



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 982 715 040
Organisasjonsform: Aksjeselskap
Foretaksnavn: HELI-ONE (NORWAY) AS
Forretningsadresse: Stavanger Lufthavn Sola
4055 SOLA

Regnskapsår

Årsregnskapets periode: 01.05.2021 - 30.04.2022

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Thorleif Eng Jakobsen
Dato for fastsettelse av årsregnskapet: 28.03.2023

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 03.10.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Sales Revenue	2	1 819 952 000	2 028 109 000
Sum inntekter		1 819 952 000	2 028 109 000
Kostnader			
Material Expenses	8, 10	882 529 000	871 662 000
Wages and Social Expenses	4, 7	322 481 000	314 619 000
Ordinary depreciation	6	337 390 000	358 434 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	6, 10	20 595 000	13 664 000
Other Operating Expenses	3, 8	398 527 000	299 093 000
Sum kostnader		1 961 522 000	1 857 472 000
Driftsresultat		-141 570 000	170 637 000
Finansinntekter og finanskostnader			
Other Financial Incom	13	901 000	219 308 000
Sum finansinntekter		901 000	219 308 000
Rentekostnad til foretak i samme konsern	8, 13	1 372 000	1 341 000
Other Financial Expenses	13	53 164 000	11 683 000
Sum finanskostnader		54 536 000	13 024 000
Netto finans		-53 635 000	206 284 000
Ordinært resultat før skattekostnad		-195 205 000	376 921 000
Tax Expense	5	0	0
Ordinært resultat etter skattekostnad		-195 205 000	376 921 000
Årsresultat		-195 205 000	376 921 000



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Machinery and Plant etc	6	104 161 000	117 467 000
Vessels, Rigs, Planes etc	6	1 517 932 000	1 610 001 000
Sum varige driftsmidler		1 622 093 000	1 727 468 000
Finansielle anleggsmidler			
Other Long-term receivables	7	310 510 000	250 564 000
Sum finansielle anleggsmidler		310 510 000	250 564 000
Sum anleggsmidler		1 932 603 000	1 978 032 000
Omløpsmidler			
Varer			
Inventories	10	438 853 000	413 486 000
Sum varer		438 853 000	413 486 000
Fordringer			
Accounts Receivables		93 113 000	91 071 000
Other Short-term receivables		93 875 000	178 642 000
Konsernfordringer	8	839 817 000	809 520 000
Sum fordringer		1 026 805 000	1 079 233 000
Bankinnskudd, kontanter og lignende			
Cash and Cash Equivalents	9	14 657 000	14 428 000
Sum bankinnskudd, kontanter og lignende		14 657 000	14 428 000
Sum omløpsmidler		1 480 315 000	1 507 147 000
SUM EIENDELER		3 412 918 000	3 485 179 000

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2022	2021
Egenkapital			
Innskutt egenkapital			
Share Capital	11	818 900 000	818 898 000
Overkurs	11	895 100 000	881 602 000
Ikke registrert kapitalforhøyelse	11	734 000	734 000
Sum innskutt egenkapital		1 714 734 000	1 701 234 000
Opptjent egenkapital			
Debt Forgiveness	11	145 576 000	145 576 000
Udekket tap	11	1 287 291 000	1 092 087 000
Sum opptjent egenkapital		-1 141 715 000	-946 511 000
Sum egenkapital		573 019 000	754 723 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	7	24 605 000	28 203 000
Sum avsetninger for forpliktelser		24 605 000	28 203 000
Annen langsiktig gjeld			
Langsiktig konserngjeld	8, 12	1 391 682 000	1 395 129 000
Sum annen langsiktig gjeld		1 391 682 000	1 395 129 000
Sum langsiktig gjeld		1 416 287 000	1 423 332 000
Kortsiktig gjeld			
Leverandørgjeld		271 919 000	248 757 000
VAT, Social Security Tax		45 652 000	23 861 000
Kortsiktig konserngjeld	8	627 486 000	496 991 000
Other Current Liabilities		266 378 000	408 387 000
Other Short term Liabilities Intercompany	8, 9	212 177 000	129 128 000
Sum kortsiktig gjeld		1 423 612 000	1 307 124 000
Sum gjeld		2 839 899 000	2 730 456 000
SUM EGENKAPITAL OG GJELD		3 412 918 000	3 485 179 000



Skattedirektoratet

Saksbehandler Rune Tystad	Deres dato 07.02.2012	Vår dato 01.03.2012
Telefon 977 59 464	Deres referanse Alexia Henriksen	Vår referanse 2012/115162

HELIKOPTER SERVICE AS
Postboks 522 Sola
4055 STAVANGER LUFTHAVN

Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk for CHC-konsernet

Det vises til deres brev av 7. februar 2012 hvor det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for:

CHC Helikopter Service AS,	org.nr. 974 414 228
CHC Norway Acquisition CO AS,	org.nr. 991 709 827
Heli-One (Europe) AS,	org.nr. 980 593 126
Helicopter Services Group AS,	org.nr. 912 582 914
Heli-One (Norway) AS,	org.nr. 982 715 040
Integra Leasing AS,	org.nr. 966 705 175
Heli-One Leasing (Norway)AS,	org.nr. 819 569 762
Helikopter Service AS,	org.nr. 970 923 829

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de norske selskapene i CHC-konsernet dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Bakgrunn

CHC Helikopter Service AS og CHC Norway Acquisition CO AS med datterselskaper tilbyr tjenester innen helikoptertransport. Selskapene er heleide datterselskaper av CHC Helicopter som er hjemmehørende i Canada. Morselskapet er eid av First Reserve Corporation (Private Equity). Selskapenes arbeidsspråk er engelsk og kommunikasjon med selskapenes primære kunder og kreditorer foregår i hovedsak på engelsk. Selskapenes investorer behersker kun engelsk. Ettersom selskapenes arbeidsspråk er engelsk vil alle ansatte forstå regnskapet og årsberetningen selv om disse dokumentene i fremtiden blir utarbeidet i sin endelige form på engelsk. Det samme vil være tilfelle for selskapenes kunder og kreditorer. Ettersom engelsk også er bransjespråket innen sektorene selskapene opererer i, kan dere heller ikke se at andre, mer tilfeldige regnskapsbrukere skulle ha noe behov for at regnskapet utarbeides på norsk. Selskapene mener derfor at alle brukere av regnskapet i sum vil være tjent med at regnskapet kun utarbeides på engelsk. I tillegg til at det er ressurskrevende, fører av og til tvil om oversettelse og uoverensstemmelser mellom engelsk og norsk versjon til unødvendige misforståelser.

Postadresse Postboks 9200 Grønland 0134 Oslo For elektronisk henvendelse se www.skatteetaten.no	Besøksadresse Se www.skatteetaten.no Org. nr: 996250318	Sentralbord 800 80 000 Telefaks 22 17 08 60
---	--	--



Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk".

