j) 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, including depreciation of property, plant and equipment used in the production of finished goods and design costs, and other costs incurred in bringing the inventories to their present location and condition.

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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.

(k) 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	10 years
Computer hardware	5 years
Leasehold improvements	Lesser of the lease term or useful life of the asset
Show displays	5 years
Furniture and fixtures	3 to 15 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 statement of income when the asset is derecognized.

The cost of repairs and maintenance of fixed assets is expensed as incurred and recognized in the statement 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 the possibility of impairment is indicated, the entity will estimate the recoverable amount of the asset and record any impairment loss in the statement of income.

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(I) 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.

Lease rights in connection with the opening of new Company-owned retail stores are recorded based on the amount paid. Lease rights have a definite useful life and are amortized on a straight-line basis over the term of the lease.

An internally generated intangible asset is recorded for product development costs which are included within intellectual property. Product development costs are incurred in the design, production and testing of new products where the technical feasibility of commercial manufacturing and sale of the product has been demonstrated.

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

Asset Category	Estimated Useful Life
Brand name	Indefinite
Domain name	Indefinite
ERP software	7 years
Computer software	5 years
Lease rights	Lease term
Intellectual property	1 to 8 years
Customer lists	4 years

Intangible assets with indefinite useful lives comprise of the Canada Goose and Baffin brand names (note 5) and domain name, 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 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 statement of income over its 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 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 statement of income when the asset is derecognized.

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Intangible assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If the possibility of impairment is indicated, the entity will estimate the recoverable amount of the asset and record any impairment loss in the statement of income.

(m) 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 those 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. Goodwill is reduced by the amount of deficiency, if any. If the deficiency exceeds the carrying amount of goodwill, the carrying values of the remaining assets in the CGU are reduced by the excess on a pro-rata basis. The Company tests goodwill for impairment annually in the fourth quarter of the fiscal year.

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 value-in-use, 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 the goodwill contributes to the cash flows of seven CGUs (2018 - six CGUs).

(n) 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 statement 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 statement 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. 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.

(o) Employee future benefits

The Company sponsors defined benefit pension plan membership, which is limited to certain employees of Canada Goose International AG and other subsidiaries who reside in Switzerland.

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The measurement date for the defined benefit pension plan is March 31. The obligation associated with the Company's defined benefit pension plan is actuarially valued using the projected unit credit method, management's best estimate assumptions, salary escalation, inflation, life expectancy, and a current market discount rate. Assets are measured at fair value. The obligation in excess of plan assets is recorded as a liability. All actuarial gains or losses, net of tax, are recognized immediately through other comprehensive income.

(p) 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: are 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 has determined 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.

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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: <ul style="list-style-type: none">- Quoted market prices or dealer quotes for similar instruments;- Observable market information as well as valuations determined by external valuers with experience in the financial markets.
Revolving facility and term loan	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.

(q) 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, revolving facility, and term loan. The Company initially recognizes debt instruments issued on the date that they are originated. All other financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual

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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.

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 statement of income; attributable transaction costs are recognized in the statement 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 twelve months, and as a non-current asset or liability when the maturity of the hedged item is more than twelve 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 statement of income. Amounts accumulated in other comprehensive income are transferred to the statement of income in the periods when the hedged item affects net income. When a forecast 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 statement 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 statement of income in the period when the foreign operation is disposed of or sold.

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(r) 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 and RSUs under its equity incentive plans, prior to the public offering on March 21, 2017 (the "Legacy Plan") and subsequently (the "Omnibus Plan"). Under the terms of the Legacy Plan, options were granted to certain employees of the Company with vesting contingent upon meeting the service, performance goals and exit event conditions of the Legacy Plan. There are two types of stock options: service-vested options are time based and generally vest over five years of service, and performance-based and exit event options vest upon attainment of performance conditions and the occurrence of an exit event. 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 and RSUs 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.

(s) Leases

Operating lease payments net of any lease inducements are recognized as an expense in the statement of income on a straight-line basis over the lease term.

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.

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.

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

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 seven CGUs and tests goodwill and these intangible assets for impairment 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 Company and cash flows.

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.

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.

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.

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

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more than 10% of sales or accounts receivable. We make ongoing estimates 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 estimated credit losses, we consider our historical level of credit losses and make judgments about the creditworthiness of significant customers based on ongoing credit evaluations.

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, 2019 ; prior to the public offering, the Company used the Monte Carlo valuation model to measure the fair value of options granted. 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.

Warranty

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

Business combinations

Key Sources of Estimation: In a business combination, the identifiable assets acquired and liabilities assumed will be recognized at their fair values. The Company makes judgments and estimates in determining the fair values. The excess of the purchase price over the fair values of identifiable assets acquired and liabilities assumed will be recognized as goodwill, if positive, and if negative, it is recognized in the statement of income.

Note 4 . Changes in accounting policies

Standards issued and adopted

Certain new standards became effective at the beginning of the current fiscal year. The impact from the adoption of these new standards is described below.

Revenue

Effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2018, the IASB issued IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15") which replaces the guidance on revenue recognition requirements that previously existed under IFRS. The new standard provides a comprehensive framework for the recognition, measurement and disclosure of revenue from contracts with customers, excluding contracts within the scope of the accounting standards on leases, insurance contracts and financial instruments. IFRS 15 also contains enhanced disclosure requirements.

The Company adopted the standard effective April 1, 2018 using the modified retrospective approach, which resulted in no adjustment to opening retained earnings. Comparative information has not been restated and continues to be reported under previous accounting standards. After completing the analysis of its customer contracts, the Company has determined that the implementation of IFRS 15 did not result in any adjustments to the opening balance of retained earnings or to the presentation of the consolidated financial statements.

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As a result of adopting IFRS 15, the Company updated its accounting policies for the recognition of revenue (note 2).

Financial instruments

Effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2018, the IASB issued IFRS 9, *Financial Instruments* ("IFRS 9") which replaces IAS 39, *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. IFRS 9 introduces new requirements for classification and measurement, impairment, and hedge accounting and new impairment requirements that are based on a forward-looking expected credit loss model. IFRS 9 also amends other standards dealing with financial instruments such as IFRS 7, *Financial Instruments: Disclosures* .

The Company adopted the standard effective April 1, 2018, resulting in no significant adjustment to retained earnings and no material effect on the consolidated financial statements.

The Company assessed which business models apply to the financial assets and liabilities held and has classified its financial instruments into the appropriate IFRS 9 categories. Adoption of the new classification requirements under IFRS 9 did not result in significant changes in the measurement of financial assets and financial liabilities.

The following table summarizes the original classification under IAS 39 and the new classification under IFRS 9 for the Company's financial assets and financial liabilities:

Asset/Liability	Original classification under IAS 39	New classification under IFRS 9
Cash	Loans and other receivables	Amortized cost
Trade receivables	Loans and other receivables	Amortized cost
Accounts payable and accrued liabilities	Other liabilities	Amortized cost
Revolving facility	Other liabilities	Amortized cost
Term loan	Other liabilities	Amortized cost
Derivatives, not in a hedging relationship	Fair value through profit or loss	Fair value through profit or loss

Reclassification of financial assets is required if the objective of the business model in which they are held changes after initial recognition and if the change is significant to the entity's operations. No reclassification of financial liabilities is permitted.

Upon transition the Company's derivatives designated as hedges continue to meet the hedging criteria, therefore the fair values flow through other comprehensive income under both IAS 39 and IFRS 9.

Application of the expected credit loss model for trade accounts receivable did not result in any significant changes in the Company's impairment allowance, with expected credit losses to be measured over the life of the asset, typically the annual wholesale sales cycle.

The Company updated its accounting policies as a result of adopting IFRS 9 (note 2).

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Share-based payment

Effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2018, the IASB issued an amendment to IFRS 2, *Share-based Payment*, clarifying the accounting for certain types of share-based payment transactions. The Company adopted the standard effective April 1, 2018, with no material effect on the consolidated financial statements.

Standards issued but not yet effective

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.

Leases

In January 2016, the IASB issued IFRS 16, *Leases* ("IFRS 16"), replacing IAS 17, *Leases* and related interpretations. The standard provides a new framework for lessee accounting that requires substantially all assets related to operating leases to be capitalized and a corresponding liability to be recorded. The new standard seeks to provide a more complete picture of a company's leased assets and related liabilities and create greater comparability between companies who lease assets and those who purchase assets. IFRS 16 becomes effective for annual periods beginning on or after January 1, 2019 and is to be applied retrospectively. The standard permits the application of various transition options and practical expedients on initial adoption, and the more significant choices are described below.

The Company will adopt the standard on April 1, 2019 using the modified retrospective approach with the cumulative effect of initial application recorded in opening retained earnings and no restatement of prior period financial information. Under the modified retrospective approach, the Company measured the right-of-use asset at the depreciated net book value as if the standard had been applied since the commencement date of the lease, but using the discount rate at the date of initial application. The Company used hindsight in determining the lease term at the date of initial application.

The Company determined the discount rate at the time of initial adoption to be its incremental borrowing rate for each leased asset or portfolio of leased assets with similar characteristics by reference to the Company's creditworthiness, the original term of the lease, the quality of the underlying leased asset, and the economic environment where the leased asset is located.

IFRS 16 is expected to have a material impact on the Company's consolidated statement of financial position. The Company is in the process of finalizing its assessment, and based on current estimates it expects to recognize right-of-use assets in the range of \$130 to \$150 and corresponding lease obligations in the range of \$140 to \$160, before taking into account the related deferred tax impact. Deferred rent liabilities under the existing standard will be adjusted to opening retained earnings.

In April, 2019, the Company recorded additional right-of-use assets and lease obligations with an impact of between \$55 and \$65 for leases with a commencement date following the transition.

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Note 5 . Business combination

On November 1, 2018 , a newly incorporated subsidiary of the Company, Baffin Limited (“Baffin”), acquired the business of Baffin Inc. (the “Baffin Vendor”), a Canadian designer and manufacturer of performance outdoor and industrial footwear for total purchase consideration of \$35.1 .

Management determined that the assets and processes comprised a business and therefore accounted for the transaction as a business combination using the acquisition method of accounting. The aggregate purchase consideration for the acquired assets, net of the assumed liabilities is as follows:

	\$
Cash	33.6
Issuance of 16,946 subordinate voting shares	1.5
Total purchase consideration	35.1

In connection with the business combination, a further amount of \$3.0 is payable on November 1, 2020 to the Baffin Vendor and will be charged to expense over two years .

The Company incurred acquisition-related costs of \$1.3 as at March 31, 2019 which are recorded in selling, general and administrative expenses.

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

	\$
Trade receivables	12.2
Inventories	15.9
Other current assets	0.3
Property, plant and equipment	2.5
Intangible assets	
Brand	2.5
Technology	2.2
Goodwill	7.8
Accounts payable and accrued liabilities	(8.3)
Total assets acquired, net of liabilities assumed	35.1

The fair values of working capital balances, other than inventories, have been measured at their book values at the date of acquisition, which approximate their fair values. The fair value of inventories has been measured at net realizable value, less costs to sell.

The fair value of property, plant and equipment 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.

Identifiable intangible assets acquired consist of brand and technology. The fair value of the brand was \$2.5 , measured using the relief-from-royalty approach. The fair value of technology was \$2.2 , measured using the replacement cost method. Under this method, the technology is valued based

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upon the costs the Company would incur to develop a similar asset. The Company considered the length of time over which the economic benefits of these assets is expected to be realized and estimated the useful life of such assets accordingly as at the acquisition date. Specifically, the brand is considered to have an indefinite life; accordingly, it will be assessed for impairment annually or earlier if there are indicators of impairment. Technology is considered to have a useful life of 5 years and is being amortized on a straight-line basis. The excess of the purchase consideration over the fair value of the identifiable assets acquired has been accounted for as goodwill. Goodwill is mainly attributable to the expected future growth potential of the footwear business and is deductible for tax purposes.

The results of operations have been consolidated with those of the Company from the date of acquisition including the results from the wholesale business in the wholesale operating segment and the e-commerce business in the Direct-to-Consumer operating segment. Pro forma disclosures as if Baffin was acquired at the beginning of the fiscal year have not been presented as they are not considered material to these financial statements.

The controlling shareholder of the Baffin Vendor is employed as a member of key management subsequent to the acquisition. Transactions with the Baffin Vendor and other affiliates in connection with the acquisition and subsequently (including lease of premises and other operating costs) are related party transactions (note 20).

Note 6 . Segment information

The Company has two reportable operating segments: Wholesale and Direct-to-Consumer. The Company measures each reportable operating segment's performance based on revenue and segment operating income, which is the profit metric utilized by the Company's chief operating decision maker, who is the President and Chief Executive Officer, for assessing the performance of operating segments. Neither reportable operating segment is reliant on any single external customer. Selling, general and administrative expenses not directly associated with the Wholesale or Direct-to-Consumer segments (unallocated) relate to the cost of marketing expenditures to build brand awareness across all segments, corporate costs in support of manufacturing operations, other corporate costs and foreign exchange gains and losses not specifically associated with segment operations.

The Company does not report total assets or total liabilities based on its reportable operating segments.

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				2019
	Wholesale	Direct-to- Consumer	Unallocated	Total
	\$	\$	\$	\$
Revenue	399.2	431.3	—	830.5
Cost of sales	207.0	106.7	—	313.7
Gross profit	192.2	324.6	—	516.8
Selling, general and administrative expenses	43.0	90.0	169.1	302.1
Depreciation and amortization	—	—	18.0	18.0
Operating income	149.2	234.6	(187.1)	196.7
Net interest and other finance costs				14.2
Income before income taxes				<u>182.5</u>

				2018
	Wholesale	Direct-to- Consumer	Unallocated	Total
	\$	\$	\$	\$
Revenue	336.2	255.0	—	591.2
Cost of sales	178.4	65.2	—	243.6
Gross profit	157.8	189.8	—	347.6
Selling, general and administrative expenses	37.2	55.1	107.8	200.1
Depreciation and amortization	—	—	9.4	9.4
Operating income	120.6	134.7	(117.2)	138.1
Net interest and other finance costs				12.9
Income before income taxes				<u>125.2</u>

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				2017
	Wholesale	Direct-to- Consumer	Unallocated	Total
	\$	\$	\$	\$
Revenue	288.6	115.2	—	403.8
Cost of sales	163.5	28.2	—	191.7
Gross profit	125.1	87.0	—	212.1
Selling, general and administrative expenses	30.7	27.5	106.8	165.0
Depreciation and amortization	—	—	6.6	6.6
Operating income	94.4	59.5	(113.4)	40.5
Net interest and other finance costs				10.0
Income before income taxes				30.5

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

	2019	2018	2017
	\$	\$	\$
Revenue by geography:			
Canada	293.3	228.8	155.1
United States	251.1	184.2	131.9
Rest of World	286.1	178.2	116.8
	830.5	591.2	403.8

Note 7 . Income taxes

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

	2019	2018	2017
	\$	\$	\$
Current income tax expense			
Current period	45.1	24.4	8.7
Adjustment in respect of prior periods	—	0.2	0.2
	45.1	24.6	8.9
Deferred income tax (recovery) expense			
Origination and reversal of temporary differences	(5.7)	4.3	0.6
Effect of change in income tax rates	(0.4)	0.4	(0.1)
Adjustment in respect of prior periods	(0.1)	(0.2)	(0.5)
	(6.2)	4.5	—
Income tax expense	38.9	29.1	8.9

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

	2019	2018	2017
	\$	\$	\$
Income before income taxes	182.5	125.2	30.5
	25.43%	25.38%	25.30%
Income tax at expected statutory rate	46.4	31.8	7.7
Non-deductible (taxable) items	0.2	(0.3)	0.4
Non-deductible stock option expense	0.9	0.4	1.4
Effect of foreign tax rates	(9.4)	(2.9)	(0.3)
Non-deductible (taxable) foreign exchange loss (gain)	0.7	(0.1)	(0.1)
Other items	0.1	0.2	(0.2)
Income tax expense	38.9	29.1	8.9

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

	Change in the year affecting			
	2018	Net income	Other comprehensive income	2019
	\$	\$	\$	\$
Losses carried forward	1.9	1.1	—	3.0
Employee future benefits	0.1	—	0.1	0.2
Other liabilities	8.1	1.5	(0.7)	8.9
Unrealized profit in inventory	2.1	6.2	—	8.3
Provisions	2.4	0.8	—	3.2
Total deferred tax asset	14.6	9.6	(0.6)	23.6
Intangible assets	(3.4)	(0.9)	—	(4.3)
Property, plant and equipment	(21.5)	(2.3)	—	(23.8)
Total deferred tax liabilities	(24.9)	(3.2)	—	(28.1)
Net deferred tax liabilities	(10.3)	6.4	(0.6)	(4.5)

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

	Change in the year affecting			
	2018	Net income	Other comprehensive income	2019
	\$	\$	\$	\$
Deferred tax assets	3.0	9.2	—	12.2
Deferred tax liabilities	(13.3)	(2.8)	(0.6)	(16.7)
	(10.3)	6.4	(0.6)	(4.5)

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All the deferred income tax assets were recognized because it is probable that future taxable income will be available to the Company to utilize the benefits.

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

	\$
2034	0.6
2036	2.1
2038	2.2
2039	4.9
2040 and thereafter	1.4
	<u>11.2</u>

The Company does not recognize tax on unremitted earnings from foreign subsidiaries as it is management's intent to reinvest these earnings indefinitely. Unremitted earnings from foreign subsidiaries were \$119.1 as at March 31, 2019 (2018 - \$48.4 , 2017 - \$15.0).

In addition to the amount charged to profit or loss and other comprehensive income, a tax recovery of \$2.8 was recognized directly in equity related to excess tax deductions on share-based payments for stock options exercised.

Note 8 . Earnings per share

Basic earnings per share amounts are calculated by dividing net income for the period attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing net income attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares, if any, that would be issued on exercise of stock options and settlement of RSUs (note 18).

Certain performance-vested exit event options issued under the Company's Legacy Plan (note 18) became exercisable into subordinate voting shares upon the closing of a qualifying liquidity event or sale of shares. Such instruments are not considered dilutive until the occurrence of the event that would result in exercise and are excluded from the determination of diluted earnings per share prior to the occurrence of an exit event. The completion of the public share offering on March 21, 2017 and the secondary offering on July 5, 2017 each represent exit events, and performance-vested exit event options that became exercisable on each date are included in the calculation of diluted earnings per share from the date of the exit event that satisfies the contingent performance conditions. As of July 5, 2017, all exit event conditions have been met, and no outstanding options are subject to exit event conditions.

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	2019	2018	2017
	\$	\$	\$
Net income	143.6	96.1	21.6
Weighted average multiple and subordinate voting shares outstanding	109,422,574	107,250,039	100,262,026
Weighted average number of shares on exercise of stock options and settlement of RSUs	2,345,010	4,269,199	1,761,170
Diluted weighted average number of multiple and subordinate voting shares outstanding	111,767,584	111,519,238	102,023,196
Earnings per share			
Basic	\$ 1.31	\$ 0.90	\$ 0.22
Diluted	\$ 1.28	\$ 0.86	\$ 0.21

Note 9 . Trade receivables

	2019	2018
	\$	\$
Trade accounts receivable	19.7	9.7
Credit card receivables	1.6	3.0
	21.3	12.7
Less: expected credit loss and sales allowances	(0.9)	(0.8)
Trade receivables, net	20.4	11.9

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

	2019			2018		
	Expected credit loss	Sales allowances	Total	Expected credit loss	Sales allowances	Total
	\$	\$	\$	\$	\$	\$
Balance at the beginning of the year	(0.4)	(0.4)	(0.8)	(0.8)	(1.8)	(2.6)
Losses recognized	(0.3)	(0.6)	(0.9)	0.2	(0.2)	—
Amounts settled or written off during the year	0.3	0.5	0.8	0.2	1.6	1.8
Balance at the end of the year	(0.4)	(0.5)	(0.9)	(0.4)	(0.4)	(0.8)

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Note 10 . Inventories

	2019	2018
	\$	\$
Raw materials	45.7	42.5
Work in progress	19.0	8.7
Finished goods	202.6	114.2
Total inventories at the lower of cost and net realizable value	267.3	165.4

Included in inventory as at March 31, 2019 are provisions for obsolescence and inventory shrinkage in the amount of \$16.5 (2018 - \$13.4).

