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IMPORTANT: You must read the following disclaimer before continuing. This electronic transmission applies to the attached document and you are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the attached combined prospectus and circular (the "***Prospectus***") relating to Aston Martin Lagonda Global Holdings plc (the "***Company***") dated 18 November 2020 received by means of electronic communication. In accessing or making any other use of the attached document, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access. Capitalised terms in this disclaimer, if not otherwise defined herein, have the same meaning as in the attached Prospectus.

You acknowledge that this electronic transmission and the delivery of the attached document is confidential and intended for you only and you agree you will not forward, reproduce, copy, download or publish this electronic transmission or the attached document to any other person.

This Prospectus comprises (i) a circular prepared in accordance with the Listing Rules of the UK Financial Conduct Authority (the "***FCA***") made under section 73A of the FSMA and (ii) a prospectus relating to the Company prepared in accordance with the Prospectus Regulation Rules of the FCA made under section 73A of the FSMA and has been prepared as a simplified prospectus in accordance with Article 14 of Regulation (EU) 2017/1129 (the "***Prospectus Regulation***"). This Prospectus has been approved by the FCA (as competent authority under the Prospectus Regulation in accordance with section 85 of the FSMA. The FCA only approves this document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer that is, or the quality of the securities that are, the subject of this document. Investors should make their own assessment as to the suitability of investing in the securities.

This Prospectus has been filed with the FCA in accordance with the Prospectus Regulation Rules and will be made available to the public in accordance with Prospectus Regulation Rule 3.2 by the same being made available, free of charge, at www.astonmartinlagonda.com/investors/October-2020-Placing.

Nothing in this electronic transmission constitutes or may be used in connection with an offer of securities for sale to any persons.

The distribution of this Prospectus in certain jurisdictions may be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions in relation to the Ordinary Shares or this Prospectus, including those in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Except in the United Kingdom, no action has been taken or will be taken in any jurisdiction that would permit possession or distribution of this Prospectus, in any country or jurisdiction where action for that purpose is required. Accordingly, this Prospectus may not be distributed or published (other than to its intended recipient) in or into Australia, Canada, Japan, the Republic of South Africa, the United States or any jurisdiction where to do so would breach any securities laws or regulations of any such jurisdiction or give rise to an obligation to obtain any consent, approval or permission, or to make any application, filing or registration. Failure to comply with these restrictions may constitute a violation of the securities laws or regulations of such jurisdictions.

The Ordinary Shares that are the subject of this Prospectus have not been and will not be registered under the United States Securities Act of 1933, as amended (the "***US Securities Act***") or under any securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States except pursuant to an applicable exemption from or in a transaction not subject to the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. Neither the Securities Exchange Commission nor any state securities commission has approved or disapproved of the Ordinary Shares or passed upon the adequacy or accuracy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

You are reminded that you have received this electronic transmission and the attached document on the basis that you are a person into whose possession this document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this document, electronically or otherwise, to any other person. This document has been made available to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither the Company, Barclays Bank PLC (the "***Sponsor***"), J.P. Morgan Securities plc (which conducts its UK investment banking business as J.P. Morgan Cazenove) ("***J.P. Morgan Cazenove***") nor any of their respective affiliates, directors, officers, employees or agents accepts any liability or responsibility whatsoever in respect of any difference between the document distributed to you in electronic format and the hard copy version.

By accessing the attached document, you consent to receiving it in electronic form. Apart from the responsibilities and liabilities, if any, which may be imposed on the Sponsor and J.P. Morgan Cazenove by the FSMA or the regulatory regime established thereunder or under the regulatory regime of any other applicable jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither the Sponsor, J.P. Morgan Cazenove nor any of their respective affiliates accepts any responsibility whatsoever for the contents of the attached document including its accuracy, completeness and verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Strategic Cooperation, the Ordinary Shares, Admission of the Tranche 1 Consideration Shares and Placing Shares or any transaction, matter or arrangement referred to in the attached document. The Sponsor, J.P. Morgan Cazenove and their respective affiliates accordingly disclaim, to the fullest extent permitted by applicable law, all and any liability whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise be found to have in respect of such document or any such statement. No representation or warranty, express or implied, is made by the Sponsor, J.P. Morgan Cazenove or any of their respective affiliates as to the accuracy, completeness, verification or sufficiency of the information set out in the attached document, and nothing in the attached document will be relied upon as a promise or representation in this respect, whether or not to the past or future.

The Sponsor is acting exclusively for the Company and no one else in connection with Admission of the Tranche 1 Consideration Shares and Placing Shares. The Sponsor will not regard any other person (whether or not a recipient of this document) as a client in relation to Admission of the Tranche 1 Consideration Shares and Placing Shares and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to Admission of the Tranche 1 Consideration Shares and Placing Shares or any transaction, matter or arrangement referred to in this document.

J.P. Morgan Cazenove is acting exclusively for the Company and no one else in connection with the Strategic Cooperation. J.P. Morgan Cazenove will not regard any other person (whether or not a recipient of this document) as a client in relation to the Strategic Cooperation and will not be responsible for providing the protections afforded to the clients of J.P. Morgan Cazenove nor for giving advice in relation to the Strategic Cooperation, the content of this document or any matter or arrangement referred to this document.

You are responsible for protecting against viruses and other destructive items. Your receipt of this document via electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take, you are recommended to seek immediately your own financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 ("FSMA") if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

This document comprises (i) a circular prepared in accordance with the Listing Rules of the UK Financial Conduct Authority (the "FCA") made under section 73A of the FSMA and (ii) a prospectus relating to Aston Martin Lagonda Global Holdings plc prepared in accordance with the Prospectus Regulation Rules of the FCA made under section 73A of the FSMA and has been prepared as a simplified prospectus in accordance with Article 14 of Regulation (EU) 2017/1129 (the "Prospectus Regulation"). This document has been approved by the FCA (as competent authority under the Prospectus Regulation) in accordance with section 85 of the FSMA. The FCA only approves this document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer that is, or the quality of the securities that are, the subject of this document. Investors should make their own assessment as to the suitability of investing in the securities.

If you have recently sold or transferred all of your ordinary shares in Aston Martin Lagonda Global Holdings plc ("Ordinary Shares"), please forward this document, together with any accompanying documents, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the Ordinary Shares.

Application will be made to the FCA for the Tranche 1 Consideration Shares, the Placing Shares and the Consolidated Shares to be admitted to the premium listing segment of the Official List of the FCA (the "Official List") and to London Stock Exchange plc (the "London Stock Exchange") for the Tranche 1 Consideration Shares, the Placing Shares and the Consolidated Shares to be admitted to trading on the London Stock Exchange's main market for listed securities (the "Main Market").

It is expected that Admission of the Tranche 1 Consideration Shares and the Placing Shares will become effective at 8:00 a.m. on 7 December 2020. No application is currently intended to be made for the Tranche 1 Consideration Shares and the Placing Shares to be admitted to listing or dealt with on any other exchange. The Tranche 1 Consideration Shares and the Placing Shares will rank *pari passu* in all respects with the Ordinary Shares of the Company existing at the time of publication of this document.

It is expected that Admission of the Consolidated Shares will become effective on 14 December 2020.

All of the Consideration Shares are to be issued to Mercedes-Benz AG ("MBAG") in connection with the Strategic Cooperation, and all of the Placing Shares are to be issued to Yew Tree Overseas Limited ("Yew Tree"), Permian Investment Partners, LP ("Permian"), Zelon Holdings Inc. ("Zelon") and the institutional placees procured pursuant to the terms of the Placing Agreement. The Consideration Shares and the Placing Shares have not been marketed to, nor are they available for purchase, in whole or in part, by the public in the United Kingdom or elsewhere. This document is not an offer or invitation to the public to subscribe for or purchase Ordinary Shares.

The directors of the Company, whose names appear on page 54 of this document (the "Directors") and the Company accept responsibility for the information contained in this document. To the best of the knowledge of the Company and the Directors, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.

This document should be read in its entirety. See Part 1 (Risk Factors) for a discussion of certain risks relating to the Group's business and the Ordinary Shares.

ASTON MARTIN

Aston Martin Lagonda Global Holdings plc

(incorporated in England & Wales under the UK Companies Act 2006 with registered number 11488166)

Proposed strategic co-operation agreement with Mercedes-Benz AG and issue of 458,942,744 Consideration Shares

Application for admission of 224,657,287 Tranche 1 Consideration Shares and 250,000,000 Placing Shares to the premium listing segment of the Official List and to trading on the Main Market of the London Stock Exchange

Proposed Related Party Transaction

Proposed issue of Warrants

Proposed Capital Reorganisation

Notice of General Meeting

Financial Adviser and Sponsor

Barclays

Financial Adviser

J.P. Morgan Cazenove

Notice of General Meeting information

A Notice of General Meeting of the Company, to be held at 9.30 a.m. on 4 December 2020 at Banbury Road, Gaydon, Warwick, CV35 0DB, is set out at the end of this document. If you hold your shares directly you are asked to complete and return the enclosed Form of Proxy in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received by the Registrar, Equiniti Limited (Equiniti) at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, United Kingdom, by not later than 9.30 a.m. on 2 December 2020 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting) and in the case of AML Nominee Service Shareholders, the submission of an electronic voting instruction using the information supplied in the Voting Instruction Form, by not later than 9.30 a.m. on 1 December 2020.

As an alternative to completing and returning the printed Form of Proxy, Shareholders can also submit their proxy electronically by accessing the Registrar's website at www.sharevote.co.uk. To be valid, the electronic submission must be registered by not later than 9.30 a.m. on 2 December 2020 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting). CREST members may also choose to utilise the CREST electronic proxy appointment service in accordance with the procedures set out in the Notice of General Meeting at the end of this document, as soon as possible and in any event no later than 9.30 a.m. on 2 December 2020 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

Impact of COVID-19 on attendance and voting

In light of the COVID-19 outbreak, the Board takes the wellbeing of the Company's employees and Shareholders very seriously. The Government has introduced measures to deal with the coronavirus crisis which include guidance on social distancing and restrictions on nonessential travel and public gatherings, which affect the manner in which the General Meeting can be conducted. The Board regrets that to ensure the safety of Shareholders, Shareholders are not permitted to attend the General Meeting in person. Any person attempting to attend the General Meeting in person will be refused admission. In order to comply with relevant legal requirements, the General Meeting will be convened with the minimum necessary quorum. This will be facilitated by the Company. Arrangements are expected to be made to provide a listen-only audio facility for the General Meeting to allow Shareholders to listen to the proceedings remotely given that they will be unable to attend in person. Please note that during the General Meeting, Shareholders participating through the audio facility will not be able to ask questions or vote. Further details in relation to these arrangements will be made available on the Group's website at www.astonmartinlagonda.com prior to the General Meeting.

The Board therefore strongly encourages Shareholders to vote on all Resolutions in advance of the General Meeting by completing their Form of Proxy or appointing a proxy electronically if they hold their shares directly, or by submitting an electronic voting instruction using the information supplied in the Voting Instruction Form if they are a participant in the AML Nominee Service. Shareholders should appoint the Chair of the General Meeting (and not any named individual) to act as their proxy, otherwise their votes will be incapable of being cast. The Board will continue to keep Government guidance under review and may, if necessary, make further changes to the arrangements for the General Meeting, including how it is conducted.

Further announcements and information will be provided as required and Shareholders should continue to monitor the Company's website at www.astonmartinlagonda.com/investors/shareholder-information and announcements for any updates in relation to the General Meeting arrangements that may need to be provided.

Recommendation and terms and conditions of the Transaction

Your attention is drawn to the letter of recommendation from the Executive Chairman which is set out in Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc). Your attention is also drawn to Part 6 (Terms and Conditions of the Strategic Cooperation),

Part 7 (Terms and Conditions of the Warrants Issue) and Part 8 (Terms and Conditions of the Capital Reorganisation), which set out, respectively, the terms and conditions of the Strategic Cooperation, Warrants Issue and Capital Reorganisation (together, the "Transaction") that should be considered by Shareholders when deciding on whether to vote in favour of the Resolutions.

Notices

Barclays Bank PLC, acting through its investment bank ("Barclays" or the "Sponsor"), is authorised in the United Kingdom by the Prudential Regulation Authority ("PRA") and regulated in the United Kingdom by the FCA and the PRA. The Sponsor is acting exclusively for the Company and no one else in connection with Admission of the Tranche 1 Consideration Shares and Placing Shares. The Sponsor will not regard any other person (whether or not a recipient of this document) as a client in relation to Admission of the Tranche 1 Consideration Shares and Placing Shares and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to Admission of the Tranche 1 Consideration Shares and Placing Shares or any transaction, matter or arrangement referred to in this document.

J.P. Morgan Securities plc (which conducts its UK investment banking business as J.P. Morgan Cazenove) ("J.P. Morgan Cazenove"), is authorised in the United Kingdom by the Prudential Regulation Authority (the "PRA") and regulated in the United Kingdom by the FCA and the PRA. J.P. Morgan Cazenove is acting exclusively for the Company and no one else in connection with the Strategic Cooperation. J.P. Morgan Cazenove will not regard any other person (whether or not a recipient of this document) as a client in relation to the Strategic Cooperation and will not be responsible for providing the protections afforded to the clients of J.P. Morgan Cazenove nor for giving advice in relation to the Strategic Cooperation, the content of this document or any matter or arrangement referred to this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on the Sponsor and J.P. Morgan Cazenove by the FSMA or the regulatory regime established thereunder or under the regulatory regime of any other applicable jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither the Sponsor, J.P. Morgan Cazenove nor any of their respective affiliates accepts any responsibility whatsoever for the contents of this document including its accuracy, completeness and verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Ordinary Shares, Admission of the Tranche 1 Consideration Shares and Placing Shares or any transaction, matter or arrangement referred to in this document. The Sponsor, J.P. Morgan Cazenove and their respective affiliates accordingly disclaim, to the fullest extent permitted by applicable law, all and any liability whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise be found to have in respect of this document or any such statement. No representation or warranty, express or implied, is made by the Sponsor, J.P. Morgan Cazenove or any of their respective affiliates as to the accuracy, completeness, verification or sufficiency of the information set out in this document, and nothing in this document will be relied upon as a promise or representation in this respect, whether or not to the past or future.

The distribution of this document in certain jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions in relation to the Ordinary Shares or this document, including those in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Except in the United Kingdom, no action has been taken or will be taken in any jurisdiction that would permit possession or distribution of this document, in any country or jurisdiction where action for that purpose is required. Accordingly, this document may not be distributed or published (other than to its intended recipient) in or into Australia, Canada, Japan, the Republic of South Africa, the United States or any jurisdiction where to do so would breach any securities laws or regulations of any such jurisdiction or give rise to an obligation to obtain any consent, approval or permission, or to make any application, filing or registration. Failure to comply with these restrictions may constitute a violation of the securities laws or regulations of such jurisdictions.

This document does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities by any person in any circumstances in which such offer or solicitation is unlawful.

The Ordinary Shares that are the subject of this document have not been and will not be registered under the United States Securities Act of 1933, as amended (the "US Securities Act") or under any securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States except pursuant to an applicable exemption from or in a transaction not subject to the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. Neither the Securities Exchange Commission nor any state securities commission has approved or disapproved of the Ordinary Shares or passed upon the adequacy or accuracy of this document. Any representation to the contrary is a criminal offence in the United States.

WHERE TO FIND HELP

If you have further questions, please call the Shareholder Helpline at Equiniti on 0330 123 0041 (+44 330 123 0041 if calling from outside the United Kingdom). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Equiniti cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. Please note that, for legal reasons, the Shareholder Helpline is only able to provide information contained in this document and information relating to the Company's register of members and is unable to give advice on the merits of the Transaction.

This document is dated 18 November 2020.

CONTENTS

SUMMARY

A. INTRODUCTION AND WARNINGS

A.1.1 *Name and international securities identifier number (ISIN) of the securities*

Ordinary Shares (prior to completion of the Capital Reorganisation): ISIN code GB00BFXZC448

A.1.2 *Identity and contact details of the issuer, including its Legal Entity Identifier (LEI)*

The Company's legal name is Aston Martin Lagonda Global Holdings plc (the "Company"). The commercial name is "Aston Martin Lagonda". The Company's registered address is Banbury Road, Gaydon, Warwick CV35 0DB, United Kingdom, and its telephone number is +44 (0) 1926 644 644. The Company's legal entity identifier is 213800167WOVOK5ZC776.

A.1.3 *Identity and contact details of the competent authority approving the prospectus*

This document has been approved by the FCA, as competent authority, with its head office at 12 Endeavour Square, London, E20 1JN, and telephone number: +44 20 7066 1000, in accordance with Regulation (EU) 2017/1129.

A.1.4 *Date of approval of the prospectus*

This document was approved by the FCA on 18 November 2020.

A.1.5 *Warning*

This summary has been prepared in accordance with Article 7 of Regulation (EU) 2017/1129 and should be read as an introduction to this document. Any decision to invest in the Ordinary Shares should be based on a consideration of this document as a whole by the investor. Any investor could lose all or part of their invested capital. Where a claim relating to the information contained in this document is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating this document before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent when read together with the other parts of this document or where it does not provide, when read together with the other parts of this document, key information in order to aid investors when considering whether to invest in the Ordinary Shares.

B. KEY INFORMATION ON THE ISSUER

B.1 ***Who is the issuer of the securities?***

B.1.1 *Domicile, legal form, jurisdiction of incorporation, country of operation and legal entity identifier*

The Company was incorporated and registered in England and Wales under the UK Companies Act 2006 as a private company limited by shares and under the name Aston Martin Lagonda Global Holdings Limited on 27 July 2018 with registered number 11488166. On 7 September 2018, the Company was re-registered as a public limited company as Aston Martin Lagonda Global Holdings plc. Its legal entity identifier is 213800167WOVOK5ZC776.

B.1.2 *Principal activities*

Aston Martin is a globally recognised luxury brand and a leader in the high-luxury sports ("HLS") car market. For more than a century, the brand has symbolised exclusivity, elegance, power, beauty, sophistication, innovation, performance and an exceptional standard of styling and design. The Group's cars sit solely within the HLS car market segment and its market leadership position is supported by award-winning design and engineering capabilities, world-class technology and modern facilities, creating distinctive model line-ups. The Group believes its rich and prestigious heritage of delivering beautiful awe-inspiring cars defines Aston Martin as something truly unique within the automotive industry.

B.1.3 *Major shareholders*

Insofar as is known to the Company, the name of each person who, directly or indirectly, has an interest in 3.0 per cent. or more of the Company's issued share capital, and the amount of such person's interest, as at the Latest Practicable Date are as follows:

	Ordinary Shares	
Name	**Number**	**%**
Yew Tree Consortium	455,999,277	25.00%
Adeem/PW Shareholder Group	167,975,347	9.21%
Invesco Limited	102,500,000	5.62%

None of the major Shareholders referred to above has different voting rights from other Shareholders.

Insofar as is known to the Company, immediately following Admission of the Tranche 1 Consideration Shares and Placing Shares, the interests of those persons with an interest in 3.0 per cent. or more of the Company's issued share capital, including as a percentage of the enlarged share capital, will be as follows:

	Ordinary Shares	
Name	**Number**	**%**
Yew Tree Consortium	495,999,277	21.58%
Mercedes-Benz AG(1)	272,305,982	11.85%
Adeem/PW Shareholder Group	167,975,347	7.31%
Invesco Limited	102,500,000	4.46%

Note:
(1) MBAG's interest immediately following Admission of the Tranche 1 Consideration Shares and Placing Shares does not reflect ownership of any Tranche 2 Consideration Shares or Tranche 3 Consideration Shares. If any Tranche 2 Consideration Shares or Tranche 3 Consideration Shares are issued to MBAG in the future pursuant to the Strategic Cooperation Agreement, MBAG's interest in the Company's issued share capital would increase accordingly.

B.1.4 *Key managing directors*

Tobias Moers is the Chief Executive Officer of the Company and Kenneth Gregor is the Chief Financial Officer.

B.1.5 *Identity of the statutory auditors*

Ernst & Young LLP, with its address at 1 Colmore Square, Birmingham B4 6HQ, United Kingdom, is the statutory auditor to the Company.

B.2 ***What is the key financial information regarding the issuer?***

The tables below set out the Group's summary financial information for the periods indicated.

The following table sets out the condensed consolidated statement of comprehensive income for the periods indicated.

	12 months ended 31 December		9 months ended 30 September
	2019 restated[(1)]	**2020**	**2019 restated[(1)]**
		(£ millions)	
	(audited)		*(unaudited)*
Revenue	980.5	270.0	650.0
Cost of sales	(642.7)	(255.9)	(411.0)
Gross profit/(loss)	**337.8**	**14.1**	**239.0**
Selling and distribution expenses	(95.0)	(60.4)	(71.6)
Administrative expenses	(275.8)	(182.8)	(178.1)
Other (expense)/income	(19.0)	–	(19.0)
Operating (loss)/profit	**(52.0)**	**(229.1)**	**(29.7)**
Finance income	16.3	1.9	4.1
Finance expense	(83.9)	(80.7)	(69.2)
Loss before tax	**(119.6)**	**(307.9)**	**(94.8)**
Income tax (charge)/credit	2.0	40.0	(1.1)
Loss for the period	**(117.6)**	**(267.9)**	**(95.9)**

Notes:
(1) The historical financial information as at and for the year ended 31 December 2019 and nine months ended 30 September 2019 was restated in the Q3 2020 Financial Statements. The data presented in this table for that period represents the restated data as presented in the Q3 2020 Financial Statements.

The following table sets out the condensed consolidated statement of financial position as at the dates indicated:

	As at 31 December	As at 30 September
	2019 restated[(1)]	**2020**
	(£ millions)	
	(audited)	*(unaudited)*
Non-current assets	1,663.6	1,822.3
Current assets	567.5	767.5
Total assets	**2,231.1**	**2,589.8**
Current liabilities	(890.2)	(775.7)
Non-current liabilities	(1,011.3)	(1,081.1)
Total liabilities	**(1,901.5)**	**(1,856.8)**
Net assets	**329.6**	**733.0**
Equity attributable to owners of the group	**315.5**	**716.0**
Non-controlling interests	14.1	17.0
Total shareholders' equity	**329.6**	**733.0**

Notes:
(1) The historical financial information as at and for the year ended 31 December 2019 was restated in the Q3 2020 Financial Statements. The data presented in this table for that period represents the restated data as presented in the Q3 2020 Financial Statements.

The following table sets out the condensed consolidated statement of cash flows for the periods indicated:

	12 months ended 31 December	9 months ended 30 September	
	2019 restated(1)	2020	2019 restated(1)
		(£ millions)	
	(audited)	(unaudited)	
Net cash inflow/(outflow) from operating activities	19.4	(272.1)	59.9
Net cash used in investing activities	(305.2)	(202.2)	(250.5)
Net cash inflow from financing activities	243.3	678.3	147.8
Net increase/(decrease) in cash and cash equivalents	(42.5)	204.0	(42.8)
Cash and cash equivalents at the beginning of the year	144.6	107.9	144.6
Effect of exchange rates on cash and cash equivalents	5.8	(4.6)	(0.9)
Cash and cash equivalents at the end of the year	**107.9**	**307.3**	**100.9**

Notes:
(1) The historical financial information as at and for the year ended 31 December 2019 and nine months ended 30 September 2019 was restated in the Q3 2020 Financial Statements. The data presented in this table for that period represents the restated data as presented in the Q3 2020 Financial Statements.

There are no qualifications in the audit opinion or review report on the historical financial information included in this document. The 2019 audit report by Ernst & Young did include reference to a matter by way of emphasis without qualifying its report. In particular, the report made reference to a material uncertainty around the ability of the Group to continue trading as a going concern pending completion of a strategic investment by a consortium led by Lawrence Stroll and subsequent rights issue. The strategic investment and rights issue were successfully completed during the nine month period ended 30 September 2020.

B.3 *What are the key risks that are specific to the issuer?*

Without the proceeds of the Financing Transactions and the Placing, the Company will not have sufficient working capital for its present requirements, that is for at least 12 months from the date of publication of this document. Therefore, if the Financing Transactions and the Placing do not successfully complete, the Company would be required to seek alternative financing arrangements, which it may not be able to do on attractive terms or at all.

The Strategic Cooperation is subject to a number of conditions, including certain antitrust approvals and potential future Shareholder approvals, which may not be satisfied or waived.

The Group may face challenges, delays or excessive costs integrating the MBAG Technology into its cars and/or otherwise fail to realise the anticipated benefits of the Strategic Cooperation.

The effects of the COVID-19 pandemic have adversely impacted, and will continue to adversely impact, the Group's business, financial position and results of operations.

The COVID-19 pandemic has had and continues to have a significant negative impact on the Group's liquidity position.

The Group's future success depends on its ability to develop attractive products that are tailored to the needs and tastes of its customers, including its new SUV, the DBX.

The Group's substantial leverage and debt service obligations could adversely affect its business. The Group may incur substantially more debt in the future, which may further adversely affect its business.

The Group's future success depends on its continued ability to introduce its next generation of cars, which will require significant capital expenditures.

The Group is dependent on its manufacturing facility at Gaydon for the production of its three current sports and GT core models. The Group is also dependent on its new plant at St. Athan for the production of its fourth core model, the DBX, and the Group may incur unanticipated costs or delays in production of the DBX.

The Group's future success depends on its ability to continue to sell its cars to customers at prices which reflect the cost of maintaining the high quality of its cars.

C. KEY INFORMATION ON THE SECURITIES

C.1 *What are the main features of the securities*?

C.1.1 *Type, class and ISIN*

Subject to Shareholder approval of the Transaction Resolutions, the Company intends to issue and allot 224,657,287 new ordinary shares (the "Tranche 1 Consideration Shares") to MBAG, pursuant to a strategic cooperation agreement entered into on 27 October 2020 between the Company and MBAG setting out the terms of the Strategic Cooperation (the "Strategic Cooperation Agreement"). The Tranche 1 Consideration Shares are expected to represent 9.77 per cent. of the issued ordinary share capital of the Company immediately following Admission of the Tranche 1 Consideration Shares and Placing Shares.

Subject to Shareholder approval of the Transaction Resolutions, the Company intends to issue and allot (a) 40,000,000 new Ordinary Shares to Yew Tree (the "Yew Tree Placing Shares"); (b) 60,000,000 new Ordinary Shares to Zelon (the "Zelon Placing Shares"); (c) 66,666,667 new Ordinary Shares to Permian (the "Permian Placing Shares") and (d) 83,333,333 new Ordinary Shares to institutional placees procured by Barclays, J.P. Morgan Cazenove and Deutsche Bank AG, London Branch (the "Institutional Placing Shares" and, together with the Yew Tree Placing Shares, the Zelon Placing Shares and the Permian Placing Shares, the "Placing Shares") (the "Placing"), pursuant to a placing agreement entered into on 27 October 2020 between the Company, Barclays, J.P. Morgan Cazenove and Deutsche Bank AG, London Branch setting out the terms of the Placing (the "Placing Agreement") and the irrevocable undertakings from each of Yew Tree, Zelon and Permian (the "Investor Irrevocable Undertakings"), pursuant to which each of Yew Tree, Zelon and Permian have undertaken to respectively subscribe for the Yew Tree Placing Shares, Zelon Placing Shares and Permian Placing Shares. The Placing Shares are expected to represent 10.88 per cent. of the issued ordinary share capital of the Company immediately following Admission of the Tranche 1 Consideration Shares and Placing Shares.

The Tranche 1 Consideration Shares and the Placing Shares (all of which are Ordinary Shares) will be registered with ISIN code GB00BFXZC448 and SEDOL number BFXZC44 and trade under the symbol "AML".

Subject to Shareholder approval of the Capital Reorganisation Resolutions, the Company intends to implement a reorganisation of its share capital (the "Capital Reorganisation") pursuant to which the Company will replace every 20 Existing Ordinary Shares with one Consolidated Share (the "Consolidation Ratio") and 20 Deferred Shares.

C.1.2 *Currency, denomination, par value, number of securities issued and duration*

The currency of the issue is United Kingdom pounds sterling.

Immediately prior to the publication of this document, the share capital of the Company was £16,488,519.71, comprised of 1,824,014,450 Ordinary Shares of £0.009039687 each, all of which were fully paid or credited as fully paid.

The issued and fully paid share capital of the Company immediately following Admission of the Tranche 1 Consideration Shares and Placing Shares (but prior to the Capital Reorganisation) is expected to be £20,779,273.02, comprising 2,298,671,737 Ordinary Shares of £0.009039687 each.

The issued and fully paid share capital of the Company immediately following completion of the Capital Reorganisation is expected to be £11,493,358.70, comprising 114,933,587 Ordinary Shares of £0.10 each.

C.1.3 *Rights attached to the shares*

The Tranche 1 Consideration Shares and the Placing Shares will, when issued and fully paid, rank equally in all respects with the Ordinary Shares, including the right to receive all dividends and other distributions made, paid or declared after the date of issue of the Tranche 1 Consideration Shares and the Placing Shares.

C.1.4 *Rank of securities in the issuer's capital structure in the event of insolvency*

The Ordinary Shares do not carry any rights to participate in a distribution (including on a winding-up) other than those that exist under the UK Companies Act 2006. The Tranche 1 Consideration Shares, the Placing Shares and all other Ordinary Shares will rank *pari passu* in all respects.

C.1.5 *Restrictions on the free transferability of the securities*

There are no restrictions on the free transferability of the Ordinary Shares.

C.1.6 *Dividend or payout policy*

It is the Directors' intention to retain the Group's cash flow to finance growth and to focus on delivery of its reset plan. The Directors intend to review, on an ongoing basis, the Company's dividend policy and will consider the payment of dividends as the Group's strategy matures, depending upon the Group's free cash flow, financial condition, future prospects and any other factors deemed by the Directors to be relevant at the time.

C.2 ***Where will the securities be traded?***

Application will be made to the FCA for all of the Tranche 1 Consideration Shares and the Placing Shares to be admitted to the premium listing segment of the Official List of the FCA and to the London Stock Exchange for such shares to be admitted to trading on the London Stock Exchange's main market for listed securities.

C.3 ***What are the key risks that are specific to the securities?***

The Yew Tree Consortium and the Adeem/PW Shareholder Group have, and MBAG will have following Admission of the Tranche 1 Consideration Shares and Placing Shares, significant interests in the Company and their interests may differ from those of other Shareholders.

The market price of the Ordinary Shares could be negatively affected by sales of substantial amounts of such Ordinary Shares in the public markets or the perception that these sales could occur.

The market price of the Ordinary Shares could be subject to volatility.

D. KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET

D.1 ***Under which conditions and timetable can I invest in this security?***

All of the Consideration Shares are to be issued to Mercedes-Benz AG ("MBAG") in connection with the Strategic Cooperation, and all of the Placing Shares are to be issued to Yew Tree, Zelon, Permian and the institutional placees procured pursuant to the terms of the Placing Agreement.

The Consideration Shares and the Placing Shares have not been marketed to, nor are they available for purchase, in whole or in part, by the public in the United Kingdom or elsewhere. This document is not an offer or invitation to the public to subscribe for or purchase Ordinary Shares.

It is expected that Admission of the Tranche 1 Consideration Shares and Placing Shares will become effective on 7 December 2020 and that dealings in the Tranche 1 Consideration Shares and the Placing Shares will commence as soon as practicable after 8.00 a.m. on that date.

As a result of the Company issuing the Tranche 1 Consideration Shares to MBAG, Shareholders (other than MBAG) will experience an 11.0 per cent. dilution (not taking into account the Placing Shares). As a result of the Company issuing the Placing Shares to Yew Tree, Zelon, Permian and the institutional placees procured pursuant to the terms of the Placing, Shareholders (other than Yew Tree, whose dilution will be smaller) will experience a 12.1 per cent. dilution (not taking into account the Tranche 1 Consideration Shares). Therefore, Shareholders other than MBAG and Yew Tree will experience a total dilution of 20.6 per cent. as a result of the issuance of the Tranche 1 Consideration Shares and the Placing Shares.

D.2 **Why is this document being produced?**

Pursuant to the terms of the Strategic Cooperation Agreement and subject to Shareholder approval of the Transaction Resolutions, the Company will issue and allot the Tranche 1 Consideration Shares to MBAG in consideration for access to certain technology (the "Strategic Cooperation"). The Company will not receive any cash proceeds in consideration for the issuance and allotment of any Consideration Shares.

Pursuant to the terms of the Placing Agreement, the Yew Tree Irrevocable Undertaking, the Permian Irrevocable Undertaking and the Zelon Irrevocable Undertaking, the Company intends to issue and allot, in aggregate, 250,000,000 Placing Shares to Yew Tree, Zelon, Permian and the institutional placees procured pursuant to the terms of the Placing Agreement in consideration for, in aggregate, gross proceeds of £125 million. Pursuant to the Placing Agreement, Barclays, J.P. Morgan Cazenove and Deutsche Bank AG, London Branch (the "Banks") have procured placees for 83,333,333 Placing Shares and, should a procured placee fail to subscribe for the Placing Shares allocated to it, the Banks have agreed to subscribe for such Placing Shares as principal. Permian, Zelon and Yew Tree have irrevocably undertaken to subscribe for 66,666,667, 60,000,000 and 40,000,000 Placing Shares, respectively.

The total gross proceeds of the Placing (£125 million) and the Financing Transactions (£1,099 million) will be used to redeem the Group's outstanding Senior Secured Notes (including the relevant redemption premiums and accrued and unpaid interest thereon), to repay the term loan the Company borrowed pursuant to the U.K. Coronavirus Large Business Interruption Loan Scheme (including any accrued and unpaid interest thereon), for general corporate purposes, including working capital and capital expenditures and to pay fees and expenses incurred in connection with the Financing Transactions, the Placing and the Strategic Cooperation, as detailed in the following table.

Uses of Funds	**(£ equivalent in millions)**
Repayment in full of outstanding Senior Secured Notes	936
Repayment in full of principal amount of CLBILS Loan	20
Accrued and unpaid interest on the outstanding Senior Secured Notes and the CLBILS Loan	15
General corporate purposes	211
Transaction fees	42
Total	**1,224**

This document is being produced as a prospectus in compliance with Article 3(3) of the Prospectus Regulation in connection with the Admission of the Tranche 1 Consideration Shares and the Placing Shares, and as a circular in compliance with the Listing Rules.

Barclays is acting as the Sponsor in connection with Admission of the Tranche 1 Consideration Shares and Placing Shares. The issuance and allotment of the Consideration Shares is subject to the terms and conditions of the Strategic Cooperation Agreement, and the issuance and allotment of the Placing Shares is subject to the terms and conditions of the Placing Agreement. There are no conflicts of interest pertaining to the issuance and allotment of the Consideration Shares or the Placing Shares or Admission of the Tranche 1 Consideration Shares and Placing Shares.

PART 1

Risk Factors

Shareholders should note that the risks relating to the Group, its industry, the Strategic Cooperation and the Ordinary Shares summarised in the section of this document headed "Summary" are the risks that the Directors and the Company believe to be the most essential to an assessment of the Group, the Ordinary Shares and the Strategic Cooperation. However, as the risks which the Group faces relate to events and depend on circumstances that may or may not occur in the future, Shareholders should consider not only the information on the key risks summarised in the section of this document headed "Summary" but also, among other things, the risks and uncertainties described below.

The risk factors described below are not an exhaustive list or explanation of all risks which Shareholders may face and should be used as guidance only. Additional risks and uncertainties that are not currently known to the Group, or that the Group currently deems immaterial, may individually or cumulatively also have a material adverse effect on the Group's business, results of operations and/or financial condition and, if any such risk should occur, the price of the Ordinary Shares may decline and investors could lose all or part of their investment. An investment in the Ordinary Shares involves complex financial risks and is suitable only for investors who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

Risks relating to the Strategic Cooperation

Without the proceeds of the Financing Transactions and the Placing, the Company will not have sufficient working capital for its present requirements, that is for at least 12 months from the date of publication of this document. Therefore, if the Financing Transactions and the Placing do not successfully complete, the Company would be required to seek alternative financing arrangements, which it may not be able to do on attractive terms or at all.

The COVID-19 pandemic has had and continues to have a significant impact on the Group's liquidity position, including, but not limited to, the reduction in its trade payables and an increase of inventory linked to the ramp up of its St. Athan manufacturing facility for the production of DBX, and the Group expects that impact will continue until the pandemic and any related negative economic effects abate. To minimise the risk of business disruption due to uncertainties and any potential future impact as a result of the COVID-19 pandemic, the Group completed the June 2020 Placing and the Delayed Draw Notes Issuance and drew down the CLBILS Loan. This resulted in a Net Debt position of £868.5 million as of 30 September 2020. The Group's existing Revolving Credit Facility (£80 million) and the CLBILS Loan (£20 million) are due in January 2022, and as at 30 September 2020 £907.6 million of the Group's existing financial debt matures in April 2022.

The Directors have determined that additional liquidity and moreover an evident extension in maturity of its bond funding and revolving credit facility will be required to support the Group in achieving its medium- to long-term ambitions. The Financing Transactions and the Placing serve to achieve these aims. Completion of the Financing Transactions and the Placing is in each case conditional and dependent upon, amongst other things, Admission of the Placing Shares and the Tranche 1 Consideration Shares. Provided Shareholders approve the Transaction Resolutions, the Financing Transactions and the Placing ensure the Group will be well-funded for the medium to long term and has adequate resources to continue in operational existence for the foreseeable future.

However, if the Transaction Resolutions are not passed, in addition to the Strategic Cooperation not proceeding, the Group would also not receive the proposed net proceeds of the Financing Transactions and the Placing nor benefit from the amended financing terms (including extended maturities). The Company would, as a result, not have sufficient working capital for its present requirements, that is for at least 12 months from the date of publication of this document. The Company would therefore be required to seek alternative financing arrangements and/or raise additional equity capital prior to Q4 2021 in order to continue funding its working capital requirements beyond that time. Even if the Group is able to continue funding its working capital requirements beyond early Q4 2021 (for example, because the Group's performance surpasses the assumptions made as part of its working capital analysis), the Group would nonetheless be required to seek alternative financing arrangements and/or raise additional equity capital before its existing Revolving Credit Facility and the CLBILS Loan become due in January 2022 and/or its existing Senior Secured Notes mature in April 2022.

The Directors believe, but cannot guarantee, that new alternative financing arrangements would be available to the Group, but the terms of any such arrangements would likely be significantly more expensive and onerous than those which apply under the Group's existing financing arrangements and those agreed pursuant to the Financing Transactions. More expensive and onerous financing arrangements could negatively impact the Group's business, as discussed in more detail in "*The Group's substantial leverage and debt service obligations could adversely affect its business. The Group may incur substantially more debt in the future, which may further adversely affect its business*". The Group may also have to seek additional equity capital. Whilst the Directors believe that such an equity capital raise would likely be possible, they would avoid pursuing this option unless required to do so, as this would result in a material dilution of the equity interests of Shareholders in the Company.

The Strategic Cooperation is subject to a number of conditions, including certain antitrust approvals and potential future Shareholder approvals, which may not be satisfied or waived.

The issue of the Tranche 1 Consideration Shares to MBAG is subject to the satisfaction of a number of outstanding conditions, some of which are outside of the Group's control, including approval by the Shareholders of the Transaction Resolutions and approval by the German Federal Cartel Office ("FCO") in Germany.

Whilst the Group considers it unlikely that any of the aforementioned conditions in respect of the Tranche 1 Consideration Shares will not be satisfied, there can be no certainty that any of them will be satisfied in a timely manner, or without being subject to conditions or remedies, or at all, in which case consummation of the Strategic Cooperation may be delayed or may not occur and the benefits expected to result from the Strategic Cooperation may not be achieved. In addition, the Company would not receive the proposed net proceeds of the Financing Transactions and the Placing nor benefit from the amended financing terms (including extended maturities). See also "*Without the proceeds of the Financing Transactions and the Placing, the Company will not have sufficient working capital for its present requirements, that is for at least 12 months from the date of publication of this document. Therefore, if the Financing Transactions and the Placing do not successfully complete, the Company would be required to seek alternative financing arrangements, which it may not be able to do on attractive terms or at all*".

Allotment of future tranches of Consideration Shares to MBAG pursuant to the Strategic Cooperation Agreement is subject to procurement of an independent valuation report in respect of the non-cash consideration to be provided by MBAG for the allotment to it of such Consideration Shares (being the provision of access to further MBAG Technology). Failure to obtain the independent valuation reports could delay or prohibit the Company from issuing further Consideration Shares to MBAG and therefore acquiring access to further MBAG Technology.

In addition, allotment of future tranches of Consideration Shares to MBAG pursuant to the Strategic Cooperation Agreement may require various Shareholder approvals in accordance with the Listing Rules, depending on the timing and size of any future tranches, which will need to be assessed at the time of each such allotment. In the event that any necessary Shareholder approvals were not obtained, the Company would discuss the reasons for the approval not being obtained with Shareholders and would seek to adjust the terms that it has agreed with MBAG in the Strategic Cooperation Agreement accordingly. If necessary, the Company would then seek Shareholder approval for any revised terms that had been agreed with MBAG. This would inevitably result in a delay to the issue of further Consideration Shares to MBAG and also to the

Company's access to further MBAG Technology. If no agreement as to revised terms could be reached by the Company with MBAG or if Shareholders did not approve any revised terms, no further Consideration Shares could be issued to MBAG and no further MBAG Technology could be accessed by the Company and this may result in the Strategic Cooperation Agreement being terminated by MBAG.

The Group may face challenges, delays or excessive costs integrating the MBAG Technology into its cars and/or otherwise fail to realise the anticipated benefits of the Strategic Cooperation.

Under the terms of the Strategic Cooperation Agreement, MBAG will provide access to certain technology to the Group, which the Group intends to integrate into the next generation of its vehicles. Prior to receiving access to the MBAG Technology, it is difficult for the Group to estimate the requirements and costs of that integration. The Group may therefore face challenges, delays or excessive costs integrating the MBAG Technology into its cars. In particular, under the terms of the Strategic Cooperation Agreement, MBAG has the right to approve any third-party service providers that the Group proposes to engage where such services relate to certain commercially and competitively sensitive MBAG Technology. As a result, such third parties may be able to charge higher prices or the Group may otherwise face higher costs in respect of such services. In addition, MBAG has no obligation under the Strategic Cooperation Agreement to provide engineering services or integration support to the Group (although MBAG may choose to provide such support). The Group may therefore need to hire additional personnel or engage third party contractors with appropriate expertise to support integration of the MBAG Technology, which could result in additional costs to the Group.

If the MBAG Technology, once integrated into the Group's vehicles, were to malfunction, experience technical problems, not function as expected or otherwise fail, the Group would be required to make additional investments to remedy such issues. These additional investments may not be recoverable by the Group from MBAG. See also "*The Group could be exposed to claims brought by its customers or other third parties for damage resulting from the use MBAG Technology in the Group's vehicles*".

In addition, whilst the Group considers that the Strategic Cooperation will provide it with a wide range of world-class technologies and critical intellectual property for the next generation of the Group's vehicles, the integration of MBAG Technology into the Group's vehicles may fail to result in additional value or other anticipated benefits of the Strategic Cooperation. This could happen, for instance, if the MBAG Technology were to become outdated sooner than anticipated (see also "*The MBAG Technology may become outdated, making the Group's vehicles less attractive to customers*").

If, at the time that further Consideration Shares (other than the Tranche 1 Consideration Shares) are issued to MBAG, the Ordinary Share Reference Price is lower than the MBAG Entry Price, the Group would be required to make an additional cash payment to MBAG, and such additional cash payment could be substantial.

If, at the time that further Consideration Shares (other than the Tranche 1 Consideration Shares) are issued to MBAG, the volume weighted average price of the Ordinary Shares for the 30 consecutive trading days two business days prior to the date of issue of such Consideration Shares (the "Reference Price") is lower than 62.317 pence per Ordinary Share (the "MBAG Entry Price"), the Group will be required by the terms of the Strategic Cooperation Agreement to make an additional cash payment to MBAG in an amount equal to the difference between the MBAG Entry Price and the Reference Price multiplied by the number of additional Consideration Shares being issued to MBAG at that time. The first such payment could arise during the course of 2021 or in early 2022, when further Consideration Shares may be issued to MBAG under the terms of the Strategic Cooperation Agreement.

If the Reference Price is significantly lower than the MBAG Entry Price, the required additional cash payment could be substantial, which could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may face difficulties in obtaining licences and/or receiving supply of components from third parties, which may prevent the Group from using certain elements of the MBAG Technology.

Certain elements of the MBAG Technology use third party intellectual property rights. To be able to use those elements of the MBAG Technology, the Group may therefore need to obtain additional intellectual property licences from third parties. Those third parties may not agree to grant the Group the necessary licences, such that the Group would not be able to use certain elements of the MBAG Technology without exposing itself to a risk of intellectual property infringement claims. Alternatively, third parties may charge high licence fees for the Group's use of their intellectual property, which would increase the Group's costs of using the MBAG Technology.

In addition, certain components of the MBAG Technology are expected to be supplied to the Group by MBAG's third party suppliers, rather than by MBAG directly. The Group has not yet agreed supply terms with those third party suppliers and there is no guarantee that it will be able to do so on acceptable terms or at all. Third party suppliers may also be exposed to capacity constraints or unexpected issues in their manufacturing facilities or supply chains (including as a result of demand from MBAG or the COVID-19 pandemic, respectively), each of which may result in the Group not receiving access to certain elements of the MBAG Technology when expected or at all.

Failure to obtain third party licences necessary to use elements of the MBAG Technology at reasonable prices or at all, or to receive supply of components from third parties in a timely manner or at all, may result in challenges, delays or excessive costs integrating the MBAG Technology into the Group's cars, each of which could have a material adverse effect on the Group's business, financial condition and results of operations. See also "*The Group may face challenges, delays or excessive costs integrating the MBAG Technology into its cars and/or otherwise fail to realise the anticipated benefits of the Strategic Cooperation*."

The MBAG Technology may become outdated, making the Group's vehicles less attractive to customers.

Third parties may develop technology that is more advanced and/or more attractive to consumers than the MBAG Technology that the Group integrates into its vehicles. In addition, the Strategic Cooperation Agreement does not prevent MBAG from making available technology that is more advanced than the MBAG Technology to the Group's competitors (see also "*Under the terms of the Strategic Cooperation Agreement, the Group will access the MBAG Technology on a non-exclusive basis*").

Furthermore, unless MBAG agrees otherwise on a case by case basis, the Group is prohibited under the Strategic Cooperation Agreement from starting production of vehicles containing new MBAG Technology for an agreed period of time after MBAG's start of production of vehicles containing that new MBAG Technology. This may increase the risk that the Group's competitors launch vehicles containing the latest technology before the Group is able to do so.

If any of the Group's competitors are able to launch new technology before the Group, the Group's competitive advantage, market share and/or profitability could decline, any of which could have a material adverse effect on the Group's business, financial condition and results of operations.

Under the terms of the Strategic Cooperation Agreement, the Group will access the MBAG Technology on a non-exclusive basis.

The Strategic Cooperation Agreement does not provide the Group with exclusive access to the MBAG Technology. MBAG is therefore able to make any of its technology, including the MBAG Technology or more advanced technology, available to other car manufacturers, including the Group's direct competitors. If MBAG were to provide any such technology to the Group's competitors, those competitors may gain a competitive advantage over the Group, which could have a material adverse effect on the Group's business, financial condition and results of operations.

MBAG may face unexpected delays in delivering MBAG Technology to the Group, be prevented from doing so, or decide to stop developing any MBAG Technology, any of which may significantly disrupt the Group's vehicle development cycle or otherwise negatively impact the Group.

Unexpected factors, such as technical issues, supply chain problems and the impact of the COVID-19 pandemic, could prevent or delay MBAG from delivering any of the MBAG Technology to the Group on schedule or at all. This may expose the Group to additional challenges, delays or excessive costs integrating the MBAG Technology into its cars (see also "*The Group may face challenges, delays or excessive costs integrating the MBAG Technology into its cars and/or otherwise fail to realise the anticipated benefits of the Strategic Cooperation*").

In addition, MBAG may decide to cancel its development programmes for any of the MBAG Technology such that the Group would not be able to access that MBAG Technology. The terms of the Strategic Cooperation Agreement set out a process for MBAG and the Group to work together in good faith to agree alternative technology of equivalent value to replace any MBAG Technology that MBAG has stopped developing. However, there is no guarantee that the Group and MBAG will agree the scope and pricing of any alternative technology. The Strategic Cooperation Agreement does not legislate for the event that the Group and MBAG fail to agree suitable replacements for cancelled MBAG Technology where the Consideration Shares in respect of that MBAG Technology have already been issued to MBAG. Even if MBAG and the Group agree on alternative technology, the delays incurred as a result of this process may significantly disrupt the Group's vehicle development cycle or result in other delays or additional costs.

If the Group is required to source alternative technology from a third party, the Group may face additional challenges, delays or costs in switching to the third party technology, and may also be required to obtain expensive third party licences, any of which could have a material adverse effect on the Group's business, financial condition and results of operations.

MBAG could refuse access to certain of its technology and intellectual property.

Following the first phase of the Strategic Cooperation, the Group will seek access to further MBAG Technology pursuant to the Strategic Cooperation Agreement in 2021. Under the terms of the agreement, the Group may, on a quarterly basis, request access to any further components, products, parts, systems, interfaces, software and/or other technology from MBAG, and MBAG may either accept or refuse such requests. Even if MBAG initially accepts such a request, MBAG will not be required to make the requested technology available to the Group unless the Group and MBAG agree the piece prices that the Group will need to pay for the supply of the requested technology and the terms of relevant Operational Agreements for that technology. MBAG and the Group are each required to act reasonably and in good faith when negotiating that pricing and those other terms, but there is no guarantee they will reach agreement.

If MBAG refuses certain requests, or MBAG and the Group do not agree pricing and other commercial terms for the requested technology, the Group may not obtain access to all of the MBAG Technology that it considers to be critical for its next generation of vehicles and could therefore be unable to realise the anticipated benefits of the Strategic Cooperation. Failure to obtain access to such MBAG Technology could result in, among other things, delays to the introduction of new vehicle models, higher costs to design technology in-house or procure technology from other providers, loss of competitive advantage and reputational damage. These effects could result in diminished market share and profitability or could otherwise materially adversely affect the Group's business, financial condition and results of operations. However, the Company will not be required to issue further Consideration Shares in respect of any MBAG Technology to which MBAG refuses to provide the Group access.

The Group could be exposed to claims brought by its customers or other third parties for loss resulting from the use of MBAG Technology in the Group's vehicles.

If the MBAG Technology, once integrated into the Group's vehicles, were to malfunction, experience technical problems, not function as expected or otherwise fail, the Group may be subject to claims brought by its customers or other third parties. The Strategic Cooperation Agreement does not contain any warranties or indemnities relating to product liability claims or recalls; any provisions that are agreed between MBAG and the Group will be documented in the Operational Agreements (which have not yet been agreed and may or may not contain any such protections for the Group). The Group is also required to bear all liabilities arising out of the integration of regulatory-driven modifications to the MBAG Technology into the Group's vehicles. However, in the event that MBAG Technology ceases to function in the expected manner, the Strategic Cooperation Agreement does require MBAG to make available, on mutually acceptable terms, any solutions or substitute technology of equivalent functionality that MBAG has available to it.

The Group may be required to pay damages and other amounts under any such claims and may be liable to pay legal fees and expenses to defend such claims. The Group may be unable to recover such amounts from MBAG and these claims could therefore have a material adverse impact on the Group's business, financial condition and results of operations.

In addition, the Group may be required to make additional investments to remedy any underlying technical issues involving the MBAG Technology. Such investments may not be recoverable by the Group from MBAG.

Even where the Group is successfully able to recover any loss from MBAG, such malfunctions, technical problems or other failures could result in diversion of significant managerial attention or reputational damage to the Group and the Aston Martin brand, which could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may be exposed to liability in the event that the MBAG Technology infringes any third party intellectual property rights.

Third parties may bring claims against the Group alleging that its use of the MBAG Technology infringes their intellectual property rights. MBAG has agreed to indemnify the Group for any costs the Group suffers as a result of such third party claims, but only in relation to components manufactured by MBAG (or another member of its group) or to MBAG's specification, and in respect of claims that do not arise solely as a result of the Group's modifications to those components. MBAG will not indemnify the Group in respect of MBAG Technology that is licensed to MBAG but not sub-licensable to the Group, and MBAG will also not indemnify the Group for any costs incurred above MBAG's £10 million liability cap under the Strategic Cooperation Agreement. The Group may therefore not be able to recover from MBAG any damages or legal fees and expenses relating to such claims where MBAG's indemnity obligation does not apply or the £10 million liability cap is exceeded. MBAG is entitled to control the defence of any such claims and, while MBAG is required to consult with the Group and take the Group's views into account in good faith, MBAG may not resolve the claims in the best interests of the Group.

Even where the Group is successfully able to recover any loss from MBAG, such claims could result in delays or interruptions to the use by the Group of the MBAG Technology, diversion of significant managerial attention, requirements to obtain expensive licences and/or reputational damage, any of which could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may be exposed to liability in the event that any of the intellectual property rights licensed by the Group to MBAG infringe third party intellectual property rights.

Under the terms of the Strategic Cooperation Agreement, the Group will license to MBAG any of the Group's intellectual property that MBAG needs to use in relation to the Strategic Cooperation. Third parties may bring claims against the MBAG group alleging that its use of the Group's intellectual property infringes their intellectual property rights. The Group has agreed to indemnify MBAG for certain losses suffered as a result of such claims, subject to the Group's £10 million liability cap under the Strategic Cooperation Agreement. The Group is entitled to control the defence of any such claims, although it is required to consult with MBAG and take MBAG's views into account in good faith.

Such claims could result in delays or interruptions to MBAG's activities in delivering the MBAG Technology to the Group, diversion of significant managerial attention, requirements to obtain expensive licences and/or reputational damage, any of which could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may lose access to certain MBAG Technology and be required to pay damages to MBAG if the Group breaches its confidentiality obligations related to that technology.

Under the terms of the Strategic Cooperation Agreement, the Group is required to comply with specific confidentiality obligations relating to certain commercially and competitively sensitive MBAG Technology that will be made available to the Group. In the event that the Group breaches those confidentiality terms, MBAG would be entitled to withdraw the Group's access to that technology and require the Group to pay £10 million in liquidated damages to MBAG. In addition to the liquidated damages, the loss of access to that technology could have an adverse impact on the Group's development and modification of such technology for use in its vehicles. This loss of access could also result in additional costs to source or develop replacement technology and/or delays in vehicle development or launches, as well as other challenges. Further, the Group would not be entitled to any replacement MBAG Technology to replace the loss of access to that technology, which would therefore result in a direct loss of value to the Group, as the Consideration Shares in respect of that MBAG Technology would already have been issued to MBAG. Any of the aforementioned consequences could have a material adverse effect on the Group's business, financial condition and results of operations.

The Strategic Cooperation Agreement includes a termination right for MBAG in the event of certain events occurring that involve a strategic competitor of MBAG, which may discourage such competitors from making an investment in or otherwise seeking to strengthen their relationship with the Group.

The terms of the Strategic Cooperation Agreement grant MBAG the right to terminate the agreement with immediate effect if, amongst other things, prior to the issue of the Tranche 1 Consideration Shares a strategic competitor of MBAG: (a) acquires more than 30 per cent. of the Company's issued share capital; (b) is granted the right to nominate a person for appointment to the Board or nominates such a person who is then elected by Shareholders at a general meeting to the Board; or (c) enters into a strategic business arrangement with the Company (i) that is comparable to the Strategic Cooperation with respect to technological collaboration or (ii) under which the Company agrees to issue equity securities to the relevant strategic competitor or to form a joint venture company with such strategic competitor (the "Strategic Competitor Termination Right").

In addition, the terms of the Strategic Cooperation Agreement provide that all operational agreements that will be entered into between the Group and MBAG to govern the specific terms on which access to MBAG Technology will be provided to the Group (each an "Operational Agreement") shall also include a Strategic Competitor Termination Right, capable of being exercised at any point (i.e. whether or not the relevant trigger for such termination right occurs before or after the issue of the Tranche 1 Consideration Shares). Unlike the Strategic Cooperation Agreement, where the termination right is immediate, termination of any Operational Agreement by MBAG pursuant to a Strategic Competitor Termination Right requires four years' prior notice.

The existence of the Strategic Competitor Termination Right in the Strategic Cooperation Agreement and the Operational Agreements may discourage other strategic competitors of MBAG from acquiring Ordinary Shares or from entering into business arrangements with the Group. Stronger commercial relationships with strategic competitors of MBAG may be beneficial to the Group's business interests, and the absence of such relationships may leave the Group more reliant on the Strategic Cooperation and on the MBAG Technology.

The Group may request and obtain access to MBAG Technology with an aggregate value greater than the aggregate value of the Consideration Shares that have been agreed to be issued to MBAG, which would result in the Group making an additional cash payment.

Under the terms of the Strategic Cooperation Agreement, the Group may request and obtain access to MBAG Technology with an aggregate value greater than the aggregate value of the Consideration Shares that have been agreed to be issued to MBAG, with such additional amount being capped at a cash payment of £28.6 million.

If, at the time at which further Consideration Shares (other than the Tranche 1 Consideration Shares) are issued to MBAG, the value of the MBAG Technology to which the Group has been given access exceeds the aggregate value of the Consideration Shares that have been agreed to be issued to MBAG (which the Company and MBAG have agreed shall be equal to £286 million (the "Aggregate MBAG Consideration Amount")) the Group will make an additional cash payment to MBAG equal to the difference, subject to the aforementioned cap. Payment of such additional cash amount in consideration for further MBAG Technology, whilst under the control of the Group, could negatively impact the Group's financial condition or results.

The Strategic Cooperation will result in dilution for all Shareholders other than MBAG.

As a result of the first phase of the Strategic Cooperation, the Company will issue and allot 224,657,287 Tranche 1 Consideration Shares to MBAG. As a result, all existing Shareholders (other than MBAG) will experience a dilution of their shareholding in the Company of 11.0 per cent. (not taking into account the Placing Shares). (Shareholders will also experience a further dilution as a result of the Placing, as further described in "*The issuance of additional Ordinary Shares in the Company in connection with future acquisitions, any share incentive or share option plan or otherwise may dilute all other shareholdings*").

When the Group seeks access to further MBAG Technology pursuant to the Strategic Cooperation Agreement, which it is expected to do in 2021, the Company will be required to issue and allot further Consideration Shares to MBAG in consideration for such MBAG Technology. The first such issue of additional Consideration Shares is expected to take place in early 2022, although it is possible that it will take place sooner. Under the Strategic Cooperation Agreement, the total maximum number of Consideration Shares (including the Tranche 1 Consideration Shares) that is capable of being issued to MBAG is 458,942,744. Therefore (if the Transaction Resolutions are approved by Shareholders at the General Meeting), when the Group seeks access to additional MBAG Technology at a future date, Shareholders (other than MBAG) will experience up to a further 9.2 per cent. dilution of their shareholding in the Company (over and above the dilution experienced in respect of the Tranche 1 Consideration Shares and the Placing Shares).

In addition, as a result of the Strategic Cooperation, MBAG will acquire a substantial interest in the Company's share capital. For more detail, see "*The Yew Tree Consortium and the Adeem/PW Shareholder Group have, and MBAG will have following Admission of the Tranche 1 Consideration Shares and Placing Shares, significant interests in the Company and their interests may differ from those of other Shareholders*".

Risks relating to the business and industry of the Group

The effects of the COVID-19 pandemic have adversely impacted, and will continue to adversely impact, the Group's business, financial position and results of operations.

Public health outbreaks, epidemics or pandemics, could materially and adversely impact the Group's business. In late 2019, a novel strain of coronavirus, COVID-19 (commonly referred to as coronavirus), was first detected in Wuhan, China and in March 2020, the World Health Organization declared COVID-19 a global pandemic. The COVID-19 pandemic has led to a significant number of adverse effects, both external and internal, on the Group's business and results of operations. With respect to external impacts, governmental authorities around the world have implemented measures to reduce the spread of COVID-19, resulting in a substantial curtailment of the global economy. These measures continue to adversely affect workforces, consumer sentiment and retail sales, economies, financial markets, and, along with decreased consumer spending, have led to an economic downturn in many of the markets in which the Group operates and continues to provide uncertainty. For example, in the first quarter of 2020, gross domestic product decreased by 36 per cent. in China, and in the second quarter of 2020, gross domestic product dropped by 60 per cent. in the U.K., by 39 per cent. in the EU and by 32 per cent. in the U.S (real GDP changes over previous period).

The global outbreak of COVID-19 and its sudden and significant effects on the economy, including these public health directives and orders and the Group's policies, have and will continue to impact the Group and many of its suppliers and customers, including in connection with the second "wave" of the pandemic that currently affects many countries and potential further "waves". In particular, the pandemic has caused dealer and consumer demand for cars and sales of luxury goods more generally to decline significantly, in part due to lockdown measures imposed across the regions in which the Group operates. As a result, the effects of the COVID-19 pandemic have and will continue to affect the Group for an indeterminable period of time, including the Group's manufacturing and supply chain operations by significantly reducing its output, negatively impacting its productivity and delaying its product development programmes. For instance, the virus has impacted customer demand globally, with all major markets having undergone shutdowns to control its spread, which was the primary driver of the 37 per cent. decline in the Group's core retail sales (also including a decline of approximately 10 per cent. due to lifecycle decay of its models) compared to the nine months ended 30 September 2019, with the greatest impact in the second quarter of 2020 (down 47 per cent.). From 25 March 2020, the Group also temporarily had to suspend production at its U.K. manufacturing facilities in line with U.K. government instructions. The Group's St. Athan facility reopened again following public health guidelines on 5 May 2020 and its Gaydon factory resumed manufacturing operations on 24 August 2020. In addition, in the nine months ended 30 September 2020, up to 93 per cent. of the Group's dealer network was closed or running with limited capacity at various points. As of 22 October 2020, 95 per cent. of the Group's global dealer network was open in some capacity, with 85 per cent. of dealers fully open. The Group was also required to re-phase costs and investment, and it secured government support, including in relation to the costs of furloughed staff in the U.K. from March 2020, and as of 30 September 2020 it had received a total amount of £12.5 million under the U.K. Government's "Coronavirus Job Retention Scheme." At its peak, more than 75 per cent. of employees were furloughed, but only a small percentage of the Group's employees remained furloughed as of 31 October 2020. Currently, the Group is reviewing and considering its options with respect to accessing the U.K. Government's extension of the Coronavirus Job Retention Scheme. While the Group continues to be eligible to access the scheme, no decision has been made to the extent employees will be furloughed during the extension period and the Group continues to review the situation depending on requirements of the business, government guidance and external developments. As a response to the pandemic, the Group also commenced a restructuring programme to reduce the fixed cost base of its business and implemented its incident management plan in response to the evolving situation with daily briefings of its executive committee and the establishment of a COVID-19 taskforce. The disruption of its production schedule caused by an unexpected shortage of systems, components, raw materials and parts caused the Group to alter production schedules and to suspend production entirely, which resulted in a loss of revenues that materially adversely affected the Group's business, cash flows, financial condition and results of operations.

In addition, the advance of the COVID-19 pandemic also impacted dealer demand for cars which added to the wholesales unit decline as the Group implemented its strategic plan to decrease dealer inventory in order to attain a luxury norm. In the nine months ended 30 September 2020, this resulted in a lower average selling price, retail sales to customers decreasing by 1,730 units or 39 per cent. from 4,482 units in the nine months ended 30 September 2019 to 2,752 units in the nine months ended 30 September 2020 and wholesale sales to dealers decreasing by 61 per cent. compared to the nine months ended 30 September 2019 (wholesale sales to dealers decreased by 68 per cent. in APAC, by 74 per cent. in the Americas, by 40 per cent. in EMEA (excluding U.K.) and by 50 per cent. in the U.K.).

The global COVID-19 pandemic has had and may continue to have significant impacts on third-party arrangements, including those with the Group's manufacturing, supply chain and distribution partners, information technology and other vendors and other service providers and business partners. For example, there have been and may continue to be significant disruptions in the ability of any or all of these third-party providers to meet their obligations to the Group on a timely basis, or at all, which may be caused by their own financial or operational difficulties, including any closures of their facilities pursuant to a governmental order or otherwise. As a result of these disruptions and other factors, including changes in the Group's workforce availability during this pandemic, its ability to produce, sell and deliver cars, including its new SUV, the DBX, have been and may continue to be negatively impacted.

Widespread adoption of "social distancing" measures, governmental lockdowns and curfews and directions to close non-essential businesses and public perceptions of the risks associated with the COVID-19 pandemic have resulted in a substantial disruption to the Group and many of its suppliers' operations and the lives of its customers. In addition, recent increases in unemployment and uncertainty in the financial markets will likely have a negative impact on consumer sentiment and confidence and discretionary spending. If the industry in which the Group operates is fundamentally changed by the COVID-19 pandemic in ways that are detrimental to the Group, its business may continue to be adversely affected even as the pandemic abates and the broader economy begins to recover.

Because the COVID-19 situation is fluid and continues to evolve and because the duration and severity of the pandemic and its negative impact on the economy is unclear, it is difficult to forecast any impacts on the Group's business and future results. So far, the COVID-19 pandemic has significantly adversely impacted and may further impact the Group's supply chain, production capabilities and customer demand in all markets in which the Group operates. With the global spread of COVID-19, the Group expects the outbreak and its effects to continue to have a significant adverse impact on its business, financial condition and results of operations for the duration of the pandemic and, if the subsequent economic recovery is slow and gradual, throughout substantial portions of that recovery. The extent of the impact of the outbreak on the Group's operational and financial performance will depend on certain developments, including the duration and spread of the pandemic (including the second "wave" that currently affects many countries and potential further "waves"), the impact on its customers and its sales, the impact on its employees and the effect on its dealers and suppliers, all of which are uncertain and cannot be predicted. If, among other factors, the adverse impacts stemming from the COVID-19 pandemic, economic, regulatory or other factors, including macro-economic trends, were to cause the Group's results of operations or cash flows to be worse than anticipated, the Group could conclude in future periods that impairment charges are required in order to reduce the carrying values of goodwill or other long-lived assets. The currently ongoing review of the carrying value of specific intangible and tangible assets by the Group's senior management could increase the likelihood of impairment charges and any such impairment charges could be significant.

Additionally, the Group's ability to execute on cost-cutting measures and organisational change initiatives may impact its financial performance and results of operations, and may generate less-than-anticipated cost savings. See "*The Group may not be able to realise cost savings, reduce capital expenditures or balance supply and demand effectively in line with its strategy. The Group's new strategy and business plan could also expose its business to different risks.*" Any of the restructuring measures the Group has launched remain subject to change and as such, the impacts are also subject to change. In addition, in the event demand for the Group's products is further reduced as a result of the COVID-19 pandemic and related economic impacts, it may need to assess additional corporate actions, organisational change initiatives and cost-cutting measures, including reducing its workforce further, reducing its operating and capital costs or closing one or more of its offices or facilities, and these actions could cause the Group to incur costs and expose the Group to other risks and inefficiencies. Additionally, in the event the Group's business experiences a subsequent recovery, there can be no assurance that it would be able to rehire its workforce or recommence operations at such facilities on commercially advantageous terms, if at all.

Any of the foregoing and other similar outbreaks, epidemics or pandemics could have a material adverse effect on the Group's business, cash flows, financial position and results of operations. To the extent the COVID-19 pandemic adversely affects the business and financial results of the Group and the Group's suppliers, dealers and customers, it may also have the effect of heightening many of the other risks described in this "*Risk factors*" section.

The COVID-19 pandemic has had and continues to have a significant negative impact on the Group's liquidity position.

A significant part of the Group's capital expenditures are contracted or necessary in order to maintain its business. For the year ended 31 December 2019, the Group's capital expenditures were £310.2 million and for the year ending 31 December 2020, the Group's total capital expenditures are expected to be approximately £270 million. If the Group were unable to generate sufficient cash flow from operations, or if a liquidity event were to occur that would prevent it from making such large capital expenditures, such events would directly harm the Group's business and could have a particularly severe effect, such as delaying or modifying its strategic plans.

If the Group cancels any orders for which customers have prepaid a deposit, for example, as a result of future model programmes being cancelled due to future liquidity concerns, the Group would be liable to return the deposits in respect of those cancelled orders. Cancellations by customers following which the Group may be asked to refund deposits are only applicable for special edition models, and the Group experiences very low rates of customer cancellations following the payment of the deposit. Following a customer cancellation, the Group may at its option choose to refund the deposit, which it has historically chosen to do on a case by case basis due to the special editions being historically oversubscribed with waiting lists from which the Group is able to replace the cancelled order. See also "*The Group's profitability relies in part upon its ability to produce and deliver its special edition models in limited volumes. If the Group is delayed or become unable to deliver these models in the applicable time frames, this could lead to additional costs, reduced profitability, return of customer deposits and damage to its reputation*". As of 30 September 2020, the Group held £60.5 million of contractually refundable customer deposits.

The COVID-19 pandemic has had and continues to have a significant impact on the Group's liquidity position, including, but not limited to, the reduction in its trade payables and an increase of inventory linked to the ramp up of its St. Athan manufacturing facility for the production of DBX, and the Group expects that impact will continue until the pandemic and any related negative economic effects abate. To minimise the risk of business disruption due to uncertainties and any potential future impact as a result from the COVID-19 pandemic, the Group completed the June 2020 Placing and the Delayed Draw Notes Issuance and has drawn the CLBILS Loan. In addition, the Placing and the Financing Transactions are expected to help minimise this risk. The Group has also taken certain cost saving actions, including, among others, retiming projects to reduce capital expenditures, implementing savings arrangements agreed with governments (including deferrals to PAYE income tax payments and deferrals of business rate payments in Wales), delaying rent payments for its facilities (to the extent possible), agreeing with its Board and certain members of senior management to waive a portion of their remuneration for the three months ended 30 June 2020 and reducing its marketing spend. In addition, the Group has developed contingency plans, including with respect to the managing of working capital, and the prioritising of capital expenditures and investments spend. The second "wave" of the COVID-19 pandemic that currently affects many countries and potential further "waves" may require the Group to take similar actions in the future.

In addition, the Financing Transactions could lead to the further deterioration of the Group's financial position, as the terms of the financing arrangements proposed pursuant to the Financing Transactions are significantly more expensive and onerous than those which apply under the Group's existing financing arrangements. In particular, interest on the New Senior Secured Notes will accrue at the rate of 10.5 per cent. cash interest per annum and interest on the Second Lien Notes will accrue at the rate of 15.0 per cent. per annum, comprised of 8.89 per cent. cash interest per annum plus 6.11 per cent. interest paid in kind per annum, and, collectively, the Second Lien Notes and New Senior Secured Notes bear interest at higher rates than the aggregate interest associated with the existing Senior Secured Notes.

Moreover, the Group is subject to various types of restrictions or impediments on the ability of Group companies in certain countries to remit cash across the Group. These restrictions or impediments are caused by exchange controls, withholding taxes on dividends and distributions and other similar restrictions in the markets in which the Group operates. For example, in China, due to exchange controls, the Group has had to enter into a series of one year back-to-back loan arrangements with HSBC UK Bank plc, whereby Chinese renminbi are deposited in an escrow account with HSBC UK Bank plc in China in exchange for a sterling overdraft facility with HSBC UK Bank plc in the U.K. If the Group were unable to maintain these back-to-back loan arrangements, including due to HSBC UK Bank plc refusing to extend their term or terminating them, or other similar arrangements to extract its cash from China, the Group may face significant liquidity risks, limiting the funds available for capital expenditures.

The Group also notes commentary in Note 1 of the Q3 2020 Financial Statements in which the Group states that it will need additional liquidity and an extension in the maturity of its existing debt in order to achieve its medium- to long-term ambitions and to navigate a severe, but plausible, downside scenario that could occur due to the end of the Brexit transition period, the ongoing COVID-19 impact, a reduction in DBX sales volumes or increased operating costs. Such analysis is based on the Group's financial position and forecasts as of 30 September 2020 and therefore does not take account of the effects of the Financing Transactions and the Placing.

The Group's ability to make payments on and refinance its indebtedness and to fund its capital expenditures and working capital requirements and other expenses will depend on its future operating performance and ability to generate cash from operations. Free Cash Flow (operating cash flows less net cash interest and capital expenditures) for the nine months ended 30 September 2020 was negative £514 million. The Group's ability to generate cash from operations is subject, in large part, to continuing general economic, competitive, legislative and regulatory factors and other factors that are beyond our control. Even assuming completion of the Financing Transactions and the Placing, the Group may nonetheless be unable to generate sufficient cash flow from operations or obtain enough capital to service its debt, capital expenditures and working capital requirements and other expenses in the longer term, being the period beyond the 12-month period covered by the Company's working capital statement. The additional risks related to the Financing Transactions and the Placing not completing are discussed in "*Without the proceeds of the Financing Transactions and the Placing, the Company will not have sufficient working capital for its present requirements, that is for at least 12 months from the date of publication of this document. Therefore, if the Financing Transactions and the Placing do not successfully complete, the Company would be required to seek alternative financing arrangements, which it may not be able to do on attractive terms or at all*".

The Group's future success depends on its ability to develop attractive products that are tailored to the needs and tastes of its customers, including its new SUV, the DBX.

The Group's success depends on the popularity of its existing products and its ability to provide its customers with new, attractive products tailored to their needs. These new products may not achieve the level of consumer acceptance that the Group anticipates.

The Group's success is influenced to a significant extent by the image, perception and recognisability of its cars. As the Group expands from its traditional focus on sports cars in favour of a wider range of high-luxury automobiles (such as the recent unveiling of its new SUV, the DBX), its success will also depend on the market's acceptance of its expansion into these new areas and deviation from its more traditional segments and designs. In particular, the Group may not achieve the level of consumer acceptance for the DBX and other new products that it anticipates, and it cannot guarantee that it will achieve the future orders the Group expects. Although the Group expects that the DBX will enable the Group to access the expanding luxury SUV segment and address customers looking for a more versatile, luxurious and comfortable product, insufficient demand for the DBX and other new products, including due to market saturation, the competitiveness of their price compared to cars of its competitors, technology or other quality issues, recalls, a lacking desirability of their features or a change of consumer behaviour due to the impacts of the COVID-19 pandemic on the general economic development, could have a material adverse effect on its business and operations. This risk is heightened as the high luxury sports ("HLS") car market, and in particular the SUV segment thereof, is relatively small. See "*—The Group faces strong competition within the HLS car market, which could lead to a saturation of the market, resulting in a significant drop in unit sales or price deterioration.*"

Trends affecting consumer demand may depend on factors such as disposable income, brand prestige and environmental consciousness (including a preference against high-emission cars), some of which are difficult to plan for and may be influenced by popular media. In particular, the further development of new and disruptive technology (including, for example, in trend areas like active safety, connected car, electrification and autonomous driving) could result in a change in trends and customer tastes. The Group must continue to identify trends in customer needs and tastes in sufficient time to react to these changes (including by adapting its strategy and business plan as necessary) and thus strengthen its market position and expand into new segments. A misjudgement or delayed recognition of trends and customer needs and tastes in individual markets or other changes in requirements could lead to a decline in demand, sales and profitability of the Group's products in the short term and, over the long term, damage its brand. It could also lead to significantly unprofitable investments and associated costs. These risks could be exacerbated by the relatively small scale of the Group's operations.

In addition, demand for Aston Martin cars and, in particular, the Aston Martin heritage range and special edition models, relies on the Group's strong relationship with the active global community of automotive collectors and enthusiasts. If there is a change in collector appetite or support among automobile enthusiasts for the Aston Martin brand, the Group's ties to, and the support it receives from, this community may be diminished, which could harm the perception of the Aston Martin brand and may result in a reduction in product sales that could affect its profitability.

The Group's substantial leverage and debt service obligations could adversely affect its business. The Group may incur substantially more debt in the future, which may further adversely affect its business.

The Group is, and following completion of the Financing Transactions and the Placing will continue to be, highly leveraged. The New Senior Secured Indenture, the new Second Lien Notes, the new Second Lien Indenture and the New Revolving Credit Facility Agreement will allow the Company to incur substantial additional indebtedness. Although the New Senior Secured Indenture, the new Second Lien Notes, the new Second Lien Indenture and the New Revolving Credit Facility Agreement contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of significant qualifications and exceptions, and under certain circumstances, the amount of indebtedness that could be incurred in compliance with those restrictions could be substantial.

The degree to which the Group will be leveraged following completion of the Financing Transactions and the Placing could have important consequences to the Group's business, including, but not limited to:

- increasing the Group's vulnerability to, and reducing its flexibility to respond to, general adverse economic and industry conditions, including as a result of COVID-19 and other similar events;
- requiring the dedication of a substantial portion of the Group's cash flow from operations to the payment of interest on the Group's indebtedness and the repayment of principal, thereby reducing the availability of such cash flow to fund capital expenditures, joint ventures or other general corporate purposes;
- limiting the Group's flexibility in planning for, or reacting to, changes in the Group's business and the competitive environment and the industry in which it operates;
- restricting the Group from exploiting business opportunities or making acquisitions or investments;
- placing the Group at a competitive disadvantage as compared to its competitors, to the extent that they are not as highly leveraged;

- leading to a downgrade in the Group's credit rating, which could make it difficult for the Group to access financing;
- negatively impacting the Group's credit terms; and
- generally limiting the Group's ability to borrow additional funds or raise capital in the future and increasing the cost of any such borrowing.

