



2025 Full Year Results

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Full Year Results Presentation

Adrian Hallmark

Chief Executive Officer, Aston Martin Lagonda

Good morning, everyone, thank you for joining us today for Aston Martin's 2025 FY results. It's a pleasure to be here alongside Doug Lafferty, CFO.

And before Doug takes you through the financial performance in detail, I'm going to provide a summary of our key achievements and areas of strategic focus during 2025, followed by a review of the work we have done on the future product lineup.

As we've outlined throughout the year, we have navigated a highly challenging trading environment, an unprecedented backdrop of geopolitical uncertainties and macroeconomic pressures, including heightened tariffs in the U.S. and China, weighed on our performance and ability to execute our plans effectively.

Despite this, we have delivered some critical milestones, none more so than the commencement of Valhalla deliveries in Q4 last year, our first mid-engine plug-in hybrid vehicle supercar. Alongside this, we've expanded our thrilling core lineup with high-performance derivatives such as the Vantage S and the DBX S, voted the Super SUV of the Year by Top Gear magazine and the Vanquish Volante, with the Vanquish also being recognised as Car of the Year by Robb Report just last month.

Whilst maintaining a disciplined approach to balancing production with demand throughout the year, with retails outpacing wholesales, we also took the necessary proactive actions to invest in quality, lower our operational costs, and find ongoing capital expenditure efficiencies. Along with other transformation initiatives, these actions have benefited our performance in 2025, but very importantly, will support enhanced delivery over the coming years.

Finally, we took action during the year to strengthen our balance sheet. Proceeds from the sale of shares in the Aston Martin Aramco Formula One Team, investment from Lawrence Stroll and his Yew Tree Consortium, and improved cash collections in Q4 2025, resulted in a year-end total liquidity of £250m. Further enhanced by the proposed sale of Aston Martin naming rights to AMR GP for a consideration of £50m in this quarter, 2026.

Taking all of this together and looking ahead, I remain confident that our strategy and upcoming products will position us strongly for future success. In the full year 2026, we expect to deliver a material improvement in our financial performance and continue to delivering year-on-year improvements over the short to midterm, with a focus on margin improvement and cash flow generation.

Let's begin with a review of what's at the beating heart of Aston Martin and core to our DNA. That's our range of exquisitely designed and handcrafted vehicles. Today, we have the most thrilling and diverse lineup of models in our 113-year history.

As we said at the start of 2025, our focus was on continuing to refresh and expand the core model range. Aston Martin has a long-standing tradition of applying the S suffix to special

high-performance derivatives of core models, which we've continued with the introduction with the Vantage S, the DBX S, and most recently, the DB12 S.

We now have convertible models available for all of our core range of sports cars. And we celebrated the 60th anniversary of the iconic Volante name with the release of limited edition Q by Aston Martin DB12 and Vanquish models.

As I previously mentioned, the awards and recognition for these vehicles were a consistent theme throughout the year and have continued into 2026.

As a result of the extensive range of new core models, the order book for these vehicles extends for up to five months for the core, and the average selling price has increased by more than 5% to £185k. A trend we expect to see continue into 2026, with more Aston Martin versions to come as we keep the core range fresh for our future and current customers.

Now, undoubtedly, the most anticipated highlight of the year was the start of production and deliveries of Valhalla in Q4 2025.

Valhalla has been a monumental project for Aston Martin, with the first 152 units produced and wholesaled in 2025. A further c. 500 units will be delivered in 2026. And the current order bank takes us through to the fourth quarter of this year.

Uniquely designed from the ground up at our Gaydon headquarters in the UK, this supercar with hypercar performance is our first mid-engine plug-in hybrid. It's an important component of our future plans. The financial benefits have already been evidenced in our Q4 2025 performance.

Reception from customers and the media to driving the prototype has been overwhelmingly positive. And following extensive global driving events during the second half of 2025, we have much more to come in 2026, beginning with over 50 global journalists joining us in Spain next week to drive the first full production versions of the car. Expect to see the reviews of this by the end of March.

With our product portfolio now well-established, let's turn our focus to the current market environment and how we are refining strategy, transformation program, and our future product plans to best position Aston Martin for success and solid financial performance in the future.

During my first full year as CEO in 2025, the global luxury automotive market faced one of its most turbulent years in recent times. Consumer demand has been impacted negatively by escalating geopolitical uncertainties and macroeconomic challenges, the most notable being the introduction of tariffs in the U.S. and in China. We were forced to navigate an unpredictable policy landscape and manage supply chain issues that ultimately impacted our volumes, our efficiency, and our margins.

