29 July 2022

Aston Martin Lagonda Global Holdings plc

Interim results for the six months to 30 June 2022

- **Strong demand across the portfolio with GT/Sports sold out into 2023**
- **H1 revenues increased 9% year-on-year, driven by record core ASPs**
- **Supply chain and logistics disruptions affecting H1 volumes and working capital, with impact expected to unwind in H2**
- **FY 2022 guidance reaffirmed, with positive free cash flow[2] expected in H2**
- **On track to deliver medium-term targets**
- **Previously announced transformational capital raise of £653m with strategic investment by the Public Investment Fund**
- **Amendment to Strategic Cooperation Agreement with Mercedes-Benz AG extends timeframe for tranche 2 share issuance into 2024**

£m	H1 2022	H1 2021	*% change*	Q2 2022	Q2 2021	*% change*
Total wholesale volumes[1]	**2,676**	**2,901**	*(8%)*	**1,508**	**1,548**	*(3%)*
Revenue	541.7	498.8	*9%*	309.0	274.4	*13%*
Adjusted EBITDA[2]	**58.6**	**48.8**	*20%*	**34.2**	**28.1**	*22%*
Adjusted operating loss[2]	**(72.7)**	**(36.0)**	*(102%)*	**(38.4)**	**(20.7)**	*(86%)*
Operating loss	**(89.9)**	**(38.0)**	*(137%)*	**(42.2)**	**(22.7)**	*(86%)*
Loss before tax	(285.4)	(90.7)	*nm*	(173.8)	(48.5)	*nm*
Net debt[2]	(1,266.4)	(791.5)		(1,266.4)	(791.5)	

[1] Number of vehicles including specials; [2] For definition of alternative performance measures please see Appendix;

H1 2022 Financial highlights

- Strong demand across product lines with GT/Sports cars fully sold out into 2023 and DBX orders more than 40% higher year-on-year
- Wholesale volumes decreased by 8% year-on-year to 2,676 (H1 2021: 2,901) due to supply chain and logistics disruptions, most notably impacting DBX deliveries in Q2. GT/Sports wholesales of 1,561 increased by 22% year-on-year (H1 2021: 1,280)
- Revenue increased 9% year-on-year to £542m driven by:
  - Strong pricing dynamics throughout the core portfolio, with record core ASP in Q2 2022
    - ASP of £164k in H1 2022, up 9% vs £150k in H1 2021
    - ASP of £174k in Q2 2022, up 15% vs £151K in Q2 2021
  - Aston Martin Valkyrie programme deliveries (27 vehicles delivered, 38 assembled in H1 2022)
  - Foreign exchange tailwinds
- Gross profit increased by 31% year-on-year to £188m (H1 2021: £143m) and gross margin increased substantially year-on-year to 35% (H1 2021: 29%) reflecting improved pricing and mix, as well as efficiency benefits, partially offset by higher manufacturing and logistics costs
- Adjusted EBITDA increased 20% year-on-year to £59m (11% margin) primarily driven by revenue growth and higher gross profit, partially offset by higher operating expenses including reinvestments into brand, marketing and new product launch activities, as well as inflationary impact on general costs
- Operating loss of £90m included a £47m year-on-year increase in depreciation and amortisation
- Loss before tax of £285m was driven by a £134m negative non-cash FX revaluation impact
- H1 2022 free cash outflow of £234m included:

- Capital expenditure of £138m, primarily related to new model development including the next-generation of front-engine sports cars due to launch in 2023
- Net cash interest payments of £63m
- Working capital outflow of £67m driven by temporary supply chain and logistics disruptions, most notably in Q2. These isolated but impactful issues pushed planned deliveries towards the end of the period, resulting in elevated receivables and more than 350 ordered vehicles awaiting final parts at the end of June, which in combination had a cash impact of more than £80m

- Cash balance of £156m (December 2021: £419m) impacted by a combination of more than £125m of short-term factors. This relates to the £46m repayment of the revolving credit facility, and more than £80m from the elevated receivables and number of vehicles held in stock, which are expected to be delivered in the second half of the year
- Net debt of £1,266m (December 2021: £892m) including £134m impact of non-cash FX revaluation of US dollar-denominated debt as the GBP weakened against the US dollar during the period
- Positive cash flow performance expected in early Q3, driven by the partial unwind of the short-term working capital dynamics referenced above

H1 2022 Operational Highlights: Taking off into a new era for Aston Martin:

- Retail customer demand continued to run ahead of wholesales in H1 2022
- DBX707, the world's most powerful luxury SUV, launched to significant customer and media excitement; DBX order intake more than 40% higher year-on-year
- New V12 Vantage announced, with all 333 units sold-out by launch in March following unprecedented demand
- Racing.Green., new ESG strategy, reiterating electrification plans;
    - First PHEV deliveries in 2024 and first BEV targeted for launch in 2025
    - Fully electrified front-engine and SUV portfolio by 2030
- Strengthened leadership team with appointments of
    - Chief Executive Officer, Amedeo Felisa appointed to the Board 4 May 2022
    - Chief Financial Officer, Doug Lafferty appointed to the Board 1 May 2022
    - Chief Technology Officer, Roberto Fedeli appointed 1 June 2022
    - Chief People Officer, Simon Smith appointed 11 April 2022

