Department for
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Darren Jones MP
Chair of the Business, Energy and Industrial
Strategy Committee
House of Commons
London
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02 September 2022

NATIONAL SECURITY AND INVESTMENT ACT 2021
FINAL ORDER: ACQUISITION OF SHARES IN REACTION ENGINES LTD BY TAWAZUN STRATEGIC DEVELOPMENT FUND

Dear Darren,

I am writing to inform you that I have made a Final Order, on delegated authority from the Secretary of State for Business, Energy and Industrial Strategy, under the National Security and Investment Act 2021 ("the Act) in respect of the acquisition of 12.10% of Reaction Engines Ltd and one board seat with voting rights by Tawazun Strategic Development Fund.

I consider the legal test under section 26(3) of the Act, which provides me with the power to make a final order, to be met in respect of this acquisition.

My decision follows a full national security assessment by the Investment Security Unit with support from departments and agencies across government.

In accordance with the requirements of section 29 of the Act, I have published on gov.uk a notice that a final order has been made. The notice includes a summary of the order and the reasons for it. I enclose a copy of the public notice to this letter.

Yours sincerely,

Martin Callanan

LORD CALLANAN
Parliamentary Under Secretary of State

Department for
Business, Energy
& Industrial Strategy

NATIONAL SECURITY AND INVESTMENT ACT 2021

Publication of notice of final order

Date: 02 September 2022

1. The Parliamentary Under Secretary for Business, Energy and Industrial Strategy ("the Minister") has made a final order pursuant to section 26 of the National Security and Investment Act 2021 ("the Act"), which comes into force at 13:00 on 02 September 2022.
2. The Parties who are subject to the order are:
    a. Reaction Engines Limited
    b. Tawazun Strategic Development Fund LLC ("the Acquirer")
3. The Acquirer proposed to acquire shares in Reaction Engines Limited.
4. This constitutes a trigger event under section 8(8) of the Act.
5. The order has the effect of allowing the acquisition of shares in Reaction Engines Limited by Tawazun Strategic Development Fund LLC subject to provisions designed to mitigate the risk to national security.
6. The Minister considers that:
    a. the technology developed by Reaction Engines Limited has dual use applications.
    b. there is potential that sensitive IP could be covertly accessed by hostile actors, leading to military uplift which may present a national security threat to the UK.
7. The Minister considers that the provisions set out in the final order are necessary and proportionate to mitigate the risk to national security.