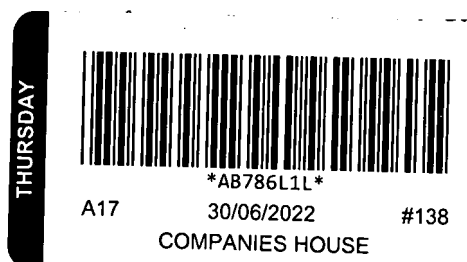


**Radius Aerospace UK Limited**  
**Annual report and financial statements**  
**for the year ended 30 March 2021**

Registered Number: 04095261



# Radius Aerospace UK Limited

## Company information

### Registered office

Holbrook Works  
Station Road  
Halfway  
Sheffield  
S20 3GB

### Directors

M Johnson  
B Noor  
K Donohoe (appointed 1 October 2021)  
D Adams (appointed 4 October 2021)

### Independent Auditor

Grant Thornton UK LLP  
1 Holly Street  
Sheffield  
S1 2GT

## Radius Aerospace UK Limited

### Annual report and financial statements for the year ended 30 March 2021

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# Radius Aerospace UK Limited

## Strategic report for the year ended 30 March 2021

The Directors present their strategic review of the Company for the year ended 30 March 2021. The comparative period presented herein was the 15 months ended 30 March 2020.

### Principal activities

The principal activities of the Company are specialist manufacturing and servicing of precision components for military/civil aerospace and industrial gas turbine (IGT) engine and air-frame customers worldwide. Production capabilities include specialist metal-forming, airfoil machining, speciality coating, chemical processing, fabrication and assembly of parts in high temperature materials. The Company is a private company limited by shares and is incorporated and domiciled in England.

### Review of the Business and Future Developments

The results for the Company for the year ended 30 March 2021 are shown in the profit and loss account on page 12. The financial position of the Company as at 30 March 2021 is shown in the balance sheet on page 13.

The Company's key financial and other performance indicators during the year were as follows:

	<b>Year ended 30 March 2021</b>	15 months ended 30 March 2020
	<b>£'000</b>	£'000
Turnover	51,868	63,708
Operating loss before exceptional items	(2,074)	(4,934)

Sales for the Company decreased by £11.8 million during the year ended 30 March 2021 to £51.9 million from £63.7 million for the period ended 30 March 2020 due to an extended accounting period aligning with Radius Aerospace Inc.

Underlying annualised proforma sales increased despite the declining demand for legacy engine platforms (CFM56, Trent) and an adverse impact in demand in the IGT industry. This impact is set to continue but will be mitigated by a growing portfolio of next generation engine business, such as Leap1a/b/c, PW1100 and others.

The Company has net assets of £40.4 million (30 March 2020: £42.6 million). The results for the Company show a pre-tax loss of £2.2 million for the year compared to a £5.8 million loss for the 15 months ended 30 March 2020. The improvement in profitability is largely driven by the one-time write-off of tooling and development of a loss-making programme totalling £1.6m and additional provisions of £1.7m booked in the prior period as a result of negotiations between parties during the acquisition of the Company by Radius Aerospace Inc..

During the year the Company experienced significant downturn in demand as a result of the ongoing Covid-19 pandemic and its impact on air travel. The Company has taken prudent measures including restructuring its operations and making appropriate use of the UK Government Job Retention Scheme. As confidence returns to the aerospace industry, the Directors believe the Company is well positioned to achieve profitable growth in future periods.

### Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. The Company is exposed to competition from other suppliers to the market.

The Company has significant sales contracts with a number of "blue-chip" companies and accordingly the Directors believe there is no major exposure to credit risk. The Company's policy on credit risk requires appropriate credit checks on potential customers before sales commence.

The Company is exposed to commodity and currency price risk and uses hedging instruments and bulk buy supply contracts where appropriate to manage this exposure.

# Radius Aerospace UK Limited

## Strategic report for the year ended 30 March 2021 (continued)

### Section 172(1) statement Companies Act 2006

The Board of Directors changed both during and subsequent to the year ended 30 March 2021 (see page 3). Consequently, the Directors have made reasonable enquiries as to the necessary activities under Section 172 of the Companies Act 2006 and make the following statement on that basis.

Throughout 2021, the Directors have complied with the requirements of Section 172 of the Companies Act 2006 in promoting the long-term success of the Company for the benefit of all stakeholders. The following disclosure describes how the Directors have had regard to the matters set out in section 172(1)(a) to (f) and forms the Directors' statement required under section 414CZA of the Companies Act 2006.

#### **Engagement with stakeholders**

The Directors consider employees, suppliers, customers and the impact of the Company's operations on the local community to be the core stakeholder groups and the following activities have been undertaken during the year as part of ongoing activities of engaging with stakeholders:

#### **Employees**

The Company's vision is to promote a workplace fostered by compassionate, caring employees who demonstrate an active, willing and personal desire to achieve zero injuries, illnesses, spills and non-conformances with compliance requirements.