In response, we have taken, and will continue to take, proactive steps to strengthen our overall position by maintaining a disciplined approach to balancing production and demand. This has been key to this year's performance and how we've planned for 2026. It includes establishing a more balanced production cadence through each quarter, whilst building on the success of our initial Valhalla deliveries. We passed through a second 3% price increase in the U.S. from the 1st October to offset more of the impact we've been absorbing due to the tariff increases announced earlier this year. We continued to engage with the U.K. government regarding the first-come, first-served U.S. quota mechanism, with volumes allocated on a quarterly basis. This system creates uncertainty for our planning and forecasting. So where possible, we will try to optimise production schedules to reduce this risk associated with the quota mechanism and prioritise working capital management. As we said at the half-year results, we provided support for our dealers in China with the intention

of positioning us strongly to enter 2026 from a low stock perspective. We continue to build more robust relationships and management across our supply chain, including proactively mitigating risks with some of our partners. We're taking immediate and ongoing action to reduce our cost base in order to deliver operational leverage. Simultaneously, we reviewed our future cycle plan to ensure we meet the needs of our customers as regulators and priorities shift. This resulted in a Capex reduction of about £300m over the coming five years.

Twelve months ago, I communicated a strategy that built on the foundations laid by the industrial-scale turnaround undertaken by Lawrence Stroll and the team since 2020. This strategy seeks to turn this high-potential business into a high-performing one. Underpinning this strategy are our unique strengths, namely our iconic global brand, our uncompromising customer focus, the relentless pursuit of innovation and technical advancement, and the license to operate in the high-performance sector through our F1 association, which feeds into the exclusive, limited edition, high-margin Specials. And finally, and most importantly, our highly skilled and capable and loyal workforce.

Building on these unique strengths, we took proactive steps and advanced our transformation program in 2025, anchored around our six strategic focus areas. As we look ahead, we will continue to operate with a laser focus on these six areas, because they are the way to achieve our high performance and create value for our stakeholders and shareholders.

Many of the achievements this year I've already referenced, I'd like to call out just a few more over the coming moments.

As we seek to drive market demand, we've recently established a private office, which ensures our top 500 clients are assigned a primary Aston Martin contact, supported by head office VIP specialists with a dedicated 2026 events plan. This will be further supported by the opening of the Q London flagship in Berkeley Square later this year, adding to the ultra-luxury flagship store at New York and at the Peninsula in Tokyo.

In terms of product creation, we were the first global automotive manufacturer to integrate Apple CarPlay Ultra into all of our models. Additionally, we're expanding our range of personalisation, options, and bespoke Q offerings, giving our customers even more choice when it comes to curating their unique Aston Martin.

Culture and change management is critical at a time when we are right-sizing the business to align with our future plans. To demonstrate that we're making changes throughout the organisation, my executive committee a year ago, comprised of 11 members, and we will be nearly half that size by the end of this quarter in 2026.

Our focus on quality has seen us make additional investments, which are delivering ongoing benefits. The Valhalla program has established a new benchmark for Aston for product launches, and our customer satisfaction scores have rocketed compared with the previous year across all new models.

Whilst we are instilling a disciplined approach across our operations, it's important that we don't ignore other key factors, like the health and safety of our colleagues. This is of paramount importance, and I'm pleased to report that our reduced accident frequency rate in 2025 is another step change.

Finally, cost optimisation. As you know, this has been a constant theme throughout the 2025 period and will continue to be so in 2026. One of the benefits of having a more disciplined approach to our operations with a smoother production cadence is that we can

deliver greater efficiency. As such, I expect us to drive operating leverage in 2026 that will support our improved financial performance and profitable growth.

As we look ahead to the future, the key to success of this business will be the next generation of vehicles that we develop.

We announced in October that a review was underway of our future product cycle plan, with the dual aim of optimising capital investment whilst continuing to deliver innovative products that meet customer demands and regulatory requirements.

We now have a clear roadmap that will ensure our product proposition builds on the strong foundations we have established over the past five years.

For the remainder of this decade, we will initially focus on extending existing core model lines before the next full refresh commences. This is a capital-efficient approach and the best utilisation of funds, whilst being able to offer new and exhilarating products that meet our customers' needs and beat the competition. The derivative approach of the past year is a great example of what to expect over the next three years.

We will then gradually start shifting from pure combustion engine powertrains to incorporating electrical assistance. That doesn't mean full electric, yet. That strategy will continue to be reviewed and subject to further communications. We don't believe our customers want that technology right now. And we won't be pushed down that path by regulation either, due to the changes that have occurred. What it does mean is hybrid technology, alongside ever more efficient and compliant combustion engines, will be the core part of our business going forward. This will be complemented by our continued Specials program, a fundamental part of our future financial and competitive success.

As we look further into the following decade, that's when we plan to incrementally add all-electric drivetrains that will incorporate the latest innovative battery technology at a time when customer demand has likely shifted to be more closely aligned with regulatory requirements.

I'm really excited by what we have to offer in the years to come. At the appropriate time, we'll provide more colour on our thrilling and innovative future product lineup, which puts customers' requirements at the heart of everything that we do.

But for now, thank you, and I would like to hand over to Doug, who will take you through the financial detail.

Doug Lafferty

Chief Financial Officer, Aston Martin Lagonda

Thank you, Adrian. Good morning, all.

Before we move into the Q&A, I'll take you through our financial performance for 2025, and our guidance for 2026 and onwards.