Amounts charged to cost of sales comprise the following:

	2019	2018	2017
	\$	\$	\$
Cost of goods manufactured	309.0	238.7	189.9
Depreciation and amortization	4.7	4.9	1.8
	313.7	243.6	191.7

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 hardware	Leasehold improvements	Show displays	In progress	Furniture and fixtures	Total
Cost	\$	\$	\$	\$	\$	\$	\$
March 31, 2017	8.9	3.6	24.8	3.9	—	3.4	44.6
Additions	3.4	1.1	12.9	1.7	5.8	6.5	31.4
Disposals	—	—	(0.2)	—	—	—	(0.2)
Transfers	—	0.2	3.8	—	(5.4)	1.4	—
March 31, 2018	12.3	4.9	41.3	5.6	0.4	11.3	75.8
Additions	6.9	0.8	9.4	1.9	9.6	7.0	35.6
Business combination (note 5)	2.1	—	0.4	—	—	—	2.5
Disposals	—	(0.3)	(2.5)	—	—	—	(2.8)
Transfers	1.0	—	6.2	0.1	(9.3)	2.0	—
March 31, 2019	22.3	5.4	54.8	7.6	0.7	20.3	111.1

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	Plant equipment	Computer hardware	Leasehold improvements	Show displays	In progress	Furniture and fixtures	Total
Accumulated depreciation	\$	\$	\$	\$	\$	\$	\$
March 31, 2017	1.3	1.3	3.9	1.2	—	0.5	8.2
Additions	1.1	0.9	3.3	1.3	—	0.8	7.4
March 31, 2018	2.4	2.2	7.2	2.5	—	1.3	15.6
Additions	1.7	1.0	6.4	1.5	—	3.1	13.7
Disposals	—	(0.2)	(2.3)	—	—	—	(2.5)
March 31, 2019	4.1	3.0	11.3	4.0	—	4.4	26.8
Net book value							
March 31, 2018	9.9	2.7	34.1	3.1	0.4	10.0	60.2
March 31, 2019	18.2	2.4	43.5	3.6	0.7	15.9	84.3

Note 12 . Intangible assets

Intangible assets comprise the following:

	2019	2018
	\$	\$
Intangible assets with finite lives	39.8	23.5
Intangible assets with indefinite lives:		
Brand name	115.5	113.0
Domain name	0.3	0.3
	155.6	136.8

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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							
	ERP software	Computer software	Lease rights	Intellectual property	In progress	Customer lists	Total
Cost	\$	\$	\$	\$	\$	\$	\$
March 31, 2017	4.3	9.4	3.3	0.8	2.6	8.7	29.1
Additions	—	2.0	2.9	—	6.7	—	11.6
Transfers	—	0.4	—	3.1	(3.5)	—	—
March 31, 2018	4.3	11.8	6.2	3.9	5.8	8.7	40.7
Additions	3.2	1.1	0.5	—	18.6	—	23.4
Business combination (note 5)	—	—	—	2.2	—	—	2.2
Transfers	5.3	1.0	—	2.9	(9.2)	—	—
March 31, 2019	12.8	13.9	6.7	9.0	15.2	8.7	66.3
Accumulated amortization							
	ERP software	Computer software	Lease rights	Intellectual property	In progress	Customer lists	Total
Accumulated amortization	\$	\$	\$	\$	\$	\$	\$
March 31, 2017	0.9	2.3	—	0.1	—	7.2	10.5
Amortization	0.5	2.1	0.5	2.1	—	1.5	6.7
March 31, 2018	1.4	4.4	0.5	2.2	—	8.7	17.2
Amortization	4.2	2.7	0.7	1.7	—	—	9.3
March 31, 2019	5.6	7.1	1.2	3.9	—	8.7	26.5
Net book value							
March 31, 2018	2.9	7.4	5.7	1.7	5.8	—	23.5
March 31, 2019	7.2	6.8	5.5	5.1	15.2	—	39.8

Intellectual property consists of product development costs, technology acquired in the Baffin business combination (note 5), and patents and trademarks.

For the years ended March 31, 2019 and 2018, the cost of intangible assets in progress in the table above has been disclosed separately. Comparative figures for the year ended March 31, 2017 have been reclassified to correspond with the presentation adopted in the current year.

Indefinite life intangible assets

Indefinite life intangible assets recorded by the Company are comprised of the Canada Goose and Baffin brand names and domain name associated with the Company's website. 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.

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The Company completed its annual impairment tests in 2019 and 2018 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 to calculate VIU for goodwill (note 13).

Note 13 . Goodwill

Goodwill arising from business combinations is as follows:

	2019	2018
	\$	\$
Opening balance	45.3	45.3
Business combination (note 5)	7.8	—
Goodwill	53.1	45.3

The Company completed its annual impairment tests in 2019 and 2018 for goodwill and concluded that there was no impairment.

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 selling, general and administrative 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 30.8% for each CGU. Because the VIU amount exceeds the asset's carrying amount, the asset is not impaired and the fair value less costs of disposition has not been calculated.

Cash flow projections were discounted using the Company's weighted average cost of capital, determined to be 9.25% 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, country-specific risk premium, a cost of debt based on comparable corporate bond yields and the capital structure of the Company.

Note 14 . Accounts payables and accrued liabilities

Accounts payable and accrued liabilities consist of the following:

	2019	2018
	\$	\$
Trade payables	46.5	28.0
Accrued liabilities	37.1	46.0
Employee benefits (note 20)	22.3	17.5
Other payables	4.5	18.1
Accounts payable and accrued liabilities	110.4	109.6

Note 15 . Provisions

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

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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 under the Company's obligations for warranties under 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 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 Direct-to-Consumer sales channel which have a limited right of return (typically within 30 days), or exchange only, in certain jurisdictions. The return period is extended during the holiday shopping period to accommodate a higher volume of activity and purchases given as gifts.

	Warranty	Sales contracts	Sales returns	Other	Total
	\$	\$	\$	\$	\$
Balance as at March 31, 2017	8.1	3.0	3.4	1.1	15.6
Additional provisions recognized	4.8	—	2.5	0.4	7.7
Reductions resulting from settlement	(3.4)	—	(2.9)	—	(6.3)
Release of provisions	—	—	0.2	—	0.2
Other	(0.2)	—	0.1	—	(0.1)
Balance as at March 31, 2018	9.3	3.0	3.3	1.5	17.1
Additional provisions recognized	9.1	—	5.9	1.3	16.3
Reductions resulting from settlement	(5.4)	—	(4.2)	(0.3)	(9.9)
Other	(0.7)	—	—	—	(0.7)
Balance as at March 31, 2019	12.3	3.0	5.0	2.5	22.8

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

	2019	2018
	\$	\$
Current provisions	8.1	6.3
Non-current provisions	14.7	10.8
	22.8	17.1

Note 16 . Long-term debt

Revolving facility

The Company has an agreement with a syndicate of lenders for a senior secured asset-based revolving facility in the amount of \$200.0 with an increase in commitments to \$250.0 during the peak season (June 1 - November 30), a revolving credit commitment comprising a letter of credit commitment in the amount of \$25.0 , with a \$5.0 sub-commitment for letters of credit issued in a currency other than Canadian dollars, U.S. Dollars or Euros, and a swingline commitment for \$25.0 . The revolving facility matures on June 3, 2021. Amounts owing under the revolving facility can be

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drawn in Canadian dollars, U.S. dollars, Euros or other currencies. Amounts owing under the revolving facility may be borrowed, repaid and re-borrowed for general corporate purposes.

The revolving facility has multiple interest rate charge options that are based on the Canadian prime rate, Bankers' Acceptance rate, the lenders' Alternate Base Rate, European Base Rate, LIBOR rate, or EURIBOR rate plus an applicable margin, with interest payable quarterly. 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. At March 31, 2019 and during the year, the Company was in compliance with all covenants.

As at March 31, 2019 and 2018, the Company had repaid all amounts owing on the revolving facility and related deferred financing charges in the amounts of \$1.2 and \$1.7, respectively, are included in other long-term liabilities. The Company has unused borrowing capacity available under the revolving facility of \$165.5 as at March 31, 2019 (2018 - \$97.8).

As at March 31, 2019, the Company had letters of credit outstanding under the revolving facility of \$1.2 (2018 - \$0.6).

Term loan

The Company has a senior secured loan agreement with a syndicate of lenders that is secured on a split collateral basis alongside the revolving facility, with an aggregate principal amount owing as at March 31, 2019 of \$152.4 (US \$113.8) (2018 - \$146.6 (US \$113.8)). The term loan bears interest at a rate of LIBOR plus an applicable margin of 4.00% payable quarterly or at the end of the then current interest period (whichever is earlier) in arrears, provided that LIBOR may not be less than 1.00%. The term loan matures on December 2, 2021. Amounts owing under the term loan may be repaid at any time without premium or penalty, but once repaid may not be reborrowed. 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 March 31, 2019 and during the year, the Company was in compliance with all covenants.

As the term loan is denominated in U.S. dollars, the Company remeasures the outstanding balance and accrued interest at each balance sheet date.

The amount outstanding with respect to the term loan is as follows:

	2019	2018
	\$	\$
Term loan	152.4	146.6
Less unamortized portion of:		
Original issue discount	(2.4)	(3.1)
Deferred financing fees	(0.9)	(1.2)
Embedded derivative	(0.5)	(0.7)
Revaluation for interest rate modification	(3.4)	(4.5)
	<u>145.2</u>	<u>137.1</u>

The Company recognized the fair value of the embedded derivative liability related to the interest rate floor of \$1.4 at the inception of the term loan. The derivative will be remeasured at each reporting period and is included in other long-term liabilities. As at March 31, 2019, the value is \$0.1 (2018 - \$0.2).

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On March 21, 2017, the Company prepaid \$65.0 (US \$48.8) of the outstanding principal balance of the term loan. After the prepayment, the applicable margin decreased from 5.00% to 4.00% which gave rise to a decrease in the fair value of the term loan that is being amortized over the remaining term.

During the year ended March 31, 2018 , the term loan lenders syndicated their commitments under the loan agreement to a new group of lenders; the Company's obligations under the loan agreement are substantially unchanged, and the syndication had no accounting impact. The Company incurred financing costs of \$0.3 in connection with the syndication transaction, which will be amortized over the remaining term of the loan using the effective interest rate method.

Hedging transactions on term loan

On October 18, 2017, the Company entered into derivative transactions to hedge a portion of its exposure to foreign currency exchange risk and interest rate risk related to its term loan liability denominated in U.S. dollars.

The Company entered into a long-dated forward exchange contract to buy \$75.0 , or \$59.4 in equivalent U.S. dollars as measured on the trade date, to fix the foreign exchange risk on term loan borrowings over the term to maturity (December 2, 2021). Unrealized gains and losses in the fair value of the forward contract are recognized in selling, general and administrative expenses in the statement of income.

The Company also entered into a cross-currency swap by selling \$50.0 , \$40.0 in equivalent U.S. dollars, floating rate debt bearing interest at LIBOR plus 4.00% as measured on the trade date, and receiving \$50.0 fixed rate debt bearing interest at a rate of 5.80% . This cross-currency swap has been designated at inception and is accounted for as a cash flow hedge, and to the extent that the hedge is effective, unrealized gains and losses are included in other comprehensive income until reclassified to the statement of income as the hedged interest payments and principal repayments (or periodic remeasurements) impact net income.

Concurrently, the Company entered into a second cross-currency swap by selling the \$50.0 fixed rate debt bearing interest at a rate of 5.80% and receiving \$50.0 , or €34.0 in equivalent Euro-denominated fixed rate debt bearing interest at a rate of 3.84% . This cross-currency swap has been designated and is accounted for as a hedge of the net investment in its European subsidiary. Hedges of net investments are accounted for similarly to cash flow hedges, with unrealized gains and losses included in other comprehensive income. Amounts included in other comprehensive income are reclassified to net income in the period when the foreign operation is disposed of or sold.

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Net interest and other finance costs

Net interest and other finance costs consist of the following:

	2019	2018	2017
	\$	\$	\$
Interest expense			
Revolving facility	2.4	2.3	2.4
Term loan	11.7	10.4	4.9
Credit facility	—	—	0.4
Subordinated debt	—	—	3.8
Other	—	—	0.3
Standby fees	0.6	0.4	0.2
Write off deferred financing costs on repayment of debt	—	—	3.9
Revaluation of term loan for change in interest rate	—	—	(5.9)
Interest expense and other finance costs	14.7	13.1	10.0
Interest income	(0.5)	(0.2)	—
Net interest and other finance costs	14.2	12.9	10.0

Note 17 . Shareholders' equity

The authorized and issued share capital of the Company is 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 President 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.

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Share capital transactions for the year ended March 31, 2019

Secondary offerings

On June 21, 2018, the Company completed a secondary offering of 10,000,000 subordinate voting shares sold by the principal shareholders and a member of management. The Company received no proceeds from the sale of shares.

In connection with the secondary offering:

- The principal shareholders converted 9,900,000 multiple voting shares into subordinate voting shares, which were then sold to the public.
- One member of management exercised stock options to purchase 100,000 subordinate voting shares, which were then sold to the public.
- The Company incurred transaction costs for the secondary offering in the amount of \$1.2 that are included in selling, general and administrative expenses in the year ended March 31, 2019 .

On November 26, 2018, the Company completed a secondary offering of 10,000,000 subordinate voting shares sold by the principal shareholders and a member of the Board of Directors. The Company received no proceeds from the sale of shares.

In connection with the secondary offering:

- The principal shareholders converted 9,990,000 multiple voting shares into subordinate voting shares, which were then sold to the public.
- A member of the Board of Directors sold 10,000 subordinate voting shares.
- The Company incurred transaction costs for the secondary offering in the amount of \$0.6 that are included in selling, general and administrative expenses in the year ended March 31, 2019 .

The transactions affecting the issued and outstanding share capital of the Company in the year ended March 31, 2019 are described below:

	Multiple voting shares		Subordinate voting shares		Total	
	Number	\$	Number	\$	Number	\$
Balance as at March 31, 2018	70,894,076	1.9	37,497,549	104.2	108,391,625	106.1
Issuance of subordinate voting shares in business combination (note 5)	—	—	16,946	1.5	16,946	1.5
Convert multiple voting shares to subordinate voting shares	(19,890,000)	(0.5)	19,890,000	0.5	—	—
Exercise of stock options	—	—	1,702,503	5.0	1,702,503	5.0
Balance as at March 31, 2019	51,004,076	1.4	59,106,998	111.2	110,111,074	112.6

Share capital transactions for the year ended March 31, 2018

Secondary offering

On July 5, 2017, the Company completed a secondary offering of 12,500,000 subordinate voting shares sold by the principal shareholders and certain members of management. The Company received no proceeds from the sale of shares.

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In connection with the secondary offering:

- The principal shareholders converted 12,414,078 multiple voting shares into subordinate voting shares, which were then sold to the public.
- Certain members of management exercised stock options to purchase 85,922 subordinate voting shares, which were then sold to the public.
- The completion of the secondary offering represents an exit event such that 820,543 performance vested exit event stock options that were eligible to vest became vested (note 18).
- The Company incurred transaction costs for the secondary offering in the amount of \$1.5 that are included in selling, general and administrative expenses in the year ended March 31, 2018.

The transactions affecting the issued and outstanding share capital of the Company in the year ended March 31, 2018 are described below:

	Multiple voting shares		Subordinate voting shares		Total	
	Number	\$	Number	\$	Number	\$
Balance as at March 31, 2017	83,308,154	2.2	23,088,883	101.1	106,397,037	103.3
Convert multiple voting shares to subordinate voting shares	(12,414,078)	(0.3)	12,414,078	0.3	—	—
Exercise of stock options	—	—	1,994,588	2.8	1,994,588	2.8
Balance as at March 31, 2018	70,894,076	1.9	37,497,549	104.2	108,391,625	106.1

Share capital transactions for the year ended March 31, 2017

Recapitalization

In connection with the Recapitalization, the following share capital transactions were completed on December 2, 2016:

- The 53,144,000 outstanding Class A senior preferred shares were redeemed for their capital amount of \$53.1.
- The 3,426,892 outstanding Class A junior preferred shares were redeemed under their terms for their liquidity value of \$4.1. The excess of the redemption price paid over the stated capital amount for the shares of \$0.4 has been charged to retained earnings.
- The Company subdivided the existing Class A and Class B common shares on the basis of 10,000,000 common shares for every share.
- A return of capital of \$0.7 was paid on the Class A common shares.
- In a series of transactions, the outstanding Class B senior preferred shares, the Class B junior preferred shares and the Class B common shares have been exchanged into 63,576,003 Class D preferred shares with a fixed value of \$63.6 and 30,000,000 Class A common shares. As a result of the exchange, \$56.9 was charged as a reduction of contributed surplus, and \$6.7 was charged to retained earnings.
- The Class D preferred shares were non-voting, redeemable by the Company, retractable by the holder, and were in preference and priority to any payment or distribution of the assets of the Company to the holders of any other class of shares; accordingly, the redemption value of \$63.6 was recorded as a financial liability. The Class D preferred shares were also pledged as collateral for the shareholder advance of \$63.6; upon redemption or retraction of the Class

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D preferred shares, the redemption amount was automatically applied to extinguish the outstanding balance of the shareholder advance. On January 31, 2017, the Class D preferred shares were redeemed and the shareholder advance was settled in full.

The effect of the Recapitalization transactions on the issued and outstanding share capital of the Company is described below:

	Common Shares				Preferred Shares									
	Class A		Class B		Class A senior preferred		Class A junior preferred		Class B senior preferred		Class B junior preferred		Class D preferred	
	Number	\$	Number	\$	Number	\$	Number	\$	Number	\$	Number	\$	Number	\$
Balance, as at March 31, 2016	7	3.4	3	—	53,144,000	53.1	3,426,892	3.7	22,776,000	—	34,164,000	—	—	—
Recapitalization transactions:														
Repurchase Class A senior preferred shares	—	—	—	—	(53,144,000)	(53.1)	—	—	—	—	—	—	—	—
Redeem Class A junior preferred shares	—	—	—	—	—	—	(3,426,892)	(3.7)	—	—	—	—	—	—
Subdivide Class A and Class B common shares	69,999,993	—	29,999,997	—	—	—	—	—	—	—	—	—	—	—
Return of capital on Class A common shares	—	(0.7)	—	—	—	—	—	—	—	—	—	—	—	—
Exchange all Class B preferred and common shares for Class D preferred shares and Class A common shares	30,000,000	—	(30,000,000)	—	—	—	—	—	(22,776,000)	—	(34,164,000)	—	63,576,003	—
Redeem Class D preferred shares	—	—	—	—	—	—	—	—	—	—	—	—	(63,576,003)	—
Balance, after Recapitalization	100,000,000	2.7	—	—	—	—	—	—	—	—	—	—	—	—

Public share offering

On March 13, 2017 the Company again amended its articles of incorporation to redesignate its Class A common shares as multiple voting shares and to create a class of subordinate voting shares. All previously authorized classes of preferred shares were eliminated. The articles also provide for an unlimited number of preferred shares, issuable in series.

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Share capital transactions in connection with the public share offering are as follows:

	Class A common shares		Multiple voting shares		Subordinate voting shares		Total	
	Number	\$	Number	\$	Number	\$	Number	\$
Balance, after Recapitalization	100,000,000	2.7	—	—	—	—	100,000,000	2.7
Public share offering:								
Exchange Class A common shares for multiple voting shares	(100,000,000)	(2.7)	100,000,000	2.7	—	—	—	—
Convert multiple voting shares to subordinate voting shares	—	—	(16,691,846)	(0.5)	16,691,846	0.5	—	—
Net proceeds of issue of subordinate voting shares, after underwriting commission of \$5.4 (net of tax of \$1.9)	—	—	—	—	6,308,154	101.9	6,308,154	101.9
Share issue costs, net of tax of \$0.5	—	—	—	—	—	(1.4)	—	(1.4)
Exercise of stock options	—	—	—	—	88,883	0.1	88,883	0.1
Balance as at March 31, 2017	—	—	83,308,154	2.2	23,088,883	101.1	106,397,037	103.3

Note 18 . Share-based payments

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 ten years after the grant date.

Legacy Plan

Under the terms of the Legacy Plan, options were granted to certain employees of the Company which are exercisable to purchase subordinate voting shares. The options vest contingent upon meeting the service, performance goals and exit event conditions of the Legacy Plan.

a) Service-vested options

Service-vested options are subject to the employee's continuing employment and generally are scheduled to vest 40% on the second anniversary of the date of grant, 20% on the third anniversary, 20% on the fourth anniversary and 20% on the fifth anniversary.

b) Performance-vested and exit event options

Performance-vested options that are tied to an exit event become eligible to vest pro rata on the same schedule as service-vested options, but do not vest until the exit event has occurred. An exit event is triggered based on a target realized rate of return on invested capital. Other performance-vested options vest based on measurable performance targets that do not involve an exit event. Performance-vested options are subject to the employee's continued employment.

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On each vesting date, service-vested options vest, and performance-vested exit event options become eligible to vest upon the occurrence of an exit event. The completion of the public share offering on March 21, 2017 and the secondary offering on July 5, 2017 each represent exit events such that options that were eligible to vest became vested. As of July 5, 2017, all exit event conditions have been met, and no outstanding options are subject to exit event conditions. No options will be issued under the Legacy Plan subsequent to the public share offering.

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.

Stock option transactions are as follows:

	2019		2018	
	Weighted average exercise price	Number of shares	Weighted average exercise price	Number of shares
Options outstanding, beginning of period	\$ 4.71	3,647,571	\$ 1.63	5,810,777
Options granted to purchase shares	\$ 79.59	236,256	\$ 30.09	352,893
Options exercised	\$ 1.85	(1,702,503)	\$ 0.62	(1,994,588)
Options cancelled	\$ 10.99	(143,659)	\$ 3.18	(521,511)
Options outstanding, end of period	\$ 15.75	<u>2,037,665</u>	\$ 4.71	<u>3,647,571</u>

In the year ended March 31, 2019, the average share price at which stock options were exercised was \$66.08 (2018 – \$33.16).