People are recognised as key to the Company's success and as such the Company believes that employee development, progression and retention are of the utmost importance. The Company has invested heavily in training and development to create a talented and agile workforce by making the most of apprenticeships, on-the-job training and external courses.

The Company recognises the importance of effective communication to employees, using a variety of mediums to achieve this. Noticeboards, televisions, emails and 'town hall' meetings are all successful approaches undertaken periodically to increase employee engagement.

#### **Customers**

The Company aims to retain and develop strong, long-term relationships with all of its customers by way of entering into long-term agreements ("LTAs") wherever possible. The Company strives to treat all customers with respect, honesty and fairness, providing products and services which meet the highest standards of quality, reliability and safety which the Company has to offer. The Company understands the importance of maintaining customer satisfaction through satisfying the above qualities on all products produced.

#### **Suppliers**

Suppliers are vital to the Company's operations and the Company takes a long-term, collaborative approach to engagement. The Company looks to conduct all aspects of its business with suppliers that is mutually beneficial, as well as open.

#### **Communities and the environment**

The Company recognises that the local community near its manufacturing locations can be impacted by its work and takes its responsibilities towards environment, health and safety ("EHS") seriously. The Company strives to reduce its environmental footprint by optimising the use of raw materials and other natural resources to minimise emissions and wastes. Initiatives have been identified to reduce energy consumption and to minimise manufacturing waste to landfill. The materials and consumables used in the Company's facility are regularly reviewed, with hazardous components replaced. Whilst the Directors do not believe there to be any direct, material risk to the Company arising from changes in the global climate, this is something that is reviewed on a regular basis and the Company remains proactive in reducing its impact on the environment.

By Order of the Board



Kevan Donohoe  
Director  
29 June 2022

# Radius Aerospace UK Limited

## Directors' report for the year ended 30 March 2021

The Company's registered number is 04095261.

The Directors submit their report together with the audited financial statements for the year ended 30 March 2021.

### Directors

The Directors who have served during the year and up to the date of signing this report are as follows:

M Johnson

B Noor

K Donohoe (appointed 1 October 2021)

D Adams (appointed 4 October 2021)

The Company maintains directors' and officers' liability insurance which gives appropriate cover for legal action brought against its Directors. The Company has also provided an indemnity for its Directors, which is a qualifying third-party indemnity provision for the purpose of section 234 ((2) – (6)) of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

### Dividends

No dividends were paid by the Company during the period (2020: £43.7m).

### Future developments

The strategic report on page 1 provides an indication of the future developments of the Company.

### Research and development

Improvements in materials and process technology are regarded as an integral part of the Company's development and customer assurance programme. Expenditure on research and development during the period continued, amounting to £11,500 (2020: £237,000). No credit was recognised in the period (2020: £Nil) associated with the research and development tax credit scheme, as the Company has moved to a 2-year cycle for this submission.

### Health and safety and the environment

The Company has a continuing commitment to health and safety issues. A positive stance towards environmental issues is maintained and the Company is committed to compliance with all applicable laws and regulations.

## Radius Aerospace UK Limited

### Streamlined Energy and Carbon Reporting ("SECR")

The Company has presented below its carbon footprint together with an appropriate intensity metric for the year ended 30 March 2021 and comparatives for the period ended 30 March 2020.

	2021	2020
UK Energy consumption (kWh '000)	21,748	25,241
Co2e emissions (tonnes)		
- Electricity	3,105	4,131
- Gas	1,657	1,538
<b>Total CO2e emissions (tonnes)</b>	<b>4,762</b>	<b>5,669</b>
Total Revenue (£'000)	51,868	54,622
<b>Intensity Ratio</b>	<b>91.82</b>	<b>103.79</b>

*Disclosure of methodology* – electricity and gas usage is based on billed amounts from suppliers using actual meter readings. Transport represents actual diesel fuel consumed for fork lift trucks and mileage recorded on Company owned vehicles. Total emissions has been calculated using the UK government conversion factors for greenhouse reporting 2020. The intensity ratio is based on revenue to reflect the activity within the business.

*Energy actions* – the Company has a rolling programme of actions to reduce energy usage. These actions include the introduction of energy management systems to optimise equipment uptime and downtime, proactive exploration and repair of leakages together with an ongoing programme of installing energy efficient lighting throughout all premises.

*Intensity Ratio* – the Company has included an intensity ratio to show the relative outputs (as measured by revenue) compared to overall estimated emissions. Revenue used in the comparative calculation represents continuing operations only.

### Employees

The Company firmly believes in recognising the contribution to its success of well-motivated and dedicated employees and to involving them fully in the Company's fortunes. Employees are informed of the performance of the Company on an ongoing basis. This information includes matters relating to the Company's performance, its prospects and future outlook of the business. Employees are encouraged to contribute ideas for improvement of the Company in all communication forums.

