6 May 2021

Aston Martin Lagonda Global Holdings plc

First quarter results for the three months to 31 March 2021

- Q1 trading in line with expectations
- Successfully completed supply to demand rebalance for GT/Sport
- Excellent progress with Project Horizon transformation plan

£m	Q1 2021	Q1 2020[3]	*% change*
Total wholesale volumes[1]	1,353	578	134%
Revenue	224.4	88.8	153%
Adjusted EBITDA[2]	20.7	(38.1)	n.m.
Adjusted operating loss[2]	(15.3)	(67.0)	n.m.
Operating loss	(15.3)	(67.9)	n.m.
Loss before tax	(42.2)	(110.1)	n.m.
Net debt[2]	(722.9)	(956.1)	

[1] Number of vehicles including specials; [2] For definition of alternative performance measures please see Appendix; [3] Relevant 2020 comparatives have been restated throughout this document for the correction of an error as reported in the 2020 Interim Financial Statements (29 July 2020)

Financial highlights

- Wholesales[1] more than doubled as delivered to meet demand, DBX represented 55% of units
- Revenue increased 153% to £224m principally due to wholesale growth and stronger pricing dynamics as dealer GT/Sport stock reduced as planned
- Adjusted EBITDA of £21m with 9% margin reflecting improved trading and some initial cost efficiency benefits; Operating loss includes D&A increase year-on-year, as guided, reflecting expanded core range
- Positive free cashflow[2] of £24m includes a working capital inflow of £49m, capital expenditure of £48m as invest in future product pipeline and reflects timing of interest payments
- Improved cash position of £575m (December 2020: £489m) included £77m gross proceeds from new notes issued in March; Net debt of £723m (December 2020: £727m)

Project Horizon transformation well underway

- Successfully achieved rebalance of GT/Sport supply to demand, earlier than originally planned
- Vantage F1® edition well received by customers, first of more than 10 new vehicles to be launched by 2023; DBX derivative on track for Q3
- Initial manufacturing efficiencies actioned improving performance at both Gaydon and St Athan, benefits to build through 2021
- Aston Martin Valkyrie and V12 Speedster assembly relocated to Gaydon, consolidating all sports manufacturing in one location; Aston Martin Valkyrie on track for first deliveries in H2
- Strengthened European dealer network including key new appointment in Germany
- Leadership team enhanced further with experienced hires in both commercial and technical functions
- Aston Martin Cognizant Formula One™ Team driving brand awareness; digital reach of c.135m in first week for AMR21 launch and increased website traffic

[1] Company sales to dealers (some Specials are direct to customer)
[2] Operating cashflow less capital investment and net cash interest; note cash interest payments are in Q2 and Q4

Lawrence Stroll, Executive Chairman commented:

"I am delighted with the great progress we are making as demonstrated by the results we are reporting today which mark the first steps towards achieving our medium-term targets. Our new team is assembled and focused on executing our exciting plans. My co-investors and I are very confident in the future success and potential for Aston Martin as we transform the Company to be one of the greatest luxury car brands in the world."

Tobias Moers, Chief Executive Officer commented:

"I am pleased with our performance in the first three months of the year, delivering results in-line with our expectations of good growth and progress on the path to improved profitability and cash generation. Dealer inventory for GT/Sport is now at our ideal levels, earlier than originally planned and supporting stronger pricing dynamics. We are encouraged by the growth in orders for both GT/Sport and DBX, providing good visibility.

Project Horizon, our plans driving growth, agility and efficiency throughout every aspect of the Company, continues apace. In addition, our technical teams are focused on creating the future for our compelling products and the path to our first battery electric vehicle mid-decade as we develop our innovative product pipeline for front and mid-engine programmes and SUVs with a clear focus on electrification.

Today's results signal our progress to date, underpinning our confidence in delivering our transformational growth plans to create a world-class, self-sustaining luxury automaker."

Outlook

The significant progress we are making to transform Aston Martin underpins our confidence in delivering our medium-term plans and targets. By 2024/25:

- c.10,000 wholesales, c.£2bn revenue and c.£500m adjusted EBITDA
- Annual capex and R&D £250m-£300m

This year, the first full year of the plan, is expected to deliver the first steps towards improved profitability.

The uncertainty surrounding the duration and impact of the pandemic on the global economy continues, with the pace of emergence from lockdown and recovery in consumer demand varying significantly across geographies. However, with Q1 trading in-line with our expectations and good forward visibility for both GT/Sport and DBX, our expectations and guidance for 2021, remain unchanged.