Any of these or other consequences or events could have a material adverse effect on the Group's business, financial condition and results of operations. Nothing in this risk factor is intended to qualify the statement in this document that the Company is of the opinion that, taking into account the net proceeds of the Financing Transactions and the Placing, the Group has sufficient working capital for its present requirements, that is for at least 12 months from the date of publication of this document.

The Group's business model assumes the Wholesale Finance Facility is, and going forward the Receivables Finance Facility or similar replacement financing arrangements, will be, available on an ongoing basis. Certain liquidity risks as well as the loss of its ability to draw under these or similar facilities or the applicable credit insurance backing could adversely affect its liquidity and therefore have a material adverse effect on its business.

The Group is a party to a Wholesale Finance Facility pursuant to which it offers to Standard Chartered Bank certain receivables owed to them by dealers who have acquired Aston Martin cars from them on credit terms not exceeding 270 days from the date of dispatch. Where this facility is used (i.e., where Standard Chartered Bank purchases the receivables offered to them), the Group receives from Standard Chartered Bank the purchase price of a car less a discount rate (calculated in accordance with the Wholesale Finance Facility agreement) following issuance of an invoice to the dealer (and subject to satisfaction of certain other requirements). The dealer is instructed to make payment of amounts due under that invoice to an account of Standard Chartered Bank and amounts paid to that account are recovered and retained by Standard Chartered Bank. The Group is required to pay Standard Chartered Bank a flat fee for providing the Wholesale Finance Facility on a quarterly basis for the duration of the facility. The Group re-charges any discount rate approved by Standard Chartered Bank and other fees associated with the facility to its dealers from time to time. In August 2020, the term of the Wholesale Finance Facility was extended until 31 August 2021.

The Group is planning to replace the Wholesale Finance Facility in the coming months with the Receivables Finance Facility, pursuant to which the Group offers to sell its rights in certain receivables owing to it by dealers to Velocitas Funding Designated Activity Company ("Velocitas Funding DAC"). Such offers are extended on the basis of a monthly list of receivables from dealers (except for dealers in the United States, Canada and China) and subject to certain customary representations and warranties. The purchase fee payable by Velocitas Funding DAC for any such receivables is subject to a discount rate based on the applicable base rate plus a certain credit spread. If Velocitas Funding DAC purchases the receivables offered to it, it finances the acquisition of these receivables by drawing funds from the senior lenders under the Receivables Revolving Senior Facility Agreement and the subordinated lenders under the Subordinated Loan Agreement. The maximum amount available to the Group under this programme is £150 million (such arrangements, as amended from time to time, the "*Receivables Finance Facility*"). As the originator of the receivables, the Group must retain an economic interest in the receivables of 5 per cent. of their value in accordance with the European securitisation rules adopted by the U.K. This is achieved by the Group being a lender under the receivables revolving senior facility agreement and the subordinated loan agreement that were entered into in connection with the Receivables Finance Facility. Subject to certain customary events of default, the Receivables Finance Facility is available for the duration of a revolving period which expires 364 days after the initial purchase of facilities under the Receivables Finance Facility Agreements. Prior to its expiration, Velocitas Funding DAC may request an extension from the senior lenders for the same period again. The payment terms of the Receivables Finance Facility require payment by the dealers at the earlier of 180 days from the invoice date or the sale of the car by the dealer to a retail customer. The Group acts as the servicer in terms of originating and collecting funds from dealers into the bank accounts of Velocitas Funding DAC.

The Receivables Finance Facility is backed by a credit insurance contract between Velocitas Funding DAC and its insurer, Atradius Credit Insurance N.V., in the event that a dealer fails to make payment to Velocitas Funding DAC of the receivables purchased by it under this scheme. If a dealer defaults, the Group has 14 days to initiate a payment plan agreed between the dealer, Atradius Credit Insurance N.V., and the administrative agent under the Receivables Finance Facility Agreements on behalf of Velocitas Funding DAC, and subsequently the Group may, at its option, repurchase the relevant receivable. Additionally, in certain circumstances, such as the breach of certain representations and warranties, the Group may be required by Velocitas Funding DAC to repurchase the relevant unpaid receivable.

Although the Wholesale Finance Facility and the Receivables Finance Facility are backed by credit insurance, in exceptional circumstances, after thorough consideration of the credit history of an individual dealer, the Group may sell cars to the dealer outside the credit risk insurance policy. To the extent that the Group suffers loss or damage that is not covered by insurance or which exceeds its insurance coverage, its financial condition may be affected. Further, the Group relies on drawings under these facilities to fund its working capital and to minimise the impact of the delay between shipment and receipt of funds. As of 30 September 2020, the Group had drawn £33.3 million of the £75.0 million available under its Wholesale Finance Facility (which amount will reduce to £50 million in January 2021). As of 30 September 2020, the Receivables Finance Facility was not utilised.

If both the Wholesale Finance Facility (which will expire on 31 August 2021) and the Receivables Finance Facility became unavailable or available otherwise, the Group may need to sell cars to dealers without such financing arrangements, subjecting the Group to the credit risk of its counterparties and additional adverse financial effects. If this were to occur, the Group could experience difficulties making certain capital expenditure, operating its business or negotiating credit extensions or securing alternative financing, any of which could materially negatively impact its business, financial condition and results of operations. And, in such circumstances, the Group may not be able to find a replacement on reasonable terms or at all. As of 30 September 2020, the Group had £33.2 million in receivables overdue by 31 days or more, for which a credit loss provision of £22.6 million was held.

The Chinese Inventory Funding Arrangements are important to the Group and the loss of ability to draw under them could adversely affect the Group's business, financial condition and results of operations.

The Group closely monitors cash flow forecasts and liquidity requirements to ensure sufficient cash to meet its operational needs, while attempting to maintain sufficient headroom on the Chinese Inventory Funding Arrangements, the Wholesale Finance Facility and, going forward, the Receivables Finance Facility. In addition to the Wholesale Finance Facility and the Receivables Finance Facility, the Chinese Inventory Funding Arrangements enable the Group to manage working capital and sell cars to dealers. If the Chinese Inventory Funding Arrangements became unavailable or available in reduced amounts or not on substantially similar terms as currently in place, it could materially negatively impact the Group's business, financial condition and results of operations.

The Group's future success depends on its continued ability to introduce its next generation of cars, which will require significant capital expenditures.

New model introductions and refurbishments drive customer visits to the Group's dealers' showrooms and sales. The current model line-up comprises four core models from the new range, including one GT (the DB11), one sports car (the Vantage), one super GT (the DBS Superleggera) and one SUV (the DBX). In order to meet its sales goals, the Group must continue to invest heavily in car and powertrain design, engineering and manufacturing. For the year ended 31 December 2019, the Group's capital expenditures were £310.2 million and for the year ending 31 December 2020 its total capital expenditures are expected to be approximately £270 million. The Group's ability to realise acceptable returns on these investments will depend in large part on consumers' acceptance of its new car offerings, as well as its ability to complete its car launch schedule on the contemplated timeline.

The Group intends to develop most of its future models based on its modular architecture, which employs a 'Carry Over-Carry Across' principle for key systems and components and allows for flexible and profitable manufacturing at low volumes and easy adaptation to new models with limited additional investment, or by way of collaboration with other manufacturers, as the Group has done in the past on an opportunistic basis. However, the Group must undertake significant upfront investments in order to launch new models and update existing models, which could include design, engineering and manufacturing costs and, in some cases, this could include the acquisition or building of new facilities. In order to make such large capital expenditures, the Group must either have sufficient cash from operations or raise funding from outside sources, which may not be available to the Group on commercially reasonable terms or in an amount sufficient to enable the Group to raise such funds, or may not be available to the Group at all.

If the Group's new cars or upgraded variants of its existing models are not received favourably by consumers, its car sales, market share and profitability will suffer. If the Group is required to cut capital expenditures due to insufficient car sales, liquidity constraints and decreasing profitability or for any other reason, its ability to continue its programme of developing the next generation of cars and keep pace with product and technological innovations would diminish, which could reduce demand for its cars and negatively impact its business, brand and results of operations.

The Group is dependent on its manufacturing facility at Gaydon for the production of its three current sports and GT core models. The Group is also dependent on its new plant at St. Athan for the production of its fourth core model, the DBX, and the Group may incur unanticipated costs or delays in production of the DBX.

Currently, the three sports and GT core model vehicles that the Group sells (DB11, Vantage and DBS Superleggera) and some sub-assemblies for aftermarket parts, such as seats and bodies, are manufactured at the Gaydon facility. The Group's fourth core model (the DBX) is manufactured at its manufacturing facility in St. Athan (Wales). Pre-production of the DBX at its St. Athan manufacturing facility commenced in the first half of 2019, with the plant being ramped up and tested for full production. Full production of the DBX commenced in the summer of 2020 and deliveries of the DBX started in July 2020.

Due to the COVID-19 pandemic, from 25 March 2020 the Group temporarily had to suspend production at its U.K. manufacturing facilities in line with U.K. government instructions. The Group's St. Athan facility reopened again following public health guidelines on 5 May 2020 and its Gaydon factory resumed manufacturing operations on 24 August 2020. These (temporary) closures have led to delays in its production and its ability to sell cars and have had and continue to have a material adverse effect on its business, financial position and results of operations. See "*The effects of the COVID-19 pandemic have adversely impacted, and will continue to adversely impact, the Group's business, financial position and results of operations.*" Any closures of the Group's manufacturing facilities in connection with responses of the U.K. Government to the second "wave" of the pandemic that currently affects the U.K. and many countries, as well as potential further "waves", would have a similar effect. In addition, the Group's facilities could become permanently or temporarily unusable for other reasons, including due to fire, contamination, power shortage or strikes. Alternatively, changes in law and regulation, including export, tax and employment laws and regulations, or economic conditions, including inflation, could make it uneconomic for the Group to continue manufacturing the Group's cars in the U.K. If the Group was unable to manufacture cars, or were only able to manufacture cars in limited numbers at its facilities or if it became uneconomic for the Group to continue to manufacture cars at Gaydon or St. Athan, the Group would need to seek alternative manufacturing arrangements, which would take time and therefore may reduce its ability to produce sufficient cars to meet demand. This would materially reduce its revenues and would require significant investment.

There are additional risks associated with the recent start of production at the Group's plant in St. Athan. If the St. Athan manufacturing facility is not able to produce the targeted volumes of cars, the Group may be unable to achieve the expected delivery capacity of its manufacturing facilities to ensure the optimal balance between supply and demand. An unanticipated increase in costs relating to lower than expected delivery volumes may result in reduced liquidity available for investments in car and powertrain design, engineering and manufacturing and other capital expenditure necessary to maintain the Group's schedule of product refreshment and enhancement.

The Group's future success depends on its ability to continue to sell its cars to customers at prices which reflect the cost of maintaining the high quality of its cars.

The Group's quality standards and the Aston Martin brand can only be maintained by incurring costs to maintain and ensure quality. Errors or defects in parts and components procured externally or manufactured in-house, or assembly mistakes, could prompt the Group to implement servicing or recall campaigns for cars manufactured and delivered, or even to develop new technical solutions, each of which has happened to the Group in the past. Such measures may require significant time and financial resources, which in turn may lead to higher provisions for warranties and expenses over and above the levels of existing provisions

There is no guarantee that the Group will continue to be able to sell its cars to customers at prices that are appropriate for the high quality of its products. Pricing pressure could limit the Group's ability to pass on production costs to its customers. These pricing pressures could also exert additional price pressures on its suppliers, which in turn may have a negative effect on product quality and damage its reputation or reduce demand for its products.

Further, from time to time the Group may choose to support the profitable sale of new Aston Martin cars through its franchised dealer network. This is known as "marketing support." The mechanism of support varies according to the local market needs and customs in order to achieve optimum value from such contributions. In 2019, the Group started the year with elevated levels of Group and dealer stocks and utilised marketing support to incentivise retail sales to start to de-stock the network. Whilst dealer stocks as of 30 September 2020 were more than 1,400 Sports and GT units lower than they were as of 31 December 2019, they remain elevated and the Group is focused on rebalancing supply and demand, to allow the Group to regain its price positioning. If retail sales decline, like in the current market environment caused by the impacts of the COVID-19 pandemic, it could take longer than expected to achieve this rebalancing, and wholesale volumes could decline more than expected. A reduction in marketing support could lead to a decreased level of retail sales.

Demand for the Group's products and its pricing power is dependent on consumers' sentiment and purchasing power.

Demand for cars relies on consumers' purchasing power and consumer confidence regarding future economic developments. Consumer demand is negatively affected by a decrease in potential customers' disposable income, assets or financial flexibility or uncertainty as to their future income, assets or financial flexibility. In particular, consumers may refrain from purchasing a new car and instead purchase a used car, defer a future purchase or purchase a lower-priced brand. In addition, even where potential customers have sufficient purchasing power and confidence, demand for the Group's cars may be affected by consumer sentiment. When economic conditions are poor, unemployment levels are high and incomes are under pressure, consumers may not want to be seen owning or driving an expensive car. Similarly, increasing awareness of environmental issues, in particular pollution levels, may reduce demand for the Group's sports cars since they produce more emissions than the average car.

The Group's products are priced and positioned in the HLS car segment, which is at the top-end of the car market. As a result, the Group's customers require considerably higher than average levels of income or assets to be in a position to afford the Group's products. This makes the Group's car sales dependent on the number of high net worth individuals ("HNWIs") in the world, and its business potential dependent on the growth in the number of those individuals. The number of HNWIs in the world has increased over the last decade, but there can be no assurance that this trend will continue or that it will not reverse. Factors that could halt or reverse this trend include deteriorating global economic or political conditions (including as a result of the COVID-19 pandemic), changes in tax laws, government intervention in particular industries, such as banking, and on remuneration levels within those industries.

Pricing pressure could result from declines in absolute demand for the Group's products, which could arise as a result of economic conditions (including as a result of the COVID-19 pandemic), due to higher demand for cars produced by other manufacturers, consumer backlash against high prices or increased dealer incentives, including margins on sales, potentially driven by other manufacturers. For example, average selling price declined in 2019 and in 2020 to date, mainly due to customer and retail financing support (variable marketing expenses and as part of the strategic de-stocking of the Group's dealers), lower sales of special editions and changes to the Group's geographic and product mix.

In addition, the Group's reliance on key markets increases the risk of adverse change in customer demand in those regions. For example, the Group has a significant presence in the U.S., the U.K. and Europe, which together accounted for 78 per cent. and 81 per cent. of the Group's unit sales for the year ended 31 December 2019 and for the nine months ended 30 September 2020, respectively. As the Group's business is highly dependent on these key markets, a decrease in customer demand in these markets could have a negative impact on its operations. For example, including due to the impact of the COVID-19 pandemic, the Group's core wholesale volumes (excluding special editions) for the nine months ended 30 September 2020 decreased by 68 per cent. in Asia Pacific, by 74 per cent. in the Americas, by 40 per cent. per cent. in EMEA (excluding United Kingdom) and by 50 per cent. in the United Kingdom compared to the nine months ended 30 September 2019. Continued softening of those key markets, including due to the continuing effects of the COVID-19 pandemic, may affect the Group's results of operations.

The Group is dependent upon its dealers for the sale and promotion of products and services.

The Group is almost entirely dependent upon third-party dealers for the sale and promotion of its products and services. These dealers may exert upward pressure on the level of the Group's dealer margins and incentives, thus eroding its profitability. For example, in 2019 and 2020, increases in the Group's dealer incentives had an adverse impact on its results of operations and profitability. Any increases of the Group's dealer incentives and variable marketing expenses in the future, including as a result of the COVID-19 pandemic and in connection with the strategic de-stocking of the sports cars of the Group's dealers, would have similar effects. The Group's dealers may also encounter financial difficulties that could restrict them from selling its products or services, and/or require the Group to provide support or investment leading to increased costs. In addition, if financial difficulties affect a significant number of dealers in a region, including as a result of the impacts of the COVID-19 pandemic, the Group's sales in that region as a whole, and its brand visibility, could be adversely affected or require the Group to incur significant investment to seek out new dealers in that region. This risk is more acute in regions with only a single Aston Martin dealer.

The Group's business potential is also dependent on a sufficient number of new Aston Martin Lagonda dealers opening to sell the Group's products or services in new areas and jurisdictions, which may be impacted due to the effects of the COVID-19 pandemic. See "*The effects of the COVID-19 pandemic have adversely impacted, and will continue to adversely impact, the Group's business, financial position and results of operations.*" In addition, the Group may face competition from other HLS car manufacturers for potential new dealer openings, based on, among other things, dealer margin, incentives and the performance of other Aston Martin Lagonda dealers in the relevant jurisdiction. If insufficient new Aston Martin Lagonda dealers open in new areas and jurisdictions, the Group's growth prospects could be materially adversely affected.

Many of the Group's dealers are owned by dealer groups, which could spread the impact of the above factors across more than one dealership.

Further, the Group is exposed to the risk that its compliance controls and procedures may not, in every instance, protect the Group from acts committed by such dealers that could violate its dealership agreements or the laws or regulations of the regions in which the Group operates (including foreign corrupt practices, trade sanctions and other laws and regulations).

Car sales in certain regions depend in part on the availability of affordable financing.

In certain regions, such as the U.S., the U.K. and Europe, financing for new car sales has been available at relatively low interest rates for several years due to, among other things, expansive government monetary policies. To the extent that interest rates generally rise, market rates for new car financing are expected to rise as well, which may make the Group's cars less affordable or cause consumers to purchase less expensive cars, thus affecting the level of sales. Additionally, if interest rates increase substantially or if financial service providers tighten lending standards or restrict their lending to certain classes of credit, clients may choose not to, or may not be able to, obtain financing to purchase the Group's cars. Further, certain of the Group's partnerships with financial service providers pursuant to which they provide financing loans and leases to the Group's customers are connected to the Group's ratings. As a result, in the event the Group's ratings decline, the availability of financing loans and leases for its customers may be reduced, and its customers may not be able to procure sufficient financing to purchase its cars.

The trend toward cars with lower engine capacity and new drive technologies could negatively affect the Group.

For several years, various markets, such as those in Europe, the U.S. and China, have seen a general trend toward demand for cars that use less fuel and emit fewer emissions. Several jurisdictions have also announced or are contemplating plans to phase out internal-combustion engine cars entirely. This has led to manufacturers introducing engines that have a lower capacity, while maintaining performance levels through technological advances, as well as a trend toward hybridisation. Factors contributing to this trend include rising fuel prices, decreasing disposable incomes and increasing government regulation, including increased taxation, of greenhouse gas emissions and fuel efficiency.

The Group is developing a fuel-efficient, modular V6 engine with hybrid and plug-in capabilities, which will support Aston Martin core cars being available as hybrid and plug-in hybrid variants from the mid-2020s. However, the Group currently offers HLS cars that generally use comparatively more fuel and produce comparatively higher levels of emissions than those in lower car classes. Therefore, the continuation of this trend could adversely affect the Group's business. In the past, the Group has started with the development of a fully electric car, the Rapide E, and had plans to develop fully electric cars under the Lagonda marque. However, following a recent operational and financial review, these programmes are paused pending a strategic review. In 2019, an assessment of the carrying value of Rapide E assets has also resulted in an impairment charge of £37.1 million. These changes to the Group's plans heighten the risk that the Group may not develop lower capacity and fully electric vehicles as quickly as its competitors and therefore fail to develop market share in this growing segment. Such failure could harm the Group's future growth prospects and may have a material adverse effect on its business and results of operations. The Group anticipates that the Strategic Cooperation will provide the Company with access to a wide range of MBAG's world-class technologies and critical intellectual property, including electric and hybrid powertrains, and for related risks, see "*Risks relating to the Strategic Cooperation*".

The development of engines that have lower capacity and consume less fuel while maintaining performance levels is technologically challenging and cost intensive and the Group may not be able to pass on the cost to customers. Further, there is a risk that competitors will develop products that meet these objectives more rapidly, in larger quantities, with a higher quality or at a lower cost, as incorporating new technologies into vehicle designs costs the same or more for smaller volume manufacturers. As a smaller volume manufacturer, the costs for the Group are spread over significantly smaller volumes than they would be for the Group's HLS competitors that produce vehicles in larger quantities. This could lead to increased demand for competitors' lower-priced products and result in erosion of the Group's market share once the Group begins selling cars in this market. In addition, as use of new technology increases within the automotive industry, customers are no longer looking for products based solely on the current standard factors, such as price, design, performance, brand image, comfort and available features, but also consider the technology used in the car or by the manufacturer. Any changes of customer demand for any of these reasons could result in shifts in demand in the automotive industry, which could in turn lead to a lower demand for products manufactured by the Group.

The strength of the Aston Martin brand could be diluted or weakened.

The strength of the Aston Martin brand could be diluted or weakened by a failure to continue to produce cars of appropriate performance, aesthetics and quality; failure to keep up with new technologies; quality issues or recalls; dealers promoting other manufacturers' cars in priority to the Group's; and counterfeit cars and parts affecting performance and quality perceptions. In particular, any product recall (whether voluntary or involuntary) in the future may involve significant expense (which could have a material effect on the Group's financial results) and diversion of management attention and other resources, as well as result in adverse publicity, which would damage the Group's brand. For example, in 2017, the Group recorded additional warranty costs following its recall campaigns of around 5,500 cars in the U.S. due to problems with powertrains and battery cables.

An increased availability of financing options for the Group's products and/or an increase in the number of cars produced by the Group could also reduce the exclusivity of its cars, adversely impact its ability to increase prices on new products and/or weaken the brand. In addition, publicity around the Group recent trading performance as well as the Transactions could negatively impact the Group's brand. Based on external reports, the Group's branded business value has decreased over the course of 2019 and 2020, which the Group believes is due to a combination of its recent trading and changes to general market conditions and consumer confidence, including in connection with the COVID-19 pandemic. If the strength of the Aston Martin brand is further diluted or weakened for any reason, demand for the Group's cars may be significantly and negatively affected and could require the Group to devote greater resources to marketing its brand.

The Group selectively license the Aston Martin brand to various commercial enterprises, have formed strategic commercial partnerships and have also engaged brand ambassadors. There is a risk that the decisions and behaviours of such licensees, commercial partners and brand ambassadors or any negative publicity surrounding them could lead to reputational damage to the Group and the Group's brand, which could lead to a decline in demand for its products. For example, poor performance of the Aston Martin F1™ team, which is expected to participate for the first time in the 2021 F1™ season, could have a negative effect on the Aston Martin brand and public perception of the Group's cars and, in particular, special edition models such as the Aston Martin Valkyrie.

The Group's profitability relies in part upon its ability to produce and deliver its special edition models in limited volumes. If the Group is delayed or become unable to deliver these models in the applicable time frames, this could lead to additional costs, reduced profitability, return of customer deposits and damage to its reputation.

In addition to the ongoing production of the Group's four current core models, the Group offers limited numbers of special edition models, such as the Vantage GT12, Vantage AMR, Aston Martin Vulcan, DB4 GT Continuation, DB5 Continuation, Vanquish Zagato, Valkyrie, Valkyrie AMR Pro and DBZ Centenary pair models. The Group's profitability relies in part upon its ability to produce and deliver these special edition models within targeted time frames. If an event results in a delay or halt in production, such as technological failure or industrial action or if there are production issues with a special edition model in general, this could lead to a delay in release of a special edition model and increase costs of production. The effects of the COVID-19 pandemic have had and continue to have a negative impact on the Group's production and will also result in delays of its production of special edition models. See "*The effects of the COVID-19 pandemic have adversely impacted, and will continue to adversely impact, the Group's business, financial position and results of operations.*"

In addition, because of their desirability, and the fact that they are produced in limited volumes to retain exclusivity, special edition models are typically fully allocated prior to any significant capital commitment, with customer deposits due at the time of allocation. In some cases, customer deposits are refundable at the customer's discretion, for example in the event of production delays, and the Group has recently received some requests for refunds of customer deposits due to changes to the scheduled deliveries of cars in its Aston Martin Valkyrie and

Valhalla programmes, but the Group generally experienced very low rates of special edition customer cancellations following the payment of the customer deposit in the past. Furthermore, in all cases, the Group would be required to return the deposits in the event that the relevant special edition model was to be cancelled, despite potentially having spent significant amounts on the project. A return of a substantial number of customer deposits could have a significant impact on the Group's financial condition. The collection of deposits has been and will be negatively impacted by the COVID-19 pandemic, which will have a negative impact on the Group's business, financial position and results of operations. See "*The effects of the COVID-19 pandemic have adversely impacted, and will continue to adversely impact, the Group's business, financial position and results of operations.*" In addition, weaker economic conditions in the markets in which the Group operates, in addition to potential delays to the development and delivery of special edition programmes in the future, including as a result of the COVID-19 pandemic, may impact the inflow of deposits from special editions in the future.

The sale of special edition models is an important source of revenue for the Group and failure to produce or deliver these special editions to customers could negatively affect the Group's profitability, customer relations and the brand.

The Group faces strong competition within the HLS car market, which could lead to a saturation of the market, resulting in a significant drop in unit sales or price deterioration.

The Group competes with a number of other manufacturers with strong brands and reputations, such as Ferrari, McLaren, Rolls-Royce, Lamborghini and Bentley (many of which have greater financial resources than the Group, often as a result of their being owned by or associated with mass car manufacturers). For example, Bentley (Bentayga), Rolls-Royce (Cullinan) and Lamborghini (Urus) have all introduced an SUV model in the high end SUV market in recent years. The HLS car market, and in particular the SUV segment thereof, is relatively small, due to the price at which the cars are sold and the significant investment required to introduce new models to the market. The HLS car market could potentially become saturated and unable to support the growing levels of production and competition.

If there is insufficient demand to support the increasing volumes and levels of competition, or if the Group is unable to continue to produce cars that are, or that consumers and industry commentators consider to be, competitive, this could result in a drop in its unit sales or pricing pressure.

Further, the alternative fuel vehicle market is highly competitive and the Group's ability to compete successfully in this market in the longer-term will depend, in part, on its ability to keep pace with changes in electric vehicle technology (see also "*Risks relating to the Strategic Cooperation*" in this Part 1). Changes in regulation or environmental policy could impact vehicle pricing, and the Group may not be able to compete effectively with its competitors, which could have a material adverse effect on its business, financial condition and results of operations.

The Group may not be able to realise cost savings, reduce capital expenditures or balance supply and demand effectively in line with its strategy. The Group's new strategy and business plan could also expose its business to different risks.

In 2019, the Group experienced difficult trading and significant liquidity constraints. As a result, the Group undertook an operational and financial review to address these issues. This concluded with the Board agreeing a series of actions to reset, stabilise and de-risk the business and position the Group for controlled, long term, profitable growth. The resetting of the Group's business included the £535.7 million (less total fees of £25.1 million) which was raised earlier in 2020 by way of the placing of Ordinary Shares to the Yew Tree Consortium led by Lawrence Stroll and the rights issue to certain Shareholders, the June 2020 Placing, the rebalancing of supply and demand dynamics, reduced capital expenditure and the re-phasing of some future product launches, together with cost-efficiency initiatives. For example, in 2019 and 2020 the Group made changes in management, reduced its contractors significantly and started a voluntary redundancy and early retirement programme.

In June 2020, the Group launched a consultation process with its employees and trade unions on proposals to further reduce personnel numbers by up to 500 permanent employees and 150 consultants in order to enhance efficiency and reduce expenses in line with lower than originally planned production volumes. The consultation process is expected to be completed by the end of 2020. Such measures are expected to be implemented throughout the fourth quarter of 2020 and the first quarter of 2021 and the Group estimates these initiatives will deliver the following savings (i) annualised operating cost savings of approximately £14 million in connection with an expected reduction of non-manufacturing personnel, partially offset by approximately £4 million of annualised costs from the addition of approximately 300 new roles at the Group's St. Athan manufacturing facility in connection with DBX production, (ii) annualised reduction in capital expenditure of approximately £10 million in connection with a reduction in research and development personnel (whose salaries would otherwise be recognised as capital expenditure) and (iii) annualised expense savings of approximately £8 million in connection with a reduction in direct manufacturing costs due to a reduction in the volume of vehicles produced and a corresponding reduction of manufacturing personnel. As of 30 September 2020, the Group has recorded costs of £12.4 million as part of this restructuring plan, comprising £3.8 million of incurred and £8.5 million of expected employee redundancy costs in connection with the consultation process on its proposal to reduce the number of its personnel by up to 500 permanent employees and 150 consultants in addition to £0.1 million of external advisor costs. The Group continues to implement these measures and the amount of any expected savings and its ability to achieve operational efficiency will depend on the actual total reduction achieved as well as the timeframe over which the Group rolls out these changes. As a result of the COVID-19 pandemic, the Group has also taken certain additional cost saving actions, including, among others, retiming projects to reduce capital expenditures, implementing savings arrangements agreed with governments (including deferrals to PAYE income tax payments and deferrals of business rate payments in Wales), delaying rent payments for its facilities (to the extent possible), agreeing with its Board and certain members of senior management to waive a portion of their remuneration for the three months ended 30 June 2020 and reducing its marketing spend. See also "*The COVID-19 pandemic has had and continues to have a significant negative impact on the Group's liquidity position.*" In addition, the Group has implemented and plans to continue to implement measures to reduce cost and non-critical expenditure from the business at every level, including in areas such as contractor numbers, site footprint and marketing and travel expenditures in view of lower than originally planned production volumes. While the Group has launched these changes with the aim to result in significant cost savings, its ability to realise any of them may be adversely affected by a number of factors. For example, the Group may not be able to realise all or part of cost savings initially expected from redundancies of personnel due to constraints under the applicable employment laws or regulations. As certain of the employees that are subject to the expected personnel reductions are members of trade unions, there is a risk of industrial action. Moreover, many of these restructuring actions are associated with significant costs and the expenses required to achieve the intended cost savings may be higher than the Group currently expects. In addition, to the extent that the Group is not able to fully implement the measures identified or the Group experiences delays in implementation, the Group may not be able to achieve the full amount of cost savings currently anticipated. Further, any such cost-cutting measures could result in a loss of qualified and skilled personnel, make it more difficult to recruit qualified personnel for the future operation of the Group's business, reduce its ability to access growth markets due to limited resources, achieve cost savings in other areas which often require additional personnel resources and adversely impact its strategy and strategic planning for future periods.

The Group's ability to successfully implement its strategy will depend on, at least in part, its ability to reduce costs without diminishing the quality of its cars, as well as to reduce capital expenditures without limiting its ability to introduce new cars in line with changes in trends and advances in technology. Market conditions and customer trends change over time and may be particularly affected by macroeconomic factors, including as a result of the COVID-19 pandemic, which may provide challenges to the Board's ability to implement its business plan or require it to re-consider it or adopt new strategies. In addition, major events with an impact on our business like the COVID-19 pandemic, including the second "wave" of the pandemic that currently affects many countries and potential further "waves," may result in a diversion of management attention and require the Group to focus on preserving liquidity rather than implementing its reset business plan. Any of the Group's strategic shareholders and recently hired executives, like its newly appointed Chief Executive Officer as well as Chief Financial Officer, may also view the Group's business differently than members of its prior senior management team and, over time, may make changes to its personnel and their responsibilities as well as its strategic focus, operations, or business plan. An inability to achieve these goals, or to achieve them only in part or later than expected, could result in increased costs, damage to the Aston Martin brand, decreased sales, elevated levels of Group or dealer stocks and/or liquidity constraints, any of which could have a material adverse effect on the Group's business, financial condition and results of operations.

Further, the Group believes that a key appeal of the Aston Martin brand is the aura of exclusivity and the sense of luxury that the brand conveys. A central facet to this exclusivity is the limited number of models and cars produced. However, this low-volume strategy may limit the Group's potential sales growth and profitability. In addition, the Group's strategy seeks to manage production volumes to maintain new car supply below market demand. An inability to balance supply and demand effectively may result in excess inventory. For example, in 2019 and 2020, the Group started the year with elevated levels of Group and dealer stocks. Consequently, achieving the retail sell through to start to de-stock the network required more retail and customer financing support than planned, which weighed on average selling price. Under its new business plan, the Group is aiming to achieve the ideal level of managed scarcity and to move its business towards a built-to-order model, with low volumes and increased prices, but the ongoing COVID-19 pandemic could result in delays to the successful implementation of this strategy and, even if implemented, it could result in new challenges to the Group's business.

Managing the above risks requires the Group to be agile and, if necessary, the Group may determine that it is appropriate to adapt its strategy and business plan in the future. Inability to manage these risks and remain agile could harm its growth prospects and may have a material adverse effect on the Group's business, financial condition and results of operations.

The Group operates a number of employee pension arrangements, including an underfunded U.K. defined benefit pension scheme to which we are required to make significant contributions and to which future additional contributions will be required as a result of the regular triennial actuarial valuations, the most recent of which is currently underway and which will need to be completed at the latest by 5 July 2021.

The Group provides retirement benefits to certain of its former and current employees through a number of pension arrangements. These include the operation of a U.K. defined benefit pension scheme (the "U.K. DB Plan") sponsored by the Group. The U.K. DB Plan closed to new entrants on 31 May 2011 but currently remains open to future benefit accrual for existing active members. As of 30 September 2020, there were approximately 450 active members in the U.K. DB Plan. The U.K. DB Plan ceased final salary accrual from 31 December 2017 and adopted a career average revalued earnings (CARE) benefit structure from 1 January 2018, breaking the link to final salary as of 31 December 2017. Active members' benefits accrued prior to 1 January 2018 instead receive annual increases in line with CPI (capped at 2.5 per cent. or 5 per cent. depending on the date of benefit accrual) for each whole year between 1 January 2018 and the date the member's benefits become payable.

The latest actuarial valuation of the U.K. DB Plan as of 6 April 2017, showed a deficit of £48.6 million on a scheme-specific funding basis. For that valuation, the Group agreed a deficit recovery plan with the trustee of the U.K. DB Plan under which we are required to make significant contributions to the scheme. On 5 July 2018, the Group agreed (i) to increase the recovery plan contributions from £2.8 million per year to £4.0 million per year until 31 March 2020 and to £7.1 million per year thereafter through to 31 July 2025 and (ii) to share upside performance of the business with the U.K. DB Plan by making additional payments against the deficit recovery plan equal to five per cent. of the Group's variable profits which exceed the anticipated variable profit target agreed as part of the U.K. DB Plan's 2014 valuation, but capped at £1.75 million per annum in respect of the calendar years 2018 and 2019 and then at £3 million per annum thereafter.

The deficit of the U.K. DB Plan is dependent on the market value of the assets of that plan and on the value placed on its liabilities. If the market value of the assets declines or the value of the liabilities increases, as of the date of an actuarial funding valuation of the U.K. DB Plan, the Group may be required to increase its contributions to the U.K. DB Plan. A variety of factors, including factors outside the Group's control, may adversely affect the value of the U.K. DB Plan's assets or liabilities, including interest rates, inflation rates, investment performance and investment strategy, exchange rates, life expectancy assumptions, actuarial data, adjustments, regulatory changes and the strength of the employer covenant provided to the plan by the Group. If these or other internal and external factors were to become unfavourable, or more unfavourable than they currently are, the Group's required contributions to the U.K. DB Plan and the costs and net liabilities associated with the U.K. DB Plan could increase substantially. The U.K. DB Plan's deficit, calculated by the actuary using the same actuarial methods to set assumptions as used for the scheme-specific funding basis in the plan's 2017 valuation updated to reflect market conditions at 31 December 2019 and benefits accrued to that date, had increased since the U.K. DB Plan's 2017 valuation to an estimated £60.6 million due to a decline in long-term real rates of return. The estimate of the liability for defined benefit obligations if the U.K. DB Plan is wound up, calculated by the U.K. DB Plan actuary, was £404 million as of 6 April 2017. As of 30 September 2020, the total fair value of plan assets was £343.5 million and the present value of obligations was £371.3 million on an IAS 19 basis. This resulted in a liability of £27.8 million on the balance sheet as of 30 September 2020.

The U.K. DB Plan's next actuarial valuation is currently underway with an effective date of 6 April 2020 and with a statutory deadline for completion by 5 July 2021. Although the Group's discussions with the trustee in relation to the 2020 actuarial valuation and the funding and security of the U.K. DB Plan more generally were postponed due to the COVID-19 impact and uncertainty, discussions about the 2020 actuarial valuation are now taking place with the trustee with comments also being provided by the Pensions Regulator. In dialogue between the Pensions Regulator, the trustee and the Group towards the end of 2019, the Pensions Regulator expressed concern around the employer covenant provided to the U.K. DB Plan by the Group (including the impact of secured debt taken on by the Group). The Pensions Regulator in the U.K. has indicated that, given the position of the U.K. DB Plan as an unsecured creditor, it would expect the trustee to seek mitigation from the Group in respect of the employer covenant which could include (but not be limited to): (i) a strengthening of the actuarial assumptions used, which would increase the deficit, (ii) additional contributions and (iii) security over Group assets to be provided in favour of the trustee. The Pensions Regulator is also expected to provide further input as the discussions on the 2020 actuarial valuation develop and it is clear that the trustee will take the Pension Regulator's views into account in approaching the 2020 actuarial valuation.

Discussions with the trustee about the 2020 actuarial valuation, including the additional protections proposed are ongoing but expected to be concluded as soon as possible, and in advance of the statutory deadline of 5 July 2021. In light of the discussions with the trustee taking into account feedback from the Pensions Regulator, the Group has recently made a proposal to the trustee in relation to the 2020 actuarial valuation which the Group considers would represent an appropriate outcome for the 2020 actuarial valuation and provide appropriate additional protection for the U.K. DB Plan, including: (i) a change in the assumptions underlying the 2020 actuarial valuation resulting in a deficit of £100 million, (ii) an increase in deficit repair contributions to the U.K. DB Plan to £15 million per annum and (iii) the U.K. DB Plan being granted security over certain equipment and tooling. Discussions with the trustee are at an early stage and no agreement has yet been reached with respect to this proposal.

The Pensions Regulator has powers to intervene in triennial funding valuations, including the power to set assumptions and contribution levels which may be available in certain circumstances, including if the Group and the trustee cannot agree the deficit or contributions following the triennial funding valuation. In cases where the deficit and funding levels are agreed, the Pensions Regulator can still intervene if it is not satisfied that the statutory funding plans comply with the statutory funding regime. Any exercise of the Pensions Regulator's powers could result in significant additional liabilities and funding obligations for us. See also "*The pensions regulator in the U.K. (the "Pensions Regulator") has the statutory power in certain circumstances to issue contribution notices or financial support directions that, if issued, could* *result in significant additional liabilities arising for the Group or an acceleration in the payment of the Group's liabilities in relation to the U.K. DB Plan*".

As is the case for all formerly contracted-out defined benefit pension plans in the U.K., the liabilities of the U.K. DB Plan, and so the funding level, could also be impacted by a 2018 High Court decision requiring the impact of unequalised guaranteed minimum pension benefits provided to men and women to be equalised. In addition, as with many defined benefit pension plans in the United Kingdom, the trustee has the power under the U.K. DB Plan's governing documentation to wind-up the U.K. DB Plan in certain circumstances, which if exercised could accelerate and increase funding obligations to the plan.

The pensions regulator in the U.K. (the "Pensions Regulator") has the statutory power in certain circumstances to issue contribution notices or financial support directions that, if issued, could result in significant additional liabilities arising for the Group or an acceleration in the payment of the Group's liabilities in relation to the U.K. DB Plan.

If certain statutory requirements are met, the Pensions Regulator has the power to issue contribution notices or financial support directions to the Group and/or any connected or associated company. These are commonly referred to as "moral hazard" powers and enable the Pensions Regulator to take action if it considers it is reasonable to do so, including where corporate activity has had a materially detrimental effect on the security of members' benefits in a pension plan. Broadly, a financial support direction requires the target to put in place arrangements for the financial support of the scheme. No element of fault is required but there is a reasonableness test and certain other statutory tests have to be satisfied. A contribution notice requires the target to pay a sum of money into the scheme where there has been an act or omission, one of the main purposes of which is to avoid any ''employer debt'' becoming due or to compromise or otherwise reduce the amount of that debt or which otherwise has a materially detrimental impact on the likelihood of accrued scheme benefits being received.

A Pension Schemes Bill has been introduced into the U.K. Parliament and is expected to change the U.K. regulatory framework governing defined benefit pension schemes by: (i) extending the U.K. Pension Regulator's powers in relation to its "moral hazard powers"; (ii) clarifying the scheme funding framework; and (iii) introducing a new statutory requirement to comply with some aspects of the U.K. Pension Regulator's guidance on scheme funding, which could affect the valuation of assets and liabilities of the U.K. DB Plan at its next triennial valuation. The Pension Schemes Bill is also expected to introduce new criminal offences for "risking accrued scheme benefits" (where a person engages in an act that they knew or ought to have known would have a materially detrimental impact on a defined benefit pension scheme) and for "avoidance of employer debt" (where a person acts in a way that prevents the recovery of any employer debt which is due to a defined benefit pension scheme or otherwise compromises or settles such a debt), in each case, without "reasonable excuse."

The Group's international operations expose its business to risks that the Group may not have the expertise, capability or the systems to manage. In addition, the Group may incur additional tax liabilities as a result of its operations in the various countries in which the Group conducts business, and tax authorities are routinely challenging corporate transactions.

The Group's international operations expose the Group to business risks that the Group may not have the expertise, capability or the systems to manage. These risks include cultural differences, difficulties in staffing and managing overseas operations, inherent difficulties and delays in contract enforcement and the collection of receivables under the legal systems of foreign countries, the risk of non-tariff barriers, regulatory and legal requirements affecting the Group's ability to enter new markets (including requirements for joint ventures with local entities), difficulties in obtaining regulatory approvals, environmental permits and other similar types of governmental consents, difficulties in negotiating effective contracts, obtaining the necessary facility sites or marketing outlets or securing essential local financing, liquidity, trade financing or cash management facilities, export and import restrictions, multiple tax regimes (including regulations relating to transfer pricing and withholding and other taxes on remittances and other payments from subsidiaries) and restrictions on repatriation of funds, other restrictions on foreign trade or investment sanctions, and the burdens of complying with a wide variety of foreign laws and regulations. Any of the foregoing may have a material adverse effect on the Group's business, financial position and results of operations.

In addition, the Group may incur additional tax liabilities as a result of its operations in the various countries in which the Group conducts business. Tax laws and regulations are subject to change and may be subject to different interpretations (including, but not limited to, changes in applicable tax rates and requirements relating to withholding taxes on remittances and other payments by subsidiaries, associates and joint ventures). Modifications to the tax regime by the competent authorities in those countries may have a significant effect on the Group's financial condition and results of operations. The structures of intra-group transactions and of the Group's international operations, as well as judgments the Group makes or positions the Group takes relating to tax matters, are based on its own interpretations of applicable tax laws and regulations. The Group cannot guarantee that its interpretations of such laws will be accepted by the relevant authorities and there can be no assurance that the tax authorities will not seek to challenge or dispute such interpretations, and the current political climate and recent political/media focus on tax optimisation schemes and austerity generally increases the risk of discussions or disputes with tax authorities. The Group may be exposed to unforeseen additional taxes that are identified through future tax audits or other review actions of the relevant tax authorities, which could lead to an increase in its tax obligations. This may result from either a tax payment being levied directly on the Group or indirectly where the Group becomes liable as a secondary obligor for a primary obligor's failure to pay (for example, an employee's failure to pay). Tax authorities in various European and international jurisdictions are routinely challenging corporate transactions. Any future tax audit may require the Group to pay additional taxes (including any accrued interest and penalties). The Group is, and has been in the past, subject to tax audits and investigations by the tax authorities in the countries where the Group operates, which include investigations and cases with respect to the direct tax and indirect tax regime applicable to its transactions. The relevant tax authorities may disagree with the positions the Group has taken or intends to take regarding the tax treatment or characterisation of any of its transactions or the applicability of tax exemptions on which the Group relies in certain of the countries where it operates. Any adverse findings of the relevant tax authorities could result in unfavourable tax treatment for such transactions and could have a material adverse effect on the Group's business, liquidity, results of operations and financial condition. In addition, regardless of the outcome of any such investigations or challenges, such proceedings could result in substantial costs and may require the Group to devote substantial time and resources to defend the Group. Also, a material change in applicable laws and regulations (including, but not limited to, changes in applicable tax rates), or in their interpretation or enforcement, could force the Group to alter the Group's business strategy, leading to additional costs or loss of revenue, which could materially and adversely affect the Group's business, results of operations and financial condition. Furthermore, if, as a result of a particular tax risk materialising, the tax costs associated with particular transactions are greater than anticipated, it could affect the profitability of those transactions, which could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's business is affected by the timing of new product launches, as well as other seasonal factors.

Sales in the automotive industry are affected by the timing of new product launches throughout the year and, to a lesser extent, by traditional selling seasons, which are typically higher in the second and fourth quarters of each financial year (where consumer activities are less affected by weather and vacation periods). This means that cash flows have been cyclical in the past, and the Group expects this cyclicality to continue. The resulting sales profile influences operating results on a quarter-by-quarter basis. If sales during the Group's peak periods, particularly the autumn when new models are introduced, are significantly lower than expected, the Group may be unable to recover its expenses in time to react to reduced levels of sales. As a result, the Group may experience a corresponding fluctuation in cash flow levels. This occurred in the fourth quarter of 2019, where challenging trading performance continued through the peak delivery period of December resulting in lower sales, higher selling costs and lower margins.

Daimler is one of the Group's significant suppliers and, through its wholly-owned subsidiary MBAG, also holds Ordinary Shares in the Company.

The Group sources certain engines and electrical architecture and entertainment systems exclusively from Daimler AG ("Daimler"), which, for the year ended 31 December 2019, was its largest supplier by spend. The Group's reliance on Daimler means that it is exposed to the risk that Daimler becomes unable or unwilling to produce and supply engines, electrical architecture and entertainment systems or that the quality and performance of those products declines, for any reason (including favouring other purchasers due to better pricing or volume, financial difficulties, damage to production, transportation difficulties, labour disruption, supply bottlenecks of raw materials and pre-products, natural disasters, war, terrorism or political unrest). If the quality or performance of the engines, electrical architecture or entertainment systems declines, demand for the Group's products may be adversely affected, particularly since engine performance is a key factor in sports car desirability.

Although the primary supply agreements with Daimler are long-term arrangements and can only be terminated by Daimler due to insolvency, material breach and in certain other circumstances described below, if the Group is unable to continue obtaining engines, electrical architecture and entertainment systems from Daimler, the Group would need to seek alternative suppliers, or expand its manufacturing operations to build such products itself, which would take time and require significant capital expenditure. This could restrict or delay the Group's ability to produce new cars and materially reduce its profitability. In addition, either of these alternatives could increase the cost of the Group's engines, electrical architecture and entertainment systems compared with the prices that the Group currently pays or affect the quality and performance of its cars.

The various agreements governing the supplier relationship between the Group and Daimler impose certain restrictions that have the effect of limiting the Group's ability to obtain investment from certain strategic Daimler competitors, or certain other restricted parties, without Daimler's consent. If certain strategic Daimler competitors acquire any interest or certain other restricted parties acquire a specified interest in the Company without Daimler's consent, either the Group or Daimler may give notice of at least three years that the principal operational agreements governing the commercial and supply arrangements between the Group and Daimler will terminate. Either of these alternatives could increase the cost of the Group's engines, electrical architecture and entertainment systems compared to the prices it currently pays.

Moreover, the fact that Daimler, throughout its wholly-owned subsidiary MBAG, is a shareholder of the Company might impact the willingness of other potential suppliers to provide goods to the Group. The Strategic Cooperation could heighten this risk (see also "*The Strategic Cooperation Agreement includes a termination right for MBAG in the event of certain events occurring that involve a strategic competitor of MBAG, which may discourage such competitors from making an investment in or otherwise seeking to strengthen their relationship with the Group*").

The Group could experience significant disruption to its production capabilities as a result of its dependence on a limited number of key suppliers.

The V12 engines used in certain of the Group's cars are assembled by Ford under an engine supply contract which currently runs to the end of 2021. In December 2018, the Group gave notice to Ford that it does not intend to extend the contract. At present, Ford is the Group's only supplier of V12 engines and the Group's reliance on Ford means that it is exposed to the risk that Ford may become unable or unwilling to assemble V12 engines, for any reason (including those listed above) for the remaining duration of its contract with them. This could restrict or delay the Group's ability to produce cars using V12 engines, and increase the cost of its engines and materially reduce its profitability if the Group is unable to develop a cost effective and timely alternative. The Group has entered into a contract with a new supplier, pursuant to which engines will be assembled and supplied for the Group from September 2021. This agreement, similar to the Ford contract, is subject to a 36 months' notice of termination.

In addition, the Group relies on a limited number of suppliers for certain raw materials and components used in its cars. Due to the low volumes of orders (as well as for quality assurance, cost effectiveness and availability), the Group procures certain raw materials and components from sole and limited source suppliers and do not typically maintain significant inventories of such raw materials and components. For example, the Group sources the majority of the leather used in its cars from a sole supplier. Additionally, the Group uses materials such as carbon fibre, and will use rare minerals in the future as part of its electric vehicle strategy, for which there are limited suppliers. The Group's dependence on a limited number of suppliers exposes the Group to the risk of suppliers becoming more expensive due to supplier pricing power, limited availability and delivery schedules, including as a result of the effects of the COVID-19 pandemic, and the risk of the quality of the products produced by that supplier declining. If one or more of the Group's suppliers becomes unable or unwilling to fulfil its delivery obligations, or is unable to supply products of the requisite quality for any reason (including favouring other purchasers due to better pricing or volume, financial difficulties, damage to production, transportation difficulties, labour disruption, supply bottlenecks of raw materials and pre-products, natural disasters, COVID-19 and other pandemics, war, terrorism or political unrest), there is a risk that the Group's ability to produce vehicles or the quality of its vehicles could be negatively affected, which could adversely affect demand for its vehicles.

In the future, the Group may need to engage additional suppliers and increase demand from existing suppliers for raw materials and components (as a result of both increasing volumes and expansion into new categories and technologies). This exposes the Group to the risk that the Group is unable to source the required level of materials and components, which could restrict or delay its ability to produce the planned level of cars and deliver its reset business plan.

Further, the Group is exposed to the risk that its compliance controls and procedures may not, in every instance, protect the Group from acts committed by such suppliers that could violate the laws or regulations of the regions in which the Group operates (including foreign corrupt practices, trade sanctions and other laws and regulations).

The Group's long-term success depends on attracting and retaining key management and other personnel, as well as on maintaining good relations with its workforce.

The Group's future success depends substantially on the continued service and performance of the members of its senior management team for running its daily operations, as well as planning and executing its strategy. The Group is also dependent on its ability to retain and replace its design, engineering and technical personnel so that the Group is able to continue to produce cars that are competitive in terms of performance, quality and aesthetics. There is strong competition worldwide for experienced senior management and personnel with technical and industry expertise. If the Group loses the services of its senior management or other key personnel, the Group may have difficulty and incur additional costs in replacing them. If the Group is unable to find suitable replacements in a timely manner, its ability to realise its strategic objectives could be impaired. In addition, the Group's ability to realise its strategic objectives could also be impaired if the Group is unable to recruit sufficient numbers of new personnel of the right calibre to support its strategic objectives.

Recently hired executives, like the Group's newly appointed Chief Executive Officer as well as Chief Financial Officer, may also view its business differently than members of its prior senior management team and, over time, may make changes to its personnel and their responsibilities as well as its strategic focus, operations, or business plan. Any such changes could impact the Group's strategy. The Group may not be able to properly manage any such shift in focus, and any changes to its business may ultimately prove unsuccessful and may have a material adverse effect on its business, financial position and results of operations.

The labour-intensive nature of the Group's business requires an adequate supply of qualified, skilled production workers necessary to maintain the high manufacturing standards of its products. Increased employment competition for skilled individuals from other manufacturers, the inability to hire or retain these skilled employees (including due to the effects of Brexit or difficulties in re-hiring personnel the Group furloughed because of the COVID-19 pandemic) or increased labour costs generally, could have a material adverse effect on the Group's ability to control expenses and efficiently conduct its operations.

If production or other areas of the Group's business are compromised by prolonged industrial action, its performance and profitability could be materially adversely affected. Competitors may also obtain competitive advantages if they succeed in negotiating collective wage agreements on better terms and conditions than the Group. Foreign competitors, in particular, may also obtain competitive advantages due to more flexible labour laws.

Legal, political and economic uncertainty surrounding the exit of the U.K. from the EU ("Brexit") may be a source of instability in international markets, create significant currency fluctuations, and adversely affect current trading and supply arrangements.

Whilst the U.K. officially exited the EU on 31 January 2020, the legal status quo from before 31 January 2020 is continuing during a so-called "transition period" during which the U.K. and the EU are continuing to negotiate the terms of the separation and any future trade deal. This transition period is currently due to last until the end of December 2020. Ongoing uncertainty on whether and when the U.K. and the EU will come to an agreement on the terms of the future trading relationship sustains the possibility that the U.K. will leave the EU without an ongoing agreement and/or transition plan in place.

Due to the size and importance of the U.K. economy, the uncertainty and unpredictability concerning the U.K.'s legal, political and economic relationship with the EU after the U.K. exits the EU may continue to be a source of instability in the international markets, create significant currency fluctuations, and/or otherwise adversely affect trading agreements or similar cross-border cooperation arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise) for the foreseeable future.

The long-term effects of Brexit will depend on any agreements (or lack thereof) between the U.K., the EU and those third countries with which the U.K. currently enjoys tariff free access. The Company is based in the U.K. and in the year ended 31 December 2019 the Group sold 15 per cent. of its cars in EU member states outside the U.K., so any negative effect on its ability to continue selling cars in EU member states and the terms on which the Group make such sales, including the imposition of import duties as a result of cessation of existing free trade agreements or potential value-added tax ("VAT") cash flow costs at the new U.K. trade border, could have a significant adverse effect on the Group's sales and profitability. Additionally, the rate of exchange of the pound sterling vis-à-vis other currencies has dropped significantly since the Brexit referendum, which results in increasing costs of non-sterling denominated auto-parts (including the engines purchased in euro from Daimler and Ford) and other raw materials, as well as other obligations. Similarly, a majority of the Group's suppliers are located in EU member states and so fiscal or other restrictions on the free movement of goods (including as a result of customs duties, import tariffs or other restrictions on trade), or termination provisions in the Group's supply agreement with them, could also have a material adverse effect on the Group's supply chain and, consequently, on its production schedule and costs and the Group may not be able to sell its cars to customers at prices which reflect such increased costs which could negatively impact its margins and profitability.

Following the end of the transition period, there are likely to be changes in the legal rights and obligations of commercial parties across all industries. Given the high correlation in luxury markets between demand and the wealth, economic growth and stability in the markets generating that demand, there is a risk that Brexit, other political developments or developments otherwise affecting market confidence could negatively affect consumer behaviour and, consequently, the volume of sales and demand for the Group's cars.

In addition, a significant portion of the Group's engineers and factory workers are from other European countries and there is a risk that Brexit will affect the Group's ability to retain and recruit skilled workers from this wider European labour market.

Changes in laws and regulations, including export, tax and employment laws and regulations, could adversely impact the Group's ability to continue manufacturing its cars in the U.K. The Group's plants in the U.K. use "just in time" manufacturing methods, where parts arrive at sites shortly before they are needed on assembly lines, and disruptions to the Group's supply chain as a result of Brexit or other U.K. or EU export controls could cause business interruptions in its U.K. plants or require higher but less efficient inventory levels. Increased inventory levels have had, and are expected to continue to have, an adverse impact on the Group's cash flow levels and working capital. In connection with Brexit, the Group has tested plans to mitigate the impact on the business from potential supply chain disruptions of a Brexit in an unstructured manner. However, the Group cannot guarantee that its plans will be sufficient to mitigate the impact of Brexit on its supply chain and to the extent its plans are insufficient, Brexit could have a material effect on its business, cash flows, financial position and results of operations.

Furthermore, the U.K. regulatory requirements following the transition period could be subject to significant change and could place additional burdens on manufacturers selling their products in the U.K., which could affect the Group's financial performance, as the U.K. market is significant to the Group (representing £229.6 million, or 23 per cent., of its revenues for the year ended 31 December 2019).

New laws, regulations or policies of governmental organisations regarding increased fuel economy requirements, reduced greenhouse gas or pollutant emissions or vehicle safety could give rise to significant costs.

The Group is subject to comprehensive and constantly evolving laws, regulations and policies related to environmental matters (and, in particular, climate change) and health and safety throughout the world. Capital and operating expenses required in order to comply with environmental laws and regulations can be significant, and violations may result in substantial fines and penalties, third-party damages, suspension of production or a cessation of the Group's operations. The Group expects that the extent of the legal and regulatory requirements in these areas and the related effect on its operations and costs of compliance will continue to increase in the future.

In general, there is a clear move towards increasingly stringent vehicle emissions regulations, particularly for conventional drive systems, not only in the developed markets of Europe and North America, but also in emerging markets such as China. Several jurisdictions have also announced plans to phase out internal-combustion engine cars entirely. Moreover, further tightening and scrutiny could be forthcoming given the ongoing focus on emissions testing and on-road performance, which could lead to significant additional investments to comply with new regulations as well as risks of limited market availability of products. As a small-volume manufacturer, the Group is able to rely on certain exemptions and/or alternative standards in some of its markets. The Group would be subject to more stringent standards and increased costs if the Group was to lose its status as a small-volume manufacturer in any of its markets (either because the requirements for such status change, because the Group is not able to meet the required standards for operational independence or otherwise) or the required standards under any applicable regimes were to change. Even though the Group is currently able to rely on certain exemptions and/or alternative standards for small-volume manufacturers, under the regulatory framework in some of the markets in which the Group operates, including the EU and the United States, the Group will be required to comply with stricter standards in future periods. For example, from January 2021, the Group will be subject in the EU to the Real-world Driving Emissions tests and the Evaporative Emissions test method, which currently do not apply to the Group as the Group is eligible for a small-volume manufacturer provision within the relevant emissions standards.

While the Group is managing its product development and production operations on a global basis to reduce costs and lead times, unique national or regional standards can result in additional costs for product development, testing and manufacturing. Governments often require the implementation of new requirements during the middle of a product cycle, which can be substantially more expensive than accommodating these requirements during the design of a new product. The imposition of any additional taxes and levies or changes in government policies designed to limit the use of high-emission vehicles, such as high performance sports cars or automobiles more generally, could also adversely affect the demand for the Group's cars and results of its operations. For example, a bill significantly increasing such taxes based on cars' CO_2 emissions is currently in the process of being implemented in France.

Violations of existing or future laws and regulations may occur, among other ways, from errors in monitoring emissions from products or production sites into the environment, such as the use of incorrect methodologies or defective or inappropriate measuring equipment, errors in manually capturing results or other mistaken or unauthorised acts of the Group's employees, suppliers or agents. As a result of any current or future emissions requirements, the Group may be required to apply for exemptions for small-scale producers, pay penalties, make significant investments, alter its product line-up or be unable to sell its products in certain jurisdictions. In addition, to comply with current and future environmental, health and safety norms (such as air emissions, maintenance of safe workplace conditions and regulations that impose responsibility on vehicle manufacturers to fund the recovery, recycling and disposal of vehicle parts, including lead-acid batteries, at the end of their useful life), the Group may have to incur substantial capital expenditure and research and development expenditure to upgrade its products and manufacturing facilities. All of these factors could increase the Group's costs significantly.

Conditions in the global economy may adversely affect the Group's business, financial position and results of operations.

The Group operates in the HLS car market and accordingly its performance is linked to market conditions and consumer demand in that market. Sales of HLS cars are affected by general economic conditions, and can be materially affected by the economic cycle. Demand for luxury goods, including HLS cars, is inherently volatile and depends to a large extent on the general economic, political and social conditions in a given market. Furthermore, economic slowdowns in the past have significantly affected the automotive and related markets. Periods of deteriorating general economic conditions may result in a significant reduction in HLS car sales, which may negatively affect the Group's profitability and put downward pressure on its product and service prices and volumes. These effects may have a more pronounced effect on the Group's business, due to the relatively small scale of its operations and its limited product range.

The current COVID-19 pandemic has led to a significant number of adverse effects on the Group's business and results of operations. With respect to external impacts, governmental authorities around the world have implemented measures to reduce the spread of the COVID-19 pandemic, resulting in a substantial curtailment of the global economy. For example, in the first quarter of 2020, gross domestic product decreased by 36 per cent. in China, and in the second quarter of 2020, gross domestic product dropped by 60 per cent. in the U.K., by 39 per cent. in the EU and by 32 per cent. in the U.S. (real GDP changes over previous period). In particular, the pandemic has caused dealer and consumer demand for cars to decline significantly, in part due to lockdown measures imposed in the regions in which the Group operates.

The effect of adverse economic conditions could also be exacerbated by the Group's dealer network taking steps to improve their financial condition in the face of decreasing overall demand, including the sale of floor and demonstration models by dealers at prices below the retail price of the Group's cars, fewer purchases of demonstration and floor models by dealers and dealers reducing prices of pre-owned Aston Martin cars. All of these actions taken by dealers may reduce demand for the Group's new cars.

Declines in demand associated with economic conditions may require cutbacks in production, reduced working hours and redundancies to reduce the Group's cost base. Redundancies may increase costs in the short term and may also lead to capacity constraints when demand recovers. Other measures taken to reduce production levels, such as factory or assembly line closures and reduced working hours, may also lead to capacity constraints when demand recovers. Inability to meet demand during an economic recovery could weaken the Group's relative market position compared to its competitors and reduce potential revenues and profits.

Downturns in general economic conditions may also materially affect the Group's suppliers. Adverse economic conditions may cause suppliers to be unable to meet their commitments to the Group, which could limit its ability to produce sufficient numbers of cars to meet demand, or its ability to produce any cars at all. The Group's suppliers may also seek to reduce their costs in response to adverse economic conditions, which could reduce the quality of their products, which, in turn, could damage its reputation. Suppliers may also seek to make changes in the credit terms they extend to the Group or request the Group to keep sufficient liquidity, each of which could affect its liquidity position.

The Group faces credit and market risks arising from foreign currency exchange rates, commodity prices, interest rates and related hedging activities.

The Group is exposed to risks in respect of changing market prices, such as foreign currency exchange rates, commodity prices and interest rates. The Group operates globally and generate a significant portion of its revenue in currencies other than pound sterling, including, in particular, the U.S. dollar and the euro. Uncertainty concerning the terms of Brexit could cause greater volatility in the pound sterling against foreign currencies in which the Group conducts business and heighten its translation risk. An unfavourable exchange rate trend could affect operating results as well as its financial position and cash flow.

A portion of the Group's costs are denominated in a variety of currencies, in particular the euro, which is the currency in which the Group purchases engines from Daimler and Ford. In addition, 53 per cent. of the Group's gross debt was denominated in U.S. dollar as of 30 September 2020. Since the Brexit referendum, the exchange rate of the pound sterling vis-à-vis other currencies has dropped significantly, which has resulted, and may continue to result in, increasing costs of non-sterling denominated auto-parts and other raw materials, as well as finance costs and other obligations. If all other variables were held constant and assuming that none of the U.S. dollar exposures are hedged, if the U.S. dollar to pound sterling exchange rate were to decrease by five percent, the effect on the Group's loss after tax in 2019 would have been a reduction of £8.6 million.

Over the past three years there have been significant exchange rate fluctuations, particularly with respect to the performance of the pound sterling, the U.S. dollar, the euro and the yen, which have had a corresponding effect on the Group's business, financial position and results of operation. In addition, the New Dollar Notes will be denominated in U.S. dollar and could be subject to further exchange rate-related impacts in the future.

The Group seeks to manage currency risk through hedging where possible; however, there are risks associated with the use of such instruments. While limiting to some degree the Group's exposure to risk from fluctuations in currency exchange, such hedging instruments (including derivative financial instruments) may be ineffective or may not offset more than a portion of the adverse financial effect resulting from variations to such rates. The Group is also exposed to counterparty credit (or repayment) risk in respect of counterparties to hedging contracts.

Exposure to domestic and global political developments could negatively affect the Group.

Political change has the potential to directly affect the Group through the introduction of new laws (including tax and environmental laws) or regulations or indirectly by altering customer sentiment. Government policy in areas such as trade and the environment also have the opportunity to impact the business through the introduction of new barriers, for example in relation to the trade between the U.K. and the EU or through changes in emissions legislation. Any future change in government in both the UK and the Group's key markets could have an impact on the Group due to changes in policy, legislation or regulatory interpretation.

The Group may also be affected by geopolitical events, including instability within the Eurozone, ongoing uncertainty regarding the relationship between the U.K. and the EU after the expiration of the transition period, a second independence referendum in Scotland, uncertainty as to the global effect of the current U.S. administration and the upcoming U.S. elections, strained relations with North Korea and Russia, tensions in the South China Sea, tensions in Iran and the Middle East as well as any widespread increases in protectionism and global tariffs. For example, the announcement of unilateral tariffs on imported products by the U.S. has triggered retaliatory actions from certain foreign governments and may trigger retaliatory actions by other foreign governments, potentially resulting in a "trade war." A "trade war" of this nature or other governmental action related to tariffs or international trade agreements, the impact of which cannot yet be fully assessed, could negatively affect the economics of the end-markets in which the Group operates (such as the U.S. and China), including regional or global demand for automobiles and automobile components, and the Group's customers' ability to purchase its cars.

Additional developments may also occur that the Group cannot currently know about or anticipate, or that may be impossible to plan for or protect against. It is possible that the effects of such geopolitical events will include further financial instability and slower economic growth, significant regulatory changes, currency fluctuations and higher unemployment and inflation in the U.K., continental Europe and the global economy, at least in the short to medium term. It could also create constraints on the Group's ability to operate efficiently in the future political environment.

Developments in emerging markets may adversely affect the Group's business.

The Group operates in a number of emerging markets, both directly and through its dealers in Asia Pacific (including, in particular, China) and the Middle East regions.

The Group's strategy contemplates expanding its sales in Asia Pacific and the Middle East regions, recognising the increasing number of HNWIs in these markets. While demand in these markets has increased in recent years, due to sustained economic growth and growth in personal income and wealth, the extent to which economic growth in these emerging markets will be sustained is unknown. Potential slowdowns in the rate of growth in these and in other emerging markets, rising geopolitical tensions and changes in export, import and tariff policies could limit the opportunity for the Group to increase unit sales and revenues in those regions in the near term. For example, the announcement of unilateral tariffs on imported products by the U.S. has triggered retaliatory actions from certain foreign governments and may trigger retaliatory actions by other foreign governments, potentially resulting in a "trade war" which could negatively affect the economics of the end-markets in which the Group operates (such as the U.S. and China), including regional or global demand for automobiles and automobile components, and the Group's customers' ability to purchase its cars. See "*Exposure to domestic and global political developments could negatively affect the Group.*"

The Group's exposure to emerging markets is likely to increase as the Group pursues expanded sales in such markets and, as a result, economic and political developments in emerging markets, including economic crises or political instability, could affect the Group. Further, in certain markets in which the Group or its dealers operate, the requirement for government approvals may limit the ability to act quickly in making decisions regarding its operations in those markets. Other government actions may also affect the market for luxury goods in these markets, such as legislative or tax changes. For example, legislation is changing rapidly in some of these regions and the introduction of new legislation might be unexpectedly accelerated, meaning that the Group is not able to implement the necessary steps to be compliant by the time such changes take effect. Some jurisdictions, such as China, also present an increased risk in this regard, due to the lack of predictability and visibility in respect of new legislation and regulation, meaning that, in an extreme scenario, the Group could be prevented from selling cars in a particular region following an unexpected and significant change in the legal or regulatory position.

Maintaining and strengthening its position in these emerging markets is a key component of the Group's global competitiveness. However, initiatives from several global luxury automotive manufacturers have increased competitive pressures for luxury cars in several emerging markets. As these markets continue to grow, there is a risk that additional competitors, both international and domestic, will seek to enter these markets and that existing market participants will try aggressively to protect or increase their market share. Increased competition may result in pricing pressures, reduced margins and the Group's inability to gain or hold market share.

Changes in tax, tariff or fiscal policies could adversely affect demand for the Group's products.

The imposition of any additional taxes and levies or changes in government policies designed to limit the use of high performance sports cars or automobiles more generally could adversely affect the demand for the Group's vehicles and its results of operations. Changes in corporate and other taxation policies, as well as changes in export and other incentives given by various governments or import or tariff policies (as a result of Brexit or otherwise), could also adversely affect the Group's results of operations. For example, the U.S. government's current administration has adopted a policy of levying tariffs on goods and materials imported into the U.S. These tariffs could have an adverse effect on the Group's position in the U.S. market. See also "*Exposure to domestic and global political developments could negatively affect the Group.*"

The Group may lose or fail to maintain licenses or permissions that the Group currently uses to export its products into other markets.

In order to export its cars into certain jurisdictions, the Group maintains various permits and licenses from the relevant governmental bodies. To maintain these permits and licenses, the Group must meet certain standards. Any failure to satisfy such standards or maintain or renew the relevant permits or licenses or the revocation of any such permits or licenses due to regulatory changes could result in the Group's inability to export its products into such markets. Any loss of such a permit or license preventing the Group from selling its products in certain markets could materially and adversely affect its business, brand, prospects, results of operations, cash flow and financial condition.

The Group is in some cases subject to the residual value risk under lease financing agreements.

The Group is exposed to potential losses on the disposal of vehicles resulting from the residual value risk under lease financing agreements. While the Group is aiming to mitigate any relevant risks by sharing the risk with third parties, including by using irrevocable letters of credit, risk-sharing agreements and bank guarantees, the relevant arrangements require the Group to bear certain parts of the residual value risk. Any substantial decreases of proceeds from the sale of used cars under lease financing agreements, could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may not succeed in adequately protecting its intellectual property and know-how.

The Group possesses a number of registered intellectual property rights, including patents, registered trademarks and registered designs ("Registered IP") and other industrial or intellectual property rights (including certain confidential know-how, trade secrets, database rights and copyrights), (together with Registered IP, "IP"), a number of which are of essential importance to the Group's business success. The grant of Registered IP and the Group's ownership of other IP does not necessarily mean that it is possible to enforce any claims against third parties to the required or desired extent. Furthermore, it cannot be ruled out that the Group's IP could be infringed or challenged by third parties, as has happened in the past, or that its confidential know-how or trade secrets could be misappropriated or disclosed to the public without its consent. In such cases, the Group may not be able to, or may be limited in its ability to, prevent such infringements, misappropriations or disclosures, despite its ownership of IP. This applies particularly to instances of product piracy where the Group's components are copied, possibly with poor quality, resulting in an additional reputation risk and warranty risk for the Group. In addition, there is no guarantee that all applications for Registered IP filed or intended to be filed by the Group for its new technologies will be issued or granted in all countries where the Group believes this to be prudent. Additionally, it cannot be ruled out that, independently of the Group, third parties might develop the same or similar know-how or trade secrets or obtain access to them.

Inadequate IP protection or loss of IP protection may restrict the Group's ability to exploit technological advances profitably or may lead to a reduction in future income, as other manufacturers may be able to manufacture and market products similar to those developed by the Group with fewer development expenses of their own and, hence, more cost effectively. This could harm the Group's competitive position. Moreover, high costs may be incurred in responding to infringements of IP or disclosure of misappropriations of the Group's know-how and trade secrets. The occurrence of any of these events may have a material adverse effect on the Group's business, financial position and results of operations.

It cannot be ruled out that the Group may be held liable for an infringement of third-party IP or misappropriation of third-party know-how or trade secrets or may be dependent upon the costly use of third-party IP.

Although the Group believes that it holds all the rights required for its business operations (the Group's own IP and third-party licenses), the risk of infringement or misappropriation of IP and know-how/trade secrets of third parties cannot be completely excluded, since many competitors and suppliers also submit patent applications for their inventions and subsequently secure patent protection or other IP. Moreover, findings of infringements or other violations by courts or even the mere assertion of infringements or violations of IP rights or know-how/trade secrets could have a negative effect on the Group. In such cases, the Group may be barred from marketing products in the jurisdiction concerned and might potentially be compelled to acquire licenses on unfavourable terms or modify its manufacturing processes. This could lead to further legal disputes or settlement negotiations, which may give rise to significant costs and may disrupt its operations. In addition, the Group could be required to pay damages or redesign products or processes infringing or misappropriating IP. There is no guarantee that the Group will be able to obtain the licenses necessary for its business success in the future to the extent necessary and on reasonable terms and conditions. The Group also relies on licenses of certain IP from third parties and cannot rule out that these licenses could be terminated under certain circumstances. There can also be no assurance that the existing licensing agreements will be extended.

All the above factors could, individually or collectively, lead to delivery and production restrictions and/or interruptions, and have a material adverse effect on the Group's business, financial position and results of operations.

The Group relies on confidential know-how and trade secrets to protect its IP that cannot be patented and it depends on the confidentiality of this information being maintained.

Certain of the Group's secrets and confidential information cannot be or has not been patented and requires confidentiality restrictions to be put in place with those to whom this information is disclosed to protect this proprietary information. The Group relies on individuals to comply with those obligations and, if there are breaches, valuable information could fall into the public domain and be used by the Group's competitors. Equally, the movement of employees between the Group and its competitors could result in an increased risk of this information being shared with and used by competitors.

These factors could, individually or collectively, lead to the Group's competitors having access to its confidential information and using it to their advantage which could have a material adverse effect on the Group's business, financial position and results of operations.

The Group is exposed to operational risks, including risks in connection with the use of information technology ("IT") and personal data.

Due to the Group's complex manufacturing, research, procurement, and sales and marketing operations, the Group is exposed to a variety of financial and operational risks, including in respect of the use of IT and personal data. These risks include, but are not limited to, losses that are caused by:

(i) disruption or malfunction of IT systems, including hardware, platforms, technologies, applications, computer networks and telecommunications systems (including as a result of malicious acts by third parties and employees);

(ii) disruption, damage or interruption to power supply;

(iii) mechanical or equipment failures;

(iv) human error or violation of internal policies or legal requirements by employees; or

(v) pandemics and natural disasters.

If any IT system the Group uses in the conduct of its business, including those of its third-party service providers, fails to function properly and cannot be remedied, the Group's business may experience material disruption that could require significant additional investment to remedy or may not be capable of remedy at all.

The Group is generally exposed to risks in the field of IT because unauthorised access to or misuse of data processed on its IT systems or those of its third-party service providers (including cloud-based providers), cybercrime, human errors associated therewith, end of life applications or technological failures of any kind could disrupt the Group's operations, including the manufacturing, design and engineering processes. In particular, cybercrime can be technologically sophisticated and it may be difficult or impossible to detect and defend against. A significant malfunction or disruption in the Group's IT systems or those of its third-party service providers (including cloud-based providers), or a security breach that compromises the confidential and sensitive information stored in any of those systems, could disrupt the Group's business and materially affect its trade secrets, IP, reputation and customer base, which could then, for example, expose the Group to potential liability or litigation (including in respect of enforcement actions by regulators in respect of data protection and related laws and regulations) or additional costs to the Group's operations to address such a disruption. As the Group's technology continues to evolve, including the increasing use of internet-connected vehicle components, the Group anticipates that it will collect and store even more data in the future and that its IT systems and those of its third-party service providers (including cloud-based providers) will face an increased risk of both wilful and unintentional security breaches.

As part of its business, the Group collects, retains and processes certain confidential information, including the personal data of customers and employees. As a result, the Group's operations are subject to data protection and privacy laws, including the EU General Data Protection Regulation (the "GDPR"). The GDPR, which came into force on 25 May 2018, has increased the Group's regulatory responsibilities when processing personal customer, employee and other data in the conduct of its business and may lead to significant financial penalties if the Group breaches the requirements of the GDPR.

If the measures put in place to protect against operational risks, risks in connection with the use of IT and the security of personal data collected by the Group prove insufficient, its results of operations and financial condition may be materially affected.

Compliance with certain vehicle safety regulations may have an adverse effect on the Group.

New regulations with respect to vehicle safety (including vehicle-to-vehicle and vehicle-to-infrastructure communications and related technologies) could come into force in the near future. For example, the U.S. National Highway Travel Safety Administration ("NHTSA") has issued a notice of proposed rulemaking that would require all new light vehicles to be capable of vehicle-to-vehicle communications, such that they will send and receive basic safety messages to and from other vehicles. These regulations may require the Group to develop (or purchase) new products and technologies, resulting in additional costs and risks associated with its ability or inability to develop or procure compliant systems.

The Group may become subject to risks arising from legal disputes and may become the subject of government investigations.

In connection with its general business activities, the Group may become the subject of legal disputes and governmental or regulatory investigations in the U.K., as well as in other jurisdictions. Such investigations may, in particular, arise from the Group's relationships with authorities, suppliers, dealers, customers or investors. The Group may be required to pay fines, take certain actions or refrain from other actions.

The Group operates in several jurisdictions around the world and are subject to local laws and regulations, which could vary significantly from the laws and regulations of the U.K. and the United States. For example, in connection with certain arbitration proceedings in China pursued by a terminated dealer, three Chinese bank accounts have been frozen in 2019 (holding the pound sterling equivalent of £8.7 million in total; as of 30 September 2020, the balance held was the pound sterling equivalent of £10.6 million in total) pursuant to property protection orders routinely granted by local authorities for the benefit of claimants in arbitral proceedings. While the Group is challenging these orders to free its assets, it may not be successful in doing so, and the Group cannot guarantee that this, or other similar actions in other jurisdictions, will not interfere with day-to-day local operations.

To the extent that customers, particularly in the U.S., assert claims in relation to defects individually or in a class action lawsuit, the Group may be compelled to initiate costly defence measures and pay significant amounts in damages. Complaints, actions relating to patent rights and antitrust disputes brought by suppliers, dealers, investors or other third parties may result in legal costs, the award of damages and/or reputational damage.