The Company gives equal consideration to applications for employment from disabled people having regard to their particular aptitudes and abilities. It is Company policy wherever practicable to continue to employ, train and promote the career development of existing employees who become disabled.

Employee participation and involvement in matters which affect their interests continue to be developed.

# Radius Aerospace UK Limited

## Directors' report for the year ended 30 March 2021 (continued)

### Financial risk management

#### *Foreign exchange risk*

The most significant treasury exposures faced by the Company relate to the management of currency positions. Clear parameters have been established including levels of authority on the type and use of financial instruments to manage these exposures. Transactions are only undertaken if they relate to the underlying exposures and regular reports are provided to the Directors detailing the use and extent of these financial instruments.

#### *Currency risk*

The Company faces currency exposure on trading transactions undertaken in foreign currencies. These exposures are hedged by the Company by using forward exchange rate contracts within the United Kingdom, with oversight from Radius Aerospace Inc.. These contracts have a maturity of up to two years forward and are against anticipated and known sales and purchases. There are no open hedging contracts at the balance sheet date.

#### *Price risk*

The Company uses specific high grades of material during the manufacturing process and as a result is affected by the everchanging price of raw materials. Prices of said raw materials have seen a rapid increase due to the Covid-19 pandemic, but our LTAs and relationships with suppliers, coupled with having the ability, in places, to pass these costs onto our customers, significantly reduce the risk of exposure to any unforeseen price increases.

#### *Liquidity risk*

The Company generates cash to cover all interest and debts through its day-to-day trading. The Company has the ability to utilise a £6.5m revolver loan if cash levels ever drop below the required level. Support would be available from Radius Aerospace Inc. should a larger cash injection be required.

#### *Credit risk*

The Company has very limited credit risk due to the size and nature of its customers. The risk is managed by utilising the LTAs to ensure the Company is not subjected to significant loss, by spreading the risk of default over a number of customers and having credit insurance in place to protect against the potential liquidation of a large customer.

Further discussion of these risks and uncertainties, in the context of the Group as a whole, is provided within the Report of the Directors in the Radius Aerospace Inc. annual report. Further risk management policies are disclosed in the Strategic report. Following the change in control the Company will seek to manage its foreign exchange exposures through the use of appropriate external derivatives and manage its cash flow needs through a mixture of working capital management and funding from its parent entity which holds the related senior debt facilities.

## Radius Aerospace UK Limited

### Directors' report for the year ended 30 March 2021 (continued)

#### Directors' responsibilities statement

The Directors are responsible for preparing the Strategic report and Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland").

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Statement of disclosure of information to auditors

The Directors confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### Going Concern

The financial statements have been prepared on the going concern basis given the continued support of the Company's owners. This assumes the Company will be able to meet its future obligations as they fall due and will settle payments within the agreed terms.

The Directors have received written confirmation from its ultimate parent, Radius Aerospace Holdings Inc., that they will provide sufficient funds to enable it to continue to operate and meet its liabilities as they fall due and at least for a period of twelve months from the date of signing these financial statements if required. The Directors are satisfied that Radius Aerospace Holdings Inc has the ability to provide the support to the Company.

In assessing going concern the Directors have prepared and reviewed Group cash flow forecasts up until March 2024 and considered compliance against the covenants included in the Group debt facilities. Furthermore, they have considered a level of "severe but plausible" downside sensitivities in trading and cash whereby operations were scaled back to 2021 levels at the height of the pandemic and are satisfied that there are no foreseen circumstances where the Company or its parent company would be in breach of its debt covenants or would not be able to meet its liabilities as they fall due.

The Directors have also reviewed and hold confidence in an exceptionally strong cash performance throughout the pandemic resulting in the Company holding strong cash reserves, in excess of any cash requirement to service debt and interest costs over the forecast period.

#### Political donations

There were no political donations made during the year (2020 - £nil).


## Radius Aerospace UK Limited

### Directors' report for the year ended 30 March 2021 (continued)

#### Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment at the forthcoming Annual General Meeting.

By Order of the Board



Kevan Donohoe  
Director

29 June 2022

#### Registered Office:

Radius Aerospace UK Limited  
Holbrook Works  
Station Road  
Halfway  
Sheffield  
S20 3GB

## Radius Aerospace UK Limited

# Independent auditor's report to the members of Radius Aerospace UK Limited

### Opinion

We have audited the financial statements of Radius Aerospace UK Limited (the 'company') for the year ended 30 March 2021, which comprise the profit and loss account, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 March 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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.

### Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' 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 report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

## Radius Aerospace UK Limited

# Independent auditor's report to the members of Radius Aerospace UK Limited

### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

### Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## Radius Aerospace UK Limited

# Independent auditor's report to the members of Radius Aerospace UK Limited

### 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 (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting frameworks (Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006) and the relevant tax compliance regulations in the jurisdictions in which the company operates.
- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors, and from inspection of the company's board minutes and legal and regulatory correspondence. We discussed the policies and procedures regarding compliance with laws and regulations with the directors;
- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur by meeting with management from relevant parts of the business to understand where management considered there was a susceptibility to fraud.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - the entity's operations, including the nature of its revenue sources, products and services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement;
  - the entity's control environment, including:
    - management's knowledge of relevant laws and regulations and how the company is complying with those laws and regulations;
    - the adequacy of procedures for authorisation of transactions, and;
    - procedures to ensure that possible breaches of laws and regulations are appropriately resolved.

## Radius Aerospace UK Limited

# Independent auditor's report to the members of Radius Aerospace UK Limited

- Audit procedures performed by the engagement team included:
  - evaluation of the programmes and controls established to address the risks related to irregularities and fraud, and;
  - testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
  - knowledge of the industry in which the client operates; and,
  - understanding of the legal and regulatory requirements specific to the entity including, the provisions of the applicable legislation, the regulators rules and related guidance, including guidance issued by relevant authorities that interprets those rules and the applicable statutory provisions.
- We communicated relevant laws and regulations and potential risks to all engagement team members and remained alert to indications of fraud or non-compliance with laws and regulations throughout the audit.

### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Grant Thornton UK LLP*

Donna Steel  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Sheffield  
29 June 2022

## Radius Aerospace UK Limited

### Profit and loss account for the year ended 30 March 2021

	Note	Year ended 30 March 2021	15 months ended 30 March 2020		
		Total £'000	Cont. Operations £'000	Discontinued Operations £'000	Total £'000
Turnover	2	51,868	54,622	9,086	63,708
Cost of Sales		(50,499)	(53,720)	(8,718)	(62,438)
<b>Gross Profit</b>		<b>1,369</b>	902	368	1,270
Distribution Costs		(423)	(780)	(101)	(881)
Administrative expenses		(4,140)	(4,945)	(973)	(5,918)
Other operating income	3	1,120	-	-	-
<b>Operating loss before exceptional items</b>		<b>(2,074)</b>	(4,185)	(749)	(4,934)
Exceptional items	4	-	(638)	43	(595)
<b>Operating loss</b>	5	<b>(2,074)</b>	(4,823)	(706)	(5,529)
Interest payable and similar charges	7	(121)	(237)	(1)	(238)
<b>Loss before taxation</b>		<b>(2,195)</b>	(5,060)	(707)	(5,767)
Tax on loss on ordinary activities	8	-	(1,141)	-	(1,141)
<b>Loss for the financial year / period</b>		<b>(2,195)</b>	(6,201)	(707)	(6,908)

All of the results in the current period arise from continuing operations, with discontinued operations in prior period separated in relation to the precision castings division sold on 7 October 2019.

The Company had no other comprehensive income for the periods ended 30 March 2021 and 30 March 2020. Therefore, no separate statement of comprehensive income has been presented.

## Radius Aerospace UK Limited

### Balance sheet as at 30 March 2021

Registered Number: 04095261

		30 March 2021	30 March 2020
	Note	£'000	£'000
<b>Fixed assets</b>			
Intangible assets	9	2,820	1,474
Tangible assets	10	18,117	20,181
		<b>20,937</b>	<b>21,655</b>
<b>Current assets</b>			
Stocks	11	17,263	21,062
Debtors: amounts receivable within one year	12	10,241	16,977
Cash and equivalents		6,255	2,988
		<b>33,759</b>	<b>41,027</b>
Creditors: amounts falling due within one year	13	<b>(14,017)</b>	<b>(19,150)</b>
<b>Net current assets</b>		<b>19,742</b>	<b>21,877</b>
<b>Total assets less current liabilities</b>		<b>40,679</b>	<b>43,532</b>
Creditors: amounts falling due after more than one year	14	<b>(300)</b>	<b>(958)</b>
<b>Net assets</b>		<b>40,379</b>	<b>42,574</b>
<b>Capital and reserves</b>			
Called up share capital	16	1,500	1,500
Profit and loss account		38,879	41,074
<b>Total shareholders' funds</b>		<b>40,379</b>	<b>42,574</b>

The financial statements on pages 11 to 31 were approved by the Board of Directors on 29 June 2022 and were signed on its behalf by:

*David Adams*

David Adams

Director  
29 June 2022

## Radius Aerospace UK Limited

### Statement of changes in equity for the year ended 30 March 2021

	Called up share capital	Profit and loss account	Total
	£'000	£'000	£'000
<b>Balance at 1 January 2019</b>	<b>1,500</b>	<b>91,702</b>	<b>93,202</b>
Loss for the 15 months ended 30 March 2020	-	(6,908)	(6,908)
Dividends	-	(43,720)	(43,720)
<b>Balance at 30 March 2020</b>	<b>1,500</b>	<b>41,074</b>	<b>42,574</b>
Loss for the year ended 30 March 2021	-	(2,195)	(2,195)
<b>Balance at 30 March 2021</b>	<b>1,500</b>	<b>38,879</b>	<b>40,379</b>

The notes on pages 15 to 31 are an integral part of these financial statements.