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

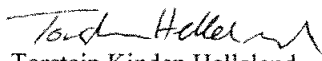
Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapenes arbeidsspråk er engelsk og at kommunikasjon med selskapenes primære kunder og kreditorer i hovedsak foregår på engelsk. Videre er det vektlagt at eierkretsen er begrenset da konsernspissene i Norge er heleide datterselskap av et utenlandsk selskap.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen


Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet


Rune Tystad



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

ANNUAL REPORT



HELL-ONE (NORWAY) AS

2021 / 2022



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

DIRECTORS REPORT HELI-ONE (NORWAY) AS YEAR 2021 - 2022

The company is a subsidiary of CHC Group LLC, which is included in the Norwegian sub-group of CHC Norway Acquisition Co AS. This company has been granted exemption from the obligation to prepare consolidated sub-group accounts, and we refer to the annual report for the ultimate parent company 6922767 Holding S.a.r.l. under the registrant CHC Group LLC for the consolidated group accounts. Heli-One (Norway) AS follows the same accounting year as CHC Helicopter Corporation, which is from May 1st to April 30th.

Heli-One is a world-leading independent commercial provider of helicopter support and Maintenance, Repair and Overhaul (MRO) services. Our comprehensive range of capabilities and broad geographic footprint allow us to offer a full suite of aftermarket services including engine, airframe and component MRO, logistics support, parts sales and distribution, and high-value engineering and design. We provide these services individually or as part of multi-year, complete maintenance outsourcing. We operate independent licensed commercial engine and major-component MRO facilities for the Airbus Super Puma and Airbus H225 helicopters. Additionally, we service a wide variety of other helicopter types, including the Airbus Dauphin, Sikorsky S61N, Sikorsky S76 series, Sikorsky S92A, Leonardo AW139, Leonardo AW189, Bell 212 and Bell 412. We provide sophisticated avionics integration services to the armed forces of European nations, and we partner with helicopter manufacturers around the world to provide MRO services to their direct customers.

The company's business address is at Stavanger Lufthavn, Sola, Norway.

Covid-19

The COVID-19 pandemic has significantly impacted the global economy. However, COVID-19 has not greatly affected the results of the Company to date and it is not envisaged that this will have any long term detrimental effect on the Company.

Customers display loyalty and continue to acquire and pay for the company's services. As at the date of this financial statements, there has been no cancellation of the long term demand from operators, but the numbers of pbh chargeable hours have decreased.

Based on the above factors, the Directors consider that with the current uncertainties related to the COVID-19 virus, those uncertainties currently do not impact the going concern of the activities of the Company.

Profit and loss/operations

Operating revenue for 2021/2022 was NOK 1,820.0 million compared to NOK 2,028.1 million the previous year, resulting in a decrease in turnover of 10%. The decrease in operating revenue is due to the timing of maintenance events and the corresponding recognition of revenue due to component replacement, and completion of customer overhauls. Year-over-year revenue from MRO operations (Airframes, Engines, Components, Support) increase of 9%, and revenue from Power-by-the-Hour (PBH) decreased by 17%. The number of flight hours supported by Heli-One (Norway) AS on PBH customer agreements increased by 2% to 69,373 from the previous year of 67,954, resulting in more billable hours year-over-year.



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

Operating profit decreased from a profit of NOK 170.6 million in 2020/2021 to a loss of NOK 141.6 million in 2021/2022. An asset impairment was booked in 2021/2022 of 20.6 million compared to 13.7 million impairment booked in 2020/2021. Materials, wages and other expense all increased year-over-year.

Loss after tax was NOK 195.2 million in 2021/2022 compared to a profit of NOK 376.9 million in 2020/2021 driven by reduction and revenue and currency loss.

Cashflow

Net cash flows for 2021/2022 were NOK negative 135.9 million compared to negative NOK 127.7 million in the prior year. Cash flow from operations decreased by NOK 1,773.8 million year-over-year due to a large decrease in accounts receivable in the prior year and a small increase in accounts receivable in the current year, partly offset by a decrease in deferred revenue. Net cash flow from investing increased by NOK 202.2 million compared to the prior year due to less purchase of fixed assets. Cash flow from financing activities increased by NOK 1,563.4 million compared to the prior year, due to a large decrease in the short term intercompany debt in the prior year and a small increase in short term intercompany debt in the current year.

Assets and Capital

The company's total capital was NOK 3,412.9 million as of April 30th, 2022 which is a decrease of NOK 72.3 million compared to the prior year. The decrease is related to a decrease in receivables and current assets.

The company's cash balance as of April 30th, 2022 was NOK 14.7 million versus NOK 14.4 million in 2021, and the balance is being held in a restricted account as it represents employee tax withholdings owed to the tax authorities. Corporate Treasury also manages the company's liquidity and is responsible for entering into all new debt arrangements.

All assets of the company have been pledged as security in favour of the parent company's debt financing.

Our MRO services are dependent on helicopter maintenance demand. This is generally highest during periods of high helicopter service demand where high flying hours result in more frequent maintenance, most of which is required by regulation. Despite cost pressures and declines in customer flight hours, we continue to develop our third-party business for both PBH and non-PBH revenue streams, both in our traditional markets but also in Asia and South America.

We will also continue efforts to reduce our direct maintenance costs, specifically targeting improvements in component reliability, life limit extensions, material sourcing, repair sourcing, scrap avoidance, repair development, aircraft part-out, and Parts Manufacture Approval (PMA) & PBH negotiations.

The decline in the price of oil and gas over the last years has negatively impacting demand from the oil and gas customers. To offset the oil and gas decline, we have focused more on governmental and military customers, so we remain cautiously optimistic that growth will continue over the long-term.

Going Concern

In accordance with the Norwegian Accounting Act §3-3a, we confirm that the financial statements have been prepared under the assumption of going concern. The company had a loss of NOK 195.2 million as of April 30, 2022 and as of that date, its total assets exceeded its liabilities by NOK 573.0 million.



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

Directors and officers liability insurance

Heli-One (Norway) AS has purchased Directors and Officers Liability Insurance covering their Directors of the Board and Managing Director as part of the company's insurance coverage. The insurance coverage is in line with industry standards and is purchased from a reputable insurance company.

Outlook

The Company is well positioned to pursue upcoming opportunities. Current contracts and retentions should provide a solid platform for future growth when this is a realistic aim. This will be in line with the overall business strategy. The Company shall continue to focus on maximising revenue, along with any cost reduction initiatives that are achievable whilst maintaining the highest levels of safety, compliance and customer satisfaction.

Employees and the environment

Heli-One (Norway) had at the end of the fiscal year, April 30th 2022, 294 employees compared to 307 in 2021, 317 in 2020, and 319 in 2019.

Work Environment

The Working Environment Committee (AMU) focuses on safety issues and the general work environment in the company. The Committee meets quarterly and consists of an equal number of employees and employer representatives respectively in accordance with AML §7-1. The HESS Manager and a representative from the Occupational Health Services are also present.

The Committee has two subcommittees, a Chemical Management Committee and a PPE Committee.

In FY22, four ordinary AMU meetings were held. No extraordinary meetings were held.