Since a number of risks cannot be reliably predicted, losses could exceed insured amounts or amounts recognised as provisions. In addition, any claims, whether or not successful, could have an adverse effect on the Group's brand and reputation. Furthermore, given the relatively small scale of the Group's operations, the consequences of any claims and the related management time required to deal with such claim could have a significant effect on its ability to operate its business.

The Group may become subject to product liability claims.

The automobile industry experiences significant product liability claims and the Group is exposed to an inherent risk of exposure to such a claim where its cars do not perform as expected or malfunction resulting in personal injury or death. Additionally, failure to keep up with state-of-the-art technologies could be considered as a defect and lead to an increased risk from a product liability perspective.

From time to time, the Group is, and may in the future become, subject to product liability claims. Where a product liability claim is successful, it could result in a substantial monetary award and significant reputational damage to the brand. While the Group insures against such risks, there can be no guarantee that any claim under the appropriate insurance policy will be honoured fully or in a timely manner or that the insurance cover will be sufficient to meet the full monetary award in connection with a claim. Further, the Group may not be able to secure additional product liability insurance cover on commercially acceptable terms or at reasonable cost when needed, particularly if it does face liability for its products and is forced to make a claim under existing policies.

The Group is exposed to risks in connection with product-related guarantees and warranties, as well as the provision of voluntary services, which may be costly.

The Group is obliged to provide extensive warranties to its customers, dealers and distributors. There is a risk that, relative to the guarantees and warranties provided, the calculated product prices and the provisions for the Group's guarantee and warranty risks have been set, or will in the future be set, too low. In the year ended 31 December 2019, the Group held a provision of £28.2 million for expected claims based on volume of cars built per year and past experience of the level of actual warranty claims received. There is also a risk that the Group will be required to extend the guarantee or warranty originally granted in certain markets, or to provide services as a courtesy or for reasons of reputation where the Group is not legally obliged to do so, and for which the Group will generally not be able to assert claims in recourse against suppliers or insurers. In addition, the Group may from time to time be required to recall certain products. Any of the foregoing could have a material adverse effect on the Group's business, financial position and results of operations.

The Group's insurance cover may not be adequate to protect the Group against all potential losses to which the Group may be subject.

While the Group believes that the insurance cover that it maintains is reasonably adequate to cover all the risks associated with the operation of its business, there can be no assurance that any claim under such insurance will be honoured fully or in a timely manner, that its insurance cover will be sufficient and will cover relevant risks or that its insurance premiums will not increase substantially. Accordingly, to the extent that the Group suffers loss or damage that is not covered by insurance or which exceeds its insurance cover, or have to pay higher insurance premiums, the Group's financial condition may be affected.

The Company is currently non-compliant with the U.K. Corporate Governance Code in relation to the proportion of non-independent directors on the Board and could be required to explain the reason for non-compliance to its shareholders.

As of the date of this document, three of the Company's seven Directors (excluding for these purposes the Executive Chairman) are considered independent Non-Executive Directors for the purposes of the U.K. Corporate Governance Code. The U.K. Corporate Governance Code recommends that (i) at least half the board, excluding the chair should be non-executive directors whom the board considers to be independent, (ii) a Group's remuneration and audit committees should be comprised solely of independent non-executive directors with a minimum of three on the relevant committee and (iii) the board's nomination committee should be comprised of a majority of independent non-executive directors.

The Company is therefore currently non-compliant with the U.K. Corporate Governance Code in relation to the proportion of independent Non-Executive Directors on the Board (with four non-independent Directors and three independent) but is compliant in respect of the composition of its committees.

In addition, in connection with the Strategic Cooperation, the Company and MBAG have entered into a relationship agreement (the "MBAG Relationship Agreement") pursuant to which MBAG shall be able to nominate two Non-Executive Directors to the Board so long as its shareholding in the Company is equal to or exceeds 15 per cent. and one Non-Executive Director to the Board so long as its shareholding in the Company is equal to or exceeds 7.5 per cent. MBAG shall also be able to appoint one Director as a member of the Nomination Committee so long as its shareholding in the Company is equal to or exceeds 7.5 per cent. As a result, the Company is expected to (i) become non-compliant with the U.K. Corporate Governance Code in relation to the proportion of independent Non-Executive Directors on the Nomination Committee and (ii) require a larger number of independent Non-Executive Directors in order to become compliant in respect of the Board composition.

The Company is currently undergoing a search for suitable independent non-executive director candidates to appoint to the Board and has identified a number of qualified potential candidates who the Company is in the process of vetting. At this stage no offer has been made or accepted. If the Company is unable to appoint suitable candidates, the Company may continue to be non-compliant with the U.K. Corporate Governance Code which would require the Company to explain the reasons for this in its upcoming 2020 annual report. This explanation would include how the Company's actual practices are consistent with the U.K. Corporate Governance Code principles, the actions the Company is taking to become compliant with the U.K. Corporate Governance Code and timing for this and any mitigating actions being taken to address any additional risk that may arise from non-compliance. Continuing non-compliance with the U.K. Corporate Governance Code could have an adverse impact on the Company's relationship with its Shareholders.

Risks relating to the Ordinary Shares

The Yew Tree Consortium and the Adeem/PW Shareholder Group have, and MBAG will have following Admission of the Tranche 1 Consideration Shares and Placing Shares, significant interests in the Company and their interests may differ from those of other Shareholders.

Immediately following Admission of the Tranche 1 Consideration Shares and Placing Shares, the Yew Tree Consortium, the Adeem/PW Shareholder Group and MBAG are expected to beneficially own 21.58 per cent., 7.31 per cent. and 11.85 per cent., respectively, of the issued ordinary share capital of the Company.

Under their respective relationship agreements with the Company, each of the Yew Tree Consortium and the Adeem/PW Shareholder Group shall be able to nominate two non-executive directors to the Board so long as its shareholding in the Company is equal to or exceeds 10 per cent. and one non-executive director to the Board so long as its shareholding in the Company is equal to or exceeds seven per cent. As at the date of this document, the Yew Tree Consortium and the Adeem/PW Shareholder Group control, in aggregate, four of the nine Board seats, including Lawrence Stroll (on behalf of the Yew Tree Consortium) as Executive Chair. In addition, pursuant to the MBAG Relationship Agreement, MBAG shall be able to nominate two Non-Executive Directors to the Board so long as its shareholding in the Company is equal to or exceeds 15 per cent. and one Non-Executive Director to the Board so long as its shareholding in the Company is equal to or exceeds 7.5 per cent.

The interests of the Yew Tree Consortium, the Adeem/PW Shareholder Group and MBAG may not necessarily be aligned with each other or with those of other Shareholders.

The Company has entered into separate relationship agreements with each of the Yew Tree Consortium, the Adeem/PW Shareholder Group and MBAG, the principal purpose of which is to document the aforementioned director nomination rights and certain other governance arrangements between the Company and each of the Yew Tree Consortium, the Adeem/PW Shareholder Group and MBAG. Throughout the terms of the Relationship Agreements, the Company has agreed not to take any action in relation to certain matters without prior approval of at least two-thirds of Directors present at a meeting and entitled to vote. These matters include, among others, any changes to the material activities of the Group, any material acquisition or disposition, the adoption of or changes to the Group's annual budget or its business plan, the incurrence of indebtedness above certain specified thresholds, the issuance of securities, changes to the size of the Board and the nomination committee, the appointment or dismissal of Executive Directors and the grant of certain equity incentive awards.

Each of the Yew Tree Consortium, the Adeem/PW Shareholder Group and MBAG is or will be able to exercise significant influence over matters requiring shareholder approval (including the election of directors and significant transactions) and through their board appointment rights. The concentration of ownership may have the effect of delaying, deterring or preventing a change in control, merger, consolidation, takeover or other business combination or discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control, which could in turn have an adverse effect on the trading price of the Ordinary Shares.

The market price of the Ordinary Shares could be negatively affected by sales of substantial amounts of such Ordinary Shares in the public markets or the perception that these sales could occur.

Following Admission of the Tranche 1 Consideration Shares and Placing Shares, the Yew Tree Consortium, the Adeem/PW Shareholder Group and MBAG are expected to beneficially own, in aggregate, approximately 40.73 per cent. of the Company's share capital. The issue or sale of a substantial number of Ordinary Shares by the Company, the Yew Tree Consortium, the Adeem/PW Shareholder Group, MBAG, the Directors or the Senior Managers in the public market, or the perception that these sales may occur, may depress the market price of the Ordinary Shares and could impair the Company's ability to raise capital through the sale of additional equity securities.

The market price of the Ordinary Shares could be subject to volatility.

The market price of the Ordinary Shares could be subject to significant fluctuations due to a change in sentiment in the market regarding the Ordinary Shares (or securities similar to them), including, in particular, in response to various facts and events, including any regulatory changes affecting the Group's operations, variations in the Group's operating results and/or business developments of the Group and/or its competitors. Stock markets have from time to time experienced significant price and volume fluctuations that have affected the market prices for securities and which may be unrelated to the Company's operating performance or prospects. Furthermore, the Group's operating results and prospects from time to time may be below the expectations of market analysts and investors. Any of these events could result in a decline in the market price of the Ordinary Shares.

Investors in the Ordinary Shares may be subject to exchange rate risk.

The Ordinary Shares are, and any dividends to be paid in respect of them will be, denominated in pounds sterling. An investment in Ordinary Shares by an investor whose principal currency is not pounds sterling exposes the investor to foreign currency exchange rate risk. Any depreciation of pounds sterling in relation to such foreign currency will reduce the value of the investment in the Ordinary Shares or any dividends in foreign currency terms.

It may not be possible to effect service of process upon the Company or the Directors or enforce court judgments against the Company or the Directors.

The Company is incorporated in England and Wales. As a result, it may not be possible for investors outside of the United Kingdom to effect service of process outside the United Kingdom against the Company or the Directors or to enforce the judgement of a court outside the United Kingdom against the Company or the Directors.

The Company does not currently pay dividends on the Ordinary Shares and its ability to do so in the future will depend on the availability of distributable reserves.

The Company's ability to pay dividends is limited under English company law, which limits a company to only paying cash dividends to the extent that it has distributable reserves and cash available for this purpose. As a holding company, the Company's ability to pay dividends in the future is affected by a number of factors, principally its ability to receive sufficient dividends from subsidiaries. The payment of dividends to the Company by its subsidiaries is, in turn, subject to restrictions, including certain regulatory requirements and the existence of sufficient distributable reserves and cash in the Company's subsidiaries. The ability of these subsidiaries to pay dividends and the Company's ability to receive distributions from its investments in other entities are subject to applicable local laws and regulatory requirements and other restrictions, including, but not limited to, applicable tax laws and covenants in some of the Company's debt facilities. These laws and restrictions could limit the payment of dividends and distributions to the Company by its subsidiaries, which could restrict the Company's ability to fund other operations or to pay a dividend to the Shareholders.

The issuance of additional Ordinary Shares in the Company in connection with future acquisitions, any share incentive or share option plan or otherwise may dilute all other shareholdings.

The Group may seek to raise financing to fund future acquisitions and other growth opportunities. The Company may, for these and other purposes, issue additional equity or convertible equity securities (which, for the avoidance of doubt, would be done within existing Shareholder authorities granted at the Company's annual general meetings or under new Shareholder authorities to be sought at the time of any such additional issuances). In addition, under the terms of the Strategic Cooperation Agreement, the Company may issue at future dates the Tranche 2 Consideration Shares and Tranche 3 Consideration Shares to MBAG in consideration for certain MBAG Technology. As a result of any of the above, Shareholders may suffer dilution in their percentage ownership or the market price of the Ordinary Shares may be adversely affected.

PART 2

Presentation of Financial and Other Information

General

Only the information in this document should be relied upon. No person has been authorised to give any information or make any representations other than those contained in this document or incorporated by reference herein and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company, the Directors, the Sponsor or J.P. Morgan Cazenove. No representation or warranty, express or implied, is made by the Sponsor, J.P. Morgan Cazenove or any of their respective affiliates as to the accuracy or completeness of such information, and nothing contained in this document is, or shall be relied upon as, a promise or representation by the Sponsor, J.P. Morgan Cazenove or any of their respective affiliates as to the past, present or future.

The Company will update the information provided in this document by means of a supplement if a significant new factor that may affect the assessment of the securities by prospective investors occurs after the publication of this document or if this document contains any material mistake or substantial inaccuracy. This document and any supplement will be subject to approval by the FCA (as competent authority under Regulation (EU) 2017/1129) and will be made public in accordance with the Prospectus Regulation Rules.

Market and industry information

Unless the source is otherwise stated, the market, economic and industry data in this document constitute the Directors' estimates, using underlying data from independent third parties. Market data and certain industry data and forecasts included in this document have been obtained from internal company surveys, market research, consultant surveys, publicly available information, reports of governmental agencies and industry publications and surveys, including the World Wealth Report 2020 from Capgemini.

The Company confirms that all third-party data contained in this document has been accurately reproduced and, so far as the Company is aware and able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where third-party information has been used in this document, the source of such information has been identified. While industry surveys, publications, consultant surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, the accuracy and completeness of such information is not guaranteed. The Company has not independently verified any of the data from third-party sources, nor has the Company ascertained the underlying economic assumptions relied upon therein. Similarly, internal surveys, industry forecasts and market research, which the Company believes to be reliable based upon the Directors' knowledge of the industry, have not been independently verified. Statements as to the Group's market position are based on recently available data.

Cautionary note regarding forward-looking statements

This document includes certain forward-looking statements, forecasts, estimates, projections and opinions ("Forward-looking Statements"). When used in this document, the words "anticipate", "believe", "estimate", "forecast", "expect", "intend", "plan", "project", "may", "will" or "should" or, in each case, their negative or other variations or similar expressions, as they relate to the Group, its management or third parties, identify Forward-looking Statements. Forward-looking Statements include statements regarding the Group's business strategy, objectives, financial condition, results of operations and market data, as well as any other statements that are not historical facts. These statements reflect beliefs of the Directors (including based on their expectations arising from pursuit of the Group's strategy), as well as assumptions made by the Directors and information currently available to the Company.

Although the Company believes that these beliefs and assumptions are reasonable, by their nature, Forward-looking Statements involve known and unknown risks, uncertainties, assumptions and other factors because they relate to events and depend on circumstances that will occur in the future whether or not outside the control of the Company. These factors, risks, uncertainties and assumptions could cause actual outcomes and results to be materially different from those projected. Past performance cannot be relied upon as a guide to future performance and should not be taken as a representation that trends or activities underlying past performance will continue in the future. No representation is made or will be made that any Forward-looking Statements will be achieved or will prove to be correct. These factors, risks, assumptions and uncertainties expressly qualify all subsequent oral and written Forward-looking Statements attributable to the Group or persons acting on its behalf.

None of the Company, the Directors, the Sponsor or J.P. Morgan Cazenove or any of their respective affiliates assume any obligation to update any Forward-looking Statement and disclaims any obligation to update their respective view of any risks or uncertainties described herein or to publicly announce the result of any revisions to the Forward-looking Statements made in this document, except as required by law (including, for the avoidance of doubt, the Prospectus Regulation Rules, the Listing Rules and Disclosure Guidance and Transparency Rules).

In addition, this document contains information concerning the Group's industry and its market and business segments generally, which is forward-looking in nature and is based on a variety of assumptions regarding the ways in which the industry, and the Group's market and business segments, will develop. These assumptions are based on information currently available to the Company. If any one or more of these assumptions turn out to be incorrect, actual market results may differ from those predicted. While the Company does not know what effect any such differences may have on the Group's business, if there are such differences, they could have a material adverse effect on the Group's future results of operations and financial condition.

Presentation of financial information

Unless otherwise indicated, the historical and other financial information presented in this document has been derived from (i) the audited consolidated financial statements of the Company as of and for the year ended 31 December 2019 (the "2019 Financial Statements"), (ii) the unaudited condensed consolidated financial statements of the Company as of and for the six months ended 30 June 2020 (the "H1 2020 Financial Statements") and (iii) the unaudited condensed consolidated financial statements of the Company as of and for the nine months ended 30 September 2020 (the "Q3 2020 Financial Statements").

The 2019 Financial Statements and the H1 2020 Financial Statements are each incorporated by reference into this document, as detailed in Part 15 (Documentation Incorporated by Reference). The Q3 2020 Financial Statements are included in Part 13 (Historical Financial Information of the Group).

The 2019 Financial Statements, the H1 2020 Financial Statements and the Q3 2020 Financial Statements are presented in pounds sterling and have been prepared in accordance with IFRS as adopted by the European Union.

Certain restated financial data

The Group's financial statements as of and for the year ended 31 December 2019 and the nine months ended 30 September 2019 have been amended to include an adjustment relating to revenue recognition in accordance with IFRS 15, which impacts the consolidated statement of financial position as of 1 January 2019, 30 September 2019 and 31 December 2019 and the consolidated statement of comprehensive income for the nine months ended 30 September 2019 and the year ended 31 December 2019. Such adjustment relates to the Group's revenue recognition in the United States with respect to the timing of accounting recognition of the majority of customer and retail incentive support (variable marketing expense) associated with supporting lease and other incentive programmes in the United States. The Group has historically accounted for the impact of variable marketing expenses through a reduction in revenues on subsequent sales of vehicles in line with the contractual terms upon which such marketing incentives are granted to dealers. While the Group has historically applied a consistent global approach in recording this reduction in revenue following wholesale transactions with dealers to reflect the incurrence of variable marketing expenses, the Group has corrected revenue recognition in respect of its US operations, due to the fact that its US business operates under a different contractual arrangement with US dealers. As a result of such amendments, the Group's historical revenues have been adjusted to reflect that variable marketing expenses should be recorded at the time a wholesale transaction occurs between the Group and the relevant US dealer with respect to its US operations, while variable marketing expenses continue to be recorded as a reduction on revenues for subsequent wholesale transactions in relation to the rest of the Group's operations. This is a non-cash adjustment and has no impact on the timing of the Group's historic or forecast cash flows. Pursuant to IFRS 15, future variable marketing expenses in the United States should be estimated and accrued for on the Group's consolidated statement of financial position and deducted from revenue at the point revenue is recognised for the wholesale of the vehicle to the dealer rather than at the time of retail sale by the dealer to the end customer. Due to the adjustment, an additional accrual required for variable marketing was reported in the statement of financial position as of 1 January 2019, 30 September 2019 and 31 December 2019 of £13.8 million, £21.8 million and £29.1 million, respectively, which, compared to the previously reported results, had a negative impact on EBITDA for the nine months ended 30 September 2019 and the year ended 31 December 2019 in an amount of £8.1 million and £15.3 million, respectively.

In addition, in the preparation of the unaudited condensed consolidated interim financial statements of the Company as of and for the nine months ended 30 September 2020 (i) the tax charge for the nine months ended 30 September 2019 has been restated to derecognise deferred tax related to future finance costs for which tax relief is deferred to future periods and where the likelihood of recoverability is not considered to support recognition of the asset, (ii) frozen cash as of 30 September 2019 has been reclassified from cash and cash equivalents to other financial assets in the consolidated statement of financial position, (iii) three further adjustments were recorded to restate the consolidated statement of financial position and consolidated statement of comprehensive income for the nine months ended 30 September 2019 with a net increase in profit before tax of £5.6 million and profit after tax of £4.6 million (iv) and retained earnings as of 1 January 2019 have been restated to correct for a brought forward taxation error, with a corresponding £2.9 million entry made to reduce trade and other receivables as of 30 September 2019 and increase trade and other payables as of 31 December 2019 in the consolidated statements of financial position.

The following table sets forth the impact of these restatements on the consolidated statement of comprehensive income for the year ended 31 December 2019 and the nine months ended 30 September 2019.

	For the year ended 31 December 2019			For the nine months ended 30 September 2019		
	2019 values as disclosed in the 2019 Financial Statements	**Impact of restatements (Increase / (decrease))**	**2019 values as disclosed in the Q3 2020 Financial Statements**	**September 2019 values before restatements**	**Impact of restatements (Increase / (decrease))**	**September 2019 values as disclosed in the Q3 2020 Financial Statements**
			(£ in millions) (unaudited)			
Revenue	997.3	(16.8)	980.5	657.2	(7.2)	650.0
Cost of sales	(642.7)	-	(642.7)	(413.4)	2.4	(411.0)
Gross profit/(loss)	**354.6**	**(16.8)**	**337.8**	**243.8**	**(4.8)**	**239.0**
Selling and distribution expenses	(95.0)	-	(95.0)	(71.6)	-	(71.6)
Administrative and other operating expenses	(277.3)	1.5	(275.8)	(180.4)	2.3	(178.1)
Other (expense)/ income	(19.0)	-	(19.0)	(19.0)	-	(19.0)
Operating profit/(loss)	**(36.7)**	**(15.3)**	**(52.0)**	**(27.2)**	**(2.5)**	**(29.7)**
Finance income	16.3	-	16.3	4.1	-	4.1
Finance expense	(83.9)	-	(83.9)	(69.2)	-	(69.2)
Profit/(loss) before tax	**(104.3)**	**(15.3)**	**(119.6)**	**(92.3)**	**(2.5)**	**(94.8)**
Income tax (charge)/ credit	(0.1)	2.1	2.0	19.4	(20.5)	(1.1)
Profit/(loss) for the period	**(104.4)**	**(13.2)**	**(117.6)**	**(72.9)**	**(23.0)**	**(95.9)**
Other comprehensive income/(loss) for the period, net of income tax	17.3	-	17.3	(15.4)	-	(15.4)
Total comprehensive income/(loss) for the period	**(87.1)**	**(13.2)**	**(100.3)**	**(88.3)**	**(23.0)**	**(111.3)**

The following table sets forth the impact of the adjustments on the consolidated statement of financial position as of 1 January 2019, 30 September 2019 and 31 December 2019.

	As of 1 January 2019			As of 30 September 2019			As of 31 December 2019		
	Values as disclosed in the 2019 Financial Statements, adjusted	Impact of restatements (increase/ (decrease))	Value as restated	Values before restatements	Impact of restatement (increase/ (decrease))	Value as restated	Values as originally disclosed in the 2019 Financial Statements	Impact of restatements (increase/ (decrease))	Value as restated
	(£ in millions) (unaudited)								
Deferred tax asset	32.1	0.6	32.7	41.9	(13.6)	28.3	45.7	-	45.7
Inventory	165.3	-	165.3	256.7	3.5	260.2	200.7	-	200.7
Trade and other receivables	243.0	(2.9)	240.1	193.1	(3.2)	189.9	249.7	-	249.7
Income tax receivable	0.8	-	0.8	4.0	(3.2)	0.8	0.3	-	0.3
Current trade and other payables	641.4	13.8	655.2	755.7	19.5	775.2	702.1	32.0	734.1
Income tax liability	4.9	-	4.9	5.2	(2.9)	2.3	8.9	-	8.9
Deferred tax liability	20.0	-	20.0	-	6.0	6.0	12.6	(2.7)	9.9
Net assets	**447.2**	**(16.1)**	**431.1**	**361.9**	**(39.1)**	**322.8**	**358.9**	**(29.3)**	**329.6**
Retained earnings	97.2	(16.1)	81.1	22.5	(39.1)	(17.6)	(13.5)	(29.3)	(42.8)
Equity attributable to owners of the group	437.0	(16.1)	420.9	347.6	(40.1)	307.5	344.8	(29.3)	315.5
Non-controlling interests	10.2	-	10.2	14.3	1.0	15.3	14.1	-	14.1
Total shareholders' equity	**447.2**	**(16.1)**	**431.1**	**361.9**	**(39.1)**	**322.8**	**358.9**	**(29.3)**	**329.6**

Further information in relation to the restatement is included in Note 2 to the Q3 2020 Financial Statements.

Alternative performance measures

This document contains certain alternative performance measures ("APMs") that are not defined or recognised under IFRS. APMs should not be considered in isolation and investors should not consider such information as alternatives to revenue, profit before tax or cash flows from operations calculated in accordance with IFRS, as indications of operating performance or as measures of the Group's profitability or liquidity. Such financial information must be considered only in addition to, and not as a substitute for or superior to, financial information prepared in accordance with IFRS included elsewhere in this document. Investors are cautioned not to place undue reliance on these APMs and are also advised to review them in conjunction with the 2019 Financial Statements, the H1 2020 Financial Statements and the Q3 2020 Financial Statements.

For more information, including reconciliations and definitions of the Group's APMs, please see Note 34 to the 2019 Financial Statements, Note 19 to the H1 2020 Financial Statements and Note 20 to the Q3 2020 Financial Statements.

Rounding

Certain numerical figures included in this document have been rounded. Therefore, discrepancies in tables between totals and the sums of the amounts listed may occur due to such rounding. Percentages in tables have been rounded and accordingly may not add up to 100 per cent.

Currency information

Unless otherwise indicated, references in this document to "pound sterling", "GBP" or "£" are to the lawful currency of the United Kingdom and references to "US dollars", "dollars", "US$" or "$" are to the lawful currency of the United States of America.

No profit forecast

No statement in this document is intended as a profit forecast and no statement in this document should be interpreted to mean that earnings per share for the current or future financial years would necessarily match or exceed the historical published earnings per share.

Available information

If, at any time, the Company is neither subject to Section 13 or Section 15(d) of the United States Securities Exchange Act of 1934, as amended, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, the Company will furnish, upon request, to any holder or beneficial holder of Ordinary Shares, or any prospective purchaser designated by any such holder or beneficial owner, the information required to be delivered pursuant to Rule 144A(d)(4) under the US Securities Act. In such cases, the Company will also furnish to each such owner all notices of general Shareholders' meetings and other reports and communications that the Group generally makes available to Shareholders.

Enforcement of civil liabilities

The ability of an Overseas Shareholder to bring an action against the Company may be limited under law. The Company is a public limited company incorporated in England and Wales. The rights of holders of Ordinary Shares are governed by English law and by the Company's memorandum and articles of association. These rights differ from the rights of shareholders in typical US corporations and some other non-UK corporations.

An Overseas Shareholder may not be able to enforce a judgment against some or all of the Directors and executive officers. The majority of the Directors and executive officers are residents of the United Kingdom. Consequently, it may not be possible for an Overseas Shareholder to effect service of process upon the Directors and executive officers within that Shareholder's country of residence or to enforce against the Directors and executive officers judgments of courts of that Shareholder's country of residence based on civil liabilities under that country's securities laws. There can be no assurance that an Overseas Shareholder will be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than the United Kingdom against the Directors or executive officers who are residents of the United Kingdom or countries other than those in which judgment is made. In addition, English or other courts may not impose civil liability on the Directors or executive officers in any original action based solely on the foreign securities laws brought against the Company or the Directors in a court of competent jurisdiction in England or other countries.

PART 3

Directors, Secretary, Registered and Head Office and Advisers

Directors	Lawrence Stroll	*Executive Chairman*
	Tobias Moers	*Chief Executive Officer*
	Kenneth Gregor	*Chief Financial Officer*
	Amr Ali Abdallah AbouelSeoud	*Non-Executive Director*
	Lord Matthew Carrington	*Independent Non-Executive Director*
	Peter Espenhahn	*Independent Non-Executive Director*
	Michael de Picciotto	*Non-Executive Director*
	William Tame	*Independent Non-Executive Director*
Company Secretary	Catherine Sukmonowski	
Registered office	Banbury Road Gaydon Warwick CV35 0DB United Kingdom	
Sponsor and financial adviser to the Company	Barclays Bank PLC 5 The North Colonnade Canary Wharf London E14 4BB United Kingdom	
Financial adviser to the Company	J.P. Morgan Securities plc 25 Bank Street Canary Wharf London E14 5JP United Kingdom	
Legal advisers to the Company	Freshfields Bruckhaus Deringer LLP 100 Bishopsgate London EC2P 2SR United Kingdom	
Legal advisers to the Sponsor	Latham & Watkins (London) LLP 99 Bishopsgate London EC2M 3XF United Kingdom	
Reporting accountants and auditors	Ernst & Young LLP Colmore Square Birmingham B4 6HQ United Kingdom	
Registrar	Equiniti Limited Aspect House Spencer Road Lancing West Sussex BN99 6DA United Kingdom	

PART 4

Expected Timetable of Principal Events and Admission Statistics

Expected timetable of principal events

Publication and posting of this document, which contains the notice of General Meeting, the Form of Proxy or a Voting Instruction Form	18 November 2020
Latest time and date for receipt of electronic voting instruction in respect of the AML Nominee Service Shareholders	9.30 a.m. on 1 December 2020
Latest time and date for receipt of Forms of Proxy, submission of CREST Proxy Instructions or registration to vote electronically	9.30 a.m. on 2 December 2020
Record date for the General Meeting	**6.30 p.m. on 2 December 2020**
General Meeting	**9.30 a.m. on 4 December 2020**
Admission of, and dealings commence in, the Placing Shares and the Tranche 1 Consideration Shares, and completion of the Financing Transactions	**8.00 a.m. on 7 December 2020**
Issuance of Warrants (as part of the Financing Transactions)	7 December 2020
Latest time for dealings in Existing Ordinary Shares	Close of business on 11 December 2020
Record Date for the Capital Reorganisation	**6.00 p.m. on 11 December 2020**
Admission of, and dealings commence in, the Consolidated Shares	**8.00 a.m. on 14 December 2020**
CREST accounts credited with Consolidated Shares (for Shareholders holding in uncertificated form only)	On or soon after 8.00 a.m. on 14 December 2020
Despatch of definitive certificates for Consolidated Shares in certificated form	Not later than 23 December 2020
Despatch of cheques in relation to fractional entitlements and certificates for Consolidated Shares; CREST accounts credited with the value of fractional entitlements	Not later than 23 December 2020
Despatch of cheques or payments made to the mandated accounts in relation to fractional entitlements due to participants in the AML Nominee Service	Not later than 23 December 2020
Beginning of Warrant Exercise Period	1 July 2021

Notes:

(1) The times and dates set out in the expected timetable of principal events above and mentioned throughout this document are indicative only and may, by announcement through a Regulatory Information Service, be adjusted by the Company, in which event details of the new dates will be notified to the FCA and to the London Stock Exchange and, where appropriate, to Shareholders.

(2) References to times in this document are to London time unless otherwise indicated.

Admission statistics

Number of Ordinary Shares in issue at the Latest Practicable Date	1,824,014,450
Number of Tranche 1 Consideration Shares to be issued	224,657,287
Number of Placing Shares to be issued	250,000,000
Gross proceeds of the Placing	£125 million
Number of Ordinary Shares (including Tranche 1 Consideration Shares and Placing Shares) in issue immediately following Admission of the Tranche 1 Consideration Shares and Placing Shares	2,298,671,737
Number of Consolidated Shares in issue immediately following Admission of the Consolidated Shares	114,933,587

PART 5

Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc

Executive Chair		*Registered Office:*
Lawrence Stroll	Executive Chair	
		Banbury Road
Executive Directors		Gaydon
Tobias Stroll	Chief Executive Officer	Warwick CV35 0DB
Kenneth Gregor	Chief Financial Officer	United Kingdom
Independent Non-Executive Directors		
Lord Matthew Carrington	Non-Executive Director	
Peter Espenhahn	Non-Executive Director	
William Tame	Non-Executive Director	
Non-Executive Directors		
Amr Ali Abdallah AbouelSeoud	Non-Executive Director	
Michael de Picciotto	Non-Executive Director	

18 November 2020

To holders of Aston Martin Lagonda Global Holdings plc ordinary shares

Dear Shareholder

Proposed Strategic Cooperation Agreement with Mercedes-Benz AG

Proposed issue of Consideration Shares to Mercedes-Benz AG in connection with the Strategic Cooperation Agreement

Proposed issue of the Placing Shares

Proposed Related Party Transaction

Proposed issue of Warrants

Proposed Capital Reorganisation

Notice of General Meeting

1. Introduction

Significant Progress

In the six months since the initial investment by the Yew Tree Consortium and my appointment as Executive Chairman, significant progress has been made to position Aston Martin for success and to capture the huge and extraordinary opportunity that is present for the Company, while also managing through these most challenging of times presented by the COVID-19 pandemic for this and all businesses.

A world-class leadership team has been appointed with deep experience in this industry. Tobias Moers, who joined as CEO in August 2020 and is the best and most appropriate CEO to lead this transformation, was formerly the CEO and acting Chief Technical Officer at Mercedes-AMG. Our new CFO, Ken Gregor, joined in June 2020 and was previously CFO of Jaguar Land Rover for the last 11 years. We now plan to focus on continuing to strengthen Board membership and improve the diversity on the Board while moving toward U.K. Corporate Governance Code compliance, with the appointment of further independent non-executive directors. A number of qualified potential candidates have been identified and the Company is treating this process as a matter of priority.

We are making good progress in the business, most notably:

- The progress in rebalancing supply to demand for front engine sports cars is running ahead of plan. The dealer network has been aggressively de-stocked, with a reduction of over 1,400 GT & Sports car units year-to-date from dealer stock.
- The financial resilience of the business has been strengthened by capital raises, and decisive action has been taken on costs. From the latter, for example, up to 500 employees will leave the business as we start to right-size the organisation for production volumes aligned to our plans.
- The DBX, the brand's first SUV and a key pillar for the short and medium term has been successfully launched. With production re-commencing in May 2020 following COVID-19-related halts, first deliveries were made in July 2020. The orderbook is strong and the Board is confident in the medium-term goals for the SUV segment with the planned expansion of the range in the coming years.

Business Plan, Financing and the Mercedes-Benz AG Strategic Cooperation

As announced on 27 October 2020, we reached another milestone with the signing of the Strategic Cooperation Agreement with Mercedes-Benz AG taking our long-standing partnership with them to another level. With this new agreement, we secure access to MBAG's world-class technology to support our long-term product expansion plans, including electric and hybrid powertrains.

In addition, we have developed a new business plan targeting revenue of approximately £2 billion and Adjusted EBITDA of approximately £500 million by financial years 2024 / 2025, underpinned by the Strategic Cooperation Agreement and targeted annual capital expenditure of £250 million to £300 million per annum between 2021 and 2025. The Company has a plan that incorporates a refresh of all the front-engine sports car range, an expansion of the SUV offering and the launch of a mid-engine range. There is a programme of specials over the period to support the core business. The cadence of new and refreshed models, incorporating updated technology through the Strategic Cooperation Agreement, will drive exclusivity and maintain dealer profitability supported by the significant marketing platform of an Aston Martin F1™ team from 2021. By 2025, the plan is to produce some 9,000-10,000 units a year, comprising a split of approximately 40 per cent. front-engine and 60 per cent. SUV offerings. The Company will move into the more profitable segment of mid-engine cars by transforming Formula 1™ technology out of the Aston Martin F1™ team into its performance road car business. The Company is looking forward to delivering the Aston Martin Valkyrie hypercar from the second half of 2021 which serves as ambassador for its mid-engine programme.

This new plan will be underpinned by the Financing Transactions and the Placing announced on 27 October 2020 to strengthen the balance sheet, extend our debt maturity and improve liquidity. This will allow the business to continue to operate and to execute our plans to transform the Company to be one of the greatest luxury brands in the automotive world. As a participant in the Placing (through Yew Tree), I and my co-investors are fully committed to delivering this plan, and our participation in this new substantial round of financing demonstrates both our confidence in the prospects for the business and our commitment to the future success of Aston Martin.

Capital Reorganisation

With the aim of increasing market liquidity and reducing the volatility of our Ordinary Shares and making them more attractive to a broader range of institutional and public investors, the Company also proposes to undertake a reorganisation of its share capital to reduce the number of Existing Ordinary Shares and to increase the nominal value per Ordinary Share to a round figure of £0.10 per Ordinary Share. Save in respect of Fractional Entitlements, following the Capital Reorganisation each Shareholder's percentage holding in the total issued share capital of the Company would remain unchanged.

Renewal of Standard AGM Authorities

The Company also proposes to refresh its existing allotment, pre-emption disapplication and share buyback authorities, which are standard authorities that were granted at our AGM in June 2020. These authorities were sought in line with relevant guidance and market practice for listed companies, and proposals for their renewals are simply to ensure that they remain valid following the Capital Reorganisation in the same way as they are as at the Latest Practicable Date.

Background to and Reasons for the Transaction

This is a transformational moment for Aston Martin. To effect this transformation and achieve our plans we require the support of our Shareholders. As such, the purpose of this document is to set out the background to and reasons for the proposed Strategic Cooperation, Placing (which includes a related party transaction), Warrants Issue and Capital Reorganisation (together, the "Transaction"), to set out the relevant terms and conditions of the Transaction and to provide you with a Notice of General Meeting to be held to enable our Shareholders to consider and, if thought fit, to pass the Resolutions required to, among other things, authorise the Company to carry out the Transaction.

This document also explains why the Board considers that the Resolutions to be proposed at the General Meeting are in the best interests of Shareholders and why the Board unanimously recommends that Shareholders vote in favour of all the Resolutions. In particular please note paragraph 11 below which explains the importance of your vote and the consequences for the Company if the Transaction Resolutions are not passed.

2. Strategic Cooperation

Overview of the Strategic Cooperation

On 27 October 2020, the Company announced that it intends to enter into an enhanced strategic co-operation arrangement (the "Strategic Cooperation Agreement") with one of its existing shareholders, Mercedes-Benz AG ("MBAG"), pursuant to which the Company will, over the period of time between December 2020 and the first quarter of 2023, issue 458,942,744 new Ordinary Shares to MBAG (the "Consideration Shares") in exchange for access to certain technology to be provided to the Company by MBAG in several stages (the "Strategic Cooperation").

The Strategic Cooperation will provide the Company with access to a wide range of MBAG's world-class technologies and critical intellectual property for the next generation of the Company's luxury vehicles (comprising sport, SUV and mid-engine vehicles) planned to be launched out to 2027, including, in particular:

- state-of-the-art electric/electronic (E/E) architecture; and
- powertrain architecture for conventional, hybrid and electric vehicles.

The Company will also receive access to connected car and other components, such as, for example, head-up display units and certain interior components. The powertrain technology that will be made available to the Company as part of the Strategic Cooperation will include access to a range of engine and related systems. In addition, the Phase 2 Technology is expected to focus on battery electric vehicle technology for Aston Martin vehicles.

In consideration for the technology and intellectual property that MBAG will make available to the Group, the Company intends, subject to Shareholder and outstanding regulatory approvals detailed in this document being obtained, to issue a total of 458,942,744 Consideration Shares to MBAG (representing 25.16 per cent. of the total ordinary share capital of the Company in issue (excluding treasury shares) as at the Latest Practicable Date) over the period of time between December 2020 and the first quarter of 2023. When issued in full, the Consideration Shares shall increase the size of MBAG's aggregate shareholding in the Company to 20 per cent. (on an enlarged fully diluted basis and taking into account the issue of the Placing Shares).

As a result of entering into the Strategic Cooperation, if approved by Shareholders, and agreeing to issue the Consideration Shares to MBAG, the Company will avoid the investment of cash in the technology and intellectual property that will be made available to it, and the substantial additional investment that would otherwise be required for the Company to develop such technology and intellectual property in-house (the cost of which it estimates would be well in excess of the total consideration to be provided to MBAG pursuant to the Strategic Cooperation). This will enable the Company to focus on investment in other areas and expand its product portfolio, which is a substantial element of its strategic plan.

On 27 October 2020, the Company and MBAG agreed the terms of the Strategic Cooperation in the Strategic Cooperation Agreement. As part of the Strategic Cooperation, the Company also intends to grant MBAG the right to nominate for appointment initially one Non-Executive Director and, once the MBAG shareholding is equal to or exceeds 15 per cent., two Non-Executive Directors (the "Board Appointment Right"), the terms of which have been agreed between the Company and MBAG on 27 October 2020 in a relationship agreement (the "MBAG Relationship Agreement"). Summaries of the Strategic Cooperation Agreement and the MBAG Relationship Agreement are set out in *Part 6 – Terms and Conditions of the Strategic Cooperation*.

The Company will be seeking Shareholder approval at the General Meeting for the terms of the Strategic Cooperation on a voluntary basis (as such approval is not required under the Listing Rules), as well as authority for the Board to allot the Consideration Shares to MBAG pursuant to the Strategic Cooperation and on the terms set out in detail in *Part 6 – Terms and Conditions of the Strategic Cooperation*. The Strategic Cooperation and issuance of the Consideration Shares is therefore conditional, among other things, upon the passing of the Transaction Resolutions at the General Meeting without material amendment.

The Consideration Shares, when issued, will rank *pari passu* in all respects with the Ordinary Shares, including the right to receive dividends or distributions made, paid or declared after the date of issue of the Consideration Shares.

Application will be made to the FCA and to the London Stock Exchange for all tranches of Consideration Shares to be issued to MBAG pursuant to the terms of the Strategic Cooperation to be admitted to listing on the premium listing segment of the Official List and to trading on the main market of the London Stock Exchange. It is expected that Admission of the Tranche 1 Consideration Shares will occur and that dealings in the Tranche 1 Consideration Shares on the London Stock Exchange will commence at 8.00 a.m. on 7 December 2020.

The allotment of further Consideration Shares to MBAG (beyond the Tranche 1 Consideration Shares) pursuant to the Strategic Cooperation Agreement may require various Shareholder approvals in accordance with the Listing Rules, depending on the timing and size of the future tranches, which will be assessed by the Company at the relevant time. In the event that any necessary Shareholder approvals were not obtained, the Company would discuss the reasons for the approval not being obtained with Shareholders and would seek to adjust the terms that it has agreed with MBAG in the Strategic Cooperation Agreement accordingly. If necessary, the Company would then seek Shareholder approval for any revised terms that had been agreed with MBAG. This would inevitably result in a delay to the issue of further Consideration Shares to MBAG and also to the Company's access to further MBAG Technology. If no agreement as to revised terms could be reached by the Company with MBAG or if Shareholders did not approve any revised terms, no further Consideration Shares could be issued to MBAG and no further MBAG Technology could be accessed by the Company and this may result in the Strategic Cooperation Agreement being terminated by MBAG.

Valuation of Consideration Shares

As the Consideration Shares will be issued to MBAG for non-cash consideration (being the provision by MBAG to the Company of access to technology and intellectual property), the Company will comply with the requirements of the UK Companies Act 2006 to obtain an independent valuation of such non-cash consideration prior to the allotment to MBAG of any Consideration Shares.

A final copy of the valuation report in respect of the Phase 1 Technology has been obtained by the Company from BDO LLP, who have been commissioned by the Company for these purposes.

MBAG Shareholding in the Company

As at the Latest Practicable Date, MBAG shareholding in the Company amounted to 47,648,695 Ordinary Shares, representing 2.61 per cent. of the Company's issued share capital.

As MBAG's current interest in Ordinary Shares represents less than 10.0 per cent. of the Company's issued share capital, and it does not satisfy the other tests for a related party under the Listing Rules, it is not a related party of the Company for the purposes of the Listing Rules at the time of agreement of the terms of the Strategic Cooperation Agreement and so the entry into the Strategic Cooperation Agreement is not considered a related party transaction for the purposes of the Listing Rules.

3. Placing

As announced on 27 October 2020, the Company intends to issue and allot 250,000,000 Placing Shares (representing 13.7 per cent. of the total ordinary share capital of the Company in issue (excluding treasury shares) as at the Latest Practicable Date), consisting of:

- 83,333,333 new Ordinary Shares to institutional placees procured by Barclays, J.P. Morgan Cazenove and Deutsche Bank AG, London Branch (the "Institutional Placing Shares"), pursuant to a placing agreement entered into on 27 October 2020 between the Company, Barclays, J.P. Morgan Cazenove and Deutsche Bank AG, London Branch setting out the terms of the Placing (the "Placing Agreement"); and
- in accordance with the terms of irrevocable undertakings from each of Yew Tree, Zelon and Permian (the "Investor Irrevocable Undertakings"), pursuant to which each of Yew Tree, Zelon and Permian have undertaken to respectively subscribe for Placing Shares:
  - 40,000,000 new Ordinary Shares to Yew Tree (the "Yew Tree Placing Shares");
  - 60,000,000 new Ordinary Shares to Zelon (the "Zelon Placing Shares"); and
  - 66,666,667 new Ordinary Shares to Permian (the "Permian Placing Shares").

As explained above, the Placing remains subject to, amongst other things, approval of Resolutions 2 and 3 by Shareholders and Resolution 4 by Shareholders independent of the Yew Tree Consortium at the General Meeting and the issue of the Tranche 1 Consideration Shares becoming unconditional in all respects save only for Admission of the Tranche 1 Consideration Shares.

Resolutions 2 and 3 are being proposed at the General Meeting as the Board does not currently have the requisite authorities to issue the Placing Shares and disapply pre-emption rights in connection with the Placing.

Related party transaction approval

Resolution 4 is an ordinary resolution authorising the issue of 40,000,000 Yew Tree Placing Shares to Yew Tree pursuant to the Placing. Yew Tree is a related party of the Company for the purposes of Chapter 11 of the Listing Rules as it is a substantial shareholder of the Company which, as at the Latest Practicable Date, is entitled to exercise, or control the exercise of, more than 10 per cent. of the votes able to be cast on all or substantially all matters at general meetings of the Company.

Under the terms of the Yew Tree Irrevocable Undertaking, Yew Tree has agreed to subscribe for 40,000,000 Yew Tree Placing Shares, amounting to an irrevocable subscription of £20 million (the "Related Party Transaction"). Yew Tree also subscribed for 75,999,277 Existing Ordinary Shares in the June 2020 Placing, amounting to a total subscription of approximately £38 million. The size of Yew Tree's irrevocable commitment under the terms of the Yew Tree Irrevocable Undertaking, when aggregated with its participation in the June 2020 Placing, is such that shareholder approval (other than by Yew Tree and its associates) must be obtained for Yew Tree's participation in the Placing under the Listing Rules. Yew Tree is not entitled to vote, and has undertaken to abstain from voting and to take all reasonable steps to ensure that its associates abstain from voting, on Resolution 4 to approve the Related Party Transaction at the General Meeting. This Resolution 4 is conditional upon Resolutions 2 and 3 being passed.

Application will be made to the FCA and to the London Stock Exchange for the Placing Shares to be admitted to listing on the premium listing segment of the Official List and to trading on the main market of the London Stock Exchange. It is expected that Admission of the Placing Shares will occur and that dealings in the Placing Shares on the London Stock Exchange will commence at 8.00 a.m. on 7 December 2020.

4. Warrants Issue

The Warrants will be constituted and issued pursuant to a warrant instrument (the "Warrant Instrument") to be executed as a deed poll by the Company in favour of the investors subscribing for the Second Lien Notes (the "Initial Warrantholders") on or around 7 December 2020, being the date on which all conditions for the release of the proceeds of the Second Lien Notes from escrow are expected to be satisfied. The Warrants will grant the Initial Warrantholders the right to subscribe for up to 126,647,852 Ordinary Shares (or up to 6,332,393 Consolidated Shares following the completion of the Capital Reorganisation) (the "Warrant Shares") for a period beginning on 1 July 2021 and ending on the seventh anniversary of the issue date, following an initial lock-in period from the date of issue beginning on the date of issue and ending on 30 June 2021 (the "Lock-In Period").

Resolutions 5 and 6 are also being proposed at the General Meeting as the Board does not currently have the requisite authorities to issue the Warrants and disapply pre-emption rights in connection with the Warrants Issue. The Warrants Issue is therefore subject to and conditional upon the Company obtaining Shareholder approval in respect of Resolutions 5 and 6 at the General Meeting.

Further details on the Warrants Issue, including on exercise and settlement provisions and impacts on outstanding awards under the Share-Based Incentive Plans are set out in *Part 7 – Terms and Conditions of the Warrants Issue*.

5. Capital Reorganisation

As at the date of this document, the Company has 1,824,014,450 Ordinary Shares in issue, each of which has a nominal value of £0.009039687. The Closing Price on the Latest Practicable Date was 65.15 pence.

Given the large number of Ordinary Shares in issue, the Board believes that:

- share trades can result in disproportionately large percentage movements in the market share price (causing considerable share price volatility); and
- the Company's low share price affects investor perception of the Company,

in each case to the detriment of Shareholders.

Under the proposed Capital Reorganisation:

- each Existing Ordinary Share of £0.009039687 each will be subdivided and re-designated into one Interim Share of £0.005 and one Deferred Share of £0.004039687 (the "Subdivision"); and
- immediately thereafter, the Interim Shares will be consolidated at the Consolidation Ratio of 20 to one into Consolidated Shares of £0.10 each (the "Share Consolidation").

The Board therefore believes that the Capital Reorganisation would be beneficial to the Company, as it would reduce the number of Ordinary Shares in issue at the Consolidation Ratio of 20 to one and increase the nominal value per Ordinary Share to a round figure of £0.10. The Board also believes that the Capital Reorganisation will increase market liquidity of the Ordinary Shares by reducing the volatility of the Ordinary Shares and make trading in the Ordinary Shares more attractive to a broader range of institutional investors and public investors.

As a result of the Capital Reorganisation, any shareholding of Qualifying Ordinary Shares that is not exactly divisible by 20 will be rounded down to the nearest whole number of Consolidated Shares, and the Shareholder in question will be left with an entitlement to a fraction of a Consolidated Share (a ***Fractional Entitlement***). Any Shareholder holding fewer than 20 Existing Ordinary Shares on the Record Date will therefore only be entitled to one Fractional Entitlement following the Capital Reorganisation and so no longer be a member of the Company as a result. Arrangements will be put in place for Fractional Entitlements arising from the Capital Reorganisation to be aggregated and sold in the market on behalf of Shareholders.

As all Existing Ordinary Shares will be subdivided, re-designated and consolidated, each Shareholder's percentage holdings in the total issued share capital of the Company immediately before and after the implementation of the Capital Reorganisation will (save in respect of Fractional Entitlements and for Shareholders that, following the Capital Reorganisation, are only entitled to one Fractional Entitlement) remain unchanged. As a direct result of the Capital Reorganisation:

- the number of Ordinary Shares listed on the Official List and admitted to trading on the London Stock Exchange's main market for listed securities will change;
- the number of Ordinary Shares held by each Shareholder will reduce by a factor of approximately 20;
- the market value of an Ordinary Share should increase by a factor of approximately 20 (although the price of Ordinary Shares will continue to fluctuate);
- the overall value of each Shareholder's existing holding of Ordinary Shares should remain approximately the same (although the value of an investment in Consolidated Shares will continue to fluctuate);
- the Group's or the Company's net assets will not be affected; and
- the Consolidated Shares held by Shareholders will have the same rights, including voting and dividend rights, as the Existing Ordinary Shares.

The Deferred Shares will be created on the Subdivision in order to ensure that the aggregate nominal value of the Company's share capital after the Capital Reorganisation (consisting of both the Consolidated Shares and the Deferred Shares) is the same as before it (consisting of the Existing Ordinary Shares only). The creation of a class of Deferred Shares will therefore ensure that the reduction in nominal value of the Ordinary Shares (from Existing Ordinary Shares of £0.009039687 each to Interim Shares of £0.005 each) as a result of the Subdivision will not result in an unlawful reduction in the Company's share capital.

The rights and restrictions that will attach to the Deferred Shares are set out in further detail in *Part 10 – Rights Attaching to the Deferred Shares*.

The Interim Shares will be created as part of the Subdivision and will immediately thereafter be consolidated at the Consolidation Ratio of 20 to one into Consolidated Shares.

The Record Date for the Capital Reorganisation is proposed to be 6.00 p.m. on 11 December 2020.

Following the Capital Reorganisation, and assuming no further Ordinary Shares other than the Tranche 1 Consideration Shares and the Placing Shares were to be issued or repurchased between the Latest Practicable Date and the date on which the Capital Reorganisation becomes effective, the Company's total issued share capital (excluding treasury shares) will comprise 114,933,587 Consolidated Shares.

Application will be made for the Consolidated Shares to be admitted to trading on the London Stock Exchange in place of the Existing Ordinary Shares. Subject to approval of the Capital Reorganisation by Shareholders, it is expected that Admission of the Consolidated Shares will become effective and that dealings in Consolidated Shares will commence on 14 December 2020. Given that, as a result of the Capital Reorganisation, the nominal value of the Consolidated Shares will be different to the nominal value of the Existing Ordinary Shares, customary Resolutions to renew the Company's authorities in relation to share allotment and buyback and disapplication of pre-emption rights are also proposed at the General Meeting. Further details of these Resolutions are set out in section 6 below and in *Part 8 – Terms and Conditions of the Capital Reorganisation*.

Further details on the Capital Reorganisation, including on taxation, impacts on outstanding awards under the Share-Based Incentive Plans and treatment of certificated and uncertificated holdings are set out in *Part 8 – Terms and Conditions of the Capital Reorganisation*.

For the avoidance of doubt, the Financing Transactions, the Placing and Strategic Cooperation are not conditional on Shareholders approving Resolution 7 in respect of the Capital Reorganisation or Resolutions 8 – 11 outlined below.

6. General Meeting and Resolutions

You will find set out at the end of this document a notice convening the General Meeting of the Company to be held at 9.30 a.m. on 4 December 2020 at Banbury Road, Gaydon, Warwick, CV35 0DB. This General Meeting is being held for the purpose of considering and, if thought fit, passing the Resolutions. A summary and explanation of the Resolutions is set out below, but please note that this does not contain the full text of the Resolutions and you should read this section in conjunction with the Resolutions in the Notice of General Meeting at the end of this document.

Resolutions 1, 2, 4, 5, 7 and 8 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 3, 6, 9, 10 and 11 are proposed as special resolutions. This means that for these resolutions to be passed, at least three quarters of the votes cast must be in favour of each resolution.

Transaction Resolutions

Resolution 1: Authority to implement the Strategic Cooperation and allot the Consideration Shares

Resolution 1 is an ordinary resolution authorising the Board to: (a) approve the Strategic Cooperation and implement the Strategic Cooperation; and, pursuant to section 551 of the UK Companies Act 2006, (b) allot the Consideration Shares or (c) make an offer or agreement in connection with the Strategic Cooperation which would or might require Consideration Shares to be allotted after expiry of the authority. Resolution 1(a) is sought on a voluntary basis (as such approval is not required under the Listing Rules) to approve the Strategic Cooperation and Resolutions 1(b) and 1(c) are required as the Board does not currently have the requisite authority to allot the Consideration Shares and, if approved by Shareholders, it plans to use this authority to allot the Consideration Shares pursuant to the terms of the Strategic Cooperation. The authorities sought under Resolution 1(b) and 1(c) will expire five years from the date of passing this Resolution.

Resolution 2: Authority to allot in respect of the Placing

Resolution 2 is an ordinary resolution authorising the Board to issue up to a maximum of 250,000,000 Placing Shares (representing 13.7 per cent. of the Company's existing issued share capital as at the Latest Practicable Date) pursuant to section 551 of the UK Companies Act 2006. This Resolution is required as the Board does not currently have the requisite authority to issue the Placing Shares, and, if approved by Shareholders, the Board plans to use this authority to implement the Placing. The authority sought under Resolution 2 will expire at the conclusion of the next AGM of the Company.

Resolution 3: Authority to disapply pre-emption rights in connection with the Placing

Resolution 3 is a special resolution authorising the Board to issue the Placing Shares without first offering them to existing Shareholders in proportion to their existing shareholdings. This authority would be limited to the issue of the Placing Shares in connection with Resolution 2 (representing 13.7 per cent. of the Company's existing issued share capital as of the Latest Practicable Date) and, if approved by Shareholders, the Board plans to use this authority to implement the Placing. The authority sought under Resolution 3 will expire at the conclusion of the next AGM of the Company.

Resolution 4: Approval of the Related Party Transaction

Resolution 4 is an ordinary resolution authorising the issue of 40,000,000 Yew Tree Placing Shares to Yew Tree pursuant to the Placing. Yew Tree is not entitled to vote, and has undertaken to abstain from voting and to take all reasonable steps to ensure that its associates (as defined in the Listing Rules) abstain from voting, on Resolution 4 at the General Meeting. This Resolution 4 is conditional upon Resolutions 2 and 3 being passed.

Resolution 5: Authority to allot in respect of the Warrants Issue

Resolution 5 is an ordinary resolution authorising the Board to issue the Warrants to subscribe for Ordinary Shares in the Company, up to a maximum of 126,647,852 Existing Ordinary Shares if issued prior to completion of the Capital Reorganisation, or 6,332,393 Consolidated Shares, if issued following such completion (representing 6.94 per cent. of the Company's existing issued share capital as at the Latest Practicable Date) pursuant to section 551 of the UK Companies Act 2006. This Resolution is required as the Board does not currently have the requisite authority to issue the Warrants, and, if approved by Shareholders, the Board plans to use this authority to implement the Warrants Issue. The authority sought under Resolution 5 will expire at the conclusion of the next AGM of the Company.

Resolution 6: Authority to disapply pre-emption rights in connection with the Warrants Issue

Resolution 6 is a special resolution authorising the Board to issue the Warrants without first offering them to existing Shareholders in proportion to their existing shareholdings. This authority would be limited to the issue of the Warrants in connection with Resolution 5 (representing 6.94 per cent. of the Company's existing issued share capital as of the Latest Practicable Date) and, if approved by Shareholders, the Board plans to use this authority to implement the Warrants Issue. The authority sought under Resolution 6 will expire at the conclusion of the next AGM of the Company.

Capital Reorganisation resolutions

Resolution 7: Consolidation of shares

Resolution 7 is an ordinary resolution which will permit the Existing Ordinary Shares of £0.009039687 each to be (a) subdivided and re-designated into Interim Shares and Deferred Shares, and (b) the Interim Shares to be consolidated immediately thereafter in accordance with the Consolidation Ratio, such Consolidated Shares having the same rights and being subject to the same restrictions (save as to nominal value) as the Existing Ordinary Shares. This Resolution is required for Shareholders to authorise the Company to undertake a subdivision, re-designation and consolidation of its Ordinary Shares in accordance with the UK Companies Act 2006.

Exiting authority renewals

Resolution 8: Authority to allot shares

Resolution 8 is an ordinary resolution granting the Board the equivalent authorities to allot Consolidated Shares following the Capital Reorganisation as were granted at the Company's last AGM on 3 June 2020 and would replace these authorities, other than to the extent already utilised by the Company since the AGM on 3 June 2020.

Resolutions 9 and 10: Authorities to disapply pre-emption rights

Resolutions 9 and 10 are special resolutions granting the Board the equivalent authorities to disapply pre-emption rights in respect of Consolidated Shares following the Capital Reorganisation as were granted at the Company's last AGM on 3 June 2020 and would replace this authority, other than to the extent already utilised by the Company since the AGM on 3 June 2020.

Resolution 11: Authority to purchase own shares

Resolution 11 is a special resolution granting the Board the equivalent authority to make market purchases of Consolidated Shares following the Capital Reorganisation as was granted at the Company's last AGM on 3 June 2020 and would replace this authority.

7. Share-Based Incentive Plans

Participants in the Share-Based Incentive Plans will be contacted separately with further information on their rights and how their options will be affected by the Capital Reorganisation, the Warrants Issue and/or the Strategic Cooperation.

Outstanding options granted under the Share-Based Incentive Plans may be adjusted in accordance with the rules of the relevant Share-Based Incentive Plan for any effect that the Capital Reorganisation, the Warrants Issue and/or the Strategic Cooperation may have on those options. The remuneration committee intends to adjust the number of Ordinary Shares under outstanding options to reflect the Capital Reorganisation but not make any adjustment to reflect the Strategic Cooperation and the Warrants Issue. No decision has been taken at this time as to whether to adjust performance conditions and this matter will be considered further during 2020.

The Company has granted one-off cash awards to certain employees of the Group (excluding Directors and participants in the LTIP) (the "IPO LTIP"). In respect of the Ordinary Shares held under the legacy IPO LTIP, the participants' Ordinary Shares will be subject to the Capital Reorganisation in the same way as other Shareholders.

Further details on the impact of the Strategic Cooperation, the Warrants Issue and the Capital Reorganisation on the Share-Based Incentive Plans are set out in *Part 6 – Terms and Conditions of the Strategic Cooperation*, *Part 7 – Terms and Conditions of the Warrants Issue* and *Part 8 – Terms and Conditions of the Capital Reorganisation*.

8. Taxation

A summary of certain taxation consequences of the Capital Reorganisation for certain categories of UK resident Shareholders and US tax resident Shareholders is set out in *Part 8 – Terms and Conditions of the Capital Reorganisation*. Shareholders who are in doubt as to their tax position or who may be subject to tax in a jurisdiction other than the UK or the US are strongly recommended to consult their own professional advisers.

9. Actions to be taken

Shareholders will find enclosed with this document a Form of Proxy or, in the case of AML Nominee Service Shareholders, a Voting Instruction Form, for use at the General Meeting. If you are not an AML Nominee Service Shareholder, you are requested to complete and sign the Form of Proxy in accordance with the instructions printed on it so as to be received by the Registrar, Equiniti Limited, at the return address on the enclosed Form of Proxy, as soon as possible, and in any event no later than 9.30 a.m. on 2 December 2020. If you are a participant in the AML Nominee Service, you are requested to submit an electronic voting instruction using the information supplied in the Voting Instruction Form no later than 9.30 a.m. on 1 December 2020.

If you hold Ordinary Shares in CREST, you may appoint a proxy by completing and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the Notice of General Meeting at the end of this document on page 203.

If you sell or have sold or otherwise transferred all of your Ordinary Shares, please forward this document at once to the purchaser or transferee or the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee, except that such documents should not be sent to any jurisdiction where to do so might constitute a violation of local securities laws or regulations, including, but not limited to, the United States and the Excluded Territories.

If you are in any doubt as to the action you should take, you should immediately seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the FSMA or, if you are outside the United Kingdom, by another appropriately authorised independent financial adviser.

10. Further information

Your attention is drawn to the further information set out in *Part 6 – Terms and Conditions of the Strategic Cooperation*, *Part 7 – Terms and Conditions of the Warrants Issue and Part 8 – Terms and Conditions of the Capital Reorganisation* and *Part 16 –Definitions and Glossary* of this document. Shareholders should read the whole of this document and not rely solely on the information set out in this letter.

11. Importance of Your Vote

Your attention is again drawn to the fact that completion of the Financing Transactions and the Placing is in each case conditional and dependent upon, amongst other things, Admission of the Placing Shares and the Tranche 1 Consideration Shares, which is in turn conditional and dependent upon, amongst other things, the Transaction Resolutions being passed at the General Meeting.

If the Transaction Resolutions are not passed and the Financing Transactions and the Placing (as well as the Strategic Cooperation itself) do not proceed:

- The Group will not have sufficient working capital for its present requirements, that is for at least 12 months from the date of publication of this document.
- Consequently, the Group will be required to seek alternative financing arrangements or raise additional equity capital, which it may not be able to do on attractive terms or at all.

Shareholders are therefore asked to vote in favour of the Transaction Resolutions at the General Meeting.

The Directors believe that the Strategic Cooperation, which is subject to Shareholder approval of the Transaction Resolutions, will allow for access to a wide range of world-class technologies and critical intellectual property for the next generation of the Group's vehicles. In addition, as completion of the Financing Transactions and the Placing is in each case conditional and dependent upon, amongst other things, Admission of the Placing Shares and the Tranche 1 Consideration Shares, Shareholder approval of the Transaction Resolutions will also allow the Group to refinance its existing debt and to receive additional equity capital and therefore meet its working capital requirements and achieve its strategic ambitions over the medium- to long-term.

The COVID-19 pandemic has had and continues to have a significant impact on the Group's liquidity position, including, but not limited to, the reduction in its trade payables and an increase of inventory linked to the ramp up of its St. Athan manufacturing facility for the production of DBX, and the Group expects that impact will continue until the pandemic and any related negative economic effects abate. To minimise the risk of business disruption due to uncertainties and any potential future impact as a result of the COVID-19 pandemic, the Group completed the June 2020 Placing and the Delayed Draw Notes Issuance and drew down the CLBILS Loan. This resulted in a Net Debt position of £868.5 million as of 30 September 2020. The Group's existing Revolving Credit Facility (£80 million) and the CLBILS Loan (£20 million) are due in January 2022, and as at 30 September 2020 £907.6 million of the Group's existing financial debt matures in April 2022.

The Directors have determined that additional liquidity and moreover an evident extension in maturity of its bond funding and revolving credit facility will be required to support the Group in achieving its medium- to long-term ambitions. The Financing Transactions and the Placing serve to achieve these aims. Completion of the Financing Transactions and the Placing is in each case conditional and dependent upon, amongst other things, Admission of the Placing Shares and the Tranche 1 Consideration Shares. Provided Shareholders approve the Transaction Resolutions, the Financing Transactions and the Placing ensure the Group will be well-funded for the medium to long term and has adequate resources to continue in operational existence for the foreseeable future.

However, if the Transaction Resolutions are not passed, in addition to the Strategic Cooperation not proceeding, the Group would also not receive the proposed net proceeds of the Financing Transactions and the Placing nor benefit from the amended financing terms (including extended maturities). The Company would, as a result, not have sufficient working capital for its present requirements, that is for at least 12 months from the date of publication of this document. The Company would therefore be required to seek alternative financing arrangements and/or raise additional equity capital prior to Q4 2021 in order to continue funding its working capital requirements beyond that time. Even if the Group is able to continue funding its working capital requirements beyond early Q4 2021 (for example, because the Group's performance surpasses the assumptions made as part of its working capital analysis), the Group would nonetheless be required to seek alternative financing arrangements and/or raise additional equity capital before its existing Revolving Credit Facility and the CLBILS Loan become due in January 2022 and/or its existing Senior Secured Notes mature in April 2022.

The Directors believe, but cannot guarantee, that new alternative financing arrangements would be available to the Group, but the terms of any such arrangements would likely be significantly more expensive and onerous than those which apply under the Group's existing financing arrangements and those agreed pursuant to the Financing Transactions. More expensive and onerous financing arrangements could negatively impact the Group's business, as discussed in more detail in "*The Group's substantial leverage and debt service obligations could adversely affect its business. The Group may incur substantially more debt in the future, which may further adversely affect its business*" in Part 1 (Risk Factors). The Group may also have to seek additional equity capital. Whilst the Directors believe that such an equity capital raise would likely be possible, they would avoid pursuing this option unless required to do so, as this would result in a material dilution of the equity interests of Shareholders in the Company.

Accordingly, it is critical that Shareholders vote in favour of the Transaction Resolutions.

12. Recommendation and voting intentions

The Board, having been so advised by Barclays in its capacity as sponsor, considers that the Related Party Transaction is fair and reasonable as far as the Shareholders are concerned and is in the best interests of its Shareholders as a whole. As required by the Listing Rules, the Yew Tree Consortium Directors did not take part in the Board's consideration of the Related Party Transaction.

The Board believes the Transaction and the Resolutions to be in the best interests of the Shareholders as a whole. Accordingly, the Board unanimously recommends that the Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, as the Directors (in the case of the Related Party Transactions, other than the Yew Tree Consortium Directors) each intend to do in respect of their own legal and beneficial holdings, amounting to 389,719,117 Ordinary Shares (representing approximately 21.4 per cent. of the Company's existing issued ordinary share capital as at the Latest Practicable Date).

I would like to thank you, on behalf of the Board, and in anticipation, for your continued support of Aston Martin.

Yours faithfully,
for and on behalf of Aston Martin Lagonda Global Holdings plc

Lawrence Stroll
Executive Chairman

PART 6

Terms and Conditions of the Strategic Cooperation

As set out in *Part 5 – Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings* plc, the Company and MBAG have entered into the Strategic Cooperation Agreement, to document the terms of the Strategic Cooperation between them.

The Strategic Cooperation will provide the Company with access to a wide range of MBAG's technology and intellectual property for the next generation of the Company's luxury vehicles, in consideration for which the Company will issue a total of 458,942,744 Consideration Shares to MBAG (representing 25.16 per cent. of the total ordinary share capital of the Company in issue (excluding treasury shares) as at the Latest Practicable Date) in at least two tranches following receipt of the necessary Shareholder and regulatory approvals and by no later than the first quarter of 2023. When issued in full, the Consideration Shares shall increase the size of MBAG's aggregate shareholding in the Company to 20 per cent. (on an enlarged fully diluted basis and taking into account the issue of the Placing Shares).

In connection with the Strategic Cooperation, the Company has also agreed to grant to MBAG the Board Appointment Right.

As the Board does not currently have the requisite authority to allot the Consideration Shares to MBAG pursuant to the Strategic Cooperation Agreement, the Strategic Cooperation and the proposed allotment of the Consideration Shares remain subject to the approval of Shareholders at the General Meeting. In addition, the terms of the Strategic Cooperation also remain subject to regulatory approvals that are summarised in more detail below and of which, as at the Latest Practicable Date, only the FCO Condition remains outstanding.

Issue of the Consideration Shares and access to MBAG Technology

Pursuant to the terms of the Strategic Cooperation Agreement, the Company will issue to MBAG a total of 458,942,744 Consideration Shares, the aggregate value of which (when issued in full) has been agreed between the Company and MBAG to be equal to £286 million (the "Aggregate MBAG Consideration Amount"), by reference to a fixed price of 62.317 pence per Consideration Share (the "MBAG Entry Price"). In consideration for the issue to it of the Consideration Shares, MBAG shall provide the Group with access to certain of its technology and intellectual property of an equivalent value (the "MBAG Technology").

The Strategic Cooperation Agreement envisages the Consideration Shares being issued to MBAG in several tranches, with access to MBAG Technology to be provided to the Group over several corresponding stages. The Company and MBAG have agreed that:

- subject to and as soon as practicable following Shareholder and all necessary regulatory approvals (detailed below) being obtained, which is expected to take place in December 2020, the Company shall issue to MBAG 224,657,287 Consideration Shares (the "Tranche 1 Consideration Shares"), the aggregate value of which (by reference to the MBAG Entry Price) shall be £140 million (the "Tranche 1 Valuation Amount");

- in consideration for the issue to it of the Tranche 1 Consideration Shares, MBAG shall provide the Group with access to certain MBAG Technology, the scope and pricing of which has been agreed in the Strategic Cooperation Agreement (and shall, unless the Company and MBAG agree otherwise, include engine and powertrain technology and state-of-the-art E/E architecture) and the aggregate value of which shall be equal to the Tranche 1 Valuation Amount (the "Phase 1 Technology"). It should be noted that if the terms of this transaction are materially altered, the Company would consider its Listing Rule obligations, including whether new Shareholder approvals would be required;

- full terms of the provision to the Group of access to and use by the Group of any MBAG Technology (including the Phase 1 Technology) are to be documented between the Company and MBAG (or their respective subsidiaries) in standalone ordinary course operational agreements (the "Operational Agreements");

- during the Company's financial year ending 31 December 2021, the Company and MBAG intend to agree the scope and value of further MBAG Technology that the Group will be provided access to over the course of that year (the "Phase 2 Technology"), which shall, subject to the specific commercial terms of supply being finalised, be documented between them (or their respective subsidiaries) in further Operational Agreements;

- by no later than the first quarter of 2022, the Company shall issue to MBAG additional Consideration Shares (the "Tranche 2 Consideration Shares"), the aggregate value of which (by reference to the MBAG Entry Price) shall be equivalent to the aggregate value of all Phase 2 Technology that has been agreed in the Operational Agreements relating to such technology (the "Tranche 2 Valuation Amount");

- if, following the issue to MBAG of the Tranche 2 Consideration Shares, the Tranche 1 Valuation Amount and the Tranche 2 Valuation Amount are, in aggregate, less than the Aggregate MBAG Consideration Amount agreed in the Strategic Cooperation Agreement, the Company and MBAG shall, during the Company's financial year ending 31 December 2022, agree the scope and value of further MBAG Technology that the Group will be provided access to over the course of that year (the "Phase 3 Technology"), which shall, subject to the specific commercial terms of supply being finalised, be documented between them (or their respective subsidiaries) in further Operational Agreements. The aggregate value of such Phase 3 Technology, when taken together with the Tranche 1 Valuation Amount and the Tranche 2 Valuation Amount (together, the "Aggregate Technology Valuation Amount"), shall be no less than the Aggregate MBAG Consideration Amount;

- as soon as the Aggregate Technology Valuation Amount is equal to or exceeds the Aggregate MBAG Consideration Amount, which in any event shall be by no later than the first quarter of 2023, the Company shall issue the final tranche of Consideration Shares to MBAG (the "Tranche 3 Consideration Shares"); and

- all Consideration Shares that have been agreed to be issued to MBAG in connection with the Strategic Cooperation shall be issued to it by no later than the first quarter of 2023.

If, following the issue of the Tranche 2 Consideration Shares or the Tranche 3 Consideration Shares (as relevant), the aggregate value of all MBAG Technology that the Company has been provided access to at such time is greater than the Aggregate MBAG Consideration Amount, the Company shall make MBAG whole for this shortfall by making an additional cash payment of an equivalent amount to MBAG (a "Cash Top-up"). The ability of the Company to make any Cash Top-up payments to MBAG, either after the issue of the Tranche 2 Consideration Shares or after the issue of the Tranche 3 Consideration Shares, is subject to a maximum cap of £28.6 million, being 10 per cent. of the Aggregate MBAG Consideration Amount.

If, at the time of issue of the Tranche 2 Consideration Shares or the Tranche 3 Consideration Shares, the volume weighted average price of the Ordinary Shares for the 30 consecutive trading days that are two business days prior to the date of issue of the Tranche 2 Consideration Shares or the Tranche 3 Consideration Shares (as applicable) (the "Reference Price") is lower than the MBAG Entry Price, the Company will make an additional cash payment to MBAG in an amount equal to the difference between the MBAG Entry Price and the Reference Price multiplied by the number of the Tranche 2 Consideration Shares or the Tranche 3 Consideration Shares (as applicable) that has been issued to MBAG.

Under the terms of the Operational Agreements, in addition to making MBAG Technology available to the Group, MBAG (or its relevant subsidiary) is also expected to supply both hardware and software components to the Group. Where relevant, the Company (or its relevant subsidiaries) will pay arm's length supply prices under the Operational Agreements.

As mentioned in Part 5 – Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc, the Consideration Shares will be issued to MBAG for non-cash consideration (being the MBAG Technology) and so the Company will comply with the requirements of section 593 of the UK Companies Act 2006 to obtain an independent valuation of the consideration to be provided by MBAG for all Consideration Shares prior to their allotment. A final copy of the valuation report in respect of the Phase 1 Technology has been obtained by the Company from BDO LLP, who have been commissioned by the Company for these purposes.

In addition, as also mentioned in Part 5 -- Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc, the allotment of further Consideration Shares to MBAG (beyond the Tranche 1 Consideration Shares) pursuant to the Strategic Cooperation Agreement may require various Shareholder approvals in accordance with the Listing Rules, depending on the timing and size of the future tranches, which will be assessed by the Company at the relevant time. In the event that any necessary Shareholder approvals were not obtained, the Company would discuss the reasons for the approval not being obtained with Shareholders and would seek to adjust the terms that it has agreed with MBAG in the Strategic Cooperation Agreement accordingly. If necessary, the Company would then seek Shareholder approval for any revised terms that had been agreed with MBAG. This would inevitably result in a delay to the issue of further Consideration Shares to MBAG and also to the Company's access to further MBAG Technology. If no agreement as to revised terms could be reached by the Company with MBAG or if Shareholders did not approve any revised terms, no further Consideration Shares could be issued to MBAG and no further MBAG Technology could be accessed by the Company and this may result in the Strategic Cooperation Agreement being terminated by MBAG.

The Consideration Shares will, when issued, rank *pari passu* in all respects with the Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared after the date of issue of the Consideration Shares. The rights attaching to the Consideration Shares are governed by the Articles and there will be no restrictions on the free transferability of the Consideration Shares save as provided in the Articles and as described in relation to the MBAG Lock-up below.

Applications will be made to the FCA and to the London Stock Exchange for each of tranche of the Consideration Shares to be admitted to listing on the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities, respectively. It is expected that Admission of the Tranche 1 Consideration Shares will become effective and that dealings in the Tranche 1 Consideration Shares will commence on the London Stock Exchange by 8.00 a.m. on 7 December 2020.

The Ordinary Shares are already admitted to CREST. No further application for admission to CREST is required for the Consideration Shares and all of the Consideration Shares when issued may be held and transferred by means of CREST. Euroclear requires the Company to confirm to it that certain conditions (imposed by the CREST Manual) have been satisfied before Euroclear will admit any security to CREST. It is expected that these conditions will be satisfied on Admission of the Consideration Shares. As soon as practicable after satisfaction of the conditions, the Company will confirm this to Euroclear.

The ISIN for the Tranche 1 Consideration Shares will be the same as that of the Ordinary Shares, being GB00BFXZC448.

MBAG Lock-up

Pursuant to the Strategic Cooperation Agreement, MBAG has agreed not to sell, transfer or otherwise dispose of any Consideration Shares until the earlier of: (a) 365 days after the date of Admission of all Consideration Shares; (b) the termination of the Strategic Cooperation Agreement; and (c) 31 December 2023, subject to the exceptions set out in the following two paragraphs (the "MBAG Lock-up").

In addition to customary exceptions for transfers within the MBAG group or in the event of a public offer being made to Shareholders for their Shares, MBAG shall, in each of calendar years

2022 and 2023, be free to dispose of Consideration Shares that, in aggregate for that year, represent less than 2.5 per cent. of the Company's issued share capital at the start of such year.

