OHI Group announces preliminary unaudited FY 2024 results with market momentum and competitive positioning translating into results

LUXEMBOURG and LISBON, PORTUGAL: OHI Group S.A. (the "Company" and together with its subsidiaries, the "Group") has today announced its preliminary unaudited full-year results for the year ended December 31, 2024.

Jeremy Akel, Chief Executive Officer commented:

"In 2024, we delivered results that reflected the strength of our platform, powered by a growing contract backlog, good demand dynamics in Offshore Brazil and Guyana, and promising signs from the Group's new levers of growth, Onshore Brazil and Advanced Air Mobility. We are justifiably proud of the dedication shown by our employees to provide safe and reliable vertical air mobility to our expanding customer base and we look forward to 2025 with optimism."

Full-year results:

- **Operating revenues** for the year ended December 31, 2024 are expected to be €420 million, an increase of €54 million, or 15%, from €366 million for the year ended December 31, 2023. This increase was driven by: (i) average Brazil Offshore MACE rates increasing 7% from €4.5 million to €4.8 million, reflecting market momentum against the backdrop of sustained demand in Brazil; (ii) strong tender win ratio in Offshore Brazil, which was 54% in 2024 (in line with our average for the last five years); and (iii) new revenue streams in Onshore Brazil (across new mission types, including UAVs) and Revo (our AAM unit). Indicative of our ability to capture growth within this market momentum was our backlog increase; the Group's contract backlog rose from €1.6 billion as of March 31, 2024 to €2.3 billion as of December 31, 2024 (a 44% increase). We also maintained our 100% market share in Guyana, one of the world's fast-growing markets.

  Average MACE availability is expected to be slightly down to 90.7% in 2024 from 91.5% in 2023, driven by lower levels in our heavy aircraft fleet due to supply chain issues that have been affecting the entire market. Management has been working to address relevant gaps with OEMs, and we will continue to optimize the risk management of our fleet, including by working with OEMs to improve their maintenance support and diversifying our contracted aircraft base away from dependency on selected models. MACE flight hours increased to 83,957 in 2024 from 83,414 in 2023 - despite slightly lower availability driven by aforementioned supply chain issues at selected OEMs. Our operating revenues were also impacted by the delayed start of 8 MACE contracts, which were set to begin service earlier in the year. These long-term contracts did start within 2024 and are set to positively contribute to our 2025 revenue base.

- **Adjusted EBITDA** for the year ended December 31, 2024 is expected to be €153 million, an increase of €40 million, or 35%, from €113 million for the year ended December 31, 2023. This translated to an Adjusted EBITDA margin of 36.4% for 2024, up from 30.8% in 2023. The main drivers of this performance were new contract starts, an increase in average MACE rates, and operational leverage; as our contracted backlog expands in number of contracts and MACE rate pricing, and as our cost base remains tightly under control, we expect Adjusted EBITDA margins will continue to benefit.

  While we are encouraged by these results, we believe that our performance would have been stronger if new contracts won in 2022 to 2023 had commenced operations earlier during 2024, as originally set with customers. We are nonetheless optimistic about these new contracts' ability to contribute to 2025 performance, given that they all started in 2024.

- **Net leverage** as of December 31, 2024 is expected to be 4.4x, as we incurred leases to onboard 9 new MACE to serve incremental contracts that commenced operation in the first half of 2025. This represented an increase from 4.1x as of December 31, 2023, largely due to our planned build-up of fleet infrastructure in anticipation of new contract awards, that are due to start operating in 1H2025. New business momentum was also stronger, with our backlog of €2.3 billion as of December 31, 2024 being higher due to robust tender activities and our 54% tender win ratio in Offshore Brazil in 2024. Our cash position as of December 31, 2024 is expected to be €52 million. We expect rising contribution of free cash flow conversion from new contract starts on the back of rising MACE rates and higher operational leverage, and these factors to propel deleveraging in the coming quarters, as legacy contracts expire and our costs remain under control.

The Company will publish full-year audited financial statements and host a conference call with investors, currently expected in the first half of June.

Recent developments:

- OHI Group will enter a new adjacent geography, Suriname, which has experienced tremendous growth of its offshore oil sector. We have recently been awarded a contract for 2 MACE with a Tier-1 IOC.

- We expect to be the first operator in Latin America to deploy the Airbus H160 medium helicopter for offshore energy services, as we continue to consolidate our position as innovators and tech pioneers. We are also preparing for the re-entry of the Airbus H225 to service offshore oil and gas contracts.

- We intend to seek consent from the holders of our senior secured notes in order to provide the Group with more time to finalize the full-year 2024 audited accounts, which have been delayed as we seek to complete an audit that is compliant with the Public Company Accounting Oversight Board standards in contemplation of a proposed process that has been separately announced.

Important Disclaimers:

This announcement contains preliminary financial and operating information regarding the year ended December 31, 2024, which information is subject to change based on financial closing and audit procedures which have not yet been completed. Actual results may vary from the information presented above and such variations could be material. As such, you should not place undue reliance on this information.

This announcement contains financial information regarding the businesses and assets of the Company. Such financial information may not have been audited, reviewed or verified by any independent accounting firm. The inclusion of such financial information in this announcement should not be regarded as a representation or warranty by the Company or any of its respective affiliates, advisors or representatives or any other person as to the fairness, accuracy, correctness, reasonableness or completeness of such information's portrayal of the financial condition or results of operations by the Company and should not be relied upon. Certain financial data included in this announcement consists of "non-IFRS financial measures." These non-IFRS financial measures, may not be comparable to similarly-titled measures as presented by other companies, nor should they be considered as an alternative to the historical financial results or other indicators of the Company's cash flow based on International Financial Reporting Standards ("IFRS"). Even though the non-IFRS financial measures are used by management to assess the Company's financial position, financial results and liquidity and these types of measures provide important insight into the operations and strength of our business, they have important limitations as analytical tools, and you should not place undue reliance on them or *consider them as substitutes for analysis of the Company's financial position or results of operations as reported under IFRS.*

This announcement may contain forward-looking statements. All statements other than statements of historical fact included in this announcement are forward-looking statements. Forward-looking statements express the Company's current expectations and projections relating to its financial condition, results of operations, plans, objectives, future performance and business. These statements may include, without limitation, any statements preceded by, followed by or including words such as "aim," "anticipate," "believe," "can have," "could," "estimate," "expect," "intend," "likely," "may," "plan," "project," "should," "target," "will," "would" and other words and terms of similar meaning or the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the Company's actual results, performance or achievements to be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which it will operate in the future.