# Radius Aerospace UK Limited

## Notes to the financial statements for the year ended 30 March 2021

### 1 Accounting policies

#### Basis of preparation of the financial statements

The financial statements are prepared on a going concern basis under the historical cost convention, apart from financial derivatives which are presented as fair value, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The Board has reviewed the accounting policies adopted in the financial statements and consider them to be the most appropriate for the Company.

The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The principal accounting policies are set out below and have been applied consistently to all periods presented.

The Company's functional and presentational currency is the pound sterling.

The current period consists of the year to 30 March 2021, with the comparative being the 15 months to 30 March 2020, which was extended to align the accounting date with the parent company Radius Aerospace Europe Limited.

The individual financial statements of Radius Aerospace UK Limited have also adopted the following disclosure exemptions:

- Section 33 Related party disclosures paragraph 7A to not disclose key management personnel remuneration;
- Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d) to produce a statement of cash flows; and
- Section 33 Related party disclosures paragraph 11(b) relating to transactions entered into between two or more wholly owned members of the group.
- from the financial instrument disclosures, required under FRS 102 paragraphs, 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A, as the information is provided in the consolidated financial statement disclosures;

#### Going Concern

The financial statements have been prepared on the going concern basis given the continued support of the Company's owners. This assumes the Company will be able to meet its future obligations as they fall due and will settle payments within the agreed terms.

The Directors have received written confirmation from its ultimate parent, Radius Aerospace Holdings Inc., that they will provide sufficient funds to enable it to continue to operate and meet its liabilities as they fall due and at least for a period of twelve months from the date of signing these financial statements if required. The Directors are satisfied that Radius Aerospace Holdings Inc has the ability to provide the support to the Company.

In assessing going concern the Directors have prepared and reviewed Group cash flow forecasts up until March 2024 and considered compliance against the covenants included in the Group debt facilities. Furthermore, they have considered a level of "severe but plausible" downside sensitivities in trading and cash whereby operations were scaled back to 2021 levels at the height of the pandemic and are satisfied that there are no foreseen circumstances where the Company or its parent company would be in breach of its debt covenants or would not be able to meet its liabilities as they fall due.

The Directors have also reviewed and hold confidence in an exceptionally strong cash performance throughout the pandemic resulting in the Company holding strong cash reserves, in excess of any cash requirement to service debt and interest costs over the forecast period.

# Radius Aerospace UK Limited

## 1 Accounting policies (continued)

### Turnover

Turnover represents the fair value of the consideration received or receivable in respect of the sale of goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes.

Turnover is recognised when the significant risks and rewards of ownership have been transferred to the customer which occurs when the products are delivered to the customer or the services have been provided to the customer, title and risk of loss have been transferred and collection of related receivables is probable.

Turnover obtained as a result of customer funded tooling is recognised at the point the tooling has been delivered to the Company's premises and is being utilised in the provision of the goods or services to the customer.

### Interest payable and similar charges

Interest payable and similar charges are charged to the profit and loss account using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instruments.

### Taxation

Current tax is the expected tax payable for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred taxes are provided in full at expected tax rates on differences arising from the recognition of income and expenditure in different periods for tax purposes from those for accounting purposes. Deferred tax assets are recognised to the extent that they are regarded as recoverable. Deferred tax assets and liabilities recognised have not been discounted.

### Tangible assets

Tangible assets are held at historic cost less accumulated depreciation. Freehold land is not depreciated. Depreciation is calculated so as to write off the cost less the estimated residual value of other tangible fixed assets on a straight-line basis over their useful lives, as follows:

Freehold buildings	5 to 25 years
Plant and equipment	1 to 25 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Subsequent costs, including major inspections, are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Repairs, maintenance and minor inspection costs are expensed as incurred.

Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss account.

### Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes expenditure incurred in bringing the stocks to their present location and condition, including an appropriate proportion of overheads. Where necessary, provision is made for obsolete, slow-moving and defective stocks. Further details can be found on page 27.

### Foreign currencies

Transactions in foreign currency are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling on the balance sheet date. All other exchange differences are included in the profit and loss account.

# Radius Aerospace UK Limited

## 1 Accounting policies (continued)

### **Leased assets**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Assets held under finance leases are recognised as non-current assets of the Company at their fair value at the date of commencement of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit and loss.

Payments under operating leases are charged to the profit and loss account in the period payments are made.

### **Exceptional items**

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. They are items that are material either because of their size or their nature, or because they are nonrecurring and are considered to be exceptional items. They are presented within the line items to which they best relate.