In the event that: (a) in either of calendar years 2022 or 2023, Lawrence Stroll disposes of interests in Ordinary Shares representing, in aggregate for that year, more than 2.5 per cent. of the Company's issued share capital; (b) the Company's Ordinary Shares trade below 30 pence per Share for more than three consecutive trading days; or (c) an investor with material reputational issues acquires more than 10 per cent. of the Ordinary Shares or obtains the ability to appoint a Director, the MBAG Lock-up shall cease to apply. The MBAG Lock-up will also not apply to a disposal if, following the issue to MBAG of Tranche 2 Consideration Shares or Tranche 3 Consideration Shares, MBAG is required to dispose of Ordinary Shares to ensure that its aggregate shareholding in the Company remains 0.1 per cent. below that of the Yew Tree Consortium.

Regulatory conditions

In addition to being conditional on the passing of Resolution 1 at the General Meeting without material amendment, the issue of the Tranche 1 Consideration Shares to MBAG (and therefore the commencement of the implementation of the Strategic Cooperation) is also conditional on:

- a valuation report pursuant to section 593 of the UK Companies Act 2006 in respect of the Phase 1 Technology being obtained by the Company from BDO LLP, who have been commissioned by the Company for these purposes and, as at the Latest Practicable Date, have already provided a final copy of such report to the Company; and

- the following antitrust conditions (together, the "Antitrust Conditions") having been satisfied or waived:

  - following a notification of the Strategic Cooperation to the FCO: (a) the FCO indicating that the Strategic Cooperation does not constitute a notifiable transaction or that it has cleared the transaction on terms satisfactory to both the Company and MBAG; or (b) the Strategic Cooperation being deemed to be cleared because the applicable waiting period in Germany has expired (the "FCO Condition"); and

  - following a notification of the Strategic Cooperation to the CMA, either the CMA: (a) indicating that the Strategic Cooperation does not constitute a relevant merger situation under applicable legislation; (b) indicating that it does not intend to request further information; or (c) if the CMA confirms that it intends to open an investigation in relation to the Strategic Cooperation, following such investigation, it confirming on terms satisfactory to the Company and MBAG that it does not intend to refer the Strategic Cooperation, to the Chair of the CMA in accordance with applicable legislation (the "CMA Condition"). As at the Latest Practicable Date, the CMA Condition has been satisfied.

Furthermore, the publication of a prospectus is required in connection with Admission of the Tranche 1 Consideration Shares (as well as the Placing Shares). This document has been approved by the FCA as a prospectus for such purposes.

The Company and MBAG have agreed to use their reasonable endeavours to procure the satisfaction of the Antitrust Conditions. Notwithstanding the satisfactory outcome of the CMA Condition, the Company and MBAG have also agreed to cooperate in good faith in order to deal with any subsequent CMA investigation or engagement in the event that this arises in relation to a later stage of the Strategic Cooperation.

It is also envisaged that, following the issue of Tranche 1 Consideration Shares, a post-closing merger control filing will need to be made in Egypt. Neither the Strategic Cooperation nor the issue of Consideration Shares will be conditional on this filing occurring.

Key commercial terms in relation to intellectual property

MBAG has granted the Company and the rest of the Group a non-exclusive licence to use relevant MBAG intellectual property for certain purposes relating to the Strategic Cooperation (including the use of relevant parts and components supplied to the Group and, after the Tranche 1 Consideration Shares have been issued to MBAG, the modification of relevant parts and components for use in the Group's vehicles). MBAG will also make available certain third party intellectual property to the Group to the extent that MBAG has a right to sub-license that intellectual property to the Group. The Group will license to MBAG any of the Group's intellectual property that MBAG needs to use in relation to the Strategic Cooperation.

The Company and MBAG will jointly own any intellectual property they create jointly in connection with the Strategic Cooperation, and each of them will be free to use and exploit any jointly owned intellectual property in relation to its own vehicles.

Under the Strategic Cooperation Agreement, the Company and MBAG will each indemnify the other (and its affiliates) for losses relating to certain intellectual property infringement claims brought by third parties in relation to the use (in accordance with the intellectual property licences granted under the Strategic Cooperation Agreement) of parts or components supplied by the indemnifying party or made to its specification. Each party's liability for any indemnity claims is subject to the £10 million aggregate liability cap under the Strategic Cooperation Agreement.

Termination rights

MBAG shall have the right to terminate the Strategic Cooperation Agreement with immediate effect if:

- the Company is in material breach of the terms of the Strategic Cooperation Agreement, which is either incapable of being remedied or has not been remedied within 30 business days of the Company being notified of it;

- the Company fails to issue any Consideration Shares to MBAG in accordance with the terms summarised in this document;

- the Company issues securities to a third party at a price lower than the MBAG Entry Price without agreeing anti-dilution provisions with MBAG (other than pursuant to the Placing);

- prior to the issue of the Tranche 1 Consideration Shares, a strategic competitor of MBAG: (a) acquires more than 30% of the Ordinary Shares; (b) is granted the right to nominate a person for appointment to the Board or nominates such a person who is then elected by Shareholders at a general meeting to the Board; or (c) enters into a strategic business arrangement with the Company (i) that is comparable to the Strategic Cooperation with respect to technological collaboration or (ii) under which the Company agrees to issue equity securities to the relevant strategic competitor or to form a joint venture company with such strategic competitor (the "Strategic Competitor Termination Right"); or

- the Company suffers or is subject to an insolvency event.

The Strategic Cooperation Agreement also provides that the terms of all Operational Agreements shall include a Strategic Competitor Termination Right for MBAG, capable of being exercised at any point (i.e. whether or not the relevant trigger giving rise to the Strategic Competitor Termination Right occurs before or after the issue of the Tranche 1 Consideration Shares). Any Strategic Competitor Termination Right under any Operational Agreement can only be exercised by MBAG on four years' prior notice to AML.

The Company shall have the right to terminate the Strategic Cooperation Agreement if:

- MBAG is in material breach of the terms of the Strategic Cooperation Agreement, which is either incapable of being remedied or has not been remedied within 30 business days of MBAG being notified of it; or
- MBAG suffers or is subject to an insolvency event.

Other key terms

At the time of entry into the Strategic Cooperation Agreement, the Company and MBAG have provided to each other a set of customary contractual warranties. Both parties provided warranties in relation to due authorisation, absence of breach, insolvency, and litigation, and the Company also provided additional warranties to MBAG in relation to key assets, accounts and tax. Each party's aggregate liability in respect of all claims for breach of the warranties given under the Strategic Cooperation Agreement is capped at £5 million. Each party's aggregate liability in respect of all loss under or in connection with the Strategic Cooperation Agreement is subject to an overall liability cap of £10 million (in addition to any liability of the Company to pay liquidated damages as described below).

Under the terms of the Strategic Cooperation Agreement, the Group is required to comply with specific confidentiality obligations relating to certain commercially and competitively sensitive MBAG Technology. In the event that the Group breaches those confidentiality terms, MBAG would be entitled to withdraw the Group's access to that software and information and require the Company to pay £10 million in liquidated damages to MBAG.

The terms of the Strategic Cooperation Agreement provide that, in the event that the Company carries out a subdivision, consolidation or reclassification of Ordinary Shares prior to the allotment and issue to MBAG of all Consideration Shares that have been agreed to be issued to it pursuant to the Strategic Cooperation Agreement, the Company and MBAG shall enter into good faith negotiations regarding the necessary mathematical adjustments to the number of Consideration Shares that at such point remains capable of being issued to MBAG in order to reflect the effect of such subdivision, consolidation or reclassification.

The terms of the Strategic Cooperation Agreement further provide that, in the event that the Company proposes to undertake a non-pre-emptive offering of Ordinary Shares representing more than five per cent. of its overall issued share capital prior to the allotment and issue to MBAG of all Consideration Shares that have been agreed to be issued to it pursuant to the Strategic Cooperation Agreement, the Company shall consult with MBAG prior to proceeding with such offering.

MBAG Relationship Agreement

In connection with the Strategic Cooperation, the Company and MBAG have also entered into the MBAG Relationship Agreement to document the Board Appointment Right and other terms governing their ongoing relationship. The MBAG Relationship Agreement is substantially on the same terms as the relationship agreements that the Company has in place with the Adeem/PW Shareholder Group and the Yew Tree Consortium.

The MBAG Relationship Agreement provides that:

- MBAG shall be able to nominate two non-executive directors to the Board for so long as its shareholding in the Company is equal to or exceeds 15 per cent.; and
- the right to appoint one director will continue for so long as MBAG's shareholding in the Company is equal to or exceeds 7.5 per cent.

For so long as MBAG holds a direct or indirect interest in 7.5 per cent. or more of the voting rights in the Company, it will be able to appoint one director as (i) a member of the Nomination Committee and (ii) an observer on each of the Audit and Risk Committee and the Remuneration Committee.

If a director appointed to the Board by MBAG has a conflict of interest in respect of a particular Board matter as a result of such matter relating to: (i) both the Group and MBAG (ii) any commercially sensitive information of the Group or (iii) the enforcement or operation of the MBAG Relationship Agreement, he or she shall not attend, be counted in the quorum, participate in discussions at, receive information in relation to or vote on any resolutions at Board meetings where such matter is being considered without prior approval of the Board (which for the purposes of such approval shall not include such conflicted director or any other director appointed by MBAG).

In addition, the MBAG Relationship Agreement contains a set of cooperation policies that have been agreed between the Company and MBAG in order to ensure that all interactions between them pursuant to the Strategic Cooperation are carried out in a regulatory- and antitrust-compliant way.

Throughout the term of the MBAG Relationship Agreement, the Company agrees not to take any action in relation to certain matters without prior approval of at least two-thirds of members of the Board present at a meeting and entitled to vote. These matters are:

- any suspension, cessation or abandonment of any material activity of the Company or any Group company, any material change to the nature, primary focus of or geographical area of the business or the closing of any material operating establishment of the business;
- any material acquisition or disposal, in one or a series of related transactions, by the Company or any Group company of: (a) any undertaking, business, company or securities of a company; or (b) any assets or property (other than in the ordinary course of business);
- the adoption of, or making any amendments to, the Group's annual budget or its business plan;
- incurring, issuing, guaranteeing or assuming any indebtedness or approving capital expenditure in excess of £10,000,000 (other than any indebtedness or capital expenditure provided in or contemplated by the Group's annual budget or its business plan previously approved by at least two-thirds of all members of the Board present and entitled to vote);
- issuing any securities, or granting any person rights to be issued any securities, on a non-pre-emptive or non-pro-rata basis (other than in accordance with any equity incentive scheme approved by the Board on recommendation of the Company's Remuneration Committee), subject at all times to the provisions of applicable law;
- approving any recommendation to the shareholders to change the size of the Board;
- approving any change in the size and composition of the Company's Nomination Committee, unless such change is required in order to ensure compliance with the U.K. Corporate Governance Code;
- appointing or dismissing any Executive Directors; and
- granting any equity incentive awards to employees of the Group under any of the Aston Martin Lagonda Long-Term Incentive Plan 2018, the Aston Martin Lagonda Deferred Share Bonus Plan 2018, the Aston Martin Lagonda Share Incentive Plan 2018 and the Aston Martin Lagonda SAYE Plan 2018.

The Board cannot propose an amendment to the Articles which would be in conflict with the provisions of the MBAG Relationship Agreement without the prior written consent of MBAG.

The MBAG Relationship Agreement will terminate upon MBAG (and its affiliates) ceasing to hold 7.5 per cent. of the voting rights attaching to the Shares or upon the Shares ceasing to be admitted to the Official List.

PART 7

Terms and Conditions of the Warrants Issue

The Warrants will be constituted and issued pursuant to the Warrant Instrument, which will be executed as a deed poll by the Company in favour of the Initial Warrantholders on or around 7 December 2020, being the date on which all conditions for the release of the proceeds of the Second Lien Notes from escrow are expected to be satisfied. Each Warrant shall entitle their holder (the "Warrantholder") to the right to subscribe (the "Subscription Right") for one Warrant Share (or 0.05 Warrant Shares following the completion of the Capital Reorganisation) at £0.50 per Warrant Share (or £10.0 per Warrant Share following the completion of the Capital Reorganisation) (the "Subscription Price") in the period from (and including) the date immediately following the Lock-In Period to (and including) the seventh anniversary of the date on which they are issued (the "Exercise Period").

Exercise of Warrants and issue of Warrant Shares

The Warrants are exercisable:

- at any time during the Exercise Period (provided that, notwithstanding the Lock-In Period, the Exercise Period shall be deemed to have started on the first date on which a takeover offer or scheme of arrangement is proposed in respect of the Company);
- upon the occurrence of a de-listing of the Company's Ordinary Shares from the Official List (a "De-Listing"); and
- within 30 days immediately following receipt of notice by the Warrantholders from the Company of any takeover offer or scheme of arrangement (in each case, within the meaning of the UK Companies Act 2006) becoming wholly unconditional or effective (as applicable).

Warrantholders are entitled to either: (i) subscribe in cash for the Warrant Shares at the Subscription Price, or (ii) elect to exchange their Subscription Rights for a net number of Warrant Shares representing the difference between current market value of the Warrant Shares (being average of the closing middle market quotations for an Ordinary Share for the three trading days immediately prior to the date of exercise) and the Subscription Price, subject to payment to the Company of the aggregate nominal value of the Warrant Shares delivered. Any dispute between Warrantholders and the Board as to the market value of the Warrant Shares shall be referred to the Company's auditors for independent valuation.

In the event of a winding-up of the Company by statutory declaration of solvency under section 89 of the Insolvency Act 1986 during the Exercise Period, each Warrantholder holding unexercised Warrants shall be treated as if they had fully exercised their outstanding Warrants immediately before the passing of the shareholder resolution for the winding up, and shall be entitled to receive out of the assets in the liquidation *pari passu* with the holders of the Ordinary Shares such sum to which it would have been entitled by virtue of such exercise after deducting a sum equal to the amount which the Warrantholder would have had to pay for such Warrant Shares. In any other circumstance in which an effective resolution is passed or an order is made for the winding up of the Company, the Subscription Rights and Warrants shall automatically lapse and cease to be exercisable on the date of such resolution or order.

Warrant Shares issued upon exercise of any Subscription Rights will be issued fully paid and rank *pari passu* and form one class with the Ordinary Shares. No fractions of a Warrant Share shall be allotted or issued on the exercise of any Subscription Rights and no refund will be made to the Warrantholder exercising such Subscription Rights. If the exercise of any Subscription Rights would require a fraction of a Warrant Share to be allotted, the aggregate number of Warrant Shares so allotted to a Warrantholder will be rounded down to the nearest whole Warrant Share. The Company shall procure that application is made for the Warrant Shares to be admitted to the Official List and admitted to trading on the London Stock Exchange as soon as practicable (and in any event not later than ten Business Days) after the exercise of the Warrants.

Adjustment of Subscription Rights

For as long as any Warrants remaining outstanding and exercisable, the Company shall adjust the Subscription Rights, the Subscription Price and/or the number of Warrant Shares (an "Adjustment") upon the occurrence of certain events, the effect of each such Adjustment being that the total number of Warrant Shares to which the outstanding Subscription Rights relate carry the same proportion of the Company's issued share capital and the aggregate price payable for all Warrant Shares subject to outstanding Subscription Rights remains the same.

The Company shall carry out an Adjustment and give each Warrantholder written notice upon the occurrence of the following events:

- any further allotment or issue of Ordinary Shares (or a grant of any rights to subscribe for or to convert securities into Ordinary Shares) in connection with a rights issue or an open offer at a discount to market price;
- a subdivision, consolidation or reclassification of Ordinary Shares (other than the proposed Capital Reorganisation);
- a cancellation or reduction of the share capital, share premium account or capital redemption reserve of the Company, involving a repayment of capital;
- an allotment or issue of Ordinary Shares or any increase in the nominal value of Ordinary Shares by way of capitalisation of profits or reserves, but other than Ordinary Shares paid up out of distributable profits or reserves and issued in lieu of a cash dividend; and
- a consolidation, amalgamation or merger of the Company with or into another entity (other than where the Company is the surviving entity and which does not result in any reclassification of, or change in, the Ordinary Shares).

If Warrantholders for the time being holding not less than 10 per cent. of all outstanding Warrants in aggregate notify the Company in writing within 10 Business Days of receipt of notice from the Company notify the Company that they disagree with any Adjustment, the Company shall refer the matter to its auditors for determination.

Transfers of Warrants

Warrantholders may transfer Warrants to any person or undertaking at any time, save for in contravention of the restrictive legend on the Warrant certificate in respect of US securities laws.

Tradability

The Warrants shall not be listed or traded on a recognised stock exchange.

Information and consent rights of Warrantholders

For as long as any Warrants remaining outstanding and exercisable, and unless prior written consent from Warrantholders acting by Warrantholder Consent Resolution (as defined below) is obtained, the Company shall:

- send to each Warrantholder a copy of the Company's annual report and accounts (together with all documents required by law to be annexed to that report and accounts), as well as a copy of every other document sent to Shareholders, in each case at the same time as they are sent to Shareholders; and
- notify each Warrantholder in the event of an anticipated De-Listing within ten Business Days of the Board making a formal decision in relation thereto.

The Company shall also notify each Warrantholder of any proposed takeover offers or schemes of arrangement at the same time as the terms of such takeover offers or schemes of arrangement are communicated to Shareholders, and use its reasonable endeavours to procure that an appropriate offer is extended to all Warrantholders on no less favourable terms in accordance with Rule 15 of the Takeover Code.

Warrantholders holding Warrants conferring rights to subscribe for not less than 10 per cent. of the Warrant Shares subject to outstanding Subscription Rights are entitled to requisition the Company in writing to convene a meeting of Warrantholders, to which specific procedural requirements apply in respect of notice, quorum and voting. If the Company fails to convene such meeting following such written request, then the Warrantholders holding Warrants conferring rights to subscribe for not less than 10 per cent. of the Warrant Shares subject to outstanding Subscription Rights shall be entitled to convene such meeting themselves. Any resolution consented to in writing by Warrantholders entitled to exercise not less than 50 per cent. of the Subscription Rights then outstanding or passed at such meeting duly convened and held and carried by a majority consisting of not less than 50 per cent. of the votes cast on a show of hands or (if a poll is demanded) not less than 50 per cent. of the votes cast on a poll constitutes a "Warrantholder Consent Resolution". The Warrant Instrument confers certain powers on Warrantholders acting by Warrantholder Consent Resolution, including (but not limited to) the power to sanction any arrangement between the Company and the Warrantholders, to sanction any proposal by the Company for the exchange or substitution of the Warrants into other securities, and to appoint a committee to represent the interests of Warrantholders.

Register and Warrant certificates

The Company shall procure that its Registrar be responsible for the maintenance of the register of Warrantholders, the issue and replacement (as applicable) of Warrant certificates and the issue and delivery of Warrant Shares following an exercise of Subscription Rights by a Warrantholder.

General Meeting and Resolutions

Resolutions 5 and 6 are being proposed at the General Meeting as the Board does not currently have the requisite authorities to issue the Warrants and disapply pre-emption rights in connection with the Warrants Issue. The Warrants Issue is therefore subject to and conditional upon the Company obtaining Shareholder approval in respect of Resolutions 5 and 6 at the General Meeting.

PART 8

Terms and Conditions of the Capital Reorganisation

Fractional Entitlements

As a result of the Capital Reorganisation, any shareholding of Qualifying Ordinary Shares that is not exactly divisible by 20 will be rounded down to the nearest whole number of Consolidated Shares, and the Shareholder in question will be left with an entitlement to a fraction of a Consolidated Share (a ***Fractional Entitlement***). Any Shareholder holding fewer than 20 Existing Ordinary Shares on the Record Date will therefore only be entitled to one Fractional Entitlement following the Capital Reorganisation and so no longer be a member of the Company as a result.

Arrangements will be put in place for Fractional Entitlements arising from the Capital Reorganisation to be aggregated and sold in the market on behalf of Shareholders. The value of any one Shareholder's Fractional Entitlement will not exceed the value of one Consolidated Share. Proceeds of the aggregation and sale of Fractional Entitlements of less than £5 will be retained by the Company in accordance with the Listing Rules. Proceeds of Fractional Entitlements in excess of £5 (if any) will be distributed to Shareholders following completion of the Capital Reorganisation.

In the case of AML Nominee Service Shareholders, the aggregated Fractional Entitlements will be sold in accordance with the terms and conditions set out above, with proceeds issued to the mandated accounts or by cheque within 10 Business Days of the Capital Reorganisation becoming effective.

Effects of the Capital Reorganisation

As all Existing Ordinary Shares will be subdivided, re-designated and consolidated, each Shareholder's percentage holdings in the total issued share capital of the Company immediately before and after the implementation of the Capital Reorganisation will (save in respect of Fractional Entitlements and for Shareholders that, following the Capital Reorganisation, are only entitled to one Fractional Entitlement) remain unchanged. As a direct result of the Capital Reorganisation:

- the number of Ordinary Shares listed on the Official List and admitted to trading on the London Stock Exchange's main market for listed securities will change;
- the number of Ordinary Shares held by each Shareholder will reduce by a factor of approximately 20;
- the market value of an Ordinary Share should increase by a factor of approximately 20 (although the price of Ordinary Shares will continue to fluctuate);
- the overall value of each Shareholder's existing holding of Ordinary Shares should remain approximately the same (although the value of an investment in Consolidated Shares will continue to fluctuate);
- the Group's or the Company's net assets will not be affected; and
- the Consolidated Shares held by Shareholders will have the same rights, including voting and dividend rights, as the Existing Ordinary Shares.

Following the Capital Reorganisation, and assuming no further Ordinary Shares other than the Tranche 1 Consideration Shares and the Placing Shares were to be issued or repurchased between the Latest Practicable Date and the date on which the Capital Reorganisation becomes effective, the Company's total issued share capital (excluding treasury shares) will comprise 114,933,587 Consolidated Shares.

Application will be made for the Consolidated Shares to be admitted to trading on the London Stock Exchange in place of the Existing Ordinary Shares. Subject to approval of the Capital Reorganisation by Shareholders, it is expected that Admission of the Consolidated Shares will become effective and that dealings in Consolidated Shares will commence on 14 December 2020.

Interim Shares

The rights attaching to each Interim Share (including the rights in respect of voting, the entitlement to receive dividends and rights on a return of capital) will be identical in all respects to those of the Existing Ordinary Shares. The Interim Shares created as a result of the Subdivision will, immediately after they arise, be consolidated at the Consolidation Ratio of 20 to one into Consolidated Shares and no share certificates will be issued in respect of the Interim Shares.

Consolidated Shares

The rights attaching to each Consolidated Share (including the rights in respect of voting, the entitlement to receive dividends and rights on a return of capital) will be identical in all respects to those of the Existing Ordinary Shares.

Deferred Shares

The Deferred Shares will be created on the Subdivision in order to ensure that the aggregate nominal value of the Company's share capital after the Capital Reorganisation (consisting of both the Consolidated Shares and the Deferred Shares) is the same as before it (consisting of the Existing Ordinary Shares only). The creation of a class of Deferred Shares will therefore ensure that the reduction in nominal value of the Ordinary Shares (from Existing Ordinary Shares of £0.009039687 each to Interim Shares of £0.005 each) as a result of the Subdivision will not result in an unlawful reduction in the Company's share capital.

The Deferred Shares will have the rights and restrictions as set out in *Part 10 – Rights Attaching to the Deferred Shares*, which do not entitle their holders to receive notice of or attend and vote at any general meeting of the Company or to receive a dividend or other distribution. A Deferred Share will entitle its holder to receive an amount equal to its nominal value (£0.004039687) on a winding up of the Company after the holders of the Ordinary Shares have received the sum of £1,000,000 for each Ordinary Share held by them and the holder of a Deferred Share will have no other right to participate in the assets of the Company. The Deferred Shares will not be listed, nor will they be freely transferable, and therefore are expected to have little to no economic value.

No share certificates will be issued in respect of the Deferred Shares, nor will CREST accounts of Shareholders be credited in respect of any entitlement to Deferred Shares, nor will they be listed on the Official List or admitted to trading on the London Stock Exchange or any other investment exchange.

Under the terms of the Deferred Shares, the Company has the ability to buy back the Deferred Shares for aggregate consideration of £1.00 without obtaining the sanction of the holder or holders of the Deferred Shares. It is the Board's intention to acquire and then cancel the Deferred Shares in due course following completion of the Capital Reorganisation.

Record Date

The Record Date for the Capital Reorganisation is proposed to be 6.00 p.m. on 11 December 2020.

De minimis issue or buyback

To effect the Capital Reorganisation, it will be necessary either to issue or repurchase for cancellation a de minimis number of Existing Ordinary Shares so that the number of the Company's Existing Ordinary Shares is exactly divisible in accordance with the Consolidation Ratio (once determined by the Directors). To the extent required, the Company intends to use the existing authority granted at the Company's last AGM to issue or repurchase for cancellation a limited number of Existing Ordinary Shares.

Treatment of certificated and uncertificated holdings

Shareholders who hold Qualifying Ordinary Shares in uncertificated form will have such shares disabled in their CREST accounts after 6.00 p.m. on 11 December 2020, and their CREST accounts will be credited with the Consolidated Shares under the ISIN code GB00BN7CG237 and SEDOL number BN7CG23 on, or soon after 8:00 a.m. on 14 December 2020 following Admission of the Consolidated Shares.

Shareholders who hold share certificates in respect of their Ordinary Shares will no longer have valid certificates from the time that the proposed Capital Reorganisation becomes effective. Such Shareholders will be sent a new share certificate evidencing the Consolidated Shares to which they are entitled under the Capital Reorganisation. Such certificates are expected to be dispatched by first-class post at the risk of the Shareholder. Upon receipt of the new certificate, such Shareholders should destroy any old certificates. Pending dispatch of the new certificates, transfers of certificated Consolidated Shares will be certified against the Company's share register.

Following the Capital Reorganisation, all mandates and other instructions, including communication preferences given to the Company by Shareholders and in force at the Record Date shall, unless and until revoked, be deemed to be valid and effective mandates or instructions in relation to the Consolidated Shares.

United Kingdom Taxation

The following statements are intended only as a general guide and relate only to certain limited aspects of the UK taxation treatment of the Capital Reorganisation. They are based on current UK law and what is understood to be the current practice of HMRC as at the date of this document, both of which may change, possibly with retroactive effect. They apply only to Shareholders who are resident and, in the case of individuals, domiciled for tax purposes in (and only in) the UK (except insofar as express reference is made to the treatment of non-UK residents), who hold their Existing Ordinary Shares as an investment (other than where a tax exemption applies, for example where the Existing Ordinary Shares are held in an individual savings account or pension arrangement) and who are the absolute beneficial owner of both the Existing Ordinary Shares and any dividends paid on them. The tax position of certain categories of Shareholders who are subject to special rules is not considered and it should be noted that they may incur liabilities to UK tax on a different basis to that described below. This includes persons who have (or are deemed to have) acquired their Existing Ordinary Shares in connection with employment, dealers in securities, insurance companies, collective investment schemes, charities, exempt pension funds, temporary non-residents and non-residents carrying on a trade, profession or vocation in the UK.

The statements summarise the current position and are intended as a general guide only. Shareholders who are in doubt as to their tax position or who may be subject to tax in a jurisdiction other than the UK are strongly recommended to consult their own professional advisers.

Capital Reorganisation

It is expected that, for the purposes of UK taxation on chargeable gains, the Capital Reorganisation will be treated as follows:

(a) the (i) Interim Shares and Deferred Shares arising from the Subdivision, and (ii) the Consolidated Shares arising from the Share Consolidation, will result from a reorganisation of the share capital of the Company. Accordingly, to the extent that a Shareholder receives Interim Shares and Deferred Shares, and then Consolidated Shares, the Shareholder should not be treated as making a disposal of all or part of the Shareholder's holding of (x) Existing Ordinary Shares (pursuant to the Subdivision), or (y) Interim Shares (pursuant to the Share Consolidation), by reason of the Capital Reorganisation being implemented. Instead, the Consolidated Shares and Deferred Shares which replace a Shareholder's holding of Existing Ordinary Shares as a result of the Capital Reorganisation will be treated as the same asset acquired at the same time as the Shareholder's holding of Existing Ordinary Shares was acquired;

(b) as described in Section 5 of Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc) above, Fractional Entitlements arising from the Capital Reorganisation are to be aggregated and sold in the market on behalf of Shareholders. To the extent that a Shareholder receives cash by virtue of a sale on his or her behalf of any Consolidated Shares to which he or she has a Fractional Entitlement, the Shareholder will not in practice normally be treated as making a part disposal of the Shareholder's holding of Existing Ordinary Shares, the proceeds instead being deducted from the base cost of the Shareholder's Consolidated Shares. If those proceeds exceed that base cost, however, or if a Shareholder holds fewer than 20 Existing Ordinary Shares on the Record Date and so is not entitled to any Consolidated Shares, the Shareholder will be treated as disposing of part or all of his or her holding of Existing Ordinary Shares and will be subject to tax in respect of any chargeable gain thereby realised;

(c) on a subsequent disposal of all or any part of the Consolidated Shares, a Shareholder may, depending on his or her circumstances, be subject to tax on the amount of any chargeable gain realised. For the purposes of calculating any chargeable gain or allowable loss on a subsequent disposal of all or any part of the Consolidated Shares, the base cost should be calculated by apportioning the base cost of the Existing Ordinary Shares between the Consolidated Shares and Deferred Shares by reference to their respective market values on the first day of dealings of the Consolidated Shares. The Company expects that a Deferred Share will be of negligible market value; and

(d) non-UK resident Shareholders who do not have a branch or agency (or, in the case of a non-resident company, a permanent establishment) in the UK will generally not be subject to UK tax on disposal of the Existing Ordinary Shares or Consolidated Shares.

United States Federal Income Taxation

The following discussion is a general summary based on present law of certain US federal income tax consequences of the Capital Reorganisation. This discussion applies only to US Holders (as defined below) that hold Existing Ordinary Shares at the time of the Capital Reorganisation, hold the Existing Ordinary Shares and will hold the Consolidated Shares, as capital assets and use the US dollar as their functional currency. The discussion is a general summary; it is not a substitute for tax advice. It does not address all tax considerations that may be relevant to a particular US Holder or the tax treatment of US Holders subject to special rules, such as banks or other financial institutions, insurance companies, tax exempt entities, dealers, traders in securities or currencies that elect to mark to market, regulated investment companies, real estate investment trusts, investors liable for alternative minimum tax, US expatriates, persons that directly, indirectly or constructively own 10 per cent. or more of the total combined voting power of the Company's voting stock or of the total value of the Company's equity interests, investors that hold Existing Ordinary Shares or will hold Consolidated Shares in connection with a permanent establishment or fixed base outside the United States, or investors that hold Existing Ordinary Shares or will hold Consolidated Shares as part of a hedge, straddle, conversion, constructive sale or other integrated financial transaction. This summary also does not address US federal taxes other than the income tax (such as estate or gift taxes) or US state and local, or non-US tax laws or matters.

As used here, a "US Holder" means a beneficial owner of Existing Ordinary Shares and, after the Capital Reorganisation, Consolidated Shares that is for US federal income tax purposes (i) a citizen or individual resident of the United States, (ii) a corporation created or organised under the laws of the United States, any state thereof, or the District of Columbia, (iii) a trust subject to the control of one or more US persons and the primary supervision of a US court and (iv) an estate the income of which is subject to US federal income tax without regard to its source.

The US federal income tax treatment of a partner in a partnership (or other entity or arrangement treated as a partnership for US federal income tax purposes) that holds Existing Ordinary Shares and will hold Consolidated Shares after the Capital Reorganisation will generally depend on the status of the partner and the activities of the partnership. Partnerships should consult their own tax advisers concerning the US federal income tax consequences to their partners of the Capital Reorganisation.

The Company believes, and the following discussion assumes, that the Company is not and will not become a passive foreign investment company ("PFIC") for US federal income tax purposes.

Capital Reorganisation

The Capital Reorganisation should constitute a "recapitalization" for US federal income tax purposes. As a result, a US Holder generally should not recognise gain or loss upon the Capital Reorganisation except to the extent of pounds sterling received by virtue of a sale of any Consolidated Shares to which such holder has a Fractional Entitlement (as further described below). A US Holder's tax basis in its Consolidated Shares will equal its tax basis in its Existing Ordinary Shares less any tax basis that is allocable to any Existing Ordinary Shares to which such holder has a Fractional Entitlement. A US Holder that acquired Existing Ordinary Shares at different times and at different prices generally will be required to calculate a separate tax basis and holding period for each block of Existing Ordinary Shares and then allocate that basis separately to the corresponding Consolidated Shares received in the Capital Reorganisation.

Fractional Entitlements

A US Holder who receives pounds sterling by virtue of a sale of any Consolidated Shares to which such holder has a Fractional Entitlement generally will recognise gain or loss equal to the difference between the US dollar value of the pounds sterling received and the US Holder's tax basis in the Existing Ordinary Shares allocable to such Fractional Entitlement. Such gain or loss generally will be long-term capital gain or loss if the US Holder's holding period for such Existing Ordinary Shares is more than one year. The deductibility of capital losses is subject to limitations.

A US Holder that receives pounds sterling by virtue of a sale of any Consolidated Shares to which such holder has a Fractional Entitlement will realise an amount equal to the US dollar value of the pounds sterling on the date on which the Fractional Entitlements are sold in the market on behalf of Shareholders (or, if the Consolidated Shares are treated as securities traded on an "established securities market," in the case of cash basis and electing accrual basis US Holders, the date the pounds sterling are received). A US Holder will recognise exchange gain or loss if the US dollar value of the pounds sterling received at the spot rate on the settlement date differs from the amount realised. A US Holder will have a tax basis in the pounds sterling received equal to its value at the spot rate on the settlement date. Any exchange gain or loss realised on the settlement date or on a subsequent conversion of the pounds sterling into US dollars will be US source ordinary income or loss.

Information Reporting and Backup Withholding

Payments of pounds sterling by virtue of a sale of any Consolidated Shares to which a US Holder has a Fractional Entitlement may be reported to the US Internal Revenue Service unless the holder establishes a basis for exemption. Backup withholding tax may apply to amounts subject to reporting. Any amount withheld may be credited against the holder's US federal income tax liability subject to certain rules and limitations. US Holders should consult with their own tax advisers regarding the application of the US information reporting and backup withholding rules.

Certain non-corporate US Holders are required to report information with respect to investments in Consolidated Shares not held through an account with a domestic financial institution. US Holders that fail to report required information could become subject to substantial penalties. Potential investors are encouraged to consult with their own tax advisers about these and any other reporting obligations arising from their investment in Consolidated Shares.

Share-Based Incentive Plans

The Company has two discretionary executive share plans: the Aston Martin Lagonda Long-Term Incentive Plan 2018 (the "LTIP") and the Aston Martin Lagonda Deferred Share Bonus Plan 2018 (the "DSBP"). There are also two all-employee share ownership plans: a share incentive plan (the "SIP") and a sharesave plan (the "SAYE Plan"). The LTIP, DSBP, SIP and SAYE Plan are, together, the "Share-Based Incentive Plans".

The Company has granted options over Existing Ordinary Shares under the LTIP. No awards have been granted under the DSBP, SIP and SAYE Plan. Participants under the Share-Based Incentive Plans are not the beneficial owners of Existing Ordinary Shares under those plans and so will not participate in the Capital Reorganisation, other than in their separate capacity as Shareholders (if applicable).

Participants in the Share-Based Incentive Plans will be contacted separately with further information on their rights and how their options will be affected by the Capital Reorganisation, the Warrants Issue and/or the Strategic Cooperation but a short summary is set out below.

Outstanding options granted under the Share-Based Incentive Plans may be adjusted in accordance with the rules of the relevant Share-Based Incentive Plan for any effect that the Capital Reorganisation, the Warrants Issue and/or the Strategic Cooperation may have on those options. In order to align the experience of participants in the Share-Based Incentive Plans with the experience of Ordinary Shareholders, the remuneration committee intends to adjust the number of Ordinary Shares under outstanding options to reflect the Capital Reorganisation but not make any adjustment to reflect the Strategic Cooperation and the Warrants Issue. The remuneration committee may amend the performance conditions to ensure performance is measured on a like-for-like basis before and after the Capital Reorganisation, the Warrants Issue and/or the Strategic Cooperation. No decision has been taken at this time as to whether to adjust performance conditions and this matter will be considered further during 2020.

Participants in the legacy IPO LTIP are the beneficial owners of Ordinary Shares. The Ordinary Shares held by participants in that plan will be subject to the Capital Reorganisation in the same way as other Shareholders.

Renewal of existing AGM authorities

Given that, as a result of the Capital Reorganisation, the nominal value and aggregate number in issue of the Consolidated Shares will be different to the nominal value and aggregate number in issue of the Existing Ordinary Shares, Resolutions 8 to 11 are being proposed at the General Meeting, conditional on Resolution 7 in respect of the Capital Reorganisation being approved and subject to the Capital Reorganisation completing, as Resolutions to renew the Company's current customary authorities in relation to share allotment and buyback and disapplication of pre-emption rights approved by Shareholders at the AGM on 3 June 2020. A summary and explanation of Resolutions 8 to 11 is set out below, but please note that this does not contain the full text of the Resolutions and you should read this section in conjunction with the explanatory notes in *Part 5 – Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings* plc, as well as the Resolutions in the Notice of General Meeting at the end of this document.

Resolution 8: Authority to allot shares

Paragraph (a) of Resolution 8 would authorise the Board to allot Consolidated Shares (or to grant rights to subscribe for or convert any securities into Consolidated Shares) up to an aggregate nominal amount equal to £1,010,000.19 (representing approximately 10,100,002 Consolidated Shares) following the completion of the Capital Reorganisation. This amount represents approximately 11.07 per cent. of the issued ordinary share capital (excluding treasury shares) of the Company as at the Latest Practicable Date (by reference to Existing Ordinary Shares, in accordance with the Consolidation Ratio). The aggregate nominal amount in respect of which this authority was originally obtained at the AGM on 3 June represented approximately one-third of the issued ordinary share capital (excluding treasury shares) of the Company at that time but has since been partially utilised by the Company for the June 2020 Placing. The aggregate nominal amount in respect of which this authority is being sought now represents the unutilised portion of the authority granted at the AGM on 3 June 2020 only.

In line with guidance issued by the Association of British Insurers ("ABI"), paragraph (b) of Resolution 8 would authorise the Board, following the completion of the Capital Reorganisation, to allot Consolidated Shares (or grant rights to subscribe for or convert any securities into Consolidated Shares) up to an aggregate nominal amount equal to £3,480,000 (representing approximately 34,800,000 Consolidated Shares), in relation to a pre-emptive offer to

Shareholders by way of a rights issue (with exclusions to deal with fractional entitlements to shares and overseas shareholders to whom the rights issue cannot be made due to legal and practical problems (as reduced by the nominal amount of any Ordinary Shares issued under paragraph (a) of Resolution 8). This amount represents approximately 38.16 per cent. of the issued ordinary share capital (excluding treasury shares) of the Company as at the Latest Practicable Date (by reference to Existing Ordinary Shares, in accordance with the Consolidation Ratio). The aggregate nominal amount in respect of which this authority was originally obtained at the AGM on 3 June represented approximately two-thirds of the issued ordinary share capital (excluding treasury shares) of the Company on the date of the AGM on 3 June 2020, at which point this authority was first sought and obtained from Shareholders.

The authority sought under Resolution 8 will expire at the earlier of 2 September 2021 and the conclusion of the next AGM of the Company. The Board has no present intention to exercise the authority sought under Resolution 8. However, if they do exercise the authority, the Board intends to follow ABI recommendations concerning its use (including as regards the Board standing for re-election in certain cases).

As at the date of this document, the Company does not hold any Ordinary Shares in treasury.

Resolutions 9 and 10: Authorities to disapply pre-emption rights

Resolutions 9 and 10 would grant the Board the authority to allot Consolidated Shares (including any Consolidated Shares which the Company elects to hold in treasury) for cash without first offering them to existing Shareholders in proportion to their existing shareholdings.

The authority set out in Resolution 9 would be limited to allotments or sales in connection with rights issues or other pre-emptive offers, or otherwise up to an aggregate maximum nominal amount of £327,228.09 (representing approximately 3,272,281 Consolidated Shares). This aggregate nominal amount represents approximately 3.59 per cent. of the issued ordinary share capital of the Company as at the Latest Practicable Date (by reference to Existing Ordinary Shares, in accordance with the Consolidation Ratio). The aggregate nominal amount in respect of which this authority was originally obtained at the AGM on 3 June 2020 represented approximately 5 per cent. of the issued ordinary share capital of the Company at that time, but has since been partially utilised by the Company for the June 2020 Placing. The aggregate nominal amount in respect of which this authority is being sought now represents the unutilised portion of the authority granted at the AGM on 3 June 2020 only.

In respect of this aggregate nominal amount, the Directors confirm their intention to follow the provisions of the PEG Principles regarding cumulative usage of pre-emption disapplication authorities within a rolling three-year period where the PEG Principles provide that usage in excess of 7.5 per cent. of the issued ordinary share capital of the Company should not take place without prior consultation with Shareholders.

The authority granted by Resolution 10 is in addition to the authority granted by Resolution 9. It is limited to the allotment of Consolidated Shares for cash up to an aggregate nominal value of £379,999.88 (which includes the sale on a non-pre-emptive basis of any shares held in treasury), which represents approximately 4.17 per cent. of the issued ordinary share capital of the Company as at the Latest Practicable Date (by reference to Existing Ordinary Shares, in accordance with the Consolidation Ratio). The aggregate nominal amount in respect of which this authority was originally obtained at the AGM on 3 June 2020 represented approximately 5 per cent. of the issued ordinary share capital of the Company at that time.

This further authority may only be used for an allotment of Consolidated Shares for cash for the purposes of financing (or refinancing, if the waiver is used within six months of the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the PEG Principles.

The authority sought under Resolutions 9 and 10 will expire at the earlier of 2 September 2021 and the conclusion of the next AGM of the Company.

Resolution 11: Authority to purchase own shares

This resolution seeks Shareholder approval for the Company to make market purchases of up to 7,600,000 Consolidated Shares following the completion of the Capital Reorganisation, being approximately 8.33 per cent. of the issued share capital (excluding treasury shares) as at the Latest Practicable Date (by reference to Existing Ordinary Shares, in accordance with the Consolidation Ratio). Resolution 11 also specifies the minimum and maximum prices at which the Consolidated Shares may be bought. In certain circumstances it may be advantageous for the Company to purchase its own shares and the Directors consider it to be desirable for the general authority to be available to provide flexibility in the management of the Company's capital resources. Purchases of the Company's own Ordinary Shares will be made if to do so would be in the best interests of the Company and of its shareholders generally and would result in an increase in earnings per share. The Company may either retain any of its own Ordinary Shares which it has purchased as treasury shares with a view to possible use at a future date or cancel them. Holding the Ordinary Shares as treasury shares gives the Company the ability to use them quickly and cost-effectively and would provide the Company with additional flexibility in the management of its capital base. No dividends will be paid on, and no voting rights will be exercised in respect of, treasury shares. It is the Company's current intention that, of any Ordinary Shares repurchased under this authority, sufficient Ordinary Shares will be held in treasury to meet the requirements, as they arise, of the Company's share incentive arrangements, with the remainder being cancelled.

The total number of awards and options to subscribe for Existing Ordinary Shares outstanding as at the Latest Practicable Date was 443,523 representing approximately 0.024 per cent. of the issued share capital (excluding treasury shares) at that date. If the authority being sought under this resolution (which has not been utilised since it was originally obtained at the AGM on 3 June 2020 and could only be utilised following completion of the Capital Reorganisation, on which it is conditional) were utilised in full, the issued share capital following the Capital Reorganisation would be reduced by an equivalent amount of Consolidated Shares (calculated in accordance with the Consolidation Ratio) and the outstanding awards and options would represent approximately 0.021 per cent. of the issued share capital at such time (also taking account of the impact of the issuance of the Placing Shares and the Tranche 1 Consideration Shares on the Company's issued share capital, which will take place prior to the Capital Reorganisation).

No warrants over Ordinary Shares in the capital of the Company are in existence as at the Latest Practicable Date.

The authority sought under Resolution 11 will expire at the earlier of 2 September 2021 and the conclusion of the next AGM of the Company.

PART 9

Action to be Taken

The Company has called a General Meeting to be held at 9.30 a.m. on 4 December 2020 at Banbury Road, Gaydon, Warwick, CV35 0DB. Please see the Notice of General Meeting at the end of this document. As you will see from the contents of the Notice of the General Meeting, and as summarised in *Part 5 – Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings* plc, the Directors are seeking shareholder approval to: (i) approve the Strategic Cooperation and implement the Strategic Cooperation and allot the Consideration Shares; (ii) issue the Warrants; (iii) disapply pre-emption rights in connection with the Warrants; (iv) implement the Capital Reorganisation; and (v) subject to the Capital Reorganisation being approved, renew certain shareholder authorities obtained by the Company at its last AGM in light of the changes to the Company's share capital following completion of the Capital Reorganisation.

Unless you hold your Ordinary Shares indirectly, you will find enclosed with this document a Form of Proxy or, in the case of AML Nominee Service Shareholders, a Voting Instruction Form, for use in relation to the General Meeting. If you are not an AML Nominee Service Shareholder, you are requested to complete and sign the Form of Proxy in accordance with the instructions printed on it so as to be received by the Registrar, Equiniti Limited, at the return address on the enclosed Form of Proxy as soon as possible, and in any event no later than 9.30 a.m. on 2 December 2020. If you are a participant in the AML Nominee Service, you are requested to submit an electronic voting instruction using the information supplied in the Voting Instruction Form no later than 9.30 a.m. on 1 December 2020.

As an alternative to completing and returning the printed Form of Proxy, you can also submit your proxy electronically by accessing the Registrar's website at www.sharevote.co.uk. Alternatively, if you hold Ordinary Shares in CREST, you may appoint a proxy by completing and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the Notice of the General Meeting at the end of this document on page 203. To be valid, the electronic submission or CREST Proxy Instruction should be received no later than 9.30 a.m. on 2 December 2020 or not later than 48 hours before the time appointed for any adjourned meeting.

Impact of COVID-19 on attendance and voting

In light of the COVID-19 outbreak, the Board takes the wellbeing of the Company's employees and Shareholders very seriously. The Government has introduced measures to deal with the coronavirus crisis which include guidance on social distancing and restrictions on nonessential travel and public gatherings, which affect the manner in which the General Meeting can be conducted. The Board regrets that to ensure the safety of Shareholders, Shareholders are not permitted to attend the General Meeting in person. Any person attempting to attend the General Meeting in person will be refused admission. In order to comply with relevant legal requirements, the General Meeting will be convened with the minimum necessary quorum. This will be facilitated by the Company. Arrangements are expected to be made to provide a listen-only audio facility for the General Meeting to allow Shareholders to listen to the proceedings remotely given that they will be unable to attend in person. Please note that during the General Meeting, Shareholders participating through the audio facility will not be able to ask questions or vote. Further details in relation to these arrangements will be made available on the Group's website at www.astonmartinlagonda.com prior to the General Meeting.

The Board therefore strongly encourages Shareholders to vote on all Resolutions in advance of the General Meeting by completing their Form of Proxy or appointing a proxy electronically if they hold their shares directly, or by submitting an electronic voting instruction using the information supplied in the Voting Instruction Form if they are a participant in the AML Nominee Service. Shareholders should appoint the Chair of the General Meeting (and not any named individual) to act as their proxy, otherwise their votes will be incapable of being cast. The Board will continue to keep Government guidance under review and may, if necessary, make further changes to the arrangements for the General Meeting, including how it is conducted.

Further announcements and information will be provided as required and Shareholders should continue to monitor the Company's website at www.astonmartinlagonda.com/investors/shareholder-information and announcements for any updates in relation to the General Meeting arrangements that may need to be provided.

PART 10

Rights Attaching to the Deferred Shares

The Deferred Shares shall have the rights, and shall be subject to the restrictions, set out below:

1. On a winding-up or other return of capital, the Deferred Shares shall entitle the holders of the shares receive an amount equal to their nominal value in priority to any further distributions on the Ordinary Shares once the sum of £1,000,000 has been distributed on each Ordinary Share.
2. The Deferred Shares shall not entitle the holders of such shares to receive any dividend or other distribution (other than pursuant to 1 above) or to receive notice of, or to attend, speak or vote at, any general meeting of the Company.
3. No Deferred Share shall:
   - 3.1 save as provided below, be transferable other than with the prior written consent of the Directors and the Directors shall have the right to refuse to register any transfer undertaken without their prior written consent; or
   - 3.2 entitle its holder to receive a share certificate in respect of such shareholding, save as required by law.
4. The Company shall have an irrevocable authority from each holder of Deferred Shares at any time to do all or any of the following without obtaining the sanction of the holder or holders of the Deferred Shares:
   - 4.1 to appoint any person to execute on behalf of any holder of Deferred Shares a transfer of all or any of those shares and/or an agreement to transfer the same (without making any payment for them) to such person or persons as the Company may determine and to execute any other documents which such person may consider necessary or desirable to effect such transfer, in each case without obtaining the sanction of the holder(s) and without any payment being made in respect of such acquisition; and
   - 4.2 to purchase all or any of the shares without obtaining the consent of the holders of those shares in consideration for an amount not exceeding £1.00 in respect of all of the Deferred Shares then being purchased, and:
     - 4.2.1 for the purposes of any such purchase, to appoint any person to execute an instrument of transfer in respect of such shares to the Company on behalf of any holder of Deferred Shares; and
     - 4.2.2 to cancel all or any of the Deferred Shares purchased.
5. The reduction of capital paid up on the Deferred Shares and/or the creation or issue of further shares in the capital of the Company ranking in priority for payment of a dividend or in respect of capital or which confer on the holders voting rights more favourable than those conferred by the Deferred Shares shall be deemed not to vary or abrogate the rights attaching to the Deferred Shares.

PART 11

Business Overview of the Group

Recent developments

The Q3 2020 Results and Strategic Announcement is incorporated by reference into this document, as detailed in Part 15 (Documentation Incorporated by Reference).

In addition, on 27 October 2020 the Company and MBAG entered into the Strategic Cooperation Agreement, pursuant to which, subject to Shareholder approval of the Transaction Resolutions, the Company and MBAG will enter into the Strategic Cooperation. Further detail is discussed in Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc) and Part 6 (Terms and Conditions of the Strategic Cooperation).

On 27 October 2020, the Company also announced a capital raise by way of a placing (the "Placing") of 250,000,000 new Ordinary Shares to institutional investors (the "Placing Shares"). As set out in the announcement published by the Company announcing the Placing, the Placing will generate £125 million of gross proceeds for the Company, subject to, amongst other things, Admission of the Tranche 1 Consideration Shares.

As also announced by the Company on 27 October 2020 and 30 October 2020, the Group is (i) issuing £259 million equivalent in aggregate principal amount of 15.00 per cent. second lien split coupon notes due 2026 at an issue price of 98%, together with detachable warrants to be issued by the Company with the right to subscribe for a number of its Ordinary Shares, which will represent five per cent. of the diluted issued share capital of the Company following the issuance of the Placing Shares and all Consideration Shares, (ii) issuing £838 million equivalent in aggregate principal amount of first lien notes due 2025 and (iii) increasing the size and extending the maturity of its revolving credit facility (together, the "Financing Transactions"). When the Financing Transactions were first announced on 27 October 2020, the first lien notes were stated to be for a £840 million (equivalent) aggregate principal amount, and the aggregate principal amount of the Second Lien Notes was stated as 13.5 per cent. When the first lien notes were subsequently priced on 30 October 2020, there was only a US dollar tranche of $1,085,500,000 aggregate principal amount, which translated to £838 million based on an exchange rate of $1.2949 = £1.00, which represents the rate of exchange as of 30 September 2020. As the first lien notes were priced with an aggregate principal amount of 10.5 per cent., the aggregate principal amount of the Second Lien Notes was increased to 15 per cent., in accordance with the agreed terms governing the Second Lien Notes. Completion of the Financing Transactions is conditional on, among other things, Admission of the Placing Shares and the Tranche 1 Consideration Shares.

The total gross proceeds of the Placing (£125 million) and the Financing Transactions (£1,099 million) will be used to redeem the Group's outstanding Senior Secured Notes (including the relevant redemption premiums and accrued and unpaid interest thereon), to repay the term loan the Company borrowed pursuant to the U.K. Coronavirus Large Business Interruption Loan Scheme (including any accrued and unpaid interest thereon), for general corporate purposes, including working capital and capital expenditures and to pay fees and expenses incurred in connection with the Financing Transactions, the Placing and the Strategic Cooperation, as detailed in the following table.

Uses of Funds	**(£ equivalent in millions)**
Repayment in full of outstanding Senior Secured Notes	936
Repayment in full of principal amount of CLBILS Loan	20
Accrued and unpaid interest on the outstanding Senior Secured Notes and the CLBILS Loan	15
General corporate purposes	211
Transaction fees	42
Total	**1,224**

Creating a world-class luxury automaker and maximising shareholder value creation

The Company is targeting revenue of approximately £2 billion and Adjusted EBITDA of approximately £500 million by financial years 2024 / 2025, underpinned by the Strategic Cooperation Agreement and targeted annual capital expenditure of £250 million to £300 million per annum between 2021 and 2025.

The Company has a plan that incorporates a refresh of all the front-engine sports car range, an expansion of the SUV offering and the launch of a mid-engine range. There is a programme of specials over the period to support the core business. The cadence of new and refreshed models, incorporating updated technology through the Strategic Cooperation Agreement, will drive exclusivity and maintain dealer profitability supported by the significant marketing platform of an Aston Martin F1™ team from 2021.

By 2025, the plan is to produce some 9,000-10,000 units a year, comprising a split of approximately 40 per cent. front-engine and 60 per cent. SUV offerings. The Company will move into the more profitable segment of mid-engine cars by transforming Formula 1™ technology out of the Aston Martin F1™ team into its performance road car business. The Company is looking forward to delivering the Aston Martin Valkyrie hypercar from the second half of 2021 which serves as ambassador for its mid-engine programme.

Delivery of the improvement in profitability starts with an enhanced product offering with disciplined production to order, to generate a margin more aligned to the luxury automotive segment. This will be supplemented with an enhanced operational focus on cost and investment control and greater discipline on cashflow, driven by a strategy to optimise the Company's structure to deliver an operational level of excellence in line with the updated product and business plan.

These statements are "forward-looking" statements that involve risks and uncertainties. In particular, these statements assume the successful completion of the Financing Transactions, the Placing and the Strategic Cooperation. The Group's actual operations and results in 2024/25 may differ significantly from these forward-looking statements. Factors that might cause such differences include those discussed in "*Risk Factors*" and elsewhere in this document.

Business overview

Aston Martin is a globally recognised luxury brand and a leader in the high-luxury sports ("HLS") car market. For more than a century, the brand has symbolised exclusivity, elegance, power, beauty, sophistication, innovation, performance and an exceptional standard of styling and design. The Group's cars sit solely within the HLS car market segment and its market leadership position is supported by award-winning design and engineering capabilities, world-class technology and modern facilities, creating distinctive model line-ups. The Group believes its rich and prestigious heritage of delivering beautiful awe-inspiring cars defines Aston Martin as something truly unique within the automotive industry.

The Group sells cars worldwide, primarily from its main manufacturing facility and corporate headquarters in Gaydon, England. Its current model line-up comprises four core models: (1) the high-luxury DBX, its first SUV, of which it started delivering the first cars in July 2020, (2) one grand tourer (DB11), (3) one sports car (Vantage) and (4) one super grand tourer (DBS Superleggera). All of its sports cars are available in different core models (derivatives), including coupe and convertible models.

The Group's DBX order book built rapidly from when it opened on 20 November 2019 to the beginning of 2020. After a slow-down in orders, with the majority of the Group's global dealer network closed for prolonged periods between January and July 2020 due to the COVID-19 pandemic, stable growth in the Group's order book resumed in the three months ended 30 September 2020 driven by a successful media launch in July 2020 and DBX cars being delivered to dealers allowing test-drive opportunities. As of 30 September 2020, 345 DBX had been shipped to dealers. Media and customer reviews of DBX are very positive. Based on the initial orders and reviews for DBX, the Group plans to unveil future derivatives of the DBX commencing in 2021.

In light of the Group's 2019 operational and financial performance and a challenging HLS car market, the Group conducted a comprehensive review of its business and longer-term strategic options. Its new leadership team, which has a wealth of luxury automotive experience and a new major shareholder and Executive Chairman, who has world-class luxury retail experience, have allowed the Group to reset its business plan and focus on turning around performance, restoring price positioning and delivering a more efficient operational footprint in order to de-risk the business and position the Group for controlled, long-term, profitable growth. The Group is moving towards a built-to-order strategy to manage its sports car wholesales in order to maintain the appropriate balance between supply and demand to regain a stronger order book and thus pricing power. With the support of its dealer network the Group has continued to make strong progress in reducing its global dealer inventory by de-stocking its dealer network by more than 1,400 Sports and GT units in the first nine months of 2020, which is more than seven times the level of de-stocking achieved in the whole of 2019.

The Group reviewed the timing of future product launches to control medium term investment requirements, improve cash generation and provide greater financial stability and flexibility. The Group will focus on three key pillars: front-engine, SUV and mid-engine. The Group's initial focus is on its current front-engine and SUV models: (1) the DB11 grand tourer, (2) the DBS Superleggera super grand tourer, (3) the Vantage front-engine sports car and (4) the DBX SUV as well as the derivative models that it will continue to produce of each of the four models. The third pillar, the mid-engine, takes its lead from the era-defining Aston Martin Valkyrie hypercar, with the first Valkyrie deliveries planned for 2021, and Aston Martin Valkyrie AMR Pro, which together establish Aston Martin's mid-engine platform. The Group plans to subsequently build on its mid-engine platform with the Valhalla hypercar and mid-engine core model Vanquish supercar.

Special editions continue to be a key component of the Group's reset of the business plan as they enhance the Group's brand and have strong financial characteristics. Given their desirability, special editions are typically fully allocated prior to any significant capital commitment and typically generate higher margins than the core range. Deposits are required on allocation and typically allow special editions to be cash flow positive throughout the product life cycle, from design to final delivery.

In early 2020 the Group entered into an agreement, under which the Racing Point F1™ team will become the Aston Martin F1™ team with effect from the 2021 season, bringing an Aston Martin team back to the F1™ grid for the first time since 1960. This agreement is for a 10-year initial term, and the Group also has the option to acquire an economic interest in the Racing Point F1™ team. Under the agreement, the Group will move from a pure sponsorship agreement with respect to the Red Bull Racing F1™ team, to an enhanced presence by providing the chassis and the team name Aston Martin. The agreement includes a sponsorship arrangement effective from 2021 to 2025 with expenses commensurate with the Group's current annual F1™ expenditure and is renewable for additional five years, subject to certain conditions. The Group expects that this agreement will strengthen its brand presence without being associated with the direct costs of owning an F1™ team. For the remainder of the 2020 F1™ season, the Group will continue its proud sponsorship of the Red Bull Racing F1™ Team.

The Group's participation in motorsports has given and will continue to give the Aston Martin brand global exposure, particularly in key growth markets. The Group believes its involvement in motorsports is an important brand building tool, due to the high levels of interest in F1™ among premium and luxury car owners globally. As of 31 December 2019, based on internal company data, approximately 80 per cent. of premium and luxury car buyers in the United Kingdom, United States, Germany and Japan had an interest in F1™. The Group's own Aston Martin F1™ team will provide it with an improved global marketing platform, allowing it to benefit from increased brand exposure at each of the 23 races per year held in different locations across the world (certain of which have been cancelled in 2020 due to the COVID-19 pandemic). The Group maintains a dealership presence in 20 of these global F1™ race locations, providing the opportunity to engage with a high proportion of its customers and partners on a yearly basis.

The Group's strengths

Recognised luxury brand defined by unparalleled design and beauty

A quintessential luxury brand

The Group believes that the Aston Martin brand is one of the most globally recognised luxury brands and a leader in the HLS car market. Its brand identity is built upon a long-standing history as a Great British car company creating some of the most beautiful and accomplished cars in the world. Founded in London in 1913, Aston Martin has a long tradition of exceptional design, engineering and manufacturing of HLS sports and GT cars as well as a longstanding racing pedigree. The Group's historic partnership with the James Bond franchise remains strong and as in the past, the next James Bond film, *No Time to Die,* will feature Aston Martin cars.

The Group has also perpetuated its Aston Martin brand as a luxury lifestyle concept through brand extension activities, including engaging with existing and potential HNWI customers via its "Art of Living" experiential events platform, capitalising on its target market's significant spending on experiences such as luxury driving breaks coupled with exceptional lifestyle experiences. In particular, the Group believes these experiences are an effective way to raise brand awareness, drive interest in its brand among new customer segments and bring clients closer to the Aston Martin brand and its partners.

Formula One as global marketing platform

In 2016, the Group became a sponsor of Red Bull's F1™ team and since the start of 2018, the team has competed as "Aston Martin Red Bull Racing." In early 2020, the Group entered into a 10 year initial term agreement under which the Racing Point F1™ team will be re-launched as the Aston Martin F1™ team with effect from the 2021 season, bringing an Aston Martin team back to the F1™ grid for the first time since 1960. The agreement includes a sponsorship arrangement effective from 2021 to 2025 with expenses commensurate with the Group's current annual F1™ expenditure and is renewable for additional five years, subject to certain conditions. The Group expects that this agreement will strengthen its brand presence without being associated with the direct costs of owning an F1™ team. Under the agreement, the Group will move from a pure sponsorship relationship with respect to the Red Bull Racing F1™ team to an enhanced presence by providing the chassis and the team name Aston Martin. For the remainder of the 2020 F1™ season, the Group will continue its proud sponsorship of the Red Bull Racing F1™ Team.

The Group's participation in motorsports has given and will continue to give the Aston Martin brand global exposure, particularly in key growth markets. The Group's involvement in F1™ with 66 days of F1™ racing and 22 F1™ races per year on five different continents and with Aston Martin dealers in 20 of the race locations allows it to engage with a high proportion of its customers and partners face-to-face on a yearly basis. As of 31 December 2019, based on internal company data, approximately 80 per cent. of premium and luxury car buyers in the United Kingdom, United States, Germany and Japan had an interest in F1™. According to the F1™ website, in 2019 the global cumulative TV audience comprised 1.9 billion viewers, 24.9 million followers on F1™ social media channels and 52.1 million unique visits to the F1™ website. The enhanced engagement with a significant portion of global customers in an Aston Martin branded space provides the Group with a significant marketing platform, which the Group expects to leverage through the launch its mid-engine platform, starting with its era-defining Aston Martin Valkyrie, with first deliveries planned for 2021, followed by its Valhalla special mid-engine car and its mid-engine core model, Vanquish. The Group believes its range of mid-engine cars, which is more sports and performance focused, will allows it to increase its average selling price and attract a new, younger group of customers, including those who drive cars primarily for leisure and pleasure and are focused on high tech specifications and a unique range of customisation and personalisation.

Strong desirability and exclusivity supported by strong pipeline of bespoke special editions

Desirability and exclusivity of the Group's cars drive its premium pricing power and the Group has been able to increase the average selling prices of its models by 112 per cent. between 2007 and 2019. Customers purchase the Group's products for a variety of reasons, with demand particularly driven by emotive factors such as brand power, design, performance and quality. The Group targets these emotive factors through the strategic introduction of new core models and variants of existing models with enhanced features whose design, performance and quality ensure a high-class and unique experience and enable its customers to experience an emotional connection with the Aston Martin brand. The strong connection between the Group's customers and its products has enabled the Group to build a loyal consumer base.

In addition, the limited production of special editions promotes exclusivity while enhancing brand image, allowing the Group to raise price points for cars with these enhanced features. For example, based on the Vanquish model platform, the Group introduced four special editions using the Zagato nameplate, each of which were priced in excess of £500,000. In addition, the Group has developed models, such as the Aston Martin Valkyrie, that are designed to be at the cutting-edge of automotive design and technology. The road version of the Aston Martin Valkyrie was fully allocated shortly after launch, having been over four times oversubscribed despite the limited number of customers approached and the price and deposit requirements. All 150 Valkyrie road car versions have been sold at a manufacturer's suggested retail price of £2,750,000 (including options) and significant customer deposits have been received. The Group believes the exclusive nature of these special edition models allows it to command superior pricing in comparison to its competitors and increases demand for its core models, as its special edition models are only available to regular customers of its core models.

The strong desirability of the Group's cars is underpinned by the fact that it received numerous awards for its cars. For example, the DB11 V8 Coupe was named the What Car 'Car of the year (Coupe more than £50,000)' in 2018, 2019 and 2020, the DBS Superleggera 'Sunday Times Sports Car of the Year' in 2019 and the DBX 'Best Luxury SUV' by GQ Car Awards, 'SUV of the Year' by Off Road and 'Best Designed Car of the Year' by the Sunday Times Motoring Awards in 2020.

The Group taps into the passion and demand for its highly exclusive heritage cars through its continuation models, which blend traditional craftsmanship with modern engineering advancements and performance enhancements. For example, the DB4 GT Continuation, launched in 2017, had a limited run of only 25 models and was oversubscribed at a selling price of £1.5 million plus tax (UK manufacturer's suggested retail price of £1.8 million including tax). The Group leveraged the success of the DB4 GT Continuation with a DB4 GT Zagato Continuation during 2019 and the DB5 *Goldfinger* Continuation in 2020.

The value of the Group's cars is resilient, evidenced by its heritage cars, which often command collector premiums and have become investment classes in their own right. For example, based on Group research, as of 31 December 2019, the DB5 Coupe model was valued in the secondary market at 30 times its price in 1995, the DB5 Volante at 24 times its price in 1995 and the DB4GT at 14 times its price in 1995.

Special editions continue to be a key component of the Group's reset business plan as they enhance the Group's brand and have strong financial characteristics. Given their desirability, special editions are typically fully allocated prior to any significant capital commitment and typically generate higher margins than their core range counterparts. Deposits are required on allocation and typically allow special editions to be cash flow positive throughout the product life cycle, from design to final delivery.

The Group operates a franchise model for its dealerships whereby it maintains strong control over the brand positioning while limiting the capital investment in the network. The Group has a dealership design consultancy team that works directly with individual dealers to deliver a world-class luxury customer experience and consistent brand presentation. Since 2015, this dealership network has been strengthened through the appointment of new and upgraded dealerships as part of the Group's focus on continually enhancing and developing the network's viability, profitability and sustainability.

Historically, the Group sold approximately 3,500 to 4,000 sports cars per year. In recent years, however, the volumes of its sports cars sold to dealers increased significantly but was not matched by underlying retail demand and resulting in its dealers becoming over-stocked. The Group has taken decisive action to address overstocking by lowering wholesale volumes and providing customer financing support to drive retail sales and it has successfully de-stocked its dealer network by more than 1,400 Sports and GT units in the first nine months of 2020, which is the equivalent of three months' retail sales and more than seven times the level of de-stocking achieved in the whole of 2019. During the three months ended 30 September 2020, the Group has continued to make good progress in connection with de-stocking its dealer network, and the Group has further reduced its global dealer stock by more than 550 vehicles and ahead of its de-stocking plan for 2020.

In early 2020, the Group refreshed the Vantage with the launch of the Vantage Roadster with the option of a new grille, and the production of the Vantage Roadster started in the three months ended 30 September 2020. In addition, the Group has continued to build its DBX order book in the three months ended 30 September 2020 following a successful media launch in July 2020 and delivery of DBX cars to dealers allowing test-drive opportunities. The Group has also started working on the midcycle refreshes of the Vantage, DB11 and DBS Superleggera, which will be relaunched in the coming years.

Wide range in the attractive luxury car market with global access to growing wealth creation

A distinguishing characteristic of Aston Martin is the breadth of the Group's product offering, which it believes enables it to appeal to a more diverse range of HNWIs and different demographics than other HLS manufacturers, including younger and female HNWIs. The Group believes it is one of the few luxury automotive manufacturers developing a full core model product portfolio aimed at addressing a wide spectrum of the luxury car market: the GT, super GT, sport, SUV and mid-engine segments. The Group's current core product offering includes four core models from the new generation core models addressing the GT, super GT, sports and, more recently, SUV segments. The Group expects the development of its mid-engine supercar, the Vanquish, to complete its ICE product portfolio, giving itself a superior product offering in the luxury automotive space that addresses the needs of all key customer clusters.

Expanding into SUV and mid-engine segments

In the coming years, the luxury SUV and mid-engine markets are expected to show particularly high growth. The Group believes the DBX enables it to access the expanding luxury SUV segment and address customers looking for a more versatile, luxurious and comfortable SUV product than those currently available in the premium market. The DBX order book built rapidly from when it opened on 20 November 2019 to the beginning of 2020. After a slow-down in orders, with the majority of the Group's global dealer network closed for prolonged periods between January and July 2020 due to the COVID-19 pandemic, stable growth in the Group's order book resumed in the three months ended 30 September 2020 driven by a successful media launch in July 2020 and DBX cars being delivered to dealers allowing test-drive opportunities. As of 30 September 2020, 345 DBX had been shipped to dealers. Initial media and customer reviews of DBX are positive. Based on the initial orders and reviews for DBX, the Group plans to unveil future derivatives of the DBX commencing in 2021. Recently, the Group adjusted prices for the DBX to align them with its regional pricing and to support the targeted expansion of the platform with the expected higher-margin variants.

The Group expects to enter into the HLS mid-engine market with a core mid-engine supercar (the Vanquish) and a mid-engine hypercar (the Valhalla). Both models will draw on the learning and technology developed by the era-defining Aston Martin Valkyrie hypercar, with first deliveries of the Valkyrie planned for 2021.

Global access to HNWIs client base and resilient market

The Group believes that its product offering targeting the upper end of the luxury performance car segment and its large and diversified global dealer network makes it well-positioned to benefit from global fast growing HNWI wealth. The global HNWI population has grown by a CAGR of approximately 7 per cent. between 2011 and 2019 to approximately 19.6 million individuals in 2019 globally (World Wealth Report 2020 from Capgemini). The Group's products target the upper end of the luxury performance car segment and its buyers typically belong to the wealthiest segment of the population. The size and spending capacity of the Group's target client base has grown significantly in recent years and there has been a strong growth in HNWI wealth from 2012-2019 at a CAGR of 7.0 per cent. (World Wealth Report 2020 from Capgemini). Growth is expected to continue with a CAGR of approximately 5 per cent. over the 2019 to 2024 period according to the Knight Frank 2020 Wealth Report.

The Group anticipates the expected increase in HNWI and UHNWI wealth in the next five years to promote the expansion of its market. The Group believes that its dealers are well-positioned in attractive key growth markets, including Morocco and Thailand, to help it take advantage of these trends and to further establish the Aston Martin brand. As its buyers typically belong to the wealthiest segment of the population, the Group benefits from resilient demand for its product offering as it sits in the upper end of the luxury industry. The Group's tight control over the geographic allocation of its cars allows it to adjust the geographical distribution of unit sales over time to respond to economic developments in its markets and to benefit from patterns of wealth creation and demand for luxury products in different regions.

The Group's strategic relationships with key partners continue to provide competitive access to advanced technology supported by a world-class production platform

Strategic partnerships with key partners

The Group believes that carefully chosen partnerships are a source of technical expertise, brand strengthening and future growth. Access to competitive technology is critical and one of its important assets.

The Group has a significant strategic technical and commercial partnership with Mercedes-Benz AG to develop and supply high-powered bespoke V8 powertrains for future models, and to enable access to advanced technology, including engines and navigation and entertainment systems. In addition, on 27 October 2020 the Group announced the Strategic Cooperation, details of which can be found in Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc) and Part 6 (Terms and Conditions of the Strategic Cooperation).

In addition, the widely anticipated Aston Martin-Red Bull co-designed hypercar, the Aston Martin Valkyrie, is the product of the Group's strategic partnership with Red Bull Advanced Technologies. The Group believes the Aston Martin Valkyrie official unveiling at the 2017 Geneva Motor Show piqued interest amongst a broader range of its target client market in the Aston Martin brand. The investment in, and development of, technology through the design of the Aston Martin Valkyrie will also pave the way for the development of the Group's mid-engine cars Valhalla and Vanquish.

Scalable manufacturing capabilities at the Group's modern facilities

The Group has used modular architecture as the basis for its models for over 14 years, starting with DB9 in 2004. The introduction of DB11 introduced a new advanced modular architecture including a revised aluminium body structure, electrical architecture and entertainment system and efficient V8 and V12 engines, upon which the Group intends to develop most of its future sports and GT models. The Group's updated modular architecture is the backbone of its product portfolio and employs a "Carry Over-Carry Across" principle for key systems components in order to improve quality and to reduce engineering cost, complexity, and time-to-market for subsequent models. Every significant component of an Aston Martin car utilises a part from a previous model or creates a part for the next model which increases capital efficiency and also reduces warranty costs, as many components are already proven from previous models. The flexible modular architecture also allows for a high degree of product differentiation and enables the Group to easily adapt to the production of new models, thereby reducing the production and development costs for incremental models as well as the execution risk and time taken to bring those models to market. Leveraging the original investment made on modular architecture for DB11 substantially reduced time spent and production and development costs on the Vantage and DBS Superleggera models. The Group expects that the modular architecture it uses for DBX will also reduce the cost and time for DBX derivatives and other SUVs it develops in the future.

The Group operates a well-established production system enhanced by new manufacturing techniques throughout its production process in its modern and fully invested manufacturing facility at Gaydon, where it produces its three core sports cars and their derivatives, and its state-of-the-art and fully invested manufacturing facility at St. Athan, where it produces the DBX and planned derivatives.

This is supported by the Group's skilled workforce, which has the capabilities to manage the production of a range of derivatives on the flow production line and to complete cycle times of between 25 and 40 minutes on certain stations. It believes that its current manufacturing facilities equip its business to handle future expected volumes efficiently and in line with its reset business plan. It also maintains a flexible employee base, each of whom is trained on most of its production stations and models. This flexibility allows it to add or reduce skilled and experienced personnel as needed, enabling it to shift employees across different areas of production, to maximise the production capacity and utilisation. It is able to increase production volumes by production line rate increases and additional shifts or extra working days. The flexibility of its manufacturing process also enables it to efficiently build certain special edition models on the main production line, with only the finishing touches being completed in another facility. The success of its design, engineering and manufacturing methodology is demonstrated by the successful launch of three new models in the first half of 2018 (DB11 Volante, DB11 AMR and Vantage) and the respective special editions and derivatives during the second half of 2018 and 2019.

These main production facilities are complemented by manufacturing facilities for the Group's continuation models at Newport Pagnell and special edition models at Wellesbourne. These niche production facilities also use elements of the production processes it has developed for its core cars, while enabling it to deliver higher value cars that require more technical or bespoke processes during manufacture.

The Group's liquidity position and extended maturity profile, combined with operational efficiencies, put the Group on a clear path to sustainable cash flow generation

Operational efficiencies

In 2019 and 2020, the Group outlined further actions to improve the cost efficiency of its business to operate as a true luxury car brand, in alignment with its strategic plan to deliver sustainable profitable growth. The Group significantly reduced the number of its contractors and introduced a voluntary redundancy and early retirement programme in 2019, which led to a reduction in headcount of approximately 22 per cent. year-on-year. Such measures are expected to yield approximately £10 million in costs savings on an annualised basis, which will offset the incremental increase in costs at St. Athan as it scales up for full production of DBX in 2020.

In addition, in June 2020, the Group launched a consultation process with its employees and trade unions on proposals to further reduce personnel numbers by up to 500 permanent employees and 150 consultants in order to enhance efficiency and reduce expenses in line with lower than originally planned production volumes. The consultation process is expected to be completed by the end of 2020. Such measures are expected to be implemented throughout the final quarter of 2020 and into the first quarter of 2021 and the Group estimates these initiatives will deliver, amongst other savings, annualised operating cost savings of approximately £14 million in connection with an expected reduction of non-manufacturing personnel, partially offset by approximately £4 million of annualised costs from the addition of approximately 300 new roles at its St. Athan manufacturing facility in connection with DBX production, resulting in a net amount of approximately £10 million in annualised personnel cost savings adjustment to EBITDA. See also "*The Group may not be able to realise cost savings, reduce capital expenditures or balance supply and demand effectively in line with its strategy. The Group's new strategy and business plan could also expose its business to different risks*" in Part 1 (Risk Factors).

The Group is confident that its operational efficiencies and reduced fixed cost base will strengthen its overall financial performance going forward. In addition, these measures align with the Group's new lower volume model line-up catering to the high growth and high margin segments, including the luxury SUV and mid-engine markets. This new approach is bolstered by the Group's focus on technology partnerships and the reengineering of processes under its new leadership team.

Capital structure

In 2020, the Group strengthened its liquidity position in by raising an aggregate of £687.8 million of gross proceeds through the placement and issuance of Ordinary Shares (£535.7 million less total fees of £25.1 million via a rights issue and placing to the Yew Tree Consortium, and £152.1 million via the June 2020 Placing). In particular, it also placed shares to the Yew Tree Consortium, the Adeem/PW Shareholder Group and MBAG. As of 30 September 2020, the Group's net debt and cash and cash equivalents were £868.5 million and £307.3 million, compared to £987.6 million and £107.9 million as of 31 December 2019.

World-class leadership, with unique understanding and experience of both the luxury retail and car sectors

With the Group's new leadership team, which has a wealth of luxury automotive experience, and new major shareholder and Executive Chairman, Mr. Lawrence Stroll, who brings with him world-class experience in the luxury retail sphere, the Group is focused on turning around performance, restoring price positioning and delivering a more efficient operational footprint in order to de-risk the business and position it for controlled, long-term, profitable growth. The Group is dedicated to building on the inherent strengths of its business, including its brand, engineering prowess and the skills of its people to maintain Aston Martin's reputation as a pre-eminent luxury car brand and to forge the foundations of a bright future.