Overall, our FY 2025 performance reflects, as we guided, fewer Specials deliveries and the disciplined approach we took to operations as we navigated the heightened challenges and uncertainty in the global macroeconomic and geopolitical environments, particularly in relation to tariffs and the quota mechanism in the U.S.

Looking at the detail on the slide, wholesale volumes were down 10% at 5,448. Retail volumes outpaced wholesales as we continued to maintain a disciplined approach to managing the balance between production and demand. As expected, Q4 was the strongest

period in 2025, benefiting from both our planned expansion of the core derivatives and the first 152 deliveries of Valhalla, supporting marginally positive free cash flow in the quarter.

In terms of revenue, at £1.26bn, this reflected a 21% reduction compared to prior year, largely as a result of the core volume decline and the guided fewer Special deliveries compared to 2024. Core ASP increased by 5% to £185k, benefitting from our expanded range of derivatives, while total ASP was broadly flat due to the mix of Specials. Additionally, demand for unique product personalisation continued to drive strong contribution to core revenue of 18%, broadly in line with the prior year period.

As a result of the lower Specials volumes, dealer support to reduce aged stock, increased warranty costs and other investments made in enhancing product quality as well as the impact of tariffs in the U.S. and China, adjusted EBIT decreased to negative £189m, with depreciation and amortisation decreasing by 16% to £297m, also primarily driven by fewer Specials.

The split of our wholesales for 2025 is shown on the left-hand side of the slide.

Core volumes for Sport, GT and SUV were down in line with the overall trend, whilst fewer Specials were due to the timing of Valhalla deliveries commencing only in Q4.

As expected, Q4 wholesales increased sequentially, up 47% on the previous quarter, benefiting from both the expanded range of core models, including the DBX S, Vantage S and Volante 60th anniversary limited editions as well as initial Valhalla deliveries. As Adrian has mentioned, we expect to continue to realise the benefits of our full range of new core derivatives through 2026.

On the right-hand side of the slide, total ASP decreased by 15%, again reflecting fewer Specials deliveries and the mix compared to the prior year, while core ASP as I've already mentioned increased by 5%. On a constant currency basis, I would expect to see a similar improvement in core ASP in 2026, whilst total ASP will benefit from around 500 Valhallas we expect to deliver as well as the Valkyrie Le Mans Editions.

Overall, volumes remained similarly balanced across all regions in 2025, with the Americas and EMEA (excluding the UK) collectively representing 63% of wholesales. This was despite the ongoing challenges relating to the US tariff implementation.

In addition to the reasons previously outlined, the timing of various model transitions and deliveries across the regions impacted volumes compared the prior year. The movements in volumes across EMEA and APAC were weaker than due to market conditions and destocking activities. Despite tariff-related volatility in the U.S., volumes there, and in the UK, remained reasonably robust relative to overall Group performance.

While China is a market with long-term growth potential, demand there remained extremely subdued in line with other luxury automotive peers, due to a weak macroeconomic environment and changes to the luxury car tariff effective from July 2025. We continued to support our China dealer network through 2025 to help position them well to benefit from our next generation core model range when the market conditions improve.

As we turn to the next slide, the impact of fewer Specials deliveries is reflected in the decline in gross margin year-on-year. The impact of core wholesales, despite a slight improvement in mix from the next generation of derivatives, was also dilutive to gross margin, as a result of the previously communicated additional warranty costs, increased dealer support and other investments made in product quality which amounted to an

increase on the prior year of around £65m. Additionally, gross margin was impacted by the U.S. tariff increases.

Q4 2025 gross margin improved sequentially to 31% from 29%, supported by core volumes and Specials, whilst ongoing warranty costs and dealer support to reduce aged stock, still impacted the period.

I'll come on to guidance shortly, but we expect a material improvement in financial performance in 2026, including gross margin, benefitting from our ongoing transformation programme and continued disciplined approach to operations, new core derivatives and the enhanced contribution from Valhalla. We remain steadfast in targeting a minimum 40% gross margin for all our new vehicles.

Adjusted EBIT decreased year-on-year to a negative £189, primarily reflecting the gross profit movement and FX, which were partially offset by a 16% decrease in both adjusted operating expenses excluding D&A and adjusted D&A. The decrease in adjusted operating expenses aligns with our focus on optimising the cost base as part of our ongoing transformation programme and to drive future operating leverage through disciplined cost management from 2026 onwards. It also includes the previously announced £11m benefit from the revaluation uplift of the secondary warrant option associated with the disposal of the Group's AMR GP investment.

As shown on the right hand side of the slide, net adjusted financing costs decreased to £109m from £173m, primarily due to a £7m year-on-year gain of non-cash US dollar debt revaluations resulting from a weaker U.S. dollar.

Turning to free cash flow, the year-on-year outflow increased by £18m to £410m. This reflects both the decrease in cash inflow from operating activities and increased net cash interest paid of £143m, partially offset by the £60m reduction in capital expenditure.

As expected, working capital improved year-on-year to an inflow of £6m, compared to the £118m outflow in 2024. The key drivers here being the deposit inflow relating to Valhalla with deposits held increasing by £3m compared with an £178m outflow in the prior year period, in addition to a £2m decrease in receivables, compared to an £107m decrease in 2024, following improved cash collections at year end.

