

**SIX-MONTH REPORT**  
SEPTEMBER 30, 2023





## REPORT TO SHAREHOLDERS

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### Financial Results

Bermuda Aviation Services Limited (the Company) and its subsidiaries (the Group) reported net income from continuing operations of \$0.5 million for the six months ended September 30, 2023, compared to \$0.8 million over the comparative period to September 2022.

Despite the challenges posed by an inflationary period, the company effectively sustained a consistent gross margin compared to the previous year. Revenues from continuing operations were \$6.1 million for the period, a \$0.4 million decrease versus the comparative period due to a decrease in project revenues across various subsidiaries. Total cost of revenue was \$2.3 million, a decrease of \$0.4 million.

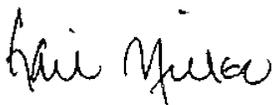
Total operating expenses were \$3.4 million for the current period, vs. \$3.0 million prior year. The increase in operating expenses is mainly due to wages and benefits expenses across the Group as a result of an increase in headcount and other employee-related costs.

Earnings per share from continuing operations were \$0.10 per share compared to prior period of \$0.16 per share. The Company paid a special dividend of \$0.10 per share on September 30th, which reflects the strong operating results of the Company.

In recent years, the Group has consistently executed a range of strategies that have had a beneficial influence on the Company's financial performance. Our management remains dedicated to collaborating closely with our clients, offering inventive and budget-friendly solutions in the face of economic challenges.

The leadership team is unwavering in their commitment to maximize financial performance, with the aim of enhancing shareholder value. We extend our gratitude to our employees for their enduring diligence and devotion to both our clients and the Company.

The BAS Board of Directors and management team are profoundly saddened by the unexpected passing of our former Chair, David W. Pugh. David played a pivotal role in guiding the Company through challenging periods, always maintaining a positive outlook. Over his 12-year tenure as a Board member, seven of which were spent as Chair, David made it a point to establish connections with all employees and actively participated in committees dedicated to the Company's best interests. David established relationships with the Bermuda business community that were both engaging and insightful. His absence will be deeply felt by the Company and those who had the privilege of knowing him.



**Gail E. M. Miller**  
CHAIR



**Navdeep Dhese**  
CHIEF EXECUTIVE OFFICER

November 30<sup>th</sup>, 2023

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Unaudited) AS AT SEPTEMBER 30, 2023  
(Expressed in thousands of Bermuda Dollars)

	UNAUDITED SEPTEMBER 30 2023	AUDITED MARCH 31 2023
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	7,655	7,413
Accounts receivable	2,920	2,163
Prepaid expenses	162	165
Inventories	635	589
	<b>11,372</b>	<b>10,330</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	6,330	6,490
Goodwill	4,529	4,529
	<b>10,859</b>	<b>11,019</b>
<b>TOTAL ASSETS</b>	<b>22,231</b>	<b>21,349</b>
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	1,415	1,411
Deferred revenue	1,804	946
	<b>3,219</b>	<b>2,357</b>
<b>TOTAL LIABILITIES</b>	<b>3,219</b>	<b>2,357</b>
<b>EQUITY</b>		
<b>ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY</b>		
Share capital	4,922	4,922
Share premium	12,371	12,371
Retained earnings	1,501	1,498
<b>TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY</b>	<b>18,794</b>	<b>18,791</b>
Attributable to non-controlling interests	219	201
<b>TOTAL EQUITY</b>	<b>19,013</b>	<b>18,992</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>22,231</b>	<b>21,349</b>

The accompanying notes are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Unaudited) FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2023 AND 2022  
(Expressed in thousands of Bermuda Dollars except earnings per share data)