The investments of the Group's Executive Chairman and the Yew Tree Consortium demonstrate the confidence they have in the future performance of the Group's business. In addition to these investments, Mr. Stroll's experience in shaping some of the world's most prominent luxury brands, including Tommy Hilfiger and Polo Ralph Lauren, accompanied by a long history in the racing and luxury car industry and with distribution of luxury cars in North America place him in a strong position to lead the reset of the Group's business.

Mr. Tobias Moers started as Chief Executive Officer of the Group in August 2020. He is a highly experienced automotive professional having spent more than 25 years in senior roles at Daimler, including leading Mercedes-AMG's profitable product expansion over the past seven years. With a unique combination of CEO and CTO experience, under Mr. Moers' leadership, Mercedes-AMG more than doubled its product portfolio and quadrupled the number of AMG units sold, with a clear pipeline of further expansion opportunities, in particular in electrification of powertrains in the performance segment. Mr. Moers' focus on operating and portfolio expansion and cross company efficiency delivered significant margin expansion to Mercedes-AMG.

Mr. Kenneth Gregor started as Chief Financial Officer of the Group in June 2020. Mr. Gregor has a strong leadership track record, with more than 20 years of automotive experience, most recently as CFO of Jaguar Land Rover for 11 years from 2008, where he developed the finance group as a strong business partner to support the delivery of shareholder value and the Group's growth ambitions.

The Group's strategies

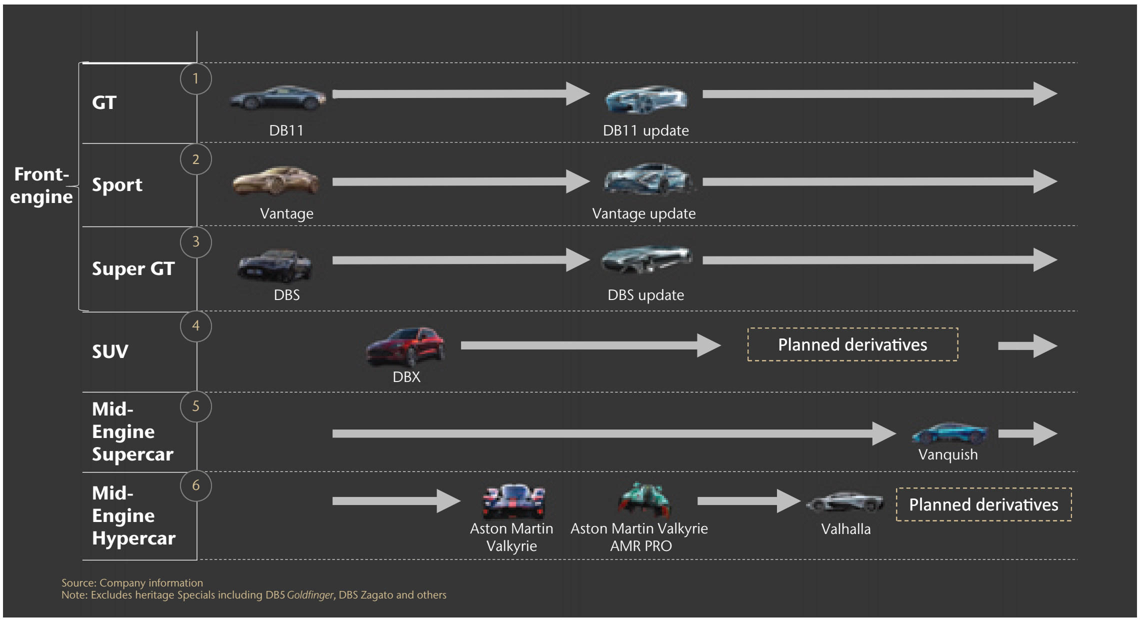
Core product offering focused on three-pillar strategy: front-engine cars, SUVs and mid-engine cars

The Group's model launch cadence is transitioning to a three-pillar product strategy focused on (i) front-engine cars, (ii) SUVs and (iii) mid-engine cars. The Group expects that its launch cadence will include a core car as well as derivatives and in-cycle improvements of each core model, to maintain the demand for each product through the Group's product life cycle. Over the medium term the Group is aiming to produce approximately 4,000 front-engine cars and 5,000-6,000 SUVs, with low volume mid-engines offering further upside. Alongside the Group's core cars, it also produces a range of special editions, enhancing the Group's brand exclusivity, profitability and profit margins. The Group believes this strategy will deliver a unique product portfolio within the HLS car market.

The Group believes the DBX, the Group's first step into the luxury SUV market, enables the Group to access the expanding luxury SUV segment and address customers looking for a more versatile, luxurious and comfortable SUV product. The SUV segment has been the fastest growing segment of the HLS car market, delivering the most attractive growth in the luxury space. Increased SUV ownership has been driven by new model development and established structural trends, such as the general HLS customer trend towards larger cars. The Group sees significant growth opportunity in this segment, with the luxury SUV market expected to increase going forward, and the Group expects to develop and launch a number of DBX variants, the first of which is planned to be unveiled in 2021. Once it has developed and launched the full range of its DBX variants, the Group expects the sales volumes of DBX to be broadly half of the Group's core volumes on a run-rate.

With the addition of mid-engine cars, the Group aims to further enhance its offering of a wide spectrum of luxury cars in the luxury car market. Development of the Group's range of mid-engine cars continues as planned and the Group expects to enter into the HLS mid-engine market with a core mid-engine supercar (the Vanquish) and a mid-engine hypercar (the Valhalla). Both models will draw on the learnings and technology developed by the era-defining Aston Martin Valkyrie hypercar, with first deliveries of the Valkyrie planned for 2021. The Group believes its core front-engine model range is ideally positioned to capture customers seeking true sporting elegance, driving pleasure and performance.

The below chart sets out the Group's planned product launch schedule:



Control volume growth via gradual transition to "built-to-order" strategy with increased focus on personalisation, thus improving pricing and margins

The Group is focused on turning around performance, restoring price positioning and delivering a more efficient operational footprint in order to de-risk the business and position it for controlled, long-term, profitable growth. By reducing the Group's core wholesale volumes, the Group is gradually moving towards a built-to-order strategy in order to maintain the appropriate balance between supply and demand to regain a stronger order book and thus enhance pricing power and bringing margins in line with historic levels and peers. With the support of its dealer network the Group has continued to make strong progress in reducing the Group's global dealer inventory by de-stocking its dealer network by more than 1,400 Sports and GT units in the first nine months of 2020, which is more than seven times the level of de-stocking achieved in the whole of 2019. The Group aims to achieve a balance between the volume of cars the Group produces and the principal requirement to maintain brand exclusivity. The Group's built-to-order strategy will allow the Group to monitor dealer stocks and therefore maintain the Group's price points.

The Group is reinvigorating its marketing initiatives, including through the expanded use of digitally led, personalised marketing engagements, by leveraging the Group's Aston Martin F1™ team beginning in 2021, as well as through the Group's "Art of Living" experiences and the exclusive Henniker club, to raise brand awareness in order to strategically drive volumes. In addition, the limited production of special editions promotes exclusivity, while enhancing brand image and increases demand for the Group's core models as the Group's special edition models are only available to regular customers of the Group's core models.

The Group believes the exclusive nature of these special edition models allows the Group to raise price points for cars with these enhanced features and to command superior pricing in comparison to the Group's competitors. Furthermore, programmes through which customers can work with the Group's award-winning design team to customise their Aston Martin by adding personalised and distinctive touches improves the Group's price points and also strengthens the Group's customers' emotional connection with the Group's brand. The strong connection between its customers and its products has enabled it to build a loyal consumer base. Through the exclusive Henniker club, the Group manages a close relationship with its most loyal customers and VIPs, with benefits including exclusive offers and opportunities. For example, members were offered the first opportunity to place orders for Vanquish Zagato Speedster, Vanquish Zagato Shooting Brake, DBS Superleggera and DBX.

Continue to develop special editions pipeline to enhance financial profile, cash flow visibility and working capital management

The Group expects its core range of front-engine cars, SUVs and mid-engine cars to be enhanced by the addition of approximately two to three special edition models per year. The Group believes these special edition models will showcase the Group's technical excellence and perpetuate brand uniqueness, exclusivity and desirability. Through the limited supply, distinctive design and high performance of the Group's special edition models, the Group is able to demand high price points for the enhanced features they offer, which has a disproportionate positive impact on its margins.

In 2017, the Group launched the Zagato Volante and the Vantage AMR Pro, in 2018, the Group launched the Zagato Shooting Brake and the Zagato Speedster, in 2019, it unveiled the Aston Martin Valkyrie, the Aston Martin Valkyrie AMR Pro and launched the DBZ Centenary Pair (a DB4 GT Zagato Continuation and contemporary DBS GT Zagato) and in 2020, so far the Group has launched a V12 Speedster and the DB5 *Goldfinger* Continuation. In addition to the modern special edition models, the Group expects to launch a range of heritage vehicles, recognising the Group's proud history. The DB4 GT Continuation, which launched in 2018, was the first of its heritage products to launch, followed by the launch of the DB4 GT Zagato Continuation (one half of the DBZ Centenary Pair) in 2019 and the DB5 *Goldfinger* Continuation in 2020.

Not only does the Group believe that special editions enhance its brand, but they also boast strong financial characteristics. Given their desirability, special edition models are typically fully allocated prior to any significant capital commitment and typically generate higher margins than their core range counterparts. Deposits are required on allocation and typically allow special editions to be cash flow positive from design to the end of the product life cycle. The continued inclusion of special edition models in the Group's launch cadence helps to maintain and control working capital swings as customer deposits for special editions can be maintained at a stable level.

Continue to enhance strategic partnerships with key partners

The Group believes that carefully chosen partnerships are a source of technical expertise, brand strengthening and future growth. Access to competitive technology will also remain a critical and important asset.

The Group benefits from, and aims to continue to enhance, its significant strategic technical and commercial partnership with Daimler to develop and supply high-powered bespoke V8 powertrains for future models, and to maintain access to cutting-edge technology, including powertrain architecture (for conventional, hybrid and electric vehicles), future oriented electric/ electronic architecture, and both hardware and software components, which de-risks and limits the Group's own capital investments in future technology. In addition, on 27 October 2020 the Group announced the Strategic Cooperation, details of which can be found in Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc) and Part 6 (Terms and Conditions of the Strategic Cooperation).

In addition, the widely anticipated Aston Martin-Red Bull co-designed hypercar, the Aston Martin Valkyrie, is the product of the strategic partnership with Red Bull Advanced Technologies. The collaboration with Red Bull Advanced Technologies to deliver the Aston Martin Valkyrie represented innovative design and performance for a road car, drawing upon Red Bull's technical knowledge as an F1™ team. The investment in, and development of, technology through the design of the Aston Martin Valkyrie will inspire other future models in the range, in particular the Group's mid-engine hypercar Valhalla and mid-engine supercar Vanquish.

Focus on cost and investment control to support cash flow generation and future deleveraging

The Group is committed to pursuing available revenue-generating opportunities in a manner that generates high incremental return on the Group's investments. The Group's key priorities are to focus on new growth areas such as the SUV and the mid-engine markets to drive increased revenue. This, coupled with the implementation of the Group's cost savings, will allow the Group to deleverage in the medium term. The Group intends to reset its business plan through the introduction of targeted capital investments, a new cost structure and lower sales volumes with premium pricing power to increase cash flows and margins.

As part of the Group's rigorous cost control, in 2019, the Group significantly reduced the number of its contractors and introduced a voluntary redundancy and early retirement programme, which led to a reduction in headcount of approximately 22 per cent. year-on-year.

In addition, in June 2020, the Group launched a consultation process with its employees and trade unions on proposals to implement the Group's restructuring plan and further reduce personnel by up to 500 permanent employees and 150 consultants in order to enhance efficiency and reduce expenses in line with lower than originally planned production volumes.

The Group expects that advances, such as its modular based engineering employing a 'Carry Over-Carry Across' principle, which allows the Group to use shared systems and components to reduce engineering complexities, will result in cost-saving and model synergies going forward. The body structure of the Group's cars is comprised of a number of common structures, which provides flexibility in overall car dimensions, such as wheelbase or front and rear overhangs, with maximum component commonality, minimising the Group's engineering and tooling investment and time to market and therefore reducing the Group's working capital requirements. In addition to the flexibility in the structure, the Group's modular strategy enables the optimisation of common systems and components such as chassis system, steering systems, infotainment systems and heating ventilation and air conditioning components, enabling the Group to deliver a range of products at efficient investment levels. For example, leveraging the original investment made on modular architecture for DB11 reduced the Group's production and development costs on the Vantage and DBS Superleggera models by 53 per cent. and 84 per cent. respectively, while the time taken from formal programme launch to initial production for each model was reduced from 37 months in the case of DB11, to 32 months for the Vantage and 27 months for DBS Superleggera.

In addition, the Group's disciplined capital investment levels will also benefit from the new lower volume model line-up catering to the high growth and high margin segments, including the luxury SUV market in which it plans to unveil future derivatives of the DBX commencing in 2021, and the mid-engine market. For the year ending 31 December 2020, its total capital expenditures are expected to be approximately £270 million, which would represent a 13 per cent. decline compared to the year ended 31 December 2019. In the nine months ended 30 September 2020, £204.1 million of this amount has already been spent (£42 million in the third quarter of 2020), primarily on investments related to St. Athan, DBX and Aston Martin Valkyrie and core sports car refreshes, with an expected shift towards core sports car mid-cycle refreshes and mid-engine development in the last quarter of 2020.

Aston Martin Lagonda cars

The Group's products include a range of core models, in addition to special edition models. The current model line-up comprises the high-luxury DBX, the Group's first SUV, unveiled in November 2019 and three core sports car models from the new range, including one grand tourer (DB11), one sports car (Vantage) and one super grand tourer (DBS Superleggera). All of the Group's sports cars are available in different core models (derivatives), including coupe and convertible models (which are branded as "*Volante*" for models with two front seats and a small backseat and a "*Roadster*" for models with only two front seats).

In addition to the core range, the Group also regularly produces special edition models that are typically sold at a higher price than the Group's standard models. The Group sold 270, 185 and 64 special edition units in 2017, 2018 and 2019, respectively, and have generally moved towards selling fewer but higher priced special edition models, with certain lower priced special edition models such as Vantage GT8. The special edition models have recently included Vantage GT12, Vantage GT8, Vanquish Zagato Coupe, Vanquish Zagato Volante, Vanquish Zagato Speedster, DB4 GT Continuation, Aston Martin Vulcan, Vanquish Zagato Shooting Brake, Vantage AMR and forthcoming models include the Aston Martin Valkyrie, the Aston Martin Valkyrie AMR Pro, the Aston Martin Valhalla, the DB4 GT Zagato Continuation, DBS GT Zagato and the DB5 *Goldfinger* Continuation. Special edition models are typically oversubscribed and require a substantial deposit to reserve a car.

In 2019, the Group sold 5,862 cars (including 64 special editions) to its dealers, which produced sale of vehicles revenues of £897.6 million (£880.8 million on a restated basis (see "*Presentation of financial information—Restated financial data for 2019*" in Part 2 (Presentation of Financial and Other Information))). In order to reduce dealer inventory to luxury norm levels, in the nine months ended 30 September 2020 the Group only sold 1,555 cars (including only 11 special editions (six DB5 *Goldfinger* Continuations, two DBS GT Zagatos, one DB4 GT Zagato and two other non-core vehicles)) to its dealers which produced sale of vehicles revenue of £213.9 million. The strategic de-stocking of the Group's dealer network is mainly achieved by reducing inventory due to lower production volumes and wholesale sales accompanied by customer and retail financing support for retail sales. Such customer and retail financing support provided to drive retail sales during the COVID-19 pandemic and to reduce dealer inventory to luxury norm levels adversely impacted the Group's average selling price in the nine months ended 30 September 2020 which further impacted the Group's sale of vehicle revenues in the nine months ended 30 September 2020.

SUV – DBX

The high-luxury DBX, the Group's first SUV, was unveiled in November 2019. The Group started full production in June 2020 at its St. Athan facility in Wales and made the first deliveries in July 2020. The HLS SUV segment is the newest of the HLS car market. The Group believes DBX will enable the Group to access the expanding luxury SUV segment and address customers looking for a more versatile, luxurious and comfortable product. The Group anticipates that DBX will widen the appeal of the Aston Martin brand, thereby capturing a more diverse global audience.

The Group's DBX order book built rapidly from when it opened on 20 November 2019 to the beginning of 2020. After a slow-down in orders, with the majority of the Group's global dealer network closed for prolonged periods between January and July 2020 due to the COVID-19 pandemic, stable growth in the Group's order book resumed in the three months ended 30 September 2020 driven by a successful media launch in July 2020 and DBX cars being delivered to dealers allowing test-drive opportunities. As of 30 September 2020, 345 DBX had been shipped to dealers. Initial media and customer reviews of DBX are positive. Recently, the Group adjusted prices for the DBX to align them with its regional pricing and to support the targeted expansion of the platform with the expected higher-margin variants. Based on the initial orders and reviews for DBX, the Group plans to unveil future derivatives of the DBX commencing in 2021.

Grand tourer – DB11

The DB11 model range sits within the GT segment and is built at the Group's Gaydon plant. First produced in 2016, DB11 debuted at the Geneva Motor Show in March 2016. DB11 is available with a V12 engine as a two-door coupe and is powered by an all-new twin-turbo V12 engine, making it the first turbocharged series production Aston Martin brand car. In June 2017, the Group announced the introduction of the new DB11 coupe with a 4.0 litre twin-turbo V8 engine, which has a top speed of 187 miles per hour and is the Group's most fuel efficient powertrain currently on offer. This additional derivative, which has the lowest CO_2 emissions of the current DB11 range, brings benefits in markets where car taxation policy is structured around engine capacity and environmental cost.

DB11 V8 is also available as a convertible, DB11 Volante, with first deliveries having taken place in the first quarter of 2018. The most recent addition to the DB11 range was DB11 AMR, boasting greater power, increased performance, enhanced driving dynamics and a more characterful exhaust note. The DB11 range introduced an updated advanced modular architecture, which the Group is using as the base for further cycles of core models, and a new electrical architecture and entertainment system, a product of the Group's partnership with Daimler (see *"—Production—Manufacturing facilities and partnerships—Daimler and Strategic Cooperation"*).

Sports car – Vantage

The Vantage started production in the second quarter of 2018 and is available as a two-door coupe powered by a 4.0 litre twin-turbo charged V8 AMG engine, provided through the Group's partnership with Daimler (see "*—Production—Manufacturing facilities and partnerships—Daimler and Strategic Cooperation*"). The Vantage is the first Aston Martin to feature an electronic rear differential, providing superior stability and cornering.

In the fourth quarter of 2019 the Group launched a limited edition Vantage AMR. Production is limited to 200 cars, and it is the first introduction of a manual gearbox into the Vantage. The Group unveiled in early 2020 the Vantage Roadster, the production of which started in the three months ended 30 September 2020 and the first deliveries of which are expected to take place in the fourth quarter of 2020.

Super GT – DBS Superleggera

The DBS Superleggera, a super grand tourer, is based on the same modular platform as DB11. DBS Superleggera is currently available as a two-door coupe or Volante and is powered by a 5.2 litre twin turbocharged V12 engine developing 715BHP and 900Nm of torque. The body is made from a combination of aluminium and light carbon composites, enabling a 0-60mph in less than 3.2 seconds and a maximum speed of 211mph.

The Group also sells a DBS Superleggera Volante (convertible), first delivered in the third quarter of 2019.

Aston Martin Valkyrie

The Aston Martin Valkyrie is being developed in conjunction with Red Bull Advanced Technologies and is intended to transfer F1™ technology to the road. The Aston Martin Valkyrie is intended to be the first of a lineage of Aston Martin mid-engine cars. The Aston Martin

Valkyrie has a 6.5-liter naturally aspirated V12 engine and Michelin Pilot Sport Cup two tires. The Aston Martin Valkyrie is the Group's first hypercar, of which there will be a road car version and a track-only version. All 150 road car versions have been sold and significant customer deposits have been received. Deliveries of the Valkyrie are scheduled to start in 2021. The road version was over four times oversubscribed. In addition to the road-car model of the Aston Martin Valkyrie, the Group will produce a limited number of Aston Martin Valkyrie AMR Pro derivatives, which will be track-only products.

DBZ Centenary Pair

The DBZ Centenary Pair comprises a DB4 GT Zagato Continuation, paired exclusively with a contemporary special edition DBS GT Zagato. Only 19 pairs were offered, and they are the most expensive special edition models ever sold by Aston Martin. Deliveries of the DB4 GT Zagato Continuation commenced ahead of time in the third quarter of 2019, and the Group started deliveries of the DBS GT Zagato in the third quarter of 2020.

DB5 Goldfinger Continuation

A series of 25 DB5 *Goldfinger* Continuation editions will be produced for customers by Aston Martin Works and EON Productions. The DB5 *Goldfinger* Continuation will be based on James Bond's legendary car from 1964 and built by Aston Martin Works at Newport Pagnell, which is the original home of the DB5. The cars will be authentic reproductions of the DB5 seen on screen, with some sympathetic modifications to ensure the highest levels of build quality and reliability. This authenticity will extend to include functioning gadgets such as revolving number plates and more, which were made famous in Goldfinger. The gadgets will be co-developed with Oscar—winner Chris Corbould, special effects supervisor from the James Bond films. The Group has the prototype gadget car built, and build of the first full prototype has commenced. A majority of the 25 cars have been sold, and first deliveries occurred in the first half of 2020.

Valhalla and Vanquish

The Aston Martin Valhalla, a mid-engine hypercar, is expected to compete with, for example, Ferrari La Ferrari and McLaren Senna. It is expected to be followed by the Group's mid-engine core model, Vanquish. This mid-engine range will draw on the learnings and technology developed by the Aston Martin Valkyrie, deliveries of which are scheduled to start in 2021. The Group's aim is to increase the Group's average selling price and attract a new group of customers to the brand. With Valhalla and Vanquish, the Group is targeting customers focused on sports and performance, who drive cars primarily for leisure and pleasure, and care about high tech specifications as well as unique range of customisations and personalisations.

Customisation and optionality for cars

Customers enjoy a degree of customisation within the base car, including colour options for the exterior and the interior. Customers can choose from a wide variety of options, including different wheel designs, technology upgrades, interior trim and paint colour upgrades. This large range of customisation options means that the Group offers an enhanced service to all the Group's customers (almost all Aston Martin cars sold included some customisation) and also contributes positively to profit margins.

Production

The Group has made significant investments in its manufacturing facilities (including the Group's new St. Athan facility), which enable the Group to expand its production capacity to meet the Group's expected unit growth with limited additional investment. In addition, the Group's core cars are based on an advanced aluminium body structure, which utilises lightweight aerospace technologies and allows for flexible and profitable manufacturing at low volumes and easy adaptation to new models, with limited additional investment. The Group also utilises a number of common structures, reducing tooling investment and improving quality for new model production.

The Group has a flexible employee base, each of whom is trained on most of the Group's production stations and models, which allows the Group to add or reduce personnel as needed to accommodate the Group's production needs, as well as shift employees across different areas of production, to maximise the Group's production capacity. The Group's manufacturing and quality team ensures that the Group's production processes meet the highest standards of quality and engineering. In June 2020 the Group launched a consultation process with its employees and trade unions on proposals to reduce employee numbers reflecting lower than originally planned production. The consultation process is expected to be completed by the end of 2020. At the same time, however, new roles will be created at the St. Athan manufacturing facility.

The Group believes that Gaydon and St. Athan are modern and flexible automotive manufacturing facilities in the HLS car market, where efficiency, versatility and quality control are central and which requires highly skilled employees, as well as suitable training and controls and procedures. The Group's Gaydon facility has an exceptional health and safety record and in 2019 achieved five stars in the British Safety Council Five Star Health and Safety Management Systems audit, as it did in 2015, 2016, 2017 and 2018. On this basis, the Group has achieved its eighth consecutive 'Sword of Honour' from the British Safety Council in 2019 in recognition of the Group's commitment to achieving the highest standards of health and safety management. Additionally, the Group was the first ever recipient of the new British Safety Council award for 'Outstanding Practice' for the Group's provision of safety information directly at the point of use on the shop floor.

Manufacturing facilities and partnerships

Gaydon

The Group's primary production facility is located in Gaydon, England. The Gaydon facility, which houses the Group's manufacturing facility, design team and senior management, was tailor-built for the Group. Opened in 2003, Gaydon is an advanced manufacturing facility with a capacity of 7,000 units per year. If required, the Group can increase and decrease production at the Gaydon facility as needed by adjusting shifts with little impact on capital expenditure. The Group has a stand up/stand down agreement that enables the Group to accommodate seasonality requirements without the need for additional headcount. For instance, in August 2018, the Group quickly increased its headcount to address a production ramp-up associated with orders for new models in the second half of the year, and in 2019 and 2020, as part of the Group's cost reduction programme, it has significantly reduced its headcount in order to align with demand.

The Group's engineers and technicians are skilled in a number of areas, which provides the Group with flexibility in production lines. This flexibility enables the Group to shift all of its employees across the Group's product range and in different areas of production, enabling the Group to maximise its production rate and capacity as dictated by demand. The Group also maintain flexibility from its employees around shifts, to maximise the Group's production capacity. The Group operates a well-established production system.

St. Athan

The development of the Group's manufacturing facility in St. Athan, Wales as the Group's second major manufacturing location was completed in 2019, within the planned timeline and within budget. The Group's manufacturing facility in St. Athan is dedicated to the production of DBX, the Group's first SUV. Full production of DBX commenced in June 2020 and first deliveries occurred in July 2020.

The St. Athan manufacturing facility uses similar processes to the main plant in Gaydon; however, based on the Group's experience with the main plant in Gaydon, the Group has enhanced these processes to improve quality and to reduce the hours of production per car. Some of the Group's technicians at St. Athan have been trained at Gaydon to ensure that knowledge that has been built up through development of processes at Gaydon is transferred to the new manufacturing site. As with the Gaydon facility, optimised capacity at St. Athan is expected to be approximately 7,000 units per year, although actual production is expected to be significantly lower in the near term.

The Group leases the St. Athan facility from a third party under a 30-year lease. Certain of the Group’s obligations under the lease agreement are guaranteed by the government of Wales, in exchange for which it has agreed to pay the government of Wales a fee.

Special Vehicle Operations, Gaydon and Wellesbourne

The Group has dedicated facilities at Gaydon and Wellesbourne for the production of special editions, including the Aston Martin Valkyrie. These are flexible, low volume facilities tailored to build special editions in an efficient manner. Special editions, which are based on the platform of core cars, utilise the efficiency of the Group’s main production line to build the tub and chassis and have bespoke parts fitted in one of the Group’s special projects facilities.

Aston Martin Works, Newport Pagnell

Newport Pagnell is the historic home of Aston Martin with a heritage stretching back to the early 1960s, before the Gaydon site became operational in 2003. The factory still remains the home of the heritage and restoration business, Aston Martin Works, and continues to be a manufacturing site for heritage special edition models, such as the DB4 GT Continuation.

Aston Martin Works provides a full car servicing offering to customers, including servicing, restoration, assured provenance, sales, body shop repairs, accident repairs, track day works and upgrades. These services are provided on a global basis, with cars shipped back to Newport Pagnell for repair. Experienced mechanics are also sent to conduct works at facilities local to car owners.

Ford

The V12 engines for the Group’s advanced modular architecture-based cars are built by Ford at a dedicated Aston Martin Engine Plant in Germany under a long-term supply agreement with Ford. This agreement expires on 31 December 2021. All pre-existing intellectual property rights associated with the engines and their production are licensed to the Group under a separate agreement with Ford that extends beyond 2021. Any new intellectual property rights generated under the agreement belong to the party responsible for their creation.

In December 2018, the Group gave 36 months’ notice to Ford that the Group does not intend to extend the contract, and the Group subsequently entered into a contract with a new supplier. Under this agreement, engines will be assembled and supplied for the Group from September 2021. This agreement, similar to the Ford contract, is subject to a three-year notice of termination. See “*The Group could experience significant disruption to its production capabilities as a result of its dependence on a limited number of key suppliers*” in Part 1 (Risk Factors).

Daimler and Strategic Cooperation

The Group has a technical partnership with Daimler for the provision of powertrain architecture and future oriented electric/electronic architecture. Daimler, which in 2019 was the Group’s largest supplier by spend, also provides the Group with the modified M177 engine, a bespoke V8 powertrain engine for the DB11 V8 variants and the new Vantage. In addition, the DBX SUV electrical architecture is built around Daimler components and networks, delivering infotainment, body electronics, safety systems and powertrain controls.

The Group’s technical and commercial partnership with Daimler began in 2013, when Daimler became a shareholder of the Group. In 2017, the Group started production of the first model incorporating the Daimler 4.0 litre V8 engine for the V8 variant of DB11. The primary supply agreements for this technical partnership and engine supply arrangements are long-term agreements, under which Daimler has agreed to provide bespoke V8 engines and all electrical architecture for the Group’s vehicles until 2026 (in the case of GTs and sports cars).

In addition, on 27 October 2020 the Group announced the Strategic Cooperation, details of which can be found in Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc) and Part 6 (Terms and Conditions of the Strategic Cooperation).

Motorsports

In 2016, the Group became a sponsor of Red Bull's F1™ team and, since the start of 2018, the F1™ team has competed as 'Aston Martin Red Bull Racing.' This sponsorship has allowed the Group to promote the Aston Martin brand and access a very wide audience of car enthusiasts across the world.

In early 2020 the Group entered into an agreement, under which the Racing Point F1™ team will become the Aston Martin F1™ team with effect from the 2021 season. This agreement is for a 10-year initial term, and the Group will receive an economic interest in the team. The agreement includes a sponsorship arrangement effective from 2021 to 2025 with expenses commensurate with the Group's current annual F1™ expenditure and is renewable for additional five years, subject to certain conditions. The Group expects that this agreement will strengthen the Group's brand presence without being associated with the direct costs of owning an F1™ team. For the remainder of the 2020 F1™ season, the Group will continue its proud sponsorship of the Red Bull Racing F1™ Team.

The Group's participation in motorsports has given and will continue to give the Aston Martin brand global exposure, particularly in key growth markets. The Group's involvement in motorsports is an important brand building tool, as there are high levels of interest in F1™ among premium and luxury car owners globally. As of 31 December 2019, approximately 80 per cent. of premium and luxury car buyers in the United Kingdom, United States, Germany and Japan had an interest in F1™. The Group's own Aston Martin F1™ team will provide the Group with a significant global marketing platform, with 23 races per year in different locations across the world (certain of which have been cancelled in 2020 due to the COVID-19 pandemic) and with Aston Martin dealers in 20 of these locations, providing the opportunity to engage with a high proportion of the Group's customers and partners on a yearly basis.

Manufacturing process

The manufacturing process at the Gaydon and St. Athan facilities consists of chassis production, body assembly, painting, trimming, assembly and quality processes. These manufacturing operations are underpinned by a high level of real-time visibility and engagement by those running the manufacturing process to ensure that any quality-control issues are identified, contained and resolved quickly.

Most of the Group's cars are based on the modular architecture that is the backbone of the Group's product portfolio. This architecture was significantly updated for DB11 and forms the basis of the Vantage and next generation DBS Superleggera. The architecture is a highly flexible integrated modular structure that employs a 'Carry Over-Carry Across' principle for key systems and components that allows for a high degree of product differentiation and includes the car body structure as well as common systems and components. The application of this flexible architecture enables the Group to produce low volumes of cars and easily adapt to new models, thereby reducing the Group's production and development costs for incremental models, based on the architecture. The aluminium body structure of the Group's cars comprises a number of common structures, which provide flexibility in overall car dimensions, such as wheelbase or front and rear overhangs, with maximum component commonality, minimising the Group's engineering and tooling investment and time to market.

Chassis construction

The body structure of the Group's cars comprises anodised aluminium components from a wide variety of manufacturing processes including various casting processes, extrusions, and hot and cold sheet forming processes. These are joined together with a state-of-the-art bonding process using a heat-cured epoxy adhesive and rivets to create a rigid and light-weight chassis, known as the "bonded monocoque." The Gaydon facility consists of a two-stage conveyor-based system where components for manufacturing the bonded monocoques have adhesive applied to them by robotic application cells. The first main build-line transports this assembly through a series of geometry stations and sub-assemblies, and finally through a curing oven. The now cured body is measured on an automated measuring machine and then goes through the second main build-line (*body-in-white*) for the exterior body panels to be bonded or bolted on.

Body assembly

All bodies are assembled on an assembly line by hand with mechanical assistance. Sound-reducing materials are fitted to the chassis and the adhesive paths are cleaned and primed. Sub-assemblies are assembled by hand beside the assembly line before a robot cell applies adhesive to the roof, body-sides and boot-lid surround and the sub-assemblies and main body panels are fitted to the chassis tub at framing stations by hand. Framing is a fully automated process for DB11 and future core products. Further down the assembly line, closures are fitted before final inspection and hand finishing. The bodies then proceed to the paint preparation area.

There is one further body assembly line, where the same process is carried out but this is optimised for a low volume of cars. The main differences on this line are a longer cycle time and manual application of the adhesive.

Painting

Car bodies are first sealed and then cleaned and transferred to the primer line. An automatic pressure blower cleans off any dirt particles before the body is sprayed and cured in gas-fired ovens. For most colours, the spraying is primarily carried out by robots, although some elements, such as the application of conductive primer and some localised areas, are carried out by hand. For special colours, the application of the basecoat, clearcoat and any graphics is carried out by hand. The whole car is painted at the same time to ensure colour harmony. The Group is able to offer a large range of colours, including colour matching to a customer-specific requirement and the robots are capable of painting in any colour sequence. Following painting and curing, the bodies are transferred to the polish line to be polished before final inspection. There are a number of paint rectification booths, where the painted body will be checked and retouched as required before the finished painted body is taken away by an automated guided vehicle for storage in a painted body store.

Trim shop

The Group uses leather and other luxury materials such as Alcantara to handcraft each interior trim panel. The Group's trained sewing and trimming technicians use their skills to handcraft each piece of trim. The trim shop uses innovative and patented technology processes including the finest detail, such as perforating, quilting, broguing, embroidery and embossing. The detailed quilting options are very substantial; some of the Group's cars have over one million stitches on each interior. Instrument panels are assembled as part of the trim shop on a carousel conveyor with eight stations. After assembly, the instrument panel is electrically tested before finally being transferred to the main assembly line. Front seats are hand-built on special ergonomic fixtures, then fully tested for functionality before being dispatched to the main assembly line.

Assembly line

The Gaydon facility has two assembly lines, each divided into three sections, each with an indexing conveyor, which are then further divided into a number of stations. The assembly lines are equipped with manipulators to load the engine, instrument panel, seats, doors, fuel tank, roadster hoods, batteries, wheels and tires. The Group's employees are able to work on multiple models and, as such, have a high level of process expertise.

Quality processes

Following assembly, the cars proceed to an area equipped with a laser to set car geometry on both front and rear wheels and to align the headlights. Following this, the cars proceed to a mechanical rolling road test, which checks the ABS braking system and powertrain operation.

Cars are then fitted with their undertrays before undergoing specific, dynamic testing at the on-site facilities, including squeak and rattle testing and waterproof testing, after which they proceed to the finishing stations for panels, electrical or trim items before undergoing a paint mark-up and repair process. Lastly, the cars go through a final thorough inspection, which involves an inspector making rigorous multi-point checks on each car to ensure the quality of the final product and concludes with the inspector's name being stamped in the engine bay as a mark of quality. Only then are the Aston Martin wings affixed to the car.

In addition to all inspections and testing that forms part of the Group's manufacturing process, the Group also undertakes regular consumer product audits to help maintain the Group's high standards.

In addition to the quality controls in place at the production level, the Group is also focused on delivering a high-quality service as part of the Group's post-sale customer offering. The facility in Gaydon has a control room dedicated to managing field issues by providing advice in connection with technical requests, coordinating vehicle recoveries and physical support deployments. This team is also responsible for ensuring that any customer complaint is appropriately tracked and resolved. All customer cases are reviewed on a daily basis. The Group also launched a new symptom-based diagnostic tool in the beginning of 2019, which assists dealers with guided diagnosis and self-learning, and which enables any issues to be identified and resolved quickly at the dealer level, thereby reducing demand on the post-sale team. Furthermore, the Group operates a real time dealer workshop monitoring system, which immediately informs the Group of cars entering workshops, monitors the location of the car and time spent in repair, and ultimately assists with earlier problem detection. The system also triggers notifications if no diagnosis is identified within a set timescale.

Procurement

The Group's production purchasing function strategically controls and has commercial responsibility to manage the whole of the Group's supplier base for the sourcing of raw materials such as aluminium, leather components and facilities. The Group places purchase orders to ensure ownership of all unique tools and fixtures used by the Group's suppliers for the manufacture of the Group's components.

The Group selects suppliers for its core models based on a partner strategy and seek to ensure a high level of continuity of suppliers across the Group's models. For example, of the 164 suppliers engaged in respect of the new Vantage, only 20 are new and the remaining 144 have been carried over from DB11. Suppliers are sourced early in the product development process to ensure cost, quality and delivery targets are met. Sourcing suppliers across multiple platforms helps to de-risk future models and enables the strategic development of components. By virtue of the Group's in-house leather trimming and assembly capabilities, the Group is able to elect to 'make or buy' a number of interior trimmed components, giving the Group more leverage when negotiating with potential suppliers.

In 2019, the Group's largest supplier was Daimler, and the Aston Martin Engine Plant (owned and operated by Ford for the production of V12 engines) also represented (and has historically represented) a significant portion of the Group's supplies. Further Tier 1 supplier partnerships with Pirelli, Bosch, Graziano and Multimatic ensure superior quality and substitute expensive in-house development. See also "*The Group could experience significant disruption to its production capabilities as a result of its dependence on a limited number of key suppliers*" in Part 1 (Risk Factors). In addition, on 27 October 2020 the Group announced the Strategic Cooperation, details of which can be found in Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc) and Part 6 (Terms and Conditions of the Strategic Cooperation).

From 2017, the Group's formerly separate purchasing and logistics departments began to operate as one overall function under the heading of "Supply chain management" to ensure that overall supplier performance is taken into consideration when sourcing. Suppliers are measured based on their overall performance against quality, delivery, cost optimisation and sustainability. To reduce investment, the Group normally sources each component from a single supplier, although the Group typically has a number of suppliers for each commodity group so that a competitive tender process can take place. Inbound transportation logistics are handled by a third-party supplier who is contracted to handle transportation from the suppliers' plants to the Group's production location. Suppliers experiencing difficulties with quality or delivery performance are able to obtain on-site support from the Group's current vehicle engineering and supplier development teams. Supply Chain Management also provides assistance during the launch of new products and carries out approval activities.

The Group has a risk management process in place that seeks to manage and reduce the risk of disruption to the Group's supply of materials and components. This includes an initial risk assessment and ongoing risk monitoring of the Group's suppliers, with mitigation plans for what the Group judges to be its highest risk suppliers in each supply area. These mitigation plans include a member of senior management being nominated as the "supplier champion" for each supplier considered to pose a greater performance or delivery risk and a development programme through which the Group works closely with those strategic suppliers that the Group considers to be underperforming. The Group also seeks to balance sourcing decisions across the Group's model range, to limit the Group's risk and reliance on one supplier. The Group further carries out structured supplier visits at key preparation milestones in connection with new models, to ensure that suppliers are ready to commence production and to ensure quality and on time execution and delivery. As part of the its strategy, the Group expects to: (i) engage additional suppliers; and (ii) increase the demand from existing suppliers, in order to deliver the Group's increased volume targets. Each supplier is assessed on its ability to 'run at rate' during the pre-production process, focusing both on the quality of the parts produced and the ability to produce them at the rate required when the car goes into production. The success of this methodology has been demonstrated through the launch of DB11 and Vantage.

During the global lockdown as a result of the COVID-19 pandemic, the Group has worked closely with its suppliers to secure the necessary supply of materials and components in order to align the Group's supplies with scheduled production of DBX in the second half of 2020.

Customer sales and marketing

The Group maintains a franchised dealer network, which is the primary means through which the Group sells its cars to customers. Since 2015, this dealership network has been strengthened through new appointments and upgraded dealerships as part of the Group's focus on continually enhancing and developing the network's viability, profitability and sustainability. The Group's dealer strategy is premised on the Group's belief that the integrity and success of the Aston Martin Lagonda brand is dependent on the responsible and careful selection of dealers. Therefore, the Group develops strategic and stable partnerships with highly professional, carefully selected and customer centric retail partners.

Under the Group's franchise agreements, franchisee dealers purchase the Group's cars and make certain other contractual commitments and in return are permitted to sell the Group's cars and merchandise. The Group's policy is to sell to dealers who provide an in-store experience and who promote the cars in a manner consistent with the Aston Martin Lagonda brand. Non-authorised dealers are not able to sell new or certified pre-owned Aston Martin Lagonda cars. The Group's dealer strategy is designed to ensure no capital investment by is required in the Group's dealer network, while maintaining a level of control over it.

The Group aims to ensure the sales and service experience at the Group's dealers is fully reflective of the Aston Martin Lagonda brand by delivering a world class luxury customer experience and consistent brand presentation. The Group has a dealership design consultancy team that works directly with individual dealers to ensure consistency. This team has developed a focused Aston Martin design to be reflected in the interior and exterior appearance of a dealership. Any design for a new dealership must be approved by the Group. The financing of necessary investment in dealership facilities is provided by the dealers themselves. A specific programme and set of design guidelines have also been put in place for the development of after-sales areas, such as workshops and service areas. In developing the Group's sales outlets in this way, the Group aims to transform the buying process into an exclusive, boutique experience so that the customer is assured a high luxury experience at every touch-point with the Group and the Aston Martin Lagonda brand.

To maintain the quality of the dealer network, the Group has a rigorous programme in place to educate, develop and monitor dealer owners and managers as to the new model range, brand positioning and required service standards. The Group is also focused on training, in particular for the repair technicians in the dealer network, to guarantee a satisfactory aftermarket experience for Aston Martin owners.

Dealers range from fully independent, brand-dedicated outlets for sales and service, to shared sites (with complementary brands), to a separate department within a larger collection of brands. All dealers provide aftermarket and repair services for the cars and within the United Kingdom there are a further two authorised service centres.

Over the past 19 years, the dealer network has undergone significant expansion, growing from 61 dealerships in 19 countries in 2000, to 162 dealerships in 51 countries as of 30 September 2020. In particular, over the last few years the Group has developed its Asia Pacific dealer network, most notably, the Group's Chinese dealer network, to build on recent success and the further growth opportunities associated with the increasing number of HNWIs in these regions. All new dealers were chosen based on historical performance, financial strength, commitment to customer service and an understanding of luxury goods marketing and brand development. Both incumbent and new dealers are required to demonstrate a willingness and ability to invest in showroom models as well as hiring and training good employees. The Group inspects dealers for financial stability, brand management and selling capability and is able to terminate a dealer's contract if these criteria are not met to the Group's standards. All dealers in the dealer network are independent dealers, with the exception of Aston Martin Works. The Group acquired a 50 per cent. stake in Aston Martin Works, the Group's historic home and the site where the Group's continuation models are made, in April 2010.

The worldwide distribution of dealerships as of 30 September 2020 was as follows:

Number of dealerships	**As of 30 September 2020**
United Kingdom and South Africa	22
EMEA (excluding United Kingdom)	50
Americas	44
Asia Pacific	46
Total	**162**

The Group plans to grow the number of Aston Martin dealerships in the medium term to support the launch of the DBX and increasing demand for the Group's sports cars. This will enable the Group to sell to HNWIs in territories where there are currently no Aston Martin dealers. When assessing where to locate new dealerships, the Group uses a multi-dimensional analysis of region and individual markets across all postal areas and data sets. Extensive data analysis is conducted to assess competitor networks, drive times, geographic locations, wealth distribution, purchasing power and current dealer coverage against HLS registration activity. This enables the Group to identify the most advantageous locations for new dealerships.

The proportion of revenues represented by the Group's top five dealer groups (which refers to one or more sites operated by the same group of companies under common ownership) has stayed relatively constant over the last five years (with the exception of a reduction in dealers and volume from one such dealer group) and in 2019, the Group's top five dealer groups represented approximately 20 per cent. of the Group's total sales volume.

The following table sets out the geographical distribution of the Group's total car sales to dealers for the years ended 31 December 2017, 2018 and 2019 and for the nine months ended 30 September 2019 and 2020.

	For the years ended 31 December			For the nine months ended 30 September	
Location	**2017**	**2018**	**2019**	**2019**	**2020**
United Kingdom and South Africa	1,538	1,798	1,429	949	470
EMEA (excluding United Kingdom)	1,316	1,489	1,074	738	440
Americas	1,277	1,761	2,050	1,301	342
Asia Pacific	967	1,393	1,309	951	303
Total	**5,098**	**6,441**	**5,862**	**3,939**	**1,555**

Dealer pricing and marketing support

Although the Group provides a manufacturer's suggested retail price for all the Group's cars, individual dealers are permitted to negotiate different prices with customers (within set parameters) and to provide financing to those customers. While some of its customers purchase the cars from dealers in cash, the Group has relationships with certain banks and financial services companies that the Group's dealers can engage with to provide finance and leasing services to customers, if requested. The Group provides these financial services through licensed third parties operating under the Aston Martin Financial Services brand in certain key markets. As of 30 September 2020, the Group operated this financial services business with six partners in 20 markets around the world and they are particularly popular in the U.K., Germany and the U.S. The Group's partners use their own capital, have full credit and compliance risk and, depending on the market and finance product, have some or all of the residual value risk. The Group does not contribute any capital or contribute to any operating costs, and the Group is paid a commission by the partners based on volume performances.

The Group may from time to time choose to support the profitable sale of new Aston Martin cars through the Group's franchised dealer network. This is known as "marketing support." The mechanism of support varies according to the local market needs and customs in order to achieve optimum value from such contributions. In 2019, the Group started the year with elevated levels of company and dealer stocks and utilised marketing support to incentivise retail sales to start to de-stock the network. Whilst dealer stocks at 30 September 2020 were more than 1,400 Sports and GT units lower than they were at 31 December 2019, they remain elevated, and the Group is focused on rebalancing supply and demand, to allow the Group to regain its price positioning. During the three months ended 30 September 2020, the Group has continued to make good progress in connection with de-stocking its dealer network, and the Group could further reduce its global dealer stock by more than 550 vehicles and ahead of plan. The Group also has the Wholesale Finance Facility and the Receivables Finance Facility in place, which may be utilised in connection with sales of the Group's cars and which are backed by credit insurance in the event of dealer default. Where any of these facilities is used, the Group receives the purchase price of a car less a discount rate (calculated in accordance with the Wholesale Finance Facility agreement and the Receivables Finance Facility agreement, as applicable) upon invoicing the dealer (and subject to satisfaction of certain other requirements). Where the Group cannot utilise any of these facilities in connection with the sale of a car to a dealer, the dealer is required to pay for the car before delivery, other than in North America where dealers typically have 10 days to pay the Group.

Production allocation

The Group closely monitors production relative to demand for the Group's products. While this primarily involves controlling production volumes, it also involves managing allocations to specific markets and to individual dealers. Production levels are initially calculated on a regional basis among the United Kingdom and South Africa, Europe, the Americas, Asia Pacific and Middle Eastern and North African markets. These calculations take into account factors such as local market size, order books and historical performance. From the allocation to a specific region, individual dealers are each given an annual maximum allocation, designed to ensure market demand remains ahead of available supply.

Wholesale volumes reached 1,555 units for the nine months ended 30 September 2020 (comprised of 11 special edition, 345 DBX cars, 369 Vantage cars, 351 DBS Superleggera cars, 458 DB11 cars and 21 prior generation cars), compared to 3,939 for the nine months ended 30 September 2019 (comprised of 47 special editions, 1,452 Vantage cars, 785 DBS Superleggera cars, 1,532 DB11 cars and 124 prior generation cars).

The Group's wholesale volumes for the nine months ended 30 September 2020 decreased primarily due to the impact of the COVID-19 pandemic and, to a lesser extent, the strategic de-stocking of the Group's dealers and lifecycle decay of the Group's models by 68 per cent. in Asia Pacific (by 72 per cent. in China), by 74 per cent. in the Americas, by 40 per cent. in EMEA (excluding U.K.) and by 50 per cent. in the United Kingdom compared to the nine months ended 30 September 2019, generally with a greater impact in the second quarter than in the first and third quarters of 2020.

Secondary market

In 2016, the Group launched the Aston Martin global certified pre-owned sports car programme "Timeless." This programme, which is available worldwide, offers customers pre-owned Aston Martin sports cars with high levels of quality, assurance and confidence. The programme covers all Aston Martin models from the last decade, including special edition models such as the V12 Vantage Zagato and the One-77.

"Timeless" is the Aston Martin-approved used car programme that currently assures the quality of used cars sold via approved dealers in the United Kingdom, EMEA, United States and Asia Pacific (with a roll-out in China planned in the medium term). Specifically, this involves the provision of a comprehensive extended warranty by the Group for a premium and a mandatory multi-point check by the dealers on all cars sold under the scheme. These efforts, together with the general desirability of the cars, have contributed to supporting the secondary market prices of the Group's cars, generate limited revenue for the Group and ensure Aston Martin cars are being bought and driven around. In addition, buyers of used Aston Martin cars are more likely to buy a new car in the future.

Marketing

The Group's marketing expenditure is mainly attributable to F1™ sponsorship, new product launches, key HNWI motoring events, such as Goodwood Festival of Speed and Goodwood Revival, Pebble Beach and the Geneva, Shanghai and Beijing Motor Shows. The Group actively uses product placements, one-on-one regional and dealer marketing events, factory tours and sponsorship arrangements, such as luxury lifestyle/sports events. The Group also benefits from its historic partnership with the James Bond franchise. *No Time to Die*, the next James Bond film, will feature four Aston Martin cars, including DB5, DBS Superleggera and Valhalla.

Away from core automotive activities, the Group has also attracted HNWI customers and prospects via the Group's "Art of Living" experiential events platform, capitalising on a trend that the target market spends significantly on experiences such as driving breaks and access to exceptional lifestyle experiences that may not always involve driving. In particular, these experiences are an effective way to attract a stronger female following and, in general, bring clients closer to the Aston Martin Lagonda brand and the Group's partners. In addition, investments in digital marketing and tools has led to internal efficiencies and increased online leads, along with a social media audience that as of 30 September 2020 exceeded 17 million people.

The Group's marketing has been boosted by new product launches, which attract new customers and include several limited edition special projects that are revealed privately to an exclusive VIP audience, ahead of public announcement. A club exists for the top customers, which forms the group of those who are typically asked to attend VIP events and launches of limited run models. This strategy has resulted in collectable new products being pre-sold ahead of announcement—leading to desirable invitation-only demand for the brand.

Motorsports

The Group's participation in motorsports has given the Aston Martin brand global exposure, particularly in key growth markets and has enabled the Aston Martin Valkyrie to have its global debut in front of a home crowd at the British Grand Prix in July 2019. This also gives a platform to learn about the extremes of design and engineering and has created the opportunity to share technology and processes with the most advanced form of racing.

The Group's participation in motorsports has given and will continue to give the Aston Martin brand global exposure, particularly in key growth markets. The Group's involvement in motorsports is an important brand building tool, as there are high levels of interest in F1™ among premium and luxury car owners globally. As of 31 December 2019, approximately 80 per cent. of premium and luxury car buyers in the United Kingdom, United States, Germany and Japan had an interest in F1™. The Group's involvement in F1™ provides the Group with a significant global marketing platform, with 23 races per year in different locations across the world (certain of which have been cancelled in 2020 due to the COVID-19 pandemic) and with Aston Martin dealers in 20 of these locations, providing the opportunity to engage with a high proportion of the Group's customers and partners on a yearly basis.

In 2016, the Group became a sponsor of Red Bull's F1™ team and, since the start of 2018, the F1™ team has competed as 'Aston Martin Red Bull Racing.' In early 2020 the Group entered into an agreement, under which the Racing Point F1™ team will become the Aston Martin F1™ team with effect from the 2021 season. This agreement is for a 10-year initial term, and the Group will receive an economic interest in the team. The agreement includes a sponsorship arrangement effective from 2021 to 2025 with expenses commensurate with the Group's current annual F1™ expenditure and is renewable for additional five years, subject to certain conditions. It expects that this agreement will strengthen its brand presence without being associated with the direct costs of owning an F1™ team. For the remainder of the 2020 F1™ season, the Group will continue its proud sponsorship of the Red Bull Racing F1™ Team.

The Group also markets indirectly through the Aston Martin Racing Programme, which promotes the Aston Martin brand through participating in endurance GT racing events such as Le Mans and Nürburgring 24 hour races. The Aston Martin Racing Programme brings in sponsorship, which contributes to the programme's funding. In 2016, the Aston Martin Racing team won two world championship titles, in 2017, the team took victory in the GTE Pro Class at the Le Mans 24 hour race and in 2018, the Vantage GTE took its first win in Shanghai on the Group's debut race. Most recently, the Aston Martin Racing team won the Le Mans 24 hour race in September 2020. As a result, Aston Martin Racing has enabled the credible establishment of the AMR sub-brand.

Design and product development

The Group's product development and design team comprises of designers, engineers and technicians, covering almost all aspects of new car planning, design and development. The modular architecture, which employs a 'Carry Over-Carry Across' principle for key systems and components is the backbone of the Group's current product portfolio and is planned to form the basis for a further cycle of new model introductions. The Group has a standardised new product introduction process ("MISSION"), which is a system of project gateways with clear deliverables to ensure adherence to all programme targets, such as quality, cost and delivery. As a result of the Group's in-house design, technology and development capabilities, use of the flexible modular architecture and MISSION, the Group can ensure a rapid time to market from design conception to launch, at what the Group believes to be a lower cost than typically required in the industry, while maintaining adherence to the designers' concepts. Following the Group's investment in its aluminium architecture, engines and shared systems for DB11, Vantage and DBS Superleggera required less product development expenditure than DB11.

Most of the Group's design activities are carried out by the Group's design team at its design facility in Gaydon and a new facility in Milton Keynes, which opened at the end of 2018. This team consists of designers, engineers and technicians, including clay modelers, electronic modelers and other skilled craftsmen. Their processes include sketching and physical and electronic modelling. The design team are also responsible for trim and attention to detail in design, for which the Group has become recognised. The Group has received numerous awards. For example, the DB11 V8 Coupe was named the What Car 'Car of the year (Coupe more than £50,000)' in 2018, 2019 and 2020, the DBS Superleggera 'Sunday Times Sports Car of the Year' in 2019 and the DBX 'Best Luxury SUV' by GQ Car Awards and 'SUV of the Year' by Off Road in 2020.

Parts business

The Group runs a parts and distribution service from the Group's facility at Wolverton Mill, Milton Keynes. This division supplies parts for classic and current models with stocks dating back to 1958. With the Group's annual car sale volumes having increased from the low hundreds during the 1980s and 1990s to 5,862 in 2019, this division is expected to benefit from the increasing number of customer cars currently on the road requiring regular parts and maintenance. The Group sells parts to its authorised dealer network, as well as to approved third-party service centres that are not part of the authorised dealer network. The Group's revenues from the parts business was £63.0 million in the year ended 31 December 2019 and £40.5 million in the nine months ended 30 September 2020.

Servicing business

The Group provides a maintenance and accident repair service, as well as the restoration of the Group's older models, through the Group's servicing business, Aston Martin Works, based in Newport Pagnell. Aston Martin Works represents every facet of the Aston Martin and the Lagonda brands through its activities. The Group employs highly skilled craftsmen, who can hand manufacture almost all car components.

The Group's Heritage Operations, a division of Aston Martin Works, offer service and repairs to owners. The Group is recognised as the leader in restoration of its cars, of which around five are completed per year.

The Aston Martin Works business is further enhanced by its ability to build small-volume continuation cars. These vehicles are built in sub-30 unit production numbers and usually take 18 months to complete a full product cycle. They are the most profitable vehicles to be produced at Newport Pagnell and some of the highest margin vehicles produced by the Group.

In addition to generating revenue, these activities help protect the Group's heritage, which the Group believes underpins much of the Aston Martin's brand's appeal and the Group's continued development. The Group's revenue from the servicing business was £9.3 million in the year ended 31 December 2019 and £5.3 million in the nine months ended 30 September 2020.

Servicing and repair services are also available from authorised service centres in franchised Aston Martin Lagonda dealers. These are almost entirely independent businesses and therefore do not generate revenue for the Group, except indirectly through the Group's parts business.

Aston Martin Works Limited, which owns the Group's servicing business, is a wholly owned subsidiary of AMWS Limited, whose shares are 50 per cent. owned by AML.

Intellectual property

The Group's success depends in part on its ability to protect and promote the Group's IP rights as well as the Group's freedom to manufacture, import, export, advertise and sell the Group's products and services globally on a daily basis without risk of infringing or misappropriating the IP of a third party. Protecting the Group's IP and the freedom to use it helps protect, preserve and enhance the uniqueness and identity of the Aston Martin Lagonda products and brands. The Group therefore assigns a high priority to protecting such IP and attempt to safeguard all important new developments and enhancements of the Group's IP appropriately.

Patents

The Group own a number of patent applications and granted patents, and a significant amount of confidential information and know-how, in relation to technologies used in the Group's products and the manufacturing processes used to create them. The Group also benefits from licenses from third-party licensors and suppliers to use technologies deployed in the Group's products and in creating and developing them. As part of the sale of Aston Martin by Ford in 2007, Ford granted the Group a non-exclusive, worldwide, fully paid license to use, sell and import products falling under certain patent applications and granted patents as well as non-patented IP owned by Ford that was, at the time of the sale, used or planned for use by the business. More recently, and pursuant to the arrangements with Daimler, the Group benefits from various licenses to use certain technology and confidential know-how arising in respect of agreed applications of Daimler technologies in the Group's products. In addition, on 27 October 2020 the Group announced the Strategic Cooperation, details of which can be found in Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc) and Part 6 (Terms and Conditions of the Strategic Cooperation). Licenses are also sought from suppliers of services and components that the Group uses in the creation of the Group's products. The Group has business processes and contractual and security arrangements (including for both the Group's premises and its information technology systems) aimed at ensuring that the Group protects its confidential information, including in respect of technologies, but also product and business plans and other sensitive confidential information.

Designs and copyrights

The Group has won numerous awards and has achieved widespread recognition for the Group's designs in the territories in which the Group operates. The design of the Group's products is often identified as an important feature underpinning the success of the Group's brand and is often a "why buy" factor for consumers. The Group invests resources in securing design registration in various key global regions and markets including for both entire new products and various iconic individual design features of those products. The imagery surrounding the products is also often important from a sales perspective, and the Group invests in securing rights to make use of superior digital content (including moving and still images) to represent the Group's products.

Trademarks

The Group owns a significant portfolio of registered and unregistered trademark rights around the world. These rights include, among others and without limitation, a significant portfolio of registered trademark rights in respect of the words "Aston Martin" and "Lagonda," in the Group's famous "Aston Martin" and "Lagonda" wings logos, and in a wide range of sub-brands and model names, for example the "DB," "Vantage" and "Vanquish" model names. The Group's front grill design and the configuration of the side vent on the Group's cars are also registered trademarks in certain countries.

In addition to being registered for use in the automotive sector, several of the Group's key trademarks are registered in other sectors, including jewellery, sunglasses, mobile phones, clothing, watches, boats and luxury condominiums.

In respect of automotive applications of the Group's trademarks, the Group, like other original equipment manufacturers, licenses the Aston Martin Lagonda brand for use in connection with a franchise network of dealerships spanning many countries across the world.

Information technology

The Group relies on a number of IT systems to support the Group's business. Information technology is managed by in-house teams of IT personnel and through the Group's key support partners who together are responsible for the development and support of IT services. To ensure business continuity, the IT function is spread across various sites. All factory systems are on premises, while customer, dealer and email systems are typically hosted in the cloud. The Group is compliant with ISO27001 certification and has a dedicated cyber security team in place to support development of IT systems.

Insurance

The Group maintain insurance to cover risks associated with the ordinary operation of its business, including general liability, property coverage, product liability (although this does not include claims under warranties) terrorism and workers' compensation insurance. The Group insures its manufacturing facilities and stock against such hazards as fire, explosion, theft, flood, mischief and accidents. The Group has also taken out credit insurance in respect of dealer default under a Receivables Finance Facility that it has entered into. All of the Group's policies are underwritten with reputable insurance providers, and the Group conducts periodic reviews of its insurance coverage, in terms of both coverage limits and deductibles. The Group believes that its insurance coverage is reasonably adequate for the risks associated with its operations.

Regulatory

The Group manufactures and sells cars around the world and therefore its operations are subject to laws and governmental regulation in many jurisdictions concerning, among other things, vehicle emissions, environmental damage, original spare parts, technical safety, road safety, export and import quotas and other customs regulations; consumer and data protection; the advertisement, promotion and sale of merchandise; the health, safety and working conditions of its employees; and its competitive and marketplace conduct. These laws regulate the Group's cars, including their emissions, fuel consumption and safety, as well as the Group's manufacturing facilities and operations. Certain of these regulations are expected to become more stringent over the coming years and the Group's compliance costs may increase significantly. See "*New laws, regulations or policies of governmental organisations regarding increased fuel economy requirements, reduced greenhouse gas or pollutant emissions or vehicle safety could give rise to significant costs*" in Part 1 (Risk Factors).

Greenhouse gas, CO_2 and fuel economy legislation

Legislation is in place in many of the Group's markets to regulate the environmental effect of passenger vehicles.

Several jurisdictions, including major markets where the Group is represented, have regulations that limit manufacturers to a specific fleet average for greenhouse gas ("GHG") emissions. Manufacturer targets can be based on mass or vehicle footprint and measured against a calculated glideslope.

Several jurisdictions have also announced plans to phase out internal-combustion engine cars entirely. In addition, consumers that elect to buy high emission HLS cars may be subject to taxes based on cars' CO_2 emissions. For example, a bill significantly increasing such taxes based on cars' CO_2 emissions is currently in the process of being implemented in France.

European Union and the United Kingdom

The EU offers derogations to "small-volume" manufacturers. As such, the Group has been granted a small-volume derogation, available only to light-duty vehicle manufacturers that sell fewer than 10,000 new vehicle registrations within the EU per year, wherein the Group has agreed bespoke CO_2 targets with the EU.

The European Commission has recently presented a proposal for its 2030 Climate Target Plan. With the 2030 Climate Target Plan, the Commission proposes to raise the EU's ambition on reducing greenhouse gas emissions to at least 55 per cent. below 1990 levels by 2030, which is a substantial increase compared to the existing target of at least 40 per cent. of the 1990 level. The proposal of the European Commission includes considerations which, if enacted, could require producers of cars being required to phase out combustion engines and significantly reducing their CO_2 emissions compared to their current targets.

Following the end of the Brexit transition period, the United Kingdom will initially replicate the EU's CO_2 targets and "small-volume" manufacturers provisions for the short term. The United Kingdom's government has indicated that it will set its own CO_2 targets in the medium term.

United States

In the United States, the NHTSA and the United States Environmental Protection Agency (the "EPA") jointly established the "National Program," which regulates the fuel economy and aggregate GHG output of passenger vehicles. For model years up to and including 2016, the EPA allows manufacturers that sell fewer than 5,000 cars in the United States per model year to make use of an offset to the applicable GHG standards for model years 2012-2016. The Group's fleet-wide GHG emissions exceeded the level permitted by the EPA's GHG standard for model years 2012 to 2016. The EPA has deemed the Group to be conditionally exempt from the requirement for 2012 and the Group has negotiated to purchase GHG credits to cover its exceedances for model years 2013 and 2014. 2015 and 2016 became part of an alternative standard application process for the model years 2017 and subsequent.

Since the 2017 model year, manufacturers are no longer eligible for conditional exemptions from the GHG standard, and must either comply with the standard or request an alternative fleet average GHG standard for each model year based on capability to reduce their emissions (while also adhering to a notional year-on-year improvement). The Group's fleet average GHG emissions for the 2017, 2018 and 2019 model years exceeded the GHG standard that would apply, unless alternative standards are agreed with the EPA. Therefore, the Group has petitioned the EPA for an alternative GHG standard in respect of model years commencing from 2017 and the EPA has agreed an alternative GHG standard in respect of model years 2017 to 2021. The EPA also allowed the alternative standard to be carried back to 2015 and 2016 model years.

Under the National Program, the NHTSA regulates fuel economy by setting corporate average fuel economy ("CAFE") standards for passenger automobiles, but retains the authority to exempt manufacturers that produce fewer than 10,000 passenger automobiles worldwide from those generally applicable CAFE standards by petition of an alternative standard. The Group has petitioned NHTSA for alternative CAFE standards for each model year from 2012 to 2022. The NHTSA has not acted on any of these petitions. Although the NHTSA has not taken the position that the Group failed to meet CAFE standards applicable to past model years, a manufacturer is subject to substantial civil penalties if it fails to meet these standards. The NHTSA rules only apply to passenger automobiles such as the Group's sports cars but not to light duty trucks such as DBX. Therefore, the Group will continue to be able to apply for CAFE alternative standards for its passenger automobile fleet (not including DBX) as long as the annual global total volume of its passenger car fleet remains below the 10,000 unit limit. The Group's light duty truck fleet (DBX) will be subject to the light duty truck CAFE standards, which apply irrespective of annual global production volume and civil penalties may be imposed to the extent the Group does not comply therewith.

In addition, California, has recently announced a plan to phase out sales of new, gasoline-powered cars by 2035.

China

China's fuel consumption regulation came into effect in 2005 with a phased approach and the latest phase (phase 5) will come into force in 2021. The China Fuel consumption standard, issued by the Ministry of Industry and Information Technology, is closely aligned with the EU's fuel Consumption legislation. In the short-term, the Group is able to use a small-volume definition (for imported vehicles, fewer than 2,000 per year) within the Chinese standard, that allows a higher fuel consumption to be applied if improvements can be demonstrated against the previous year's performance. In addition, manufacturers producing fewer than 30,000 vehicles per annum in China are not required to have a minimum percentage of the fleet being electric vehicles. The Chinese Fuel Economy standard allows a manufacturer to purchase CO_2 credits to balance a manufacturer's CO_2 fleet commitments. The Group anticipates the need to purchase CO_2 credit for calendar years 2020 to 2023.

In addition, many other markets in which the Group operates either have or will shortly define similar climate change related standards.

Vehicle exhaust emissions legislation

As well as regulating emissions relating to climate change, a number of jurisdictions in which the Group operates also regulate other air pollutants such as oxides of nitrogen, carbon monoxide, hydrocarbons and particulates. The EU, the United States and more recently China lead the implementation of exhaust emissions programmes, with other nations and states typically follow by adopting similar regulations.

European Union and the United Kingdom

The EU has adopted stringent standards for light-duty vehicles that significantly limit the allowable emissions for several pollutants. Light-duty vehicles are tested in a laboratory environment using the world harmonised light vehicles test cycle procedure, which became mandatory within the EU in September 2016. Real-world Driving Emissions ("RDE") tests, intended to complement laboratory testing to measure compliance in a real-world setting, have applied since September 2017 for all new car types and apply to all vehicle types (whether new or existing) since September 2019. In addition to RDE, the European Commission has introduced changes to the Evaporative Emissions test methods. As a further development of the 2016 standard, the European Commission is looking to extend the scope of the emissions tests to include more gaseous pollutants, reducing tailpipe emissions limits and to reduce particulate pollutants from combustion and non-combustion sources. The Group is eligible for a small-volume manufacturer provision within the emissions standard and fully comply with all aspects of the revised standard for all vehicles.

Following the end of the Brexit transition period, the United Kingdom will initially remain aligned with the EU's vehicle exhaust emissions legislation and limits.

United States

In the United States, the EPA has responsibility for establishing and enforcing emission control standards regulating passenger cars and light trucks. The EPA has adopted increasingly stringent vehicle emission control standards over time. These standards govern: vehicle exhaust emissions, vehicle evaporative emissions, on-board diagnostic systems for monitoring emissions, and emissions during cold temperature operation, among other matters. In 2014, the EPA finalised Tier 3 standards, beginning with model year 2017 and increasing in stringency through to 2025, which will further reduce the allowed levels of exhaust and evaporative emissions and petrol sulphur content. The Group has taken advantage of flexibilities offered to small-volume manufacturers, which will enable it to meet a defined set of fleet standards extending out to the 2028 model year.

China

In 2016, the Chinese Ministry of Environmental Protection published the stage 6 emissions limits, which entered into force in July 2020. Combining elements of both US Federal and European emissions standards, the Chinese stage 6 emissions standard was introduced in two phases, China 6a (July 2020) broadly in line with European emissions limits, and China 6b (July 2023), which will introduce a further reduction in particulates and the need to comply with the Chinese Read World Driving Emissions. A Chinese National Air Quality scheme allows provinces to adopt the China 6 standard from 2019. As a result of the early adoption of China 6 by the National Air quality scheme, all Chinese vehicles had to comply with China 6 from 2019 in order to allow vehicles to be registered throughout the region. For 2023, the China 6b requirements will require the introduction of technologies such as the gasoline particulate filter.

Car safety

All the Group's products are compliant in all markets in which they are sold and applicable certification is achieved in each respective country or market. Certification in each of the respective countries is maintained and supported by the Group's conformity of production activities.

Globally, activity on passive safety standards (protection of the occupant in the event of a crash or protection of a pedestrian in the event of being struck by a vehicle) has stabilised recently. The area of greatest regulatory activity, across all territories, has been on active safety and cyber security.

European Union and United Kingdom

Vehicles sold within the EU are subject to vehicle safety regulations established by the EU. The EU has continued to develop safety requirements, with a significant update to the General Safety Regulation adopted in 2020. This update included new and revised legislation on passive and active safety items, introducing advanced emergency braking and emergency lane-keeping systems on all motor vehicles registered within the EU. This regulatory activity has also included development of new safety subjects in areas such as cyber security and software updates of vehicle electrical systems. As well as safety, the changes to the European Framework Directive have enhanced requirements in market surveillance, conformity of production and consumer awareness of car defects.

The United Kingdom is expected to continue to be aligned with the European regulatory safety requirements for the foreseeable future.

Several other countries, with the notable exception of the United States, recognise and adopt United Nations Economic Commission for Europe ("UNECE") regulations into their national standards and have either implemented regulations that mirror the UNECE regulations or permit passenger vehicles that are compliant with the UNECE regulations.

United States

In the United States, the National Traffic and Motor Vehicle Safety Act of 1966 (the "Safety Act") requires vehicle manufacturers to meet certain safety standards for vehicles sold in the United States, and NHTSA has the authority to investigate complaints into vehicle safety and issue recalls for vehicles that do not comply with applicable standards. The Safety Act prohibits the sale in the United States of any new vehicles or equipment that does not conform to applicable vehicle safety standards established by NHTSA. NHTSA standards are updated frequently to incorporate new technologies and requirements. The Group and other manufacturers are required to notify owners of any defects in vehicle safety and remedy such defects through vehicle recalls. Depending upon the nature of the repair and the number of vehicles affected, the cost of any such recalls could be substantial.

To comply with the United States Transportation Recall Enhancement, Accountability and Documentation Act, the Group is required to report claims involving fatalities, whether occurring within or outside the United States, to the NHTSA.

In line with regulatory activity in other regions, the United States has proposed rulemaking on active safety crash avoidance measures and technologies that detect driver distraction. It is intended that such rules will be accommodated through autonomous functionality and the introduction of advanced vehicle-to-vehicle and vehicle-to-infrastructure communication technologies. These requirements would have a significant influence on a vehicle's electrical architecture and the cost and complexity of designing and producing cars and associated equipment.

China

In China, car safety regulations are issued, maintained and implemented by the General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) and the Certification and Accreditation Administration (CNCA). Since 2003, a China Compulsory Certification (CCC) marking on all vehicles and components has been a compulsory requirement in China. Many of the Chinese National Guobiao standards (mandatory "GB" standards and recommended "GB/T" standards) are closely aligned with European and United Nations regulations, with China operating a witness certification system similar to the systems required by European and United

Nations regulations. Until recently, China allowed manufactures importing vehicles in low volumes to use European and United Nations safety certification as part of the China Compulsory Certification (CCC) process. However, from April 2021, all vehicles will be required to have both their emission and safety tested and certified in China.

As well as continuing to align with United Nations legislation on subjects such as autonomous emergency braking and pedestrian protection, China has started to develop significant legislation on the safety and communication of electrical vehicles and electrical vehicles batteries. The new battery safety legislation will introduce safety requirements with an emphasis on thermal management and fire safety. In addition to the safety regulation, communication legislation is introduced which will require vehicles in use to allow monitoring through on-board vehicle communications systems.

PART 12

Capitalisation and Indebtedness

The following tables set out the Group's capitalisation and indebtedness as at the dates indicated and, as such, do not reflect the impact of the issuance and allotment of the Consideration Shares or Placing Shares or the effect of the Capital Reorganisation. The capitalisation and indebtedness information has been extracted without adjustment from the Q3 2020 Financial Statements included in Part 13 (Historical Financial Information of the Group).

The following table sets out the Group's capitalisation as at 30 September 2020.

	As at 30 September 2020
	(£ millions) *(unaudited)*
Total current debt	
Guaranteed(1)	70.0
Secured(2)	94.3
Unguaranteed/unsecured	-
Total non-current debt (excluding current portion of long-term debt)	
Guaranteed	-
Secured(3)	1,011.0
Unguaranteed/unsecured(4)	19.7
Shareholder's equity	
Share capital	16.5
Share premium	851.3
Other reserves(5)	150.4
Total capitalisation	**2,213.2**

Notes:

(1) Comprises £70.0 million of borrowings under the Revolving Credit Facility Agreement.

(2) Comprises (i) £8.0 million of the financial liability related to the forward currency contracts and warrant options, (ii) £33.9 million of borrowings under the Group's back-to-back loan arrangements with HSBC Bank plc whereby Chinese renminbi are deposited in an escrow account in China in exchange for a pound sterling overdraft facility in the United Kingdom, (iii) a current element in an amount of £2.9 million under a fixed rate loan to finance the construction of the paint shop at St. Athan, (iv) £39.6 million in connection with the inventory repurchase arrangements and (v) £9.9 million of current lease liabilities.

(3) Comprises (i) £907.6 million aggregate liability under the Senior Secured Notes, (ii) a non-current element in an amount of £7.1 million under a fixed rate loan to finance the construction of the paint shop at St. Athan, (iii) £0.6 million of the financial liability related to the forward currency contracts and (iv) £95.7 million of non-current lease liabilities.

(4) Comprises £19.7 million of loan under the Coronavirus Large Business Interruption Loan Scheme.

(5) Other reserves include (i) £144.0 million of merger reserve, (ii) £6.6 million of capital reserve, (iii) £2.2 million of translation reserve and (iv) £(2.4) million of hedge reserve.

The following table sets out the Group's net indebtedness as at 30 September 2020.

	As at 30 September 2020
	(£ millions) *(unaudited)*
Cash and cash equivalents[1]	307.3
Other financial assets[2]	13.4
Liquidity	**320.7**
Current bank debt[3]	103.9
Current position of non-current debt[4]	2.9
Other financial debt[5]	57.5
Current finance debt	**164.3**
Net current financial indebtedness	**156.4**
Non-current bank loans[6]	26.8
Bond issued[7]	907.6
Other non-current financial debt[8]	96.3
Non-current financial indebtedness	**1,030.7**
Net financial indebtedness	**(874.3)**

Notes:

(1) This balance includes £36.2 million of restricted cash.

(2) Comprises £10.6 million of held in certain local bank accounts in China had been frozen in relation to local arbitration proceedings and £2.8 million of the financial asset related to the warrant options.

(3) Comprises £70.0 million of borrowings under the Revolving Credit Facility Agreement and £33.9 million of borrowings under the Group's back-to-back loan arrangements with HSBC Bank plc whereby Chinese renminbi are deposited in an escrow account in China in exchange for a pound sterling overdraft facility in the United Kingdom.

(4) Comprises a current element in an amount of £2.9 million under a fixed rate loan to finance the construction of the paint shop at St. Athan.

(5) Comprises (i) £9.9 million of current lease liabilities, (ii) £39.6 million in connection with the inventory repurchase arrangements and (iii) £8.0 million of the financial liability related to the forward currency contracts and warrant options.

(6) Comprises a non-current element in an amount of £7.1 million under a fixed rate loan to finance the construction of the paint shop at St. Athan and £19.7 million of loan under the Coronavirus Large Business Interruption Loan Scheme.

(7) Comprises £907.6 million aggregate liability under the Senior Secured Notes.

(8) Comprises £95.7 million of non-current lease liabilities and £0.6 million of the financial liability related to the forward currency contracts.

There has been no material change in the Group's capitalisation and indebtedness position since 30 September 2020.

Indirect and contingent indebtedness

Capital expenditure contracts to the value of £8.68 million have been committed but not provided for as at 30 September 2020.