Capital expenditure of £341m was below the comparative period, in line with the Group's revised guidance, reflecting initial benefits from the immediate actions announced by the Group at Q3 2025 to reduce cost and Capex. Additionally, as Adrian had mentioned, we have completed a review of the Group's future product cycle plan, resulting in the 5-year capex plan reducing from c.£2.0bn to c.£1.7bn. This is through a continued focused on utilising existing platform architecture for internal combustion engine vehicles, in line with regulatory trends and customer demand.

To finish with cash and debt, we ended the year with total liquidity of £250 million, flat on Q3 given the strong performance in Q4 2025 and improved cash collections at year end. Total liquidity reflects the £410m free cash outflow in the year, partially offset by the around £106m inflow of net proceeds following the completed sale of AMR GP shares and the £52.5m investment from the Yew Tree Consortium. This has been further enhanced following our recent announcement of the proposed sale of the Aston Martin naming rights to AMR GP for a consideration of £50m.

Net debt increased to £1.38bn reflecting a decrease in the cash balance and increased drawing on the RCF. Combined with the decline in EBITDA year-on-year, this resulted in an adjusted net leverage ratio of 12.8x. As we prepare to deliver a material improvement in

2026, and through disciplined strategic delivery and profitable growth in the future, we expect this ratio to materially improve over the coming years.

Finally, looking ahead. As Adrian has outlined, we expect to deliver a materially improved financial performance in 2026. As the indicative EBIT walk on the right-hand side highlights, key to this improvement is our enhanced product mix, including the 500 Valhalla deliveries we expect, and benefits from the ongoing transformation programme and a disciplined approach to operations.

We continue to acknowledge that the global macroeconomic and geopolitical environment impacting the wider automotive industry remains challenging. This includes the U.S. tariff and quota mechanism uncertainty which Adrian's already mentioned. Taking this into consideration, we still expect to continue delivering year-on-year improved financial performance over the short-mid-term, with a focus on margin expansion and cash flow generation, benefiting from the ongoing transformation programme initiatives and an enhanced product mix from the future portfolio of core and Special models.

You can see the Group's detailed 2026 guidance on the left-hand side of the slide. What I would highlight is that we have planned carefully for 2026 to align production with retail demand and expect a much smoother delivery cadence from Q2 onwards. This will support more efficient delivery of our plan which in addition to the ongoing benefits from our transformation programme, will generate operating leverage. We expect the adjusted EBIT margin to materially improve towards breakeven. Free cash outflow is similarly expected to improve, and following the majority of the cash outflow occurring in Q1 2026, we expect a cumulative year on year improvement from Q2 onwards. As you'd expect we remain laser focused on cash optimisation and liquidity management.

Thank you. And I'll now hand back over to the operator to open for the Q&A.

Q&A

Henning Cosman (Barclays): Good morning, Adrian, Doug, and team. Thank you for taking the questions. I have a few, but maybe start with three and get back in the queue afterwards.

Maybe I can ask on inventory first. Perhaps for Adrian, if you could please comment on where the channel inventory stands now. I think you spoke to China and low stock at year-end in China specifically. If you could help us understand when you think wholesale and retail can start converging because you've reached a normalised stock level. And in the context of that, the costs that you've had for support, mainly dealer support in 2025, do you think they will be fully non-repeating in 2026? That's the first question.

Second question, perhaps on free cash flow and liquidity, maybe more for Doug. I don't know, Doug, if you're prepared to comment on a target liquidity level by year-end 2026, or alternatively, on a ballpark free cash flow corridor that you have in mind. Could you confirm perhaps whether £50m-£100m negative free cash flow corridor, is that a realistic ballpark? And do I understand you correctly, therefore, a substantially neutral free cash flow development starting with Q2 2026? And finally, on free cash flow, would you entertain that you're targeting a positive free cash flow for 2027?

And maybe just finally on volumes, back to maybe Adrian. Adrian, is there an updated volume target at all, perhaps for the core volume range? You're obviously guiding to flattish volumes with higher Specials, implying declining core volumes in 2026. Do you have an updated mid-term volume target in mind? What would be the key building blocks to get you

there in terms of the things you can control outside of improvements in the macro? Thank you very much.

Adrian Hallmark: Okay. Thanks, Henning. I'll do both the demand questions first, and then we'll finish with Doug on free cash flow.

I think as far as inventory is concerned, we hoped to have gotten the inventory fully balanced by the end of last year. But as you know, there were a few disruptions during the year that knocked us off track. I won't go through those. We ended up where we did. But we've been, again, quite ruthless in the first quarter and in the first half of this year, regarding planning. So, we are destocking further in Q1. Most of the destocking that we need to do for the year will be done in Q1, and it's already fully on track, both from the January performance and what we're seeing in February. Now, what does that mean? We've talked in the past about getting all models and all markets in balance. The aged stock profile is now radically improved compared with the beginning of 2025 and even the end of 2025. And by the end of Q1, we'll be into tens of units around the world, less than one per dealer, of what we would define as aged. And that is more than six months since it was passed to sales. That includes shipping times as well, don't forget. So, it's not that they're really old. We just like to keep stock as fresh as possible. So, the aged stock profile is massively improved. The total stock by the end of March in the major markets will be balanced. And from Q2, we should see retails matching wholesales. There's still a bit of overhang in China. The aged stock is now fully under control. The total stock, almost under control, and that will be end of April, approximately, by the time we get corrected in China, too. So, overall, in the next one to two months, we'll be in a really good position.

