

Offshore Helicopter Services Denmark A/S

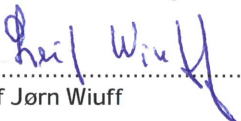
John Tranums Vej 23, 6705 Esbjerg Ø

CVR no. 41 52 62 11

Annual report 2021/22

Approved at the Company's annual general meeting on 3 August 2022

Chair of the meeting:


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Leif Jørn Wiuff

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Offshore Helicopter Services Denmark A/S for the financial year 1 April 2021 - 31 March 2022.

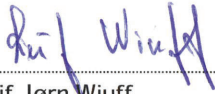
The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2022 and of the results of the Company's operations for the financial year 1 April 2021 - 31 March 2022.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Esbjerg, 3 August 2022
Executive Board:

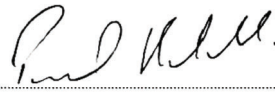


Leif Jørn Wiuff

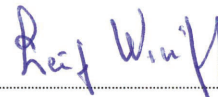
Board of Directors:



Chris Krajewski
Chair



Paul Arthur Kelsall



Leif Jørn Wiuff

Independent auditor's report

To the shareholder of Offshore Helicopter Services Denmark A/S

Opinion

We have audited the financial statements of Offshore Helicopter Services Denmark A/S for the financial year 1 April 2021 - 31 March 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are 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 of the Company at 31 March 2022 and of the results of the Company's operations for the financial year 1 April 2021 - 31 March 2022 in accordance with the Danish Financial Statements Act.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' 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.

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 misstatement, 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 as to 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 the 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.

Independent auditor's report

- ▶ 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 note 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.

Statement on the Management's review

Management is responsible for the Management's review.

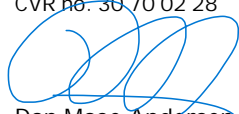
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Esbjerg, 3 August 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Dan Mose Andersen
State Authorised Public Accountant
mne35406



Mads Klausen
State Authorised Public Accountant
mne46588

Management's review

Company details

Name	Offshore Helicopter Services Denmark A/S
Address, Postal code, City	John Tranums Vej 23, 6705 Esbjerg Ø
CVR no.	41 52 62 11
Established	17 July 2020
Registered office	Esbjerg
Financial year	1 April 2021 - 31 March 2022
Board of Directors	Chris Krajewski, Chair Paul Arthur Kelsall Leif Jørn Wiuff
Executive Board	Leif Jørn Wiuff
Auditors	EY Godkendt Revisionspartnerselskab Bavnehøjvej 5, 6700 Esbjerg, Denmark

Management's review

Business review

Offshore Helicopter Services Denmark A/S is a Danish subsidiary of CHC Group and the principal activities comprise offshore helicopter flights to offshore operations in the Danish part of the North Sea for TotalEnergies EP Denmark A/S.

The Company's fleet of helicopters includes Airbus H175 helicopters. The fleet of helicopters is leased on a short-term basis from a group company.

Financial review

The income statement for 2021/22 shows a profit of DKK 22,036 thousand against a profit of DKK 2,754 thousand last year, and the balance sheet at 31 March 2022 shows equity of DKK 25,190 thousand.

Management considers the Company's financial performance in the year satisfactory.

Events after the balance sheet date

On 31 August 2021 the Company was sold to CHC Group LLC. The transaction was subject to approval from the competition authorities in UK (CMA). The competition authorities approved the transaction in July 2022.

In June 2022, the Company has entered a collective agreement with the Company's pilots. The agreement will future-proof the Company's operations in the coming years.