	UNAUDITED SEPTEMBER 30 2023	UNAUDITED SEPTEMBER 30 2022
<b>CONTINUING OPERATIONS</b>		
Total revenue	6,106	6,536
Total cost of revenue	(2,323)	(2,749)
<b>GROSS PROFIT</b>	<b>3,783</b>	<b>3,787</b>
Other income	139	118
<b>OPERATING EXPENSES</b>		
Wages and benefits	(2,448)	(2,149)
Other direct expenses and overheads	(731)	(710)
Depreciation	(228)	(231)
<b>TOTAL OPERATING EXPENSES</b>	<b>(3,407)</b>	<b>(3,090)</b>
Finance costs	(4)	(1)
<b>TOTAL INCOME FROM CONTINUING OPERATIONS</b>	<b>511</b>	<b>814</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>511</b>	<b>814</b>
<b>INCOME ATTRIBUTABLE TO:</b>		
Shareholders of the Company	493	776
Non-controlling interests	18	38
<b>INCOME FOR THE PERIOD</b>	<b>511</b>	<b>814</b>
<b>EARNINGS PER SHARE</b>		
Basic and diluted from income for the period	0.10	0.16
Basic and diluted from continuing operations	0.10	0.16

The accompanying notes are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited) FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2023 AND 2022  
(Expressed in thousands of Bermuda Dollars)

	ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY				NON- CONTROLLING INTERESTS	TOTAL EQUITY
	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	TOTAL		
<b>APRIL 1, 2022</b>	<b>4,922</b>	<b>12,371</b>	<b>1,474</b>	<b>18,767</b>	<b>262</b>	<b>19,029</b>
<b>TRANSACTIONS WITH OWNERS RECOGNISED DIRECTLY IN EQUITY</b>						
Dividends to non-controlling interests	-	-	-	-	(76)	(76)
Dividends	-	-	(492)	(492)	-	(492)
	<b>4,922</b>	<b>12,371</b>	<b>982</b>	<b>18,275</b>	<b>186</b>	<b>18,461</b>
<b>TOTAL COMPREHENSIVE INCOME</b>						
Income for the period	-	-	776	776	38	814
<b>SEPTEMBER 30, 2022</b>	<b>4,922</b>	<b>12,371</b>	<b>1,758</b>	<b>19,051</b>	<b>224</b>	<b>19,275</b>
<b>APRIL 1, 2023</b>	<b>4,922</b>	<b>12,371</b>	<b>1,498</b>	<b>18,791</b>	<b>201</b>	<b>18,992</b>
<b>TRANSACTIONS WITH OWNERS RECOGNISED DIRECTLY IN EQUITY</b>						
Dividends	-	-	(492)	(492)	-	(492)
	<b>4,922</b>	<b>12,371</b>	<b>1,006</b>	<b>18,299</b>	<b>201</b>	<b>18,501</b>
<b>TOTAL COMPREHENSIVE INCOME</b>						
Income for the period	-	-	493	493	18	511
<b>SEPTEMBER 30, 2023</b>	<b>4,922</b>	<b>12,371</b>	<b>1,499</b>	<b>18,792</b>	<b>219</b>	<b>19,012</b>

The accompanying notes are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS

(Unaudited) FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2023 AND 2022  
(Expressed in thousands of Bermuda Dollars)

	UNAUDITED SEPTEMBER 2023	UNAUDITED SEPTEMBER 2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income for the period	511	814
<b>ADJUSTMENTS:</b>		
Depreciation	228	231
Finance costs	4	1
<b>CHANGES IN NON-CASH WORKING CAPITAL:</b>		
Accounts receivable	(757)	(2,460)
Prepaid expenses	4	28
Inventories	(45)	(33)
Accounts payable and accrued liabilities	4	(343)
Deferred revenue	858	912
<b>NET CASH FROM (USED IN) OPERATING ACTIVITIES</b>	<b>807</b>	<b>(850)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment, net	(68)	(46)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(68)</b>	<b>(46)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid to non-controlling interests	-	(76)
Dividends paid	(492)	(492)
Finance costs	(4)	(1)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(496)</b>	<b>(569)</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Decrease during the period	243	(1,464)
Beginning of the period	7,413	7,618
<b>END OF THE PERIOD</b>	<b>7,656</b>	<b>6,154</b>

The accompanying notes are an integral part of these consolidated financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited) FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2023  
(Expressed in thousands of Bermuda Dollars)

### 1. Significant accounting policies

The interim consolidated financial statements of Bermuda Aviation Services Limited (“BAS” or the “Company”) for the six months ended September 30, 2023 have been prepared in accordance with IAS 34 Interim Financial Reporting, and follow the same accounting policies as per the March 31, 2023 annual financial statements. The interim consolidated financial statements do not include all the information and disclosure required in the annual financial statements and should be read in conjunction with the March 31, 2023 annual financial statements.