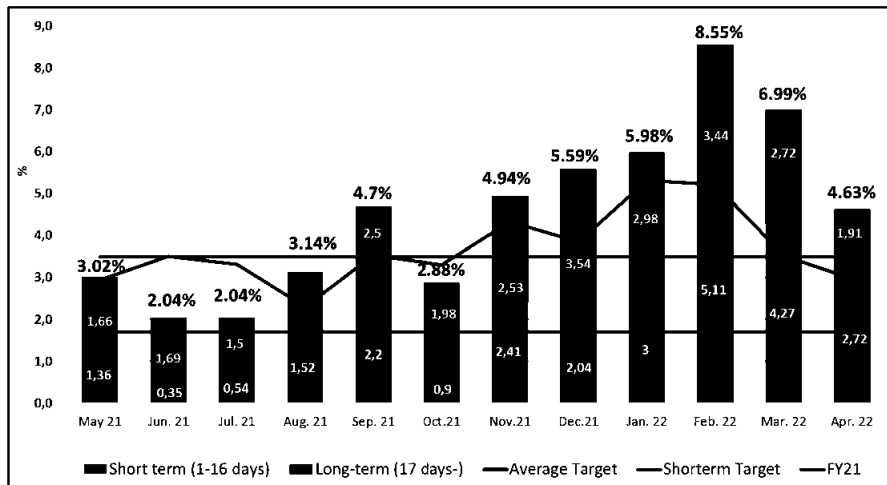
Heli-One (Norway) has 13 HESS Representatives (Safety Delegates) who oversee the daily work environment in their respective departments/workshops.

Sickness Absence and Occupational Illness

The average for sickness absence in FY22 ended at 4.45% (FY21: 3.68%). Annual average target is 3.5% or lower. Absence for long-term sick leave (17 days -) was 2.33% (FY21: 1.95%). Short-term sickness (1-16 days) was 2.21% (FY21: 1.73%). The target for short-term sickness absence is below 1.7%. The reason for the "unusual" high short-term absence was due to COVID-19-related illness.



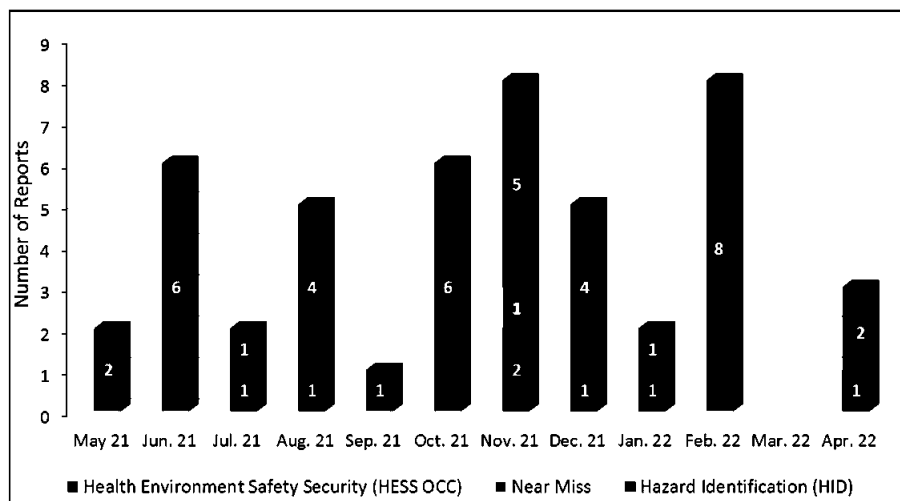
DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF



FY22: Sick leave short-term and long-term

Reported Occurrences and Hazard Identifications (HID)

A total of 48 HESS related reports were registered in SQID in FY22 compared to 71 the previous financial year. 7 Occurrences (FY21: 14), 1 Near Miss (FY21: 1) and 40 Hazardous Identifications (FY21: 56). There was a decrease in reporting for hazardous Identifications by approx. 28% from FY21. CHC's target for proactive reporting is a 10% increase per financial year.



FY22: Number of reported HESS related Occurrences and HIDs

Personal injuries

In FY22, there were 3 first aid injuries reported (cut on forehead from rotor blade; chip in eye; accident with drill bit in finger). 1 Medical Treatment Injury (MTI) was reported due to electric shock (see below). No lost time injuries (LTIs) were reported.

Occupational Illnesses

1 work-related injury was reported to the Norwegian Labour Inspection Authority. It concerned a system avionics apprentice who received an electric shock.



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

Audits, Training, Risk Assessments

- All workshops, hangar and administrative departments completed the annual facility audit, apart from component shop, ground equipment, the “barracks” and block 4:2
- 16 risk assessments related to COVID-19 were carried out in connection with travel, visits and reopening of the canteen
- Ergonomics course was held for employees at Foss-Eikeland
- First Aid course completed for employees at Foss-Eikeland and for employees in the SAS-building
- Chemical Management training completed for all workshops, except hangar
- HESS training for new apprentices provided

Projects

- The update of the database for safety data sheets (CHESS) is largely completed. 55 SDS remain to be updated.
- The “chemical resistance glove project” with Ejendal was completed. A master list was created from which individual workshops extract relevant chemicals and create their own chemical glove table.
- Risk assessments of the exposure to all cancer-causing and mutagenic chemicals were carried out in all workshops and hangar. A *personal exposure register* has now been established for all relevant personnel and their exposure is registered in the medical records at the occupational health service company. The regulations require that the employer keeps a register of employees exposed to lead, cancer-causing chemicals and chemicals that are mutagenic.

Emergency Response Exercises/Drills

A total of 13 emergency response exercises were carried out in FY22:

- 7 exercises (+ one expert round)
- 1 joint (H1 & HS) evacuation drill at Sola base
- 1 evacuation drill at Foss-Eikeland
- 1 tabletop exercise with the incident management team to test the new summoning system BlastIT
- 3 interventions regarding pre-fire alarm activation

Emergency Response Team (ERT) also intervened in 5 incidents: acute illness due to pain in chest; smoke generation in the battery compartment; 2 fire alarm activations; intoxicated person who tried to get into block 9.

Workplace Exposure Monitoring & Assessments

H1 used occupational hygiene services to risk assess 22 new chemicals in FY22. Occupational hygienists also assisted with the risk assessments of carcinogenic and mutagenic chemicals and carried out the chemical management training.

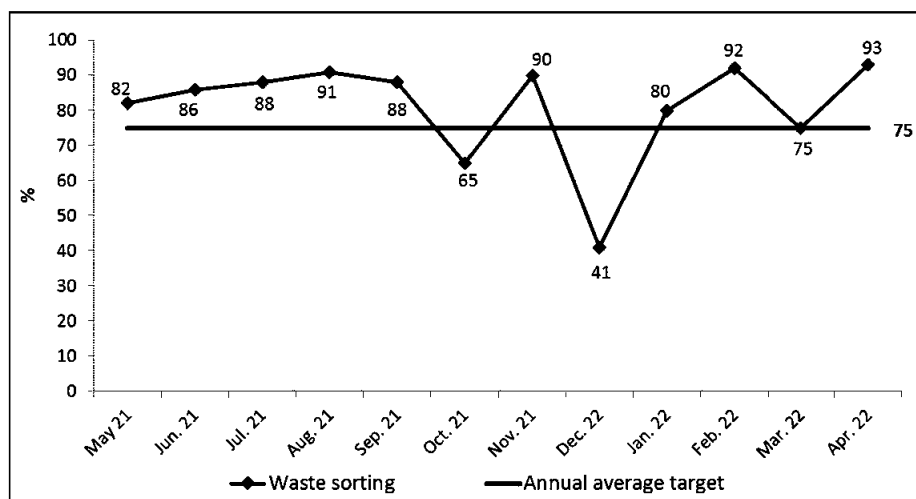
Environmental Report

In FY22, the average for waste sorting was 81% (FY21: 83%). The target for the average waste sorting rate is at least 75%.