- 2021 guidance unchanged[3]
  - Wholesales c. 6,000
  - Adjusted EBITDA margin mid-teens %
    - Adjusted EBITDA is expected to be heavily weighted to the second half and particularly Q4 given the timing of Specials
  - CAPEX and R&D c. £250m-£275m
  - Depreciation and amortisation c. £240m-£250m
  - Interest costs[3,4] c. £145m (P&L) / c. £120m (cash)

The financial information contained herein is unaudited.

All metrics and commentary in this announcement exclude adjusting items unless stated otherwise and certain financial data within this announcement have been rounded.

[3] Updated to reflect additional $98.5m bond issue in February 2021 and current exchange rates (originally c. £155m (P&L)/ c.£120m (cash)). Note: interest payments are made in Q2 and Q4

[4] Assuming current exchange rates prevail for FY 2021

Enquiries

Investors and Analysts		
Charlotte Cowley	Director of Investor Relations	+44 (0)7771 976764 charlotte.cowley@astonmartin.com
Brandon Henderson	Senior Manager, Investor Relations	+44 (0)7585 326704 brandon.henderson@astonmartin.com
Media		
Kevin Watters	Director of Communications	+44 (0)7764 386683 kevin.watters@astonmartin.com
Grace Barnie	Corporate Communications Manager	+44 (0)7880 903490 grace.barnie@astonmartin.com
Tulchan Communications		
Harry Cameron and Simon Pilkington		+44 (0)20 7353 4200

- There will be a call for investors and analysts today at 08:30am
- The conference call can be accessed live via the corporate website https://www.astonmartinlagonda.com/investors/calendar
- A replay facility will be available on the website later in the day
- Interim Results for the six months to 30 June 2021 will be announced on 28 July 2021

Q1 FINANCIAL REVIEW

Income statement

First quarter revenues more than doubled, increasing 153% to £224m (Q1 2020: £89m), driven mainly by increased wholesales along with improved price dynamics.

Total wholesales also more than doubled, increasing 134% to 1,353 units, and included one Special compared with no Specials in Q1 2020, DBX represented 55% of the mix. Geographically, China and the Americas were the strongest markets. The UK lockdown significantly disrupted dealer operations, but the market still delivered 19% growth year-on-year.

Wholesale average selling price (ASP) improved significantly with positive geographic mix, given China strength, and a lower impact from customer and retail financing support, as the GT/Sports de-stocking process completed. Total ASP was £151k and core was £149k (Q1 2020 total/core: £113k).

Adjusted EBITDA was £21m with a margin of 9% (Q1 2020: £(38)m). The operating loss of £15m (Q1 2020: £68m) included higher depreciation and amortisation charges (up £7m year-on-year) principally due to start of DBX production in H2 2020; a benefit from reduced customer and retail financing support offsetting a mix headwind; some initial benefits of cost efficiency actions with lower headcount year-on-year and an FX benefit of £6m.

Net financing costs of £27m were down from £42m in the prior year. The charge reflected interest on the £1.1bn equivalent notes issued in October 2020 as part of the re-financing and the new £70m equivalent notes issued in March 2021. The net charge also included an FX benefit of £5m (Q1 2020 included a £17m FX headwind) given the US dollar denomination of the notes and a £5m adjusting finance credit due to fair value movements of outstanding warrants. The loss before tax was £42m (Q1 2020: £110m).

The effective tax rate for the quarter was 1%, lower than the prior year principally due to a corporate interest rate restriction (relating to the tax treatment of interest costs) (Q1 2020: 15%).

Cash flow and net debt

Net cash inflow from operating activities was £72m (Q1 2020: £4m outflow), driven primarily by a working capital inflow of £49m. The largest driver was a £31m receivables inflow as the build to order strategy normalised delivery cadence through the quarter and an £11m increase in the deposit balance.

Capital expenditure was £48m with investment expected to increase through the year focused on DBX derivatives and development of the future product pipeline including full refreshes of front-engine products and the mid-engine programmes.

Positive free cashflow of £24m; (Q1 2020: £(93)m), reflected improved trading performance, working capital inflow and planned capital expenditure phasing. Cash at 31 March 2021 was £86m higher at £575m (31 December 2020: £489m) including £77m gross proceeds from the new $98.5m note issuance completed in March. Interest on all outstanding notes is paid in Q2 and Q4.

Net debt of £723m was down from £727m at 31 December 2020.