### **Research and development**

Research and development costs are written off to the profit and loss account as incurred with the exception of expenditure on the development of certain major products where the outcome of these projects is assessed as being reasonably certain as regards viability and technical feasibility. Such expenditure is capitalised and amortised over the life of the contract commencing in the period sales of the product are first made.

### **Employee benefits**

#### *Short term benefits*

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

#### *Defined contribution pension plans*

The cost of providing benefits through defined contribution pensions is charged to the profit and loss account in the period in respect of which contributions become payable.

### **Dividends**

Final dividend distributions to the Company's shareholders are recognised in equity in the Company's financial statements in the period in which they are paid to the Company's shareholders.

# Radius Aerospace UK Limited

## 1 Accounting policies (continued)

### Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

#### *Financial assets*

Financial derivatives are measured at fair value through profit and loss. All other financial assets are measured at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

#### *Financial liabilities*

Financial derivatives are measured at fair value through profit and loss. All other financial liabilities, including trade and other payables, bank loans and loans from fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost using the effective interest method.

### Critical accounting judgements and estimation uncertainty

The following is a summary of all critical accounting estimates the Directors have considered in preparing the financial statement.

#### *Useful economic lives of intangible and tangible assets*

The amortisation and depreciation charge for intangible and tangible assets respectively, is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and for tangible assets, the physical condition of the assets.

#### *Stock provisioning*

The Company considers the recoverability of the cost of stocks and the associated provisioning required. When calculating the stock provision, management considers the nature and condition of the stocks, as well as applying assumptions around anticipated saleability of finished goods and future usage of raw materials.

#### *Impairment of debtors*

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including: the current credit rating of the debtor; the ageing profile of debtors; and historical experience.

#### *Loss making contracts*

If the outcome of a contract is that contract costs will exceed total contract revenue, the expected loss is provided for in full in the year in which the loss is first foreseen.

## Radius Aerospace UK Limited

### 2 Turnover

The Company operates only in the United Kingdom. All the attributable pre-tax profit or loss derives from one class of business. An analysis of turnover, all of which arose in the United Kingdom, by geographical destination is as follows:

	Year ended 30 March 2021 £'000	15 months ended 30 March 2020 £'000
United Kingdom	22,218	30,909
Europe	18,130	24,141
North America	4,977	3,749
Rest of the world	6,543	4,909
	<b>51,868</b>	<b>63,708</b>

### 3 Other Operating Income

Other operating income represents amounts received by the Company as claimed under the UK Government's Job Retention ("Furlough") scheme.

### 4 Exceptional items

	Year ended 30 March 2021 £'000	15 months ended 30 March 2020 £'000
Business disruption	-	86
Redundancy and other reorganisation costs	-	571
Claims, settlements, and litigation costs	-	(62)
	-	595

Business disruption costs were incurred in relation to the cancellation of a specific turbine blades contract at the Shrewsbury location.

Redundancy and other reorganisation costs were largely incurred as a result of significant restructuring of certain sites as part of a cost reduction programme.

Claims, settlements and litigation costs in the period to 30 March 2020 relate to business disruption insurance settlements.

## Radius Aerospace UK Limited

### 5 Operating loss

Operating loss is stated after charging / (crediting):

	Note	Year ended 30 March 2021 £'000	15 months ended 30 March 2020 £'000
Depreciation of tangible fixed assets	10	3,333	3,147
Amortisation of intangible assets	9	455	492
Audit fees payable to the Company's auditors - audit services		130	370
Audit fees payable to the Company's auditors - non-audit services		19	18
Impairment of trade receivables		(42)	89
Impairment of inventory (included in 'cost of sales')		(624)	1,509
Operating lease charges - land and buildings		340	346
Operating lease charges - plant and equipment		343	52
Foreign exchange gain/(loss)		400	(140)

Research and development costs in the period were £11,500 (2020: £237,000).

## Radius Aerospace UK Limited

### 6 Employees and Directors

#### Employees

Staff costs in the period were as follows:

	Year ended 30 March 2021 £'000	15 months ended 30 March 2020 £'000
Wages and salaries	15,034	18,386
Social security costs	1,504	1,919
Other pension costs	714	1,087
	<b>17,252</b>	<b>21,392</b>

The other pension costs relate to payments to defined contribution schemes. Outstanding contributions at 30 March 2021 were £Nil (2020: £Nil).

The average number of persons (including Directors) employed by the Company during the period was:

By activity	Year ended 30 March 2021 Number	15 months ended 30 March 2020 Number
Production	366	384
Sales	6	5
Administration	26	23
	<b>398</b>	<b>412</b>

#### Directors

No Directors received emoluments during the year for their services to the Company (2020: £Nil). The Directors are employed by other companies within the Radius Aerospace Inc. group and are remunerated by fellow group companies for their services to the group as a whole. It is not practical to allocate their remuneration for their services as a Director between group companies.