The total amount of waste was 281 426 kg, a reduction of approx. 28% from FY21. The figures for production waste and industrial waste water include waste from both HS and H1.



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF



Waste sorting in percentage, FY22

Spills

No environment spills were reported in FY22. All waste, including waste water from production, is collected and delivered to an approved waste collector.

Audit by "Statsforvalteren"

"Statsforvalteren" carried out an inspection of waste at the H1 facility in Q2. One finding was discovered (insufficient storage of waste outdoors with reference to the fact that it was accessible to the public, as well as several different fractions of hazardous waste were not satisfactorily labelled). In addition, two remarks were uncovered (the record keeping of quantity and type of chemicals should be improved; the Waste Management Plan was updated with a clarification concerning hazardous waste).

ISO14001 certification

In Q4, Heli-One (Norway) became certified for ISO14001. The approval sets requirements for an environmental management system in order to show that the company continuously strives to reduce its environmental impact by fulfilling the statutory requirements and obligations concerning the environment.

Gender Equality

General

The number of permanent employed women in Heli-One (Norway) AS is 45 (15%), which is a reduction of 4 compared to previous year. There is no current information about the difference in work hours between women and men, but the assessment is that this is basically the same. Proposals have been made to the trustees in the Unions and to the Environmental Committee, to make efforts for an even better gender equality within the company.

In addition to paid maternity leave for mothers, all applications for unpaid additional leave have been granted. Heli-One (Norway) AS also has regulations where the father gets 14 days paid leave at the time of the birth. Approximately 100 % have made use of this leave. Also a large group of the male employees have made use of the paternity leave of 15 weeks. The company together with the unions worked on a project to look at the salary structure in typical low paid positions with majority of women employees. Based on the result it was decided to give those women a monthly equality adjustment on top of their basic monthly pay.



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

Mechanical departments

The high number of men in Heli-One (Norway) AS' mechanical departments are reflected by a high portion of men choosing aircraft mechanical courses as a part of their educations. The technical areas have as of April 30th 2022, 171 employees, in addition to 24 administrative positions and 13 apprentices distributed throughout the different departments. In total the technical areas had 208 employees as of April 30th 2022, where 7% are female.

The Design & Repair department consists of two units; (i) Design & Repair: 24 employees, where 6 are female, (ii) Technical Publication: 5 employees, all female. The department has a total of 29 employees, which gives a female representation of 38%.

Administrative departments

The Logistic organization (this includes Warehouse department, Asset Management and Purchasing) has 35 employees, of which 13 are female. This gives a female representation of 37%.

Within Management, Tender, Sales Customer Support and IT the company has a total of 13 employees where 3 are women. This gives a female representation of 23%.

In the Finance department 1 out of 2 employees are females. This gives a female representation of 50%.

The Quality and HESS department has 6 employees, of which 1 is a female employee. This gives a female representation of 17%

The HR department and supporting functions consists of 1 female employee. This gives a female representation of 100%

Within most areas the wage conditions are based on tariff and are therefore paid identical according to the position regardless of gender. Within Management and the HR department the wages are based on individual contracts.

Risk

The company's customers are mainly internal customers within the CHC-group and military customers, which reduces credit risk. In general a large number of the company's customers are on long term contracts, which also helps to reduce credit risk.

Some currency risk exists, but to reduce this risk the contracts are created to ensure the incoming payments are in the same currency as the outgoing payments. Heli-One (Norway) AS mainly deals in NOK, EUR, USD, CAD, and GBP.

Future financing will mainly be covered by normal operations and internal loans.

The treasury department in CHC located in Vancouver and Dallas, deals with currency and interest risk reducing tasks for the total CHC group.

Pension

The company is obliged by Norwegian laws, to have a pension scheme for all employees. The company's pension scheme is covered by a collective pension scheme in the Heli-One Norge Pensjonskasse Fund.



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

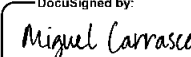
Remuneration to the Board members and auditors

Remuneration to the Managing Director, Board and auditors are illustrated in Note 4 in the Statutory Report.


Application of profit

Loss after Tax for the period from May 2021 to April 2022 was NOK 195.2 million compared to a profit of NOK 376.9 million in 2020/2021. The loss of the year is suggested booked to uncovered loss in retained earnings.

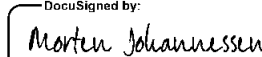
Sola, March 28, 2023
THE BOARD OF HELI-ONE (NORWAY) AS

DocuSigned by:

A88070A87892421...

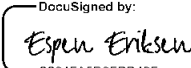
Miguel Angel Carrasco
Chairman of the Board

DocuSigned by:

BD302010EBAF46C...

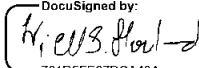
Karl Gjølvik
Member of the Board

DocuSigned by:

CC4E8DE454894E9...

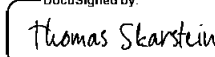
Morten Johannessen
CEO and Member of the Board

DocuSigned by:

C284FA5D8EBD49F...

Espen Eriksen
Member of the Board

DocuSigned by:

761D5FE67DCA43A...

Kjell Strand Hovland
Member of the Board

DocuSigned by:

E548B4AF67AD4BD...

Thomas Lage Skarstein
Member of the Board



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

HELI-ONE (NORWAY) AS

As of April 30, 2022

STATEMENT OF INCOME

NOK ('000)	NOTE	2021-2022	2020-2021
Sales revenue	2	1 819 952	2 028 109
Total operating revenue		1 819 952	2 028 109
Material expense	8, 10	882 529	871 662
Wages and social expenses	4, 7	322 481	314 619
Ordinary depreciation	6	337 390	358 434
Other operating expenses	3, 8	398 527	299 093
Impairment	6,10	20 595	13 664
Total operating expenses		1 961 522	1 857 472
Operating loss		(141 570)	170 637
Net Unrealized currency (gain) loss	13	(901)	10 634
Net Realized currency (gain) loss	13	50 498	(219 308)
Interest expense to group company	8, 13	1 372	1 341
Other interest expense	13	1 214	234
Other financial expenses	13	1 452	815
Net financial expenses	13	53 635	(206 284)
Loss before tax		(195 205)	376 921
Tax expense (recovery)	5	-	-
Loss after tax	11	(195 205)	376 921