Historical Financial Information of the Group

Q3 2020 Financial Statements

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Consolidated statement of comprehensive income

	Notes	9 months ended 30 September 2020 Adjusted	Adjusting items	Total	9 months ended 30 September 2019 *restated*[1] Adjusted	Adjusting items	Total	12 months ended 31 December 2019 *as previously restated*[2] Adjusted	Adjusting items	Total
		£m	£m	£m	£m	£m	£m	£m	£m	£m
Revenue	3	**270.0**	—	**270.0**	650.0	—	650.0	980.5	—	980.5
Cost of sales		**(255.9)**	—	**(255.9)**	(411.0)	—	(411.0)	(642.7)	—	(642.7)
Gross profit		**14.1**	—	**14.1**	239.0	—	239.0	337.8	—	337.8
Selling and distribution expenses		**(60.4)**	—	**(60.4)**	(71.6)	—	(71.6)	(95.0)	—	(95.0)
Administrative expenses	5	**(168.9)**	**(13.9)**	**(182.8)**	(172.7)	(5.4)	(178.1)	(233.7)	(42.1)	(275.8)
Other expense	4	**—**	**—**	**—**	(19.0)	—	(19.0)	(19.0)	—	(19.0)
Operating loss		**(215.2)**	**(13.9)**	**(229.1)**	(24.3)	(5.4)	(29.7)	(9.9)	(42.1)	(52.0)
Finance income	6	**1.9**	—	**1.9**	4.1	—	4.1	16.3	—	16.3
Finance expense	5, 7	**(80.7)**	—	**(80.7)**	(62.6)	(6.6)	(69.2)	(77.3)	(6.6)	(83.9)
Loss before tax		**(294.0)**	**(13.9)**	**(307.9)**	(82.8)	(12.0)	(94.8)	(70.9)	(48.7)	(119.6)
Income tax credit/(charge)	8	**36.2**	**3.8**	**40.0**	(3.3)	2.2	(1.1)	(6.8)	8.8	2.0
Loss for the period		**(257.8)**	**(10.1)**	**(267.9)**	(86.1)	(9.8)	(95.9)	(77.7)	(39.9)	(117.6)
(Loss)/profit for the period attributable to:										
Owners of the group				**(270.8)**			(101.0)			(126.4)
Non-controlling interests				**2.9**			5.1			8.8
				(267.9)			(95.9)			(117.6)
Other comprehensive income										
Items that will never be reclassified to the Income Statement										
Remeasurement of defined benefit liability				**6.6**			(0.8)			(1.4)
Taxation on items that will never be reclassified to the Income Statement				**—**			0.1			0.2
Items that are or may be reclassified to the Income Statement										
Foreign exchange translation differences				**2.6**			0.1			(2.7)
Fair value adjustment on cash flow hedges				**(7.0)**			(27.1)			9.0
Amounts recycled to the Income Statement in respect of cash flow hedges				**6.9**			7.5			15.6
Taxation on items that may be reclassified to the Income Statement				**—**			4.8			(3.4)
Other comprehensive income/(expense) for the period, net of income tax				**9.1**			(15.4)			17.3
Total comprehensive loss for the period				**(258.8)**			(111.3)			(100.3)
Total comprehensive (loss)/income for the period attributable to:										
Owners of the group				**(261.7)**			(116.4)			(109.1)
Non-controlling interests				**2.9**			5.1			8.8
				(258.8)			(111.3)			(100.3)
Earnings per ordinary share[3]										
Basic	9			**(19.2p)**			(11.6p)			(14.5p)
Diluted	9			**(19.2p)**			(11.6p)			(14.5p)

1. The comparative nine month period ended 30 September 2019 income statement has been restated for the correction of an error — see note 2 for further details.
2. The income statement presented for the 12 months ended 31 December 2019, as reported in the 2019 Annual Report, was restated within the six months ended 30 June 2020 interim financial statements. Details of this restatement are shown in note 2 with no further income statement adjustments presented in these interim financial statements.
3. The comparative basic and diluted earnings per ordinary share have been amended to reflect the bonus element of the rights issue completed on 1 April 2020.

Consolidated statement of changes in equity

	Share Capital	Share Premium	Merger Reserve	Capital Reserve	Translation Reserve	Hedge Reserve	Retained Earnings	Non-controlling Interest	Total Equity
	£m	£m	£m	£m	£m	£m	£m	£m	£m
At 1 January 2020 *restated*[1]	**2.1**	**352.3**	**—**	**6.6**	**(0.4)**	**(2.3)**	**(42.8)**	**14.1**	**329.6**
Total comprehensive loss for the period									
(Loss)/profit for the period	—	—	—	—	—	—	(270.8)	2.9	**(267.9)**
Other comprehensive income									
Foreign currency translation differences	—	—	—	—	2.6	—	—	—	**2.6**
Fair value movement — cash flow hedges	—	—	—	—	—	(7.0)	—	—	**(7.0)**
Amounts recycled to the Income Statement — cash flow hedges	—	—	—	—	—	6.9	—	—	**6.9**
Remeasurement of defined benefit liability	—	—	—	—	—	—	6.6	—	**6.6**
Taxation on other comprehensive income	—	—	—	—	—	—	—	—	**—**
Total other comprehensive income/(loss)	**—**	**—**	**—**	**—**	**2.6**	**(0.1)**	**6.6**	**—**	**9.1**
Total comprehensive income/(loss) for the period	**—**	**—**	**—**	**—**	**2.6**	**(0.1)**	**(264.2)**	**2.9**	**(258.8)**
Transactions with owners, recorded directly in equity									
Issue of ordinary shares (note 16)	14.4	499.0	144.0	—	—	—	—	—	**657.4**
Credit for the period under equity settled share-based payments	—	—	—	—	—	—	3.2	—	**3.2**
Tax on items credited to equity	—	—	—	—	—	—	1.6	—	**1.6**
Total transactions with owners	**14.4**	**499.0**	**144.0**	**—**	**—**	**—**	**4.8**	**—**	**662.2**
At 30 September 2020	**16.5**	**851.3**	**144.0**	**6.6**	**2.2**	**(2.4)**	**(302.2)**	**17.0**	**733.0**

	Share Capital	Share Premium	Merger Reserve	Capital Reserve	Translation Reserve	Hedge Reserve	Retained Earnings	Non-controlling Interest	Total Equity
	£m	£m	£m	£m	£m	£m	£m	£m	£m
At 1 January 2019 *restated*[1]	**2.1**	**352.3**	**—**	**6.6**	**2.3**	**(23.5)**	**81.1**	**10.2**	**431.1**
Total comprehensive loss for the period									
(Loss)/profit for the period *restated*[1]	—	—	—	—	—	—	(101.0)	5.1	**(95.9)**
Other comprehensive income									
Foreign currency translation differences	—	—	—	—	0.1	—	—	—	**0.1**
Fair value movement — cash flow hedges	—	—	—	—	—	(27.1)	—	—	**(27.1)**
Amounts recycled to the Income Statement — cash flow hedges	—	—	—	—	—	7.5	—	—	**7.5**
Remeasurement of defined benefit liability	—	—	—	—	—	—	(0.8)	—	**(0.8)**
Income tax on other comprehensive income	—	—	—	—	—	4.8	0.1	—	**4.9**
Total other comprehensive income/(loss)	**—**	**—**	**—**	**—**	**0.1**	**(14.8)**	**(0.7)**	**—**	**(15.4)**
Total comprehensive income/(loss) for the period	**—**	**—**	**—**	**—**	**0.1**	**(14.8)**	**(101.7)**	**5.1**	**(111.3)**
Transactions with owners, recorded directly in equity									
Credit for the year under equity settled share-based payments	—	—	—	—	—	—	3.0	—	**3.0**
Total transactions with owners	**—**	**—**	**—**	**—**	**—**	**—**	**3.0**	**—**	**3.0**
At 30 September 2019 *restated*[1]	**2.1**	**352.3**	**—**	**6.6**	**2.4**	**(38.3)**	**(17.6)**	**15.3**	**322.8**

	Share Capital	Share Premium	Merger Reserve	Capital Reserve	Translation Reserve	Hedge Reserve	Retained Earnings	Non-controlling Interest	Total Equity
	£m	£m	£m	£m	£m	£m	£m	£m	£m
At 1 January 2019 *restated*[1]	**2.1**	**352.3**	**—**	**6.6**	**2.3**	**(23.5)**	**81.1**	**10.2**	**431.1**
Total comprehensive loss for the year									
(Loss)/profit for the year *restated*[1]	—	—	—	—	—	—	(126.4)	8.8	(117.6)
Other comprehensive income									
Foreign currency translation differences	—	—	—	—	(2.7)	—	—	—	(2.7)
Fair value movement — cash flow hedges	—	—	—	—	—	9.0	—	—	9.0
Amounts recycled to the Income Statement — cash flow hedges	—	—	—	—	—	15.6	—	—	15.6
Remeasurement of defined benefit liability	—	—	—	—	—	—	(1.4)	—	(1.4)
Tax on other comprehensive income	—	—	—	—	—	(3.4)	0.2	—	(3.2)
Total other comprehensive (loss)/income	**—**	**—**	**—**	**—**	**(2.7)**	**21.2**	**(1.2)**	**—**	**17.3**
Total comprehensive (loss)/ income for the year	**—**	**—**	**—**	**—**	**(2.7)**	**21.2**	**(127.6)**	**8.8**	**(100.3)**
Transactions with owners, recorded directly in equity									
Credit for the year under equity settled share-based payments	—	—	—	—	—	—	3.7	—	3.7
Dividend paid to non-controlling interest	—	—	—	—	—	—	—	(4.9)	(4.9)
Total transactions with owners	**—**	**—**	**—**	**—**	**—**	**—**	**3.7**	**(4.9)**	**(1.2)**
At 31 December 2019 *restated*[1]	**2.1**	**352.3**	**—**	**6.6**	**(0.4)**	**(2.3)**	**(42.8)**	**14.1**	**329.6**

1. The amounts presented for the opening balance at 1 January 2019 and the nine month period ended 30 September 2019 have been restated for the correction of an error — see note 2 for further details.

Consolidated statement of financial position

	Notes	As at 30 September 2020	As at 30 September 2019 *restated*[1]	As at 31 December 2019 *restated*[2]
		£m	£m	£m
Non-current assets				
Intangible assets		**1,269.8**	1,198.6	1,183.6
Property, plant and equipment		**400.1**	352.2	350.5
Right-of-use assets		**75.6**	80.3	81.8
Trade and other receivables		**2.8**	1.9	1.8
Other financial assets		**—**	—	0.2
Deferred tax asset	8	**74.0**	28.3	45.7
		1,822.3	1,661.3	1,663.6
Current assets				
Inventories		**250.0**	260.2	200.7
Trade and other receivables		**192.5**	189.9	249.7
Income tax receivable		**4.3**	0.8	0.3
Other financial assets		**13.4**	9.0	8.9
Cash and cash equivalents	11	**307.3**	100.9	107.9
		767.5	560.8	567.5
Total assets		**2,589.8**	2,222.1	2,231.1
Current liabilities				
Borrowings	12	**106.8**	148.0	114.8
Trade and other payables		**630.3**	775.2	734.1
Income tax payable		**1.0**	2.3	8.9
Other financial liabilities	13	**8.0**	14.4	6.3
Lease liabilities		**9.9**	11.9	14.1
Provisions	14	**19.7**	9.6	12.0
		775.7	961.4	890.2
Non-current liabilities				
Borrowings	12	**934.4**	761.7	839.1
Trade and other payables		**8.0**	5.4	9.4
Other financial liabilities	13	**0.6**	11.5	2.6
Lease liabilities		**95.7**	103.7	97.3
Provisions	14	**14.1**	12.7	16.2
Employee benefits	15	**27.8**	36.9	36.8
Deferred tax liabilities	8	**0.5**	6.0	9.9
		1,081.1	937.9	1,011.3
Total liabilities		**1,856.8**	1,899.3	1,901.5
Net assets		**733.0**	322.8	329.6
Capital and reserves				
Share capital	16	**16.5**	2.1	2.1
Share premium	16	**851.3**	352.3	352.3
Merger reserve	16	**144.0**	—	—
Capital reserve		**6.6**	6.6	6.6
Translation reserve		**2.2**	2.4	(0.4)
Hedge reserve		**(2.4)**	(38.3)	(2.3)
Retained earnings		**(302.2)**	(17.6)	(42.8)
Equity attributable to owners of the group		**716.0**	307.5	315.5
Non-controlling interests		**17.0**	15.3	14.1
Total shareholders' equity		**733.0**	322.8	329.6

1. The consolidated statement of financial position at 30 September 2019 has been restated for the correction of an error and the reclassification of frozen cash from cash and cash equivalents to other financial assets — see note 2 and 11 respectively for further details.
2. The consolidated statement of financial position at 31 December 2019 has been restated for the correction of a brought forward error — see note 2.

Consolidated statement of cash flows

	Notes	9 months ended 30 September 2020	9 months ended 30 September 2019 *restated*[1]	12 months ended 31 December 2019 *as previously restated*[2]
		£m	**£m**	**£m**
Operating activities				
Loss for the period		**(267.9)**	(95.9)	(117.6)
Adjustments to reconcile loss for the period to net cash (outflow)/inflow from operating activities				
Tax (credit)/charge on continuing operations	8	**(40.0)**	1.1	(2.0)
Net finance costs		**78.8**	65.1	67.6
Other non-cash movements		**(3.9)**	7.9	(4.4)
Loss on sale of non-current assets		**—**	—	0.9
Depreciation and impairment of property, plant and equipment		**26.6**	25.9	38.8
Depreciation and impairment of right-of-use assets		**11.2**	8.9	13.3
Amortisation and impairment of intangible assets		**61.8**	53.2	112.4
Difference between pension contributions paid and amounts recognised in Income Statement		**(2.9)**	(3.4)	(4.4)
Increase in inventories		**(51.5)**	(91.4)	(33.3)
Decrease/(increase) in trade and other receivables		**49.9**	51.5	(31.8)
Decrease in trade and other payables		**(109.7)**	(18.5)	(51.8)
(Decrease)/increases in advances and customer deposits		**(21.8)**	74.3	48.4
Movement in provisions		**5.8**	(1.6)	4.5
Cash (outflow)/inflow from operations		**(263.6)**	77.1	40.6
Increase in cash held not available for short-term use		**(1.3)**	(9.0)	(8.7)
Income taxes paid		**(7.2)**	(8.2)	(12.5)
Net cash (outflow)/inflow from operating activities		**(272.1)**	59.9	19.4
Cash flows from investing activities				
Interest received		**1.9**	4.1	5.0
Payments to acquire property, plant and equipment		**(76.1)**	(65.0)	(82.2)
Payments to acquire intangible assets		**(128.0)**	(189.6)	(228.0)
Net cash used in investing activities		**(202.2)**	(250.5)	(305.2)
Cash flows from financing activities				
Interest paid		**(39.3)**	(25.5)	(52.0)
Proceeds from issuance of shares	16	**687.8**	—	—
Principal element of lease payments	12	**(9.2)**	(8.4)	(10.9)
Repayment of existing borrowings	12	**(83.0)**	—	(91.5)
Proceeds from existing borrowings	12	**—**	23.5	102.3
Proceeds from inventory repurchase arrangement	12	**39.0**	—	38.7
Repayment of inventory repurchase arrangement	12	**(38.7)**	—	—
New borrowings	12	**149.9**	158.6	260.8
Transaction fees on issuance of shares		**(27.9)**	—	—
Transaction fees on financing activities		**(0.3)**	(0.4)	(4.1)
Net cash inflow from financing activities		**678.3**	147.8	243.3
Net increase/(decrease) in cash and cash equivalents		**204.0**	(42.8)	(42.5)
Cash and cash equivalents at the beginning of the period	11	**107.9**	144.6	144.6
Effect of exchange rates on cash and cash equivalents		**(4.6)**	(0.9)	5.8
Cash and cash equivalents at the end of the period		**307.3**	100.9	107.9

1. The nine month period ended 30 September 2019 statement of cash flows has been restated for the correction of an error and the reclassification of frozen cash from cash and cash equivalents to other financial assets — see note 2 and 11 respectively for further details.
2. The statement of cash flows presented for the 12 months ended 31 December 2019 has been restated for the correction of an error with no impact on the Net cash (outflow)/inflow from operating activities, Net cash used in investing activities or Net cash inflow from financing activities — see note 2 for further details.

Notes to the interim financial statements

1. Basis of preparation

The results for the nine month period ended 30 September 2020 have been reviewed by Ernst & Young LLP, the Group's auditor. The financial information for the year ended 31 December 2019 does not constitute statutory accounts as defined in section 435 of the Companies Act 2006. The auditor's report on the statutory accounts for the year ended 31 December 2019 was not qualified and did not contain any statements under section 498(2) or (3) of the Companies Act 2006. The report made reference to a material uncertainty around the ability of the Group to continue trading as a going concern pending completion of a strategic investment by a consortium led by Lawrence Stroll and subsequent rights issue. The strategic investment and rights issue were successfully completed during the nine month period ended 30 September 2020. A copy of the statutory accounts for the year ended 31 December 2019 prepared under International Financial Reporting Standards as adopted by the EU ("IFRS") have been delivered to the Registrar of Companies.

Aston Martin Lagonda Global Holdings plc (the "Company") is a company incorporated and domiciled in the UK. The Consolidated Interim Financial Statements of the Company as at the end of the nine month period ended 30 September 2020 comprise the Company and its subsidiaries (together referred to as the 'Group').

The Group presently meets its day-to-day working capital requirements and medium-term funding requirements through a mixture of Senior Secured Notes ($400m and $190m at 6.5%, $225m at 12%, £230m and £55m at 5.75% which all mature in April 2022), a revolving credit facility (£80m) which matures in January 2022, facilities to finance inventory, back-to-back loans, a £20m Coronavirus Large Business Interruption Loan Scheme (CLBILS) loan which matures in January 2022 and a wholesale vehicle financing facility. At the balance sheet date the Group had cash and cash equivalents of £307m.

The Group has successfully arranged a new fully committed and comprehensive financing package (the "New Financing") which comprises £125m of new equity shares, c£259m (equivalent) of new bonds which mature in 2026, c£840m (equivalent) of new bonds which mature in 2025 and a refinanced revolving credit facility which will now increase to £87m and matures in 2025. Proceeds raised from the new equity shares and bonds will be used to redeem the Group's existing and outstanding Senior Secured Notes alongside repayment of the CLBILS loan. Upon shareholder approval of the Mercedes-Benz AG transaction and resolutions pertaining to the new equity shares, alongside satisfaction of anti-trust conditions in Germany and the UK and standard underwriting conditions, which are expected to occur before year end, the new equity and bond funds will be available to the Group alongside the refinanced RCF. This comprehensive New Financing builds further on the £688m new equity that the Yew Tree Consortium and other investors injected into the Group in the first half of 2020 and provides for an improved capital structure and strong funding profile to support the Group in achieving its strategic ambitions over the medium to long term.

In preparing this going concern statement, the Directors have developed trading and cash flow forecasts for the period from the date of approval of these Interim Financial Statements through 30 June 2022 as the existing revolving credit facility, CLBILS loan and Senior Secured Notes mature in this period.

The forecasts reflect our strategy of rebalancing supply and demand and the decisive actions taken to improve cost efficiency, in alignment with reduced sports car production levels. The forecasts make assumptions in respect of future market conditions and, in particular, wholesale volumes, average selling price, the launch of new models including Valkyrie and the potential impact of Covid-19 on sales. The nature of the Group's business is such that there can be variation in the timing of cash flows around the development and launch of new models. In addition the availability of funds provided through the vehicle wholesale finance facility changes as the availability of credit insurance and sales volumes vary, in total and seasonally. Key Covid-19 assumptions within the forecasts include a reduction in production and wholesale volumes. The forecasts take into account these factors to the extent which the directors consider them to represent their best estimate of the future based on the information that is available to them at the time of approval of these Interim Financial Statements.

The directors have considered a severe but plausible downside scenario that includes considering the impact of a 30% reduction in DBX volumes, a further 4 week period of factory closure due to COVID-19 restrictions, operating costs higher than the base plan and additional cash requirements linked with the end of the Brexit transition period.

The Group plans to make continued investment for growth in the period and, accordingly, funds generated through operations are expected to be reinvested in the business mainly through new model development and other capital expenditure. To a certain extent such expenditure is discretionary and, in the event of risks occurring which could have a particularly severe effect on the Group, as identified in the severe but plausible downside scenario, actions such as constraining capital spending, working capital improvements, reduction in marketing expenditure and continuation of the strict and immediate expense control would be taken to safeguard the Group's financial position.

Whilst the Group remains in a strong financial position, the Directors have determined that additional liquidity and moreover an evident extension in maturity of its bond funding and revolving credit facility will be required to support the Group in achieving its medium to long term ambitions and allow it to navigate a severe but plausible downside scenario that the directors have modelled. The New Financing serves to achieve these aims however it is contingent on the outcome of a shareholder vote in early December which is outside the control of the Directors. Accordingly, as the Directors are obliged to do pursuant to the requirements of IAS 1 Presentation of Financial Statements, they have concluded that there exists a material uncertainty that casts significant doubt on the Group's ability to continue as a going concern.

However, provided shareholders approve the resolutions being put to them, which the Directors expect that they will, the New Financing ensures the Company will be well funded for the medium to long term and have adequate resources to continue in operational existence for the foreseeable future. For these reasons the Directors continue to adopt the going concern basis in preparing the financial statements. Therefore, these Interim Financial Statements do not include the adjustments that would result if the going concern basis of preparation was inappropriate.

Statement of compliance

These Interim Financial Statements, covering a nine month period, have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' as endorsed by the European Union. They do not include all the information required for full annual financial statements and should be read in conjunction with the Consolidated Financial Statements of the Group for the year ended 31 December 2019.

Significant accounting policies

These Interim Financial Statements have been prepared applying the accounting policies and presentation that were applied in the preparation of the Group's published Consolidated Financial Statements for the year ended 31 December 2019.

The key source of estimation uncertainty for the Group, as disclosed in the Group Financial Statements, involve the following key areas:

- impairment of indefinite life intangible assets (including goodwill);
- impairment of finite life intangible assets; and
- the measurement of defined benefit pension assets and obligations.

These remain a key source of estimation uncertainty during the period, especially given the significant uncertainty arising from the COVID-19 pandemic.

The Group has recognised amounts due from government-sponsored COVID-related employee furlough schemes, of £12.5m, as a credit against the related staff costs and not as an item of Other income. These amounts are recognised on an accruals basis and in line with the Group's accounting policy on government grants.

2. Prior period restatement

The financial results for the period ended 30 September 2019 have been restated to reflect the prior period adjustment reported in the 30 June 2020 interim statement in respect of variable marketing expense ("VME"), an adjustment in respect of the recognition of taxation and the presentation of frozen cash. Details of the adjustment relating to frozen cash is detailed in note 11 with details of the other adjustments below.

The Group previously reported, within the IAS34 interim financial statements for the six month period ended 30 June 2020, that it had made a non-cash adjustment in respect of the timing of accounting recognition of customer and retail financing support (variable marketing expense ("VME")) associated with supporting lease and other incentive programs in the US. This had no impact on the timing of the Company's historic or forecast cash flows.

Pursuant to IFRS 15, future VME in the US should be estimated and accrued for on the balance sheet of the Group and deducted from revenue at the point revenue is recognised for the wholesale of the vehicle to the dealer rather than at the time of retail sale by the dealer to the end customer, as had previously been the approach. Outside of the US, VME continues to be accrued at the time of the retail sale by the dealer to the end customer, reflecting the contractual requirement that the dealer has to make additional wholesale purchases at that time in order to receive the VME.

The statement of financial position of the Group as at 30 September 2019, and the income statement for the nine months ended 30 September 2019, have been restated in these nine month IAS 34 interim financial statements to reflect the correction of these errors and the related adjustments to tax. The comparatives disclosed for the 12 month period ended and as at 31 December 2019 are restated as previously reported within the six month period ended 30 June 2020 IAS34 financial statements.

The adjustment results in an earlier accrual for VME in the United States than previously reported and impacts the statement of financial position and income statement as follows.

	30 September 2019	31 December 2019
	£m	£m
Additional accrual required for VME	(21.8)	(29.1)

	9 months ended 30 September 2019	12 months ended 31 December 2019
	£m	£m
Impact on EBITDA compared to previously reported result	(8.1)	(15.3)

The tax charge for the nine month period ended 30 September 2019, has been restated to derecognise deferred tax related to future finance costs for which tax relief is deferred to future periods and where the likelihood of recoverability is not considered to support recognition of the asset.

In addition to the above, having reviewed adjustments recorded in finalising the 31 December 2019 Annual Report, the Group has recorded three further adjustments which impact the nine month period ended 30 September 2019, with a net increase in profit before tax of £5.6m (profit after tax £4.6m). The Group's retained earnings have been restated to correct for a brought forward taxation error, with a corresponding £2.9m entry made to reduce trade and other receivables at 1 January 2019 and 30 September 2019 and increase trade and other payables at 31 December 2019.

These errors have been corrected by restating each of the affected Consolidated Interim Financial Statement line items for the prior periods as follows:

Consolidated Statement of Comprehensive Income (extract)

	9 months ended 30 September 2019			12 months ended 31 December 2019		
	As reported	Increase/ (decrease)	*As restated*	As reported	Increase/ (decrease)	*As restated*
	£m	£m	£m	£m	£m	£m
Revenue	657.2	(7.2)	**650.0**	997.3	(16.8)	**980.5**
Cost of sales	(413.4)	2.4	**(411.0)**	(642.7)	—	**(642.7)**
Gross profit	243.8	(4.8)	**239.0**	354.6	(16.8)	**337.8**
Selling and distribution expenses	(71.6)	—	**(71.6)**	(95.0)	—	**(95.0)**
Administrative expenses	(180.4)	2.3	**(178.1)**	(277.3)	1.5	**(275.8)**
Other expense	(19.0)	—	**(19.0)**	(19.0)	—	**(19.0)**
Operating (loss)/profit	(27.2)	(2.5)	**(29.7)**	(36.7)	(15.3)	**(52.0)**
Finance income	4.1	—	**4.1**	16.3	—	**16.3**
Finance expense	(69.2)	—	**(69.2)**	(83.9)	—	**(83.9)**
Loss before income tax	(92.3)	(2.5)	**(94.8)**	(104.3)	(15.3)	**(119.6)**
Income tax credit/(charge)	19.4	(20.5)	**(1.1)**	(0.1)	2.1	**2.0**
Loss for the period	(72.9)	(23.0)	**(95.9)**	(104.4)	(13.2)	**(117.6)**
(Loss)/profit for the period attributable to:						
Owners of the group	(77.0)	(24.0)	**(101.0)**	(113.2)	(13.2)	**(126.4)**
Non-controlling interests	4.1	1.0	**5.1**	8.8	—	**8.8**
	(72.9)	(23.0)	**(95.9)**	(104.4)	(13.2)	**(117.6)**
Other comprehensive (expense)/income for the period, net of income tax	(15.4)	—	**(15.4)**	17.3	—	**17.3**
Total comprehensive loss for the period	(88.3)	(23.0)	**(111.3)**	(87.1)	(13.2)	**(100.3)**
Total comprehensive (loss)/ income for the period attributable to:						
Owners of the group	(92.4)	(24.0)	**(116.4)**	(95.9)	(13.2)	**(109.1)**
Non-controlling interests	4.1	1.0	**5.1**	8.8	—	**8.8**
	(88.3)	(23.0)	**(111.3)**	(87.1)	(13.2)	**(100.3)**

The impact of the correction of the restatements above, together with the impact of the bonus element of the rights issue, on Earnings per ordinary share in the comparative periods are summarised as follows:

	9 months ended 30 September 2019				12 months ended 31 December 2019			
	As reported	Bonus issue[1]	Error Correction	*As restated*	As reported	Bonus issue[1]	Error Correction	*As restated*
Earnings per ordinary share								
Basic	(33.8p)	(11.6p)	(10.6p)	**(11.6p)**	(49.6p)	(29.3p)	(5.8p)	**(14.5p)**
Diluted	(33.8p)	(11.6p)	(10.6p)	**(11.6p)**	(49.6p)	(29.3p)	(5.8p)	**(14.5p)**

1. The comparative basic and diluted earnings per ordinary share values have been restated to reflect the bonus element of the rights issue completed on 1 April 2020.

Consolidated Statement of Financial Position (extract)

	30 September 2019			31 December 2019			1 January 2019		
	As reported	Increase/ (decrease)	*As restated*	As reported	Increase/ (decrease)	*As restated*	As reported	Increase/ (decrease)	*As restated*
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Deferred tax asset	41.9	(13.6)	**28.3**	45.7	—	**45.7**	32.1	0.6	**32.7**
Inventory	256.7	3.5	**260.2**	200.7	—	**200.7**	165.3	—	**165.3**
Trade and other receivables	193.1	(3.2)	**189.9**	249.7	—	**249.7**	243.0	(2.9)	**240.1**
Income tax receivable	4.0	(3.2)	**0.8**	0.3	—	**0.3**	0.8	—	**0.8**
Trade and other payables — current	755.7	19.5	**775.2**	702.1	32.0	**734.1**	641.4	13.8	**655.2**
Income tax liability	5.2	(2.9)	**2.3**	8.9	—	**8.9**	4.9	—	**4.9**
Deferred tax liability	—	6.0	**6.0**	12.6	(2.7)	**9.9**	20.0	—	**20.0**
Net Assets	361.9	(39.1)	**322.8**	358.9	(29.3)	**329.6**	447.2	(16.1)	**431.1**
Retained earnings	22.5	(40.1)	**(17.6)**	(13.5)	(29.3)	**(42.8)**	97.2	(16.1)	**81.1**
Equity attributable to owners of the group	347.6	(40.1)	**307.5**	344.8	(29.3)	**315.5**	437.0	(16.1)	**420.9**
Non-controlling interests	14.3	1.0	**15.3**	14.1	—	**14.1**	10.2	—	**10.2**
Total shareholders' equity	361.9	(39.1)	**322.8**	358.9	(29.3)	**329.6**	447.2	(16.1)	**431.1**

There is no overall impact on the cashflow in any of the previous periods from the restatement mentioned above. The income statement impact and the movement in the statement of financial position is all classified within cashflows from operations and hence no impact on overall cashflow sub-headings.

3. Segmental information

Revenue	9 months ended 30 September 2020	9 months ended 30 September 2019 *restated*[1]	12 months ended 31 December 2019 *as previously restated*[2]
	£m	£m	£m
Analysis by category			
Sale of vehicles	**213.9**	575.7	880.8
Sale of parts	**40.5**	46.9	63.0
Servicing of vehicles	**5.3**	7.2	9.3
Brands and motorsport	**10.3**	20.2	27.4
	270.0	650.0	980.5

Revenue	9 months ended 30 September 2020	9 months ended 30 September 2019 *restated*[1]	12 months ended 31 December 2019 *as previously restated*[2]
	£m	£m	£m
Analysis by geographic location			
United Kingdom	**50.5**	173.4	229.6
The Americas	**67.8**	179.8	278.5
Rest of Europe, Middle East & Africa	**88.2**	126.4	231.2
Asia Pacific	**63.5**	170.4	241.2
	270.0	650.0	980.5

1. The segmental comparative for the nine month period ended 20 September 2019 for Americas have been restated to reflect the correction of an error — see note 2 for further detail.

2. The income statement presented for the 12 months ended 31 December 2019, as reported in the 2019 Annual Report, was restated within the six months ended 30 June 2020 interim financial statements. Details of this restatement are shown in note 2 with no further income statement adjustments presented in these interim financial statements.

The Group's revenue, when assessed on an annual basis, is typically weighted one-third towards the final quarter of the year. This is exaggerated in the current year, in part, due to the impact of Covid-19.

Non-current assets other than financial instruments and deferred tax assets by geographic location

As at 30 September 2020	Right-of-use Assets	Property, Plant and Equipment	Goodwill	Intangible Assets	Other Receivables	Total
	£m	£m	£m	£m	£m	£m
United Kingdom	**66.7**	**295.2**	**85.4**	**1,167.3**	**—**	**1,614.6**
The Americas	**0.1**	**1.7**	**—**	**—**	**—**	**1.8**
Rest of Europe, Middle East & Africa	**—**	**102.6**	**—**	**17.1**	**2.8**	**122.5**
Asia Pacific	**8.8**	**0.6**	**—**	**—**	**—**	**9.4**
	75.6	**400.1**	**85.4**	**1,184.4**	**2.8**	**1,748.3**

As at 30 September 2019	Right-of-use Assets	Property, Plant and Equipment	Goodwill	Intangible Assets	Other Receivables	Total
	£m	£m	£m	£m	£m	£m
United Kingdom	71.0	295.1	85.4	1,095.8	—	1,547.3
The Americas	0.3	0.6	—	—	—	0.9
Rest of Europe, Middle East & Africa	0.1	56.4	—	17.4	1.9	75.8
Asia Pacific	8.9	0.1	—	—	—	9.0
	80.3	352.2	85.4	1,113.2	1.9	1,633.0

As at 31 December 2019	Right-of-use Assets	Property, Plant and Equipment	Goodwill	Intangible Assets	Other Receivables	Total
	£m	£m	£m	£m	£m	£m
United Kingdom	71.5	277.1	85.4	1,081.3	—	1,515.3
The Americas	0.2	1.0	—	—	—	1.2
Rest of Europe, Middle East & Africa	0.1	72.3	—	16.9	1.8	91.1
Asia Pacific	10.0	0.1	—	—	—	10.1
	81.8	350.5	85.4	1,098.2	1.8	1,617.7

4. Other expense

	9 months ended 30 September 2020	9 months ended 30 September 2019	12 months ended 31 December 2019
	£m	£m	£m
Loss allowance — sale of intellectual property	**—**	(19.0)	(19.0)

In the nine months ended 30 September 2019 the recoverability of a receivable relating to the sale of certain legacy intellectual property was assessed as doubtful resulting in the recognition of a £19.0m loss allowance.

5. Adjusting items

	9 months ended 30 September 2020	9 months ended 30 September 2019	12 months ended 31 December 2019
	£m	£m	£m
Adjusting operating expenses:			
Impairment of assets[1]:			
Development costs	**—**	—	(27.7)
Plant, machinery, fixtures and fittings	**—**	—	(4.7)
Tooling	**—**	—	(3.7)
Inventory	**—**	—	(2.3)
Right-of-use lease assets	**(2.0)**	—	(1.0)
	(2.0)	—	(39.4)
Restructuring:			
Restructuring costs[2]	**(12.4)**	(1.9)	(2.8)
Settlement arrangements and incentive payments[3]	**(2.7)**	—	—
	(15.1)	(1.9)	(2.8)
Initial Public Offering costs:			
Staff incentives[4]	**3.2**	(3.0)	0.6
Professional fees[5]	**—**	(0.5)	(0.5)
	(13.9)	(5.4)	(42.1)
Adjusting finance expenses:			
Movement on derivatives not qualifying for hedge accounting[6]	**—**	(6.6)	(6.6)
Adjusting items before tax	**(13.9)**	(12.0)	(48.7)
Tax credit on adjusting items[7]	**3.8**	2.2	8.8
Adjusting items after tax	**(10.1)**	(9.8)	(39.9)

1. In the nine months ended 30 September 2020 the Group commenced a rationalisation exercise to reduce its geographical footprint. This resulted in an impairment charge of £2.0m writing the right-of-use asset to £nil, triggered by conclusion of activity at one of the Group's leased sites.
2. In the nine months ended 30 September 2020 costs associated with the first phase of the restructuring plan, announced in 2019, were £0.3m (30 September 2019: £1.9m, 31 December 2019: £2.8m). During this period, the Group commenced a second phase restructuring process to reduce employee numbers reflecting lower than originally planned production volumes. The restructuring costs associated with this second phase are expected to be £12.1m.
3. It was announced on 27 February 2020 that Mark Wilson would step down as CFO and as an Executive Director of the Group on 30 April 2020. Subsequent to this, on 25 May 2020, Dr. Andrew Palmer stepped down as CEO and as an Executive Director of the Group. Tobias Moers joined the Group as CEO and Executive Director on 1 August 2020. Amounts due at 30 September 2020, as a result of these changes, are £2.7m.
4. In the nine months ended 30 September 2020 a Legacy Long-term Incentive Plan ("LTIP") charge of £3.2m was recognised (30 September 2019: £3.0m, 31 December 2019 £3.6m).

   With the continuing reduced performance of the Group in 2020, the remaining Initial Public Offering ("IPO") bonus held for management is no longer expected to be paid. This decision resulted in £6.4m being credited back to the Consolidated Income Statement (30 September 2019: £nil, 31 December 2019: £4.2m credit).
5. Additional professional fees of £0.5m were charged in 2019 as a result of the Initial Public Offering during the year ended 31 December 2018.
6. In the year-ended 31 December 2019 a charge of £6.6m was recognised in relation to fair value movements of derivative financial instruments held to hedge future foreign currency cashflows, but where the necessary criteria for hedge accounting had not been met. Once the criteria for hedge accounting had been met, all movements in the fair value of these derivative financial instruments are recorded either in Other Comprehensive Income or in arriving at adjusted operating profit in the Consolidated Income Statement.
7. In the nine months ended 30 September 2020, a total tax credit of £3.8m has been recognised as an adjusting item. The tax credit on adjusting items in 2020 is higher than standard rate of income tax for the Group at 19% due to an additional credit of £1.2m which relates to the impact of a change in deferred tax rate from 17% to 19% on items treated as adjusting in previous years.

6. Finance income

	9 months ended 30 September 2020	9 months ended 30 September 2019	12 months ended 31 December 2019
	£m	£m	£m
Bank deposit and other interest income	**1.9**	4.1	5.0
Foreign exchange gain on borrowings not designated as part of a hedging relationship	**—**	—	11.3
	1.9	4.1	16.3

7. Finance expense

	9 months ended 30 September 2020	9 months ended 30 September 2019	12 months ended 31 December 2019
	£m	£m	£m
Bank loans, overdrafts, senior secured notes and other interest	**66.3**	42.8	62.8
Foreign exchange loss on borrowings not designated as part of a hedging relationship	**3.5**	8.7	—
Hedge ineffectiveness on loan instruments designated as a cashflow hedge	**2.5**	—	—
Net interest expense on the net defined benefit liability	**0.5**	0.8	1.1
Interest on contract liabilities held	**4.9**	6.9	8.8
Interest on lease liabilities	**3.0**	3.4	4.6
Finance expense before adjusting items	**80.7**	62.6	77.3
Adjusting finance expenses (note 5)	**—**	6.6	6.6
Total finance expense	**80.7**	69.2	83.9

8. Taxation

The effective tax rate for the nine month period ended 30 September 2020 is 13.0% (30 September 2019: n.m, 31 December 2019: 1.7%). This compares to a UK statutory rate of tax 19% applicable to the group for the nine month period ended 30 September 2020 (30 September 2019: 19%, 31 December 2019: 19%). The deferred tax asset at 30 September 2020 has been calculated based on the rate of 19% substantively enacted at the period end date, except for deferred tax assets arising in overseas subsidiaries where the deferred tax asset has been recognised at the applicable rate for each subsidiary. Permanently disallowable expenditure and an unrecognised net deferred tax asset in respect of delayed interest deductions give rise to further adjustments to the total tax arising in the periods.

The Group believes that it is appropriate to recognise a Deferred Tax Asset in respect of historic tax losses due to the future forecast profitability of the Group as demonstrated by the current business plan.

9. Earnings per ordinary share

Continuing and total operations	9 months ended 30 September 2020	9 months ended 30 September 2019 *restated*[1,2]	12 months ended 31 December 2019 *as previously restated*[1,3]
Basic earnings per ordinary share			
Loss available for equity holders (£m)	**(270.8)**	(101.0)	(126.4)
Basic weighted average number of ordinary shares (million)	**1,409.2**	870.4	870.4
Basic earnings per ordinary share (pence)	**(19.2p)**	(11.6p)	(14.5p)
Diluted earnings per ordinary share			
Loss available for equity holders (£m)	**(270.8)**	(101.0)	(126.4)
Diluted weighted average number of ordinary shares (million)	**1,409.2**	870.4	870.4
Diluted earnings per ordinary share (pence)	**(19.2p)**	(11.6p)	(14.5p)

	30 September 2020 Number	30 September 2019 Number	31 December 2019 Number
Diluted weighted average number of ordinary shares is calculated as:			
Basic weighted average number of ordinary shares[1] (million)	**1,409.2**	870.4	870.4
Adjustments for calculation of diluted earnings per share:			
Long-term incentive plans[4]	**—**	—	—
Weighted average number of ordinary shares and potential ordinary shares (million)	**1,409.2**	870.4	870.4

1. The weighted average number of ordinary shares in both comparative periods have been restated to reflect the bonus element of the rights issue completed on 1 April 2020.
2. The nine month period ended 30 September 2019 loss available to equity holders has been restated — see note 2 for further details.
3. The loss available for equity holders presented for the 12 months ended 31 December 2019, as reported in the 2019 Annual Report, was restated within the six months ended 30 June 2020 interim financial statements. Details of this restatement are shown in note 2 with no further adjustments to the loss available for equity holders presented in these interim financial statements.
4. The impact of the Long-term incentive plan ("LTIP") shares has been excluded from the weighted average number of ordinary shares calculation on the basis of antidilution.

10. Research and Development expenditure

	9 months ended 30 September 2020	9 months ended 30 September 2019	12 months ended 31 December 2019
	£m	**£m**	**£m**
Total research and development expenditure	**150.0**	187.6	226.0
Capitalised research and development expenditure	**(147.4)**	(187.6)	(226.0)
Research and development expenditure recognised as an expense during the period	**2.6**	—	—

11. Net debt

	30 September 2020	30 September 2019 *restated*[1]	31 December 2019
	£m	£m	£m
Cash and cash equivalents	**307.3**	100.9	107.9
Cash held not available for short-term use[1]	**10.6**	9.0	8.7
Bank loans and overdrafts[2]	**(133.6)**	(158.0)	(124.0)
Inventory repurchase arrangements[3]	**(39.6)**	—	(38.9)
Senior Secured Notes[4]	**(907.6)**	(751.7)	(829.9)
Lease liabilities[5]	**(105.6)**	(115.6)	(111.4)
	(868.5)	(915.4)	(987.6)
Current	**161.6**	(50.0)	(51.2)
Non-current	**(1,030.1)**	(865.4)	(936.4)
	(868.5)	(915.4)	(987.6)

1. At 30 September 2020 the balance held in frozen bank accounts was £10.6m (30 September 2019: £9.0m, 31 December 2019: £8.7m). The cash held in these accounts did not meet the definition of cash and cash equivalents and therefore was classified as an other financial asset. The frozen cash as at 30 September 2019 has been reclassified from cash and cash equivalents to other financial assets, from that previously disclosed.
2. In July 2020 the Group entered into a £20.0m loan under the Coronavirus Large Business Interruption Loan Scheme ('CLBILS') maturing in January 2022. Transaction costs capitalised amounted to £0.3m. At 30 September 2020, £70.0m of the £80.0m revolving credit facility was drawn down (30 September 2019: £70.0m, 31 December 2019: £70.0m).

   The Group is party to a back-to-back loan arrangement with HSBC Bank plc, whereby Chinese Yuan to the value of £36.2m were deposited in a restricted account with HSBC in China in exchange for a Sterling overdraft facility with HSBC in the United Kingdom. The £36.2m of restricted cash is shown in the total of cash and cash equivalents above (30 September 2019: £37.2m, 31 December 2019: £36.7m). At 30 September 2020 the Group has drawn down £33.9m (30 September 2019: £36.7m, 31 December 2019: £36.3m) of the combined overdraft facility which is included in bank loans and overdrafts.

   In 2018 the Group entered into a fixed rate loan to finance the construction of the paint shop at the new St Athan manufacturing facility. The loan matures on 31 March 2022. The quarterly repayments on the loan include an element of capital repayment and interest charge. The final payment on 31 March 2022 includes an increased capital repayment of £6.3m. At 30 September 2020 the amount outstanding is £10.0m with £2.9m included in current borrowings and £7.1m included in non-current borrowings (30 September 2019: £3.6m current, £10.0m non-current, 31 December 2019: £2.9m current and £9.2m non-current).
3. At 30 September 2020 a repurchase liability including accrued interest of £39.6m was recognised in accruals and other payables, and Net Debt. During the nine month period ended 30 September 2020, £32.5m of parts for resale, service parts and production stock were sold for £39.0m (gross of indirect tax) and subsequently repurchased. Under these repurchase agreements, the Group will repay a total of £40m gross of indirect tax. As part of these arrangements legal title to the parts was surrendered however control remained with the Group. These repurchase arrangements are to be fully settled in 2020.

   At 31 December 2019 a repurchase liability of £38.9m including accrued interest of £0.2m, was recognised in accruals and other payables and Net Debt. In November 2019, £32.2m of parts for resale, service parts and production stock were sold for £38.7m (gross of indirect tax) and subsequently repurchased. This repurchase arrangement was fully settled in the nine month period ended 30 September 2020.
4. In January 2020 and July 2020, the Group issued $2.4m and $4.7m US Dollar Senior Secured Notes as payment in kind ("PIK") for the bi-annual interest payment due on the $150m US Dollar 12.0% Senior Secured Notes. The notes issued represent 6.0% of the interest due and are on the same terms as other senior secured obligations of the Group.

   In July 2020 the Group issued $68m US Dollar Delayed Draw 12% (6% PIK, 6% cash interest) Senior Secured Notes including a 6% premium on redemption with a maturity date of April 2022. This premium is accounted for as part of the effective interest rate and charged to finance expenses within the Consolidated Income Statement over the term of these notes. Transaction costs capitalised amounted to £0.8m.

   In April 2019 the Group issued $190m 6.5% Senior secured Notes at a discount of 5% to the par redemption value. The discount is charged to finance expenses within the Consolidated Income Statement over the term of the notes based on the effective interest rate method. In October 2019 the Group issued $150m 12% (6% PIK, 6% cash interest) Senior Secured Notes with a 6% premium on redemption. This premium is accounted for as part of the effective interest rate and charged to finance expenses within the Consolidated Income Statement over the term of these notes. These notes mature in April 2022 with transaction costs capitalised during the period 12 months ended 31 December 2019 of £5.4m.
5. The comparative Group Net Debt at 30 September 2019 has been re-presented to align with the updated definition of Net debt to include current and non-current lease liabilities following the Group's adoption of IFRS 16 on 1 January 2019. There is no impact on the Group's Consolidated Income Statement, earnings per share, retained earnings or net assets. Net Debt is a non-IFRS alternative performance measure used for evaluating the performance of the Group and for further details see note 20.

12. Movement in net debt

	30 September 2020	30 September 2019 *restated*[1]	31 December 2019
	£m	£m	£m
Cash and cash equivalents	**307.3**	100.9	107.9
Cash held not available for short-term use	**10.6**	9.0	8.7
Inventory repurchase arrangement	**(39.6)**	—	(38.9)
Lease liabilities	**(105.6)**	(115.6)	(111.4)
Loans and other borrowings — current	**(106.8)**	(148.0)	(114.8)
Loans and other borrowings — non-current	**(934.4)**	(761.7)	(839.1)
Net debt[2]	**(868.5)**	(915.4)	(987.6)
Movement in net debt			
Net increase/(decrease) in cash and cash equivalents	**199.4**	(43.7)	(36.7)
Add back cash flows in respect of other components of net debt:			
New borrowings	**(149.9)**	(158.6)	(260.8)
Proceeds from inventory repurchase arrangement	**(39.0)**	—	(38.7)
Proceeds from existing borrowings	**—**	(23.5)	(102.3)
Repayment of existing borrowings	**83.0**	—	91.5
Repayment of inventory repurchase arrangement	**38.7**	—	—
Lease liability payments	**9.2**	8.4	10.9
Movement in cash held not available for short-term use	**1.3**	9.0	8.7
Transaction fees	**0.3**	0.4	4.1
Increase/(decrease) in net debt arising from cash flows	**143.0**	(208.0)	(323.3)
Non-cash movements:			
Opening lease liability upon adoption of IFRS 16	**—**	(116.5)	(116.5)
Foreign exchange (loss)/gain on secured loan	**(10.3)**	(20.5)	23.7
Interest added to debt	**(8.4)**	—	(1.6)
Borrowing fee amortisation	**(5.3)**	(3.0)	(5.5)
Lease liability interest charge	**(3.0)**	(3.4)	(4.6)
Lease modifications	**2.4**	3.5	3.5
New leases	**—**	(9.8)	(9.8)
Unpaid transaction fees	**0.7**	0.7	2.0
Foreign exchange gain/(loss) and other	**—**	1.1	4.0
Decrease/(increase) in net debt	**119.1**	(355.9)	(428.1)
Net debt at beginning of the year	**(987.6)**	(559.5)	(559.5)
Net debt at the end of the period[2]	**(868.5)**	(915.4)	(987.6)

1. The balance in frozen bank accounts at 30 September 2019 of £9.0m has been re-presented as cash held not available for short-term use — see note 11 for further detail.
2. Net debt in the comparative periods has been re-presented to include lease liabilities — see note 11 for further detail.

13. Financial Instruments

The following tables provide an analysis of financial instruments grouped into Levels 1 to 3 based on the degree to which the value is observable. There were no transfers between levels during the current and comparative periods.

	30 September 2020			30 September 2019			31 December 2019		
Included in assets	**Nominal Value**	**Book Value**	**Fair Value**	**Nominal Value**	**Book Value**	**Fair Value**	**Nominal Value**	**Book Value**	**Fair Value**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Level 2									
Forward foreign exchange contracts	—	—	—	—	—	—	—	0.4	0.4
Level 3									
Warrant equity options[1]	—	**2.8**	**2.8**	—	—	—	—	—	—
	—	**2.8**	**2.8**	—	—	—	—	0.4	0.4

	30 September 2020			30 September 2019			31 December 2019		
Included in liabilities	**Nominal Value**	**Book Value**	**Fair Value**	**Nominal Value**	**Book Value**	**Fair Value**	**Nominal Value**	**Book Value**	**Fair Value**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Level 1									
£285m 5.75% Sterling Senior Secured Notes	**285.0**	**280.9**	**255.4**	285.0	278.4	252.6	285.0	279.0	273.6
$400m 6.5% US Dollar Senior Secured Notes	**308.9**	**308.9**	**280.2**	325.8	325.8	289.1	301.6	301.6	288.0
$190m 6.5% US Dollar Senior Secured Notes	**146.7**	**142.4**	**131.6**	154.8	147.5	137.4	143.3	137.2	133.8
$157m 12.0% US Dollar Senior Secured Notes	**121.3**	**122.9**	**122.7**	—	—	—	113.1	112.1	122.1
Level 2									
$68m 12.0% US Dollar Senior Secured Notes[2]	**52.6**	**52.5**	**53.1**	—	—	—	—	—	—
Forward foreign exchange contracts	—	**5.8**	**5.8**	—	25.9	25.9	—	8.9	8.9
	914.5	**913.4**	**848.8**	765.6	777.6	705.0	843.0	838.8	826.4

1. On 31 March 2020 Aston Martin Lagonda Limited, an indirect subsidiary of the Company, entered into an agreement which included warrant options for subscription in equity shares in Racing Point UK Limited. The warrant options have been recorded as an embedded option derivative asset at £2.9m on initial recognition. The fair value movement in the options for the period to 30 September 2020 was £0.1m and is recognised within the Income Statement in administrative expenses.

   The fair value of the warrant equity option above has been established by applying the proportion of equity represented by the derivative to an assessment of the enterprise value of Racing Point UK Limited, which is then adjusted to reflect marketability and control commensurate with the size of the investment. The enterprise value has been estimated using a blend of measures including an income-based approach and a market-based approach. Due to the size of the potential investment, as a proportion of the equity of Racing Point UK Limited, there are no plausible sensitivities which would give rise to a material variation in the carrying value of the derivative.

   There is a further fair value embedded derivative in the agreement in respect of an additional economic interest in the equity of Racing Point UK Limited which has been assessed as having a carrying value of £nil at both inception and the period end. The movement in the value of this derivative has been estimated using the same method as the warrant equity option disclosed above.

2. At 30 September 2020 there were no inputs observable through quoted prices on The International Stock Exchange Authority. The fair value has been calculated with reference to the quoted price of the $157m 12.0% US Dollar Senior Secured Notes as they were issued on the same terms.

The forward currency contracts are carried at fair value based on pricing models and discounted cash flow techniques derived from assumptions provided by third party banks. The Sterling Senior Secured Notes are all valued at amortised cost. The fair value of these Senior Secured Notes at the current and comparative period ends are determined by reference to the quoted price on The

International Stock Exchange Authority in St. Peter Port, Guernsey. For all other receivables and payables, the carrying amount is deemed to reflect the fair value.

Under IFRS 7, such assets and liabilities are classified by the way in which their fair value is calculated. The interest bearing loans and borrowings are considered to be level 1 liabilities. Forward foreign exchange contracts are considered to be level 2 assets and liabilities. Warrant equity options are considered to be level 3 assets and liabilities.

IFRS 7 defines each level as follows;

- level 1 assets and liabilities have inputs observable through quoted prices;
- level 2 assets and liabilities have inputs observable, other than quoted prices, either directly (i.e. as prices) or indirectly (i.e. derived from prices); or
- level 3 assets and liabilities as those with inputs not based on observable market data.

14. Provisions

	30 September 2020	30 September 2019	31 December 2019
	£m	£m	£m
Warranty provision	**25.3**	22.3	28.2
Restructuring costs	**8.5**	—	—
	33.8	22.3	28.2
Current	**19.7**	9.6	12.0
Non-current	**14.1**	12.7	16.2
	33.8	22.3	28.2

In the nine month period ended 30 September 2020, the Group launched a consultation process to reduce employee numbers reflecting lower than originally planned production volumes. A provision of £12.1m has been recognised, reflecting total estimated staff restructuring costs of £12.0m in addition to other directly attributable costs of £0.1m. These costs are expected to be fully utilised during the remainder of 2020 and into the first quarter of 2021. At 30 September 2020, £3.6m of the provision has been utilised to date.

15. Pension Scheme

The net liability for defined benefit obligations of £36.8m at 31 December 2019 has reduced to a net liability of £27.8m at 30 September 2020. The movement of £9.0m includes an IFRIC 14 adjustment of £6.6m driven principally by a movement in the discount rate, a charge to the Income Statement of £6.3m and contributions of £9.3m.

16. Share capital

	30 September 2020		30 September 2019		31 December 2019	
	Number	£m	Number	£m	Number	£m
Ordinary shares	**1,824,014,450**	**16.5**	228,002,890	2.1	228,002,890	2.1

Movement in Ordinary shares:

During the nine month period ended 30 September 2020 the Company issued ordinary shares to improve liquidity, provide flexibility in executing its strategy to operate as a true luxury company and help build the appropriate capital structure for the longer term.

	Number	Share Capital £m	Share Premium £m	Merger Reserve £m
Opening balance at 1 January 2020	**228,002,890**	**2.1**	**352.3**	—
Private placing[1]	76,000,000	0.7	170.3	—
Rights issue[2]	1,216,011,560	10.9	353.8	
Non-pre-emptive placing and retail offer[3]	304,000,000	2.8	—	149.3
	1,596,011,560	**14.4**	**524.1**	**149.3**
Transaction costs arising on the issuance of ordinary shares	—	—	(25.1)	(5.3)
Net movement during the period	**1,596,011,560**	**14.4**	**499.0**	**144.0**
Balance at 30 September 2020	**1,824,014,450**	**16.5**	**851.3**	**144.0**

1. On 31 March 2020 the Company issued 76.0m ordinary shares by way of a private placing. The shares were issued at 225p raising gross proceeds of £171.0m, with £0.7m recognised as share capital and the remaining £170.3m recognised as share premium.
2. On 1 April 2020 the Company issued 1,216.0m ordinary shares by way of a rights issue. The shares were issued at 30p raising gross proceeds of £364.7m, with £10.9m recognised as share capital and the remaining £353.8m recognised as share premium.
3. On 26 June 2020 the Company issued 304m ordinary shares through a non-pre-emptive placing and retail offer. The shares were issued at 50p raising gross proceeds of £152.1m, with £2.8m recognised as share capital and the remaining £149.3m recognised as merger reserve. The merger reserve is used where more than 90% of the shares in a subsidiary are acquired and the consideration includes the issue of new shares by the Company, thereby attracting merger relief under the Companies Act 2006.

17. Related party transactions

During the nine month period ended 30 September 2020, an agreement was signed with a former director of the Group for the purchase of a vehicle at an expected discount of £0.3m. This vehicle sale is not expected to complete in 2020 or materially affect the financial position and performance of the Group.

In addition to this, a former Director of the Group purchased a vehicle at a discount of less than £0.1m in line with the employee purchases policy then in effect.

There have been no other related party transactions in the nine month period to 30 September 2020, or comparative periods, that have materially affected the financial position or performance of the Group.

18. Leases

The impact of IFRS 16 on the Consolidated Income Statement, excluding tax, for the periods presented are:

	As Reported 30 September 2020	IFRS 16 interest charge	IFRS 16 depreciation charge	Amortisation of legal fees	Lease incentives	IAS 17 lease cost	Excluding impact of IFRS 16 30 September 2020
	£m	£m	£m	£m	£m	£m	£m
Revenue	**270.0**						270.0
Cost of sales	**(255.9)**						(255.9)
Gross profit	**14.1**	—	—	—	—	—	14.1
Selling and distribution expenses	**(60.4)**						(60.4)
Administrative and other operating expenses	**(182.8)**	—	11.2	(0.2)	0.9	(9.8)	(180.7)
Other expense	**—**						—
Operating loss	**(229.1)**	—	11.2	(0.2)	0.9	(9.8)	(227.0)
Finance income	**1.9**						1.9
Finance expense	**(80.7)**	3.0	—	—	—	—	(77.7)
Loss before tax	**(307.9)**	3.0	11.2	(0.2)	0.9	(9.8)	(302.8)
Adjusted EBITDA (note 20)	**(117.6)**	—	—	(0.2)	0.9	(9.8)	(126.7)

	As Reported 30 September 2019[1]	IFRS 16 interest charge	IFRS 16 depreciation charge	Amortisation of legal fees	Lease incentives	IAS 17 lease cost	Excluding impact of IFRS 16 30 September 2019
	£m	£m	£m	£m	£m	£m	£m
Revenue	**650.0**						650.0
Cost of sales	**(411.0)**						(411.0)
Gross profit	**239.0**	—	—	—	—	—	239.0
Selling and distribution expenses	**(71.6)**						(71.6)
Administrative and other operating expenses	**(178.1)**	—	8.9	(0.2)	0.9	(11.6)	(180.1)
Other expense	**(19.0)**						(19.0)
Operating loss	**(29.7)**	—	8.9	(0.2)	0.9	(11.6)	(31.7)
Finance income	**4.1**						4.1
Finance expense	**(69.2)**	3.4	—	—	—	—	(65.8)
Loss before tax	**(94.8)**	3.4	8.9	(0.2)	0.9	(11.6)	(93.4)
Adjusted EBITDA (note 20)	**63.7**	—	—	(0.2)	0.9	(11.6)	52.8

1. The nine month period ended 30 September 2019 has been restated for the correction of an error — see note 2 for further details.

	As Reported 31 December 2019[2]	IFRS 16 interest charge	IFRS 16 depreciation charge	Amortisation of legal fees	Lease incentives	IAS 17 lease cost	Excluding impact of IFRS 16 31 December 2019
	£m	£m	£m	£m	£m	£m	£m
Revenue	**980.5**						980.5
Cost of sales	**(642.7)**						(642.7)
Gross profit	**337.8**	—	—	—	—	—	337.8
Selling and distribution expenses	**(95.0)**						(95.0)
Administrative and other operating expenses	**(275.8)**	—	13.3	(0.2)	1.2	(15.5)	(277.0)
Other expense	**(19.0)**						(19.0)
Operating loss	**(52.0)**	—	13.3	(0.2)	1.2	(15.5)	(53.2)
Finance income	**16.3**						16.3
Finance expense	**(83.9)**	4.6	—	—	—	—	(79.3)
Loss before tax	**(119.6)**	4.6	13.3	(0.2)	1.2	(15.5)	(116.2)
Adjusted EBITDA (note 20)	**118.9**	—	—	(0.2)	1.2	(15.5)	104.4

2. The income statement presented for the 12 months ended 31 December 2019, as reported in the 2019 Annual Report, was restated within the six months ended 30 June 2020 interim financial statements. Details of this restatement are shown in note 2 with no further income statement adjustments presented in these interim financial statements.

The above disclosure has been included to facilitate the understanding of the impact of IFRS 16 on the results of the Group.

19. Post balance sheet events

On 27 October 2020 the Group successfully arranged a new fully committed and comprehensive financing package which comprises £125m of new ordinary shares, c£259m (equivalent) of new second lien notes which mature in 2026 with warrants incorporated representing 5.0% of the fully diluted issued share capital of Aston Martin following Mercedes-Benz AG share issuances, c£840m (equivalent) of first lien notes, which mature in 2025 and a refinanced revolving credit facility of £87m maturing in 2025.

On the same day the Group also entered into an expanded and enhanced agreement with long-term partner, supplier and shareholder Mercedes-Benz AG (the "Strategic Cooperation Agreement") which:

- Provides access to a range of world-class technologies, including powertrain architecture (for conventional, hybrid, and electric vehicles) and future oriented electric/electronic architecture, for all product launches through to 2027.
- Removes the costs and risks associated with developing these technologies, enabling Aston Martin to focus its investment in other areas and expand its product portfolio.
- The Company proposes to issue new Aston Martin ordinary shares to Mercedes-Benz AG, to increase its holding up to a maximum of 20.0% in several stages; Mercedes-Benz AG will receive the right to nominate one non-executive director for appointment to the Company's Board after its first shareholding increase.

Proceeds raised from the new equity and notes will be used to redeem the Group's outstanding Senior Secured Notes, to repay the term loan the Company incurred pursuant to the U.K. Coronavirus Large Business Interruption Loan Scheme (CLBILS), as well as general corporate purposes, including working capital and capital expenditures and to pay commissions, fees and expenses associated with the financing and other transactions described herein. Upon shareholder approval of the Strategic Cooperation Agreement and resolutions pertaining to the new equity, alongside satisfaction of anti-trust conditions in Germany and the UK (in relation to the Strategic Cooperation Agreement) and standard underwriting conditions, which are expected to occur in early December 2020, the proceeds from the new equity and notes will be available to the Group together with the refinanced RCF.

20. Alternative performance measures

In the reporting of financial information, the Directors have adopted various Alternative Performance Measures ("APMs"). APMs should be considered in addition to IFRS measurements. The Directors believe that these APMs assist in providing useful information on the underlying performance of the Group, enhance the comparability of information between reporting periods, and are used internally by the Directors to measure the Group's performance. The key APMs that the Group focuses on are as follows:

i) Adjusted EBT is the loss before tax and adjusting items (note 5) as shown in the Consolidated Income Statement.

ii) Adjusted EBIT is operating (loss)/profit before adjusting items.

iii) Adjusted EBITDA removes depreciation, (profit)/loss on sale of non-current assets and amortisation from adjusted EBIT.

iv) Adjusted Earnings Per Share is loss after income tax before adjusting items as shown in the Consolidated Income Statement, divided by the weighted average number of ordinary shares in issue during the reporting period.

v) Net Debt is current and non-current borrowings in addition to inventory financing arrangements and lease liabilities, less cash and cash equivalents, and cash held not available for short-term use as shown in the Consolidated Statement of Financial Position (the definition of this APM has been updated since 31 December 2019 — see note 11).

vi) Adjusted leverage is represented by the ratio of Net Debt, to the last 12 months ("LTM") adjusted EBITDA.

vii) Free cashflow is represented by net cash (outflow)/inflow from operating activities plus the net cash used in investing activities plus interest paid in the period.

Income statement

	9 months ended 30 September 2020	**9 months ended 30 September 2019 *restated*[1]**	**12 months ended 31 December 2019 *as previously restated*[2]**
	£m	**£m**	**£m**
Loss before tax	**(307.9)**	(94.8)	(119.6)
Adjusting operating expenses	**13.9**	5.4	42.1
Adjusting finance expenses	**—**	6.6	6.6
Adjusted loss before tax (EBT)	**(294.0)**	(82.8)	(70.9)
Adjusted finance income	**(1.9)**	(4.1)	(16.3)
Adjusted finance expense	**80.7**	62.6	77.3
Adjusted operating loss (EBIT)	**(215.2)**	(24.3)	(9.9)
Reported depreciation	**35.8**	34.8	42.7
Reported amortisation	**61.8**	53.2	85.2
Loss on disposal of non-current assets	**—**	—	0.9
Adjusted EBITDA	**(117.6)**	63.7	118.9

1. The nine month period ended 30 September 2019 period has been restated to reflect a correction of an error — see note 2 for further detail.
2. The income statement presented for the 12 months ended 31 December 2019, as reported in the 2019 Annual Report, was restated within the six months ended 30 June 2020 interim financial statements. Details of this restatement are shown in note 2 with no further income statement adjustments presented in these interim financial statements.

Notes to the interim financial statements — (Continued)

Earnings per share

	9 months ended 30 September 2020	9 months ended 30 September 2019 *restated*[2]	12 months ended 31 December 2019 *as previously restated*[3]
	£m	**£m**	**£m**
Adjusted earnings per ordinary share			
Loss available for equity holders (£m)	**(270.8)**	(101.0)	(126.4)
Adjusting items			
Adjusting items before tax (£m)	**13.9**	12.0	48.7
Tax on adjusting items (£m)	**(3.8)**	(2.2)	(8.8)
Adjusted earnings (£m)	**(260.7)**	(91.2)	(86.5)
Basic weighted average number of ordinary shares (million)[1]	**1,409.2**	870.4	870.4
Adjusted earnings per ordinary share (pence)	**(18.5p)**	(10.5p)	(9.9p)
Adjusted diluted earnings per ordinary share			
Adjusted earnings (£m)	**(260.7)**	(91.2)	(86.5)
Diluted weighted average number of ordinary shares (million)[1]	**1,409.2**	870.4	870.4
Adjusted diluted earnings per ordinary share (pence)	**(18.5p)**	(10.5p)	(9.9p)

1. The weighted average number of ordinary shares in the comparative periods have been restated to reflect the bonus element of the rights issue completed on 1 April 2020.
2. The loss available to equity holders in the nine month period ended 30 September 2019 has been restated — see note 2 for further details.
3. The amounts presented in the income statement for the 12 months ended 31 December 2019, as reported in the 2019 Annual Report, were restated within the six months ended 30 June 2020 interim financial statements. Details of this restatement are shown in note 2 with no further adjustments to loss available to equity holders presented in these interim financial statements.

Net debt

	30 September 2020	30 September 2019 *restated*[1]	31 December 2019[2]
	£m	**£m**	**£m**
Opening cash and cash equivalents	**107.9**	144.6	144.6
Cash (outflow)/inflow from operating activities	**(272.1)**	59.9	19.4
Cash outflow from investing activities	**(202.2)**	(250.5)	(305.2)
Cash inflow from financing activities	**678.3**	147.8	243.3
Effect of exchange rates on cash and cash equivalents	**(4.6)**	(0.9)	5.8
Cash and cash equivalents at the end of the period	**307.3**	100.9	107.9
Cash held not available for short-term use	**10.6**	9.0	8.7
Inventory repurchase arrangement	**(39.6)**	—	(38.9)
Lease liabilities[3]	**(105.6)**	(115.6)	(111.4)
Borrowings	**(1,041.2)**	(909.7)	(953.9)
Net Debt[3]	**(868.5)**	(915.4)	(987.6)
Adjusted LTM EBITDA	**(62.4)**	146.7	118.9
Adjusted leverage	**—**	6.2x	8.3x

1. The comparative nine month period ended 30 September 2019 adjusted LTM EBITDA and adjusted leverage have been restated for the correction of an error in addition to the re-presentation of Net debt to include lease liabilities — see note 2 and 11 respectively for further details.

2. The income statement presented for the 12 months ended 31 December 2019, as reported in the 2019 Annual Report, was restated within the six months ended 30 June 2020 interim financial statements. Details of this restatement are shown in note 2 with no further income statement adjustments presented in these interim financial statements.
3. The comparative Group Net Debt at 30 September 2019, and 31 December 2019 as previously disclosed, has been re-presented to align with the updated definition of Net debt to include current and non-current lease liabilities following the Group's adoption of IFRS 16 on 1 January 2019. There is no impact on the Group's Consolidated Income Statement, earnings per share, retained earnings or net assets.

Free Cashflow

	30 September 2020	30 September 2019 *restated*[1]	31 December 2019
	£m	£m	£m
Net cash (outflow)/inflow from operating activities	**(272.1)**	59.9	19.4
Net cash used in investing activities	**(202.2)**	(250.5)	(305.2)
Interest paid	**(39.3)**	(25.5)	(52.0)
Free cashflow	**(513.6)**	(216.1)	(337.8)

1. The comparative nine month period ended 30 September 2019 has been restated to reflect the reclassification of frozen cash from cash and cash equivalent to a movement in cash held not available for short-term use, presented within net cash (outflow)/inflow from operating activities – see note 2 for further detail.

H1 2020 Financial Statements

The unaudited condensed consolidated financial information of the Company for the six months ended 30 June 2020 as compared to the six months ended 30 June 2019 and the independent review report thereon by Ernst & Young LLP are incorporated by reference into this document, as detailed in Part 15 (Documentation Incorporated by Reference).

2019 Financial Statements

The consolidated financial information of the Company for the year ended 31 December 2019 as compared to the year ended 31 December 2018 and the audit report thereon are incorporated by reference into this document, as detailed in Part 15 (Documentation Incorporated by Reference).

Ernst & Young LLP has issued an unqualified audit opinion on the consolidated financial information of the Company and its subsidiaries referenced above. Such consolidated financial information was prepared in accordance with IFRS as adopted by the European Union and is included in the documents incorporated by reference above. The 2019 audit report by Ernst & Young did include reference to a matter by way of emphasis without qualifying its report. In particular, the report made reference to a material uncertainty around the ability of the Group to continue trading as a going concern pending completion of a strategic investment by a consortium led by Lawrence Stroll and subsequent rights issue, and such reference is reproduced below in full. The strategic investment and rights issue were successfully completed during the nine month period ended 30 September 2020. The extract set out below should be read in conjunction with the 2019 Annual Report and the full audit report included therein (which is incorporated herein by reference to pages 117 – 125 of the 2019 Annual Report).

"*We draw attention to Note 1 in the financial statements, which indicates that the ability of the Group and Company to continue as a going concern is subject to material uncertainty. On 31 January 2020, the Company announced its intention to raise £500 million by way of a strategic investment of £182.4 million by a consortium led by Lawrence Stroll and a rights issue of £317.6 million ('The Capital Raise'). The Capital Raise is required for the Group to continue operating as a going concern, to facilitate the successful execution of the reset of the business plan and to provide a platform for the future success of the Group. The completion of the Capital Raise is dependent on approval from the shareholders of the Company, which at the time of issuing these financial statements has not yet been obtained. As a result, a material uncertainty exists that may cast significant doubt on the group and company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.*

We draw attention to the viability statement in the Annual Report at page 69, which indicates that an assumption to the statement of viability is that the Capital Raise completes. The Directors consider that the material uncertainty referred to in respect of going concern may cast significant doubt over the future viability of the group and company should the Capital Raise not complete. Our opinion is not modified in respect of this matter."

Certain restated financial data

The Group's financial statements as of and for the year ended 31 December 2019 and the nine months ended 30 September 2019 have been amended to include an adjustment relating to revenue recognition in accordance with IFRS 15, which impacts the consolidated statement of financial position as of 1 January 2019, 30 September 2019 and 31 December 2019 and the consolidated statement of comprehensive income for the nine months ended 30 September 2019 and the year ended 31 December 2019. Such adjustment relates to the Group's revenue recognition in the United States with respect to the timing of accounting recognition of the majority of customer and retail incentive support (variable marketing expense) associated with supporting lease and other incentive programmes in the United States. The Group has historically accounted for the impact of variable marketing expenses through a reduction in revenues on subsequent sales of vehicles in line with the contractual terms upon which such marketing incentives are granted to dealers. While the Group has historically applied a consistent global approach in recording this reduction in revenue following wholesale transactions with dealers to reflect the incurrence of variable marketing expenses, the Group has corrected revenue recognition in respect of its US operations, due to the fact that its US business operates under a different contractual arrangement with US dealers. As a result of such amendments, the Group's historical revenues have been adjusted to reflect that variable marketing expenses should be recorded at the time a wholesale transaction occurs between the Group and the relevant US dealer with respect to its US operations, while variable marketing expenses continue to be recorded as a reduction on revenues for subsequent wholesale transactions in relation to the rest of the Group's operations. This is a non-cash adjustment and has no impact on the timing of the Group's historic or forecast cash flows. Pursuant to IFRS 15, future variable marketing expenses in the United States should be estimated and accrued for on the Group's consolidated statement of financial position and deducted from revenue at the point revenue is recognised for the wholesale of the vehicle to the dealer rather than at the time of retail sale by the dealer to the end customer. Due to the adjustment, an additional accrual required for variable marketing was reported in the statement of financial position as of 1 January 2019, 30 September 2019 and 31 December 2019 of £13.8 million, £21.8 million and £29.1 million, respectively, which, compared to the previously reported results, had a negative impact on EBITDA for the nine months ended 30 September 2019 and the year ended 31 December 2019 in an amount of £8.1 million and £15.3 million, respectively.

In addition, in the preparation of the unaudited condensed consolidated interim financial statements of the Company as of and for the nine months ended 30 September 2020 (i) the tax charge for the nine months ended 30 September 2019 has been restated to derecognise deferred tax related to future finance costs for which tax relief is deferred to future periods and where the likelihood of recoverability is not considered to support recognition of the asset, (ii) frozen cash as of 30 September 2019 has been reclassified from cash and cash equivalents to other financial assets in the consolidated statement of financial position, (iii) three further adjustments were recorded to restate the consolidated statement of financial position and consolidated statement of comprehensive income for the nine months ended 30 September 2019 with a net increase in profit before tax of £5.6 million and profit after tax of £4.6 million (iv) and retained earnings as of 1 January 2019 have been restated to correct for a brought forward taxation error, with a corresponding £2.9 million entry made to reduce trade and other receivables as of 30 September 2019 and increase trade and other payables as of 31 December 2019 in the consolidated statements of financial position.

The following table sets forth the impact of these restatements on the consolidated statement of comprehensive income for the year ended 31 December 2019 and the nine months ended 30 September 2019.

	For the year ended 31 December 2019			For the nine months ended 30 September 2019		
	2019 values as disclosed in the 2019 Financial Statements	**Impact of restatements (Increase / (decrease))**	**2019 values as disclosed in the Q3 2020 Financial Statements**	**September 2019 values before restatements**	**Impact of restatements (Increase / (decrease))**	**September 2019 values as disclosed in the Q3 2020 Financial Statements**
	(£ in millions) (unaudited)					
Revenue	997.3	(16.8)	980.5	657.2	(7.2)	650.0
Cost of sales	(642.7)	-	(642.7)	(413.4)	2.4	(411.0)
Gross profit/(loss)	**354.6**	**(16.8)**	**337.8**	**243.8**	**(4.8)**	**239.0**
Selling and distribution expenses	(95.0)	-	(95.0)	(71.6)	-	(71.6)
Administrative and other operating expenses	(277.3)	1.5	(275.8)	(180.4)	2.3	(178.1)
Other (expense)/ income	(19.0)	-	(19.0)	(19.0)	-	(19.0)
Operating profit/ (loss)	**(36.7)**	**(15.3)**	**(52.0)**	**(27.2)**	**(2.5)**	**(29.7)**
Finance income	16.3	-	16.3	4.1	-	4.1
Finance expense	(83.9)	-	(83.9)	(69.2)	-	(69.2)
Profit/(loss) before tax	**(104.3)**	**(15.3)**	**(119.6)**	**(92.3)**	**(2.5)**	**(94.8)**
Income tax (charge)/ credit	(0.1)	2.1	2.0	19.4	(20.5)	(1.1)
Profit/(loss) for the period	**(104.4)**	**(13.2)**	**(117.6)**	**(72.9)**	**(23.0)**	**(95.9)**
Other comprehensive income/(loss) for the period, net of income tax	17.3	-	17.3	(15.4)	-	(15.4)
Total comprehensive income/(loss) for the period	**(87.1)**	**(13.2)**	**(100.3)**	**(88.3)**	**(23.0)**	**(111.3)**

The following table sets forth the impact of the adjustments on the consolidated statement of financial position as of 1 January 2019, 30 September 2019 and 31 December 2019.

	As of 1 January 2019			As of 30 September 2019			As of 31 December 2019		
	Values as disclosed in the 2019 Financial Statements, adjusted	Impact of restatements (increase/ (decrease))	Value as restated	Values before restatements	Impact of restatement (increase/ (decrease))	Value as restated	Values as originally disclosed in the 2019 Financial Statements	Impact of restatements (increase/ (decrease))	Value as restated
	(£ in millions) (unaudited)								
Deferred tax asset	32.1	0.6	32.7	41.9	(13.6)	28.3	45.7	-	45.7
Inventory	165.3	-	165.3	256.7	3.5	260.2	200.7	-	200.7
Trade and other receivables	243.0	(2.9)	240.1	193.1	(3.2)	189.9	249.7	-	249.7
Income tax receivable	0.8	-	0.8	4.0	(3.2)	0.8	0.3	-	0.3
Current trade and other payables	641.4	13.8	655.2	755.7	19.5	775.2	702.1	32.0	734.1
Income tax liability	4.9	-	4.9	5.2	(2.9)	2.3	8.9	-	8.9
Deferred tax liability	20.0	-	20.0	-	6.0	6.0	12.6	(2.7)	9.9
Net assets	**447.2**	**(16.1)**	**431.1**	**361.9**	**(39.1)**	**322.8**	**358.9**	**(29.3)**	**329.6**
Retained earnings	97.2	(16.1)	81.1	22.5	(39.1)	(17.6)	(13.5)	(29.3)	(42.8)
Equity attributable to owners of the group	437.0	(16.1)	420.9	347.6	(40.1)	307.5	344.8	(29.3)	315.5
Non-controlling interests	10.2	-	10.2	14.3	1.0	15.3	14.1	-	14.1
Total shareholders' equity	**447.2**	**(16.1)**	**431.1**	**361.9**	**(39.1)**	**322.8**	**358.9**	**(29.3)**	**329.6**

Further information in relation to the restatement is included in Note 2 to the Q3 2020 Financial Statements.