In terms of ongoing cost, there's no question that the Q4 last year, to accelerate the sale of those older cars in all markets, we did double down. That cost will not be recurring. We'll revert back to normal levels of support on lease programs, etc., after the first quarter of this year. So, we are in that cleansing phase of the stock. And as we get into the second quarter and the second half of the year, we'll start to see that normalise.

As far as volume is concerned, yes, absolutely. As per the previous guidance, we don't see a path to 8k-10k units a year in the near term. We've reset our expectations and then rightsized the business to meet that new business model structure. I won't give specific numbers, but the core models are selling 5.5k-6.0k a year, even in the current market conditions, with different levels of VM effort. We see that that is a conservative and achievable level that we can continue with. The Specials depend on which year you look at. We should be in the 250-500 range with Valhalla, and then with other Specials coming in over the next three years. And one thing I would say is that the derivative strategy, and there's other questions being raised about that, so I'll answer some of them preemptively. The derivative strategy is all about an opportunity to relaunch each nameplate every year, to improve the product offer and quality and optionality each year, and to destock the previous models and continually shift the mix of cars so that we support residual values. The good news is that the order cover for those S derivatives is much, much higher than the residual stock, which shows that it's worked, and the dealers are positive about them. So, that's part of the strategy for derivatives. So, 5.5k-6.0k is the core business that we expect in the midterm, and the Specials on top, with a significantly improved revenue per car and margin. And with the cost structure measures that we've taken, the SG&A improvements that we've planned, we can see a way to that cash flow inflection and to profitable operations in the mid-term.

Doug Lafferty: Okay, nice segue. Morning, everyone. Morning, Henning, and thanks for sticking with us through the technical challenges this morning.

So, Henning, I guess probably somewhat unsurprisingly, I'm not going to put a number on the free cash outflow that we expect in 2026. But obviously, we have stated that we do expect a material improvement versus last year. And I think linked very closely to what Adrian has just been describing in terms of the flow for the year, we've said that we're going to see the majority of the burn or the outflow in the first quarter of this year, and then stabilising through Q2 to the end of the year, in sync with that stabilisation and transformation of the operation.

So, I fully expect us to have momentum as we exit 2026 into 2027. And as we've also said today, from a short- to mid-term perspective, we do retain that focus on cash optimisation, profitable growth, and the objective of getting the business into a form which generates its own cash as soon as possible. So, sorry, I can't put any numbers on it or specific timing on it, but the sentiment and the message is still very much there, and the focus is on delivering exactly what I've just said.

Christian Frenes (Goldman Sachs): Yes, I'll just kick off with deleveraging and free cash flow. You've talked about a material improvement in 2026 free cash flow. I think the Capex is clear. You've also made comments on the top line. But in terms of the P&L improvement, can you comment a little bit on some of the key buckets that could drive the material free cash flow improvement? So, for example, I think savings are talked about, the non-repeat of £65m is talked about, you commented just now on the dealer support. But if you could just walk us through some of those buckets and the cadence of it, including networking, capital impact, and also if we should include any more assumptions on non-organic deleveraging, aside from the disposal of the naming rights. Maybe that's question number one, then I'll ask question number two.

Doug Lafferty: Okay. And there's a lot of questions in question number one, Christian, but good morning. Let me have a crack at that.

So, yes, look, I think the margin build, in 2026, we tried to illustrate, I think, in the final slide of the deck. And obviously, that's going to be largely underpinned by the fact that we have a strong Specials volume returning back to the mix in 2026. So, with the 500 Valhallas versus the number of Specials that we delivered last year. And obviously, that comes with accretive margin, and that will flow through. So, Specials is a big chunk of that.

And then within core, you're right. We expect a stronger performance from the core perspective as well, because we don't expect to see a repeat of the full £65m of headwind that we suffered in 2025 on the things that we've already talked about, being the dealer support, obviously the investment that we've made in quality, and the warranty costs. So, we'd expect to continue to invest in the quality of the products, of course, but not to the extent that we needed to last year, with things such as the big upgrade on thousands of cars on the software earlier in the year. And indeed, we'd expect some of those quality improvements to mean that the warranty costs start to come back down and normalise. So, we will be lapping those as we go through the year.

With regards to working capital, I think relatively stable throughout the course of the year. We're definitely not going to see some of those big swings that we've seen in the last couple of years when it comes to deposit outflow. We think that'll be much more normalised and neutral during the course of this year.

And then look, with regards to the F1 IP deal, we're delighted to get that done. I think it's a good deal for us and a good deal for them. So, £50m to bolster liquidity to a certain extent as we go through the course of this year, but no further plans to announce at this point.