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The following table summarizes information about stock options outstanding and exercisable at March 31, 2019 :

Exercise price	Options Outstanding			Options Exercisable	
	Number	Weighted Average Remaining Life in Years	Number	Weighted Average Remaining Life in Years	
\$0.02	458,224	5.0	435,397	5.0	
\$0.25	74,322	5.4	29,877	5.4	
\$1.79	358,791	6.0	47,672	5.9	
\$4.62	477,867	6.9	115,632	6.9	
\$8.94	133,332	7.8	53,328	7.8	
\$23.64	54,551	8.4	10,644	8.4	
\$30.73	195,569	8.2	44,985	8.2	
\$31.79	48,122	8.6	18,437	8.6	
\$41.50	12,128	8.9	3,032	8.9	
\$71.73	7,075	9.9	—	—	
\$83.53	217,684	9.2	—	—	
	2,037,665	6.8	759,004	5.9	

Restricted share units

On July 5, 2018, the Company granted 10,650 RSUs, under the Omnibus Plan, to an employee 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. Fair value is determined based on the market value of the shares at the time of grant.

Subordinate voting shares, to a maximum of 6,668,247 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 Plan.

Accounting for share-based awards

For the year ended March 31, 2019, the Company recorded \$3.8 as contributed surplus and compensation expense for stock options and RSUs (2018 - \$2.0, 2017 - \$3.3). In addition, cash compensation in the amount of \$2.6 was paid to settle stock options cancelled on employee termination in the year ended March 31, 2017. Share-based compensation expense is included in selling, general and administrative expenses.

Notes to the Consolidated Financial Statements

March 31, 2019

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

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:

		2019		2018
Weighted average stock price valuation	\$	79.59	\$	31.91
Weighted average exercise price	\$	79.59	\$	31.91
Risk-free interest rate		1.82%		1.34%
Expected life in years		5		5
Expected dividend yield		—%		—%
Volatility		40%		40%
Weighted average fair value of options issued	\$	32.68	\$	9.80

Note 19 . Leases

The Company has undiscounted operating lease commitments for the future periods, expiring as follows:

	2019
	\$
Not later than 1 year	32.4
Later than 1 year and not later than 5 years	134.0
Later than 5 years	87.0
	<u>253.4</u>

Operating leases relate to leases of real estate with non-cancellable lease terms up to 10 years. Certain lease contracts contain options permitting renewal often at market rental rates. The Company does not have an option to purchase the leased property at the expiry of the lease periods. The Company also has obligations to pay contingent rent based on a percentage of sales in connection with certain retail store leases.

Rent expense for the year comprises the following:

	2019	2018	2017
	\$	\$	\$
Annual lease expense	23.8	17.0	8.6
Contingent rent	8.4	2.9	1.1
	<u>32.2</u>	<u>19.9</u>	<u>9.7</u>

Deferred rent in the amount of \$7.6 (2018 - \$4.3) is included in other long-term liabilities.

Note 20 . Related party transactions

On December 9, 2013, the Company entered into a management agreement with certain affiliates of Bain Capital for a term of five years, which was terminated upon the public share offering on March 21, 2017, in accordance with the terms of the agreement. During the year ended March 31, 2017, the Company incurred management fees under the management agreement of \$10.3, including \$9.6 paid on termination.

Notes to the Consolidated Financial Statements

March 31, 2019

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

In the year ended March 31, 2017, the Company incurred interest expense of \$3.8 on the subordinated debt owing to Bain Capital. The subordinated debt and accrued interest were repaid in full on December 2, 2016 in connection with the Recapitalization (note 17).

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, 2019, the Company incurred expenses with related parties of \$1.0, measured at the exchange amount (2018 - \$1.4) to companies related to certain shareholders. Net balances owing to related parties as at March 31, 2019 were \$0.1 (2018 - \$0.1).

The Company has incurred expenses for lease of premises and other operating costs payable to entities affiliated with the Baffin Vendor totalling \$0.6 for the year ended March 31, 2019. Under the terms of the purchase agreement, the Company agreed to acquire the inventories in transit at the time of the acquisition when received. Purchases of inventories for the year ended March 31, 2019 amounted to \$3.0. Related amounts owing to the Baffin Vendor as at March 31, 2019 were \$ nil. In connection with the acquisition of Baffin, \$3.0 is payable to the Baffin Vendor on November 1, 2020 and will be charged to expense over two years (note 5).

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 President and Chief Executive Officer and the executives who report directly to the President and Chief Executive Officer.

	2019	2018	2017
	\$	\$	\$
Short term employee benefits	13.2	10.4	5.4
Long term employee benefits	0.1	—	—
Termination benefits	—	0.2	0.4
Share-based compensation	2.9	1.6	4.5
Compensation expense	16.2	12.2	10.3

Note 21 . Financial instruments and fair values

Management assessed that the fair values of cash, trade receivables, accounts payable and accrued liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Notes to the Consolidated Financial Statements

March 31, 2019

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

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)	Relationship of unobservable inputs to fair value
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.	Increases (decreases) in the forward exchange rate increase (decrease) fair value. Increases (decreases) in discount rate decrease (increase) fair value.
Foreign currency swap 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.	Increases (decreases) in the forward exchange rate increase (decrease) fair value. Increases (decreases) in discount rate decrease (increase) fair value.
Embedded derivative related to term loan interest rate floor	Level 2	Future cash flows are estimated based on interest rates and forward interest rates, discounted at a rate that reflects the credit risk of the counterparties.	Increases (decreases) in the forward interest rate decrease (increase) fair value. Increases (decreases) in the discount rate decrease (increase) fair value. Increase (decrease) in the US\$:C\$ exchange rate decrease (increase) fair value.

Notes to the Consolidated Financial Statements

March 31, 2019

(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:

	2019					2018				
	Level 1	Level 2	Level 3	Carrying value	Fair value	Level 1	Level 2	Level 3	Carrying value	Fair value
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial assets										
Cash	88.6	—	—	88.6	88.6	95.3	—	—	95.3	95.3
Derivatives included in other current assets	—	1.8	—	1.8	1.8	—	2.8	—	2.8	2.8
Derivatives included in other long-term assets	—	7.0	—	7.0	7.0	—	2.1	—	2.1	2.1
Financial liabilities										
Derivatives included in accounts payable and accrued liabilities	—	1.6	—	1.6	1.6	—	4.2	—	4.2	4.2
Derivatives included in other long-term liabilities	—	4.4	—	4.4	4.4	—	6.1	—	6.1	6.1
Revolving facility	—	—	—	—	—	—	—	—	—	—
Term loan	—	—	145.2	145.2	152.4	—	—	137.1	137.1	146.6

There were no transfers between the levels of the fair value hierarchy.

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, market risk, credit risk, and liquidity 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.

Notes to the Consolidated Financial Statements

March 31, 2019

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

Capital management

The Company manages its capital, which consists of equity (subordinate voting shares and multiple shares voting shares) and long-term debt (the revolving facility and the term loan), with the objectives of safeguarding sufficient net working capital ⁽¹⁾ over the annual operating cycle and providing sufficient financial resources to grow operations to meet long-term consumer demand. Management targets a ratio of trailing twelve months adjusted EBITDA ⁽¹⁾ to net debt ⁽¹⁾, and trailing twelve months net working capital to revenue, reflecting the seasonal borrowing requirements while net working capital builds through the second fiscal quarter. The Board of Directors 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 the risk characteristics of the business.

⁽¹⁾ Adjusted earnings before depreciation, amortization, interest and taxes, net working capital and net debt are non-IFRS measures.

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 interest rate risk and foreign currency risk.

Interest rate risk

The Company is exposed to interest rate risk primarily related to the effect of interest rate changes on borrowings outstanding under the revolving facility and the term loan. As at March 31, 2019, the Company had repaid all amounts owing on the revolving facility. The amount outstanding under the term loan was \$152.4 which currently bears interest at 6.50%. Based on the weighted average amount of outstanding borrowings under the revolving facility during the year-ended March 31, 2019, a 1.00% increase in the average interest rate on our borrowings under the revolving facility would have increased interest expense by \$0.6 (2018 - \$0.6) in the period. Correspondingly, a 1.00% increase in the rate on the term loan would have increased interest expense by an additional \$1.5 (2018 - \$1.5). Interest rate risk on the term loan is partially mitigated by cross-currency swap hedges. The impact on future interest expense because of future changes in interest rates will depend largely on the gross amount of borrowings at that time.

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, inventory purchases and expenses are denominated in other currencies, principally U.S. dollars, Euros, British Pounds Sterling, Swiss Francs, Chinese yuan, Hong Kong dollars and Swedish krona. 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. Beginning in fiscal 2017, certain forward foreign exchange contracts were designated at inception and accounted for as cash flow hedges with respect to expected activity in the 2018 fiscal year. The operating hedge programs for the fiscal years ending March 31, 2020 and March 31, 2021 was initiated during the fourth quarter of the 2019 fiscal year.

During the year ended March 31, 2019, an unrealized loss in the fair value of derivatives designated as cash flow hedges in the amount of \$3.9 (net of tax recovery of \$0.8) has been recorded in other comprehensive income (2018 - an unrealized loss of \$1.4 net of tax recovery of \$0.5). During the

Notes to the Consolidated Financial Statements

March 31, 2019

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

year ended March 31, 2019 , an unrealized gain of \$3.7 (2018 - \$0.1) on forward exchange contracts that are not treated as hedges has been recorded selling, general and administrative expenses in the statement of income. During the year ended March 31, 2019 , a gain of \$4.5 was reclassified from other comprehensive income to selling, general and administrative expenses (2018 - a loss of \$0.3). During the year ended March 31, 2019 , a loss of \$6.5 was recorded in revenue and a gain of \$1.0 was recorded in inventories.

Foreign currency contracts outstanding as at March 31, 2019 related to operating cash flows are:

(in millions)	Contract Amount		Primary Currency
Forward contract to purchase Canadian dollars	US\$	155.0	U.S. dollars
	€	72.9	Euros
Forward contract to sell Canadian dollars	US\$	65.9	U.S. dollars
	€	32.7	Euros
Forward contract to purchase Euros	CHF	2.1	Swiss francs
	CNY	588.5	Chinese yuan
	£	16.0	British Pounds sterling
	HKD	121.6	Hong Kong dollar
	SEK	10.7	Swedish Krona
Forward contract to sell Euros	CHF	11.4	Swiss francs
	£	1.0	British Pounds sterling

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. Appreciating foreign currencies relative to the Canadian dollar, to the extent they are not hedged, will positively impact operating income and net income, while depreciating foreign currencies relative to the Canadian dollar will have the opposite impact.

Foreign exchange risk on long-term debt

The Company is exposed to fluctuations in the amount owing on the revolving facility and the term loan that are denominated in U.S. dollars. A \$0.01 increase (decrease) in the value of the U.S. dollar relative to the Canadian dollar would result in a gain (loss) of \$1.1 in income before taxes, based on the balances outstanding as at March 31, 2019 (2018 - \$1.1). Appreciating foreign currencies relative to the Canadian dollar, to the extent they are not hedged, will positively impact operating income and net income, while depreciating foreign currencies relative to the Canadian dollar will have the opposite impact.

On October 18, 2017, the Company entered into derivative transactions to hedge a portion of its exposure to foreign currency exchange risk on principal and interest payments on its term loan liability denominated in U.S. dollars (note 16).

During the year ended March 31, 2019 , an unrealized gain of \$2.9 in the fair value of the long-dated forward exchange contract related to a portion of the term loan balance has been recognized in selling, general and administrative expenses in the statement of income (2018 - unrealized gain of \$0.3). An unrealized gain of \$0.7 (net of tax expense of \$0.2) on the cross-currency swap that is designated as a cash flow hedge has been recorded in other comprehensive income (2018 -

Notes to the Consolidated Financial Statements

March 31, 2019

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

unrealized gain of \$1.5 , net of tax expense of \$0.5). An unrealized loss of \$0.4 was reclassified from other comprehensive income to selling, general and administrative expenses (2018 - unrealized loss of \$1.1).

During the year ended March 31, 2019 , the Company has recognized in other comprehensive income an unrealized gain of \$3.5 (net of tax expense of \$1.2) in the fair value of the Euro-denominated cross-currency swap that is designated as a hedge of the Company's net investment in its European subsidiary (2018 - unrealized loss of \$3.5 , net of tax expense of \$1.2).

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 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. The Company has entered into an agreement with a third party who has insured the risk of loss for up to 87.8% of accounts receivable from certain designated customers based on a total deductible of less than \$0.1 , to a maximum of \$30.0 per year. As at March 31, 2019 , accounts receivable totaling approximately \$14.1 (March 31, 2018 - \$8.1) were insured under this agreement. In addition, the Company routinely assesses the financial strength of its customers and, as a consequence, believes that its accounts receivable credit risk exposure is limited. Customer deposits are received in advance from certain customers for seasonal orders, and applied to reduce accounts receivable when goods are shipped. Credit terms are normally sixty days for seasonal orders, and thirty days for re-orders.

The aging of trade receivables is as follows:

	Total				Past due
		Current	< 30 days	31-60 days	> 60 days
	\$	\$	\$	\$	\$
Trade accounts receivable	19.7	12.9	4.7	0.5	1.6
Credit card receivables	1.6	1.6	—	—	—
March 31, 2019	21.3	14.5	4.7	0.5	1.6
Trade accounts receivable	9.7	4.3	2.8	1.0	1.6
Credit card receivables	3.0	3.0	—	—	—
March 31, 2018	12.7	7.3	2.8	1.0	1.6

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 asset based revolving facility as a source 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.

Notes to the Consolidated Financial Statements

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

The following table summarizes the amount of contractual undiscounted future cash flow requirements as at March 31, 2019 :

	2020	2021	2022	2023	2024	Thereafter	Total
	\$	\$	\$	\$	\$	\$	\$
Contractual obligations							
Accounts payable and accrued liabilities	110.4	—	—	—	—	—	110.4
Revolving facility	—	—	—	—	—	—	—
Term loan	—	—	152.4	—	—	—	152.4
Note payable (note 5)	—	3.0	—	—	—	—	3.0
Interest commitments relating to long-term debt ⁽¹⁾	9.9	9.9	6.6	—	—	—	26.4
Operating leases	32.4	36.0	34.5	32.9	30.6	87.0	253.4
Pension obligation	—	—	—	—	—	2.2	2.2

⁽¹⁾ Interest commitments are calculated based on the loan balance and the interest rate payable on the Term Loan of 6.50% as at March 31, 2019 .

The Company accrues expenses when incurred. Accounts are deemed payable once a past event occurs that requires payment by a specific date.

Note 23 . Selected cash flow information

Cash and cash equivalents

Cash and cash equivalents consist of the following:

	2019	2018
	\$	\$
Cash	88.6	86.3
Cash equivalents	—	9.0
	88.6	95.3

Changes in non-cash operating items

	2019	2018	2017
	\$	\$	\$
Trade receivables	3.4	(3.1)	7.7
Inventories	(87.3)	(39.5)	(6.0)
Other current assets	(10.3)	(5.6)	(3.2)
Accounts payable and accrued liabilities	(14.7)	41.5	15.6
Provisions	5.6	1.6	3.9
Deferred rent	3.3	2.3	2.1
Other	(0.7)	0.5	(0.2)
Change in non-cash operating items	(100.7)	(2.3)	19.9

Notes to the Consolidated Financial Statements

March 31, 2019

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

Changes in liabilities and equity arising from financing activities

	Revolving facility	Term loan	Share capital
	\$	\$	\$
Balance as at March 31, 2018 ⁽¹⁾	(1.7)	137.1	106.1
Cash flows:			
Exercise of stock options	—	—	3.1
Non-cash items:			
Issuance of shares in business combination (note 5)	—	—	1.5
Amortization of debt costs			
Discount	—	0.9	—
Embedded derivative	—	0.2	—
Interest rate modification	—	1.2	—
Deferred financing costs	0.5	0.3	—
Unrealized foreign exchange loss	—	5.5	—
Contributed surplus on exercise of stock options	—	—	1.9
Balance as at March 31, 2019 ⁽¹⁾	(1.2)	145.2	112.6

⁽¹⁾ Deferred financing charges on the revolving facility are included in other long-term liabilities.

	Revolving facility	Term loan	Accrued liabilities	Share capital
	\$	\$	\$	\$
Balance as at March 31, 2017	6.6	139.4	4.3	103.3
Cash flows:				
Borrowings on revolving facility	(8.9)	—	—	—
Deferred financing fees on term loan	—	(0.3)	—	—
Original issue discount on term loan paid	—	—	(4.4)	—
Exercise of stock options	—	—	—	1.2
Realized foreign exchange gain	—	—	0.1	—
Non-cash items:				
Amortization of debt costs				
Discount	—	0.9	—	—
Embedded derivative	—	0.2	—	—
Interest rate modification	—	1.2	—	—
Deferred financing costs	0.6	0.3	—	—
Unrealized foreign exchange gain	—	(4.6)	—	—
Contributed surplus on exercise of stock options	—	—	—	1.6
Balance as at March 31, 2018 ⁽¹⁾	(1.7)	137.1	—	106.1

⁽¹⁾ Deferred financing charges on the revolving facility are included in other long-term liabilities.

Notes to the Consolidated Financial Statements

March 31, 2019

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

Note 24. Subsequent events

On May 10, 2019, the Company entered into agreements with its lenders to amend the terms of its revolving facility and term loan. The amendment to the revolving facility increased the credit commitment amount to \$300.0 with a seasonal increase of up to \$350.0 during the peak season (June 1 through November 30) and extended the maturity date to June 3, 2024. The amendment to the term loan decreased the interest rate from LIBOR plus 4.0% to LIBOR plus 3.5% , and extended the maturity date to December 2, 2024.

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

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

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. Refer to 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)

	March 31		
	2019	2018	2017
	\$	\$	\$
Equity in comprehensive income of subsidiary	147.6	97.5	14.5
Fee income from subsidiary	3.4	0.9	20.6
	151.0	98.4	35.1
Selling, general and administration expenses	7.7	5.2	11.5
Income before income taxes	143.3	93.2	23.6
Income tax (recovery) expense	(1.0)	(1.1)	2.6
Net income	144.3	94.3	21.0

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 Financial Position
(in millions of Canadian dollars)

	March 31	
	2019	2018
	\$	\$
Assets		
Current assets		
Cash	1.1	1.3
Other current assets	0.1	0.2
Total current assets	1.2	1.5
Note receivable from subsidiary	43.5	36.4
Investment in subsidiary	384.8	233.0
Deferred income taxes	2.1	1.0
Total assets	431.6	271.9
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued liabilities	0.2	0.9
Due to subsidiary	32.3	27.4
Total liabilities	32.5	28.3
Shareholders' equity		
Share capital	112.6	106.1
Contributed surplus	9.2	4.5
Retained earnings	277.3	133.0
Total shareholders' equity	399.1	243.6
Total liabilities & shareholders' equity	431.6	271.9

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
	\$	\$	\$	\$
Balance, March 31, 2016	60.2	57.7	24.8	142.7
Redemption of common and preferred shares	(57.5)	(56.9)	(7.1)	(121.5)
Issuance of subordinate voting shares	100.5	—	—	100.5
Exercise of stock options	0.1	—	—	0.1
Net income	—	—	21.0	21.0
Share-based compensation	—	3.3	—	3.3
Balance, March 31, 2017	103.3	4.1	38.7	146.1
Exercise of stock options	2.8	(1.6)	—	1.2
Net income	—	—	94.3	94.3
Share-based compensation	—	2.0	—	2.0
Balance, March 31, 2018	106.1	4.5	133.0	243.6
Issuance of common shares in business combination	1.5	—	—	1.5
Exercise of stock options	5.0	(1.9)	—	3.1
Net income	—	—	144.3	144.3
Share-based compensation (including equity in contributed surplus of \$2.8)	—	6.6	—	6.6
Balance, March 31, 2019	112.6	9.2	277.3	399.1

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)

	March 31		
	2019	2018	2017
	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	144.3	94.3	21.0
Items not affecting cash:			
Equity in undistributed earnings of subsidiary	(147.6)	(97.5)	(14.5)
Income tax (recovery) expense	(1.0)	(1.1)	2.6
Share-based compensation	3.8	2.0	5.9
	(0.5)	(2.3)	15.0
Changes in assets and liabilities	(1.3)	2.0	72.3
Interest received	—	—	5.7
Interest paid	—	—	(5.7)
Net cash (used in) from operating activities	(1.8)	(0.3)	87.3
CASH FLOWS FROM INVESTING ACTIVITIES			
Shares of subsidiary redeemed	—	—	100.5
Dividend received	—	—	21.0
Investment in shares of subsidiary	(1.5)	—	(100.0)
Net cash (used in) from investing activities	(1.5)	—	21.5
CASH FLOWS FROM FINANCING ACTIVITIES			
Redemption of common and preferred shares	—	—	(121.5)
Issuance of subordinate voting shares	—	—	98.3
Repayment of subordinated debt	—	—	(85.3)
Exercise of stock options	3.1	1.2	—
Net cash from (used in) financing activities	3.1	1.2	(108.5)
(Decrease) increase in cash	(0.2)	0.9	0.3
Cash, beginning of year	1.3	0.4	0.1
Cash, end of year	1.1	1.3	0.4

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

Canada Goose Holdings Inc. (the “Parent Company”) is a holding company that conducts substantially all of its business operations through its subsidiary. The Parent Company (a British Columbia corporation) was incorporated on November 21, 2013.

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

2. STATEMENT OF COMPLIANCE

The Parent Company prepared these unconsolidated financial statements in accordance with International Accounting Standards 27, “*Separate Financial Statements*”, as issued by the International Accounting Standards Board.

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 17 in reference to the recapitalization and public share offering transactions during the year ended March 31, 2017.