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

BALANCE SHEET

ASSETS	NOTE	30.04.22	30.04.21
NON-CURRENT ASSETS:			
<u>Fixed assets</u>			
Spareparts	6	1 517 932	1 610 001
Plant and machinery	6	104 161	117 467
Total fixed assets		1 622 093	1 727 468
<u>Financial non-current assets</u>			
Pension asset	7	294 212	234 266
Other long term assets		16 298	16 298
Total financial fixed assets		310 510	250 564
Total non-current assets		1 932 603	1 978 032
CURRENT ASSETS:			
Stock	10	438 853	413 486
<u>Receivables</u>			
Accounts receivables		93 113	91 071
Intercompany account receivables	8	491 059	335 516
Other intercompany receivables	8	348 758	474 004
Other current receivables		93 875	178 642
Total receivables		1 026 805	1 079 233
Cash and bank deposits	9	14 657	14 428
Restricted Cash	9	-	-
Total Current Assets		1 480 315	1 507 147
TOTAL ASSETS		3 412 918	3 485 179



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

BALANCE SHEET (CONTINUED)

DEBT AND EQUITY	NOTE	30.04.22	30.04.21
EQUITY:			
<u>Shareholders' Equity</u>			
Share Capital	11	818 900	818 898
Contributed Surplus	11	895 100	881 602
Other Paid In Equity	11	734	734
Total Shareholders' Equity		1 714 734	1 701 234
Retained Earnings	11	(1 092 086)	(1 469 007)
Operating Profit/Loss		(195 205)	376 921
Total Uncovered Losses	11	(1 287 291)	(1 092 086)
Debt forgiveness	11	145 576	145 576
Total Equity (Deficit)		573 019	754 724
LIABILITIES:			
<u>Provisions</u>			
Pension liability	7	24 605	28 203
Total provisions		24 605	28 203
Long term debt			
Deferred Revenue PBH		1 268 744	1 258 381
Debt to group company	8, 12	122 938	136 748
Total long term debt		1 391 682	1 395 129
CURRENT LIABILITIES:			
Accounts payable		271 919	248 757
Account payable intercompany	8	243 207	122 545
Deferred revenue PBH ST	8	384 278	374 445
Public duties payable		45 652	23 861
Other short term liabilities		266 378	408 387
Other short term liabilities intercompany	8, 9	212 177	129 128
Total current liabilities		1 423 611	1 307 123
TOTAL LIABILITY		2 839 898	2 730 455
Total Debt and Equity		3 412 918	3 485 179



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

0 0

STATEMENT OF CASH FLOW

		30.04.22	30.04.21
Profit before tax		(195 205)	376 921
Tax paid		-	-
Depreciation/impairment	6, 10	357 985	372 098
Gain/loss disposal fixed assets		39 725	21 568
Change in working capital:			
- stock		(45 962)	20 420
- accounts receivable		(157 585)	1 021 431
- accounts payable and other short term		143 824	(31 818)
- deferred revenue PBH		20 196	(204 032)
- other		89 795	423 611
Difference between cost and payment to pension agreement		(63 544)	(37 140)
Net cashflow from operational activities		189 229	1 963 058
Incoming payments - sale of fixed assets		80 558	70 363
Payments - Purchase of fixed assets		(352 297)	(544 296)
Payments - Long-term deposits		(0)	-
Restricted Cash		-	-
Net cashflow from investment activities		(271 739)	(473 933)
Net change long term debt group company		(13 810)	(3 464)
Net change in Revolver Credit Facility		-	-
Payment long term recivables group company		-	-
Net change of short-term debt intercompany		(53 075)	(1 613 345)
Net change in share capital		13 500	-
Net cashflow from financial activities		(53 385)	(1 616 809)
Change in cash flow balance		(135 895)	(127 684)
Cash and Cash Equivalents balance per. 01.05		46 029	173 708
Cash and Cash Equivalents balance per. 30.04*		(89 866)	46 029
Restricted Cash - Witholding tax account		14 657	14 428

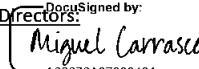
Cash flow balance includes intergroup account scheme (Note 9)

Intergroup Account Scheme (Other short term assets (+) / liabilities (-) intercor (104 523) 31 602



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

SOLA, 28th of March 2023
THE BOARD OF HELI-ONE (NORWAY) AS

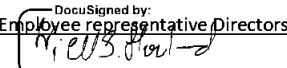
DocuSigned by:
Directors:

A68070A87892421...
Miguel Angel Carrasco
Chairman of the Board

DocuSigned by:

BD302010EBAF46C...
Karl Gjølvik
Member of the board

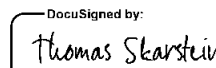
DocuSigned by:

CC4E8DE454894E9...
Morten Johannessen
CEO and Member of the Board

DocuSigned by:
Employee representative Directors:

761D5FE67DCA43A...
Kjell Strand Hovland
Member of the Board

DocuSigned by:

C284FA5D8EBD49F...
Espen Eriksen
Member of the Board

DocuSigned by:

E548B4AFC7AD4BD...
Thomas Lage Skarstein
Member of the Board



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

NOTES

Note 1

Accounting principles

The financial statements were prepared in accordance with the Norwegian accounting act and generally accepted accounting principles in Norway. The company has its financial year from 01.05 to 30.04.

Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities. Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value. Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

Foreign currency translation

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

Fixed Assets

Fixed assets are stated in the balance sheet at historic cost less accumulated ordinary depreciation. Fixed assets are depreciated straight line over the estimated useful life, except for non-major components where digressive declining balance depreciation is used. If carrying value of a non current asset exceeds the value of expected future economic benefits, the asset is written down to the net selling price.

Receivables

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

Pensions

The company is obliged to have a pension scheme according to Norwegian law for all employees. The company has a collective pension scheme in the Heli-One Norge Pensjonskasse Fund. This fund is assessed to present value of the future pension liabilities on balance date. Pension fund is assessed to actual value.

The net pension cost for the period is defined as wage and social expenses.

Income taxes

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



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

Revenue

We recognize revenue when a contract exists with a customer; the sales price has been determinable; and once control of the promised goods or services has been transferred to the customer. We categorize the revenues received from contracts with customers by revenue source as we believe it best depicts the nature, amount, timing and uncertainty of our revenue and cash flow.

Maintenance, Repair and Overhaul ("MRO") Revenue

We enter into maintenance, repair and overhaul ("MRO") contracts with customers for a specified airframe and component modification or repair. If there is a contractual right to enforce collection for work completed to date, revenue for MRO services are recognized using the percentage of completion method. For other maintenance contracts, revenue is recognized based on the completed contract method when control is passed to the customer.

Power by Hour Revenue

The company enters into long-term Power by Hour ("PBH") contracts with customers to provide maintenance and repair and overhaul ("R&O") services on customer owned engines and components. Under these contracts, customers pay the Company a fixed fee per hour flown and the Company provides R&O services for the customer's engines and components over the specific term of the contract. We recognized all of the hourly fees in the period in which the hours are flown, but where applicable, defer any refundable amount owed to the customer until the overhaul of specified components is completed. Any non-refundable upfront fees received from a customer are deferred over the contract term.

PBH Deferred Revenue Presentation Reclassification

For internal owned aircraft, a portion of the hourly fees for every hour flown is deferred in the balance sheet as Deferred Revenue PBH. Based on the average maintenance cycle of the internally owned aircraft, 1/4 of this deferred revenue balance is reclassified as short term and 3/4 as long term. This presentation reclassification is performed for both the current year and prior year balances. The reclassification is performed for balance sheet presentation purposes only, and has no effect on the statement of income for either year.