APPENDICES

Wholesale number of vehicles

	Q1 2021	Q1 2020	*Change*
Total	**1,353**	**578**	*134%*
Core (excluding Specials)	1,352	578	*134%*
By region:			
UK	272	229	*19%*
Americas	431	107	*303%*
EMEA ex. UK	284	148	*92%*
APAC	366	94	*289%*
By model:			
Sport	312	188	*66%*
GT	289	382	*(24%)*
SUV	746	-	*n.m.*
Other	5	8	*(38%)*
Specials	1	-	*100%*

Note: Sport includes Vantage, GT includes DB11 and DBS Superleggera, SUV includes DBX and Other includes prior generation models

Summary Income Statement

£m	Q1 2021	Q1 2020[4]
Revenue	**224.4**	**88.8**
Cost of sales	(161.1)	(74.5)
Gross profit	**63.3**	**14.3**
Gross margin %	*28.2%*	*16.1%*
Operating expenses[1]	(78.6)	(81.3)
of which depreciation & amortisation	*36.0*	*28.9*
Adjusted operating (loss)[2]	**(15.3)**	**(67.0)**
Adjusting operating items	-	(0.9)
Operating (loss)	**(15.3)**	**(67.9)**
Net financing expense	(26.9)	(42.2)
of which adjusting financing income	*5.4*	-
Loss before tax	**(42.2)**	**(110.1)**
Taxation	0.4	16.3
Loss for the period	**(41.8)**	**(93.8)**
Adjusted EBITDA[1,2]	**20.7**	**(38.1)**
Adjusted EBITDA margin	*9.2%*	*n.m.*
Adjusted (loss) before tax[1]	**(47.6)**	**(109.2)**
EPS (pence) [3]	(36.8)	(215.3)
Adjusted EPS (pence) [2,3]	**(40.7)**	**(213.3)**

1 Excludes adjusting items; 2 Alternative Performance Measures are defined in the Appendix; 3 EPS has been restated in the comparative period to reflect the 20:1 share consolidation in December 2020; 4 Relevant 2020 comparatives have been restated throughout this document for the correction of an error as reported in the 2020 Interim Financial Statements (29 July 2020)

Summary Cash Flow

£m	Q1 2021	Q1 2020
Cash generated from/(used in) operating activities	72.2	(4.1)
Capital expenditure	(47.6)	(85.1)
Net cash interest paid	(0.4)	(3.3)
Free cash inflow/(outflow)	**24.2**	**(92.5)**
Cash inflow from financing activities (excl. interest)	64.4	160.6
Increase in net cash	**88.6**	**68.1**
Effect of exchange rates on cash and cash equivalents	(2.6)	(4.3)
Cash balance	**575.4**	**171.7**

Net Debt Overview

£m	31-Mar-21	31-Dec-20	31-Mar-20
Loan notes	(1,040.5)	(965.0)	(871.2)
Inventory financing	(39.0)	(38.2)	(39.7)
Bank loans and overdrafts	(118.6)	(119.8)	(116.5)
Lease liabilities (IFRS 16)	(101.7)	(103.0)	(109.4)
Gross debt	**(1,299.8)**	**(1,226.0)**	**(1,136.8)**
Cash balance	575.4	489.4	171.7
Cash not available for short term use	1.5	9.9	9.0
Net debt	**(722.9)**	**(726.7)**	**(956.1)**

Summary Balance Sheet

£m	31-Mar-21	31-Dec-20	31-Mar-20[1]
Non-current assets	1,919.9	1,905.3	1,782.1
Current assets	947.5	889.5	602.8
Total assets	**2,867.4**	**2,794.8**	**2,384.9**
Current liabilities	855.7	808.3	953.2
Non-current liabilities	1,248.2	1,182.4	1,052.5
Total liabilities	**2,103.9**	**1,990.7**	**2,005.7**
Total equity	**763.5**	**804.1**	**379.2**

1 Relevant 2020 comparatives have been restated throughout this document for the correction of an error as reported in the 2020 Interim Financial Statements (29 July 2020)

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.

- Adjusted operating loss is loss from operating activities before adjusting items
- Adjusted EBITDA removes depreciation, loss/(profit) on sale of fixed assets and amortisation from adjusted operating loss
- Adjusted operating margin is adjusted operating (loss)/profit divided by revenue
- Adjusted EBITDA margin is adjusted EBITDA (as defined above) divided by revenue
- Adjusted Earnings Per Share is loss after income tax before adjusting items, divided by the weighted average number of ordinary shares in issue during the reporting period
- Net Debt is current and non-current borrowings in addition to inventory financing arrangements, lease liabilities recognised following the adoption of IFRS 16, less cash and cash equivalents, cash held not available for short-term
- Free cashflow is represented by cash (outflow)/inflow from operating activities plus the cash used in investing activities (excluding interest received) plus interest paid in the year less interest received.