Christian Frenes (Goldman Sachs): And just to clarify on your response there, so we should expect the full £65m incremental in savings next year? And should we add savings of £40m, I think, there, on top of that?

Doug Lafferty: Well, we guided to SG&A will be below £300m. That's how we've guided SG&A. Don't forget that last year's SG&A benefited from an £11m uplift in the revaluation of the AMR warrants, which obviously won't repeat this year. So, there's a couple of headwinds in SG&A, but we expect to remain below £300m. And on the £65m, as I said, we don't expect all of that to reoccur. In fact, I would expect the majority of it not to. But as Adrian said, we will still have a little bit of additional dealer support in Q1 before that normalises. And there'll be ongoing incremental improvements in quality, but nothing like the extent to which we saw in 2025.

Christian Frenes (Goldman Sachs): Okay, that's clear. Thank you. And then my second question is just on the Valhalla average selling price. If you could just comment on your expectations for that going forward. Should it be the same as we saw in Q4, or any change? And also, specifically with respect to the U.S. market, where you talked about an October price increase, I'm just curious also how that applies to the Valhalla.

And then also, associated with this, the Valkyrie Le Mans edition in Q4, could you just comment on how many units you actually shipped in Q4, and what the implication for 2026 is? Thanks.

Adrian Hallmark: Yes, thank you. First of all, on Valhalla pricing or Valhalla ASP, I think first of all, the retail base price of the car, we have lifted from 1st April in 2026. That will come into effect on the first of April 2026 for orders thereafter.

What we've seen on option uptake and specification of the first cars that have been delivered and are in the pipeline is a significant uplift versus the base price. And we expect the ASP to continue similar to Q4 as we get through this year. We've seen no fall off in the average value per car. That price increase should give us a little bit of a lift in the second half of the year or last quarter, because that's when it would be effective. But you can assume pretty much consistent with what you've seen in Q4, with a slight upside.

In terms of the Le Mans cars, we delivered two cars physically. The rest of those cars will be delivered this year.

Christian Frenes (Goldman Sachs): Great. Yes, that's clear. Thank you very much. I'll get back in line.

Adrian Hallmark: Thank you, Christian.

Michael Tyndall (HSBC): Morning, gents. I hope you can hear me. Couple of questions, if I may.

One for Doug. Doug, Q1, you've been pretty clear about what's going to happen on cash flow. You've got the £50m in from the F1 naming rights. That puts you, I guess, at about £300m gross cash. Where, without asking you for a number on Q1, but I mean, will you stay within that comfortable £200m-£300m range that you've spoken to before?

I'll come back with the second one.

Douglas Lafferty: Morning, Mike. Thank you.

Yes, look, again, I'm not going to get into the specifics. I think we've been pretty clear on how we expect the shape of the year to be from a free cash flow perspective. For Q1, it's the majority of the burn. I'd like to think that we stayed close to the range that we talked about previously. So, Q1 this year would expect to be an improvement on Q1 last year, but still the majority of the burn this year.

Michael Tyndall (HSBC): Okay. And then, the second question for Adrian, just with regards to cyclicalities, which I guess, at least from where we sit, but I would imagine from where you sit, has been one of the burdens of the business, this cyclicalities, which we are trying to move out. I wonder a bit about why we've released all the Specials broadly at the same time. Does that not exacerbate cyclicalities? Is there a way that we can start to space these things out, and is that in the plan? Thanks.

Adrian Hallmark: Okay. Thank you. Thank you, Michael.

It's a dilemma, isn't it? Because we wanted to get the Specials in because we want to support the life cycle volumes, and there is always a trade-off to make. I don't think that the derivatives, will increase the cyclicalities. Why is that the case? They're designed to do the exact opposite. If you just think about DBX, I'll give you one simple example. What we've now done is evacuated the production pipeline of pretty much all non-S derivatives of DBX. Which means if you want a non-S version, you buy a stock car. If you want an S version, you'll wait three to six to nine months before you get one, depends on which market you're in. So, what that does is pre-loads a pipeline with sold orders and encourages the sale of the cars that are in stock or a deposit for a future car. And because we're doing them all at the same time, but they're all different, there's very few customers, I can't think of one, that would come in and want a DBX, a DB12, and a Vantage all at the same time. They will be looking for one of those cars. So, they have the choice of a stock car, which is an older model, or a fresh car, which is a new model with a different price value proposition and a very different product proposition. So, we actually see it as a way of bolstering the future order cover and giving the customers a clear choice. And when we get through the DBX S, for example, we'll be introducing another derivative for early next year. And again, we'll back off the S production in the plan, ramp up that new derivative, and people can still order an S, but it will be to order. We get back to that order bank situation. So, the whole idea of this, again, is to smooth out the actual order profile and to give the customer a clear choice. And we know it works from other brands; we just haven't done it before. We are now.

Michael Tyndall (HSBC): Got it. Got it. One last one, if I can, just for Doug. It's around the agreement with Lucid. You talk in this statement around a £73m cash liability, which is due 2026 or later. I'm just curious to know what determines whether it happens in 2026 or later.

