

Registered Number 1499533

AgustaWestland International Limited
Annual report and financial statements
for the year ended 31 December 2021



AgustaWestland International Limited

Annual report and financial statements For the year ended 31 December 2021

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AgustaWestland International Limited

Directors and auditor for the year ended 31 December 2021

Directors

C Higgins

Registered Office

Lysander Road

Yeovil

Somerset

BA20 2YB

Auditor

Ernst & Young LLP

1 More London Place

London

SE1 2AF

AgustaWestland International Limited

Director's report

The Director presents his report and the audited financial statements of AgustaWestland International Limited (the "Company"), registered number 01499533, for the year ended 31 December 2021.

The Directors who held office during the year and up to the date of this report are disclosed on page 1.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

AgustaWestland International Limited

Business review

On 1 January 2017 Leonardo UK Ltd (formerly Leonardo MW Limited) acquired 100% of the shares of AgustaWestland Limited, which is the holding company, alongside AgustaWestland SpA of the Company. AgustaWestland Limited purchased the majority of the net assets and liabilities and trade of the Company in 2012. From 2012 the Company has significantly reduced its activity, this has not changed from 2017, with no sales having been made in the current or preceding years. The ongoing costs of the Company relate to unrealised foreign exchange retranslation of receivables and payables, and legal and administrative costs.

Going Concern

Despite the sale on 1 January 2012 of certain net assets and liabilities and trade of the Company to AgustaWestland Limited the Directors do not intend to liquidate the company or to cease its ongoing operations. The Directors are satisfied that the Company has adequate resources to meet its operational needs for a period of 12 months from the date of approval of these financial statements and, accordingly, they continue to adopt the going concern basis in preparing the Financial Statements.

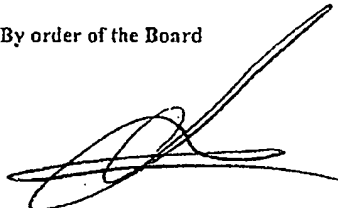
Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Ernst & Young LLP will therefore continue in office.

Provision of information to auditor

So far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware and the Directors have taken all the necessary steps to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

By order of the Board



C Higgins
Director
29 September 2022

Lysander Road
Yeovil
Somerset
BA20 2YB
England

AgustaWestland International Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGUSTAWESTLAND INTERNATIONAL LIMITED

Opinion

We have audited the financial statements of AgustaWestland International for the year ended 31 December 2021 which comprise the Statement of comprehensive income, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 12, 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 FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice)].

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 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.

Emphasis of Matter – Uncertain legal proceedings

We draw attention to note 8 of the financial statements, which describes the uncertain outcome of investigation into the Company regarding alleged non-compliance with laws and regulation with respect to a contract in India. The ultimate outcome of the matter cannot currently be determined, and no provision for any liability that may result has been made in the financial statements. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

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.

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 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

AgustaWestland International Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGUSTAWESTLAND INTERNATIONAL LIMITED (CONTINUED)

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 directors' report.

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

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.

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.

AgustaWestland International Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGUSTAWESTLAND INTERNATIONAL LIMITED (CONTINUED)

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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

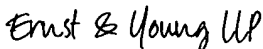
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are the Companies Act 2006, and FRS 101.
- We understood how AgustaWestland International Limited is complying with those frameworks by making enquiries of the directors to understand how the company maintains and communicates its policies and procedures in these areas, and corroborated this by reviewing supporting documentation
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved reviewing board minutes, as well as examining transactions.
- We obtained an understanding of the developments in the investigations arising from the Indian Ministry of Defence AW101 contract through enquiries with the Director - Legal.
- We sent a legal enquiries letter to the third party lawyers representing the company in the enquiries made by the Indian authorities and evaluated the response.
- We assessed the accuracy and the completeness of the contingent liabilities note (Note 8).

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

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.

DocuSigned by:


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Paul Mapleston (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Bristol
29 September 2022

AgustaWestland International Limited

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2021

	Note	2021 €000	2020 €000
Other operating charges		(2)	(1)
Operating loss		(2)	(1)
Tax on loss on ordinary activity	5	-	-
Loss for the year and total comprehensive expense for the year		(2)	(1)

The notes on pages 10 to 15 form part of these financial statements.

