
Nordic Air Ambulance A/S

c/o PricewaterhouseCoopers, Strandvejen 44, DK-2900 Hellerup

Annual Report for 1 January - 31 December 2022

CVR No 33 64 31 79

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 1 /6 2023

Leif Olstad
Chairman of the General Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Nordic Air Ambulance A/S for the financial year 1 January - 31 December 2022.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2022 of the Company and of the results of the Company operations for 2022.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Hellerup, 1 June 2023

Executive Board

Lasse Dahl
CEO

Arne Wolff
CFO

Board of Directors

Leif Olstad
Chairman

Lars Erik Bragstad

Anne Mari Jakobsen

Independent Auditor's Report

To the Shareholder of Nordic Air Ambulance A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Nordic Air Ambulance A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstate-

Independent Auditor's Report

ment, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the

Independent Auditor's Report

disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 1 June 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Martin Lunden
State Authorised Public Accountant
mne32209

Thomas Lauritsen
State Authorised Public Accountant
mne34342

Company Information

The Company

Nordic Air Ambulance A/S
c/o PricewaterhouseCoopers
Strandvejen 44
DK-2900 Hellerup

CVR No: 33 64 31 79
Financial period: 1 January - 31 December
Municipality of reg. office: Hellerup

Board of Directors

Leif Olstad, Chairman
Lars Erik Bragstad
Anne Mari Jakobsen

Executive Board

Lasse Dahl
Arne Wolff

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Key activities

The main activity of the Company is to operate leasing of helicopters and other thus naturally related services.

Development in the year

The income statement of the Company for 2022 shows a profit of DKK 3,176,671, and at 31 December 2022 the balance sheet of the Company shows equity of DKK 24,081,778.

Subsequent events

After a tender process in 2022 Norsk Luftambulans AS (NLA AS), the parent company, was awarded in January 2023 the contract with the Danish Health Regions for the operation of 4 medical helicopter bases in Denmark. The award was appealed to the Complaints Board by the other two competitors. The complaints did not have suspensive effect and one of the complaints was withdrawn. NLA AS is waiting for a ruling on the final complaint expected to be announced during second quarter of 2023. At contract signing the Company (NAA A/S) will acquire 5 new helicopters with expected delivery in 2025. The Company's 4 existing helicopters will be released for sale after the delivery of the new helicopters.

Income Statement 1 January - 31 December

	Note	2022 DKK	2021 DKK
Revenue		14.547.698	14.547.698
Other external expenses		-126.923	-127.502
Gross profit/loss		14.420.775	14.420.196
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-7.481.940	-7.481.937
Profit/loss before financial income and expenses		6.938.835	6.938.259
Financial income	1	135.717	8.286
Financial expenses	2	-2.995.698	-2.961.645
Profit/loss before tax		4.078.854	3.984.900
Tax on profit/loss for the year	3	-902.183	-876.679
Net profit/loss for the year		3.176.671	3.108.221

Distribution of profit

Proposed distribution of profit

Retained earnings	3.176.671	3.108.221
	3.176.671	3.108.221

Balance Sheet 31 December

Assets

	Note	2022 DKK	2021 DKK
Helicopters		120.580.048	128.061.988
Property, plant and equipment	4	120.580.048	128.061.988
Fixed assets		120.580.048	128.061.988
Receivables from group enterprises		9.181.856	8.446.550
Corporation tax receivable from group enterprises		928.994	1.066.587
Receivables		10.110.850	9.513.137
Cash at bank and in hand		4.278.469	3.549.583
Currents assets		14.389.319	13.062.720
Assets		134.969.367	141.124.708

Balance Sheet 31 December

Liabilities and equity

	Note	2022 DKK	2021 DKK
Share capital		801.000	801.000
Retained earnings		23.280.778	20.104.107
Equity		24.081.778	20.905.107
Provision for deferred tax	5	13.076.400	12.327.623
Provisions		13.076.400	12.327.623
Credit institutions		82.023.283	91.573.867
Long-term debt	6	82.023.283	91.573.867
Credit institutions	6	9.747.838	9.945.092
Trade payables		329.426	509.865
Payables to group enterprises		5.394.242	5.350.720
Corporation tax		316.400	512.434
Short-term debt		15.787.906	16.318.111
Debt		97.811.189	107.891.978
Liabilities and equity		134.969.367	141.124.708
Contingent assets, liabilities and other financial obligations	7		
Accounting Policies	8		

Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 January	801.000	20.104.107	20.905.107
Net profit/loss for the year	0	3.176.671	3.176.671
Equity at 31 December	801.000	23.280.778	24.081.778

Notes to the Financial Statements

	2022	2021
	DKK	DKK
1 Financial income		
Interest received from group enterprises	128.191	0
Other financial income	7.526	0
Exchange gains	0	8.286
	135.717	8.286
2 Financial expenses		
Other financial expenses paid to group enterprises	305.764	262.242
Other financial expenses	2.544.974	2.627.270
Exchange loss	144.960	72.133
	2.995.698	2.961.645
3 Tax on profit/loss for the year		
Current tax for the year	153.406	-554.153
Deferred tax for the year	748.777	1.430.832
	902.183	876.679
4 Property, plant and equipment		Helicopters
		DKK
Cost at 1 January		174.038.662
Cost at 31 December		174.038.662
Impairment losses and depreciation at 1 January		45.976.674
Depreciation for the year		7.481.940
Impairment losses and depreciation at 31 December		53.458.614
Carrying amount at 31 December		120.580.048
Depreciated over		24-25 years

Notes to the Financial Statements

	2022	2021
	DKK	DKK
5 Provision for deferred tax		
Provision for deferred tax at 1 January	12.327.623	10.896.791
Amounts recognised in the income statement for the year	748.777	1.430.832
Provision for deferred tax at 31 December	13.076.400	12.327.623
Property, plant and equipment	13.076.400	12.327.623
	13.076.400	12.327.623

6 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Credit institutions

Between 1 and 5 years	82.023.283	91.573.867
Long-term part	82.023.283	91.573.867
Within 1 year	9.747.838	9.945.092
	91.771.121	101.518.959

7 Contingent assets, liabilities and other financial obligations

Charges and security

The following assets have been placed as security with credit institutes:

The Company's helicopters has been pledged as security for debts to credit institutions of DKK 91.771.121. The carrying amount of the helicopters are

DKK:	120.580.048	128.061.988
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Contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed income of the Group etc. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, royalty tax and tax on unearned income. Any subsequent adjustments of corporation and withholding taxes may increase the Company's liabilities.

Notes to the Financial Statements

8 Accounting Policies

The Annual Report of Nordic Air Ambulance A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2022 are presented in DKK.

Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the

Notes to the Financial Statements

8 Accounting Policies (continued)

balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income Statement

Revenue

Revenue from the rent is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Other external expenses

Other external expenses comprise rent of helicopters, fuel, repair, administration, etc.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Notes to the Financial Statements

8 Accounting Policies (continued)

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Helicopters	24-25 years
Other fixtures and fittings, tools and equipment	3-5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimi-

Notes to the Financial Statements

8 Accounting Policies (continued)

nation in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.