CANADA GOOSE HOLDINGS INC.

OMNIBUS INCENTIVE PLAN

March 13, 2017

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**CANADA GOOSE HOLDINGS INC.
OMNIBUS INCENTIVE PLAN**

Canada Goose Holdings Inc. (the “**Corporation**”) hereby establishes an omnibus incentive plan for certain qualified directors, executive officers, employees or consultants of the Corporation or any of its Subsidiaries.

**ARTICLE 1
INTERPRETATION**

Section 1.1 Definitions.

Where used herein or in any amendments hereto or in any communication required or permitted to be given hereunder, the following terms shall have the following meanings, respectively, unless the context otherwise requires:

“**Account**” means an account maintained for each Participant on the books of the Corporation which will be credited with Awards in accordance with the terms of this Plan;

“**Affiliates**” has the meaning ascribed thereto in National Instrument 45-106 – *Prospectus Exemptions*;

“**Associate**”, where used to indicate a relationship with a Participant, means (i) any domestic partner of that Participant and (ii) the spouse of that Participant and that Participant’s children, as well as that Participant’s relatives and that Participant’s spouse’s relatives, if they share that Participant’s residence;

“**Award**” means any of an Option, a SAR, an Unvested Share or an RSU granted to a Participant pursuant to the terms of the Plan;

“**Black-Out Period**” means a period of time when pursuant to any policies of the Corporation (including the Corporation’s insider trading policy), any securities of the Corporation may not be traded by certain Persons designated by the Corporation;

“**Board**” has the meaning ascribed thereto in Section 2.2(1) hereof;

“**Business Day**” means a day other than a Saturday, Sunday or statutory holiday, when banks are generally open for business in Toronto, Ontario and New York, New York, for the transaction of banking business;

“**Cash Equivalent**” means the amount of money equal to the Market Value multiplied by the number of vested RSUs in the Participant’s Account, net of any applicable taxes in accordance with Section 10.2, on the RSU Settlement Date;

“**Cause**” has the meaning ascribed thereto in Section 7.2(1) hereof;

“**Change of Control**” means, unless the Board determines otherwise, the happening, in a single transaction or in a series of related transactions, of any of the following events:

- (i) any transaction (other than a transaction described in clause (ii) below) pursuant to which any Person or group of Persons acting jointly or in concert acquires the direct or indirect beneficial ownership of securities of the Corporation representing 50% or more of the aggregate voting power of all of the Corporation’s then issued and outstanding securities entitled to vote in the election of directors of the Corporation, other than any such acquisition that occurs (A) upon the exercise or settlement of options or other securities granted by the Corporation under any of the Corporation’s equity incentive plans; or (B) as a result of the conversion of the Multiple Voting Shares in the capital of the Corporation into Shares;
- (ii) there is consummated an arrangement, amalgamation, merger, consolidation or similar transaction involving (directly or indirectly) the Corporation and, immediately after the consummation of such arrangement, amalgamation, merger, consolidation or similar transaction, the shareholders of the Corporation immediately prior thereto do not beneficially own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving or resulting entity in such amalgamation, merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving or resulting entity in such arrangement, amalgamation merger, consolidation or similar transaction, in each case in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Corporation immediately prior to such transaction;
- (iii) the sale, lease, exchange, license or other disposition of all or substantially all of the Corporation’s assets to a Person other than a Person that was an Affiliate of the Corporation at the time of such sale, lease, exchange,

license or other disposition, other than a sale, lease, exchange, license or other disposition to an entity, more than 50% of the combined voting power of the voting securities of which are beneficially owned by shareholders of the Corporation in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Corporation immediately prior to such sale, lease, exchange, license or other disposition;

- (iv) the passing of a resolution by the Board or shareholders of the Corporation to substantially liquidate the assets of the Corporation or wind up the Corporation's business or significantly rearrange its affairs in one or more transactions or series of transactions or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where such re-arrangement is part of a bona fide reorganization of the Corporation in circumstances where the business of the Corporation is continued and the shareholdings remain substantially the same following the re-arrangement); or
- (v) individuals who, on the Effective Date, are members of the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be considered as a member of the Incumbent Board;

provided, however, that any payment considered to be nonqualified deferred compensation under Section 409A, to the extent applicable, that is payable upon a Change of Control of the Corporation or other similar event, to avoid the imposition of an additional tax, interest or penalty under Section 409A, no amount will be payable unless such Change of Control constitutes a "change in control event" within the meaning of Section 1.409A-3(i)(5) of the Treasury Regulations;

"**Code**" means the United States Internal Revenue Code of 1986, as amended;

"**Corporation**" means Canada Goose Holdings Inc., a corporation existing under the *Business Corporations Act* (British Columbia), as amended from time to time;

"**Delay Period**" has the meaning ascribed thereto in Section 8.4(3) hereof;

"**Dividend Equivalent**" means a cash credit equivalent in value to a dividend paid on a Share credited to a Participant's Account;

"**Eligibility Date**" the effective date on which a Participant becomes eligible to receive long-term disability benefits (provided that, for greater certainty, such effective date shall be confirmed in writing to the Corporation by the insurance company providing such long-term disability benefits);

"**Eligible Participants**" means any director, executive officer, employee or consultant of the Corporation or any of its Subsidiaries;

"**Employment Agreement**" means, with respect to any Participant, any written employment agreement between the Corporation or a Subsidiary and such Participant;

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended;

"**Exercise Notice**" means a notice in writing signed by a Participant and stating the Participant's intention to exercise a particular Award, if applicable;

"**Grant Agreement**" means an agreement evidencing the grant to a Participant of an Award, including an Unvested Share Agreement, an Option Agreement, a SAR Agreement, an RSU Agreement or an Employment Agreement;

"**Incentive Stock Option**" means, in the case of a Participant who is a U.S. Resident, any Option granted under and in accordance with the terms of Section 8.3 hereof, that meets the requirements of Section 422 of the Code or any successor provision thereto and is designated by the Board in the applicable Grant Agreement as an Incentive Stock Option;

"**Insider**" means a "reporting insider" as defined in National Instrument 55-104 – *Insider Reporting Requirements and Exemptions* and includes Associates and affiliates (as such term is defined in Part 1 of the TSX Company Manual) of such "reporting insider";

"**Legacy Option Plan**" means the Canada Goose Holdings Inc. Amended and Restated Stock Option Plan dated March 13, 2017, including any amendments or supplements thereto made after the effective date thereof;

“ **Market Value**” means at any date when the Market Value of Shares is to be determined, (i) if the Shares are listed on the TSX, the VWAP on the TSX for the five (5) trading days immediately preceding such date; (ii) if the Shares are not listed on the TSX, then as calculated in paragraph (i) by reference to the price on any other stock exchange on which the Shares are listed (if more than one, then using the exchange on which a majority of Shares are listed); or (iii) if the Shares are not listed on any stock exchange, the value as is determined solely by the Board, acting reasonably and in good faith and, in the case of a Participant who is a U.S. Resident, in accordance with Section 409A, and such determination shall be conclusive and binding on all Persons;

“ **Multiple Voting Shares**” means the multiple voting shares in the capital of the Corporation;

“ **Nonstatutory Stock Option**” means, in the case of a Participant who is a U.S. Resident, any Option which is not an Incentive Stock Option;

“ **NYSE**” means the New York Stock Exchange;

“ **Option**” means an option granted by the Corporation to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Option Price, but subject to the provisions hereof;

“ **Option Agreement**” means a written agreement between the Corporation and a Participant evidencing the grant of Options and the terms and conditions thereof, a form of which is attached hereto as Exhibit A;

“ **Option Price**” has the meaning ascribed thereto in Section 4.2 hereof;

“ **Option Term**” has the meaning ascribed thereto in Section 4.4 hereof;

“ **Participants**” means Eligible Participants that are granted Awards under the Plan;

“ **Performance Based Exception**” means, in the case of a Participant who is a U.S. Resident, the performance-based exception from the tax deductibility limitations of Section 162(m)(4)(C) of the Code (including, to the extent applicable, the special provision for options thereunder);

“ **Performance Criteria**” means specified criteria, other than the mere continuation of employment or the mere passage of time, the satisfaction of which is a condition for the grant, exercisability, vesting or full enjoyment of an Award. A Performance Criterion and any targets with respect thereto need not be based upon an increase, a positive or improved result or avoidance of loss. For purposes of Awards that are intended to qualify for the performance-based compensation exception under Section 162 (m), a Performance Criterion will mean an objectively determinable measure or objectively determinable measures of performance relating to any or any combination of the following (measured either absolutely or by reference to an index or indices and determined either on a consolidated basis or, as the context permits, on a divisional, subsidiary, line of business, project or geographical basis or in combinations thereof): sales; net sales; sales by location or store type; revenues; assets; expenses; earnings before or after deduction for all or any portion of interest, taxes, depreciation, and/or amortization, whether or not on a continuing operations or an aggregate or per share basis; return on equity, investment, capital, capital employed or assets; one or more operating ratios; borrowing levels, leverage ratios or credit rating; market share; capital expenditures; cash flow; operating efficiencies; operating income; net income; share price; shareholder return; sales of particular products or services; customer acquisition or retention; buyer contribution; acquisitions and divestitures (in whole or in part); joint ventures and strategic alliances; spin-offs, split-ups and the like; reorganizations; or recapitalizations, restructurings, financings (issuance of debt or equity) or refinancings. To the extent consistent with the requirements for satisfying the performance-based compensation exception under Section 162(m), the Board may provide in the case of any Award intended to qualify for such exception that one or more of the Performance Criteria applicable to such Award will be adjusted in an objectively determinable manner to reflect events (for example, but without limitation, acquisitions or dispositions) occurring during the performance period that affect the applicable Performance Criterion or Criteria;

“ **Performance Period**” means the period determined by the Board at the time any Award is granted or at any time thereafter during which any Performance Criteria and any other vesting conditions specified by the Board with respect to such Award are to be measured;

“ **Person**” means an individual, corporation, company, cooperative, partnership, trust, unincorporated association, entity with juridical personality or governmental authority or body, and pronouns which refer to a Person shall have a similarly extended meaning;

“ **Plan**” means this Canada Goose Holdings Inc. Omnibus Incentive Plan, including any amendments or supplements hereto made after the effective date hereof;

“ **Restriction Period**” means the period determined by the Board pursuant to Section 5.3 hereof;

“**RSU**” means a right awarded to a Participant to receive a payment in the form of Shares, cash equivalent or a combination thereof as provided in Article 5 hereof and subject to the terms and conditions of this Plan;

“**RSU Agreement**” means a written agreement between the Corporation and a Participant evidencing the grant of RSUs and the terms and conditions thereof;

“**RSU Settlement Date**” has the meaning determined in Section 5.5(1);

“**RSU Vesting Determination Date**” has the meaning described thereto in Section 5.4 hereof;

“**SAR**” means a right to receive a payment, in cash or in Shares, equal to the appreciation in the Corporation’s Shares over a specified period, as set forth in the respective SAR Agreement;

“**SAR Agreement**” means a written agreement between the Corporation and a Participant evidencing the grant of SARs and the terms and conditions thereof;

“**SAR Price**” has the meaning ascribed thereto in Section 6.2 hereof;

“**SAR Term**” has the meaning ascribed thereto in Section 6.4 hereof;

“**Section 409A**” means Section 409A of the Code and the Treasury Regulations promulgated thereunder; “**Section 162(m)**” means Section 162(m) of the Code and the Treasury Regulations promulgated thereunder;

“**Shares**” means the subordinate voting shares in the share capital of the Corporation;

“**Share Compensation Arrangement**” means a stock option, stock option plan, employee stock purchase plan, long-term incentive plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more full-time employees, directors, officers, Insiders, or consultants of the Corporation or a Subsidiary including a share purchase from treasury by a full-time employee, director, officer, Insider, or consultant which is financially assisted by the Corporation or a Subsidiary by way of a loan, guarantee or otherwise;

“**Stock Exchange**” means the TSX or the NYSE or, if the Shares are not listed or posted for trading on any of such stock exchanges at a particular date, any other stock exchange on which the majority of the trading volume and value of the Shares are listed or posted for trading;

“**Subsidiary**” means a corporation, company or partnership that is controlled, directly or indirectly, by the Corporation;

“**Tax Act**” means the *Income Tax Act* (Canada) and its regulations thereunder, as amended from time to time;

“**Termination Date**” means (i) in the event of a Participant’s resignation, the date on which such Participant ceases to be a director, executive officer, employee or consultant of the Corporation or one of its Subsidiaries and (ii) in the event of the termination of the Participant’s employment, or position as director, executive or officer of the Corporation or a Subsidiary, or consultant providing ongoing services to the Corporation and its Subsidiaries, the effective date of the termination as specified in the notice of termination provided to the Participant by the Corporation or the Subsidiary, as the case may be;

“**Treasury Regulations**” means the tax regulations promulgated by the United States Internal Revenue Service under the Code; “**TSX**” means the Toronto Stock Exchange;

“**U.S. Resident**” means any individual who is treated as a resident of the United States for United States federal tax purposes;

“**Unvested Share**” means a Share granted to a Participant with such restrictions and vesting conditions upon such Shares as may be determined by the Board at the time of the grant and granted in accordance with Article 3 hereof;

“**Unvested Share Agreement**” means a written agreement between the Corporation or a Subsidiary and a Participant evidencing the grant of Unvested Shares and the terms and conditions thereof;

“**Vested Awards**” has the meaning described thereto in Section 7.2(5) hereof; and

“**VWAP**” means the volume weighted average trading price of the Shares, calculated by dividing the total value by the total volume of Shares traded for the relevant period.

Section 1.2 Interpretation.

- (1) Whenever the Board is to exercise discretion or authority in the administration of the terms and conditions of this Plan, the term “discretion” or “authority” means the sole and absolute discretion of the Board.
- (2) The provision of a table of contents, the division of this Plan into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect the interpretation of this Plan.
- (3) In this Plan, words importing the singular shall include the plural, and vice versa and words importing any gender include any other gender.
- (4) The words “including”, “includes” and “include” and any derivatives of such words mean “including (or includes or include) without limitation”. As used herein, the expressions “Article”, “Section” and other subdivision followed by a number, mean and refer to the specified Article, Section or other subdivision of this Plan, respectively.
- (5) Unless otherwise specified in the Participant’s Grant Agreement, all references to money amounts are to Canadian currency.
- (6) For purposes of this Plan, the legal representatives of a Participant shall only include the administrator, the executor or the liquidator of the Participant’s estate or will.
- (7) If any action may be taken within, or any right or obligation is to expire at the end of, a period of days under this Plan, then the first day of the period is not counted, but the day of its expiry is counted.

ARTICLE 2

PURPOSE AND ADMINISTRATION OF THE PLAN; GRANTING OF AWARDS

Section 2.1 Purpose of the Plan.

The purpose of the Plan is to permit the Corporation to grant Awards to Eligible Participants, subject to certain conditions as hereinafter set forth, for the following purposes:

- (a) to increase the interest in the Corporation’s welfare of those Eligible Participants, who share responsibility for the management, growth and protection of the business of the Corporation or a Subsidiary;
- (b) to provide an incentive to such Eligible Participants to continue their services for the Corporation or a Subsidiary and to encourage such Eligible Participants whose skills, performance and loyalty to the objectives and interests of the Corporation or a Subsidiary are necessary or essential to its success, image, reputation or activities;
- (c) to reward Participants for their performance of services while working for the Corporation or a Subsidiary; and
- (d) to provide a means through which the Corporation or a Subsidiary may attract and retain able Persons to enter its employment or service.

Section 2.2 Implementation and Administration of the Plan.

- (1) The Plan shall be administered and interpreted by the board of directors of the Corporation (the “**Board**”) or, if the Board by resolution so decides, by a committee or plan administrator appointed by the Board. If such committee or plan administrator is appointed for this purpose, all references to the “**Board**” herein will be deemed references to such committee or plan administrator. Nothing contained herein shall prevent the Board from adopting other or additional Share Compensation Arrangements or other compensation arrangements, subject to any required approval.
- (2) Subject to Article 9 hereof and any applicable rules of a Stock Exchange, the Board may, from time to time, as it may deem expedient, adopt, amend and rescind rules and regulations or vary the terms of this Plan and/or any Award hereunder for carrying out the provisions and purposes of the Plan and/or to address tax or other requirements of any applicable non-Canadian jurisdiction.
- (3) Subject to the provisions herein, the Board is authorized, in its sole discretion, to make such determinations under, and such interpretations of, and take such steps and actions in connection with, the proper administration and operations of the Plan as it may deem necessary or advisable. The Board may delegate to officers or managers of the Corporation, or committees thereof, the authority, subject to such terms as the Board shall determine, to perform such functions, in whole or in part, to the extent that such delegation will not result in the loss of an exemption under Rule 16b-3(d)(1) for Awards granted to Participants subject to Section 16 of the Exchange Act in respect of the Corporation and will not cause Awards intended to qualify as “qualified performance-based compensation” under Section 162(m) to fail to so

qualify. Any such delegation by the Board may be revoked at any time at the Board's sole discretion. The interpretation, administration, construction and application of the Plan and any provisions hereof made by the Board, or by any officer, manager, committee or any other Person to which the Board delegated authority to perform such functions, shall be final and binding on the Corporation, its Subsidiaries and all Eligible Participants.

- (4) No member of the Board or any Person acting pursuant to authority delegated by the Board hereunder shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Award granted hereunder. Members of the Board or and any person acting at the direction or on behalf of the Board, shall, to the extent permitted by law, be fully indemnified and protected by the Corporation with respect to any such action or determination.
- (5) The Plan shall not in any way fetter, limit, obligate, restrict or constraint the Board with regard to the allotment or issuance of any Shares or any other securities, including Multiple Voting Shares, in the capital of the Corporation. For greater clarity, the Corporation shall not by virtue of this Plan be in any way restricted from declaring and paying stock dividends, repurchasing Shares or Multiple Voting Shares, or varying or amending its share capital or corporate structure.

Section 2.3 Participation in this Plan.

- (1) The Corporation makes no representation or warranty as to the future market value of the Shares or with respect to any income tax matters affecting any Participant resulting from the grant of an Award or the exercise of an Option or a SAR or transactions in the Shares. With respect to any fluctuations in the market price of the Shares, neither the Corporation, nor any of its directors, officers, employees, shareholders or agents shall be liable for anything done or omitted to be done by such Person or any other Person with respect to the price, time, quantity or other conditions and circumstances of the issuance of Shares hereunder, or in any other manner related to the Plan. For greater certainty, no amount will be paid to, or in respect of, a Participant under the Plan or pursuant to any other arrangement, and no additional Awards will be granted to such Participant to compensate for a downward fluctuation in the price of the Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose. The Corporation and its Subsidiaries do not assume responsibility for the income or other tax consequences resulting to any Participant and each Participant is advised to consult with his or her own tax advisors.
- (2) Participants (and their legal representatives) shall have no legal or equitable right, claim, or interest in any specific property or asset of the Corporation or any of its Subsidiaries. No asset of the Corporation or any of its Subsidiaries shall be held in any way as collateral security for the fulfillment of the obligations of the Corporation or any of its Subsidiaries under this Plan. Unless otherwise determined by the Board, this Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Awards under this Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Corporation.
- (3) Unless otherwise determined by the Board, the Corporation shall not offer financial assistance to any Participant in regards to the exercise of any Award granted under this Plan.

Section 2.4 Shares Subject to the Plan.

- (1) Subject to adjustment pursuant to Article 9 hereof, the securities that may be acquired by Participants under this Plan shall consist of authorized but unissued Shares.
- (2) The maximum number of Shares reserved for issuance, in the aggregate, under this Plan shall be equal to 4,600,340 Shares, plus any Shares underlying Options granted under the Legacy Option Plan that, after the effective date of the Plan, expire or are forfeited. No Award that can be settled in Shares issued from treasury may be granted if such grant would have the effect of causing the total number of Shares subject to such Award to exceed the above-noted total numbers of Shares reserved for issuance pursuant to the settlement of Awards. For greater certainty, Section 2.4 shall not limit the Corporation's ability to issue Awards that are payable other than in Shares issued from treasury.
- (3) The Corporation shall, at all times during the term of this Plan, ensure that the number of Shares it is authorized to issue is sufficient to satisfy the requirement of this Plan and the Legacy Option Plan; provided that awards will no longer be granted under the Legacy Option Plan.
- (4) If the Corporation issues Shares from treasury, such Shares will be issued in consideration for the past services of the Participant to the Corporation and the entitlement of the Participant under this Plan shall be satisfied in full by such

issuance of Shares. The Board may cause Shares used to satisfy for the settlement of RSUs granted under the Plan to be purchased instead on the open market.

- (5) If an outstanding Award (or portion thereof) expires or is forfeited, surrendered, cancelled or otherwise terminated for any reason without having been exercised or settled in full, or if Shares acquired pursuant to an Award subject to forfeiture are forfeited, the Shares covered by such Award, if any, will again be available for issuance under the Plan. Shares will not be deemed to have been issued pursuant to the Plan with respect to any portion of an Award that is settled in cash, but Shares purchased on the open market will be deemed to have been issued pursuant to the Plan for the purpose of the Share reserve set forth in Section 2.4(2).

Section 2.5 Limits with Respect to Insiders and Individual Limits.