## Radius Aerospace UK Limited

### 7 Interest payable and other similar charges

	Year ended 30 March 2021	15 months ended 30 March 2020
	£'000	£'000
Finance lease interest	121	238

### 8 Taxation on loss on ordinary activities

	Year ended 30 March 2021	15 months ended 30 March 2020
	£'000	£'000
<b>Taxation on loss on ordinary activities</b>		
Current taxation	-	-
<b>Total current taxation</b>	-	-
Origination and reversal of timing differences	-	1,141
Research and development tax credit	-	-
<b>Total deferred tax charge</b>	-	1,141
<b>Total tax charge</b>	-	1,141

## Radius Aerospace UK Limited

### 8 Taxation on loss on ordinary activities (continued)

Tax reconciliation:

The tax assessed for the period is higher (2020: higher) than the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	Year ended 30 March 2021 £'000	15 months ended 30 March 2020 £'000
<b>Loss on ordinary activities before taxation</b>	<b>(2,195)</b>	<b>(5,767)</b>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2020: 19%)	<b>(417)</b>	<b>(1,096)</b>
Sundry disallowed expenses	<b>57</b>	<b>50</b>
Fixed asset differences	<b>7</b>	<b>(646)</b>
Deferred tax - rate change on opening balances	<b>-</b>	<b>(153)</b>
Group relief claimed for no consideration	<b>381</b>	<b>6</b>
Deferred tax assets not recognised	<b>(28)</b>	<b>2,980</b>
<b>Total tax charge</b>	<b>-</b>	<b>1,141</b>

## Radius Aerospace UK Limited

### 8 Taxation on loss on ordinary activities (continued)

The movement in the deferred tax balance was as follows:

	Year ended 30 March 2021 £'000	15 months ended 30 March 2020 £'000
Asset at beginning of the year / period	-	1,033
Transferred in on acquisition of trade and assets	-	175
Transferred out on disposal of trade and assets	-	(67)
Amount charged to profit and loss account	-	(1,141)
<b>Asset at end of the year / period</b>	<b>-</b>	<b>-</b>

There was £2.4 million of unrecognised deferred tax asset at 30 March 2021 (2020: £3.1 million).

In March 2021 the UK Government announced a rise in the rate of the UK corporate tax rate to 25%, effective from 1 April 2023. This would not have an impact on the Company at the balance sheet date as the deferred tax balance was £nil.

## Radius Aerospace UK Limited

### 9 Intangible assets

	Development expenditure
	£'000
<b>Cost</b>	
At 30 March 2020	1,766
Reclassification	1,178
Additions	623
<b>At 30 March 2021</b>	<b>3,567</b>
<b>Amortisation</b>	
At 30 March 2020	292
Charge for the period	455
<b>At 30 March 2021</b>	<b>747</b>
<b>Net book value</b>	
<b>At 30 March 2021</b>	<b>2,820</b>
At 30 March 2020	1,474

Reclassification relates to amounts previously disclosed within tangible assets and inventory. Following a review by management these amounts have been reclassified to development expenditure as this is deemed the most appropriate category of asset for the amounts in question.

## Radius Aerospace UK Limited

### 10 Tangible assets

	Land and buildings	Plant and equipment	Total
	£'000	£'000	£'000
<b>Cost</b>			
At 30 March 2020	1,333	45,492	46,825
Additions	167	2,654	2,821
Reclassification	-	(3,923)	(3,923)
Disposals	-	(1,762)	(1,762)
<b>At 30 March 2021</b>	<b>1,500</b>	<b>42,461</b>	<b>43,961</b>
<b>Depreciation and impairment</b>			
At 30 March 2020	279	26,365	26,644
Depreciation charge for the year	115	3,218	3,333
Reclassification	-	(2,530)	(2,530)
Disposals	-	(1,603)	(1,603)
<b>At 30 March 2020</b>	<b>394</b>	<b>25,450</b>	<b>25,844</b>
<b>Net book value</b>			
<b>At 30 March 2021</b>	<b>1,106</b>	<b>17,011</b>	<b>18,117</b>
At 30 March 2020	1,054	19,127	20,181

The gross book value of depreciable buildings amounted to £0.5 million at 30 March 2021 (2020: £0.6 million)

The net carrying amount of assets held under finance leases included in plant and machinery is £1.0 million at 30 March 2021 (2020: £1.6 million).

Included within the gross cost of property, plant and equipment on 30 March 2021 is £1.1 million (2020: £1.5 million) relating to assets under construction.

Reclassification relates to an asset classified as 'held for sale' of NBV £281k which is disclosed within the Debtors note, plus the reclassification of £1.1 million new product development costs transferred from fixed assets to intangibles.