No other events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 April 2021 - 31 March 2022

Income statement

Note	DKK'000	2021/22 12 months	2020/21 9 months
	Gross profit	64,836	16,815
2	Staff costs	-37,438	-13,037
	Depreciation of property, plant and equipment	-389	-93
	Profit before net financials	27,009	3,685
3	Financial income	1,260	0
4	Financial expenses	-4	-152
	Profit before tax	28,265	3,533
5	Tax for the year	-6,229	-779
	Profit for the year	22,036	2,754
	Recommended appropriation of profit	22,036	2,754
	Retained earnings	22,036	2,754

Financial statements 1 April 2021 - 31 March 2022

Balance sheet

Note	DKK'000	<u>2021/22</u>	<u>2020/21</u>
	ASSETS		
	Fixed assets		
6	Property, plant and equipment		
	Fixtures and fittings, other plant and equipment	490	620
	Leasehold improvements	973	1,232
		<u>1,463</u>	<u>1,852</u>
7	Investments		
	Deposits	2,751	2,251
	Contract assets	11,613	14,720
		<u>14,364</u>	<u>16,971</u>
	Total fixed assets	<u>15,827</u>	<u>18,823</u>
	Non-fixed assets		
	Inventories		
	Spare parts and consumables	1,476	1,318
		<u>1,476</u>	<u>1,318</u>
	Receivables		
	Trade receivables	11,738	8,398
	Receivables from group enterprises	50,310	56,551
	Other receivables	164	0
	Prepayments	815	258
		<u>63,027</u>	<u>65,207</u>
	Cash	11,224	1,455
	Total non-fixed assets	<u>75,727</u>	<u>67,980</u>
	TOTAL ASSETS	<u><u>91,554</u></u>	<u><u>86,803</u></u>

Financial statements 1 April 2021 - 31 March 2022

Balance sheet

Note	DKK'000	2021/22	2020/21
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	400	400
	Retained earnings	24,790	2,754
	Total equity	25,190	3,154
	Provisions		
	Deferred tax	144	129
	Total provisions	144	129
	Liabilities other than provisions		
8	Non-current liabilities other than provisions		
	Contract liabilities	31,589	39,284
		31,589	39,284
	Current liabilities other than provisions		
	Prepayments received from customers	10,450	10,269
	Trade payables	2,635	1,494
	Payables to group enterprises	8,806	26,142
	Corporation tax payable	6,052	650
	Other payables	6,688	5,681
		34,631	44,236
	Total liabilities other than provisions	66,220	83,520
	TOTAL EQUITY AND LIABILITIES	91,554	86,803

- 1 Accounting policies
- 9 Contractual obligations and contingencies, etc.
- 10 Collateral
- 11 Related parties

Financial statements 1 April 2021 - 31 March 2022

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
Equity at 1 April 2021	400	2,754	3,154
Transfer through appropriation of profit	0	22,036	22,036
Equity at 31 March 2022	<u>400</u>	<u>24,790</u>	<u>25,190</u>

The Company's share capital has remained DKK 400 thousand since the establishment.

Financial statements 1 April 2021 - 31 March 2022

Notes to the financial statements

1 Accounting policies

The annual report of Offshore Helicopter Services Denmark A/S for 2021/22 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Basis of recognition and measurement

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

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities measured at fair value or amortised cost. Equally, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment losses and provisions as well as reversals as a result of changes in accounting estimates of amounts which were previously recognised in the income statement.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IFRS 15 as interpretation of the Danish Financial Statements Act for revenue recognition.

Revenue from the sale of services is recognised in the income statement provided that the service relates to the period before the end of the year and that the income can be reliably measured and is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Financial statements 1 April 2021 - 31 March 2022

Notes to the financial statements

1 Accounting policies (continued)

Gross profit

The items revenue, cost of sales, change in inventories of finished goods and work in progress, work performed for own account and capitalised and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Fixtures and fittings, other plant and equipment	5 years
Leasehold improvements	5 years

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Financial statements 1 April 2021 - 31 March 2022

Notes to the financial statements

1 Accounting policies (continued)

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Investments

Investments comprises rent deposits measured at cost.