- (1) The maximum number of Shares issuable to Eligible Participants who are Insiders, at any time, under this Plan, the Legacy Option Plan and any other proposed or established Share Compensation Arrangement, shall not exceed ten percent (10%) of the Shares and Multiple Voting Shares issued and outstanding from time to time (calculated on a non-diluted basis).
- (2) The maximum number of Shares issued to Eligible Participants who are Insiders, within any one year period, under this Plan, the Legacy Option Plan and any other proposed or established Share Compensation Arrangement, shall not exceed ten percent (10%) of the Shares and Multiple Voting Shares issued and outstanding from time to time (calculated on a non-diluted basis).
- (3) Any Award granted pursuant to the Plan, or securities issued under the Legacy Option Plan and any other Share Compensation Arrangement, prior to a Participant becoming an Insider, shall be excluded from the purposes of the limits set out in Section 2.5 (1) and Section 2.5(2).
- (4) The following additional limits apply to Awards of the specified type granted, or in the case of cash Awards, payable to any Participant in any one fiscal year:
 - (a) Options: 200,000 Shares;
 - (b) SARs: 200,000 Shares;
 - (c) Awards other than Options, SARs or cash Awards: 200,000 Shares;
 - (d) Cash Awards with a Performance Period of up to one year: \$500,000; and
 - (e) Cash Awards with a Performance Period of longer than one year: \$1,000,000; and

in applying the foregoing limits, (i) all Awards of the specified type granted to the same person in the same fiscal year are aggregated and made subject to one limit; (ii) the limits applicable to Options and SARs refer to the number of Shares underlying those Awards; (iii) the Share limit under clause (c) refers to the maximum number of Shares that may be delivered, or the value of which could be paid in cash or other property, under an Award or Awards of the type specified in clause (c) assuming a maximum payout; (iv) Awards other than cash Awards that are settled in cash count against the applicable Share limit under clause (a), (b) or (c) and not against the dollar limit under clauses (d) or (e); and (v) the dollar limit under clauses (c) and (e) refers to the maximum dollar amount payable under a cash Award assuming a maximum payout. If an Award denominated in Shares is cancelled, to the extent such Award was either (a) an Option or SAR, or (b) was otherwise intended to satisfy the Performance Based Exception, the Shares subject to the cancelled Award continue to count against the maximum number of Shares which may be granted to a Participant who is a U.S. Resident in any fiscal year. All Shares specified in this Section 2.5(4) shall be adjusted to the extent necessary to reflect adjustments to Shares required by Article 9.

- (5) The Board may establish compensation for non-employee directors from time to time, subject to the limitations in the Plan. The Board will from time to time determine the terms, conditions and amounts of all such non-employee director compensation in its discretion and pursuant to the exercise of its business judgment, taking into account such factors, circumstances and considerations as it shall deem relevant from time to time, provided that the maximum aggregate grant date fair value, as determined in accordance with IFRS 2, of Awards granted to any non-employee director for service as a director pursuant to the Plan during any fiscal year, together with any other fees or compensation paid to such director outside of the Plan for services as a director may not exceed \$500,000 (or, in the fiscal year of any director's initial service, \$750,000).

Section 2.6 Granting of Awards.

- (1) Any Award granted under the Plan shall be subject to the requirement that, if at any time counsel to the Corporation shall determine that the listing, registration or qualification of the Shares subject to such Award, if applicable, upon any securities exchange or under any law or regulation of any jurisdiction, or the consent or approval of any securities exchange or any governmental or regulatory body, is necessary as a condition of, or in connection with, the grant of such Awards or exercise of any Option or SAR or the issuance or purchase of Shares thereunder, if applicable, such Award may not be accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. Nothing herein shall be deemed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval.
- (2) The Corporation may require, as a condition to the exercise of an Award or the delivery of Shares under an Award, such representations or agreements as counsel for the Corporation may consider appropriate to avoid violation of the U.S. Securities Act of 1933, as amended, or any applicable state or non-U.S. securities law. Any Shares required to be issued to Participants under the Plan will be evidenced in such manner as the Board may deem appropriate, including book-entry registration or delivery of share certificates. In the event that the Board determines that share certificates will be issued to Participants under the Plan, the Board may require that certificates evidencing Shares issued under the Plan bear an appropriate legend reflecting any restriction on transfer applicable to such Shares, and the Corporation may hold the share certificates pending lapse of the applicable restrictions.

ARTICLE 3 UNVESTED SHARES

Section 3.1 Nature of Unvested Shares.

An Unvested Share is a Share with such restrictions and vesting and other conditions placed upon the Share as the Board may determine at the time of grant.

Section 3.2 Unvested Share Awards.

Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive Unvested Shares under the Plan, (ii) fix the number of Unvested Shares, if any, to be granted to each Eligible Participant and the date or dates on which such Unvested Shares shall be granted, and (iii) determine the restrictions and vesting and other conditions applicable to such Unvested Shares (including, a restriction on or prohibition against the right to receive any dividend or other right or property with respect thereto), which restrictions may lapse separately or in combination at such time or times, in such installments or otherwise as the Board determines, the whole subject to the terms and conditions prescribed in this Plan.

Section 3.3 Payment to Participant.

- (1) The Corporation shall, as soon as possible after the grant of the Unvested Shares, cause the transfer agent and registrar of the Shares either to:
 - (a) deliver to the Participant a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant shall then be entitled to receive; or
 - (b) in the case of Unvested Shares issued in uncertificated form, cause the issuance of the aggregate number of Unvested Shares as the Participant shall then be entitled to receive to be evidenced by a book position on the register of the shareholders of the Corporation maintained by the transfer agent and registrar of the Shares.
- (2) Each certificate representing Unvested Shares shall bear the following legend, as amended to reflect the restrictions and/or vesting conditions placed upon the Shares as the Board may determine at the time of grant:

“THE SECURITIES REPRESENTED HEREBY ARE SUBJECT TO RESTRICTIONS IN ACCORDANCE WITH THE CORPORATION’S OMNIBUS INCENTIVE PLAN DATED MARCH 13, 2017 AND AN UNVESTED SHARE AGREEMENT DATED ● . THE SECURITIES REPRESENTED HEREBY MAY NOT BE TRANSFERRED UNTIL ● .
- (3) Unless the Board shall otherwise determine,

- (a) uncertificated Unvested Shares shall be accompanied by a notation on the records of the Corporation or the transfer agent to the effect that they are subject to forfeiture until such Unvested Shares are vested as provided in Section 3.3(4) below; and
 - (b) certificated Unvested Shares shall remain in the possession of the Corporation until such Unvested Shares have vested as provided in Section 3.3(4) below, and the Participant shall be required, as a condition of the grant of such Unvested Shares, to deliver to the Corporation such instruments of transfer as the Board may prescribe.
- (4) The Board, at the time of grant, shall specify the date or dates and/or the restrictions and vesting conditions on which the nontransferability of the Unvested Shares and the Corporation's right of repurchase or forfeiture shall lapse. Subsequent to such date, or dates and/or the attainment of the restrictions and vesting conditions, the Unvested Shares on for which all restrictions have lapsed shall no longer be Unvested Shares and shall be deemed "vested".

Section 3.4 Unvested Share Agreements.

The terms of the Unvested Shares shall be evidenced by Unvested Share Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan, as the Board may from time to time determine. The Unvested Share Agreement shall contain such terms that may be considered necessary in order that the Unvested Shares will comply with any provisions respecting restricted securities in the income tax or other laws in force in any country or jurisdiction of which a Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Corporation, including applicable securities laws.

ARTICLE 4 OPTIONS

Section 4.1 Nature of Options.

An Option is an option granted by the Corporation to a Participant entitling such Participant to acquire a designated number of Shares from treasury at the Option Price, but subject to the provisions hereof. For the avoidance of doubt, no Dividend Equivalents shall be granted in connection with an Option.

Section 4.2 Option Awards.

Subject to the provisions set forth in this Plan and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive Options under the Plan, (ii) fix the number of Options, if any, to be granted to each Eligible Participant and the date or dates on which such Options shall be granted, (iii) determine the price per Share to be payable upon the exercise of each such Option (the "**Option Price**") and the relevant vesting provisions (including Performance Criteria, if applicable) and the Option Term, the whole subject to the terms and conditions prescribed in this Plan or in any Option Agreement, and any applicable rules of a Stock Exchange.

Section 4.3 Option Price.

The Option Price for Shares that are the subject of any Option shall be determined and approved by the Board when such Option is granted, but shall not be less than the Market Value of such Shares at the time of the grant.

Section 4.4 Option Term.

- (1) The Board shall determine, at the time of granting the particular Option, the period during which the Option is exercisable, which shall not be more than ten (10) years from the date the Option is granted ("**Option Term**"). Unless otherwise determined by the Board, all unexercised Options shall be cancelled at the expiry of such Options.
- (2) Should the expiration date for an Option fall within a Black-Out Period or within nine (9) Business Days following the expiration of a Black-Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth (10th) Business Day after the end of the Black-Out Period, such tenth (10th) Business Day to be considered the expiration date for such Option for all purposes under the Plan. Notwithstanding

Section 9.3 hereof, the ten (10) Business Day-period referred to in this Section 4.4(2) may not be extended by the Board.

Section 4.5 Exercise of Options.

Prior to its expiration or earlier termination in accordance with the Plan, each Option shall be exercisable at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board at the time of granting the particular Option, may determine in its sole discretion. For greater certainty, any exercise of Options by a Participant shall be made in accordance with the Corporation's insider trading policy.

Section 4.6 Method of Exercise and Payment of Purchase Price.

- (1) Subject to the provisions of the Plan, an Option granted under the Plan shall be exercisable (from time to time as provided in Section 4.5 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering a fully completed Exercise Notice to the Corporation at its registered office to the attention of the Corporate Secretary of the Corporation (or the individual that the Corporate Secretary of the Corporation may from time to time designate) or give notice in such other manner as the Corporation may from time to time designate, which notice shall specify the number of Shares in respect of which the Option is being exercised and shall be accompanied by full payment, by cash, certified cheque, bank draft or any other form of payment deemed acceptable by the Board of the purchase price for the number of Shares specified therein and, if required by Section 10.2, the amount necessary to satisfy any taxes.
- (2) Upon the exercise, the Corporation shall, as soon as practicable after such exercise but no later than ten (10) Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares either to:
 - (a) deliver to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice; or
 - (b) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall have then paid for and as are specified in such Exercise Notice to be evidenced by a book position on the register of the shareholders of the Corporation to be maintained by the transfer agent and registrar of the Shares.

Section 4.7 Option Agreements.

Options shall be evidenced by an Option Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine. The Option Agreement shall contain such terms that may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Corporation.

ARTICLE 5 RESTRICTED SHARE UNITS

Section 5.1 Nature of RSUs.

An RSU is an Award that, upon settlement, entitles the recipient Participant to acquire Shares at such purchase price (which may be zero) as determined by the Board, or to receive the Cash Equivalent or a combination thereof, as the case may be, pursuant and subject to such restrictions and conditions as the Board may determine at the time of grant, unless such RSU expires prior to being settled. Conditions may, without limitation, be based on continuing employment (or other service relationship) and/or achievement of Performance Criteria.

Section 5.2 RSU Awards.

- (1) Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive RSUs under the Plan, (ii) fix the number of RSUs, if any, to be granted to each Eligible Participant and the date or dates on which such RSUs shall be granted, (iii) determine the relevant conditions and vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and the Restriction Period of such RSUs, and (iv) any other terms and conditions applicable to the granted RSUs, which need not be identical and which, without limitation, may include non-competition provisions, the whole subject to the terms and conditions prescribed in this Plan and in any RSU Agreement.
- (2) In making such determination, the Board shall consider the timing of crediting RSUs to the Participant's Account and the vesting requirements applicable to such RSUs to ensure that the crediting of the RSUs to the Participant's Account and the vesting requirements are not considered a "salary deferral arrangement" for purposes of the Tax Act and any applicable provincial legislation.
- (3) Subject to the vesting and other conditions and provisions herein set forth and in the RSU Agreement, each RSU awarded to a Participant shall entitle the Participant to receive one Share, the Cash Equivalent or a combination thereof as soon as possible upon confirmation by the Board that the vesting conditions (including the Performance Criteria, if any) have been met and no later than the last day of the Restriction Period.

Section 5.3 Restriction Period.

The applicable restriction period in respect of a particular RSU shall be determined by the Board but in all cases shall end no later than December 31 of the calendar year which is three (3) years after the calendar year in which the performance of services, for which RSU is granted, occurred ("**Restriction Period**"). Unless otherwise determined by the Board, all unvested RSUs shall be cancelled on the RSU Vesting Determination Date (as such term is defined in Section 5.4) and, in any event, no later than the last day of the Restriction Period.

Section 5.4 RSU Vesting Determination Date.

The vesting determination date means the date on which the Board determines if the Performance Criteria and/or other vesting conditions with respect to an RSU have been met (the "**RSU Vesting Determination Date**"), and as a result, establishes the number of RSUs that become vested, if any. For greater certainty, the RSU Vesting Determination Date must fall after the end of the Performance Period, if any, but no later than the last day of the Restriction Period.

Section 5.5 Settlement of RSUs.

- (1) Except as otherwise provided in the RSU Agreement, all of the vested RSUs covered by a particular grant may be settled within five (5) Business Days following their RSU Vesting Determination Date but no later than the end of the Restriction Period (the "**RSU Settlement Date**").
- (2) Settlement of RSUs shall take place promptly following the RSU Settlement Date, and no later than the end of the Restriction Period, and take the form determined by the Board, in its sole discretion. Settlement of RSUs shall take place through:
 - (a) in the case of settlement of RSUs for their Cash Equivalent, delivery of a cheque to the Participant representing the Cash Equivalent;
 - (b) in the case of settlement of RSUs for Shares:
 - (i) delivery to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) of a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive (unless the Participant intends to simultaneously dispose of any such Shares); or
 - (ii) in the case of Shares issued in uncertificated form, issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive to be evidenced by a book position on the register of the shareholders of the Corporation to be maintained by the transfer agent and registrar of the Shares; or

(c) in the case of settlement of the RSUs for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above.

Section 5.6 Determination of Amounts.

- (1) For purposes of determining the Cash Equivalent of RSUs to be made pursuant to Section 5.5, such calculation will be made on the RSU Settlement Date based on the Market Value on the RSU Settlement Date multiplied by the number of vested RSUs in the Participant's Account to settle in cash.
- (2) For the purposes of determining the number of Shares to be issued or delivered to a Participant upon settlement of RSUs pursuant to Section 5.5, such calculation will be made on the RSU Settlement Date based on the whole number of Shares equal to the whole number of vested RSUs then recorded in the Participant's Account to settle in Shares.

Section 5.7 RSU Agreements.

RSUs shall be evidenced by an RSU Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine. The RSU Agreement shall contain such terms that may be considered necessary in order that the RSU will comply with any provisions respecting restricted share units in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Corporation.

Section 5.8 Award of Dividend Equivalents.

Dividend Equivalents may, as determined by the Board in its sole discretion, be awarded in respect of unvested RSUs in a Participant's Account on the same basis as cash dividends declared and paid on Shares as if the Participant was a shareholder of record of Shares on the relevant record date. Dividend Equivalents, if any, will be credited to the Participant's Account in additional RSUs, the number of which shall be equal to a fraction where the numerator is the product of (i) the number of RSUs in such Participant's Account on the date that dividends are paid multiplied by (ii) the dividend paid per Share and the denominator of which is the Market Value of one Share calculated on the date that dividends are paid. Any additional RSUs credited to a Participant's Account as a Dividend Equivalent pursuant to this Section 5.8 shall have an RSU vesting Determination Date which is the same as the RSU vesting Determination Date for the RSUs in respect of which such additional RSUs are credited.

In the event that the Participant's applicable RSUs do not vest, all Dividend Equivalents, if any, associated with such RSUs will be forfeited by the Participant and returned to the Corporation's account.

ARTICLE 6 SHARE APPRECIATION RIGHTS

Section 6.1 Nature of SARs.

A SAR is an Award entitling the recipient to receive Shares having a value equal to the excess of the Market Value of the Shares on the date of exercise over the SAR Price, which price shall not be less than 100% of the Market Value of the Share on the date of grant multiplied by the number of Shares with respect to which the SAR shall have been exercised. For the avoidance of doubt, no Dividend Equivalents shall be granted in connection with a SAR.

Section 6.2 SAR Awards.

Subject to the provisions herein set forth and any shareholder or regulatory approval which may be required, the Board shall, from time to time by resolution, in its sole discretion, (i) designate the Eligible Participants who may receive SAR Awards under the Plan, (ii) fix the number of SAR Awards to be granted to each Eligible Participant and the date or dates on which such SAR Awards shall be granted, and (iii) determine the price per Share to be payable upon the vesting of each such

SAR (the “**SAR Price**”) and the relevant conditions and vesting provisions (including the applicable Performance Period and Performance Criteria, if any) and the SAR Term, the whole subject to the terms and conditions prescribed in this Plan and in any SAR Agreement.

Section 6.3 SAR Price.

The SAR Price for the Shares that are the subject of any SAR shall be fixed by the Board when such SAR is granted, but shall not be less than the Market Value of such Shares at the time of the grant.

Section 6.4 SAR Term.

- (1) The Board shall determine, at the time of granting the particular SAR, the period during which the SAR is exercisable, which shall not be more than ten (10) years from the date the SAR is granted (“**SAR Term**”) and the vesting schedule of such SAR, which will be detailed in the respective SAR Agreement. Unless otherwise determined by the Board, all unexercised SARs shall be cancelled at the expiry of such SAR.
- (2) Should the expiration date for a SAR fall within a Black-Out Period or within nine (9) Business Days following the expiration of a Black-Out Period, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth (10th) Business Day after the end of the Black-Out Period, such tenth (10th) Business Day to be considered the expiration date for such SAR for all purposes under the Plan. Notwithstanding Section 9.3 hereof, the ten (10) Business Day-period referred to in this Section 6.4 may not be extended by the Board.

Section 6.5 Exercise of SARs.

Prior to its expiration or earlier termination in accordance with the Plan, each SAR shall be exercisable at such time or times and/or pursuant to the achievement of such Performance Criteria and/or other vesting conditions as the Board at the time of granting the particular SAR, may determine in its sole discretion. For greater certainty, any exercise of SARs by a Participant shall be made in accordance with the Corporation’s insider trading policy.

Section 6.6 Method of Exercise.

- (1) Subject to the provisions of the Plan, a SAR granted under the Plan shall be exercisable (from time to time as provided in Section 6.5 hereof) by the Participant (or by the liquidator, executor or administrator, as the case may be, of the estate of the Participant) by delivering a fully completed Exercise Notice to the Corporation at its registered office to the attention of the Corporate Secretary of the Corporation (or to the individual that the Corporate Secretary of the Corporation may from time to time designate) or give notice in such other manner as the Corporation may from time to time designate, no less than three (3) Business Days in advance of the effective date of the proposed exercise, which notice shall specify the number of Shares with respect to which the SAR is being exercised and the effective date of the proposed exercise.
- (2) The exercise of a SAR with respect to any number of Shares shall entitle the Participant to receive, from the Corporation, a number of Shares having an aggregate Market Value equal to the excess of the Market Value of a Share on the effective date of such exercise over the per share SAR Price.
- (3) Upon the exercise, the Corporation shall, as soon as practicable after such exercise but no later than ten (10) Business Days following such exercise, forthwith cause the transfer agent and registrar of the Shares to either:
 - (a) deliver to the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) a certificate in the name of the Participant representing in the aggregate such number of Shares as the Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive (unless the Participant intends to simultaneously dispose of any such Shares); or
 - (b) in the case of Shares issued in uncertificated form, cause the issuance of the aggregate number of Shares as the Participant (or the liquidator, executor or administrator, as the case may be, of the estate of the Participant) shall be entitled to receive to be evidenced by a book position on the register of the shareholders of the Corporation to be maintained by the transfer agent and registrar of the Shares.

Section 6.7 SAR Agreements.

SARs shall be evidenced by a SAR Agreement or included in an Employment Agreement, in such form not inconsistent with the Plan as the Board may from time to time determine. The SAR Agreement shall contain such terms that may be considered necessary in order that the SAR will comply with any provisions respecting stock appreciation rights in the income tax or other laws in force in any country or jurisdiction of which the Participant may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Corporation.

ARTICLE 7 GENERAL CONDITIONS

Section 7.1 General Conditions Applicable to Awards.