## Radius Aerospace UK Limited

### 11 Stocks

	30 March 2021	30 March 2020
	£'000	£'000
Raw materials and consumables	4,105	4,910
Work in progress	8,724	12,018
Finished goods	4,434	4,134
	<b>17,263</b>	<b>21,062</b>

Inventory provisions held at the end of the current period were £3.0 million (2020: £3.6 million).

Tooling inventory amounting to £2.6 million (2020: £2.9m) is included within finished goods above.

### 12 Debtors

	30 March 2021	30 March 2020
	£'000	£'000
<b>Amounts receivable within one year</b>		
Trade debtors	8,011	14,486
Amounts owed by group undertakings	1,154	-
Other debtors	289	1,450
Assets held for sale	200	-
Prepayments and accrued income	587	1,041
<b>Total amounts receivable within one year</b>	<b>10,241</b>	<b>16,977</b>

Amounts owed by group undertakings are unsecured, interest free and have no fixed terms of repayment. They are valued at amortised cost using the effective interest method. All other debtors except prepayments are financial assets that are debt instruments measured at amortised cost.

Assets held for sale represents plant and machinery which had been identified as no longer being needed and the decision had been taken by management to sell these items prior to the year end. These items were transferred in from tangible assets with a book value of £281k and were subsequently written down by £81k to reflect their realisable value. The assets in question were sold in June 2021 for a consideration of £200k.

## Radius Aerospace UK Limited

### 13 Creditors: amounts falling due within one year

	30 March 2021	30 March 2020
	£'000	£'000
Trade creditors	7,470	9,297
Net obligations under finance leases (note 17)	651	610
Amounts owed to group undertakings	-	5,428
Other creditors	98	176
Taxation and social security	418	444
Accruals and deferred income	5,380	3,195
	<b>14,017</b>	<b>19,150</b>

Amounts owed to group undertakings are unsecured, interest free and have no fixed terms of repayment. They are valued at amortised cost using the effective interest method.

All other creditors except deferred income are financial liabilities that are debt instruments measured at amortised cost.

### 14 Creditors: amounts falling due after more than one year

	30 March 2021	30 March 2020
	£'000	£'000
Net obligations under finance leases (note 17)	300	958

## Radius Aerospace UK Limited

### 15 Finance leases

The future minimum finance lease payments are as follows:

	30 March 2021	30 March 2020
	£'000	£'000
Not later than one year	712	771
Later than one year and not later than five years	311	1,015
<b>Total gross payments</b>	<b>1,023</b>	<b>1,786</b>
Less: finance charges	(72)	(218)
<b>Carrying amount of liability</b>	<b>951</b>	<b>1,568</b>

The finance leases relate to various items of plant and equipment. The expiry dates of the leases are between one and three years following the balance sheet date. There are options on certain leases for the Company to purchase the plant and equipment at the expiry of the lease for a nominal amount.

### 16 Called up share capital

	30 March 2021	30 March 2020
	£'000	£'000
<b>Called up, allotted and fully paid shares</b>		
1,500,002 ordinary shares of £1 each	1,500	1,500

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

## Radius Aerospace UK Limited

### 17 Commitments

#### Operating leases

At 30 March 2021, there were annual commitments under non-cancellable operating leases with minimum lease payments due in the following periods:

	Land and buildings	Plant and equipment
	£'000	£'000
Less than one year	388	86
Between two and five years	1,554	135
More than five years	1,715	-
	<b>3,657</b>	<b>221</b>

On 21 October 2020 a renewal of the former lease of the property at Sentinel Works, Shrewsbury was agreed with the landlord, Paterson Enterprises Limited. The extension included a mark to market rent adjustment and a new ten year term with agreed tenant break clauses.

At 30 March 2020 there were annual commitments under non-cancellable operating leases with payments due in the following periods:

	Land and buildings	Plant and equipment
	£'000	£'000
Less than one year	114	315
Between two and five years	-	191
	<b>114</b>	<b>506</b>

The Company had no other off balance sheet arrangements.

## Radius Aerospace UK Limited

### 18 Parent company and ultimate controlling party

The immediate parent company is Radius Aerospace Europe Limited, a company registered in England and Wales. The ultimate parent company and controlling party is Arlington Capital Partners following the acquisition of the Company by Radius Aerospace Europe Limited on 15 November 2019.

The results of Radius Aerospace UK Limited are consolidated into the financial statements of Radius Aerospace Holdings, Inc. a company registered in the USA, being the smallest entity into which these results are consolidated. The consolidated financial statements of Radius Aerospace Holdings Inc. may be obtained from 153 Extrusion Place, Hot Springs, Arizona 71901, USA.

As permitted by FRS 102 paragraph 33.1A, the Company is not required to disclose transactions with group companies qualifying as related parties. The results of Radius Aerospace Holdings Inc. are ultimately consolidated into the financial statements of Arlington Capital Partners LP, 5425 Wisconsin Ave, Suite 200, Chevy Chase, Maryland 20815, USA, being the largest entity into which these results are consolidated.