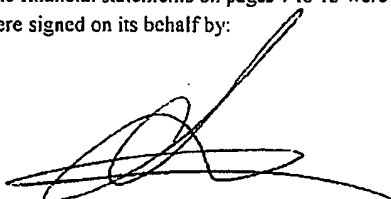
AgustaWestland International Limited

BALANCE SHEET At 31 December 2021

	Note	2021 €000	2020 €000
Current assets			
Debtors: amounts falling due within one year		-	-
Cash at bank and in hand	6	253	255
		253	255
Total assets		253	255
Net current assets		253	255
Capital and reserves			
Called up share capital	7	536	536
Profit and loss account		(283)	(281)
Shareholders' funds		253	255

The notes on pages 10 to 15 form part of these financial statements.

The financial statements on pages 7 to 15 were approved by the Board of Directors on 29 September 2022 and were signed on its behalf by:



C Higgins
Director
29 September 2022

Company registered number 1499533

AgustaWestland International Limited

STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2021

	Called up Share Capital €000	Profit and Loss Account €000	Total shareholders' equity €000
At 1 January 2020	536	(280)	256
Loss for the year	-	(1)	(1)
At 31 December 2020	536	(281)	255
Loss for the year	-	(2)	(2)
At 31 December 2021	536	(283)	253

The notes on pages 10 to 15 form part of these financial statements.

AgustaWestland International Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. INTRODUCTION

The Company is domiciled and incorporated in the United Kingdom. The principal activity of the Company was the management of EH101 and AW101 contracts for the design, development, sales and support of the EH101 and AW101 Helicopters. The Company co-ordinated this activity with other group companies and was responsible for customer relationships and the co-ordination of customer requirements. On 1 January 2012 the trade and certain assets and liabilities of AgustaWestland International Limited, excluding financial balances, were sold to AgustaWestland Limited for a book value consideration of €35.8m.

A summary of the significant accounting policies followed by the Company is shown below which have been consistently applied.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- IAS 7 Cash Flow Statement and related notes;
- IAS 1 Comparative period reconciliations for share capital;
- IAS 1 Disclosures in respect of capital management;
- IAS 8 The effects of new but not yet effective IFRSs;
- IAS 24 Disclosures in respect of the compensation of Key Management Personnel; and
- IAS 24 Disclosures of transactions with a management entity that provides key management personnel services to the company.

As the consolidated financial statements of Leonardo SpA include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The Financial Statements have been prepared under the historical cost convention.

AgustaWestland International Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Going concern

Despite the sale on 1 January 2012 of certain net assets and liabilities and trade of the Company to AgustaWestland Limited the Directors do not intend to liquidate the company or to cease its ongoing operations. The Directors are satisfied that the Company has adequate resources to meet its operational needs for a period of 12 months from the date of approval of these financial statements and, accordingly, they continue to adopt the going concern basis in preparing the Financial Statements.

Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of the assets and liabilities at the date of the financial statements and the reported amounts of the revenues and expenses during the reported period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately differ from those estimates.

The only judgement of a material nature in relation to the Company which remains is in relation to the on-going investigations into the Company as detailed in Note 8, The ultimate outcome of which cannot presently be determined and hence no provision in respect of these matters has been included in the financial statements.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets (including derivative instruments) at fair value through the statement of comprehensive income.

Foreign currency

Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The financial statements are presented in Euro, which is the Company's functional and presentation currency.

AgustaWestland International Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currency (continued)

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at the year-end exchange rate of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Cash at bank and in hand

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are recognised at fair value.

Called up Share capital

Ordinary share capital is recognised at the nominal value of shares issued. Where the consideration received for shares issued exceeds their nominal value the excess is treated as share premium.