Each Award, as applicable, shall be subject to the following conditions:

- (1) **Vesting Period.** Each Award granted hereunder shall vest in accordance with the terms of the Grant Agreement entered into in respect of such Award. The Board has the right to accelerate the date upon which any Award becomes exercisable notwithstanding the vesting schedule set forth for such Award, regardless of any adverse or potentially adverse tax consequence resulting from such acceleration.
- (2) **Employment.** Notwithstanding any express or implied term of this Plan to the contrary, the granting of an Award pursuant to the Plan shall in no way be construed as a guarantee by the Corporation or a Subsidiary to the Participant of employment or another service relationship with the Corporation or a Subsidiary. The granting of an Award to a Participant shall not impose upon the Corporation or a Subsidiary any obligation to retain the Participant in its employ or service in any capacity. Nothing contained in this Plan or in any Award granted under this Plan shall interfere in any way with the rights of the Corporation or any of its Affiliates in connection with the employment, retention or termination of any such Participant. The loss of existing or potential profit in Shares underlying Awards granted under this Plan shall not constitute an element of damages in the event of termination of a Participant's employment or service in any office or otherwise.
- (3) **Grant of Awards.** Eligibility to participate in this Plan does not confer upon any Eligible Participant any right to be granted Awards pursuant to this Plan. Granting Awards to any Eligible Participant does not confer upon any Eligible Participant the right to receive nor preclude such Eligible Participant from receiving any additional Awards at any time. The extent to which any Eligible Participant is entitled to be granted Awards pursuant to this Plan will be determined in the sole discretion of the Board. Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Eligible Participant's relationship or employment with the Corporation or any Subsidiary.
- (4) **Rights as a Shareholder.** Neither the Participant nor such Participant's personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Shares covered by such Participant's Awards by reason of the grant of such Award until such Award has been duly exercised, as applicable, and settled and Shares have been issued in respect thereof. Without in any way limiting the generality of the foregoing, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such Shares have been issued.
- (5) **Conformity to Plan.** In the event that an Award is granted or a Grant Agreement is executed which does not conform in all particulars with the provisions of the Plan, or purports to grant Awards on terms different from those set out in the Plan, the Award or the grant of such Award shall not be in any way void or invalidated, but the Award so granted will be adjusted to become, in all respects, in conformity with the Plan.
- (6) **Transferrable Awards.** Except as specifically provided in a Grant Agreement approved by the Board, each Award granted under the Plan is personal to the Participant and shall not be assignable or transferable by the Participant, whether voluntarily or by operation of law, except by will or by the laws of succession of the domicile of the deceased Participant. No Award granted hereunder shall be pledged, hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of on pain of nullity.
- (7) **Participant's Entitlement.** Except as otherwise provided in this Plan or unless the Board permits otherwise, upon any Subsidiary of the Corporation ceasing to be a Subsidiary of the Corporation, Awards previously granted under this Plan

that, at the time of such change, are held by a Person who is a director, executive officer, employee or consultant of such Subsidiary of the Corporation and not of the Corporation itself, whether or not then exercisable, shall automatically terminate on the date of such change.

Section 7.2 General Conditions Applicable to Options and SARs.

Each Option or SAR, as applicable, shall be subject to the following conditions:

- (1) **Termination for Cause.** Upon a Participant ceasing to be an Eligible Participant for Cause, any vested or unvested Option or SAR granted to such Participant shall terminate automatically and become void immediately. For the purposes of the Plan, the determination by the Corporation that the Participant was discharged for Cause shall be binding on the Participant. “Cause” shall include, among other things, gross misconduct, theft, fraud, breach of confidentiality or breach of the Corporation’s codes of conduct and any other reason determined by the Corporation to be cause for termination.
- (2) **Termination not for Cause.** Upon a Participant ceasing to be an Eligible Participant as a result of his or her employment or service relationship with the Corporation or a Subsidiary being terminated without Cause, (i) any unvested Option or SAR granted to such Participant shall terminate and become void immediately and (ii) any vested Option or SAR granted to such Participant may be exercised by such Participant as the rights to exercise accrue. Unless otherwise determined by the Board, in its sole discretion, such Option or SAR shall only be exercisable within the earlier of thirty (30) days after the Termination Date, or the expiry date of the Award set forth in the Grant Agreement.
- (3) **Resignation.** Upon a Participant ceasing to be an Eligible Participant as a result of his or her resignation from the Corporation or a Subsidiary, (i) each unvested Option or SAR granted to such Participant shall terminate and become void immediately upon resignation and (ii) each exercisable Option or SAR granted to such Participant will cease to be exercisable on the earlier of the thirty (30) days following the Termination Date and the expiry date of the Award set forth in the Grant Agreement.
- (4) **Permanent Disability/Retirement.** Upon a Participant ceasing to be an Eligible Participant by reason of retirement or permanent disability, (i) any unvested Option or SAR shall terminate and become void immediately, and (ii) any vested Option or SAR shall remain exercisable for a period of ninety (90) days from the date of retirement or the date on which the Participant ceases his or her employment or service relationship with the Corporation or any Subsidiary by reason of permanent disability, but not later than the expiry date of the Award set forth in the Grant Agreement, and thereafter any such Option or SAR shall expire.
- (5) **Death.** Upon a Participant ceasing to be an Eligible Participant by reason of death, any vested Option or SAR granted to such Participant may be exercised by the liquidator, executor or administrator, as the case may be, of the estate of the Participant for that number of Shares only which such Participant was entitled to acquire under the respective Options or SARs (the “Vested Awards”) hereof on the date of such Participant’s death. Such Vested Awards shall only be exercisable within one (1) year after the Participant’s death or prior to the expiration of the original term of the Options or SARs whichever occurs earlier. Subject to the terms of the applicable Grant Agreement, any Options or SAR that would have vested within twelve (12) months following such Participant’s death shall be deemed to have vested on such date, and all other Options or SARs will be cancelled on the date of such Participant’s death.
- (6) **Leave of Absence.** Upon a Participant electing a voluntary leave of absence of more than twelve (12) months, including maternity and paternity leaves, the Board may determine, at its sole discretion but subject to applicable laws, that such Participant’s participation in the Plan shall be terminated, provided that all vested Options or SARs in the Participant’s Account shall remain outstanding and in effect until the applicable exercise date, or an earlier date determined by the Board at its sole discretion.

Section 7.3 General Conditions Applicable to RSUs.

Each RSU shall be subject to the following conditions:

- (1) **Termination for Cause and Resignation.** Upon a Participant ceasing to be an Eligible Participant for Cause or as a result of his or her resignation from the Corporation or a Subsidiary, the Participant’s participation in the Plan shall be terminated immediately, all RSUs credited to such Participant’s Account that have not vested shall be forfeited and cancelled, and the Participant’s rights to Shares or Cash Equivalent or a combination thereof that relate to such Participant’s unvested RSUs shall be forfeited and cancelled on the Termination Date.

- (2) **Death, Leave of Absence or Cessation of Employment or Service Relationship.** Except as otherwise determined by the Board from time to time, at its sole discretion, upon a Participant electing a voluntary leave of absence of more than twelve (12) months, including maternity and paternity leaves, or upon a Participant ceasing to be Eligible Participant as a result of (i) death, (ii) retirement, (iii) his or her employment or service relationship with the Corporation or a Subsidiary being terminated by the Corporation or a Subsidiary for reasons other than for Cause, (iv) his or her employment or service relationship with the Corporation or a Subsidiary being terminated by reason of injury or disability or (v) becoming eligible to receive long-term disability benefits, the Participant's participation in the Plan shall be terminated immediately (provided that, for the Participant becoming eligible to receive long-term disability benefits, such termination shall occur on the Eligibility Date), provided that all unvested RSUs in the Participant's Account as of such date relating to a Restriction Period in progress shall remain outstanding and in effect until the applicable RSU Vesting Determination Date, and
- (a) If, on the RSU Vesting Determination Date, the Board determines that the vesting conditions were not met for such RSUs, then all unvested RSUs credited to such Participant's Account shall be forfeited and cancelled and the Participant's rights to Shares or Cash Equivalent or a combination thereof that relate to such unvested RSUs shall be forfeited and cancelled; and
- (b) If, on the RSU Vesting Determination Date, the Board determines that the vesting conditions were met for such RSUs, the Participant shall be entitled to receive pursuant to Section 5.5 that number of Shares or Cash Equivalent or a combination thereof equal to the number of RSUs outstanding in the Participant's Account in respect of such Restriction Period multiplied by a fraction, the numerator of which shall be the number of completed months of service of the Participant with the Corporation or a Subsidiary during the applicable Restriction Period as of the date of the Participant's death, retirement, termination or Eligibility Date and the denominator of which shall be equal to the total number of months included in the applicable Restriction Period (which calculation shall be made on the applicable RSU Vesting Determination Date) and the Corporation shall distribute such number of Shares or Cash Equivalent or a combination thereof to the Participant or the liquidator, executor or administrator, as the case may be, of the estate of the Participant, as soon as practicable thereafter, but no later than the end of the Restriction Period, the Corporation shall debit the corresponding number of RSUs from the Account of such Participant's or such deceased Participants', as the case may be, and the Participant's rights to all other Shares or Cash Equivalent or a combination thereof that relate to such Participant's RSUs shall be forfeited and cancelled;
- provided that, notwithstanding the foregoing, upon a Participant ceasing to be an Eligible Participant by reason of retirement, this Section 7.3(2) shall not apply to a Participant in the event such Participant, directly or indirectly, in any capacity whatsoever, alone, through or in connection with any Person, carries on or becomes employed by, engaged in or otherwise commercially involved in, any activity or business in the apparel industry including the outerwear and luxury segments of such industry prior to the applicable RSU Vesting Determination Date. In such event, Section 7.3(1) shall apply to such Participant. Except as expressly provided for in an RSU Agreement, none of the foregoing provisions of this Section 7.3(2), shall apply to a U.S. Resident.
- (3) **General.** For greater certainty, where (i) a Participant's employment or service relationship with the Corporation or a Subsidiary is terminated pursuant to Section 7.3(1) or Section 7.3(2) hereof or (ii) a Participant elects for a voluntary leave of absence pursuant to Section 7.3(2) hereof following the satisfaction of all vesting conditions in respect of particular RSUs but before receipt of the corresponding distribution or payment in respect of such RSUs, the Participant shall remain entitled to such distribution or payment.

Section 7.4 General Conditions Applicable to Unvested Shares.

Upon a Participant ceasing to be an Eligible Participant for any reason, any Unvested Shares that have not vested at such time shall automatically and without any requirement of notice to such Participant, or other action by or on behalf of the Corporation, be deemed to have been reacquired by the Corporation from such Participant, and thereafter shall cease to represent any ownership in the Corporation by the Participant or rights of the Participant as a shareholder of the Corporation. Following such deemed reacquisition, the Participant shall surrender any certificates representing Unvested Shares in such Participant's possession to the Corporation upon request without consideration.

ARTICLE 8
COMPLIANCE WITH U.S. TAX LAWS

Section 8.1 Compliance with Section 162(m) and Other Limits.

- (1) To the extent the Board determines that compliance with the Performance Based Exception is desirable with respect to an Award to a Participant who is a U.S. Resident, Section 8.1 and Section 8.2 shall apply and the Board shall establish the Performance Criteria within the time period required under Section 162(m) and the grant, vesting or payment, as the case may be, of the Award will be conditioned upon the satisfaction of the Performance Criteria as certified by the Board. The preceding sentence will not apply to an Award eligible (as determined by the Board) for exemption from the limitations of Section 162(m) by reason of the post-initial public offering transition relief in Section 1.162-27(f) of the Treasury Regulations. The Board may, subject to the terms of the Plan, amend a previously granted performance Award or take any other action that disqualifies such Award from the performance-based compensation exception under Section 162(m).
- (2) In the event that changes are made to Section 162(m) to permit flexibility with respect to any Awards available under the Plan, the Board may, subject to this Section 8.1, make any adjustments to such Awards as it deems appropriate.
- (3) The Board shall designate the Participants who are U.S. Residents to be granted Awards intended to satisfy the Performance Based Exception. For Awards with a Performance Period based on a year, or a period lasting longer than a year, such designation shall occur within the first ninety (90) days of such year or Performance Period, as applicable. For Awards with a Performance Period lasting less than a year, such designation shall occur on or prior to the date that is no later than twenty-five percent (25%) through the duration of the relevant Performance Period. The opportunity to be granted an Award intended to satisfy the Performance Based Exception shall be evidenced by a Grant Agreement in such form as the Board may approve.
- (4) With respect to Awards intended to satisfy the Performance Based Exception, the Board shall establish Performance Criteria for the applicable Performance Period (which may be the same or different for some or all Eligible Participants who are U.S. Residents) and may establish the threshold, target and/or maximum incentive opportunity or vesting provisions for each Participant for the attainment of specified threshold, target and/or maximum Performance Criteria. Performance Criteria, incentive opportunities and vesting provisions shall be set forth in the applicable Grant Agreement, and may be weighted for different factors and measures as the Board may determine.
- (5) Prior to the payment of cash or delivery of Shares in connection with any Award that is intended to satisfy the Performance Based Exception, the Board shall determine and certify in writing the degree of attainment of Performance Criteria. The Board reserves the discretion to reduce (but not below zero) the amount of an individual's payment or Share entitlement below the amount that might otherwise be due based on the degree of attainment of Performance Criteria. The determination of the Board to reduce (or not to pay) an individual shall not affect the maximum amount payable to any other individual. No amount shall be payable in respect of an Award intended to qualify for the Performance Based Exception unless at least the established Performance Criteria (if any) is attained.
- (6) Notwithstanding the foregoing in this Section 8.1, to the extent the Board determines that compliance with the Performance Based Exception is desirable with respect to an Award, then (a) to the extent the Board administers the Plan, the Plan shall be administered by only those directors of the Corporation who are "Independent" and (b) no Participant shall receive any payment under the Plan unless the Board has certified, by resolution or other appropriate action in writing, that the Performance Criteria and any other material terms previously established by the Board or set forth in the Plan, have been satisfied to the extent necessary to qualify as "qualified performance based compensation" under Section 162(m). For purposes of qualifying any Award hereunder as exempt from Section 162(m), "Independent", when referring to the members of the Board shall mean meeting the requirements to qualify as an "outside director" under Section 1.162-27(e)(3) of the Treasury Regulations.

Section 8.2 Performance Based Exception Under Section 162(m).

- (1) Subject to Section 8.2(4), unless and until the Board proposes for a stockholders vote and stockholders approve a change in the general Performance Criteria, for Awards (other than Options and SARs) designed to qualify for the Performance Based Exception, the objective Performance Criteria shall be based upon one or more of the performance measures set forth in the definition of "Performance Criteria" set forth in Section 1.1.

- (2) For Awards intended to comply with the Performance Based Exception, the Board shall set the Performance Criteria within the time period prescribed by Section 162(m). The levels of performance required with respect to Performance Criteria may be expressed in absolute or relative levels and may be based upon a set increase, set positive result, maintenance of the status quo, set decrease or set negative result. Performance Criteria may differ for Awards to different Participants. The Board shall specify the weighting (which may be the same or different for multiple objectives) to be given to each Performance Criteria for purposes of determining the final amount payable with respect to any such Award. Any one or more of the Performance Criteria may apply to the Participant, a department, unit, division or function within the Corporation or any one or more Affiliates or the Corporation as a whole; and may apply either alone or relative to the performance of other businesses or individuals (including industry or general market indices).
- (3) The Board shall have the discretion to adjust the determinations of the degree of attainment of the pre-established Performance Criteria; provided that Awards which are designed to qualify for the Performance Based Exception may not (unless the Board determines to amend the Award so that it no longer qualified for the Performance Based Exception) be adjusted upward (the Board shall retain the discretion to adjust such Awards downward). To the extent consistent with the requirements for satisfying the Performance Based Exception under Section 162(m), the Board, or a committee of the Board that satisfies the requirements of Section 1.162-27(e)(3) of the Treasury Regulations, may provide in the case of any Award intended to qualify for such exception that one or more of the Performance Criteria applicable to an Award will be adjusted in an objectively determinable manner to reflect event (such as, the impact of charges for restructurings, discontinued operations, mergers, acquisitions, extraordinary items, and other unusual or non-recurring items, and the cumulative effects of tax or accounting changes, each as defined by generally accepted accounting principles) occurring during the Performance Period of such Award that affect the applicable Performance Criteria. The Board may not, unless the Board determines to amend the Award so that it no longer qualifies for the Performance Based Exception, delegate any responsibility with respect to Awards intended to qualify for the Performance Based Exception; provided, however, that the Board may delegate such responsibility to a committee of the Board that satisfies the requirements of Section 1.162-27(e)(3). All determinations by the Board or such committee as to the achievement of the Performance Criteria shall be in writing prior to payment of the Award.
- (4) In the event that applicable laws, rules or regulations change to permit the Board discretion to alter the governing Performance Criteria without obtaining stockholder approval of such changes, and still qualify for the Performance Based Exception, the Board shall have sole discretion to make such changes without obtaining stockholder approval.

Section 8.3 Incentive Stock Options.

Each Option granted to a U.S. Resident shall be designated in the Grant Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option. Any Option designated as an Incentive Stock Option: (a) shall be granted only to a Participant who is an employee of the Corporation or Subsidiary; (b) in the case of an Incentive Stock Option granted to a Participant who, at the time the Incentive Stock Option is granted, owns shares of the Corporation representing more than ten percent (10%) of the voting power of all classes of shares of the Corporation or any parent or subsidiary, shall be granted with an Option Price that is not less than one hundred ten percent (110%) of the Market Value of a Share on the date of grant; (c) shall not have an aggregate Market Value (determined for each Incentive Stock Option at the date of grant) of Shares with respect to which Incentive Stock Options are exercisable for the first time by the Participant during any calendar year (under the Plan and any other employee stock option plan of the Corporation or any parent or subsidiary), determined in accordance with the provisions of Section 422 of the Code, that exceeds \$100,000; and (d) shall have a term not exceeding ten (10) years from the date of grant or such shorter term as may be provided in the Grant Agreement and, in the case of an Incentive Stock Option granted to a Participant who, at the time the Incentive Stock Option is granted, owns shares of the Corporation representing more than ten percent (10%) of the voting power of all classes of shares of the Corporation or any parent or subsidiary, the term of the Incentive Stock Option shall be five (5) years from the date of grant or such shorter term as may be provided in the Grant Agreement. No Incentive Stock Options may be granted under the Plan after the tenth (10th) anniversary of the earlier of the effective date of the Plan or the date the Plan was approved by the Board.

Section 8.4 Section 409A.

- (1) Without limiting the generality of this Section 8.4, each Award will contain such terms as the Board determines, and will be construed and administered, such that the Award either qualifies for an exemption from the requirements of Section 409A or satisfies such requirements.

- (2) Notwithstanding Section 8.1 and Section 8.2 of this Plan or any other provision of this Plan or any Grant Agreement to the contrary, the Board may unilaterally amend, modify or terminate the Plan or any outstanding Award, including but not limited to changing the form of the Award, if the Board determines that such amendment, modification or termination is necessary or advisable to avoid the imposition of an additional tax, interest or penalty under Section 409A.
- (3) If a Participant is deemed on the date of the Participant's termination of employment or other service relationship with the Corporation or a Subsidiary to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B), then, with regard to any payment that is considered nonqualified deferred compensation under Section 409A, to the extent applicable, payable on account of a "separation from service", such payment will be made or provided on the date that is the earlier of (i) the expiration of the six-month period measured from the date of such "separation from service" and (ii) the date of the Participant's death (the "**Delay Period**"). Upon the expiration of the Delay Period, all payments delayed pursuant to this Section 8.4(3) (whether they would have otherwise been payable in a single lump sum or in installments in the absence of such delay) will be paid on the first Business Day following the expiration of the Delay Period in a lump sum and any remaining payments due under the Award will be paid in accordance with the normal payment dates specified for them in the applicable Grant Agreement.
- (4) For purposes of Section 409A, each payment made under this Plan will be treated as a separate payment.

ARTICLE 9 ADJUSTMENTS AND AMENDMENTS

Section 9.1 Adjustment to Shares Subject to Outstanding Awards.

At any time after the grant of an Award to a Participant and prior to the expiration of the term of such Award or the forfeiture or cancellation of such Award, in the event of (i) any subdivision of the Shares into a greater number of Shares, (ii) any consolidation of Shares into a lesser number of Shares, (iii) any reclassification, reorganization or other change affecting the Shares, (iv) any merger, amalgamation or consolidation of the Corporation with or into another corporation, or (v) any distribution to all holders of Shares or other securities in the capital of the Corporation, of cash, evidences of indebtedness or other assets of the Corporation (excluding an ordinary course dividend in cash or shares, but including for greater certainty shares or equity interests in a subsidiary or business unit of the Corporation or one of its subsidiaries or cash proceeds of the disposition of such a subsidiary or business unit) or any transaction or change having a similar effect, then the Board shall in its sole discretion, subject to the required approval of any Stock Exchange, determine the appropriate adjustments or substitutions to be made in such circumstances in order to maintain the economic rights of the Participant in respect of such Award in connection with such occurrence or change, including, without limitation:

- (a) adjustments to the exercise price of such Award without any change in the total price applicable to the unexercised portion of the Award;
- (b) adjustments to the number of Shares to which the Participant is entitled upon exercise of such Award;
- (c) adjustments permitting the immediate exercise of any outstanding Awards that are not otherwise exercisable; or
- (d) adjustments to the number of kind of Shares reserved for issuance pursuant to the Plan.

Section 9.2 Change of Control.

Notwithstanding anything else to the contrary herein, in the event of a potential Change of Control, the Board shall have the power, in its sole discretion, to modify the terms of this Plan and/or the Awards (including, for greater certainty, to cause the vesting of all unvested Awards) to assist the Participants to tender into a take-over bid or participating in any other transaction leading to a Change of Control. For greater certainty, in the event of a take-over bid or any other transaction leading to a Change of Control, the Board shall have the power, in its sole discretion, to (i) provide that any or all Awards shall thereupon terminate, provided that any such outstanding Awards that have vested shall remain exercisable until consummation of such Change of Control, and (ii) permit Participants to conditionally exercise their Options and SARs, such conditional exercise to be conditional upon the take-up by such offeror of the Shares or other securities tendered to such take-

over bid in accordance with the terms of such take-over bid (or the effectiveness of such other transaction leading to a Change of Control). If, however, the potential Change of Control referred to in this Section 9.2 is not completed within the time specified therein (as the same may be extended), then notwithstanding this Section 9.2 or the definition of "Change of Control": (i) any conditional exercise of vested Options and/or SARs shall be deemed to be null, void and of no effect, and such conditionally exercised Awards shall for all purposes be deemed not to have been exercised, (ii) Shares which were issued pursuant to exercise of Options and/or SARs which vested pursuant to this Section 9.2 shall be returned by the Participant to the Corporation and reinstated as authorized but unissued Shares, and (iii) the original terms applicable to Awards which vested pursuant to this Section 9.2 shall be reinstated.