Inventory

Inventory is comprised of consumables and supplies, and is measured at the lower of the weighted average acquisition cost and market value. Cost is assigned using average purchase price including costs incurred in acquiring the goods and cost of bringing the goods to their current state and location.

Statement of cash flow

The indirect method is used in preparing the Statement of Cash Flows. Cash and cash equivalents in the cash flow include cash, bank deposits and balance of the intergroup account scheme.

Consolidated accounts and related party transactions

Heli-One (Norway) AS is a subsidiary of CHC Norway Acquisition Co AS. This company has been granted exemption from the obligation to prepare consolidated sub-group accounts, and we refer to the annual report for the ultimate parent company 6922767 Holding S.a.r.l. under the registrant CHC Group LLC. for the consolidated group accounts. The group is headquartered in Dallas, USA.

Related party transactions represent transactions with the companies in the same group which share the same ultimate parent company 6922767 Holding S.a.r.l.

Change of estimates

For FY 2021 there has been no change of estimate in depreciation for non-major components. The depreciation rate for non-major components, remains at 70% for Shop Replacement Units (SRU's) and 20% for Line Replacement Units (LRU's).

Leasing arrangements

The determination of whether an arrangement is, or contains, a lease is based on the substance in the arrangement at inception date, and determines if it is classified as an operational or financial lease. The company has only operational leases, as most of the risk rests with the other contracting party. Operating lease payments are classified as operating cost in the income statement on a straight-line basis over the lease term. The only significant lease is for the office rental.



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

Note 2

Operating Revenues

	Numbers in TNOK	
Revenue by Geography	2021-2022	2020-2021
Europe	1 603 882	1 721 538
America	78 938	79 429
Asia	31 226	103 369
Middle East	897	19 154
Africa	5 378	10 284
Australia	99 631	94 336
Total	1 819 952	2 028 109

Revenue by Product Line	2021-2022	2020-2021
Airframes	315 557	261 528
Engines	81 259	104 080
Components	156 578	187 007
Engineering	29 994	16 512
Supply Chain External	100 068	193 157
Supply Chain Internal	1 106 043	1 253 593
Supporting Workshops	696	678
Sales and Service and Other	29 757	11 555
Total	1 819 952	2 028 109

Note 3

Other operating expenses

	Numbers in TNOK	
	2021-2022	2020-2021
Services	7 302	11 552
Newspapers, entertainment	1 058	579
Leasing/rental	6 060	4 660
Tools and licences	8 987	3 627
Freight	32 081	24 421
Travelling expenses	2 542	789
IT	6 383	7 457
Administrative services, internal	6 172	9 628
Intercompany personnel rental	11 097	9 795
Intercompany P&E rental	17 493	17 492
IC Other Admin Services (Note 8)	80 955	39 177
G & A charge	82 687	75 801
Royalty	-	-
Gain/loss on disposals	39 725	21 569
Restructuring Costs/(Recovery)	(2 120)	4 425
Other costs	98 105	68 119
Total	398 527	299 093

Audit fees

Audit fees for the period were TNOK 1,400 (prior year TNOK 1,619).

Other fees for the period were TNOK 0 (prior year TNOK 0).

Both fees are exclusive of VAT.



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

Note 4

Employees, wages etc.

Wages and social expenses	Numbers in TNOK	
	2021-2022	2020-2021
Wages	235 439	238 118
Payroll tax	49 631	23 518
Pension expenses (Note 7)	27 478	36 131
Other social expenses	9 933	16 852
Total	322 481	314 619

Average number of man labour year	2021-2022	2020-2021
Heli-One Norway	301	317

Remuneration to the CEO	2021-2022	2020-2021
Salary	1 599	1 518
Other remuneration	-	-
Total	1 599	1 518

There has been pension paid to pension fund for the CEO of TNOK 265 (prior year TNOK 280).

There is no bonus agreement with the CEO.

Salary to the chairman is being paid from the parent company and allocated to Heli-One (Norway) AS through G&A costs.

The chairman has no bonus agreement with the company.

There has been paid remuneration to the Board of Directors of TNOK 103 (prior year TNOK 90).

Other employees have short term loans that total TNOK 13 (prior year TNOK 617).



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

Note 5

Taxes

	Numbers in TNOK	
	30.04.22	30.04.21
Tax in the statement of income		
Withholding tax	-	-
Change in deferred tax asset	-	-
Total tax expense in statement of income	-	-
Tax Payable in balance sheet	-	-
Analysis of deferred tax balance		
Tax loss carried forward	(1 745 350)	(1 502 943)
Interest carried forward	-	-
Timing differences relating to:		
- Current assets	(186 934)	(206 956)
- Fixed assets	(120 213)	(99 552)
- Liability	(3 148)	(5 260)
- Deferred Revenue	(1 653 022)	(1 632 827)
- Pension	269 607	206 063
Basis for deferred taxes	(3 439 060)	(3 241 475)
Deferred tax advantage	(756 593)	(713 124)

Deferred tax asset has not been recognized in the balance sheet as of April 30, 2022.

	Numbers in TNOK	
	2021-2022	2020-2021
Calculation of the effective tax rate		
Profit before tax	(195 205)	376 921
Expected income tax applying nominal tax rate 22%	(42 945)	82 923
Permanent differences 22%	44	28
Group Contribution	-	-
Prior year adjustments (including revised tax assessment)	(567)	3 090
Effect of tax rate change	-	-
Effect of change in deferred tax asset during the year not recognized	43 469	(86 041)
Total expected tax expense	1	(0)
Effective tax rate	0 %	0 %

	2021-2022	2020-2021
Taxable Income		
Profit before tax	(195 205)	376 921
Permanent differences	198	128
Group Contribution	-	-
Change in timing differences	(44 822)	(306 551)
	(239 829)	70 497

Taxes and fiscal risks recognized in the Financial Statements reflect our best estimate of the outcome based on the facts known at the balance sheet date. These facts may include, but are not limited to, change in the Norwegian tax law and interpretation thereof. They may have an impact on the income tax as well as the resulting assets and liabilities. Any differences between tax estimates and final tax assessments, including outcome from tax audits are charged to the profit and loss in the period in which they are incurred. These differences could materially change our profit and loss and the financial position.



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

Note 6
Fixed Assets

	Numbers in TNOK					Total
	Spare parts (non-major)	Spare parts main rotor blades	Spare parts major rotables	Spare parts aircrafts	Machinery Plant, etc.	
Accum. Additions cost 01.05.2021	2 830 544	73 475	532 100	21 197	405 296	3 862 612
Additions	319 284	4 032	16 294	21 269	(8 583)	352 296
Reclass of Partouts	-	-	-	-	-	-
Impairments	-	-	-	-	-	-
Retirements	(321 924)	(11 141)	(41 257)	(15 194)	-	(389 516)
Cost 30.04.2022	2 827 904	66 366	507 137	27 272	396 713	3 825 392
Accum. Depreciation 01.05.2021	1 667 975	(17 302)	196 643	-	287 829	2 135 145
Depreciation	321 128	622	10 618	-	5 022	337 390
Reclass	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Retirement Accum. Depreciation	(255 563)	(2 570)	(10 802)	-	(299)	(269 234)
Accum. Depreciation 30.04.2022	1 733 540	(19 250)	196 459	-	292 552	2 203 301
Book value 30.04.2022	1 094 364	85 616	310 678	27 272	104 161	1 622 093

Depreciation method Degre. ~ 20% Linear 4 % Linear 2 % 0 % Linear 20 %

Spare parts are classified in four categories; Non-Major spare parts, Main rotor blades, Major rotables and Aircrafts. Major spare parts are comprised of rotor heads, main gearbox, tail gearbox etc., and have an estimated useful life of 25 - 50 years. Major spare parts are depreciated on a linear basis over the estimated useful life.