PART 14

Additional Information

1. Incorporation and registered office

The Company was incorporated and registered in England and Wales under the UK Companies Act 2006 as a private company limited by shares and under the name Aston Martin Lagonda Global Holdings Limited on 27 July 2018 with registered number 11488166. On 7 September 2018, the Company was re-registered as a public limited company as Aston Martin Lagonda Global Holdings plc. The commercial name of the Company is "Aston Martin Lagonda" and its LEI number is 213800167WOVOK5ZC776.

The Company is domiciled in England and Wales with its registered and head office at Banbury Road, Gaydon, Warwick CV35 0DB, United Kingdom. The telephone number of the Company's registered office is + 44 (0) 1926 644 644.

2. Share capital

Immediately prior to the publication of this document, the share capital of the Company was £16,488,519.71, comprising 1,824,014,450 Ordinary Shares of £0.009039687 each, all of which were fully paid or credited as fully paid.

Subject to Shareholder approval of the Transaction Resolutions, the Company intends to issue and allot 224,657,287 new ordinary shares (the "Tranche 1 Consideration Shares") to MBAG, pursuant to a strategic cooperation agreement entered into on 27 October 2020 between the Company and MBAG setting out the terms of the Strategic Cooperation (the "Strategic Cooperation Agreement").

Subject to Shareholder approval of the Transaction Resolutions, the Company intends to issue and allot (a) 40,000,000 new Ordinary Shares to Yew Tree (the "Yew Tree Placing Shares"); (b) 60,000,000 new Ordinary Shares to Zelon (the "Zelon Placing Shares"); (c) 66,666,667 new Ordinary Shares to Permian (the "Permian Placing Shares") and (d) 83,333,333 new Ordinary Shares to institutional placees procured by Barclays, J.P. Morgan Cazenove and Deutsche Bank AG, London Branch (the "Institutional Placing Shares" and, together with the Yew Tree Placing Shares, the Zelon Placing Shares, and the Permian Placing Shares the "Placing Shares") (the "Placing"), pursuant to a placing agreement entered into on 27 October 2020 between the Company, Barclays, J.P. Morgan Cazenove and Deutsche Bank AG, London Branch setting out the terms of the Placing (the "Placing Agreement") and the irrevocable undertakings from each of Yew Tree, Zelon and Permian, pursuant to which each of Yew Tree, Zelon and Permian have undertaken to respectively subscribe for the Yew Tree Placing Shares, Zelon Placing Shares and Permian Placing Shares.

The issued and fully paid share capital of the Company immediately following Admission of the Tranche 1 Consideration Shares and Placing Shares is expected to be £20,779,273.02, comprising 2,298,671,737 Ordinary Shares of £0.009039687 each.

When admitted to trading, the Tranche 1 Consideration Shares and the Placing Shares (all of which are Ordinary Shares) will be registered with ISIN code GB00BFXZC448 and SEDOL number BFXZC44 and trade under the symbol "AML". The currency of the issue is United Kingdom pounds sterling.

Subject to Shareholder approval of the Transaction Resolutions, the Company intends to implement a reorganisation of its share capital (the "Capital Reorganisation") pursuant to which the Company will replace every 20 Existing Ordinary Shares with one Consolidated Share and 20 Deferred Shares. The issued and fully paid share capital of the Company immediately following Admission of the Consolidated Shares is expected to be £11,493,358.70, comprising 114,933,587 Ordinary Shares of £0.10 each.

As announced by the Company on 27 October 2020, the Group is issuing the Second Lien Notes, together with detachable warrants (the "Warrants") to be issued by the Company with the right to subscribe for a number of its Ordinary Shares, which will represent five per cent. of the diluted issued share capital of the Company following the issuance of the Placing Shares and all Consideration Shares (the "Warrants Issue"). Completion of the Warrants Issue is conditional on, among other things, Admission of the Placing Shares and the Tranche 1 Consideration Shares. The terms and conditions of the Warrants Issue (including the rights attaching to the Warrants) are set forth in Part 7 (Terms and Conditions of the Warrants Issue).

There are no restrictions on the free transferability of the Ordinary Shares.

3. Articles of Association

The Articles of Association of the Company (the "Articles") are also available for inspection and include provisions to the following effect:

3.1 Unrestricted objects

The objects of the Company are unrestricted.

3.2 Limited liability

The liability of the Company's members is limited to the amount, if any, unpaid on the Ordinary Shares in the Company held by them.

3.3 Change of name

The Articles allow the Company to change its name by resolution of the Board. This is in addition to the Company's statutory ability to change its name by special resolution under the UK Companies Act 2006.

3.4 Share rights

Subject to any rights attached to existing Ordinary Shares, Ordinary Shares may be issued with such rights and restrictions as the Company may by ordinary resolution decide, or (if there is no such resolution or so far as it does not make specific provision) as the Board may decide. Such rights and restrictions shall apply as if they were set out in the Articles. Redeemable shares may be issued, subject to any rights attached to existing Ordinary Shares. The Board may determine the terms and conditions and the manner of redemption of any redeemable share so issued. Such terms and conditions shall apply as if they were set out in the Articles. Subject to the Articles, any resolution passed by the Shareholders and other Shareholders' rights, the Board may decide how to deal with any Ordinary Shares in the Company.

3.5 Voting rights

Shareholders will be entitled to vote at a general meeting or class meeting whether on a show of hands or a poll, as provided in the applicable statutes (in this section, the "Companies Acts"). The UK Companies Act 2006 provides that:

(i) on a show of hands every Shareholder present in person has one vote and every proxy present who has been duly appointed by one or more members will have one vote, except that a proxy has one vote for and one vote against if the proxy has been duly appointed by more than one member and the proxy has been instructed by one or more members to vote for and by one or more other members to vote against. For this purpose the Articles provide that, where a proxy is given discretion as to how to vote on a show of hands, this will be treated as an instruction by the relevant member to vote in the way that the proxy decides to exercise that discretion; and

(ii) on a poll every Shareholder has one vote per share held by him or her and he or she may vote in person or by one or more proxies. Where he or she appoints more than one proxy, the proxies appointed by him or her taken together shall not have more extensive voting rights than he or she could exercise in person.

This is subject to any special terms as to voting which are given to any Ordinary Shares or on which Ordinary Shares are held.

In the case of joint Shareholders of an Ordinary Share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint Shareholders and, for this purpose, seniority shall be determined by the order in which the names stand in the register in respect of the joint Shareholding.

3.6 **Restrictions**

No Shareholder shall be entitled to vote at any general meeting or class meeting in respect of any Ordinary Share held by him if any call or other sum then payable by him or her in respect of that share remains unpaid or if a member has been served with a restriction notice (as defined in the Articles) after failure to provide the Company with information concerning interests in those shares required to be provided under the Companies Acts.

3.7 **Dividends and other distributions**

The Company may by ordinary resolution from time to time declare dividends not exceeding the amount recommended by the Board. Subject to the Companies Acts, the Board may pay interim dividends, and also any fixed rate dividend, whenever the financial position of the Company, in the opinion of the Board, justifies its payment. If the Board acts in good faith, it is not liable to holders of shares with preferred or *pari passu* rights for losses arising from the payment of interim or fixed dividends on other shares.

The Board may withhold payment of all or any part of any dividends or other moneys payable in respect of the Company's shares from a person with a 0.25 per cent. or greater holding, in number or nominal value, of the shares of the Company or of any class of such shares (in each case, calculated exclusive of any shares held as treasury shares) (in this section, a "0.25 per cent. interest") if such a person has been served with a restriction notice (as defined in the Articles) after failure to provide the Company with information concerning interests in those shares required to be provided under the Companies Acts.

Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide, all dividends shall be apportioned and paid pro rata according to the amounts paid up on the share during any portion of the period in respect of which the dividend is paid. Except as set out above, dividends may be declared or paid in any currency.

The Board may if authorised by an ordinary resolution of the Company offer ordinary shareholders (excluding any member holding shares as treasury shares) in respect of any dividend the right to elect to receive ordinary shares by way of scrip dividend instead of cash.

Any dividend unclaimed after a period of 12 years from the date when it was declared or became due for payment shall be forfeited and revert to the Company unless the Board decides otherwise.

The Board may decide on the way dividends are paid, including deciding on different ways of payment for different shareholders. If the Board has decided on different ways of payment, it may also give shareholders the option of choosing in which of these ways they would like to receive payment or it may specify that a particular way of payment will be used unless shareholders choose otherwise. If shareholders fail to provide the necessary details to enable payment of the dividend to them or if payment cannot be made using the details provided by the shareholder, the dividend will be treated as unclaimed.

The Company may stop sending cheques, warrants or similar financial instruments in payment of dividends by post in respect of any shares or may cease to employ any other means of payment, including payment by means of a relevant system, for dividends if either: (i) at least two consecutive payments have remained uncashed or are returned undelivered or that means of payment has failed or (ii) one payment remains uncashed or is returned undelivered or that means of payment has failed and reasonable inquiries have failed to establish any new postal address or account of the holder. The Company may resume sending dividend cheques, warrants or similar financial instruments or employing that means of payment if the holder requests such resumption in writing.

3.8 **Variation of rights**

Subject to the Companies Acts, rights attached to any class of shares may be varied with the written consent of the holders of not less than three-fourths in nominal value of the issued shares of that class (calculated excluding any shares held as treasury shares), or with the sanction of a special resolution passed at a separate general meeting of the holders of those shares. At every such separate general meeting (except an adjourned meeting) the quorum shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued shares of the class (calculated excluding any shares held as treasury shares) or by the purchase or redemption by the Company of any of its own shares.

The rights conferred upon the holders of any shares shall not, unless otherwise expressly provided in the rights attaching to those shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* with them.

3.9 **Transfer of shares**

The Ordinary Shares are in registered form. Any shares in the Company may be held in uncertificated form and, subject to the Articles, title to uncertificated shares may be transferred by means of a relevant system. Provisions of the Articles do not apply to any uncertificated shares to the extent that such provisions are inconsistent with the holding of shares in uncertificated form, with the transfer of shares by means of a relevant system, with any provision of the legislation and rules relating to uncertificated shares or with the Company doing anything by means of a relevant system.
Subject to the Articles, any member may transfer all or any of his certificated shares by an instrument of transfer in any usual form or in any other form which the board may approve. The instrument of transfer must be signed by or on behalf of the transferor and (in the case of a partly-paid share) the transferee.

The transferor of a share is deemed to remain the holder until the transferee's name is entered in the register.

The Board can decline to register any transfer of any share which is not a fully paid share. The Board may also decline to register a transfer of a certificated share unless the instrument of transfer:

(i) is duly stamped or certified or otherwise shown to the satisfaction of the Board to be exempt from stamp duty and is accompanied by the relevant share certificate and such other evidence of the right to transfer as the board may reasonably require;

(ii) is in respect of only one class of share; and

(iii) if to joint transferees, is in favour of not more than four such transferees.

Registration of a transfer of an uncertificated share may be refused in the circumstances set out in the uncertificated securities rules (as defined in the Articles) and where, in the case of a transfer to joint holders, the number of joint holders to whom the uncertificated share is to be transferred exceeds four.

The Board may decline to register a transfer of any of the Company's certificated shares by a person with a 0.25 per cent. interest if such a person has been served with a restriction notice (as defined in the Articles) after failure to provide the Company with information concerning interests in those shares required to be provided under the Companies Acts, unless the transfer is shown to the Board to be pursuant to an arm's length sale (as defined in the Articles).

3.10 Sub-division of share capital

Any resolution authorising the Company to sub-divide any of its shares may determine that, as between the shares resulting from the sub-division, any of them may have a preference, advantage or deferred or other right or be subject to any restriction as compared with the others.

3.11 General meetings

The Articles rely on the UK Companies Act 2006 provisions dealing with the calling of general meetings. Under the UK Companies Act 2006 an AGM must be called by notice of at least 21 days. Upon listing, the Company will be a "traded company" for the purposes of the UK Companies Act 2006 and as such will be required to give at least 21 days' notice of any other general meeting unless a special resolution reducing the period to not less than 14 days has been passed in accordance with the UK Companies Act 2006. Notice of a general meeting must be given in hard copy form, in electronic form, or by means of a website and must be sent to every Shareholder and every Director. It must state the time and date and the place of the meeting and the general nature of the business to be dealt with at the meeting. As the company will be a traded company, the notice must also state the website address where information about the meeting can be found in advance of the meeting, the voting record time, the procedures for attending and voting at the meeting, details of any forms for appointing a proxy, procedures for voting in advance (if any are offered), and the right of members to ask questions at the meeting. In addition, a notice calling an AGM must state that the meeting is an AGM. Each Director shall be entitled to attend and speak at any general meeting. The chair of the meeting may invite any person to attend and speak at any general meeting where he or she considers that this will assist in the deliberations of the meeting.

3.12 Directors

A. Number of Directors

The Directors shall be not less than two and not more than twenty in number. The Company may by ordinary resolution vary the minimum and/or maximum number of Directors.

B. Directors' shareholding qualification

A Director shall not be required to hold any shares in the Company.

C. Appointment of Directors

Directors may be appointed by the Company by ordinary resolution or by the Board.

The Board or any committee authorised by the Board may from time to time appoint one or more Directors to hold any employment or executive office for such period and on such terms as they may determine and may also revoke or terminate any such appointment.

D. Annual retirement of Directors

At every AGM all the Directors shall retire from office and may offer himself for re-appointment by the Shareholders.

E. Removal of Directors by special resolution

The Company may by special resolution remove any Director before the expiration of his period of office.

F. Vacation of office

The office of a Director shall be vacated if:

(i) he or she resigns or offers to resign and the Board resolve to accept such offer;

(ii) he or she is removed by notice given by all of the other Directors and all of the other Directors are not less than three in number;

(iii) he or she is or has been suffering from mental or physical ill health and the Board resolves that his or her office be vacated;

(iv) he or she is absent without the permission of the Board from meetings of the Board (whether or not an alternate Director appointed by him or her attends) for six consecutive months and the Board resolves that his or her office is vacated;

(v) he or she becomes bankrupt or compounds with his or her creditors generally;

(vi) he or she is prohibited by a law from being a Director;

(vii) he or she ceases to be a Director by virtue of the Companies Acts; or

(viii) he or she is removed from office pursuant to the Company's articles.

If the office of a Director is vacated for any reason, he or she must cease to be a member of any committee or sub-committee of the Board.

G. Alternate Director

Any Director may appoint any person to be his or her alternate and may at his or her discretion remove such an alternate Director. If the alternate Director is not already a Director, the appointment, unless previously approved by the Board, shall have effect only upon and subject to being so approved.

H. Proceedings of the Board

Subject to the provisions of the Articles, the Board may meet for the despatch of business, adjourn and otherwise regulate is meetings as it thinks fit. The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two. A meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions vested in or exercisable by the Board.

The Board may appoint a Director to be the Chair or a deputy chair and may at any time remove him or her from that office. Questions arising at any meeting of the Board shall be determined by a majority of votes. In the case of an equality of votes the Chair of the meeting shall have a second or casting vote.

All or any of the members of the Board may participate in a meeting of the Board by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to speak to and hear each other. A person so participating shall be deemed to be present at the meeting and shall be entitled to vote and to be counted in the quorum.

The Board may delegate any of its powers, authorities and discretions (with power to sub-delegate) to any committee, consisting of such person or persons as it thinks fit, provided that the majority of persons on any committee or sub-committee must be Directors. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions contained in the Articles for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board.

I. Remuneration of Directors

Each of the non-executive Directors shall be paid a base fee at such rate as may from time to time be determined by the Board, but the aggregate of all such base fees so paid to the non-executive Directors shall not exceed £1,750,000 per annum or such higher amount as may from time to time be decided by ordinary resolution of the Company. Any Director who is appointed to any executive office shall be entitled to receive such remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board or any committee authorised by the Board may decide, either in addition to or in lieu of his or her remuneration as a Director. In addition, any Director who performs services which in the opinion of the Board or any committee authorised by the Board go beyond the ordinary duties of a Director, may be paid such extra remuneration as the Board or any committee authorised by the Board may determine. Each Director may be paid his or her reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board, or committees of the Board or of the Company or any other meeting which as a Director he or she is entitled to attend, and shall be paid all other costs and expenses properly and reasonably incurred by him or her in the conduct of the Company's business or in the discharge of his or her duties as a Director. The Company may also fund a Director's or former director's expenditure and that of a Director or former director of any holding company of the Company for the purposes permitted under the Companies Acts and may do anything to enable a Director or former director or a Director or former director of any holding company of the Company to avoid incurring such expenditure as provided in the Companies Acts.

J. Pensions and gratuities for Directors

The Board or any committee authorised by the Board may exercise the powers of the Company to provide benefits either by the payment of gratuities or pensions or by insurance or in any other manner for any Director or former director or his or her relations, dependants or persons connected to him or her, but no benefits (except those provided for by the Articles) may be granted to or in respect of a Director or former director who has not been employed by or held an executive office or place of profit under the Company or any of its subsidiary undertakings or their respective predecessors in business without the approval of an ordinary resolution of the Company.

K. Directors' interests

The Board may, subject to the provisions of the Articles, authorise any matter which would otherwise involve a Director breaching his duty under the Companies Acts to avoid conflicts of interest. Where the Board gives authority in relation to a conflict of interest or where any of the situations described in (i) to (v) below applies in relation to a Director, the Board may: (a) require the relevant Director to be excluded from the receipt of information, the participation in discussion and/or the making of decisions related to the conflict of interest or situation; (b) impose upon the relevant Director such other terms for the purpose of dealing with the conflict of interest or situation as it may determine; and (c) may provide that the relevant Director will not be obliged to disclose information obtained otherwise than through his position as a Director of the Company and that is confidential to a third party or to use or apply the information in relation to the Company's affairs, where to do so would amount to a breach of that confidence. The Board may revoke or vary such authority at any time.

Subject to the provisions of the Companies Acts, and provided he or she has declared the nature and extent of his interest to the Board as required by the Companies Acts, a Director may:

(i) be party to, or otherwise interested in, any contract with the Company or in which the Company has a direct or indirect interest;

(ii) hold any other office or place of profit with the Company (except that of auditor) in conjunction with his or her office of Director for such period and upon such terms, including remuneration, as the board may decide;

(iii) act by himself, or herself, or through a firm with which he or she is associated in a professional capacity for the Company or any other company in which the Company may be interested (otherwise than as auditor);

(iv) be or become a Director or other officer of, or employed by or a party to a transaction or arrangement with, or otherwise be interested in any holding company or subsidiary company of the Company or any other company in which the Company may be interested; and

(v) be or become a Director of any other company in which the Company does not have an interest and which cannot reasonably be regarded as giving rise to a conflict of interest at the time of his or her appointment as a Director of that other company.

A Director shall not, by reason of his or her office be liable to account to the Company or its members for any benefit realised by reason of having an interest permitted as described above or by reason of having a conflict of interest authorised by the Board and no contract shall be liable to be avoided on the grounds of a Director having any such interest.

L. Restrictions on voting

No Director may vote on or be counted in the quorum in relation to any resolution of the board concerning his or her own appointment, or the settlement or variation of the terms or the termination of his or her own appointment, as the holder of any office or place of profit with the Company or any other company in which the Company is interested save to the extent permitted specifically in the Articles.

Subject to certain exceptions set out in the Articles, no Director may vote on, or be counted in a quorum in relation to, any resolution of the Board in respect of any contract in which he or she has an interest and, if he or she does so, his or her vote shall not be counted.

Subject to the Companies Acts, the Company may by ordinary resolution suspend or relax to any extent the provisions relating to Directors' interests or the restrictions on voting or ratify any transaction not duly authorised by reason of a contravention of such provisions.

M. Borrowing and other powers

Subject to the Articles and any directions given by the Company by special resolution, the business of the Company will be managed by the Board who may exercise all the powers of the Company, whether relating to the management of the business of the Company or not. In particular, the Board may exercise all the powers of the Company to borrow money, to guarantee, to indemnify, to mortgage or charge any of its undertaking, property, assets (present and future) and uncalled capital and to issue debentures and other securities and to give security for any debt, liability or obligation of the Company or of any third party. The Board must restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings so as to secure that, save with the previous sanction of an ordinary resolution, no money shall be borrowed if the aggregate principal amount outstanding of all borrowings (as defined in the Articles) by Aston Martin Lagonda (exclusive of borrowings within Aston Martin Lagonda) then exceeds, or would as a result of such borrowing exceed, an amount equal to six times the adjusted capital and reserves (as defined in the Articles).

N. Indemnity of Directors

To the extent permitted by the Companies Acts, the Company may indemnify any Director or former director of the Company or any associated company against any liability and may purchase and maintain for any Director or former director of the Company or any associated company insurance against any liability.

4. Mandatory bids and compulsory acquisition rules relating to the Ordinary Shares

Other than as provided by the City Code on Takeovers and Mergers (the "Takeover Code") and Chapter 28 of the UK Companies Act 2006, there are no rules or provisions relating to mandatory bids and/or squeeze-out and sell-out rules that apply to the Ordinary Shares. No takeover offer (within the meaning of Part 28 of the UK Companies Act 2006) was or has been made for any Ordinary Shares during the year ended 31 December 2019 or to date during its current fiscal year ended 31 December 2020.

4.1 **Mandatory bid**

The Takeover Code applies to the Company. Under Rule 9 of the Takeover Code, if an acquisition of interests in Ordinary Shares were to increase the aggregate holding of the acquirer and its concert parties to interests in Ordinary Shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer and, depending on the circumstances, its concert parties would be required (except with the consent of the Panel on Takeovers and Mergers (the "Takeover Panel")) to make a cash offer for the outstanding Ordinary Shares at a price not less than the highest price paid for interests in shares by the acquirer or its concert parties during the previous 12 months. This requirement would also be triggered by any acquisition of interests in shares by a person interested in (together with its concert parties) shares which in aggregate carry not less than 30 per cent. of the voting rights in the Company but does not hold more than 50 per cent. of such voting rights in the Company, if the effect of such acquisition were to increase the percentage of shares carrying voting rights in the Company in which that person is interested.

"Interest in shares" is defined broadly in the Takeover Code. A person who has long economic exposure, whether absolute or conditional, to changes in the price of shares will be treated as interested in those shares. A person who only has a short position in shares will not be treated as interested in those shares.

In particular, a person will be treated as having an interest in shares if:

A. he or she owns them;

B. he or she has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or have general control of them;

C. by virtue of any agreement to purchase an option or derivative he or she:

    i. has the right or option to acquire them or call for their delivery; or

    ii. are under an obligation to take delivery of them,

D. whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or

E. he or she is a party to any derivative:

    i. whose value is determined by reference to its price; and

    ii. which results, or may result, in their having a long position in it.

"Voting rights" for these purposes means all the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting.

Persons acting in concert comprise persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control (as defined below) of a company or to frustrate the successful outcome of an offer for a company. Certain categories of people will be presumed to be acting in concert with each other unless the contrary is established.

The Panel Executive has confirmed to the Company (or, in the case of B below, the Yew Tree Consortium) that it would treat:

A. each of the members of the Adeem/PW Shareholder Group to be acting in concert with one another; and

B. each of the members of the Yew Tree Consortium to be acting in concert with one another.

but would not treat the members of the Adeem/PW Shareholder Group and the members of the Yew Tree Consortium to be acting in concert with one another, for the purposes of the Takeover Code.

The Panel Executive has also confirmed to the Yew Tree Consortium that it would not treat the members of the Yew Tree Consortium to be acting in concert with any of Zelon, Permian and/or MBAG for the purposes of the Takeover Code.

4.2 Share buy-back authorisations

When a company redeems or purchases its own voting shares, under Rule 37 of the Takeover Code any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purpose of Rule 9 of the Takeover Code. Under Note 1 on Rule 37.1 of the Takeover Code, a person who comes to exceed the limits in Rule 9.1 in consequence of a company's purchase of its own shares will not normally incur an obligation to make a mandatory offer unless that person is a director, or the relationship of the person with any one or more of the directors is such that the person is, or is presumed to be, acting in concert with any of the directors. However, there is no presumption that all the directors (or any two or more directors) are acting in concert solely by reason of a proposed purchase by a company of its own shares, or the decision to seek shareholders' authority for any such purchase. Rule 37 of the Takeover Code provides that, subject to prior consultation, the Takeover Panel will normally waive any resulting obligation to make a general offer under Rule 9 if there is a vote of independent shareholders and a procedure along the lines of that set out in Appendix 1 to the Takeover Code is followed. Appendix 1 to the Takeover Code sets out the procedure which should be followed in obtaining that consent of independent shareholders.

The Adeem/PW Shareholder Group and the Yew Tree Consortium each have representative directors appointed to the Board, with whom they will be presumed to be acting in concert.

4.3 Squeeze-out

Under the UK Companies Act 2006, if a "takeover offer" (as defined in section 974 of the UK Companies Act 2006) is made for the Ordinary Shares and the offeror were to acquire, or unconditionally contract to acquire, not less than 90 per cent. in value of the Ordinary Shares to which the offer relates and not less than 90 per cent. of the voting rights carried by the Shares to which the offer relates, it could, within three months of the last day on which its takeover offer can be accepted, compulsorily acquire the remaining 10 per cent. The offeror would do so by sending a notice to outstanding members telling them that it will compulsorily acquire their Ordinary Shares and then, six weeks later, it would execute a transfer of the outstanding Shares in its favour and pay the consideration for the outstanding Ordinary Shares to the Company, which would hold the consideration on trust for outstanding members. The consideration offered to the members whose shares are compulsorily acquired under this procedure must, in general, be the same as the consideration that was available under the original offer unless a member can show that the offer value is unfair.

4.4 Sell-out

The UK Companies Act 2006 also gives minority members a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all of the Ordinary Shares and, at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 90 per cent. in value of the Ordinary Shares and not less than 90 per cent. of the voting rights carried by the Ordinary Shares, any holder of Ordinary Shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those Ordinary Shares. The offeror is required to give any member notice of his/her right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority members to be bought out, but that period cannot end less than three months after the end of the acceptance period or, if later, three months from the date on which notice is served on members notifying them of their sell-out rights. If a member exercises his/her rights, the offeror is entitled and bound to acquire those Shares on the terms of the offer or on such other terms as may be agreed.

5. Major shareholders

Insofar as is known to the Company, the name of each person who, directly or indirectly, has an interest in 3.0 per cent. or more of the Company's issued share capital, and the amount of such person's interest, as at the Latest Practicable Date are as follows:

	Ordinary Shares	
Name	**Number**	**%**
Yew Tree Consortium	455,999,277	25.00%
Adeem/PW Shareholder Group	167,975,347	9.21%
Invesco Limited	102,500,000	5.62%

Insofar as is known to the Company, the Company is not directly or indirectly owned or controlled by another corporation, any foreign government, or any other natural or legal person, severally or jointly.

None of the major Shareholders referred to above has different voting rights from other Shareholders.

Insofar as is known to the Company, immediately following Admission of the Tranche 1 Consideration Shares and Placing Shares, the interests of those persons with an interest in 3.0 per cent. or more of the Company's issued share capital, including as a percentage of the enlarged share capital, will be as follows:

	Ordinary Shares	
Name	**Number**	**%**
Yew Tree Consortium	495,999,277	21.58%
Mercedes-Benz AG(1).	272,305,982	11.85%
Adeem/PW Shareholder Group	167,975,347	7.31%
Invesco Limited	102,500,000	4.46%

Note:

(1) MBAG's interest immediately following Admission of the Tranche 1 Consideration Shares and Placing Shares does not reflect ownership of any Tranche 2 Consideration Shares or Tranche 3 Consideration Shares. If any Tranche 2 Consideration Shares or Tranche 3 Consideration Shares are issued to MBAG in the future pursuant to the Strategic Cooperation Agreement, MBAG's interest in the Company's issued share capital would increase accordingly.

6. Director confirmations

6.1 Set out below are the directorships and partnerships held by the Directors (other than, where applicable, directorships held in the Company or subsidiaries of the Company), in the five years prior to the date of this document:

Name	Current directorships/ partnerships	Past directorships/ partnerships
Lawrence Stroll	AIHL – Pepe Limited Pepe Holdings Limited Racing Point UK Limited Racing Point UK Holdings Limited SHL Apparel Holdings Limited SHL Apparel Limited SHL Challenger Limited SHL Finance Limited SHL Global II Limited Sino Private Aviation (HK) Limited Sino Private Aviation Limited SHL Global Limited SPAL Aircraft Sales Limited Sportswear Holdings Limited Wexford Enterprises Limited	—
Tobias Moers	—	Mercedes – AMG GmBH

Name	Current directorships / partnerships	Past directorships / partnerships
Kenneth Gregor	—	Land Rover Parts Limited Jaguar Collection Limited (The) Land Rover Group Limited Jaguar Land Rover Holdings Limited JLR Nominee Company Limited Land Rover Exports Limited Jaguar Land Rover Limited Jaguar Cars Limited S.S Cars Limited The Daimler Motor Company Limited Daimler Transport Vehicles Limited Lanchester Motor Company Limited (The) Jaguar Cars Finance Limited Silkplan Limited JDHT Limited Inmotion Ventures Limited
Amr Ali Abdallah AbouelSeoud	Tejara Capital Limited Tejara Capital International Limited CRC for Credit Rating & Collection Company Manazel Real Estate Developments Company The Investment Dar Grosvenor House Apartments Limited White Rose Automotive Limited Primewagon (UK) Limited Primewagon (Jersey) Limited Venus Limited, Jersey Venus Holdings Limited, Jersey	Aston Martin Mena Limited ADAM Capital Holding Company Investment Dar (UK) Limited SJT Estates Limited NAMA Investments Limited Besket Limited, UAE AMADCO Limited, UK
Lord Matthew Carrington	Arab British Chamber of Commerce CarringtonCrisp Ltd	Gatehouse Bank PLC
Peter Espenhahn	Happy Days EIBF Ltd Wilde West Ltd Opera Ventures Ltd Wine Owners Ltd	Bibendum Wine (Holdings) Ltd National Opera Studio Ltd
Michael de Picciotto	Engel & Volkers AG St James Invest SA L.T.E.V.	—
William Tame	Babcock Woodhall Duckham Ltd	Babcock International Group plc Southern Water Ltd

6.2 Each of the Directors' business address is the Company's registered office address at Banbury Road, Gaydon, Warwick CV35 0DB, United Kingdom.

6.3 There is no family relationship between any of the Company's Directors.

6.4 As at the date of this document, none of the Directors has at any time within the past five years:

(a) been convicted of any fraudulent offences;

(b) as a member of the administrative, management or supervisory body at any company, or as partner, founder or senior manager at any company, been associated with any bankruptcy, receivership or liquidation of such company;

(c) as a member of the administrative, management, or supervisory body at any company, or as partner, founder or senior manager at any company, been associated with that company being put into administration;

(d) been subject to any official public incriminations and/or sanctions by any statutory or regulatory authority (including any designated professional body); or

(e) been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

6.5 Save for their capacities as persons legally and beneficially interested in Ordinary Shares, there are:

(a) no potential conflicts of interest between any duties to the Company of the Directors and their private interests and/or other duties; and

(b) no arrangements or understandings with major Shareholders, customers, suppliers or others, pursuant to which any Director was selected, save for the director nomination rights provided in the Adeem/PW Relationship Agreement and the Yew Tree Relationship Agreement, each described in paragraph 9.9 of this Part 14 (Additional Information). Following Admission of the Tranche 1 Consideration Shares, MBAG will have certain director nomination rights pursuant to the MBAG Relationship Agreement, as described in paragraph 9.8 of this Part 14 (Additional Information).

7. Dividend policy

It is the Directors' intention to retain the Group's cash flow to finance growth and to focus on delivery of its reset plan. The Directors intend to review, on an ongoing basis, the Company's dividend policy and will consider the payment of dividends as the Group's strategy matures, depending upon the Group's free cash flow, financial condition, future prospects and any other factors deemed by the Directors to be relevant at the time.

No dividend was paid in 2019.

8. Statutory auditors

The auditors of the Company are Ernst & Young LLP, whose registered address is at Colmore Square, Birmingham B4 6HQ, United Kingdom. Ernst & Young LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

9. Material contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company or another member of the Group within the two years immediately preceding and including the date of this document, and are, or may be, material or have been entered into at any time by the Company or any member of the Group and contain provisions under which the Company or any member of the Group has an obligation or entitlement which is, or may be, material to the Company or any member of the Group as at the date of this document:

9.1 Strategic Cooperation Agreement

For a discussion of the terms of the Strategic Cooperation Agreement, see "*Strategic Cooperation*" in Part 6 (Terms and Conditions of the Strategic Cooperation).

9.2 **Placing arrangements**

9.2.1 *Placing Agreement*

On 27 October 2020, the Company entered into a placing agreement (the "Placing Agreement") with Barclays, J.P. Morgan Cazenove and Deutsche Bank AG, London Branch (the "Banks"), pursuant to which the Banks agreed to use their respective reasonable endeavours (subject to conditions set out therein) to procure placees for the Institutional Placing Shares at the placing price of £0.50 per share (the "Placing Price") and, should a procured placee fail to pay for any or all of the Institutional Placing Shares allocated to it, to severally subscribe for their agreed proportions of such Institutional Placing Shares.

The Company provided certain customary representations, warranties and undertakings in favour of the Banks pursuant to the Placing Agreement, including an undertaking that, between the date of the Placing Agreement and 180 calendar days after (but including) Admission of the Placing Shares (and if such Admission does not occur, 180 calendar days after (but including) 4 December 2020), it will not, without the prior written consent of Barclays and J.P. Morgan Cazenove, each acting as joint global co-ordinator in respect of the Placing (the "Joint Global Co-ordinators"), enter into certain transactions involving or relating to the Ordinary Shares, subject to certain carve-outs and waivers including: (a) the issue of the Placing Shares, (b) the issue of any Ordinary Shares or options or the grant of rights to acquire Ordinary Shares pursuant to any employees' share schemes existing at the date of the Placing Agreement and which are disclosed in the Group's audited consolidated accounts or previous announcements issued by the Company, (c) the issue of Consideration Shares to MBAG as required under the Strategic Cooperation Agreement, and (d) the Warrants Issue.

The Banks' obligations under the Placing Agreement are conditional on certain conditions, including:

(a) each of the warranties on the part of the Company in the Placing Agreement being true and accurate in all respects and not misleading on the date of the Placing Agreement, the date of publication of this document, the date of passing of the Transaction Resolutions and the date of Admission of the Placing Shares, in each case as though they had been given and made at such time by reference to the facts and circumstances then subsisting;

(b) the Company having allotted the Placing Agreement Shares, subject only to Admission of the Placing Shares and the Placing Agreement not having been terminated prior to Admission of the Placing Shares, to the institutional placees or to the Banks in accordance with the terms of the Placing Agreement;

(c) the Company not being in breach of any of its obligations under the Placing Agreement, which fall to be performed before Admission of the Placing Shares, except for any breaches which the Joint Global Co-ordinators consider (acting jointly and in good faith) not to be material in the context of the placing of the Placing Agreement Shares, the underwriting of the Placing Agreement Shares or Admission of the Placing Shares;

(d) each of the Yew Tree Irrevocable Undertaking, Permian Irrevocable Undertaking and Zelon Irrevocable Undertaking becoming unconditional subject only to Admission of the Placing Shares and not having been terminated immediately prior to Admission of the Placing Shares;

(e) the issue of the Tranche 1 Consideration Shares to MBAG pursuant to the Strategic Cooperation Agreement becoming unconditional in all respects, save only for the Admission of the Tranche 1 Consideration Shares;

(f) all conditions to the release of the proceeds of the Second Lien Notes from escrow shall have been met (or waived in accordance with its terms), in each case, save only for the Admission of the Placing Shares and the Tranche 1 Consideration Shares;

(g) all conditions to the release of the proceeds of the first lien notes due 2025 from escrow shall have been met (or waived in accordance with its terms), in each case, save only for the Admission of the Placing Shares and the Tranche 1 Consideration Shares;

(h) the conditions precedent to the first utilisation, as set out in the New Revolving Credit Facility Agreement, save only for the Admission of the Placing Shares and the Tranche 1 Consideration Shares, have been satisfied or waived in accordance with its terms;

(i) in the opinion of the Joint Global Co-ordinators (acting jointly and in good faith) there not having occurred or been disclosed any Material Adverse Change since the date of the Placing Agreement;

(j) the passing without amendment (or with such amendments as the Joint Global Co-ordinators may agree) of the Transaction Resolutions at the General Meeting;

(k) Admission of the Placing Shares occurring no later than 8.00 a.m. on 4 December 2020 or such later time and/or date as the Company and the Joint Global Co-ordinators may agree. The Company and the Joint Global Co-ordinators have agreed to extend this date to 7 December 2020.

If: (i) any of the conditions contained in the Placing Agreement, including those described above, are not fulfilled or (where applicable) waived by the Joint Global Co-ordinators by the relevant time or date specified (or such later time or date as the Company and the Joint Global Co-ordinators may agree); or (ii) the Placing Agreement is terminated in the circumstances specified below, the Placing will lapse.

The Joint Global Co-ordinators are entitled, at any time before Admission of the Placing Shares, to terminate the Placing Agreement in accordance with its terms in certain circumstances, including, *inter alia*, if: (i) there has been a breach by the Company of any of the warranties or undertakings contained in the Placing Agreement or any of the warranties not being, or ceasing to be, true, accurate and not misleading; (ii) in the sole opinion of the Joint Global Co-ordinators, there has been a Material Adverse Change; (iii) the application for Admission of the Placing Shares is withdrawn or refused by the FCA or the London Stock Exchange; or (iv) certain force majeure events have occurred including a material adverse change in the financial markets in the United States, the United Kingdom, any member of the European Union or in other international financial markets.

9.2.2 *Investor Irrevocable Undertakings*

On 27 October 2020, the Company entered into deeds of irrevocable undertaking with each of the following institutional investors (the "Investor Irrevocable Undertakings"), pursuant to which the investors irrevocably undertook to subscribe for an aggregate amount of 166,666,667 Placing Shares issued in connection with the Placing at the Placing Price. The Investor Irrevocable Undertakings consisted of:

1. an irrevocable undertaking from Yew Tree to subscribe for 40,000,000 Yew Tree Placing Shares, with a further underwriting commitment to subscribe for, at the Placing Price, further Institutional Placing Shares up to a maximum purchase price of £10 million that have not been placed with placees procured by the Banks in accordance with the terms of the Placing Agreement (the "Yew Tree Irrevocable Undertaking");
2. an irrevocable undertaking from Zelon to subscribe for 60,000,000 Zelon Placing Shares, with a further underwriting commitment to subscribe for, at the Placing Price, further Institutional Placing Shares up to a maximum purchase price of £15 million that have not been placed with placees procured by the Banks in accordance with the terms of the Placing Agreement (the "Zelon Irrevocable Undertaking"); and
3. an irrevocable undertaking from Permian to subscribe for 66,666,667 Permian Placing Shares, with a further underwriting commitment to subscribe for, at the Placing Price, further Institutional Placing Shares up to maximum purchase price of £16.7 million that have not been placed with placees procured by the Banks in accordance with the terms of the Placing Agreement (the "Permian Irrevocable Undertaking").

9.3 **Debt arrangements**

9.3.1 *Senior Secured Notes*

Paragraph 18.1.2 on pages 362 – 364 of the Original Rights Issue Prospectus is incorporated herein by reference. On 6 July 2020, Aston Martin Capital Holdings Limited (the "Note Issuer") issued $68,000,000 aggregate principal amount of 12.0 per cent. delayed draw senior secured split coupon notes due 2022 (the "$68m 12.0% Delayed Draw Notes due 2022"). The $68m 12.0% Delayed Draw Notes due 2022 accrue interest at the same rate as the $150m 12.0% Notes due 2022 and are subject to the same prepayment and redemption provisions, guarantees, security and covenants as the $150m 12.0% Notes due 2022 as described in the Original Rights Issue Prospectus.

It is planned to refinance the existing Senior Secured Notes and the $68m 12.0% Delayed Draw Notes due 2022 in full as part of the Financing Transactions.

9.3.2 *New Senior Secured Notes*

Overview

On 16 November 2020, the Note Issuer issued senior secured notes due 2025 comprising $1,085,500,000 million aggregate principal amount of 10.500% US dollar denominated senior secured notes due 2025 (the "New Senior Secured Notes") pursuant to a New York law governed indenture dated 16 November 2020 and entered into between, among others, the Note Issuer, the trustee for the New Senior Secured Notes and the guarantors named therein (the "New Senior Secured Indenture"). The New Senior Secured Notes mature on 30 November 2025.

Interest rate

Interest on the New Senior Secured Notes accrues at the rate of 10.500% per annum in cash, to be paid semi-annually in arrears on 1 May and 1 November of each year, commencing on 1 May 2021.

Escrow

Pending the consummation of the issuance of the Tranche 1 Consideration Shares and the Placing Shares as well as delivery of a certification of the Note Issuer on the escrow release date that, on the escrow release date, the outstanding aggregate principal amount of the existing Senior Secured Notes will be redeemed in full, including applicable redemption premiums, accrued and unpaid interest and additional amounts, if any, the proceeds from the New Senior Secured Notes were deposited into an escrow account, pledged solely in favour of the trustee under the New Senior Secured Indenture and the holders of the New Senior Secured Notes. The release of the gross proceeds of the New Senior Secured Notes from the relevant escrow accounts will be subject to, amongst other conditions as specified in the escrow agreement, the consummation of the issuance of the Tranche 1 Consideration Shares and the Placing Shares and a certification of the Note Issuer that on the escrow release date, the outstanding aggregate principal amount of the existing Senior Secured Notes will be redeemed in full, including accrued and unpaid interest and additional amounts, if any, upon the release of the gross proceeds of the New Senior Secured Notes from the escrow account. Such release of the gross proceeds of the New Senior Secured Notes is expected to occur concurrently with the release of the gross proceeds of the Second Lien Notes (as defined below) from the relevant escrow accounts.

If (i) the release of the proceeds of the New Senior Secured Notes does not take place on or prior to 10 February 2021 (the "Escrow Longstop Date"), (ii) in the reasonable judgment of the Note Issuer, either the issuance of the Tranche 1 Consideration Shares or the Placing Shares will not be consummated on or prior to the Escrow Longstop Date, (iii) either the issuance of the Tranche 1 Consideration Shares or the Placing Shares is terminated at any time on or prior to the Escrow Longstop Date or (iv) there is an event of bankruptcy, insolvency or court protection with respect to Aston Martin Investments Limited or the Note Issuer on or prior to the Escrow Longstop Date, the New Senior Secured Notes will be subject to a special redemption.

Prepayments and redemption

Prior to 1 November 2024, the Note Issuer may redeem, at its option, the New Senior Secured Notes in whole or in part, by paying a "make-whole" premium. From 1 November 2024, the Note Issuer may redeem, at its option, the New Senior Secured Notes, in whole or in part, at 100.000% of the principal amount of New Senior Secured Notes redeemed, plus accrued and unpaid interest and additional amounts, if any.

Prior to 1 November 2024, the Note Issuer may redeem, at its option, up to 40% of the New Senior Secured Notes at 110.500%, plus accrued and unpaid interest and additional amounts, if any with an amount equal to or less than the net cash proceeds from one or more Equity Offerings (as defined in the New Senior Secured Indenture) to the extent such net cash proceeds are received by or contributed to Aston Martin Investment Limited; provided that in each case the redemption takes place not later than 180 days after the closing of the related Equity Offering and not less than 50% of the original aggregate principal amount of the New Senior Secured Notes originally issued on 16 November 2020 remain outstanding immediately after the occurrence of each such redemption.

Until (and including) the 120th day after 16 November 2020, the Note Issuer may redeem in the aggregate up to 40% of the original aggregate principal amount of the New Senior Secured Notes up to an amount equal to the net cash proceeds of any amount received pursuant to any Regulatory Debt Facility (as defined in the New Senior Secured Indenture) at a redemption price (expressed as a percentage of the principal amount thereof) of 110.500%, plus accrued and unpaid interest and additional amounts, if any, to, but excluding, the redemption date; provided, that at least 60% of the original aggregate principal amount of the New Senior Secured Notes originally issued on 16 November 2020 remain outstanding immediately after the occurrence of each such redemption.

The New Senior Secured Notes may also be redeemed at a price equal to their outstanding principal amount plus accrued and unpaid interest upon the occurrence of certain changes in applicable tax law. Upon the occurrence of certain change of control events, the Note Issuer may be required to offer to redeem the New Senior Secured Notes at 101% of the outstanding principal amount thereof, plus accrued and unpaid interest.

Guarantees

As of the date of this document, the New Senior Secured Notes are guaranteed by Aston Martin Investments Limited, Aston Martin Lagonda Group Limited, Aston Martin Lagonda Limited and Aston Martin Capital Limited (the "Guarantors"). The Guarantors also guarantee the New Revolving Credit Facility (as defined below) and the Second Lien Notes. The Guarantors' guarantees of the New Senior Secured Notes rank *pari passu* with the Guarantors' guarantees of the New Revolving Credit Facility and the Second Lien Notes.

Security

Subject to the operation of the agreed security principles, since their issue date and until the escrow release date, the New Senior Secured Notes have been and will be secured by liens over the escrow account, on a first ranking basis. Subject to the operation of the agreed security principles, from the escrow release date, the New Senior Secured Notes will be secured by the same collateral as the Second Lien Notes and pursuant to the intercreditor agreement governing, among others, the New Senior Secured Notes, the Second Lien Notes and the New Revolving Credit Facility (the "Intercreditor Agreement") will receive proceeds from enforcement of security over the collateral only after certain obligations (including to lenders under the New Revolving Credit Facility Agreement and counterparties to certain hedging obligations, if any) have been paid in full, but in priority to the Second Lien Notes. The New Senior Secured Notes are secured by the following collateral (the "Collateral"):

- a limited recourse first-priority security interest under English law granted by Aston Martin Holdings (UK) Limited over the issued capital stock of the Aston Martin Investments Limited;
- a first-priority security interest under Jersey law granted by Aston Martin Investments Limited over the issued share capital of the Note Issuer;
- a first-priority security interest under Jersey law granted by the Note Issuer over the issued share capital of Aston Martin Capital Limited;
- a first-priority security interest under the English law debenture (referred to in the last bullet point of this paragraph) granted by Aston Martin Investments Limited over the issued capital stock of Aston Martin Lagonda Group Limited;

- a first-priority security interest under the English law debenture (referred to in the last bullet point of this paragraph) granted by Aston Martin Lagonda Group Limited over the issued capital stock of Aston Martin Lagonda Limited;
- a first-priority security interest under New York law granted by Aston Martin Lagonda Group Limited over the issued capital stock of Aston Martin Lagonda of North America, Inc.;
- a first-priority assignment governed by English law by the Note Issuer of its rights under its notes proceeds loan agreements (and the notes proceeds loans thereunder);
- a mortgage granted by Aston Martin Lagonda Limited over the factory at Banbury Road, Gaydon, Warwick, United Kingdom;
- a first-priority assignment governed by English law by Aston Martin Capital Limited of its rights under its notes proceeds loan agreement (and the notes proceeds loans thereunder); and
- an English law debenture creating fixed and floating security over material operating bank accounts, material intercompany receivables, material intellectual property and shares in other Guarantors and certain material companies from each of Aston Martin Investments Limited, Aston Martin Lagonda Group Limited and Aston Martin Lagonda Limited.

Certain covenants

The New Senior Secured Indenture contains a number of covenants which, among other things, restrict, subject to certain limited exceptions, our ability to:

- incur or guarantee additional indebtedness and issue certain preferred stock;
- create or incur certain liens;
- make certain payments, including dividends or other distributions;
- prepay or redeem subordinated debt or equity;
- make certain investments;
- create encumbrances or restrictions on the payment of dividends or other distributions, loans or advances to and on the transfer of assets to the Restricted Group (as defined in the New Senior Secured Indenture);
- sell, lease or transfer certain assets including stock of restricted subsidiaries;
- engage in certain transactions with affiliates;
- enter into unrelated businesses or engage in prohibited activities;
- consolidate or merge with other entities; and
- impair the security interests for the benefit of the holders of the New Senior Secured Notes.

Each of those covenants is subject to significant exceptions and qualifications. The covenants of the New Senior Secured Indenture are less restrictive than the covenants of the Second Lien Indenture, in particular with respect to debt incurrence and restricted payments.

9.3.3 *Second Lien Notes*

Overview

On 10 November 2020, the Note Issuer issued $335 million aggregate principal amount of 15.00% of US dollar denominated second lien split coupon notes due 2026 (the “Second Lien Notes”) pursuant to an indenture dated 10 November 2020 and entered into between, among others, the Note Issuer, the trustee for the Second Lien and the guarantors named therein (“Second Lien Indenture”). The Second Lien Notes will mature on 30 November 2026.

Interest rate

Interest on the Second Lien Notes will accrue at the rate of 15.00% per annum, comprised of 8.89% cash interest per annum plus 6.11% interest paid in kind per annum, to be paid semi-annually in arrears on 1 May and 1 November of each year, commencing on May 1, 2021.

Escrow

Pending the consummation of the issuance of the Tranche 1 Consideration Shares and the Placing Shares as well as delivery of a certification of the Note Issuer on the escrow release date that, on the escrow release date, the outstanding aggregate principal amount of the existing Senior Secured Notes will be redeemed in full, including applicable redemption premiums, accrued and unpaid interest and additional amounts, if any, the proceeds from the Second Lien Notes were deposited into an escrow account, pledged solely in favour of the trustee under the Second Lien Indenture and the holders of the Second Lien Notes. The release of the gross proceeds of the Second Lien Notes from the escrow account will be subject to, amongst other conditions as specified in the escrow agreement, the consummation of the issuance of the Tranche 1 Consideration Shares and the Placing Shares and a certification of the Note Issuer that on the escrow release date, the outstanding aggregate principal amount of the existing Senior Secured Notes will be redeemed in full, including accrued and unpaid interest and additional amounts, if any, upon the release of the gross proceeds of the Second Lien Notes from the escrow account. Such release of the gross proceeds of the Second Lien Notes is expected to occur concurrently with the release of the gross proceeds of the New Senior Secured Notes from the escrow account.

If (i) the release of the proceeds of the Second Lien Notes does not take place on or prior to the Escrow Longstop Date, (ii) in the reasonable judgment of the Note Issuer, either the issuance of the Tranche 1 Consideration Shares or the Placing Shares will not be consummated on or prior to the Escrow Longstop Date, (iii) the Notes Issuer has not issued the New Senior Secured Notes in an amount sufficient, together with the proceeds of the Second Lien Notes, to refinance, repay, redeem or repurchase the outstanding Senior Secured Notes on or prior to the Escrow Longstop Date, (iv) either the issuance of the Tranche 1 Consideration Shares or the Placing Shares is terminated at any time on or prior to the Escrow Longstop Date, (v) the New Senior Secured Notes are issued with a yield to maturity in excess of the yield to maturity represented by notes with a five-year maturity issued with a coupon of 11.5% at an issue price of 98.5% of the aggregate principal amount thereof, or (vi) there is an event of bankruptcy, insolvency or court protection with respect to Aston Martin Investments Limited or the Note Issuer on or prior to the Escrow Longstop Date, the Second Lien Notes will be subject to a special redemption.

Prepayments and redemption

Prior to 1 November 2023, the Note Issuer may redeem, at its option, the Second Lien Notes in whole or in part, by paying a "make-whole" premium. From 1 November 2023, the Note Issuer may redeem, at its option, the Second Lien Notes, in whole or in part, at 108% of the principal amount of Second Lien Notes redeemed, which redemption price reduces to 104% on 1 November 2024 and further reduces to 100% on 1 November 2025, in each case, plus accrued and unpaid interest and additional amounts, if any.

The Second Lien Notes may also be redeemed at a price equal to their outstanding principal amount plus accrued and unpaid interest upon the occurrence of certain changes in applicable tax law. Upon the occurrence of certain change of control events, the Note Issuer may be required to offer to redeem the Second Lien Notes at 101% of the outstanding principal amount thereof, plus accrued and unpaid interest.

Guarantees

As of the date of this document, the Second Lien Notes are guaranteed by the Guarantors. The Guarantors also guarantee the New Revolving Credit Facility and the New Senior Secured Notes. The Guarantors' guarantees of the Second Lien Notes rank *pari passu* with the Guarantors' guarantees of the New Revolving Credit Facility and the New Senior Secured Notes.

Security

Subject to the operation of the agreed security principles, since their issue date and until the escrow release date, the Second Lien Notes have been and will be secured by liens over the escrow account, on a first ranking basis. Subject to the operation of the agreed security principles, from the escrow release date, the Second Lien Notes will be secured by the same Collateral as the New Senior Secured Notes, but pursuant to the Intercreditor Agreement will receive proceeds from enforcement of security over the Collateral only after certain obligations (including to lenders under the New Revolving Credit Facility Agreement, counterparties to certain hedging obligations, if any, and the New Senior Secured Notes) have been paid in full.

Certain Covenants

The Second Lien Indenture contains a number of covenants which, among other things, restrict, subject to certain limited exceptions, our ability to:

- incur or guarantee additional indebtedness and issue certain preferred stock;
- create or incur certain liens;
- make certain payments, including dividends or other distributions;
- prepay or redeem subordinated debt or equity;
- make certain investments;
- create encumbrances or restrictions on the payment of dividends or other distributions, loans or advances to and on the transfer of assets to the Restricted Group (as defined in the Second Lien Indenture);
- sell, lease or transfer certain assets including stock of restricted subsidiaries;
- engage in certain transactions with affiliates;
- enter into unrelated businesses or engage in prohibited activities;
- consolidate or merge with other entities; and
- impair the security interests for the benefit of the holders of the Second Lien Notes.

Each of those covenants is subject to significant exceptions and qualifications. The covenants of the Second Lien Indenture are more restrictive than the covenants of the New Senior Secured Indenture, in particular with respect to debt incurrence and restricted payments.

9.3.4 *Hedging arrangements*

In connection with the Financing Transactions, on 3 November 2020 Aston Martin Lagonda Limited entered into a deal-contingent currency hedge with J.P. Morgan Securities plc to sell $526.5 million and purchase £401.2 million at a forward rate of $1.31235. The hedge is expected to settle upon Admission of the Placing Shares, with a back-stop date of 31 December 2020, and is contingent on such Admission occurring. If the back-stop date of 31 December 2020 is passed, the hedge will automatically lapse.

9.3.5 *Coronavirus Large Business Interruption Loan Scheme*

On 23 July 2020, Aston Martin Investments Limited as parent entered into a facility agreement with HSBC UK Bank PLC as arranger, HSBC Bank plc as agent and U.S. Bank Trustees Limited as security agent under the Coronavirus Large Business Interruption Loan Scheme (the "CLBILS Facility Agreement"). The CLBILS Facility Agreement provides for a sterling term loan facility in an aggregate principal amount of £20,000,000 on a committed basis. The maturity date of the CLBILS Facility Agreement is 25 January 2022. The CLBILS Facility Agreement may be utilised by any current or future borrower (subject to certain exceptions) under the CLBILS Facility Agreement. Borrowings will be available to be used towards financing or refinancing the working capital and/or general corporate purposes of Aston Martin Investment Limited and its subsidiaries.

It is planned to repay in full and cancel the CLBILS Loan as part of the Financing Transactions.

9.3.6 *Revolving Credit Facility*

Paragraph 18.1.3 on pages 364 – 365 of the Original Rights Issue Prospectus is incorporated herein by reference. It is planned to replace the Revolving Credit Facility with the New Revolving Credit Facility as part of the Financing Transactions.

9.3.7 *New Revolving Credit Facility*

In connection with the Financing Transactions, with effect from settlement of the New Senior Secured Notes and the satisfaction of customary closing conditions, including the issuance of the New Senior Secured Notes, Aston Martin Investments Limited as parent, AMLL as borrower, JPMorgan Chase Bank, N.A., London Branch, Barclays Bank PLC, Deutsche Bank AG, London Branch, HSBC UK Bank plc as revolving facility lenders, U.S. Bank Global Corporate Trust Limited, as agent and U.S. Bank Trustees Limited, as security agent entered into a revolving facility agreement dated 27 October, 2020 (the "New Revolving Credit Facility Agreement"). The New Revolving Credit Facility Agreement provides for borrowings up to an aggregate principal amount of £87 million on a committed basis.

Maturity, availability and repayment

The New Revolving Credit Facility matures on 30 August 2025. Subject to certain exceptions, loans may be borrowed, repaid and re-borrowed at any time. Borrowings will be available to be used towards financing or refinancing the general corporate and working capital purposes of Aston Martin Investments Limited and certain of its subsidiaries.

The New Revolving Credit Facility may, subject to satisfaction of customary conditions precedent, be utilized until the date falling one month prior to the maturity date of the New Revolving Credit Facility, however, if the agent under the New Revolving Credit Facility has not received or waived the requirement to receive all of the initial conditions precedent documents and other evidence required in accordance with the New Revolving Credit Facility on or before 31 December 2020 then all the commitments under the New Revolving Credit Facility will be immediately and automatically cancelled at 5.30 p.m. London time on 31 December 2020.

Each advance must be repaid on the last day of the interest period relating thereto, subject to a netting mechanism against amounts to be drawn on such date. All outstanding amounts under the New Revolving Credit Facility must be repaid in full on or prior to the maturity date for the New Revolving Credit Facility. Amounts repaid by the borrowers on loans made under the New Revolving Credit Facility may be re-borrowed during the availability period for that facility, subject to certain conditions.

Interest rate and fees

The interest rate on cash advances under the New Revolving Credit Facility is the percentage rate per annum equal to the aggregate of the applicable margin and applicable LIBOR or EURIBOR (subject to a zero floor). The initial margin at the date of the New Revolving Credit Facility is 3.25%, subject to a margin ratchet pursuant to which the margin on the loans are reduced if certain leverage ratio thresholds are met.

A commitment fee is payable on the aggregate undrawn and uncanceled amount of the New Revolving Credit Facility until the last day of the availability period for the New Revolving Credit Facility at a rate of 35% of the then applicable margin for the New Revolving Credit Facility. The commitment fee is payable quarterly in arrears.

Default interest is calculated as an additional 1% on the overdue amount.

Aston Martin Investments Limited is also required to pay customary agency fees to the facility agent and the security agent during the life of the New Revolving Credit Facility.

Guarantees

As of the date of this document, the Guarantors are the guarantors under the New Revolving Credit Facility Agreement.

Security

The Revolving Credit Facility is secured by the same collateral as the New Senior Secured Notes (see paragraph 9.3.2 of this Part 14).

Proceeds from the enforcement of the security (whether or not shared with the holders of the New Senior Secured Notes) are required to be applied to repay indebtedness outstanding under the New Revolving Credit Facility in priority to the New Senior Secured Notes and the Second Lien Notes.

Under the New Revolving Credit Facility Agreement, Aston Martin Investments Limited shall not release the mortgage over the Aston Martin production facility, Banbury Road, Gaydon and shall ensure that the production facility is at all times owned by an obligor under the New Revolving Credit Facility except where the consent of a certain majority of the lenders has been obtained.

Certain Covenants

The New Revolving Credit Facility Agreement contains certain of the same incurrence covenants and related definitions (with certain adjustments) that apply to the New Senior Secured Notes. In addition, the New Revolving Credit Facility Agreement also contains certain affirmative and negative covenants. Such covenants are subject to customary materiality, actual knowledge or other qualifications, exceptions and baskets.

The New Revolving Credit Facility Agreement also has restrictions on the ability of the Group to prepay, purchase, defease or otherwise retire for value), or otherwise directly or indirectly acquire any New Senior Secured Notes for cash.

The New Revolving Credit Facility agreement includes a springing financial covenant requiring the "Consolidated Net Leverage Ratio" (as defined therein) not to exceed a ratio of 5.00:1 on each quarter date from and including 30 June 2022 until and including 31 December 2022, 4.00:1 on each quarter date from and including 31 March 2023 until and including 31 December 2023, and 3.50:1 from and including 31 March 2024 and each quarter date thereafter (the "Leverage Ratio")). The Leverage Ratio acts as a draw stop to new drawings under the New Revolving Credit Facility and, if breached, will also trigger an event of default under the New Revolving Credit Facility Agreement (subject to cure as described below). The New Revolving Credit Facility Agreement contains an equity cure provision enabling the shareholders of Aston Martin Investments Limited to make equity contributions by way of debt and/or equity to Aston Martin Investments Limited to (i) increase the consolidated EBITDA under the New Revolving Credit Facility Agreement, (ii) decrease "Indebtedness" as defined in the New Revolving Credit Facility Agreement, or (iii) prepay the New Revolving Credit Facility so that the springing test condition in connection with the Leverage Ratio is no longer satisfied. The equity cure right may not be exercised on more than, when aggregated with any cures made pursuant to the "Liquidity Covenant" below, four occasions during the term of the New Revolving Credit Facility, or in consecutive quarters, and may not be exercised to apply to increase the consolidated EBITDA more than once over the term of the New Revolving Credit Facility.

The New Revolving Credit Facility Agreement also includes a financial covenant requiring "Available Liquidity" (as defined in the New Revolving Credit Facility Agreement) to be equal to or greater than £125,000,000 on and from 31 December 2020 until and including 30 November 2021, and equal to or greater than £100,000,000 from and including 31 December 2021 until and including 31 May 2022 (the "Liquidity Covenant")). The Liquidity Covenant is tested monthly on a rolling basis. The Liquidity Covenant acts as a draw stop to new drawings under the Revolving Credit Facility and, if breached, will also trigger an event of default under the New Revolving Credit Facility Agreement (subject to cure). The New Revolving Credit Facility Agreement contains an equity cure provision enabling the shareholders of Aston Martin Investments Limited to make equity contributions by way of debt and/or equity to Aston Martin Investments Limited to enable calculation of the Liquidity Covenant including such shareholder injection such that the Liquidity Covenant would have been complied with. The equity cure right may not be exercised on more than two occasions during the term of the New Revolving Credit Facility and may not be utilized in consecutive months.

9.3.8 *Wholesale Finance Facility*

On 31 May 2007, Aston Martin Lagonda of North America, Inc. ("AMLNA"), Aston Martin Lagonda Limited ("AMLL") and Standard Chartered Bank entered in a wholesale finance facility agreement (as amended from time to time, the "Wholesale Finance Facility"). Aston Martin Japan Limited ("AMJ") acceded to the Wholesale Finance Facility by way of an accession letter dated 26 November 2018. In August 2020, the term of the Wholesale Finance Facility was extended until 31 August 2021, whereby the available amount has been reduced from £200.0 million to £115.0 million.

The Wholesale Finance Facility is a facility, pursuant to which AMLL, AMLNA and AMJ offer to Standard Chartered Bank certain receivables owed to them by dealers who have acquired Aston Martin cars from them on credit terms not exceeding 270 days from the date of dispatch up to an aggregate amount of £115.0 million. Where this facility is used (i.e. where Standard Chartered Bank purchases the receivables offered to them), the Group receives from Standard Chartered Bank the purchase price of a car less an interest charge (calculated in accordance with the Wholesale Finance Facility agreement) following issuance of an invoice to the dealer (and subject to satisfaction of certain other requirements). The dealer is instructed to make payment of amounts due under that invoice to an account of Standard Chartered Bank and amounts paid to that account are recovered and retained by Standard Chartered Bank. We are required to pay Standard Chartered Bank a flat fee for providing the Wholesale Finance Facility on a quarterly basis payable in the first year of the two year facility. We re-charge all interest applied by Standard Chartered Bank and other fees associated with the Wholesale Finance Facility to our dealers from time to time.

The Wholesale Finance Facility is backed by a credit insurance contract between AMLL and its insurer, Atradius Credit Insurance N.V., in the event that a dealer fails to make payment to Standard Chartered Bank of the receivables purchased by it under this scheme. Our liability in respect of dealer default under the Wholesale Finance Facility (in the event that the credit insurance does not cover the default) where AMLL or AMLNA is required to repurchase the relevant receivable is limited to an aggregate of £200,000 over the two year period ending on 31 August 2020. Additionally, in certain circumstances, such as a continuing event of default or if a receivable is no longer enforceable against the relevant dealer, AMLL, AMJ and/or AMLNA may be required by Standard Chartered Bank to repurchase the relevant unpaid receivable. As of 30 September 2020, the Group had drawn £33.3 million of the £75.0 million available under the Wholesale Finance Facility. The Wholesale Finance Facility is treated as an off-balance sheet arrangement and is not included in the Company's consolidated financial statements.

9.3.9 *Receivables Finance Facility*

On 28 July 2020, among others, (i) Velocitas Funding Designated Activity Company (then: Dolya Holdco 21 Designated Activity Company) ("Velocitas Funding DAC"), J.P. Morgan Europe Limited ("JPM Europe"), Wilmington Trust SP Services (Dublin) Limited ("Wilmington"), AMLL, the Company, JPMorgan Chase Bank, N.A., London Branch ("JPM Chase") and Barclays entered into a master framework agreement (as amended from time to time, the "Master Framework Agreement"), (ii) Velocitas Funding DAC, JPM Europe, Wilmington, AMLL and the Company entered into a receivables sale and servicing agreement (as amended from time to time, the "Receivables Sale Agreement"), (iii) Velocitas Funding DAC (as borrower), JPM Europe, Wilmington, JPM Chase, Barclays and AMLL (as lenders) entered into a revolving senior facility agreement providing for a senior facility of £132 million (as amended from time to time, the "Receivables Revolving Senior Facility Agreement") and (iv) Velocitas Funding DAC (as borrower), J.P. Morgan Securities plc, AMLL (as lenders), JPM Europe and Wilmington entered into a subordinated loan agreement providing for a subordinated loan of £18 million (as amended from time to time, the "Subordinated Loan Agreement") and (v) Velocitas Funding DAC and Wilmington entered into a charge and assignment (as amended from time to time, the "Charge and Assignment").

Under the Receivables Sale Agreement, AMLL may offer to sell certain receivables owing to it by dealers (except for dealers in the United States, Canada and China) subject to certain customary representations and warranties to Velocitas Funding DAC. The purchase fee payable by Velocitas Funding DAC for any such receivables is subject to a discount rate based on the applicable base rate plus a credit spread. If Velocitas Funding DAC purchases the receivables offered to it, it finances the acquisition of these receivables by drawing funds from the senior lenders under the Receivables Revolving Senior Facility Agreement and the subordinated lenders under the Subordinated Loan Agreement. The maximum amount available to us under this program is £150 million (such arrangements, as amended from time to time, the "Receivables Finance Facility"). As the originator of the receivables, AMLL must retain an economic interest in the receivables of 5 per cent. of their value in accordance with the European securitisation rules adopted by the U.K. This is achieved by AMLL being a lender under the Receivables Revolving Senior Facility Agreement and the Subordinated Loan Agreement. The Company has guaranteed the obligations of AMLL under the Receivables Sale Agreement.

Subject to certain customary events of default, the Receivables Finance Facility is available for the duration of a revolving period which expires 364 days after the initial purchase of receivables under the Receivables Finance Facility Agreements. Prior to its expiration, Velocitas Funding DAC may request an extension from the senior lenders for the same period again.

Velocitas Funding DAC is an Irish designated activity company constituted for the Receivables Finance Facility Agreements. Pursuant to the Charge and Assignment, it has granted security in favour of Wilmington over certain of its assets, including the purchased receivables held by it from time to time, to secure the obligations of certain secured creditors, including the secured lenders under the Receivables Revolving Senior Facility Agreement.

The payment terms of the Receivables Finance Facility require payment by the dealers at the earlier of 180 days from the invoice date or the sale of the car by the dealer to a retail customer. AMLL acts as the servicer in terms of originating and collecting funds from dealers into the bank accounts of Velocitas Funding DAC. The Receivables Finance Facility is backed by a credit insurance contract between Velocitas Funding DAC and its insurer, Atradius Credit Insurance N.V., in the event that a dealer fails to make payment to Velocitas Funding DAC of the receivables purchased by it under this scheme. If a dealer defaults, we have 14 days to initiate a payment plan agreed between the dealer, Atradius Credit Insurance N.V., and the administrative agent under the Receivables Finance Facility Agreements on behalf of Velocitas Funding DAC, and subsequently AML may, at its option, repurchase the relevant receivable. Additionally, in certain circumstances, such as the breach of certain representations and warranties, we may be required by Velocitas Funding DAC to repurchase the relevant unpaid receivable.

The Receivables Finance Facility is treated as an off-balance sheet arrangement and is not included in the Company's consolidated financial statements. As of 30 September 2020, the Receivables Finance Facility was not utilised, but the Group is planning to replace the Wholesale Finance Facility in the coming months with the Receivables Finance Facility.

9.3.10 *Falcon Inventory Repurchase Arrangements*

On 28 November 2019, AMLL and KWM Commodities Trading (UK) Limited ("KWM"), an affiliate of Falcon Group Europe Limited, entered into a master purchase agreement (the "MPA") and a Master Sales Agreement (the "MSA"). The MPA and the MSA provide for a framework for individual inventory repurchase arrangements on a rolling basis. Pursuant to such inventory repurchase arrangements, certain parts for resale, service parts and production stock are sold to KWM gross of indirect tax and subsequently repurchased by AMLL gross of indirect tax on extended payment terms (each an "Inventory Repurchase Arrangement" and together the "Inventory Repurchase Arrangements"). As part of the Inventory Repurchase Arrangements, legal title to the relevant goods is surrendered to KWM but we retain control over the relevant goods. The payment obligations to KWM are secured by certain surety bonds issued by Aviva Insurance Limited and Everest Insurance (Ireland) DAC. Aston Martin Investments Limited and its subsidiaries provide counter indemnities to Aviva Insurance Limited and Everest Insurance (Ireland) DAC in respect of any amounts paid by the insurers under the surety bonds. In addition, the MPA and the MSA provide for certain trigger events, including, amongst others, failure to pay amounts due under the MPA or MSA or any Inventory Repurchase Arrangement or any breach of their terms, certain insolvency events and other event of default type events. Following the occurrence of such a trigger event, all amounts under the MPA and MSA and individual Inventory Repurchase Arrangements become due and payable and the individual Inventory Repurchase Agreements are terminated.

The maximum amount available under the Inventory Repurchase Arrangements is £40 million and the Group intends to continue utilising the full amount available thereunder. The interest charged on each Inventory Repurchase Arrangement is determined as the difference between the sales and repurchase value and is therefore fixed at the time of entering into an Inventory Repurchase Arrangement. The repayment terms of each Inventory Repurchase Arrangement are not in excess of 90 days.

9.3.11 *Chinese Inventory Funding Arrangements*

The Group is party to three inventory funding arrangements in China: one with Ningbo Commerce Bank, one with China Guangfa Bank and one with China Ping An Bank. The arrangements provided under or in relation to these financings may be utilised by certain Aston Martin dealers in China (who are also parties to these financings) to purchase cars from AMLL. The relevant vehicles financed under the inventory funding arrangements are required to be delivered to the relevant dealers within 45 days from funding. The Chinese Inventory Funding Arrangements are treated as off-balance sheet arrangements. These agreements are non-recourse to AMLL.

9.3.12 *Other financial arrangements of the Group*

Aston Martin Works Limited (“AM Works”) is a wholly owned subsidiary of AMWS Limited, whose shares are 50 per cent. owned by AMLL. As the Group controls the board of AMWS Limited, the Group includes the debt arrangements of AM Works in its consolidated statement of financial position. On 16 October 2012, AM Works entered into a facility agreement with BMW Financial Services (GB) Limited pursuant to which BMW Financial Services (GB) Limited provides AM Works a facility of up to £4.5 million for the purchase of new, demonstrator and used motor vehicles. As of 30 September 2020, this facility was undrawn by AM Works. The facility has no maturity date and has a variable interest rate equal to the Bank of England Base rate plus 2 per cent. per annum.

On 9 November 2018, AMLL entered into a fixed rate loan agreement with AIB Group (UK) P.L.C. pursuant to which AIB Group (UK) P.L.C. provided a £15.8 million loan facility to finance the construction of the paint shop at our manufacturing facility in St. Athan. The loan matures on 31 March 2022 and has an interest rate of 4.38 per cent. per annum. Pursuant to the loan agreement, the Group makes quarterly payments which include repayment of principal and payment of interest. As of 30 September 2020, £10.0 million was outstanding under the facility.

On 9 August 2019, AMLL entered into a stage payment and hire purchase agreement with AIB Group (UK) P.L.C. Under this “body-in-white” facility, AIB Group (UK) P.L.C. has agreed to partially fund the purchase of equipment relating to our “body-in-white” plant and has hired the equipment to us until 31 January 2022. The Group is required to make quarterly hire payments and once all hire payments have been made and the facility expires, the Group has an option to purchase the equipment. The interest rate is LIBOR plus 3.19 per cent. per annum. Due to the structure of the body-in-white facility, outstanding amounts are recorded as lease liabilities in the Group’s financial statements and as of 30 September 2020 the Group had £6.4 million of borrowings under the facility.

AMLL has entered into a series of back-to-back loan agreements with HSBC UK Bank plc, whereby renminbi is deposited in an escrow account with HSBC in China in exchange for a pound sterling overdraft facility with HSBC Bank in the U.K. The overdraft facility has an aggregate amount of up to £50.0 million and, as of 30 September 2020, was drawn down for an aggregate amount of £33.9 million whereby an equivalent of £36.2 million of renminbi had been deposited with HSBC in China. The facility is drawn down in four tranches, each of which matures on a different date and has an interest rate equal to the Bank of England Base rate plus 1 per cent. per annum. At maturity, at the discretion of HSBC UK Bank plc, each tranche can be renewed for a further year. A tranche of £5.5 million matures on 23 November 2020, a tranche of £6.3 million matures on 12 March 2021, a tranche of £11.4 million matures on 29 March 2021 and a tranche of £13.5 million matures on 20 May 2021.

9.4 Warrant Instrument

The Warrants will be constituted and issued pursuant to the Warrant Instrument, which will be executed as a deed poll by the Company in favour of the Initial Warrantholders on or around 7 December 2020, being the date on which all conditions for the release of the proceeds of the Second Lien Notes from escrow are expected to be satisfied. The terms of the Warrants and Warrant Issue are described in detail in Part 7 (Terms and Conditions of the Warrants Issue).

9.5 June 2020 Placing arrangements

9.5.1 *Placing Agreement*

On 26 June 2020, the Company entered into a placing agreement (the "June 2020 Placing Agreement") with the Banks and Morgan Stanley & Co. International plc, pursuant to which the Banks and Morgan Stanley & Co. International plc agreed to use their respective reasonable endeavours (subject to conditions set out therein) to procure placees for the placing shares at the placing price and, should a procured placee fail to acquire the placing shares allocated to it, to acquire as principal such placing shares (except any placing shares placed with Yew Tree, Prestige Motor Holdings S.A. and Preferred Prestige Motor Holdings S.A., which were not underwritten).

The Company provided certain customary representations, warranties and undertakings in favour of the Banks pursuant to the June 2020 Placing Agreement, including an undertaking that, between the date of the June 2020 Placing Agreement and 180 calendar days after but including 30 June 2020, it will not, without the prior written consent of Barclays and J.P. Morgan Cazenove, each acting as joint global co-ordinator in respect of the June 2020 Placing, enter into certain transactions involving or relating to the Ordinary Shares, subject to certain carve-outs and waivers. This undertaking has been waived by Barclays and J.P. Morgan Cazenove in respect of the Placing.

9.5.2 *Shareholder Irrevocable Undertakings*

On 26 June 2020, the Company entered into deeds of irrevocable undertaking with each of the following shareholders (the "Shareholder Irrevocable Undertakings"), pursuant to which the shareholders irrevocably undertook to subscribe for an aggregate amount of approximately 32.8 per cent. of the new shares issued in connection with the June 2020 Placing at the placing price. The Shareholder Irrevocable Undertakings consisted of:

1. an irrevocable undertaking from Yew Tree to subscribe for 24.99 per cent. of the new shares issued in connection with the June 2020 Placing at the placing price;
2. an irrevocable undertaking from Prestige Motor Holdings S.A. to subscribe for 5.86 per cent. of the new shares issued in connection with the June 2020 Placing at the placing price; and
3. an irrevocable undertaking from Preferred Prestige Motor Holdings S.A to subscribe for 1.92 per cent. of the new shares issued in connection with the June 2020 Placing at the placing price.

9.6 Rights issue and placing arrangements

Paragraphs 17.1 – 17.3 on pages 359 – 361 of the Original Rights Issue Prospectus are incorporated herein by reference. Each of the agreements described therein were subsequently restated. A description of these revisions is incorporated herein by reference to paragraph 2 on page 25 of the Supplementary Rights Issue Prospectus.

9.7 F1™ Sponsorship Agreement

Paragraph 18.1.4 on pages 365 – 366 of the Original Rights Issue Prospectus is incorporated herein by reference. The agreement described therein was subsequently restated. A description of these revisions is incorporated herein by reference to paragraph 2 on page 25 of the Supplementary Rights Issue Prospectus.