Section 9.3 Amendment or Discontinuance of the Plan.

- (1) The Board may suspend or terminate the Plan at any time, or from time to time amend or revise the terms of the Plan or any granted Award without the consent of the Participants provided that such suspension, termination, amendment or revision shall:
 - (a) not adversely alter or impair the rights of any Participant, without the consent of such Participant except as permitted by the provisions of the Plan;
 - (b) be in compliance with applicable law and with the prior approval, if required, of the shareholders of the Corporation, the TSX, the NYSE or any other regulatory body having authority over the Corporation; and
 - (c) be subject to shareholder approval, where required by law or the requirements of the TSX and the NYSE, provided that the Board may, from time to time, in its absolute discretion and without approval of the shareholders of the Corporation make the following amendments to this Plan:
 - (i) any amendment to the vesting provision, if applicable, or assignability provisions of the Awards;
 - (ii) any amendment to the expiration date of an Award that does not extend the terms of the Award past the original date of expiration of such Award;
 - (iii) any amendment regarding the effect of termination of a Participant's employment or engagement;
 - (iv) any amendment which accelerates the date on which any Option or SAR may be exercised under the Plan;
 - (v) any amendment to the definition of an Eligible Participant under the Plan;
 - (vi) any amendment necessary to comply with applicable law or the requirements of the TSX, the NYSE or any other regulatory body;
 - (vii) any amendment of a "housekeeping" nature, including to clarify the meaning of an existing provision of the Plan, correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, correct any grammatical or typographical errors or amend the definitions in the Plan;
 - (viii) any amendment regarding the administration of the Plan;
 - (ix) any amendment to add provisions permitting the grant of Awards settled otherwise than with Shares issued from treasury, a form of financial assistance or clawback, and any amendment to a provision permitting the grant of Awards settled otherwise than with Shares issued from treasury, a form of financial assistance or clawback which is adopted; and
 - (x) any other amendment that does not require the approval of the shareholders of the Corporation under Section 9.3 (2).
- (2) Notwithstanding Section 9.3(1), the Board shall be required to obtain shareholder approval to make the following amendments:
 - (a) any increase to the maximum number of Shares issuable under the Plan, except in the event of an adjustment pursuant to Article 9;
 - (b) except in the case of an adjustment pursuant to Article 9, any amendment which reduces the exercise price of an Option or SAR or any cancellation of an Option or SAR and replacement of such Option or SAR with an Option or SAR with a lower exercise price, to the extent such reduction or replacement benefits an Insider;

- (c) any amendment which extends the expiry date of any Award, or the Restriction Period of any RSU beyond the original expiry date or Restriction Period to the extent such amendment benefits an Insider;
- (d) any amendment which increases the maximum number of Shares that may be (i) issuable to Insiders at any time; or (ii) issued to Insiders under the Plan and any other proposed or established Share Compensation Arrangement in a one-year period, except in case of an adjustment pursuant to Article 9; and
- (e) any amendment to the amendment provisions of the Plan;

provided that Shares held directly or indirectly by Insiders benefiting from the amendments shall be excluded when obtaining such shareholder approval.

- (3) The Board may, by resolution, advance the date on which any Award may be exercised or payable or, subject to applicable regulatory provisions, including any rules of a Stock Exchange or shareholder approval requirements of Section 409A, extend the expiration date of any Award, in the manner to be set forth in such resolution provided that the period during which an Option or a SAR is exercisable or RSU is outstanding does not exceed ten (10) years from the date such Option or SAR is granted in the case of Options and SARs and three (3) years after the calendar year in which the award is granted in the case of RSUs. The Board shall not, in the event of any such advancement or extension, be under any obligation to advance or extend the date on or by which any Option or SAR may be exercised or RSU may be outstanding by any other Participant.

ARTICLE 10 MISCELLANEOUS

Section 10.1 Use of an Administrative Agent and Trustee.

The Board may in its sole discretion appoint from time to time one or more entities to act as administrative agent or trustee to administer the Awards granted under the Plan and to act as trustee to hold and administer the assets that may be held in respect of Awards granted under the Plan, the whole in accordance with the terms and conditions determined by the Board in its sole discretion. The Corporation and the administrative agent will maintain records showing the number of Awards granted to each Participant under the Plan.

Section 10.2 Tax Withholding.

- (1) Notwithstanding any other provision of this Plan, all distributions, delivery of Shares or payments to a Participant (or to the liquidator, executor or administrator, as the case may be, of the estate of the Participant) under the Plan shall be made net of applicable taxes and source deductions. If the event giving rise to the withholding obligation involves an issuance or delivery of Shares, then, the withholding obligation may be satisfied by (a) having the Participant elect to have the appropriate number of such Shares sold by the Corporation, the Corporation's transfer agent and registrar or any trustee appointed by the Corporation pursuant to Section 10.1 hereof, on behalf of and as agent for the Participant as soon as permissible and practicable, with the proceeds of such sale being delivered to the Corporation, which will in turn remit such amounts to the appropriate governmental authorities, or (b) any other mechanism as may be required or appropriate to conform with local tax and other rules.
- (2) Notwithstanding Section 10.2(1), the applicable tax withholdings may be waived where a Participant other than a U.S. Resident directs in writing that a payment be made directly to the Participant's registered retirement savings plan in circumstances to which subsection 100(3) of the regulations made under the Tax Act apply.

Section 10.3 Clawback.

Notwithstanding any other provisions in this Plan, any Award which is subject to recovery under any law, government regulation or stock exchange listing requirement, will be subject to such deductions and clawback as may be required to be made pursuant to such law, government regulation or stock exchange listing requirement (or any policy adopted by the Corporation pursuant to any such law, government regulation or stock exchange listing requirement). Without limiting the

generality of the foregoing, the Board may provide in any case that outstanding Awards (whether or not vested or exercisable) and the proceeds from the exercise or disposition of Awards or Shares acquired under Awards will be subject to forfeiture and disgorgement to the Corporation, with interest and other related earnings, if the Participant to whom the Award was granted violates (i) a non-competition, non-solicitation, confidentiality or other restrictive covenant by which he or she is bound, or (ii) any policy adopted by the Corporation applicable to the Participant that provides for forfeiture or disgorgement with respect to incentive compensation that includes Awards under the Plan. In addition, the Board may require forfeiture and disgorgement to the Corporation of outstanding Awards and the proceeds from the exercise or disposition of Awards or Shares acquired under Awards, with interest and other related earnings, to the extent required by law or applicable stock exchange listing standards, including, without limitation, Section 10D of the Exchange Act, and any related policy adopted by the Corporation. Each Participant, by accepting or being deemed to have accepted an Award under the Plan, agrees to cooperate fully with the Board, and to cause any and all permitted transferees of the Participant to cooperate fully with the Board, to effectuate any forfeiture or disgorgement required hereunder. Neither the Board nor the Corporation nor any other person, other than the Participant and his or her permitted transferees, if any, will be responsible for any adverse tax or other consequences to a Participant or his or her permitted transferees, if any, that may arise in connection with this Section 10.3.

Section 10.4 Securities Law Compliance.

- (1) The Plan (including any amendments to it), the terms of the grant of any Award under the Plan, the grant of any Award and exercise of any Option or SAR, and the Corporation's obligation to sell and deliver Shares in respect of any Awards, shall be subject to all applicable federal, provincial, state and foreign laws, rules and regulations, the rules and regulations of applicable Stock Exchanges and to such approvals by any regulatory or governmental agency as may, as determined by the Corporation, be required. The Corporation shall not be obliged by any provision of the Plan or the grant of any Award hereunder to issue, sell or deliver Shares in violation of such laws, rules and regulations or any condition of such approvals.
- (2) No Awards shall be granted, and no Shares shall be issued, sold or delivered hereunder, where such grant, issue, sale or delivery would require registration of the Plan or of the Shares under the securities laws of any foreign jurisdiction (other than Canada and the United States) or the filing of any prospectus for the qualification of same thereunder, and any purported grant of any Award or purported issue or sale of Shares hereunder in violation of this provision shall be void.
- (3) The Corporation shall have no obligation to issue any Shares pursuant to this Plan unless upon official notice of issuance such Shares shall have been duly listed with a Stock Exchange. Shares issued, sold or delivered to Participants under the Plan may be subject to limitations on sale or resale under applicable securities laws.
- (4) If Shares cannot be issued to a Participant upon the exercise of an Option or a SAR due to legal or regulatory restrictions, the obligation of the Corporation to issue such Shares shall terminate and any funds paid to the Corporation in connection with the exercise of such Option or SAR will be returned to the applicable Participant as soon as practicable.

Section 10.5 Reorganization of the Corporation.

The existence of any Awards shall not affect in any way the right or power of the Corporation or its shareholders to make or authorize any adjustment, reclassification, recapitalization, reorganization or other change in the Corporation's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Corporation or to create or issue any bonds, debentures, shares or other securities of the Corporation or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Corporation or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

Section 10.6 Quotation of Shares.

So long as the Shares are listed on one or more Stock Exchanges, the Corporation must apply to such Stock Exchange or Stock Exchanges for the listing or quotation, as applicable, of the Shares underlying the Awards granted under the Plan, however, the Corporation cannot guarantee that such Shares will be listed or quoted on any Stock Exchange.

Section 10.7 No Fractional Shares.

No fractional Shares shall be issued upon the exercise of any Option or SAR granted under the Plan and, accordingly, if a Participant would become entitled to a fractional Share upon the exercise of such Option or SAR, or from an adjustment permitted by the terms of this Plan, such Participant shall only have the right to purchase the next lowest whole number of Shares, and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

Section 10.8 Governing Laws.

The Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 10.9 Severability.

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

Section 10.10 Effective Date of the Plan

The Plan was approved by the Board and shall take effect on March 13, 2017.

EXHIBIT A

CANADA GOOSE HOLDINGS INC. FORM OF OPTION AGREEMENT

This option agreement (this “**Option Agreement**”) evidences an award of Options granted by Canada Goose Holdings Inc. (the “**Corporation**”) to the undersigned (the “**Participant**”) pursuant to and subject to the terms and conditions of the Canada Goose Holdings Inc. Omnibus Incentive Plan (the “**Plan**”), which is incorporated herein by reference and forms an integral part of this Option Agreement. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan. Certain provisions of the Plan are reproduced or summarized herein for your convenience; however, this Option Agreement is not comprehensive.

Section 1.1 Grant of Options

(1) The Corporation confirms that the Participant has been granted Options under the Plan on the following basis, subject to the terms and conditions of the Plan:

Date of Grant

Number of Options

Option Price (C\$)

Vesting Schedule (including Performance Criteria) Option Term

Type of Options (U.S. Participant)

- (2) Attached hereto and forming an integral part of this Option Agreement as Schedule A is a Form of Election to Exercise that the Participant may use to exercise any of his or her Options in accordance with the Plan at any time and from time to time prior to the expiry of the Option Term of such Options, subject to any vesting or other applicable conditions. Such notice shall be delivered at the Corporation’s registered office to the attention of the Corporate Secretary of the Corporation or any other individual that the Corporate Secretary of the Corporation may from time to time designate.
- (3) If the Participant has executed and become a party to a non-competition or a non-solicitation agreement with the Corporation or any of its Subsidiaries, the Participant’s rights hereunder shall be subject to the restrictive covenants and other provisions contained in that agreement. Where the Participant is determined by the Board in its sole and absolute discretion to have breached any such restrictive covenant, all outstanding Options shall terminate and be forfeited immediately; provided, however, that the foregoing will not limit the application of the provisions contained in the Plan and in this Option Agreement.
- (4) Any exercise of Options by the Participant shall be made in accordance with the Corporation’s insider trading policy. Should the expiry date of any Option Term fall within a Black-Out Period or within nine (9) Business Days following the expiration of a Black-Out Period, such expiry date shall be automatically extended without any further act or formality to that date which is the tenth (10th) Business Day after the end of the Black-Out Period, such tenth (10th) Business Day to be considered the expiry date for such Options for all purposes under the Plan.

Section 1.2 Transferrable Option

Each Option granted under the Plan is personal to the Participant and shall not be assignable or transferable by the Participant, whether voluntarily or by operation of law, except by will or by the laws of succession of the domicile of the deceased Participant. No Option granted hereunder shall be pledged, hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of on pain of nullity.

Section 1.3 Acknowledgments

By accepting this Option Agreement, the Participant represents, warrants and acknowledges that (i) he or she has read and understands the Plan and agrees to the terms and conditions thereof and of this Option Agreement; (ii) his or her participation in the trade and acceptance of the Options is voluntary; (iii) he or she has not been induced to participate in the Plan by expectation of engagement, appointment, employment, continued engagement, continued appointment or continued employment, as applicable, with the Corporation or its Affiliates; and (iv) neither the Participant nor the Participant’s personal representatives or legatees shall have any rights whatsoever as shareholder in respect of any Shares covered by the Participant’s Options by reason of the grant of such Options until such Options have been duly exercised and Shares have been issued in respect thereof. By accepting this Option Agreement, the Participant agrees that the Plan, this Option Agreement as well as any notice, document or instrument relating thereto be drawn up in English only. *Par l’acceptation de ce contrat, le*

participant reconnaît avoir convenu que le régime incitatif de la société, ce contrat, ainsi que tout autre avis, acte ou document s'y rattachant soient rédigés en anglais seulement.

Section 1.4 Governing Law

This Option Agreement and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 1.5 Counterparts

This Option Agreement may be executed and delivered in any number of counterparts (including by facsimile, email or other electronic means), each of which is deemed to be an original, and such counterparts together constitute one and the same agreement.

[The remainder of this page is intentionally left blank]

Accepted and agreed to this day of _____, 20__

Corporation:

CANADA GOOSE HOLDINGS INC.

By: _____

Name:

Title:

Participant:

Signature of Participant

Name of Participant (Please Print)

Address:

**SCHEDULE A
FORM OF ELECTION TO EXERCISE OPTIONS**

TO: CANADA GOOSE HOLDINGS INC. (the "Corporation")

I, the undersigned option holder, hereby irrevocably elect to exercise Options granted by the Corporation to me pursuant to an Option Agreement dated _____, 20__ under Canada Goose Holdings Inc. Omnibus Incentive Plan (the "**Plan**"), for the number of Shares set forth below. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Plan.

I hereby elect to surrender my Options, in whole or in part, in accordance with Sections 4.6 of the Plan:

Number of Shares to be Acquired:	_____
Option Price (per Share):	\$ _____
Aggregate Option Price:	\$ _____
Amount Enclosed:	\$ _____

and hereby tender a certified cheque, bank draft or other form of payment confirmed as acceptable by the Corporation for such aggregate exercise price, and, if applicable, all source deductions, and direct such Shares to be registered in the name of:

I hereby agree to file or cause the Corporation to file on my behalf, on a timely basis, all insider reports and other reports that I may be required to file under applicable securities laws. I understand that this request to exercise my Options is irrevocable.

DATED this __ day of _____, 20__.

Signature of Option holder

Name of Option holder (Please Print)



February 6, 2018

PRIVATE AND CONFIDENTIAL

Jonathan Sinclair

Dear Jonathan:

We are pleased to offer you the position of Executive Vice President, Chief Financial Officer of Canada Goose Inc. and Canada Goose Holdings Inc. ("CG" or the "Company") effective on a date to be mutually agreed upon ("Start Date"), in accordance with the terms and conditions set out in this letter of agreement (the "Agreement"). It is understood that you will start as soon as reasonably possible after you are released from your existing employer. In this role, you will report to the President & Chief Executive Officer. In addition, you will be appointed as a corporate officer of CG.

Terms of Your Employment Include:

Salary: Your base salary will be \$760,000 CAD per annum and will be deposited on a bi-weekly basis via electronic funds transfer to your bank account. Annual salaries are reviewed each year during our Fiscal Year End Performance Management and Development Process.

Annual Bonus Plan: You will be eligible to participate in our Annual Bonus Plan at a participation rate of 45% of your annual base salary. Eligibility and pay out for this plan is based on individual and company performance and is governed by the guidelines of the plan document. The award of any bonus is solely in CG's discretion. You must be an active employee as defined in the Canada Goose Annual Bonus Plan in order to receive payment from the bonus plan. The bonus pay out for the Company's fiscal year you commence your employment will be prorated. In the event that there is any conflict between this clause and clause 4 on Termination, clause 4 shall take precedence.

Signing Bonuses: After commencement of your employment and subject to Board approval and applicable blackout periods, you will receive:(a) a grant of stock options with a term of 10 years ("Options") valued at \$1,175,000 CAD and vesting over four years with one fourth of the Options vesting every 12-month anniversary of the date of the grant; and (b) a grant of restricted share units ("RSUs") valued at \$825,000 CAD and vesting over three years with one third of the RSUs vesting every 12-month anniversary of the date of grant.

The Options and the RSUs will be evidenced in separate award agreements and be governed by and entirely subject to the terms of the Company's Omnibus Incentive Plan including, without limitation, all provisions thereof relating to cessation of employment. The value attributable to the grants of Options and RSUs will be determined according to the Company's internal policies and procedures.

In addition, in the event that your employment with CG commences on or prior to June 18, 2018, you will receive a cash signing bonus of up to \$450,000 CAD less statutory taxes and deductions payable on the Start Date ("Cash Signing Bonus"); equivalent to the value of the bonus earned at



your current employer due to be paid in March and June respectively, it being understood that the Cash Signing Bonus will be offset by any bonus payments you receive from your current employer and will be converted to CAD at the applicable rate at time of payment, and adjusted, if applicable, for disparity in tax rates between jurisdictions. You further agree and understand that in the event that your employment with CG commences after June 18, 2018, the Cash Signing Bonus will be reduced by 50% and any offset bonus payments received from your current employer shall equally be reduced by 50%, subject to the same conversion mechanics as are described above. Finally, in the event your employment is terminated by CG for cause, or you resign or provide notice of your resignation from your employment (other than for good reason), in all cases within 12 months following the Start Date, the entirety of the Cash Signing Bonus shall be repayable by you, and you hereby agree that CG may offset any such amount from any amounts CG owes to you, as the case may be, at the time of termination.

Relocation Benefits: You will receive relocation benefits as outlined in Schedule A – Relocation Benefits, attached.

Long Term Incentive Plan: You are eligible to participate in the Long Term Incentive Plan (LTIP) of the Company, which currently provides for the grant of stock options under the Omnibus Incentive Plan at a rate consistent with your level in the organization. Your level of participation will initially correspond to a LTIP grant equal to 80% of your annual base salary calculated in accordance with the Company's policies and procedures. Awards are granted in the first half of the fiscal year, with approval of the Board of Directors, and are governed by the LTIP, the Omnibus Incentive Plan and the associated Company's policies and procedures, which may be amended or terminated from time to time by the Company in its sole discretion. Further plan documentation will be provided under separate cover.

Your first annual LTIP to be granted after the fiscal year ending March 31, 2019 will be prorated as applicable based on the date of commencement of your employment in such fiscal year.

Vacation: You are entitled to 4 weeks of vacation per calendar year. Should you not complete any full calendar year of employment any vacation monies paid out to you which have not been earned will be deducted from your final pay. The Company acknowledges that you have scheduled vacation from 2-9 September inclusive.

Benefits: You will be eligible to participate in CG's executive benefit plan effective from your Start Date. All benefit premiums are paid 100% by CG except for the Long Term Disability, which is paid 100% by you. The premium for LTD is calculated on your base salary and will be deducted from your bi-weekly pay. You are also eligible for an annual Comprehensive Health Assessment at the Medcan Clinic. CG reserves the right, in its sole discretion, to alter or eliminate any benefits or to change benefits providers. In addition to the foregoing and subject to required health exams, Canada Goose will pay for a life insurance policy with a payout equal to one year of your base salary.

Retirement Savings Program: You will be eligible to participate in CG's salaried employee RRSP/DPSP program effective from your Start Date. The Company will match individual biweekly contributions made to your RRSP up to a maximum of 3% base salary.



Employee Purchase Plan: You are entitled to 3 complimentary jackets each calendar year as well as 4 jackets each calendar year at 50% off MSRP. You are also eligible to participate in CG's Employee Purchase Plan. This benefit is designed to assist you with purchasing CG products at a reduced rate for you and your immediate family. You will not be entitled to any cash compensation in lieu of this benefit.

Employee Policy Manual: You were provided with a copy of CG's current employee policy manual. You agree that you will adhere to all CG policies, guidelines, systems and procedures. CG reserves the right to change the provisions of any of these at any time.

Expenses: All of your reasonable out-of-pocket business expenses will be reimbursed by CG upon receipt of appropriate documentation of such actually incurred expenditure. Any major expenses must be authorized in advance.