Taxation

The charge for taxation is based on the profit for the year and takes account of current and deferred tax. Income tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise income tax is recognised in the income statement or other comprehensive income. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the balance sheet date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for (a) if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss or (b) in respect of taxable temporary differences associated with investments in subsidiaries or associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred income tax assets and liabilities are measured on an undiscounted basis using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Finance income and costs

Interest is recognised on an accruals basis using the effective interest method i.e. the interest rate that results in the financial equivalence of all inflows and outflows (including any premiums, discounts, commissions etc) that make up a given operation.

AgustaWestland International Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

3. DIRECTORS' REMUNERATION AND EMPLOYEE INFORMATION

The Company did not have any employees in the current or prior year.

The director serving during the year is an employee of Leonardo UK Ltd. He did not receive any direct remuneration for his service as a director of the Company for the period. (2020: Enil).

4. AUDITOR'S REMUNERATION

Auditor's remuneration for audit services are borne by AgustaWestland Limited, one of the parent companies, which made no recharge to the Company. The audit fee relevant to the Company is €3,000 (2020: €2,500). No non-audit services were received from the Company's auditor during the year.

5. INCOME TAX

	2021 €000	2020 €000
UK corporation taxation:		
– current years	-	-
– prior years	-	-
Total current tax	-	-

Factors affecting future tax charge:

The Finance Act 2021 provided for an increase of the current corporation tax rate to 25% from 1 April 2023. The higher rate was substantially enacted following the third reading of the finance bill 2021 on 24 May 2021 and it received Royal Assent in June 2021.

On 23 September 2022, the Chancellor announced the increase in the corporation tax rate to 25% would be reversed with the rate remaining at 19%.

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the standard rate of corporation tax in the UK of 19% (2020: 19%) as follows:

Reconciliation of tax charge to standard UK rate

	2021 €000	2020 €000
Loss before tax	(2)	(1)
Loss before tax multiplied by rate of corporation tax in the UK of 19%	-	-
Adjustments to tax in respect of prior periods	-	-
Expenses not deductible for tax purposes	-	-
Total tax credit	-	-

AgustaWestland International Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

6. CASH AT BANK AND IN HAND

	2021	2020
	€000	€000
Cash at bank and in hand	253	256

7. CALLED UP SHARE CAPITAL

	At 31 December 2020 and 2021 €
<i>Authorised, issued and fully paid</i>	
255,500 'A' ordinary shares of £1 each (€1.0498:£1)	268,224
255,500 'B' ordinary shares of £1 each (€1.0498:£1)	268,224
Total called up share capital	536,448

The Company's shareholders are AgustaWestland Limited and AgustaWestland S.p.A., incorporated in England and Italy respectively. Their shareholdings are respectively A and B shares which are equal ordinary shares. The Company's ultimate holding company is Leonardo S.p.A., incorporated in Italy.

Share capital denominated in sterling is converted at the rates of exchange on 1 January 2009 when the Company changed its functional currency from UK Sterling to Euros.

8. CONTINGENT LIABILITIES

Indian Ministry of Defence AW101 contract

On 19 June 2013 the trial of the former CEOs Mr G Orsi and Mr B Spagnolini of the then existing AgustaWestland Group (the "Group") commenced in Italy in connection with the alleged bribery of foreign officials in relation to the Indian Ministry of Defence ("the customer") AW101 VVIP contract ("the contract") which had an original sales value of €556 million and was for the delivery of 12 aircraft. The company subcontracted workshare to each of the AgustaWestland Ltd and Agusta Westland SpA in its performance of the contract. No Group company was a party to the trial. At final appeal on May 2019 the Supreme Court of Cassation in Italy upheld the acquittals of Messrs. Orsi and Spagnolini.

In connection with the allegations which were being made, the then affiliate Companies AgustaWestland Limited and AgustaWestland S.p.A. received formal notice (*Informazione di garanzia*) from the Italian Public Prosecutor's Office of investigation under the Italian Law 231/2001. In line with Italian Law a defendant company may enter a plea agreement (*Patteggiamento*) with the Public Prosecutor, which once approved by a judge becomes final. This kind of plea agreement is neither an affirmation of liability, nor an acceptance of guilt. In order to allow the Group to concentrate on other matters, the impacted companies applied to the Public Prosecutor for such a plea agreement that was approved by the Italian court on 28 August 2014 resulting in financial penalties and discontinuance of the investigation. On 20 April 2021, the Court of Appeals of Brescia revoked the *Patteggiamento* and acquitted both AgustaWestland Limited and AgustaWestland S.p.A., ordering the return of the financial penalties.