9.8 MBAG Relationship Agreement

For a discussion of the terms of the MBAG Relationship Agreement, see "*Strategic Cooperation – MBAG Relationship Agreement*" in Part 6 (Terms and Conditions of the Strategic Cooperation).

9.9 Adeem/PW Relationship Agreement, Prestige/SEIG Relationship Agreement and Yew Tree Consortium Relationship Agreement

Paragraph 18.1.5 on pages 366 – 367 of the Original Rights Issue Prospectus is incorporated herein by reference. Each of the agreements described therein were subsequently restated. A description of these revisions is incorporated herein by reference to paragraph 2 on page 25 of the Supplementary Rights Issue Prospectus.

The Prestige/SEIG Relationship Agreement has since terminated, as the Prestige/SEIG Shareholder Group has ceased to hold seven per cent. of the voting rights attaching to the Ordinary Shares.

9.10 Deposit Arrangement, Master Purchase Agreement and Master Consignment Agreement

Paragraph 18.1.6 on pages 367 – 368 of the Original Rights Issue Prospectus is incorporated herein by reference.

10. Directors' service agreements and letters of appointments

10.1 Executive Directors

The principal terms of Tobias Moers' and Kenneth Gregor's contracts are as follows:

10.1.1 General terms

The Executive Directors are each entitled to a remuneration package comprising annual basic salary, a discretionary performance-related annual bonus and participation in a long-term incentive plan, personal pension contributions (or a cash allowance in lieu of pension contributions) and participation in the Group's benefit plans (including, but not limited to, director and officer liability insurance, private medical cover, life insurance, car lease schemes and private mileage reimbursement). The Chief Executive Officer is also entitled to relocation allowance of up to £250,000 in aggregate, payable in equal monthly instalments over a period of up to five years. The relocation allowance would cease to be payable on termination of his employment with the Company.

The current Executive Directors' salaries are £850,000 and £425,000 per annum for the Group Chief Executive Officer and Chief Financial Officer, respectively.

Base salaries will typically be reviewed annually and any increases will take into account increases awarded to the wider workforce, individual performance and market data as appropriate. The first review of the Executive Directors' salaries is expected to take place in 2021.

Executive Directors are eligible to participate in an annual bonus plan. The maximum annual bonus opportunity available to the Chief Executive Officer and Chief Financial Officer is equal to 200 per cent. and 150 per cent. of their salaries, respectively.

If an Executive Director does not meet their shareholding guideline, 50 per cent. of any net bonus will be deferred into Ordinary Shares, typically for a period of three years. Dividend equivalents may be accrued on deferred Ordinary Shares.

In addition to normal public holidays, the Chief Executive Officer and Chief Financial Officer are entitled to 30 working days of paid holiday in each complete holiday year.

Executive Directors are eligible to participate in the Group's defined contribution pension scheme, with a maximum contribution of 12 per cent. of salary. Alternatively, they may opt to receive a cash allowance in lieu of employer pension contributions currently at a rate of approximately 10.6 per cent. of salary, which is the maximum of 12 per cent. of salary with a deduction for an amount equal to the employer's National Insurance contribution. The approach to pension arrangements for the Executive Directors is in line with the wider workforce.

10.1.2 **Long-Term Incentive Plan**

The Group operates the Aston Martin Lagonda Long-Term Incentive Plan 2018 (the "LTIP").

Under the LTIP, awards can be made in the form of conditional free shares or nil or nominal cost options. The limit under the LTIP rules on the face value of awards that can be made in any year to an individual is 300 per cent. of salary. The annual awards granted to the Group Chief Executive Officer and Chief Financial Officer are limited to 300 per cent. of salary and 200 per cent. of salary, respectively.

No awards have been granted to Executive Directors under the LTIP. Any awards granted to Executive Directors under the LTIP have a three-year performance period. Executive Directors are required to retain at least 75 per cent. of the shares (net of tax) vesting under the LTIP or deferred bonus until their shareholding guideline is met. A summary of the principal terms of the LTIP is set out in paragraph 11.1 on pages 342 – 347 of the Original Rights Issue Prospectus, which is incorporated herein by reference.

10.1.2.1 **Malus and clawback**

Consistent with best practice, malus and clawback provisions will be operated at the discretion of the Remuneration Committee in respect of both the annual bonus and LTIP where it considers that there are exceptional circumstances. Such exceptional circumstances for malus may include serious reputational damage, a failure of risk management, an error in available financial information which led to the award being greater than it would otherwise have been or personal misconduct. For clawback to be applied, exceptional circumstances may include serious reputational damage, a failure of risk management or personal misconduct. Clawback may be applied for a period of up to three years from payout or vesting for any bonus or LTIP awards.

10.1.2.2 **Share ownership guidelines**

The Group's shareholding policy requires the Executive Directors to build and maintain a shareholding in the Company. The Group Chief Executive Officer and Chief Financial Officer of the Company are subject to a shareholding requirement of 300 per cent. and 200 per cent. of base salary, respectively which they are expected to build up over a period of five years from appointment to the Board. Executive Directors are required to retain at least 75 per cent. of the Shares (net of tax) vesting under the LTIP or deferred bonus until the shareholding guideline is met.

The Group's post-cessation shareholding policy requires all Executive Directors to retain 50 per cent. of their shareholding guideline (or full actual holding if lower) for two years post-cessation of employment, therefore 150 per cent. of salary for the CEO and 100 per cent. of salary for other Executive Directors.

The Group operates appropriate enforcement mechanisms.

10.1.2.3 **Recruitment policy**

Consistent with best practice, new senior management hires (including those promoted internally) will be offered packages in line with the remuneration policy in force at the time.

The Company recognises that it may be necessary in some circumstances to provide compensation for amounts forfeited from a previous employer (i.e. buyout awards). Generally, any buyout awards will be made on a like-for-like basis in terms of both value and timing of receipt to ensure they reflect the incentives they are replacing. Buyout awards will not count towards the annual or long-term incentive plan policy limits for incoming Executive Directors.

The Chief Executive Officer has received a buyout award of €1,000,000 to compensate for the awards which he forfeited upon his resignation from his previous role. 50 per cent. of the value of the award has been paid following commencement of his employment with the Company and the remaining 50 per cent. of the value of the award will be paid on the first anniversary of commencement of his employment with the Company. The first instalment is repayable in full if the Chief Executive Officer resigns from the Company within 12 months of payment. The second instalment is repayable if the Chief Executive Officer resigns from the Company within 12 months of payment but with the amount repayable reduced by 1/12th each month he works after the payment.

10.1.2.4 **Termination policy**

Should the employer decide to terminate employment prior to the end of the notice period, it can do so by making a payment in lieu of salary for the notice period (or the remainder of the notice period). The payment in lieu of notice is limited to the Executive Director's base salary and is subject to mitigation. In the event of termination, certain restrictions may apply for a period of up to 12 months to protect the business interests of the Company. There is no contractual right to any bonus payment in the event of termination although in certain "good leaver" circumstances the Remuneration Committee may exercise its discretion to pay a bonus for the period of employment and based on performance assessed after the end of the financial year in which the employee ceased to be employed.

The default treatment for any share-based entitlements under the LTIP is that any outstanding awards lapse on cessation of employment. However, in certain prescribed circumstances or at the discretion of the Remuneration Committee "good leaver" status can be applied. In these circumstances a participant's awards will usually vest subject to the satisfaction of the relevant performance criteria and, ordinarily, on a time pro-rata basis, with the balance of the awards lapsing.

10.1.3 **Termination provisions**

The service contracts of the Executive Directors can be terminated by not less than 12 months' notice by either party.

The Company may put each of the Executive Directors on garden leave during his notice period. During this period, the Executive Director remains an employee of the Company and is subject to certain restrictions.

Where either party has served notice to terminate, the Company may elect to terminate employment immediately by making a payment in lieu of notice equivalent to the Executive Director's salary for the notice period. It may elect to make any such payment in monthly instalments which will continue until the expiry of the notice period or the date on which the Executive Director obtains an alternative remunerated position (excluding any non-executive directorship). If he finds an alternative remunerated position, the monthly payments will be reduced by the amount of remuneration received by him pursuant to that alternative remunerated position.

In addition, the employment of each Executive Director employment is terminable with immediate effect in certain circumstances, including where he: (i) is guilty of gross misconduct; (ii) becomes bankrupt or enters into any arrangement or composition with or for the benefit of his creditors generally; (iii) is convicted of any criminal offence (other than a motoring offence for which no custodial sentence is given to him); (iv) refuses or neglects to carry out any of his duties or comply with lawful orders given to him by his employer; (v) is disqualified or otherwise prohibited by law from being a director; or (vi) is no longer entitled to work in the United Kingdom.

In the event of termination, the service contract of each Executive Director imposes post-termination restrictions, including those described as follows. For a period of 12 months following his termination (less any period spent on garden leave immediately prior to termination), the Executive Director may not: (i) solicit or endeavour to entice away the business or custom of the Group's customers or prospective customers with a view to any business concern which is operated by certain specified named competitors providing goods or services to those customers or prospective customers; (ii) interfere with the Group's certain specified named suppliers; (iii) provide goods or services to otherwise have any business dealings with any Group customer or prospective Group customers in the course of any business concern operated by certain specified named competitors; (iv) become employed by or otherwise engaged in or concerned in any capacity in a business concern which is or is intended to be in competition with the business of the Group that the Executive Director was materially involved in at the time of the termination of their service contract; or (v) offer employment to, or solicit any management level employee who worked closely with the Executive Director in the previous 12 months or regularly used confidential information in the course of their duties or was able to influence the Group's relationships with its customers or employees.

Save as disclosed in this paragraph 10.1, there are no existing service contracts between any Executive Director and any member of the Group, which provide for benefits upon termination.

10.2 Non-Executive Directors

The Non-Executive Directors were appointed by letter of appointment. The principal terms of these agreements are as follows:

10.2.1 General terms

Name	Position	Date of appointment to the Board
Amr Ali Abdallah AbouelSeoud . .	Non-Executive Director	7 September 2018
Lord Matthew Carrington	Independent Non-Executive Director	8 October 2018
Peter Espenhahn	Independent Non-Executive Director	8 October 2018
Michael de Picciotto	Non-Executive Director	24 April 2020
William Tame	Independent Non-Executive Director(1)	3 June 2020

Notes:
(1) William Tame was appointed to the Board on 3 June 2020 as a non-independent Non-Executive Director pursuant to the Prestige/SEIG Relationship Agreement. Following the termination of the Prestige/SEIG Relationship Agreement, the Board determined and announced on 16 September 2020 that William Tame is independent and that he would continue on the Board as an independent Non-Executive Director.

In anticipation of the shareholding of the Adeem/PW Shareholder Group falling below 10 per cent. of the Company's share capital, Mahmoud Samy Mohamed Aly El Sayed, a representative director of the Adeem/PW Shareholder Group, elected to step down from the Board with effect from 12 November 2020. In accordance with the Relationship Agreement the remaining board seat for the Adeem/PW Shareholder Group shall continue to be held by Amr Ali Abdallah AbouelSeoud.

The Non-Executive Directors' fees for 2020 are set out in the following table.

Role	2020 Fees
Non-Executive Director	£60,000
Additional fees:	
Senior Independent Non-Executive Director	£15,000
Committee chair	£15,000
Committee member	£ 5,000

In addition, each Non-Executive Director is entitled to be reimbursed for reasonable expenses necessarily incurred arising from the performance of their duties. They may not participate in any pension or share scheme, or be entitled to any bonus, operated by the Company.

10.2.2 Termination provisions

The appointment of each independent Non-Executive Director is terminable by either party on three months' notice.

The appointment of each independent Non-Executive Director may also be terminated with immediate effect by the Company if he or she: (i) commits a material breach of his or her duties under the letter of appointment or commits any serious breach or non-observance of his or her obligations to the Company (which includes his or her obligations not to breach statutory, fiduciary, contractual or common law duties); or (ii) fails to be re-appointed or re-elected, or vacates his or her office, or otherwise stops being a director in accordance with the Articles.

The appointment of each non-independent Non-Executive Director is terminable in accordance with the relevant relationship agreement (summarised at paragraphs 9.8 and 9.9 of this Part 14). The Company may also terminate such Non-Executive Director's appointment if the relevant relationship agreement is terminated.

There are no existing service contracts between any Non-Executive Director and any member of the Group which provide for benefits upon termination.

10.3 Executive Chair

Lawrence Stroll was appointed as Executive Chair on 20 April 2020. Mr. Stroll receives only a nominal fee as Executive Chair of £1 per annum (less any necessary statutory deductions), and he will not receive any additional fees for service on any Board committees or boards of other Group companies. In addition, Mr. Stroll will be reimbursed for receipted business expenses necessarily incurred in the proper performance of the duties of his office.

Mr. Stroll's appointment is terminable in accordance with the Yew Tree Relationship Agreement (summarised at paragraph 9.9 of this Part 14). The Company may also terminate Mr. Stroll's appointment if the Yew Tree Relationship Agreement is terminated.

11. Directors' and senior managers' interests

The interests of the Directors and senior managers, and their immediate families, in the share capital of the Company (all of which, unless otherwise indicated, are beneficial) on the Latest Practicable Date and as they are expected to be immediately following Admission of the Tranche 1 Consideration Shares and Placing Shares, including as a percentage of the Company's issued share capital, are as follows:

	Ordinary Shares beneficially held at the Latest Practicable Date		Ordinary Shares expected to be beneficially held following Admission of the Tranche 1 Consideration Shares and Placing Shares	
Name	**No.**	**%**	**No.**	**%**
Lawrence Stroll[(1)(2)]	373,158,766	20.46%	413,158,766	17.97%
Tobias Moers	86,300	0.00%	86,300	0.00%
Kenneth Gregor	-	-	-	-
Amr Ali Abdallah AbouelSeoud	2,326,496	0.13%	2,326,496	0.10%
Lord Matthew Carrington	-	-	-	-
Peter Espenhahn	2,630	0.00%	2,630	0.00%
Michael de Picciotto	14,144,925	0.78%	14,144,925	0.62%
William Tame	-	-	-	-
Michael Marecki	252,465	0.01%	252,465	0.01%
Prudence Medford	1,019	0.00%	1,019	0.00%
Marek Reichman	731,884	0.04%	731,884	0.03%
Keith Stanton	252,465	0.01%	252,465	0.01%

Notes:

(1) Union Bancaire Privée, UBP SA, Geneva Switzerland (UBP) is a long term financial partner to the Stroll family and has custody over a portion of the assets held in trust for the benefit of the Stroll family including Shares in the Company. As part of this financial relationship, UBP provides banking facilities supported by these secured assets.

(2) The number of Ordinary Shares indicated in this table as being beneficially held by Lawrence Stroll represents the Ordinary Shares held by Yew Tree. Yew Tree is an entity owned by a trust of which Lawrence Stroll and certain members of his family are beneficiaries. Silas Chou and certain members of his family hold their Shares in the Company indirectly via Yew Tree.

The Directors and senior managers have the same voting rights as all other Shareholders.

Details of the Directors' and senior managers' non-beneficial interests in the Ordinary Shares subject to options and awards under the Company's Share-Based Incentive Plans as at the Latest Practicable Date are set out below:

Name	Type of award	Number of Ordinary Shares subject to award[(1)]	Exercise price	Grant date	Vest date	Holding period
Tobias Moers	Nil-cost option	-	-	-	-	-
Kenneth Gregor	Nil-cost option	-	-	-	-	-
Michael Marecki	Nil-cost option	18,203	-	27 June 2019	1 March 2022	None
Prudence Medford	Nil-cost option	-	-	-	-	-
Marek Reichman	Nil-cost option	30,946	-	27 June 2019	1 March 2022	None
Keith Stanton	Nil-cost option	15,655	-	27 June 2019	1 March 2022	None

Notes:

(1) The interests shown in the table above are the maximum number of Ordinary Shares that may be received under each of the awards. The actual number of Ordinary Shares that may be released or become exercisable is dependent, in some cases, on performance conditions and so may be less than the maximum shown.

The Non-Executive Directors and the Executive Chair do not have any non-beneficial interests in the Ordinary Shares subject to options and awards under the Company's Share-Based Incentive Plans.

12. UK withholding tax

Under current UK tax legislation, the Company is not required to withhold tax when paying a dividend. Liability to tax of the Shareholder in respect of dividends received from the Company will depend on individual circumstances.

Investors should be warned that the tax legislation of their country of citizenship, domicile or residency may have an impact on the income received from the Ordinary Shares. Investors who are in any doubt as to their tax position are strongly recommended to consult their own professional advisers.

13. Litigation

There are no, and have not been, any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) in the 12 months preceding the date of this document which may have or have had in the recent past a significant effect on the financial position or profitability of the Group.

14. Related party transactions

Other than as set out below in connection with the Placing, the Group has not entered into any related party transactions (which for these purposes are those set out in the standards adopted according to the Regulation (EC) No 1606/2002) since 30 September 2020, the date of the Company's latest financial statements.

Yew Tree's participation in the Placing

As announced by the Company on 27 October 2020 in relation to the Placing, the undertaking by Yew Tree in the Yew Tree Irrevocable Undertaking to subscribe for the Yew Tree Placing Shares is a related party transaction under Chapter 11 of the Listing Rules.

Yew Tree is a substantial shareholder in the Company for the purposes of the Listing Rules as a result of being entitled to exercise, or to control the exercise of, over 10 per cent. of the votes able to be cast at general meetings of the Company. Yew Tree is therefore considered to be a related party for the purposes of the Listing Rules. Under the terms of the Yew Tree Irrevocable Undertaking, Yew Tree has agreed to subscribe for 40,000,000 Yew Tree Placing Shares, amounting to an irrevocable subscription of £20 million. The size of Yew Tree's irrevocable commitment, when aggregated with its participation in the June 2020 Placing, is such that shareholder approval (other than by Yew Tree and its associates) must be obtained for Yew Tree's participation in the Placing under the Listing Rules.

15. Working Capital

The Company is of the opinion that, taking into account the Financing Transactions and the Placing, the Group has sufficient working capital for its present requirements, that is for at least 12 months from the date of publication of this document.

Assumptions in respect of the impact of COVID-19

The COVID-19 pandemic and the attendant public health interventions to combat the virus have caused considerable disruption to business globally. There is significant uncertainty as to the size and duration of this disruption. In preparing its working capital statement, the Company has prepared a 'reasonable worst case scenario' to reflect, amongst other things, the impact of the COVID-19 pandemic.

The Company has made its working capital statement based on a forecast that has sufficient headroom to cover the 'reasonable worst case scenario', which includes the following principal COVID-19 pandemic-related assumptions:

- The current "wave" of the pandemic results in a lockdown that causes the closure of the Group's factories in England and Wales, thereby losing four weeks of Group-wide revenue.

This impact is expected to reverse in the twelve months following the factory closure due to the level of secured order book. Therefore, this is considered a timing risk only, as the impact will be reversed within that twelve month period.

- The pandemic leads to a 30 per cent. reduction in DBX sales in the period from March 2021 to 30 June 2022, being a reduction in revenue of £127.6 million in 2021 and £89.2 million in the first half of 2022.
- A 10 per cent. increase in incentives and variable marketing spend will be required in 2021 to support final clearance of sports stock.
- Weaker economic conditions and potential delays in vehicle programmes resulting from the pandemic lead to reduced deposit inflow from specials totalling £80 million, namely focused on Valhalla and models that are not yet sold out (that relate to vehicles due to be delivered in 2023-2025).

The working capital statement in this document has been prepared in accordance with the ESMA Recommendations (ESMA/2013/319), and the technical supplement to the FCA Statement of Policy published on 8 April 2020 relating to the COVID-19 crisis.

16. No significant change

Other than as described below, there has been no significant change in the financial position or performance of the Group since 30 September 2020, the date to which the latest financial information in relation to the Group was published.

On 27 October 2020 the Company and MBAG entered into the Strategic Cooperation Agreement, pursuant to which, subject to Shareholder approval of the Transaction Resolutions, the Company and MBAG will enter into the Strategic Cooperation. Further detail is discussed in Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc) and Part 6 (Terms and Conditions of the Strategic Cooperation).

On 27 October 2020, the Company also announced a capital raise by way of a placing (the "Placing") of 250,000,000 new Ordinary Shares to institutional investors (the "Placing Shares"). As set out in the announcement published by the Company announcing the Placing, the Placing will generate £125 million of gross proceeds for the Company, subject to, amongst other things, Admission of the Tranche 1 Consideration Shares.

As also announced by the Company on 27 October 2020 and 30 October 2020, the Group is (i) issuing £259 million equivalent in aggregate principal amount of 15.00 per cent. second lien split coupon notes due 2026 at an issue price of 98%, together with detachable warrants to be issued by the Company with the right to subscribe for a number of its Ordinary Shares, which will represent five per cent. of the diluted issued share capital of the Company following the issuance of the Placing Shares and all Consideration Shares, (ii) issuing £838 million equivalent in aggregate principal amount of first lien notes due 2025 and (iii) increasing the size and extending the maturity of its revolving credit facility (together, the "Financing Transactions"). When the Financing Transactions were first announced on 27 October 2020, the first lien notes were stated to be for a £840 million (equivalent) aggregate principal amount, and the aggregate principal amount of the Second Lien Notes was stated as 13.5 per cent. When the first lien notes were subsequently priced on 30 October 2020, there was only a US dollar tranche of $1,085,500,000 aggregate principal amount, which translated to £838 million based on an exchange rate of $1.2949 = £1.00, which represents the rate of exchange as of 30 September 2020. As the first lien notes were priced with an aggregate principal amount of 10.5 per cent., the aggregate principal amount of the Second Lien Notes was increased to 15 per cent., in accordance with the agreed terms governing the Second Lien Notes. Completion of the Financing Transactions is conditional on, among other things, Admission of the Placing Shares and the Tranche 1 Consideration Shares.

The total gross proceeds of the Placing (£125 million) and the Financing Transactions (£1,099 million) will be used to redeem the Group's outstanding Senior Secured Notes (including the relevant redemption premiums and accrued and unpaid interest thereon), to repay the term loan the Company borrowed pursuant to the U.K. Coronavirus Large Business Interruption Loan Scheme (including any accrued and unpaid interest thereon), for general corporate purposes, including working capital and capital expenditures and to pay fees and expenses incurred in connection with the Financing Transactions, the Placing and the Strategic Cooperation, as detailed in the following table.

Uses of Funds	(£ equivalent in millions)
Repayment in full of outstanding Senior Secured Notes	936
Repayment in full of principal amount of CLBILS Loan	20
Accrued and unpaid interest on the outstanding Senior Secured Notes and the CLBILS Loan	15
General corporate purposes	211
Transaction fees	42
Total	**1,224**

17. Consents

Each of the Sponsor and J.P. Morgan Cazenove has given and not withdrawn its consent to the inclusion in this document of its name in the form and in the context in which it appears.

18. Regulatory disclosure

The following is a summary of the information disclosed by the Company under the Market Abuse Regulation during the last 12 months which is relevant as at the date of this document.

18.1 Results announcements and trading updates

On 7 January 2020, the Company released a trading update for 2019 and released a clarification about that update later the same day.

On 27 February 2020, the Company released its preliminary results for 2019.

On 17 March 2020, the Company announced the publication of its annual report and accounts for 2019.

On 24 March 2020, the Company updated the market on its operations and the impact of Covid-19.

On 20 April 2020, the Company released a statement by its Executive Chairman, Lawrence Stroll, regarding the strategy of the business.

On 23 April 2020, the Company updated the market on its planned reopening of production facilities, business protection measures and remuneration.

On 13 May 2020, the Company released its results for the first quarter of 2020.

On 4 June 20202, the Company updated the market on actions to improve the cost efficiency of the business.

On 26 June 2020, the Company released a trading and funding update regarding progress on its strategy.

On 29 July 2020, the Company released its results for the first half of 2020.

On 27 October 2020, the Company announced the Strategic Cooperation, the Financing Transactions, the Placing and its results for the third quarter of 2020.

18.2 Capital raise announcements

On 31 January 2020, the Company announced a strategic equity investment by a consortium led by Lawrence Stroll and a proposed rights issue.

On 27 February 2020, the Company announced the launch of the rights issue and the publication of the related prospectus.

On 13 March 2020, the Company announced that the terms of the rights issue had been amended and that a supplementary prospectus would be published later that day.

On 30 March 2020, the Company announced that the Shareholders had approved the required resolutions at a general meeting to proceed with the equity placing to the Yew Tree Consortium and the rights issue, and also that a second supplementary prospectus would be published later that day.

On 31 March 2020, the Company announced the admission of the Yew Tree Consortium's placing shares.

On 1 April 2020, the Company announced the admission of the nil paid rights pursuant to the rights issue, and on 3 April 2020 announced that Primewagon (Jersey) Limited had successfully completed a private placement of nil paid rights to certain institutional shareholders.

On 20 April 2020, the Company announced the results of the rights issue and the rump placing.

On 26 June 2020, the Company announced a placing of new Ordinary Shares to both retail and certain institutional investors by way of an accelerated bookbuild and announced the results of that placing later in the day.

On 27 October 2020, the Company announced the launch of the Placing, the New Senior Secured Notes offering and the Second Lien Notes offering, and on 28 October 2020 and 30 October 2020 it announced the results of the Placing and the pricing of the New Senior Secured Notes offering, respectively.

18.3 Board and management announcements

On 10 February 2020, the Company announced that its Board member Peter Rogers had sadly passed away.

On 27 February 2020, the Company announced that Mark Wilson would step down as Chief Financial Officer and Executive Director no later than 30 April 2020.

On 8 April 2020, the Company announced the appointment of Vikram Bhatia to serve as the Company's interim Chief Financial Officer effective 20 April 2020.

On 27 April 2020, the Company announced the appointment of Michael de Picciotto to the Board as a representative non-executive director of the Yew Tree Consortium with immediate effect.

On 26 May 2020, the Company announced that Tobias Moers would replace Dr Andy Palmer as the Chief Executive Officer and that Richard Solomons, Imelda Walsh and Tensie Whelan had stepped down from the Board on 23 May 2020.

On 4 June 2020, the Company announced the appointment of William Tame to the Board as a representative non-executive director of the Prestige/SEIG Shareholder Group, with effect from 3 June 2020.

On 22 June 2020, the Company announced the appointment of Kenneth Gregor as Chief Financial Officer.

On 16 September 2020, the Company announced that William Tame had been determined by the Board to be an independent Non-Executive Director.

On 13 November 2020, the Company announced the resignation of Mahmoud Samy Mohamed Aly El Sayed as a Director.

19. Miscellaneous

19.1 The estimated fees and expenses associated with the Financing Transactions and the Placing and the use of proceeds therefrom, including discounts and other commissions, advisory and other professional fees and transaction costs are expected to be approximately £42 million.

19.2 As a result of the Company issuing the Tranche 1 Consideration Shares to MBAG, Shareholders (other than MBAG) will experience an 11.0 per cent. dilution (not taking into account the Placing Shares). As a result of the Company issuing the Placing Shares to Yew Tree, Permian, Zelon and the institutional placees procured pursuant to the terms of the Placing, Shareholders (other than Yew Tree, whose dilution will be smaller) will experience a 12.1 per cent. dilution (not taking into account the Tranche 1 Consideration Shares). Therefore, Shareholders other than MBAG and Yew Tree will experience a total dilution of 20.6 per cent. as a result of the issuance of the Tranche 1 Consideration Shares and the Placing Shares.

19.3 The net asset value per Ordinary Share as at 30 September 2020 was £0.40.

19.4 Pursuant to the terms of the Strategic Cooperation Agreement and subject to Shareholder approval of the Transaction Resolutions, the Company will issue and allot the Tranche 1 Consideration Shares to MBAG in consideration for access to MBAG Technology. The Company will not receive any cash proceeds in consideration for the issuance and allotment of any Consideration Shares. Pursuant to the terms of the Placing Agreement, the Yew Tree Irrevocable Undertaking, the Zelon Irrevocable Undertaking and the Permian Irrevocable Undertaking, the Company intends to issue and allot, in aggregate, 250,000,000 Placing Shares to Yew Tree, Permian, Zelon and the institutional placees procured pursuant to the terms of the Placing Agreement in consideration for, in aggregate, gross proceeds of £125 million.

19.5 Except for the items specified in Part 15 (Documentation Incorporated by Reference) of this document, the contents of the Company's website (www.astonmartinlagonda.com), including any websites accessible from hyperlinks on the Company's website, do not form part of, and are not incorporated by reference into, this document.

20. Documents available for inspection

Copies of the following documents may be inspected on the Group's website at www.astonmartinlagonda.com/investors for a period of 12 months following Admission of the Tranche 1 Consideration Shares and Placing Shares:

(a) the Articles of Association of the Company;

(b) the consent letters referred to in "Consents" in paragraph 17 above; and

(c) this document.

Dated: 18 November 2020

PART 15

Documentation Incorporated by Reference

The following documentation has been approved, filed with or notified to the FCA and was made available to Shareholders at the relevant time and/or is available as described below.

The information incorporated into this document by reference is contained in the following documents:

Document	Available at:
Q3 2020 Results and Strategic Announcement	https://amsc-prod-cd.azureedge.net/-/media/corporate/documents/results-centre/2020—results-centre/q3—2020/aston-martin-lagonda-q3-2020-results-and-strategic-announcement.pdf?rev=132b3fe25909452c91612799f98c9e35
H1 2020 Results Press Release	https://amsc-prod-cd.azureedge.net/-/media/corporate/documents/results-centre/2020—results-centre/h1—2020/aston-martin-lagonda-h1-2020-results-—press-release.pdf?rev=a15fdffd43654f8798859c95888c5806
2019 Annual Report	https://amsc-prod-cd.azureedge.net/-/media/corporate/documents/annual-reports/astonmartinlagonda_2019ar_200316.pdf?rev=434251e99b3843948aed77212fe6602f
Original Rights Issue Prospectus	https://www.astonmartinlagonda.com/investors/-/media/Corporate/Documents/rights-issue/norse-e-prospectus.pdf?sfvrsn=4471ed95_2
Supplementary Rights Issue Prospectus	https://www.astonmartinlagonda.com/investors/-/media/Corporate/Documents/rights-issue/norse—e-supplementary-prospectus.pdf?sfvrsn=16ab9dac_2

The table below sets out the various sections of the documents referred to above which are incorporated by reference into this document, so as to provide information required pursuant to Annex 3 and Annex 12 to the Prospectus Regulation and to ensure that Shareholders and others are aware of all information which, according to the particular nature of the Company and of the Ordinary Shares, is necessary to enable Shareholders and others to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Company and of the rights attaching to the Ordinary Shares.

Parts of these documents incorporated by reference which are not set out below are either not relevant or are covered elsewhere in this document. To the extent that any part of any information referred to below itself contains information which is incorporated by reference, such information shall not form part of this document. In addition, other contents of the Group's website not referred to below do not form part of this document.

Information	Source
Q3 2020 Results and Strategic Announcement	
Q3 2020 Results and Strategic Announcement	Q3 2020 Results and Strategic Announcement, all pages
H1 2020 Financial Statements	
Consolidated statement of comprehensive income	H1 2020 Results Press Release page 13
Consolidated statement of changes in equity	H1 2020 Results Press Release pages 13 – 15
Consolidated statement of financial position	H1 2020 Results Press Release pages 15 – 16
Consolidated statement of cash flows	H1 2020 Results Press Release page 16
Notes to the interim financial statements	H1 2020 Results Press Release pages 17 – 25
Independent review report to Aston Martin Lagonda Global Holdings plc	H1 2020 Results Press Release page 26
2019 Financial Statements	
Independent auditor's report	2019 Annual Report pages 117 – 125
Consolidated statement of comprehensive income	2019 Annual Report page 126
Consolidated statement of changes in equity	2019 Annual Report pages 127 – 128
Consolidated statement of financial position	2019 Annual Report page 129
Consolidated statement of cash flows	2019 Annual Report page 130
Notes to the financial statements	2019 Annual Report pages 131 – 174

Information	Source
Material contracts	
Paragraphs 17.1 – 17.3	Original Rights Issue Prospectus pages 359 – 361
Paragraphs 18.1.2 – 18.1.6	Original Rights Issue Prospectus pages 362 – 368
Paragraph 2	Supplementary Rights Issue Prospectus page 25
Long-Term Incentive Plan	
Paragraph 11.1	Original Rights Issue Prospectus pages 342 – 347

PART 16

Definitions and Glossary

The following definitions apply throughout this document unless the context requires otherwise:

"$ 150m 12.0% Notes due 2022"	the $150 million of 12.0 per cent. senior secured split coupon notes due 2022 issued on 8 October 2019 by Aston Martin Capital Holdings Limited under the indenture dated 18 April 2017 between, among others, Aston Martin Capital Holdings Limited as issuer and U.S. Bank Trustees Limited as trustee and security agent, as amended and/or supplemented from time to time
"$ 68m 12.0% Delayed Draw Notes due 2022"	has the meaning given to it in paragraph 9.3.1 of Part 14 (Additional Information)
"2019 Annual Report"	the 2019 annual report of the Group published on 17 March 2020
"2019 Financial Statements"	the audited consolidated financial statements of the Company as of and for the year ended 31 December 2019
"ABI"	the Association of British Insurers
"Adeem/PW Shareholder Group"	Adeem Automotive Manufacturing Company Limited, Primewagon Limited (Jersey), Stehwaz Automotive Limited (Jersey), Najeeb Al-Humaidi, Galaxy Investments Limited (Jersey), Waleed Al-Humaidi, RAR Limited (Jersey), ANF Limited (Jersey), AGD Limited (Jersey), MSY Limited (Jersey), Venus Holdings Limited (Jersey), Dr. Ulrich Bez, Adnan Al-Musallam, Capital Group (Kuwait), China Lesso Group Holdings Limited and Multi-Dimensional Connectivity (MDC) Limited
"Adjustment"	has the meaning given to it in Part 7 (Terms and Conditions of the Warrants Issue)
"Admission"	admission to listing on the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities
"Aggregate MBAG Consideration Amount"	has the meaning given to it in Part 6 (Terms and Conditions of the Strategic Cooperation)
"Aggregate Technology Valuation Amount"	has the meaning given to it in Part 6 (Terms and Conditions of the Strategic Cooperation)
"AGM"	the annual general meeting of Shareholders of the Company
"AM Works"	Aston Martin Works Limited
"AMJ"	Aston Martin Japan Limited
"AML Nominee Service"	the nominee service operated by Equiniti Financial Services Limited on behalf of the Company to hold Ordinary Shares in CREST on behalf of retail shareholders
"AML Nominee Service Shareholders"	Shareholders holding Ordinary Shares through the AML Nominee Service
"AMLL"	Aston Martin Lagonda Limited

“AMLNA”	Aston Martin Lagonda of North America, Inc.
“Antitrust Conditions”	has the meaning given to it in Part 6 (Terms and Conditions of the Strategic Cooperation)
“Articles”	the Articles of Association of the Company
“Banks”	Barclays Bank PLC, J.P. Morgan Cazenove, Deutsche Bank AG, London Branch
“Barclays”	Barclays Bank PLC
“Board”	the board of directors of the Company
“Board Appointment Right”	has the meaning given to it in section 2 of Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc)
“Business Days”	a day (other than a Saturday or Sunday) on which banks are open for general business in London
“CAFE”	corporate average fuel economy
“Capital Reorganisation”	together, the Subdivision and the Share Consolidation
“Capital Reorganisation Resolutions”	Resolutions 7 to 11 to be proposed at the General Meeting in respect of the Capital Reorganisation
“Cash Top-up”	has the meaning given to it in Part 6 (Terms and Conditions of the Strategic Cooperation)
“Charge and Assignment”	has the meaning given to it in paragraph 9.3.9 of Part 14 (Additional Information)
“Chinese Inventory Funding Arrangements”	has the meaning given to it in paragraph 9.3.11 of Part 14 (Additional Information)
“CLBILS Facility Agreement”	has the meaning given to it in paragraph 9.3.4 of Part 14 (Additional Information)
“CLBILS Loan”	the £20.0 million term loan incurred by the Group under the term loan facility agreement dated 23 July 2020 between Aston Martin Investments Limited, as parent, Aston Martin Lagonda Limited, as original borrower, HSBC UK Bank plc, as arranger, HSBC Bank plc, as agent and U.S. Bank Trustees Limited, as security agent, in accordance with the U.K. Coronavirus Large Business Interruption Loan Scheme
“CMA”	United Kingdom Competition and Markets Authority
“CMA Condition”	has the meaning given to it in Part 6 (Terms and Conditions of the Strategic Cooperation)
“Collateral”	has the meaning given to it in paragraph 9.3.2 of Part 14 (Additional Information)
“Company”	Aston Martin Lagonda Global Holdings plc

"Consideration Shares"	the new Ordinary Shares to be issued by the Company to MBAG pursuant to the Strategic Cooperation Agreement
"Consolidated Shares"	the consolidated Ordinary Shares in the share capital of the Company in issue immediately following the completion of the Share Consolidation
"Consolidation Ratio"	the consolidation ratio used in connection with the Share Consolidation, to be determined by the Directors
"CREST Proxy Instruction"	the instruction to appoint a proxy or proxies through the CREST electronic proxy appointment service, as described in the Notice of General Meeting in the paragraph entitled "Appointment of Proxies Through CREST"
"Daimler"	Daimler AG
"Deferred Shares"	the deferred shares of £0.004039687 each in the capital of the Company arising as a result of the Subdivision
"Delayed Draw Notes Issuance"	the issuance of the $68,093,616 aggregate principal amount of 12.0% Delayed Draw Senior Secured Split Coupon Notes due 2022, issued by Aston Martin Capital Holdings Limited on 6 July 2020
"De-Listing"	has the meaning given to it in Part 7 (Terms and Conditions of the Warrants Issue)
"Directors"	the directors of the Company
"DSBP"	the Aston Martin Lagonda Deferred Share Bonus Plan 2018
"EPA"	United States Environmental Protection Agency
"Escrow Longstop Date"	has the meaning given to it in paragraph 9.3.2 of Part 14 (Additional Information)
"Executive Directors"	the executive directors of the Company
"Exercise Period"	has the meaning given to it in Part 7 (Terms and Conditions of the Warrants Issue)
"Existing Ordinary Shares"	the Ordinary Shares of £0.009039687 each in issue immediately prior to the Capital Reorganisation
"FCA" or "Financial Conduct Authority"	the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the FSMA
"FCO"	German Federal Cartel Office
"FCO Condition"	has the meaning given to it in Part 6 (Terms and Conditions of the Strategic Cooperation)
"Financing Transactions"	as announced by the Company on 27 October 2020 and 30 October 2020, the Group's (i) issuance of £259 million equivalent in aggregate principal amount of 15.00 per cent. second lien split coupon notes due 2026 at an issue price of 98%, together with detachable warrants to be issued by the

	Company with the right to subscribe for a number of its Ordinary Shares, which will represent five per cent. of the diluted issued share capital of the Company following the issuance of the Placing Shares and all Consideration Shares, (ii) issuance of £838 million equivalent in aggregate principal amount of first lien notes due 2025 and (iii) increase of the size and extension of the maturity of its revolving credit facility
"Form of Proxy"	the enclosed form to appoint a proxy in respect of the General Meeting
"Fractional Entitlements"	has the meaning given to it in section 3 of Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc)
"FSMA"	the Financial Services and Markets Act 2000, as amended
"GHG"	greenhouse gas
"Group"	the Company and its subsidiaries and subsidiary undertakings from time to time
"Guarantors"	has the meaning given to it in paragraph 9.3.2 of Part 14 (Additional Information)
"H1 2020 Financial Statements"	the unaudited condensed consolidated financial statements of the Company as of and for the six months ended 30 June 2020
"H1 2020 Results Press Release"	the press release issued by the Company on 29 July 2020 announcing the results for the six months ended 30 June 2020
"HLS"	high-luxury sport
"HNWI"	high net worth individual
"IFRS"	International Financial Reporting Standards, as adopted by the European Union
"Initial Warrantholders"	has the meaning given to it in section 3 of Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc)
"Institutional Placing Shares"	the new Ordinary Shares to be issued and allotted to institutional placees procured by Barclays, J.P. Morgan Cazenove and Deutsche Bank AG, London Branch pursuant to the terms of the Placing Agreement
"Intercreditor Agreement"	has the meaning given to it in paragraph 9.3.2 of Part 14 (Additional Information)
"Interim Shares"	the Ordinary Shares of £0.005 each in the share capital of the Company arising as a result of the Subdivision
"Inventory Repurchase Arrangement(s)"	has the meaning given to it in paragraph 9.3.10 of Part 14 (Additional Information)

"IP"	the Registered IP and other industrial or intellectual property rights (including certain confidential know-how, trade secrets, database rights and copyrights)
"IPO LTIP"	the awards described in "*Share-Based Incentive Plans*" in Part 8 (Terms and Conditions of the Capital Reorganisation)
"IT"	information technology
"Joint Global Co-ordinators"	Barclays Bank PLC and J.P. Morgan Cazenove, each in their capacity as joint global co-ordinator in respect of the Placing
"J.P. Morgan Cazenove"	J.P. Morgan Securities plc (which conducts its UK investment banking business as J.P. Morgan Cazenove)
"JPM Chase"	JPMorgan Chase Bank, N.A., London Branch
"JPM Europe"	J.P. Morgan Europe Limited
"June 2020 Placing"	the non-pre-emptive placing of 304,002,889 Ordinary Shares by the Company completed on 30 June 2020, representing approximately 19.99 per cent. of the Company's issued Ordinary Share capital at the time
"June 2020 Placing Agreement"	the placing agreement entered into between the Company, the Banks and Morgan Stanley & Co. International plc on 26 June 2020 in connection with the June 2020 Placing
"KWM"	KWM Commodities Trading (UK) Limited
"Latest Practicable Date"	13 November 2020
"Leverage Ratio"	has the meaning given to it in paragraph 9.3.7 of Part 14 (Additional Information)
"Liquidity Covenant"	has the meaning given to it in paragraph 9.3.7 of Part 14 (Additional Information)
"Listing Rules"	the listing rules of the FCA made under section 74(4) of the FSMA
"Lock-In Period"	has the meaning given to it in section 3 of Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc)
"London Stock Exchange"	London Stock Exchange plc
"LTIP"	the Aston Martin Lagonda Long-Term Incentive Plan 2018
"Main Market"	the London Stock Exchange's main market for listed securities
"Master Framework Agreement"	has the meaning given to it in paragraph 9.3.9 of Part 14 (Additional Information)
"Material Adverse Change"	any material adverse change in, or any development reasonably likely to result in a material adverse change in or affecting, the condition (financial, operational, legal or otherwise), shareholders' equity, earnings, results,

	management, business affairs, credit ratings, solvency, liquidity position, funding position or prospects of the Group taken as a whole, whether or not arising in the ordinary course of business
"MBAG"	Mercedes-Benz AG
"MBAG Entry Price"	has the meaning given to it in Part 6 (Terms and Conditions of the Strategic Cooperation)
"MBAG Lock-up"	has the meaning given to it in Part 6 (Terms and Conditions of the Strategic Cooperation)
"MBAG Relationship Agreement"	has the meaning given to it in section 2 of Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc)
"MBAG Technology"	has the meaning given to it in Part 6 (Terms and Conditions of the Strategic Cooperation)
"MPA"	has the meaning given to it in paragraph 9.3.10 of Part 14 (Additional Information)
"MSA"	has the meaning given to it in paragraph 9.3.10 of Part 14 (Additional Information)
"New Revolving Credit Facility Agreement"	has the meaning given to it in paragraph 9.3.7 of Part 14 (Additional Information)
"New Senior Secured Indenture"	has the meaning given to it in paragraph 9.3.2 of Part 14 (Additional Information)
"New Senior Secured Notes"	has the meaning given to it in paragraph 9.3.2 of Part 14 (Additional Information)
"NHTSA"	the U.S. National Highway Travel Safety Administration
"Non-Executive Directors"	the non-executive directors of the Company
"Note Issuer"	Aston Martin Capital Holdings Limited
"Official List"	the Official List of the FCA
"Operational Agreements"	has the meaning given to it in Part 6 (Terms and Conditions of the Strategic Cooperation)
"Ordinary Shares"	the ordinary shares in the capital of the Company from time to time, including, if the context requires, the Consideration Shares, the Placing Shares and, following completion of the Capital Reorganisation, the Consolidated Shares
"Original Rights Issue Prospectus"	the prospectus in relation to a rights issue and a placing of Ordinary Shares published by the Company on 27 February 2020
"PEG Principles"	the Statement of Principles on Disapplying Pre-emption Rights most recently published by the Pre-Emption Group
"Pensions Regulator"	the pensions regulator in the U.K.

"Permian"	Permian Investment Partners, LP
"Permian Irrevocable Undertaking"	has the meaning given to it in section 9.2.2 of Part 14 (Additional Information)
"Permian Placing Shares"	the Ordinary Shares to be issued and allotted to Permian pursuant to the Placing
"PFIC"	passive foreign investment company
"Phase 1 Technology"	has the meaning given to it in Part 6 (Terms and Conditions of the Strategic Cooperation)
"Phase 2 Technology"	has the meaning given to it in Part 6 (Terms and Conditions of the Strategic Cooperation)
"Phase 3 Technology"	has the meaning given to it in Part 6 (Terms and Conditions of the Strategic Cooperation)
"Placing"	(i) the placing of 190,000,000 Placing Shares, pursuant to the Placing Agreement, the Yew Irrevocable Undertaking and the Permian Irrevocable Undertaking to Yew Tree, Permian and institutional placees procured by Barclays, J.P. Morgan Cazenove and Deutsche Bank AG, London Branch; and (ii) the direct subscription for 60,000,000 Placing Shares by Zelon pursuant to the Zelon Irrevocable Undertaking
"Placing Agreement"	the placing agreement entered into on 27 October 2020 between the Company, Barclays, J.P. Morgan Cazenove and Deutsch Bank AG, London Branch setting out the terms of the Placing
"Placing Agreement Shares"	the Institutional Placing Shares, the Yew Tree Placing Shares and the Permian Placing Shares
"Placing Price"	the price at which the Placing Shares were placed, being £0.50 per share
"Placing Shares"	the 190,000,000 Ordinary Shares to be issued and allotted to Yew Tree, Permian and institutional placees procured by Barclays, J.P. Morgan Cazenove and Deutsche Bank AG, London Branch and the 60,000,000 Ordinary Shares to be issued and allotted to Zelon pursuant to its direct subscription under the terms of the Zelon Irrevocable Undertaking
"Prestige/SEIG Shareholder Group"	Prestige Motor Holdings S.A., Preferred Prestige Motor Holdings S.A. and Strategic European Investment Group S.a.r.l
"Prospectus Regulation"	the Prospectus Regulation (EU) 2017/1129 and amendments thereto
"Prospectus Regulation Rules"	the prospectus regulation rules of the FCA
"Q3 2020 Financial Statements"	the unaudited condensed consolidated financial statements of the Company as of and for the nine months ended 30 September 2020

"Q3 2020 Results and Strategic Announcement"	the press release issued by the Company on 27 October 2020 announcing the results for the nine months ended 30 June 2020, the Strategic Cooperation, the Financing Transactions and the Placing
"Qualifying Ordinary Shares"	each Existing Ordinary Share in the capital of the Company in issue at the Record Time
"Qualifying Shareholders"	the holders of Existing Ordinary Shares (other than treasury shares) on the register of members of the Company at the Record Time
"RDE"	Real-world Driving Emissions
"Receivables Finance Facility"	the trade finance facility available to the Group pursuant to certain agreements between, among others, Velocitas Funding DAC, J.P. Morgan Europe Limited, Wilmington Trust SP Services (Dublin) Limited, Aston Martin Lagonda Limited, the Company, JPMorgan Chase Bank, N.A., London Branch and Barclays Bank plc, dated 28 July 2020, as amended from time to time
"Receivables Revolving Senior Facility Agreement"	has the meaning given to it in paragraph 9.3.9 of Part 14 (Additional Information)
"Receivables Sale Agreement"	has the meaning given to it in paragraph 9.3.9 of Part 14 (Additional Information)
"Record Date"	record date for the Capital Reorganisation, being 6.00 p.m. on 11 December 2020
"Record Time"	the time (as determined by the Directors in their absolute discretion) at which the shareholder register will be assessed to ascertain which Shareholders are Qualifying Shareholders
"Reference Price"	has the meaning given to it in Part 6 (Terms and Conditions of the Strategic Cooperation)
"Registered IP"	the Group's registered intellectual property rights, including patents, registered trademarks and registered designs
"Related Party Transaction"	has the meaning given to it in section 3 of Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc)
"Resolutions"	the Capital Reorganisation Resolutions and Transaction Resolutions
"Restricted Transferee"	has the meaning given to it in Part 7 (Terms and Conditions of the Warrants Issue)
"Safety Act"	the United States National Traffic and Motor Vehicle Safety Act of 1966
"SAYE Plan"	the Group's all-employee sharesave plan
"Second Lien Indenture"	has the meaning given to it in paragraph 9.3.3 of Part 14 (Additional Information)

"Second Lien Notes"	has the meaning given to it in paragraph 9.3.3 of Part 14 (Additional Information)
"Senior Secured Notes"	the Group's existing Senior Secured Notes (as described in paragraph 9.3.1 of Part 14 (Additional Information)), which the Group plans to refinance in full as part of the Financing Transactions
"Share-Based Incentive Plans"	the LTIP, DSBP, SIP and SAYE Plan
"Share Consolidation"	the share consolidation pursuant to which the Company will replace every 20 Interim Shares with one Consolidated Share
"Shareholders"	the holders of Ordinary Shares in the capital of the Company
"Shareholder Irrevocable Undertakings"	the irrevocable undertakings entered into between the Company and each of: (i) Yew Tree, (ii) Prestige Motor Holdings S.A. and (iii) Preferred Prestige Motor Holdings S.A on 26 June 2020 in connection with the June 2020 Placing
"SIP"	the Group's all-employee share incentive plan
"Sponsor"	Barclays
"Strategic Competitor Termination Right"	has the meaning given to it in Part 6 (Terms and Conditions of the Strategic Cooperation)
"Strategic Cooperation"	the strategic cooperation arrangement, pursuant to the Strategic Cooperation Agreement, between the Company and MBAG, pursuant to which the Company will issue up to 458,942,744 Consideration Shares to MBAG in consideration for access to certain technology to be provided by MBAG
"Strategic Cooperation Agreement"	strategic cooperation agreement entered into on 27 October 2020 between the Company and MBAG setting out the terms of the Strategic Cooperation
"Subdivision"	the subdivision and re-designation of each Existing Ordinary Share into one Interim Share and one Deferred Share
"Subordinated Loan Agreement"	has the meaning given to it in paragraph 9.3.9 of Part 14 (Additional Information)
"Subscription Price"	has the meaning given to it in Part 7 (Terms and Conditions of the Warrants Issue)
"Subscription Rights"	has the meaning given to it in Part 7 (Terms and Conditions of the Warrants Issue)
"Supplementary Rights Issue Prospectus"	the supplementary prospectus published by the Company on 13 March 2020 supplementing the Original Rights Issue Prospectus
"Takeover Code"	the City Code on Takeovers and Mergers
"Takeover Panel"	the Panel on Takeovers and Mergers

"Tranche 1 Consideration Shares"	has the meaning given to it in Part 6 (Terms and Conditions of the Strategic Cooperation)
"Tranche 2 Consideration Shares"	has the meaning given to it in Part 6 (Terms and Conditions of the Strategic Cooperation)
"Tranche 3 Consideration Shares"	has the meaning given to it in Part 6 (Terms and Conditions of the Strategic Cooperation)
"Transaction"	the Strategic Cooperation and the Capital Reorganisation
"Transaction Resolutions"	Resolutions 1 to 6 to be proposed at the General Meeting in respect of the Strategic Cooperation, the Placing and the Warrants Issue
"UHNWI"	ultra high net worth individual
"UK"	the United Kingdom of Great Britain and Northern Ireland
"UNECE"	United Nations Economic Commission for Europe
"United States" or "US"	the United States of America, its territories and possessions, any State of the United States of America, and the District of Columbia
"US Securities Act"	United States Securities Act of 1933, as amended
"Velocitas Funding DAC"	Velocitas Funding Designated Activity Company
"Voting Instruction Form"	the enclosed voting instruction form in respect of the General Meeting
"Warrantholder Consent Resolution"	has the meaning given to it in Part 7 (Terms and Conditions of the Warrants Issue)
"Warrantholder"	has the meaning given to it in Part 7 (Terms and Conditions of the Warrants Issue)
"Warrants"	has the meaning given to it in section 1 of Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc)
"Warrant Instrument"	has the meaning given to it in section 3 of Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc)
"Warrant Shares"	has the meaning given to it in section 3 of Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc)
"Warrants Issue"	has the meaning given to it in section 1 of Part 5 (Letter from the Executive Chairman of Aston Martin Lagonda Global Holdings plc)
"Wholesale Finance Facility"	the trade finance facility agreement between Aston Martin Lagonda Limited, Aston Martin Lagonda of North America, Inc. and Standard Chartered Bank dated 31 May 2007, as amended from time to time

"Wilmington"	Wilmington Trust SP Services (Dublin) Limited
"Yew Tree"	Yew Tree Overseas Limited
"Yew Tree Consortium"	Yew Tree and Saint James Invest SA, J.C.B. Research, RRRR Investments LLC, John Idol, FrancInvest Holding Corporation, Omega Funds I Limited, John Idol and ErsteAM Ltd
"Yew Tree Consortium Directors"	Lawrence Stroll and Michael de Picciotto
"Yew Tree Irrevocable Undertaking"	has the meaning given to it in section 9.2.2 of Part 14 (Additional Information)
"Yew Tree Placing Shares"	the Ordinary Shares to be issued and allotted to Yew Tree pursuant to the Placing
"Zelon"	Zelon Holdings Inc.
"Zelon Irrevocable Undertaking"	has the meaning given to it in section 9.2.2 of Part 14 (Additional Information)
"Zelon Placing Shares"	the new Ordinary Shares to be issued and allotted to Zelon pursuant to the terms of the Zelon Irrevocable Undertaking

PART 17

Notice of General Meeting

Aston Martin Lagonda Global Holdings plc
(registered in England and Wales with registered number 11488166)

Notice is hereby given that a General Meeting of the Company will be held at 9.30 a.m. on 4 December 2020 at Banbury Road, Gaydon, Warwick, CV35 0DB to consider and, if thought fit, to pass the following resolutions.

Capitalised terms have the meanings ascribed to them in *Part 16—Definitions and Glossary*.

ORDINARY RESOLUTION

Authority to implement the Strategic Cooperation and allot the Consideration Shares

1. **THAT**:

   (a) the proposed Strategic Cooperation, substantially on the terms and subject to the conditions contained in the Strategic Cooperation Agreement between the Company and MBAG, be and is hereby approved, subject to such amendments, variations or waivers (provided such amendments, variations or waivers are not of a material nature) of the terms and conditions thereof as the Directors, shall, in their absolute discretion, think fit and subject to the foregoing, that the Directors be and are hereby authorised to take all necessary steps and to execute all documents and deeds as they may consider to be necessary, desirable or expedient to conclude, implement and give effect to the Strategic Cooperation or in connection therewith;

   (b) the Directors be generally and unconditionally authorised pursuant to section 551 of the UK Companies Act 2006 to exercise all of the powers of the Company to allot Ordinary Shares in the Company up to a maximum of 458,942,744 Consideration Shares (with an aggregate nominal amount of circa £4,148,698.76), if issued prior to completion of the Capital Reorganisation, or 22,947,138 Consideration Shares (with an aggregate nominal amount of circa £2,294,713.80), if issued following such completion, pursuant to or in connection with the Strategic Cooperation, for a period expiring (unless renewed, varied or revoked by the Company in general meeting) five years from the date on which this resolution is passed; and

   (c) the Directors be generally and unconditionally authorised pursuant to section 551 of the UK Companies Act 2006 to make an offer or agreement in connection with the Strategic Cooperation which would or might require Consideration Shares to be allotted after expiry of this authority and the Directors may allot Consideration Shares in pursuance of that offer or agreement as if this authority had not expired.

ORDINARY RESOLUTION

Authority to allot the Placing Shares

2. **THAT** the Directors be generally and unconditionally authorised pursuant to section 551 of the UK Companies Act 2006 to:

   (a) exercise all of the powers of the Company to allot and issue Ordinary Shares in the Company, up to a maximum of 250,000,000 Existing Ordinary Shares (being an aggregate nominal amount of circa £2,259,921.75) pursuant to or in connection with the Placing, for a period expiring (unless renewed, varied or revoked by the Company in general meeting) at the end of the next AGM of the Company after the date on which this resolution is passed; and

   (b) make an offer or agreement in connection with the Placing which would or might require Ordinary Shares to be allotted, or rights to subscribe for or convert any security into Ordinary Shares to be granted, after expiry of this authority and the Directors may allot Ordinary Shares and grant rights in pursuance of that offer or agreement as if this authority had not expired.

SPECIAL RESOLUTION

Authority to disapply pre-emption rights in connection with the Placing

3. **THAT**, subject to and conditional upon Resolution 2 being passed, the Directors be empowered pursuant to sections 571 of the UK Companies Act 2006 to allot equity securities (as defined in section 560 of the UK Companies Act 2006) of the Company pursuant to the authority conferred by Resolution 2 for cash as if section 561 of the UK Companies Act 2006 did not apply to any such allotment, such power to be limited to the allotment of equity securities pursuant to the authority conferred by Resolution 2 up to an aggregate nominal amount of £2,259,921.75, such power to apply until the conclusion of the next AGM of the Company, but so that the Company may, before such expiry, make offers and enter into agreements which would, or might, require equity securities to be allotted after the power given by this resolution has expired.

ORDINARY RESOLUTION

Related party transaction

4. **THAT**, subject to and conditional upon Resolutions 2 and 3 being passed, the subscription by Yew Tree of 40,000,000 Ordinary Shares pursuant to the Placing, which constitutes a related party transaction pursuant to the Listing Rules by reason of Yew Tree being a related party because it is a substantial shareholder in the Company (being a party which is entitled to exercise 10 per cent. or more of the Company's votes able to be cast on all or substantially all of the matters at general meetings of the Company), be and is hereby approved.

ORDINARY RESOLUTION

Authority to allot in respect of the Warrants Issue

5. **THAT** the Directors be generally and unconditionally authorised pursuant to section 551 of the UK Companies Act 2006 to:

   (a) exercise all of the powers of the Company to issue warrants to subscribe for Ordinary Shares in the Company, up to a maximum of 126,647,852 Existing Ordinary Shares if issued prior to completion of the Capital Reorganisation, or 6,332,393 Consolidated Shares, if issued following such completion (being in each case an aggregate nominal amount of circa £1,144,856.94) pursuant to or in connection with the Warrants Issue, for a period expiring (unless renewed, varied or revoked by the Company in general meeting) at the end of the next AGM of the Company after the date on which this resolution is passed; and

   (b) make an offer or agreement in connection with the Warrants Issue which would or might require Ordinary Shares to be allotted, or rights to subscribe for or convert any security into Ordinary Shares to be granted, after expiry of this authority and the Directors may allot Ordinary Shares and grant rights in pursuance of that offer or agreement as if this authority had not expired.

SPECIAL RESOLUTION

Authority to disapply pre-emption rights in connection with the Warrants Issue

6. **THAT**, subject to and conditional upon Resolution 5 being passed, the Directors be empowered pursuant to sections 571 of the UK Companies Act 2006 to allot equity securities (as defined in section 560 of the UK Companies Act 2006) of the Company pursuant to the authority conferred by Resolution 5 for cash as if section 561 of the UK Companies Act 2006 did not apply to any such allotment, such power to be limited to the allotment of equity securities pursuant to the authority conferred by Resolution 5 up to an aggregate nominal amount of £1,144,856.94, such power to apply until the conclusion of the next AGM of the Company, but so that the Company may, before such expiry, make offers and enter into agreements which would, or might, require equity securities to be allotted after the power given by this resolution has expired.

ORDINARY RESOLUTION

Subdivision and consolidation of shares

7. **THAT,** subject to and conditional on the admission of the Consolidated Shares to listing on the premium listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange becoming effective:

   (a) in accordance with section 618 of the UK Companies Act 2006, every Existing Ordinary Share in issue at the Record Time shall be subdivided and re-designated, and then consolidated, as follows:

      i. each Existing Ordinary Share in the issued share capital of the Company at the Record Time is subdivided and re-designated into one ordinary share of £0.005 (each such share an "Interim Share") and a deferred share of £0.004039687 (each such share a "Deferred Share"), where (A) the rights attaching to the Interim Shares (including voting and dividend rights and rights on a return of capital) will be identical in all respects to those of the Existing Ordinary Shares, and (B) the Deferred Shares will have the following rights and restrictions:

         1. On a winding-up or other return of capital, the Deferred Shares shall entitle the holders of the shares to receive an amount equal to their nominal value in priority to any further distributions on the Ordinary Shares once the sum of £1,000,000 has been distributed on each Ordinary Share.

         2. The Deferred Shares shall not entitle the holders of such shares to receive any dividend or other distribution (other than pursuant to 1 above) or to receive notice of, or to attend, speak or vote at, any general meeting of the Company.

         3. No Deferred Share shall:

            a. save as provided below, be transferable other than with the prior written consent of the Directors and the Directors shall have the right to refuse to register any transfer undertaken without their prior written consent; or

            b. entitle its holder to receive a share certificate in respect of such shareholding, save as required by law.

         4. The Company shall have an irrevocable authority from each holder of Deferred Shares at any time to do all or any of the following without obtaining the sanction of the holder or holders of the Deferred Shares:

            a. to appoint any person to execute on behalf of any holder of Deferred Shares a transfer of all or any of those shares and/or an agreement to transfer the same (without making any payment for them) to such person or persons as the Company may determine and to execute any other documents which such person may consider necessary or desirable to effect such transfer, in each case without obtaining the sanction of the holder(s) and without any payment being made in respect of such acquisition;

            b. to purchase all or any of the shares without obtaining the consent of the holders of those shares in consideration for an amount not exceeding £1.00 in respect of all of the Deferred Shares then being purchased, and:

               i. for the purposes of any such purchase, to appoint any person to execute an instrument of transfer in respect of such shares to the Company on behalf of any holder of Deferred Shares; and

               ii. to cancel all or any of the Deferred Shares purchased.

         5. The reduction of capital paid up on the Deferred Shares and/or the creation or issue of further shares in the capital of the Company ranking in priority

for payment of a dividend or in respect of capital or which confer on the holders voting rights more favourable than those conferred by the Deferred Shares shall be deemed not to vary or abrogate the rights attaching to the Deferred Shares.

ii. every 20 Interim Shares shall then immediately be consolidated into one Consolidated Share of £0.10 in accordance with the Consolidation Ratio of 20 to one, where the rights attaching to the Consolidated Shares (including voting and dividend rights and rights on a return of capital) will be identical in all respects to those of the Existing Ordinary Shares,

provided that, where such subdivision, re-designation and consolidation results in any shareholder being entitled to a fraction of a Consolidated Share, such fraction shall, so far as possible, be aggregated with the fractions of a Consolidated Share to which other Shareholders may be entitled;

(b) the Directors be and are hereby authorised in accordance with the Company's articles of association (Article 46) to deal with such fractions as they shall decide, to sell (or appoint any other person to sell), on behalf of all the relevant shareholders, all the Consolidated Shares representing such fractions at the best price reasonably obtainable to any person, and to distribute the proceeds of sale (net of expenses) in due proportion among the relevant Shareholders entitled thereto (save that any fraction of a penny shall be rounded up or down in accordance with the usual practice of the registrar of the Company and save that the proceeds of any fractional entitlement of less than £5 will be retained by the Company);

(c) the Directors be and are hereby authorised to determine at their absolute discretion the Record Date and Record Time by reference to which any such consolidation shall take place; and

(d) any Director (or any person appointed by the Directors) shall be and is hereby authorised to execute an instrument of transfer in respect of such shares on behalf of the relevant shareholders and to do all acts and things the Directors consider necessary or expedient to effect the transfer of such shares to, or in accordance with the directions of, any buyer of any such shares.

ORDINARY RESOLUTION

Authority to allot shares

8. **THAT**, subject to and conditional upon Resolution 7 being passed and the Capital Reorganisation completing, the Directors be hereby generally and unconditionally authorised pursuant to section 551 of the UK Companies Act 2006 to allot Ordinary Shares of £0.10 each in the Company and to grant rights to subscribe for or to convert any security into Ordinary Shares of £0.10 each in the Company:

(a) up to an aggregate nominal amount of £1,010,000.19; and

(b) comprising equity securities (as defined in the UK Companies Act 2006) up to an aggregate nominal amount of £3,480,000 (including within such limit any shares issued or rights granted under paragraph 8(a) above) in connection with an offer by way of a rights issue to:

i. holders of Ordinary Shares of £0.10 each in the capital of the Company in proportion (as nearly as may be practicable) to their existing holdings; and

ii. holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory, or any matter whatsoever, provided that this authority shall apply until the conclusion of the Company's AGM to be held in 2021 (or, if earlier, 2 September 2021), but in each case, so that the Company may make offers or enter into any agreements during the relevant period which would, or might, require relevant securities to be allotted after the authority expires and the Directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTION

Authority to disapply pre-emption rights

9. **THAT**, subject to and conditional upon Resolutions 7 and 8 being passed and the Capital Reorganisation completing, the Directors be hereby generally empowered pursuant to sections 570 and 573 of the UK Companies Act 2006 to allot equity securities (within the meaning of the UK Companies Act 2006) for cash under the authority given by Resolution 8 and/or to sell Ordinary Shares held by the Company as treasury shares for cash as if section 561 of the UK Companies Act 2006 did not apply to any such allotment or sale, provided that the power shall be limited to:

   (a) the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under Resolution 8(b), by way of a rights issue only) to:

      i. holders of Consolidated Shares in proportion (as nearly as may be practicable) to their existing holdings; and

      ii. holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities,

   and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory, or any matter whatsoever; and

   (b) in the case of the authority granted under Resolution 8(a), the allotment (otherwise than under paragraph (a) above) of equity securities or sale of treasury shares for cash up to an aggregate nominal amount of £327,228.09, being just under 3.59 per cent. of the Company's issued share capital as the Latest Practicable Date.

Such power shall apply until the conclusion of the AGM to be held in 2021 (or, if earlier, 2 September 2021) but, during this period, the Company may make offers and enter into agreements which would or might require equity securities to be allotted (and treasury shares to be sold) after the power ends, and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTION

Additional authority to disapply pre-emption rights

10. **THAT**, subject to and conditional upon Resolutions 7 and 8 being passed and the Capital Reorganisation, and in addition to the power granted to them under Resolution 9, the Directors be hereby generally empowered pursuant to sections 570 and 573 of the UK Companies Act 2006 to allot equity securities (within the meaning of the UK Companies Act 2006) for cash, pursuant to the authority conferred by Resolution 8(a) as if section 561 of the UK Companies Act 2006 did not apply to the allotment, provided that the power shall:

   (a) be limited to the allotment of equity securities for cash up to an aggregate nominal amount of £379,999.88; and

   (b) be used only for the purposes of financing (or refinancing, if the power is used within six months of the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the PEG Principles; and

(c) apply until the conclusion of the AGM to be held in 2021 (or, if earlier, 2 September 2021) but, during this period, the Company may make offers and enter into agreements which would or might require equity securities to be allotted (and treasury shares to be sold) after the power ends, and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTION

Authority to purchase own shares

11. **THAT**, subject to and conditional upon Resolution 7 being passed and the Capital Reorganisation completing, the Company be hereby generally and unconditionally authorised pursuant to section 701 of the UK Companies Act 2006 to make market purchases (as defined in section 693(4) of the UK Companies Act 2006) of Ordinary Shares of £0.10 each provided that:

(a) the maximum number of Ordinary Shares which may be purchased is 7,600,000.00, being approximately 8.33 per cent. of the Company's issued share capital as at the Latest Practicable Date;

(b) the minimum price (excluding stamp duty and expenses) which may be paid for each such share is £0.10;

(c) the maximum price (excluding stamp duty and expenses) which may be paid for each such share is the higher of:

i. an amount equal to 5 per cent. above the average of the middle market quotations for a Share as derived from the London Stock Exchange Daily Official List for the five Business Days immediately preceding the day on which the relevant Share is purchased; and

ii. the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venues where the purchase is carried out; and

(d) the authority hereby conferred shall apply until the conclusion of the Company's AGM to be held in 2021 (or, if earlier, 2 September 2021) (except in relation to the purchase of shares the contracts for which are concluded before such expiry and which are executed wholly or partly after such expiry), unless such authority is renewed prior to such time.

By Order of the Board

Catherine Sukmonowski
Company Secretary

18 November 2020
Aston Martin Lagonda Global Holdings plc
Registered office:
Banbury Road
Gaydon
Warwick
CV35 0DB
United Kingdom

Registered in England and Wales
Registered Number: 11488166

Explanatory Notes Relating to the Notice of the General Meeting

ATTENDING AND VOTING

1. In light of the COVID-19 outbreak, the Board takes the wellbeing of the Company's employees and Shareholders very seriously. The Government has introduced measures to deal with the coronavirus crisis which include guidance on social distancing and restrictions on non-essential travel and public gatherings, which affect the manner in which the General Meeting can be conducted. The Board regrets that to ensure the safety of Shareholders, Shareholders are not permitted to attend the General Meeting in person. Any person attempting to attend the General Meeting in person will be refused admission. In order to comply with relevant requirements, the General Meeting will be convened with the minimum necessary quorum. This will be facilitated by the Company. Arrangements are expected to be made to provide a listen-only audio facility for the General Meeting to allow Shareholders to listen to the proceedings remotely given that they will be unable to attend in person. Please note that during the General Meeting, Shareholders participating through the audio facility will not be able to ask questions or vote. Further details in relation to these arrangements will be made available on the Group's website at www.astonmartinlagonda.com prior to the General Meeting.

2. To be entitled to vote at the General Meeting (and for the purpose of determining the number of votes they may cast), Shareholders must be entered on the Company's register of members at 6.30 p.m. on 2 December 2020 (or in the case of an adjournment, at the close of business on the date which is two Business Days before the time of the adjourned meeting). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to vote at the General Meeting.

3. In accordance with LR 11.1.7 of the Listing Rules, neither Yew Tree nor any of its associates (as defined in the Listing Rules) will be entitled to vote on Resolution 4.

4. All resolutions at the General Meeting will be decided by poll. The Directors believe a poll is more representative of Shareholders' voting intentions because Shareholders' votes are counted according to the number of Ordinary Shares held and all votes tendered are taken into account. As Shareholders are not permitted to attend the General Meeting for their own safety, Shareholders will not be able to vote in person and Shareholders are strongly encouraged to vote on all Resolutions in advance of the General Meeting by completing the Form of Proxy or appointing a proxy electronically if they hold their shares directly, or by submitting an electronic voting instruction using the information supplied in the Voting Instruction Form if they are a participant in the AML Nominee Service, in each case as early as possible, and, in any event, in advance of the General Meeting. As Shareholders are not permitted to attend, Shareholders should appoint the Chair of the General Meeting (and not any named individual as they will not be able to attend the meeting) to act as their proxy, otherwise their votes will be incapable of being cast. As soon as practicable following the General Meeting, the results of the voting at the General Meeting will be announced through a Regulatory Information Service and will appear on our website www.astonmartinlagonda.com as soon as possible thereafter.

SHAREHOLDERS' RIGHT TO ASK QUESTIONS

5. In light of the COVID-19 outbreak and the Government's measures, arrangements have been made to provide a listen-only audio facility for the General Meeting to allow Shareholders to listen to the proceedings remotely given that they will be unable to attend in person. Please note that during the General Meeting, Shareholders participating through the audio facility will not be able to ask questions or vote. Further details in relation to these arrangements will be made available on our website www.astonmartinlagonda.com prior to the General Meeting.

6. The Company has set up a dedicated electronic mailbox for Shareholders to ask written questions of the Board relating to the business to be conducted at the General Meeting. Shareholders should send their questions to company.secretary@astonmartin.com by no later than 9.30 a.m. on 1 December 2020, stating their name and Shareholder Reference Number (as printed on the Form of Proxy). The Company will collate the questions received and will endeavour to provide answers in advance of the proxy voting deadline at 9.30 a.m. on 2 December 2020 on the Company's website at www.astonmartinlagonda.com. The Company will ensure that any question relating to the business being dealt with at the General Meeting is answered, but in accordance with section 319A of the UK Companies Act 2006, the Company is not required to answer questions if: (i) doing so would interfere unduly with the preparation on the General Meeting or involve the disclosure of confidential information; (ii) the answer has already been given on the Company's website in the form of an answer to another question; or (iii) if it is undesirable in the interests of the Company or the good order of the General Meeting that that the question be answered.

APPOINTMENT OF PROXIES

7. Any Shareholder of the Company is entitled to appoint a proxy to exercise all or any of their rights to vote on their behalf at the General Meeting.

8. Under normal circumstances, a Shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder. However, given that Shareholders are not permitted to attend the General Meeting, Shareholders are encouraged to appoint only the Chair of the General Meeting as their proxy rather than appointing a named person(s) who will not be permitted to attend the meeting.

9. When appointed as proxy, the Chair of the General Meeting will cast Shareholder votes as directed by the relevant Shareholder(s). If no voting indication is given, a proxy (and when appointed as proxy, the Chair of the General Meeting) may vote as he thinks fit on the Resolutions or on any other business (including amendments to Resolutions) which may come before the meeting. Please note that a "vote withheld" (as it appears on the Form or Proxy or Voting Instruction Form) is not a vote in law and will not be counted in the calculation of the proportion of votes 'for' or 'against' a Resolution.

COMPLETION OF A PROXY FORM

10. A Proxy Form which may be used to make such appointment and to give proxy instructions accompanies this Notice. If you do not have a Proxy Form and believe that you should have one, or if you require additional forms, please contact Equiniti on 0330 123 0041. Lines are open 9.00am to 5.00pm, Monday to Friday (excluding public holidays in England and Wales). The Equiniti overseas helpline number is +44 (0)330 123 0041.

11. Please send the completed proxy form to Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA. To lodge a proxy online, please visit www.sharevote.co.uk and follow the instructions provided. To be valid, the Proxy Form or other instrument appointing a proxy must be received by the Company's Registrar, Equiniti, by no later than 9.30 a.m. on 2 December 2020.

12. In the case of a member which is a company, a Proxy Form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

13. Any power of attorney or any other authority under which the Proxy Form is signed (or a duly certified copy of such power or authority) must be included with the Proxy Form.

14. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

15. If more than one valid proxy appointment is submitted, the appointment received last before the latest time for the receipt of proxies will take precedence.

APPOINTMENT OF PROXIES THROUGH CREST

16. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

17. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Equiniti (ID RA19) by 9.30 a.m. on 2 December 2020. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

18. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The CREST Manual can be reviewed at www.euroclear.com.

19. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

NOMINATED PERSONS

20. Any person to whom this Notice is sent who is a person nominated under section 146 of the UK Companies Act 2006 to enjoy information rights (a ***Nominated Person***) may, pursuant to an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, pursuant to any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

21. The statement of the rights of Shareholders in relation to the appointment of proxies in paragraphs 7 and 8 on the previous page does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.

22. If you have been nominated to receive general shareholder communications directly from the Company, it is important to remember that your main contact in terms of your investment remains the registered Shareholder or

custodian or broker who administers the investment on your behalf. Therefore, any changes or queries relating to your personal details and holding (including any administration) must continue to be directed to your existing contact at your investment manager or custodian. The Company cannot guarantee to deal with matters that are directed to it in error. The only exception to this is where the Company, in exercising one of its powers under the UK Companies Act 2006, writes to you directly for a response.

CORPORATE REPRESENTATIVES

23. Any corporate Shareholder may appoint one or more corporate representative(s) who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

SHAREHOLDERS' RIGHTS

24. Shareholders should note that, on a request made by Shareholders of the Company pursuant to section 527 of the UK Companies Act 2006, the Company may be required to publish on a website a statement setting out any matter relating to:

    i. the audit of the Company's accounts (including the Auditors' report and the conduct of the audit) that are to be laid before the General Meeting; or

    ii. any circumstance connected with the Auditors ceasing to hold office since the previous meeting at which annual reports and accounts were laid in accordance with section 437 of the UK Companies Act 2006.

    The Company may not require the Shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 (requirements as to website availability) of the UK Companies Act 2006. Where the Company is required to place a statement on a website pursuant to section 527 of the UK Companies Act 2006, it must forward the statement to the Auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the General Meeting for the relevant financial year includes any statement that the Company has been required pursuant to section 527 of the UK Companies Act 2006 to publish on a website.

ISSUED SHARE CAPITAL AND TOTAL VOTING RIGHTS

25. As at the Latest Practicable Date, the Company's issued share capital (excluding treasury shares) consists of 1,824,014,450 Ordinary Shares, carrying one vote each. Therefore, the total voting rights in the Company as at the Latest Practicable Date are 1,824,014,450.

ELECTRONIC COMMUNICATION

26. Shareholders may at any time choose to receive all shareholder documentation in electronic form via the internet, rather than through the post in paper format. Shareholders who decide to register for this option will receive an email each time a statutory document is published on the internet. Shareholders who wish to receive documentation in electronic form should contact the Company's Registrar, Equiniti, or visit www.shareview.co.uk and register for the electronic communications service. Any electronic address provided either in this Notice or any related documents (including the Proxy Form) may not be used to communicate with the Company for any purposes other than those expressly stated.

27. A copy of this notice, and other information required by s311A of the UK Companies Act 2006, can be found at www.astonmartinlagonda.com.

Donnelley Financial Solutions 254886