Immigration Status : Notwithstanding anything to the contrary contained herein, you hereby agree and understand that, as a condition to your employment and continued employment with CG, you must at all times retain the appropriate status to work in Canada or hold a valid work permit, as the case may be, as required under *the Immigration and Refugee Protection Regulations, 2002 of Canada* or any other applicable law or regulation. In that context, if at any time during your employment your status changes and you are unable to qualify for another status permitting you to work in Canada, you hereby accept and understand that your employment will terminate immediately without any notice, payment in lieu of notice or any other indemnity whatsoever, except as otherwise required under applicable employment standards legislation.

Confidential Information: The term "Confidential Information" means information and data not known generally outside CG. Concerning CG's business and technical information, including, without limitation, information relating to Inventions, as defined below, customer lists, pricing policies, lists of suppliers, patents, trademarks, payment terms, terms of sale including special customer discounts or concessions, customer sales volumes, marketing knowledge and/or information, production knowledge and/or information, knowledge and/or information regarding CG competitors.

It is understood that Confidential Information does not include:

- (a) information which is or becomes generally available to the public or within the industry through no act or omission on your part; or
- (b) information which is required to be disclosed pursuant to any statute, regulation, order, subpoena or document discovery request, provided that you shall, as soon as practicable, give CG prior written notice of such required disclosure in order to afford CG an opportunity to seek a protective order (it being agreed that if a protective order is not sought or obtained in such circumstances, you may disclose such information without liability).



You agree that all Confidential Information is the property of CG and shall remain so and that the disclosure of any Confidential Information would be highly detrimental to the best interests of CG and could severely damage the economic interests of CG. Except as otherwise herein provided, you agree that during the Term and thereafter, you will hold in strictest confidence, and will take all necessary precautions against unauthorized disclosure of, and will not use or disclose to any person, firm or corporation, without the written authorization of CG, any of the Confidential Information, except as such use or disclosure may be required in connection with your work for CG hereunder. You understand that this Agreement applies to computerized and electronic, as well as written information.

Upon and following the termination of this Agreement, you agree that you will not take with you any Confidential Information that is in written, computerized, machine-readable, model, sample, or other form capable of physical delivery, without the prior written consent of CG. You also agree that, upon the termination of this Agreement, you shall deliver promptly and return to CG all such materials, along with all other property of CG in your possession, custody or control and you shall make no further use of same. Should you discover any such items after the termination of this Agreement; you agree to return them promptly to CG without retaining copies of any kind.

Inventions: The term "Inventions" means any intellectual property including without limitation, all technological innovations, discoveries, inventions, designs, formulae, know-how, tests, performance data, processes, production methods, software, improvements to all such property and the like, regardless of whether or not patentable, copyrightable, or subject to trade-mark and further includes any recorded material, notes or records defining, describing or illustrating any such intellectual property.

With respect to any and all Inventions which you, either by yourself alone or together with others, make, conceive, originate, devise, discover, develop or produce, in whole or in part, during the period of your employment with CG hereunder or during, in whole or in part, the 12 month period after your employment hereunder and which such Inventions arise or relate, directly or indirectly, to your performance of your obligations under this Agreement delivered hereunder, you agree:

- (a) to keep notes and written records of any such work, which records shall be provided to CG and made available at all times for the purposes of evaluation and use in obtaining patents, trademarks or copyrights or as a protective procedure;
- (b) to disclose fully and promptly to CG any and all such Inventions, regardless of whether or not made, conceived, originated, devised, discovered, developed or produced by you or others on your behalf either during your working hours or in connection with the work assigned to you by CG;
- (c) that all models, instructions, drawings, blueprints, manuals, letters, notes, notebooks, books, memoranda, reports, software code listings, or other writings made by you or which may come into your possession during the Term of this Agreement and which relate in any way to or embody any Confidential Information or relate to your employment hereunder or any activity or business of CG, shall be the exclusive property of CG and shall be kept on CG premises, except when required



elsewhere in connection with any activity of CG and shall be available to representatives of CG at all times for the purpose of evaluation and use in obtaining patents, trademarks or copyrights or other protective procedures;

- (d) that CG is and shall be the sole owner of all intellectual and industrial property rights in any and all such Inventions and that you hereby irrevocably assign and agree to assign all right, title and interest in such Inventions to CG or its nominee without any additional compensation to it and that you will sign all applications for, and assignments of, patents, trademarks, copyright or other interests therein required by CG and that you will sign all other writings and perform all other acts necessary or convenient to carry out the terms of this Agreement;
- (e) that these obligations under this Article shall continue beyond the termination of your employment with respect to Inventions conceived or made by you during the period of and in connection with this engagement and for the 12 month period after your employment ceases and shall be binding upon your assigns, executors, administrators and other legal representatives; and
- (f) to irrevocably waive any and all of your moral rights in any such Inventions.

Non-Solicitation: You hereby agree that during your employment and for twelve (12) months following the termination of your employment:

- (a) you will not, on your own behalf or on behalf of any Person (as defined below), whether directly or indirectly, in any capacity whatsoever, alone, through or in connection with any Person, for any purpose which is in competition, in whole or in part, with the Business (as defined below), solicit any Customer (as defined below) or procure to assist in the soliciting of any Customer;
- (b) you will not, on your own behalf or on behalf of any Person, whether directly or indirectly, in any capacity whatsoever, alone, through or in connection with any Person, interfere or attempt to interfere with the Business or persuade or attempt to persuade any Customer to discontinue or adversely alter such Person's relationship with CG;
- (c) you will not, on your own behalf or on behalf of any Person, whether directly or indirectly, in any capacity whatsoever, alone, through or in connection with any Person, employ, offer employment to or solicit the employment or service of or otherwise entice away from the employment or service of CG, any individual who is employed by CG or any Person whose consulting services are retained by CG at the time of the termination of your employment or who was employed by CG or whose services were retained by CG in the six month period preceding the termination of your employment, whether or not such Person would commit any breach of his or her contract of employment or services agreement by reason of leaving the service of CG.



Non-Competition: You hereby agree that during your employment and for twelve (12) months following the termination of your employment you will not, on your own behalf or on behalf of any Person, whether directly or indirectly, in the Same or Similar Capacity (as defined below), alone, through or in connection with any Person, carry on or be employed by, be engaged in, consult with or advise, permit your name to be used or employed by, own shares in the capital, lend money to or guarantee the debts of any business which is in competition, in whole or in part, with the Business, in all or part of the Territory. In addition you hereby agree that during your employment and for twelve (12) months following the termination of your employment you will not agree to be employed or consult for the following competitive brands anywhere in the world: Moncler, Moose Knuckles, Mackage, Patagonia, Nobis, The North Face, Colmar, CMFR, HBC, Roots, Arcteryx, Woods, Sierra Designs, Carhartt, G-Lab, Woolrich, Duvettica, Parajumpers, Herno, Stone Island, Museum and Alpha Industries and such other brands as Canada Goose may from time to time designate in writing as being competitive.

For the purposes of this Agreement, the following terms shall have the following meaning:

" **Business** " means manufacturing, distribution, marketing and sale of outerwear and related accessories.

" **Customer** " means any Person (excluding retail customers) who, during your employment, and in the case of termination, has in the twelve (12) months preceding the date of termination of your employment hereunder for any reason, purchased from CG, with your assistance, any product or services produced, sold, licensed, or distributed by CG in respect of the Business.

" **Person** " means an individual, corporation, company, cooperative, partnership, trust, unincorporated association, entity with juridical personality or governmental authority or body; and pronouns which refer to a Person shall have a similarly extended meaning.

" **Same or Similar Capacity** " shall mean:

1. the same or similar capacity or function in which you worked for CG at any time during the last two (2) years of your employment;
2. any executive or managerial capacity; and/or
3. any other capacity, where your knowledge of confidential information could provide a competitive advantage to a competing business;

" **Territory** " shall mean the provinces of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island, Quebec, Saskatchewan and the states of Colorado, Massachusetts, and New York.

You understand and agree that the Confidential Information, Inventions, Non-Solicitation and Non-Competition provisions above are reasonable, enforceable and independent of one another should any provision be found unenforceable by a court of law. Further, you understand that a breach of any of these provisions during the term of your employment constitutes cause (as defined below) for termination of employment and that whether during or after your employment, such breach causes irreparable harm. You hereby acknowledge that the non-solicitation and non-competition restrictions contained in this Agreement, in view of the nature of the Business, are reasonable and necessary in order to protect the legitimate interests of CG and that any violation thereof would



result in irreparable injuries to CG and that damages alone would be an inadequate remedy for any violation of the aforementioned restrictions. You further acknowledge that in the event of a violation of any of these restrictions, CG shall be entitled to obtain from any Court of competent jurisdiction temporary, interlocutory and permanent injunctive relief which rights shall be cumulative and in addition to any other rights or remedies to which CG may be entitled.

Termination of Employment and Severance Benefits Your employment hereunder shall terminate under the following circumstances:

1. *Death* . In the event of your death during your employment, the date of death shall be the date of termination, and the Company shall pay or provide your designated beneficiary or, if no beneficiary has been designated by you in a notice received by the Company, to your estate: a) any annual base salary earned but not paid through the date of termination, b) pay for any vacation time earned but not used through the date of termination, c) subject to the timing rules of the Annual Bonus Plan, any bonus awarded for the year preceding that in which termination occurs, but unpaid on the date of termination, and d) any business expenses incurred by you but unreimbursed on the date of termination, provided that such expenses and required substantiation and documentation are submitted within sixty (60) days following termination, and that such expenses are reimbursable under the terms of this Agreement (all of the foregoing, payable subject to the timing limitations described herein, "Final Compensation"). The Company shall have no further obligation or liability to you other than as expressly provided herein. Other than business expenses described, Final Compensation shall be paid to your designated beneficiary or estate within thirty (30) days following the date of death in a lump sum.
2. *Disability* . The Company may terminate your employment hereunder, upon notice to you, in the event that you becomes disabled during your employment hereunder through any illness, injury, accident or condition of either a physical or psychological nature and, as a result, is unable to perform substantially all of his duties and responsibilities hereunder (notwithstanding the provision of any reasonable accommodation) for one hundred eighty (180) consecutive days or an aggregate of two hundred forty (240) days during any period of three hundred sixty-five (365) consecutive days. In the event of such termination, the Company shall have no further obligation or liability to you, other than as expressly provided herein, and other than to provide you with you minimum entitlement to notice, severance pay (if any) and benefits continuation under applicable employment standards legislation and for payment of any Final Compensation due you. Other than business expenses described, Final Compensation shall be paid to you within thirty (30) days following the date of termination of employment in a lump sum.

The President & Chief Executive Officer may designate another employee to act in your place during any period of your disability. If any question shall arise as to whether you are disabled through any illness, injury, accident or condition of either a physical or psychological nature so as to be unable to perform substantially all of your duties and responsibilities hereunder, you may, and at the request of the Company shall, submit to a medical examination by a physician selected by the Company, from a company such as Medcan or Medysis, to determine whether you are disabled, and such determination shall for the purposes of this Agreement be conclusive. If such question shall arise and you shall fail to



submit to such medical examination, the Company's determination of the issue shall be binding on you.

3. *By the Company for Cause* . The Company may terminate your employment hereunder for just cause, at any time upon notice to you setting forth in reasonable detail the nature of such cause. Upon the giving of notice of termination of your employment hereunder for cause, the Company shall have no further obligation or liability to you, other than as expressly provided herein and, for any Final Compensation due to you. Other than business expenses described, Final Compensation shall be paid to you within thirty (30) days following the date of termination of employment in a lump sum. Any one or more of the following events shall constitute cause:
- i. theft, dishonesty, or other similar behaviour;
 - ii. any neglect of duty or misconduct in discharging any of your duties and responsibilities hereunder;
 - iii. any conduct which is materially detrimental or embarrassing to CG. including, without limitation, you being convicted of an offence under the Canada *Criminal Code*;
 - iv. your acceptance of a gift of any kind, other than gifts of nominal or inconsequential value, from any source directly or indirectly related to your employment with CG, unless prior approval by the President & Chief Executive Officer (or anyone else who has been designated) has been obtained;
 - v. violation of the CG company policies included with this letter or any other company policies which may reasonably subsequently be introduced, including but not limited to, a material breach of the policies related to health and safety, sexual harassment, anti-discrimination, and violence in the workplace ;
 - vi. any material misrepresentation, falsehood or omission on your part either during the application and hiring process, or otherwise during the course of (and related to) your employment; or
 - vii. any other act or omission or series of acts or omissions by you that would in law permit CG to, without notice or payment in lieu of notice, terminate your employment.
4. *By the Company Other Than for Cause* . The Company may terminate your employment hereunder other than for cause at any time upon notice to you. In the event of such termination, in addition to any Final Compensation due to you, the Company will a) pay you a severance amount representing one (1) times your annual base salary and b) continue your participation in the benefits plans described in herein for a period of one (1) year following the date of the termination of employment, subject to the terms of the applicable plan (collectively, the "Severance Benefits"). The Company shall also pay you any Final Compensation due to you (other than business expenses described) in a lump sum within thirty (30) days following the date of the termination of employment. Any obligation of the Company to provide the Severance Benefits in excess of statutory minimums is conditioned,



however, on you signing (in such a manner that will give legal effect) and returning to the Company a release of claims in the form provided by the Company within ten (10) days following the date of termination (any such release submitted by such deadline, the "Release of Claims") and on your continued compliance with your obligations to the Company under this Agreement that survive termination of your employment, including without limitation the Confidential Information, Inventions, Non-Solicitation and Non-Competition provisions. All amounts to which you are entitled hereunder which exceeds statutory minimums shall be payable, at the discretion of the Company, in a lump sum within thirty (30) days that follows the date on which the Company receives your signed Release of Claims, or in the form of salary continuation, payable in accordance with the normal payroll practices of the Company for its executives, with the first payment, which shall be retroactive to the day immediately following the date your employment terminated, being due and payable, on the Company's next regular payday for executives that follows the date on which the Company receives your signed Release of Claims. Any pro rata annual bonus to which you are entitled hereunder shall be paid to you at the same time that annual bonuses for the applicable fiscal year are paid to senior executives of the Company generally in accordance with the Annual Bonus Plan.

5. *By You without Good Reason* . You may terminate your employment hereunder at any time upon ninety (90) days' prior written notice to the Company; in such a case, the Company may elect to waive the period of notice, or any portion thereof. The Company shall also pay you any Final Compensation due to you in a lump sum within thirty (30) days (other than business expenses described) following the date of the termination of employment.

Exclusive Right to Severance . You here agree that the Severance Benefits to be provided to you in accordance with the terms and conditions set forth in this Agreement are intended to be inclusive of all termination and/or severance payments that may be required at common law or under the applicable employment standards legislation. You hereby knowingly and voluntarily waive any right you might otherwise have to participate in or receive benefits under any other plan, program or policy of the Company providing for severance or termination pay or benefits. The parties agree that you shall not be required to mitigate the amount of any payments or benefits which form part of the Severance Benefits by seeking other employment, nor will the Severance Benefits be reduced by any compensation, remuneration and/or benefits earned by you as a result of employment by another employer or the rendering of services after the date of termination.

Effect of Termination . The provisions of this Termination and Severance Section shall apply to any termination of your employment under this Agreement. Provision by the Company of Final Compensation and Severance Benefits, if any, (and notice, severance pay (if any) and benefits continuation, if applicable), that are due to you in each case under the applicable termination provision of herein shall constitute the entire obligation of the Company to you. Following the Company's request, you shall promptly give the Company notice of all facts necessary for the Company to determine the amount and duration of its obligations in connection with any termination pursuant to this section.

Except as otherwise provided herein, your participation in all employee benefit plans of the Company shall terminate pursuant to the terms of the applicable plan documents based on the date of termination of your employment without regard to any base salary for notice waived pursuant to



the resignation section hereof or to any Severance Benefits or other payment made to or on behalf of you following such date of termination.

Provisions of this Agreement shall survive any termination of your employment if so provided herein or if necessary or desirable fully to accomplish the purposes of other surviving provisions, including without limitation your obligations under Confidential Information, Inventions, Non-Solicitation and Non-Competition provisions hereof. The obligation of the Company to provide Severance Benefits hereunder, which exceed statutory minimums, and your right to retain such payments, is expressly conditioned on your continued full performance in accordance with the Confidential Information, Inventions, Non-Solicitation and Non-Competition provisions hereof. You hereby recognize that, except as expressly provided herein, no compensation is earned after termination of employment.

Severability: In the event that any provision in this Agreement or part thereof shall be deemed void or invalid by a court of competent jurisdiction, the remaining provisions, or parts thereof, shall be and remain in full force and effect.

Entire Agreement: This Agreement constitutes the entire agreement between the parties hereto with respect to your employment. Any and all previous agreements, written or oral, express or implied between the parties hereto or on their behalf relating to your employment by CG are hereby terminated and cancelled and each of the parties hereto hereby releases and forever discharges the other of and from all manner of actions, causes of action, claims and demands whatsoever under or in respect of any such agreement.

Amendment: This Agreement may be altered, modified or amended only by a written instrument, duly executed by both parties and stating that the alteration, modification or amendment is an addition to and subject to this Agreement.

Non-Merger: Notwithstanding any other provision in this Agreement to the contrary, the provisions of the paragraphs dealing with Confidential Information, Inventions, Non-Solicitation, and Non-Competition hereof shall survive termination of this Agreement and shall not merge therewith.

Notices: Any notice required or permitted to be given to you shall be sufficiently given if delivered to you personally or if mailed by registered mail to your address last known to CG.

Any notice required or permitted to be given to CG shall be sufficiently given if delivered to or mailed by registered mail to CG at its registered office.

Any notice given pursuant to and in accordance with this paragraph shall be deemed to be received by you on the third business day after mailing, if sent by registered mail, and on the day of delivery, if delivered.

Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

Canada Goose Inc. has an accommodation process in place that provides accommodations for employees with disabilities. If you require a specific accommodation because of a disability, please contact Human Resources at hr@canadagoose.com.



Schedule A Relocation Benefits

Canada Goose Inc. ("CG") will provide you with the following relocation benefits:

Immigration Costs

CG will cover the costs for the Canadian work permit for you and your spouse, including legal advice, as necessary. CG will not be liable in any way if no work permit will be granted.

Relocation

CG will cover reasonable costs of a house hunting trip, the move of your household goods from London to Toronto, business class travel for you and your spouse and relocation of your pet to a maximum of \$50,000 CAD, grossed up for applicable taxes. In addition, you will receive a relocation allowance of \$10,000 CAD, grossed up for applicable taxes, for miscellaneous costs you may incur.

Housing Allowance

Subject to the following, you will be provided with a monthly housing allowance in the amount of \$13,000 CAD, grossed up for applicable taxes. Subject to your continued employment with CG, this housing allowance will be provided to you for a period of 36 months as of the Start Date.

Home Leave

CG will reimburse the fare of one pair of round-trip business class tickets between the UK and Toronto for you and your spouse within one year of your Start Date. You will not be entitled to any cash compensation in lieu of this benefit.

Tax Preparation Support

CG will support tax preparation services for two taxation years following your move to Canada. This will include tax support for filing taxes in both the United Kingdom and Canada.



Repatriation

If your employment is terminated by CG for any reason other than cause within the first two (2) years of employment following the Start Date or if you die or become permanently disabled, CG will reimburse you for the following costs associated with your relocation back to London, UK, up to \$20,000 CAD, upon receipt of appropriate documentation of such actually incurred expenditures: cancelation fees as a result of a lease termination, move of physical goods and air travel for you, your spouse and pet. If you terminate your employment for any reason, at any time, no repatriation by CG will be reimbursed unless otherwise agreed between the parties.

SUBSIDIARIES OF CANADA GOOSE HOLDINGS, INC.

Entity	Jurisdiction
Canada Goose Inc.	Ontario
Canada Goose Trading Inc.	Ontario
Canada Goose International Holdings Limited	United Kingdom
Canada Goose US, Inc.	Delaware
Canada Goose Europe AB	Switzerland
Canada Goose International AG	Zug (Switzerland)
Canada Goose Services Limited	United Kingdom
Canada Goose UK Retail Limited	United Kingdom

CERTIFICATION

I, Dani Reiss, certify that:

1. I have reviewed this annual report on Form 20-F of Canada Goose Holdings Inc.;
 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
 4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
 - c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
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5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
- a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: May 29, 2019

By:

/s/ Dani Reiss

Dani Reiss

President and Chief Executive Officer

CERTIFICATION

I, Jonathan Sinclair, certify that:

1. I have reviewed this annual report on Form 20-F of Canada Goose Holdings Inc.;
 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
 4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
 - c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
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**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with this annual report on Form 20-F of Canada Goose Holdings Inc. (the “Company”) for the fiscal year ended March 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Dani Reiss, President and Chief Executive Officer of the Company, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (i) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and
- (ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 29, 2019

By: _____
/s/ Dani Reiss
Dani Reiss
President and Chief Executive Officer
(Principal Executive Officer)

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) and is not being filed as part of the Form 20-F or as a separate disclosure document.

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in Registration Statement No. 333-216812 on Form S-8, and Registration Statement No. 333-225757 on Form F-3, of our reports dated May 28, 2019, relating to the financial statements of Canada Goose Holdings Inc. and subsidiaries (the "Company") and the effectiveness of the Company's internal control over financial reporting (which report expresses an adverse opinion on the effectiveness of the Company's internal control over financial reporting because of material weaknesses), appearing in this Annual Report on Form 20-F of the Company for the year ended March 31, 2019.

/s/ Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
May 29, 2019