AgustaWestland International Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

8. CONTINGENT LIABILITIES (CONTINUED)

In addition, connected information and documentation requests have been received from authorities in the UK and in the USA by the Company and AgustaWestland Limited, on the one hand, and AgustaWestland North America Incorporated (a subsidiary of AgustaWestland Holdings Limited) on the other. The Company and other Group companies have fully cooperated with these enquiries and provided documents as requested. On 24 March 2015 the US authority determined not to take any action against the Company or any other Group company and closed its inquiry. The UK authority has taken no further action to date.

An investigation by the Indian authorities has been ongoing since March 2013, including that of the Indian Central Bureau of Investigation (CBI) and more recently the Indian Enforcement Directorate (ED). By way of a first tangible outcome of those investigations, nearly five years on, summons were served by the CBI on the Company on 2 February 2018 to make its first appearance on 30 May 2018 as one of several accused at the Patiala House Court, New Delhi, at which Counsel for the Company attended the short administrative hearing. Not all parties accused by the CBI or the ED have been served summons. Accordingly, the proceedings are still at an early stage and it is estimated that it will be some months before the Court would be in a position to hear parties' preliminary arguments against the charge-sheet to consider whether there are sufficient grounds to justify a full trial against any one or more of the accused or to order a wholesale discharge. The Company has been accused of criminally conspiring with others accused for bribery/corruption, abetment of bribery/corruption and cheating. The next administrative hearing for both the CBI and ED has been set for 14 October 2022. In the meantime, on 24 December 2020 the Company submitted an application to the Court in the CBI proceedings to request that all charges against the Company be discharged. Following a hearing on 29 November 2021 the judge directed that the discharge application be adjourned to be heard at the same time as hearing the parties' arguments on the charges.

The Company takes its legal obligations extremely seriously and is committed to observing the highest standards of probity in all its dealings. Therefore following the allegations the Company instigated a number of additional independent reviews by external experts as well as initiating further internal investigations and reviews of its procedures. The Company has not found or been made aware of any evidence having been found that it has been a party to any breach under the contract or of a pre-contract integrity pact signed with the customer. As a result, no provision has been made in the Financial Statements in relation to the outcome of these investigations.

In the early part of 2013 the customer suspended payments under the contract and accordingly AgustaWestland Limited paused its full completion of the aircraft yet to be delivered on the contract. Despite various correspondence with the customer, on 1 January 2014 the customer issued a contractual notice letter terminating the contract and claiming damages of €648.5 million claiming that the Company had breached the terms of the aforementioned integrity pact. Following discussions during 2021, an understanding was reached between the parties to resolve all contractual disputes whereby the Company committed on 5 November 2021 not to pursue its damages claims and the customer committed to lifting the suspension it had imposed on the Company and its group from doing future business, which was formally confirmed on 12 November 2021.

9. RELATED PARTY TRANSACTIONS

There were no related party transactions in the current year or prior year.

AgustaWestland International Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

10. DIVIDENDS

During 2021 no dividend was paid (2020: €nil). No final dividend is recommended for the year.

11. SUBSEQUENT EVENTS

There are no events after the balance sheet date to report.

12. ULTIMATE AND IMMEDIATE PARENT UNDERTAKING

AgustaWestland S.p.A and AgustaWestland Limited, incorporated in the United Kingdom, and registered in England and Wales, are the immediate parent companies. Copies of the financial statements of AgustaWestland S.p.A. and AgustaWestland Limited can be obtained from Lysander Road, Yeovil, Somerset, UK BA20 2YB.

The ultimate parent company and controlling party is Leonardo SpA (formerly Finmeccanica SpA), which is incorporated in Italy, and is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of their financial statements may be obtained from Piazza Montegrappa 4, 00195 Rome, Italy.