Non-major spare parts are depreciated on a 70% digressive declining balance for Shop Replacement Units (SRU's) and a 20% digressive declining balance for Line Replacement Units (LRU's).

Aircraft spare parts are not depreciated as they are purchased solely for the purpose of being parted out. As they are parted out they are assigned to the correct asset category. This is shown on the reclass line in the table above.



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

Note 7

Pension Arrangements

The company is obliged to have a pension scheme for all employees according to Norwegian law. The company's pension scheme is in accordance with the Norwegian law for employees. The company has a collective pension scheme in the Heli-One Norge Pensjonskasse Fund. The main elements of the scheme are accumulation over 30 years, a pension of 66% of pensionable salary for the year during which the employee reaches 67 years of age, as well as disablement, spouse and child benefits.

All pensions are co-ordinated with anticipated benefits from the Norwegian State "folketrygden".

As of 30.04.2022 the active members in the pension scheme are 277 (prior year 295).

In addition, the total number of pensioners is 117 (prior year 115).

The following factors were applied in the calculation of future pension liabilities:

	30.04.22	30.04.21
Discount rate	2,8%	2,0%
Expected return on pension assets	3,2%	3,7%
Expected wage increment	2,5%	2,0%
Expected inflation rate/G-regulation	1,75%	1,5%
Expected pension benefit regulation	0,8%	0,8%

	Numbers in TNOK	
	2021-2022	2020-2021
Net benefit expense		
Current value of the period accruals	23 939	30 152
Contribution from members	-	-
Interest expense on pension liabilities	17 113	12 877
Anticipated return on pension assets	(23 197)	(23 506)
Liability early retirement (AFP)		
Group life membership for AFP		
Pension expense before social security contribution	17 855	19 523
Estimate changes	-	-
Transition amounts	9 623	16 608
Pension expense for the period (Note 4)	27 478	36 131

	30.04.22	30.04.21
Funded pension assets		
Accrued liability	758 036	828 862
Estimated value of pension assets	919 449	841 765
Net estimated pension obligations	(161 414)	(12 903)
Unstated plan- and estimate changes	(132 798)	(221 363)
Net pension assets	(294 212)	(234 266)
Employment tax	-	-
Net pension assets	(294 212)	(234 266)

	30.04.22	30.04.20
Unfunded pension liabilities		
Accrued liability	41 169	36 048
Estimated value of pension assets		
Net estimated pension obligations	41 169	36 048
Unstated plan and estimate changes	(22 369)	(12 928)
Net pension liability	18 800	23 120
Employment tax	5 805	5 083
Net pension liability	24 605	28 203

The actuarial calculations are based on demographical factors generally accepted within the Norwegian life insurance business.



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

Note 8

Intercompany Balances

	Numbers in TNOK	
	30.04.22	30.04.21
Accounts receivables	491 059	335 516
Other current assets	348 758	474 004
Total internal short term receivables	839 817	809 520
Accounts payable	243 207	122 545
Deferred revenue ST (Note 1)	384 278	374 445
Other short term debt intercompany (Note 9)	212 177	129 128
Total short term internal liabilities	839 662	626 118
Deferred Revenue PBH LT	1 268 744	1 258 381
Long term debt to group companies (Note 12)	122 938	136 748

Internal sale group companies

	Numbers in TNOK	
	2021-2022	2020-2021
IC PBH contracts	1 004 339	1 151 405
IC Other sale	184 035	175 139
Total sale to group companies	1 188 374	1 326 544
Internal cost to group companies		
Maintenance ex. PBH	-	-
Intra segment (parts usage invoicing on PBH contracts)	155 337	167 779
IC rent (persons)	34 761	36 916
IC Other Admin	80 955	39 177
G & A charge	82 687	75 801
Finance charge	1 372	1 341
Internal cost from group companies	355 112	321 013

Other internal purchases

In 2022 the company purchased no helicopters from group companies, the total value of these purchases was MNOK 0.0 (last year MNOK 0.0).

Note 9

Cash and bank deposits

The company is part of an intergroup account scheme with other Norwegian companies in the group.

Balance on the intergroup account scheme presented as other short term liabilities of MNOK -104.5 as of April 30, 2022 (MNOK 31.6 April 30, 2021)

The company has a withholding tax account with MNOK 14.7 that covers advanced tax withholding for the employees.

Note 10

Stock

	Numbers in TNOK	
	30.04.22	30.04.21
Spare parts	525 873	502 038
Inventory provision Opening Balance	(88 551)	(74 888)
Change in Inventory Provision Balance	1 531	(13 664)
Total Stock	438 853	413 486
Material expenses	882 529	871 662

During April 30, 2022, the company decreased the inventory impairment by TNOK 1,531.



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

Note 11

Equity

The share capital is NOK818,900,000, one class of 2,000 shares of NOK 409,450 each. All shares are owned by CHC Norway Acquisition Co AS.

Share Capital Increase-Conversion of Debt

The Company transferred NOK13,500,000 of its debt from Heli-One Leasing (Norway) AS to CHC Norway Acquisition Co. AS.

CHC Norway Acquisition Co AS agrees that the claim of NOK 13,500,000 be used as capital contribution in a share capital increase in the company

The share capital is increased from NOK 818,898,000 by NOK2,000 to NOK818,900,000 and increase nominal value from NOK409,449 per share

to NOK409,450 per share. The total amount paid as share premium is NOK13,498,000. The total subscription amount is NOK13,500,000.

Numbers in TNOK

	Share Capital	Contributed Surplus	Other Paid In Equity	Deficit	Total
Balance 30.04.2021	818 898	881 602	734	(946 510)	754 724
Share Capital Increase	2	13 498			13 500
Net reduction to opening accumulated deficit on					-
Profit for the period	-	-	-	(195 205)	(195 205)
Subtotal	2	-	-	(195 205)	(195 205)
Balance 30.04.2022	818 900	895 100	734	(1 141 715)	573 019



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

Note 12

Long-term debt

The Company has pledged all its assets and lease contracts in favour of the parent company's debt financing. The liability of Heli-One (Norway) AS applies only to the extent permitted by the Norwegian Limited Companies Act. Intragroup loan is TNOK 122.938 (last year TNOK 136.748).

The Company's parent, CHC Group LLC, had a revolving credit facility. Under the terms of this facility Heli-One (Norway) AS could draw on and borrow from this facility.