And then, the comments you made, Adrian, about the future for electric, and there's this minimum spend of £177m, how does that work if electric is getting pushed to the right? Is that commitment still there, or is it negotiable?

Douglas Lafferty: Hi, Mike, again. Yes, so let me take both of those in one answer.

So, we made the initial payments to Lucid back in 2023 when we signed the agreement. And I think obviously an awful lot has changed since 2023 with regards to the way the market sees the evolution to BEV and our transition. And we've talked quite openly about

the delays as we've gone through the last couple of years that we're expecting. So, we're in discussions with Lucid over the timing of those payments relative to when we now expect to start production. That's both with regards to the initial access fee payments and also the commitments on the volumes. So, it's all in discussion to when are we actually going to start production on a BEV.

Michael Tyndall (HSBC): Got it. Thank you very much, gents.

Horst Schneider (Bank of America): Yes, good morning, team. Thank you for taking my questions. Not many are left.

The first one that I have is more on the details regarding the model mix in FY 2025, but also in Q4 on the range cars. So, maybe you can provide more granularity on the split within sport cars, GT cars. So, here, I mean, the split between Vantage, DB12, and Vanquish.

Then, regarding the outlook on model mix on the Range models in 2026, overall, you expect these flat unit sales, flat wholesales, but within that and the range models, where you expect the movements, what is going up, what is going down? And in that context as well, you talked about this five-months visibility order book. What is the order intake by models that you are seeing? So, is there any highlight you would point out?

And the last one is, if you could give any insight into your residual value development, because I think that's a key metric, and we hardly have good insight into that. So, any insight into that would be appreciated. Thank you.

Adrian Hallmark: Okay. Thanks, Horst. I'll go in reverse, if I may. I'll start with residual values.

I think the key message, as most of you will be aware, is when we get supply and demand in balance, and when we get the derivatives launched and the pull from the market for those derivatives, our residuals will improve further. But we've already done a lot of work in 2025 on residual values. So, I'll give you some examples. If you go back a year, a year and a half, we were 5 to 10 points below the competition. As I say, a three-year period on leasing in the major markets on RVs. We're now much, much closer. I'll give you an example of Vantage without going through every single model in every market. Specifically, Vantage, Vanquish as well, are incredible in terms of the way that they've been set. So, we are absolutely on par with the strategic competition.

The key to supporting residuals is making sure that we don't oversupply. Whilst we've had excess stocks, oversupply is inevitable. As we get through Q2 and Q3 this year, I already mentioned earlier, this will balance out. And together with those strong third-party residuals offered on core models, we're heading in the right direction. And I still think it's going to take another three to nine months to properly stabilise all of the above, but we're good on track. Vanquish and Vantage are already strong. DB12, just behind them. It's DBX where we need to do the work. But in the meantime, we subvent, marginally, those cars to make sure that they're competitive on the leasing rate.

In terms of model-by-model description of order bank, we won't do that. To give an indication, the S models are well over 50% order cover. The rest of it, we've got about a five-month order bank on average, but the S's are way stronger than the non-S's. And Valhalla, of course, is about nine months. So, if I look across the spectrum, it is improving. As we balance supply and demand, it will naturally improve even further. And that's all the foundation for residual value improvements as we move forward.

Doug Lafferty: I'll try and pick it up a little bit without going into vast details. Just try and give you a couple of soundbites. If I look at last year, it was relatively stable from a mix point of view through the year. Q4 was a little heavier on DBX, on the SUV, because of the launch of the S. And obviously, Q4 benefited, from the strong mix of Specials with 152 Valhalla deliveries.

And as we go into this year, I mean, there's not really too much to highlight. It's relatively smooth, I would say. Q1, probably a little bit light on the SUV mix. And we've said today that we expect up to 100 of the Valhallas to be delivered in Q1, so they'll be re-weighted Q2 to Q4, a little heavier. Other than that, it's just the ebbs and flows of when the derivative launches come, so nothing particularly special to remark on.

Horst Schneider (Bank of America): Okay. But in summary, I think the DBX is most critical model, right? So, that's maybe where some weakness is. I think it's just the segment, the market, right? It's not the product.

Adrian Hallmark: Yes. I think, well, if you look at the results of all the road tests that have been done on DBX S, it's incredible. I mean, a car that's been in the market a couple of years with some really solid technical improvements to create S, and some visual ones, has beaten Urus and Purosangue repeatedly now in different markets in road tests. So, the product substance and performance is tremendous.

There is a sectoral issue. I mean, you'll probably know most brands are seeing a shift in 2025 and 2026 compared with, say, 2023 or early 2024. The market has definitely changed. That said, if you look at the outlook, the macroeconomic rather than the geopolitical, the outlook going forward is, say, mildly positive. It depends which market you look at. So, we don't expect a deterioration. We expect stability or slight improvements in conditions as we get through the year. And we're well-placed with those derivatives to take full advantage of any upside that occurs.

Horst Schneider (Bank of America): All right. That's great. Thank you, and good luck.

Adrian Hallmark: Thanks, Horst.

