Completed acquisition by CHC Group LLC of Offshore Helicopter Services UK Limited, Offshore Services Australasia PTY Ltd and Offshore Helicopter Services Denmark A/S

Notice of Proposal to accept Final Undertakings pursuant to sections 41, 82 and 90 of and schedule 10 to the Enterprise Act 2002 and public consultation on the proposed Final Undertakings

Background

1. On 31 August 2021, CHC Group LLC via its subsidiaries purchased 100% of the issued share capital of Offshore Helicopter Services UK Limited (**Offshore UK**), Offshore Services Australasia Pty Ltd (**Offshore Australia**) and Offshore Helicopter Services Denmark A/S (**Offshore Denmark**). The acquired entities (together the **Fisher Business**) were subsidiaries of Babcock International Group plc (**Babcock**). As a result, CHC Group LLC has ownership and control of the Fisher Business (the **Merger**). CHC Group LLC's UK arm is operated through CHC Scotia Limited (**CHC UK**), which is wholly owned by EEA Helicopter Operations B.V. (**EHOB**). EHOB is jointly owned by Mr Ivan Levy of Inselhofstrasse, 3, 8008 Zurich, Switzerland and CHC Group LLC (hereafter CHC Group LLC, EHOB and their subsidiaries are referred to as **CHC**).

2. On 29 November 2021, the CMA, in accordance with section 22(1) of the Enterprise Act 2002 (the **Act)**, referred the Merger to a group of CMA panel members to determine, pursuant to section 35 of the Act:

    a) whether a relevant merger situation has been created; and

    b) if so, whether the creation of that situation has resulted, or may be expected to result, in a substantial lessening of competition (**SLC**) in any market or markets in the United Kingdom (**UK**) for goods or services.

3. On 1 June 2022, the CMA published a report pursuant to section 38 of the Act (the **Report**) which concluded that:

    a) the Merger has created a relevant merger situation;

b) the creation of that situation has resulted in, and may be expected to result in a **SLC** in the provision of oil and gas offshore transportation services in the UK;

c) the CMA should take action to remedy the SLC and any adverse effects resulting from it; and

d) having regard to the need to achieve as comprehensive a solution as is reasonable and practicable, that Offshore UK be divested (the **Remedy**)

4. The CMA has reached agreement with CHC as to the terms of Final Undertakings for the purpose of remedying, mitigating or preventing the SLC and any adverse effects arising from it and the proposed Final Undertakings are attached to this Notice.

Notice of proposal to accept undertakings

5. The CMA now hereby gives notice pursuant to paragraph 2 of Schedule 10 to the Act that: (a) the CMA proposes to accept the attached proposed Final Undertakings; and (b) the proposed Final Undertakings seek to address the SLC identified in the Report and the adverse effects which may be expected to flow from it.

6. The CMA invites written representations on the proposed Final Undertakings from any person or persons who wish to comment.

7. Representations should reach the CMA via email by 5pm on 1 August 2022, and should be addressed to: chc.babcock@cma.gov.uk

8. The CMA will consider any written representations made in accordance with this Notice and may make modifications to the proposed Final Undertakings as a result. In the absence of any written representations, or in the event that the CMA decides, on consideration of the representations made and not withdrawn, not to amend the proposed Final Undertakings, the CMA proposes to accept the proposed Final Undertakings in their present form pursuant to section 82 of the Act. If the CMA considers that any representation necessitates any material change to the proposed undertakings, the CMA will give notice of the proposed modifications.

9. Once accepted, the Final Undertakings may be varied, superseded or released by the CMA under section 82 of the Act.

10. This Notice and a non-confidential version of the Final Undertakings will be published on the CMA website.

Signed by authority of the CMA

Kip Meek

Inquiry Group Chair

15 July 2022