During fiscal year 2022, the revolving credit facility was modified (the "Amended and Restated First Lien Credit Facility"). The principal repayment terms have been extended from March 24, 2022 to March 31, 2025, with a planned reduction of the Amended and Restated First Lien Credit Facility of \$30.0 million by December 31, 2022, \$25.0 million by December 31, 2023 and \$10.0 million by December 31, 2024.

The Amended and Restated First Lien Credit Facility bears interest at the Alternate Base Rate or LIBOR plus an applicable margin that ranges from 8.0%-9.0% which will be increased to 12.5% by maturity, of which 1.5%-5.0% is payable in kind ("PIK"). An amendment fee of 6.0% of which 4.5% is PIK, is incurred upon the amendment of the facility. In addition, an exit fee of between 1.0% and 5.0% is payable, contingent upon when facility will be repaid.

The Revolving Credit Facility may be prepaid without penalty. Non-Revolving Lenders shall be treated as a separate borrowing and no principal prepayments will be made to the Non-Revolving Lenders unless there is a reduction in the total commitments under the Revolving Credit Facility.

During the fiscal year 2022, the parent company entered into first and second modification of its Amended First Lien credit facility with changes in the ring fence test, liquidity covenants and several key terms such as minimum liquidity, PIK loans, Babcock competition clearance etc. The parent company incurred amendment fee of \$4.0 million, PIK, in first modification and \$4.2 million, 75% is PIK and 25% in cash, in its second modification.

The Amended and Restated First Lien Credit Facility is subject to a quarterly "ring-fence" test which requires that the book value of the loan parties, as defined per the Amended and Restated First Lien Credit Facility and further amended in the modifications, is at least equal to 75% of the total consolidated assets of the Company's parent excluding Third party aircraft-related collateral and assets secured, and Consolidated Adjusted EBITDA is at least 55% of Consolidated Adjusted EBITDA of the Company. The Parent must comply with a Senior Secured Leverage covenant, with a required ratio varying between 1.2:1 and 2.3:1 and a Fixed Charge Coverage Ratio covenant, varying between 1.0:1.0 and 1.4:1.0, both of which are subject to a trailing twelve month test calculated on a quarterly basis, commencing on July 31, 2022 through January 31, 2025, in addition to minimum liquidity requirements.

Subsequent events

As part of the debt restructuring process, in August 2022, the Company's parent, CHC group LLC, entered into second amendment of its Amended and Restated First Lien Credit Facility to sell Common units to the Tranche B term lenders in exchange for the Tranche B term Loans. Tranche B term loans of \$518.8 million comprises of the existing (a) First lien term loan facility of \$211.0 million b) Revolving facility loans of \$196.7 million c) Second lien loans of \$89.2 million and d) \$0.5 million of Unsecured notes. The equitization of Tranche B term loans shall be effectuated in accordance with achieving certain milestones. The Company's parent also received additional funding of \$75.0 million as Tranche C term loans.



DocuSign Envelope ID: B25013BC-0198-4425-93DC-4C59F1A314DF

Note 13

Financial income

	Numbers in TNOK	
	2021-2022	2020-2021
Other interest revenue	-	-
Unrealized currency gain	(901)	-
Realized currency gain	-	(219 308)
Total financial income	(901)	(219 308)

Financial expenses

Unrealized currency loss	-	10 634
Realized currency loss	50 498	-
Interest expenses to group company	1 372	1 341
Other interest expenses	1 214	234
Other financial expenses	1 452	815
Total financial expenses	54 536	13 024

Net financial expenses	53 635	(206 284)
-------------------------------	---------------	------------------

Note 14

Financial market risk

The company does not use financial instruments to manage financial risk. Financial instruments are handled at the group level.

Interest risk

The interest risk arises on a short and medium term as a result of the debt the company has to the parent companies.

The interest rate on intercompany debt fluctuates in line with the external debt at group level.

The company does not have a limit for debt and consecutively the interest rate to the group companies.

Foreign currency

Changes in exchange rates cause economic risk for the company. Over 80% of the Company's transactions are in foreign currency.

The company has no agreements that reduce this risk as this is handled at the group level.

Inventory price risk

The company has long-term general agreements with vendors that reduces the short term risk of price changes for spares.

Note 15

Going Concern

The company had a loss of MNOK -195.2 as of April 30, 2022 and as of that date its total assets exceeded its total liabilities by MNOK 573.0.

The company has a continuous focus on improving profits and cash flow by optimization of the organization, cost controlling and management of capital expenditures.



0 0

STATEMENT OF CASH FLOW

		30.04.22	30.04.21
Profit before tax		(195 205)	376 921
Tax paid		-	-
Depreciation/impairment	6, 10	357 985	372 098
Gain/loss disposal fixed assets		39 725	21 568
Change in working capital:			
- stock		(45 962)	20 420
- accounts receivable		(157 585)	1 021 431
- accounts payable and other short term		143 824	(31 818)
- deferred revenue PBH		20 196	(204 032)
- other		89 795	423 611
Difference between cost and payment to pension agreement		(63 544)	(37 140)
Net cashflow from operational activities		189 229	1 963 058
Incoming payments - sale of fixed assets		80 558	70 363
Payments - Purchase of fixed assets		(352 297)	(544 296)
Payments - Long-term deposits		(0)	-
Restricted Cash		-	-
Net cashflow from investment activities		(271 739)	(473 933)
Net change long term debt group company		(13 810)	(3 464)
Net change in Revolver Credit Facility		-	-
Payment long term recivables group company		-	-
Net change of short-term debt intercompany		(53 075)	(1 613 345)
Net change in share capital		13 500	-
Net cashflow from financial activities		(53 385)	(1 616 809)
Change in cash flow balance		(135 895)	(127 684)
Cash and Cash Equivalents balance per. 01.05		46 029	173 708
Cash and Cash Equivalents balance per. 30.04*		(89 866)	46 029
Restricted Cash - Witholding tax account		14 657	14 428

Cash flow balance includes intergroup account scheme (Note 9)

Intergroup Account Scheme (Other short term assets (+) / liabilities (-) intercor (104 523) 31 602



KPMG AS
Sjøgangen 6
7010 Trondheim

Telephone +47 45 40 40 63
Fax +47 73 80 21 20
Internet www.kpmg.no
Enterprise 935 174 627 MVA

To the General Meeting of Heli-One (Norway) AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Heli-One (Norway) AS (the Company), which comprise the balance sheet as at 30 April 2022, the statement of income and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 30 April 2022, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Other Matters

The company's financial statements have been submitted after the expiry of the statutory time limit for preparation of financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards 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 as required by laws and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable legal requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally

KPMG AS, a Norwegian limited liability company and member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statautoriserede revisorer - medlemmer av Den norske Revisorforening

Offices in:

Oslo	Elverum	Mo i Rana	Stord
Alla	Finnsnes	Molde	Straume
Arendal	Hamar	Skien	Tromsø
Bergen	Haugesund	Sandefjord	Trondheim
Bodø	Knarvik	Sandnessjøen	Tynset
Drammen	Kristiansand	Stavanger	Ålesund



accepted in Norway, 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. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We 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, 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 content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors 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.

Trondheim, 30 March 2023
KPMG AS

Yngve Olsen
State Authorised Public Accountant