Douglas Lafferty: Thanks, Horst.

Philippe Houchois (Jefferies): Yes, thank you very much. I've got two questions.

The first one, maybe for Doug, is on the 40% gross margin. So, you reiterated it in your speech, that clears one hurdle. But I'm trying to understand. So, we're 29%. If I give you the benefit of the warranty span, we get to 35%. Who is above 40%? It almost looks like from the upside that Valhalla could be diluted. And could you confirm that Valhalla gross margin is above group average, or is it below? And if it is below, what gets it above? And what are the hurdles to really get to 40%? Because the initial guidance was that it's going to be valid for all the vehicles, range, as well as Specials. If you can help me navigate that, that'll be very helpful. Thank you.

Douglas Lafferty: Philippe, I can certainly confirm that Valhalla is accretive to the overall group margin, significantly above the 40%. As I said earlier, the 40% remains the target on all new vehicles we're bringing to the market. I think we'll see an improvement in the margin for some of the reasons that we outlined earlier in terms of lapping some of the costs and investments that we made during the course of last year, and also as we continue to stabilise the operations. So, we can see the path to the high 30%s for this year, with the

state of the plan. And then the target still remains to get every car at 40% or above as we move forward. And obviously, complemented by both the Valhalla being materially above that margin level, but also a continuation, and I think this is an important point, a continuation of other Special models that we will bring to the market that are out there today unannounced, that I think is important from a financial point of view, that you understand that that program will continue. So, cars like the Valour and the Valiant and the DBR22 that we've done in the past will continue as part of our cycle plan in the future. And obviously, be accretive to margin on the go forward.

Philippe Houchois (Jefferies): Yes. And we can assume those are effectively the most accretive, because they leverage a range car into a Special. Is that a fair assumption?

Douglas Lafferty: I think we've talked about that in the past, where we've looked at, yes, like the Valiant and the Valour. Certainly, in the era of the Valkyrie, those cars were materially more accretive to margin than the Valkyrie was, yes.

Philippe Houchois (Jefferies): Right. And can I get another question. I'm a bit confused right now between what we hear from you today, and by the way, good presentation. I think you've reassured us in many ways. But then I guess stuff from the press, which is not part of your communication. We hear about 20% staff reduction, £40m savings. I don't see that in the release. Are you validating those numbers we get separately from you, or what's going on? Where's the mismatch between what you're telling us and what the press is basically talking about right now?

Adrian Hallmark: Yes, I'll jump in. Philippe, Adrian here. We have talked about that openly. That's not speculation. It's actually in the release. So, the company SG&A push that we can't solve our right-sizing or resolve our right-sizing needs purely through headcount, but it is an important part of the overall picture. So, there's already a process underway. We're in consultation. We will reduce the total people costs by c. 20%. It doesn't necessarily mean a direct 20% reduction in absolute headcount numbers because of the mix of people. And we also account in that headcount cost for some contract and contracted services resource. So, that is in the plan. It is part of that SG&A restructuring approach. It's not the biggest lever, but it's an important one in order to get us lean and effective for the future.

Philippe Houchois (Jefferies): Right. That makes more sense. Yes. Thank you.

Doug Lafferty: Let me just specifically point you to where it is in the release. Page four, third paragraph. So, it's all in there, and I guess just an indication of how other people pick up the news and what's important for them in terms of the story.

Philippe Houchois (Jefferies): Great. Thank you if I missed that. Thank you very much.

Adrian Hallmark: No worries. Thank you.

Nicolai Kempf (Deutsche Bank): Hey, good morning. It's Nicolai from Deutsche Bank. Thank you for taking my question. And well done on the 152 Valhallas delivered in Q4. And that's also my first question.

The 500 you target this year, is that production driven, or do you have clients backing all these 500 units? And my second one, just to get some color on the cash out in Q1, do we have any magnitude how big that could be? Thank you.

Adrian Hallmark: I'll start with Valhalla. We have a good order bank for Valhalla, which takes us through almost to the end of this year for delivery. We still have some to sell, but it's quite low numbers. So, the build rate and the shipment rate in the next six to eight months is more related to production capacities.

This is a very complex car. It was a ground-up development, and we planned for certain capacities in our supply base, which are very difficult to increase. So, we're pretty much fixed at the rate that we're currently at, plus or minus a car a week, something of that order of magnitude. So, no major opportunity to do it quicker. We could always go slower, but no opportunity to go quicker. So, that's the situation with Valhalla.

Douglas Lafferty: Yes, and then on the second one, I think referenced earlier, so obviously, we've been quite clear that Q1 is going to be the biggest outflow. I don't expect it to be worse than the first quarter of 2025.

Nicolai Kempf (Deutsche Bank): Got it. Thank you.

Adrian Hallmark: I'd just like to thank, again, everybody for participating in the call today, and apologise profusely for the technical issues that we had at the beginning. It may be bad for you, but we had to listen to ourselves twice, which was, yes, a great start to a Wednesday morning. But thanks for your time, everybody.

Douglas Lafferty: Thanks, everybody. Speak soon.