Contract assets comprises mobilisation costs incurred to fulfil a contract and is recognised in accordance with IFRS 15. Mobilisation costs incurred in order to fulfil a contract includes payroll costs and certain direct start-up costs in order to mobilize a helicopter base and operations, if these costs are expected to be recovered. Contract assets are amortised over the term of the contract.

Impairment of fixed assets

The carrying amount of property, plant and equipment and investments is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Inventories

Inventories comprise spare parts and consumables. Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of spare parts and consumables comprises the cost of acquisition plus delivery costs.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Financial statements 1 April 2021 - 31 March 2022

Notes to the financial statements

1 Accounting policies (continued)

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "Receivables from group entities".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Prepayments received from customers

Prepayments received from customers comprise prepaid revenue regarding subsequent financial reporting years. Prepayments received from customers has been recognised under "Contract liabilities".

Financial statements 1 April 2021 - 31 March 2022

Notes to the financial statements

DKK'000		2021/22 12 months	2020/21 9 months	
2	Staff costs			
	Wages/salaries	32,795	11,831	
	Pensions	4,438	1,206	
	Other social security costs	205	0	
		<u>37,438</u>	<u>13,037</u>	
	Average number of full-time employees	<u>50</u>	<u>29</u>	
3	Financial income			
	Financial income, group entities	1,058	0	
	Other financial income	202	0	
		<u>1,260</u>	<u>0</u>	
4	Financial expenses			
	Financial expenses, group entities	0	75	
	Other financial expenses	4	77	
		<u>4</u>	<u>152</u>	
5	Tax for the year			
	Estimated tax charge for the year	6,214	650	
	Deferred tax adjustments in the year	15	129	
		<u>6,229</u>	<u>779</u>	
6	Property, plant and equipment			
		Fixtures and fittings, other plant and equipment	Leasehold improvements	Total
	DKK'000			
	Cost at 1 April 2021	<u>648</u>	<u>1,297</u>	<u>1,945</u>
	Cost at 31 March 2022	<u>648</u>	<u>1,297</u>	<u>1,945</u>
	Impairment losses and depreciation at 1 April 2021	28	65	93
	Depreciation	<u>130</u>	<u>259</u>	<u>389</u>
	Impairment losses and depreciation at 31 March 2022	158	324	482
	Carrying amount at 31 March 2022	<u>490</u>	<u>973</u>	<u>1,463</u>

Financial statements 1 April 2021 - 31 March 2022

Notes to the financial statements

7 Investments

DKK'000	Deposits	Contract assets	Total
Cost at 1 April 2021	2,251	15,535	17,786
Additions	500	0	500
Cost at 31 March 2022	2,751	15,535	18,286
Value adjustments at 1 April 2021	0	-815	-815
Amortisation	0	-3,107	-3,107
Value adjustments at 31 March 2022	0	-3,922	-3,922
Carrying amount at 31 March 2022	2,751	11,613	14,364

Contract assets comprise mobilization costs that are amortized on a straight-line basis over the term of the contract.

8 Non-current liabilities other than provisions

Non-current liabilities other than provisions comprises contract liabilities.

Contract liabilities are recognized as income over the contract period of 1-5 years.

9 Contractual obligations and contingencies, etc.

Other financial obligations

The Company has entered rent agreements for hangar and administrative facilities with remaining contract terms of 3 - 6 months. The total rent obligation in the non-cancellation period amounts to DKK 457 thousand at 31 March 2022.

The Company has entered operational leasing contracts related to cars and IT-equipment with remaining contract terms of 1-4 years. The total lease obligations amounts to DKK 489 thousand at 31 March 2022.

The Company has liabilities under a service agreement with remaining contract terms up to 6 months, amounting DKK 2,250 thousand.

The Company has entered leasing agreements regarding the fleet of helicopters. The helicopters are leased on short-term contracts by a group company.

10 Collateral

The Company has not provided any security or other collateral in assets at 31 March 2022.

11 Related parties

Offshore Helicopter Services Denmark A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
CHC Denmark ApS	Aalborg, Denmark	100 % ownership