### 2. Segment reporting

BAS and its subsidiaries (the “Group”) have three reportable segments as shown below. The Group’s management has identified the operating segments based on the goods and services they provide.

The following describes the composition of each of the Group’s three reportable segments:

- i. Administrative Services includes mainly the assets and services related to the Group’s corporate headquarters.
- ii. Automotive Garages includes the distribution of automotive parts and services.
- iii. Facilities Management includes elevator maintenance and installation, property management, and maintenance, customised electrical, generator and fire detection solutions.

	ADMINISTRATIVE SERVICES	AUTOMOTIVE GARAGES	FACILITIES MANAGEMENT	TOTAL
<b>CONTINUING OPERATIONS PERIOD ENDED SEPTEMBER 30, 2023</b>				
Revenue from external customers	20	1,480	4,606	<b>6,107</b>
Inter-segment revenue	919	13	118	<b>1,049</b>
Depreciation	207	1	19	<b>228</b>
Income (loss)	(1,082)	494	964	<b>376</b>
Total capital expenditure	(51)	-	(17)	<b>(68)</b>
<b>CONTINUING OPERATIONS PERIOD ENDED SEPTEMBER 30, 2023</b>				
Total operating assets	9,741	1,596	6,366	<b>17,703</b>
Total operating liabilities	778	57	2,384	<b>3,219</b>

	ADMINISTRATIVE SERVICES	AUTOMOTIVE GARAGES	FACILITIES MANAGEMENT	TOTAL
<b>CONTINUING OPERATIONS PERIOD ENDED SEPTEMBER 30, 2022</b>				
Revenue from external customers	20	1,381	5,135	<b>6,536</b>
Inter-segment revenue	882	7	201	<b>1,090</b>
Depreciation	211	1	19	<b>231</b>
Income (loss)	(1,052)	405	1,345	<b>697</b>
Total capital expenditure	(37)	(2)	(4)	<b>(46)</b>
<b>CONTINUING OPERATIONS PERIOD ENDED SEPTEMBER 30, 2022</b>				
Total operating assets	6,993	2,132	8,007	<b>17,132</b>
Total operating liabilities	321	43	2,783	<b>3,146</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited) FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2023  
(Expressed in thousands of Bermuda Dollars)

### 2. SEGMENT REPORTING (continued)

SEGMENTS RECONCILIATION	UNAUDITED SEPTEMBER 30 2023	UNAUDITED SEPTEMBER 30 2022
<b>INCOME (LOSS)</b>		
Total income from continuing operations for reportable segments	376	697
Other income	139	118
Finance costs	(4)	(1)
<b>TOTAL GROUP COMPREHENSIVE INCOME</b>	<b>511</b>	<b>814</b>

SEGMENTS RECONCILIATION	UNAUDITED SEPTEMBER 2023	AUDITED MARCH 2023
<b>TOTAL ASSETS</b>		
Total assets for reportable segments	17,703	16,812
Goodwill	4,529	4,529
<b>TOTAL GROUP ASSETS</b>	<b>22,232</b>	<b>21,341</b>
<b>TOTAL LIABILITIES</b>		
Total liabilities for reportable segments	3,219	2,357
<b>TOTAL GROUP LIABILITIES</b>	<b>3,219</b>	<b>2,357</b>

## 3. Significant transactions

During the period the Company declared a special dividend of \$492 (2022 \$492). This amounted to \$0.10 per share.

## DIRECTORS

### CHAIR

Gail E. M. Miller

Jeffrey G. Conyers  
Dennis Fagundo  
E. Michael Leverock

### SECRETARY

Conyers Corporate Services (Bermuda)  
Limited

Scott Pearman  
Leslie Rans, CPA  
Glen Smith

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## OFFICERS

### Navdeep Dhesi, CPA, CMA

Chief Executive Officer  
BAS Group of Companies

## ADDRESS

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**BAS** BUILDING

19





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