Lawrence Stroll, Executive Chairman commented:

"We have continued to make strong progress in our vision to become the world's most desirable, ultra-luxury British performance brand during the first six months of 2022, despite supply chain challenges in Q2. The underlying fundamentals of Aston Martin have never been stronger, with robust demand across our product range, sports cars sold out into 2023 and DBX orders up by more than 40% compared to 2021. In addition, we have aligned the business for its future by assembling a very experienced team, led by Amedeo Felisa, to fully realise our potential and deliver on the targets we have set.

The first new models in the extraordinary pipeline of products developed since I became Executive Chairman have also started to be delivered. Our combination of new ultra-luxury, high performance models commenced with DBX707 – the premier ultra-luxury performance SUV on the market – and the highly-desirable V12 Vantage. They will be followed by an entirely new generation of sports cars from 2023. Importantly, all our new vehicles are aligned with a minimum 40% contribution margin target, a significant increase from the past, and a key driver of our medium-term targets. In addition, production of the Aston Martin Valkyrie has continued to pick up pace, and we are on track to meet our targeted full year deliveries.

However, the first half of the year was not without its challenges. Isolated but impactful supply chain shortages, particularly in Q2, resulted in lower wholesales and significant working capital headwinds. Specifically, we ended June with more than 350 DBX707s that we had planned to deliver in Q2, still awaiting final parts, consuming tens of millions in cash and temporarily limiting our ability to meet the strong demand we have.

We have now started to deliver these vehicles in July and expect further improvements in the supply chain as we move through H2, supporting the delivery of our full year targets. As a result of the working capital build in H1 and our expected second half performance, we now expect to generate positive free cashflow in H2, resulting in a significantly higher cash balance at year end.

Earlier this month we announced a £653 million equity capital raise, which will also see the arrival of the Public Investment Fund (PIF) as a new anchor shareholder with a 16.7 percent stake. This will transform our balance sheet, significantly improve our liquidity and cashflow profile, provide greater clarity on our pathway to become sustainably free cash flow positive from 2024, as well as creating significant shareholder value.

We continue to enjoy a long-term strategic relationship with Mercedes Benz, evidenced by their further investment in the Company and our planned deployment of their technologies, accessed via tranche 1 of the Strategic Cooperation Agreement (or SCA), to support all new product ranges in our medium-term plan.

Today, we are pleased to announce a mutually-agreed amendment to the SCA, which extends the timeframe for the Company and Mercedes to agree additional technology requests by 12 months, with the corresponding tranche 2 share issuance related to the second basket of Mercedes technologies to be accessed under the SCA, including BEVs, to take place by July 2024. Importantly, the amendment does not impact our access to the technologies, subject to reaching a commercial agreement, or change the timeline for our first BEV, which we continue to target for launch in 2025."

Amedeo Felisa, CEO, commented:

"Aston Martin is an iconic global brand in a unique position to transcend ultra-luxury and high performance. The first phase of our journey is complete, building strong foundations for our future growth. Together with the extraordinary talent and teams we have across the company, we must now ensure we execute on our targets.

With the supply chain challenges that impacted our first half performance expected to ease, we are now focused on accelerating deliveries of the DBX707, continuing to ramp up Aston Martin Valkyrie production, and transitioning to our next generation of sports cars.

Leveraging my experiences, I see great potential to build on the success of Project Horizon to optimise our operational capabilities, reduce complexities and cost, which will drive sustained improvements in profitability and cashflow generation. I am pleased with the initial progress we have made so far and am excited to lead Aston Martin as we enter this next phase of our journey."

Outlook

We remain on track to achieving our medium-term targets of c.10,000 wholesales, c.£2bn revenue and c.£500m adjusted EBITDA by 2024/25.

For 2022, we continue to expect to deliver significant growth on 2021 with a c.8% increase in core volumes expected to deliver a c.50% improvement in adjusted EBITDA from the core business. The global operating environment remains uncertain, with the war in Ukraine, intermittent COVID-19 lockdowns in China, continued supply chain and logistics disruptions, and raw material cost inflation. Our teams remain focused on minimising any impact on the Company's financial performance.

For the second half of 2022, we expect strong year-on-year wholesale volume growth, supported by easing supply chain dynamics, robust demand, as well as the production ramp-up of the DBX707 and the V12 Vantage, which both bring improved profitability compared with prior models, aligned to our 40%+ contribution margin target. In addition, price adjustments have been made across the portfolio, reflecting the strong pricing power of the Aston Martin brand.

Aston Martin Valkyrie production continues to pick up pace. We continue to expect 75-90 Aston Martin Valkyrie programme vehicles to be shipped in 2022, with 38 vehicles already assembled in the first half of the year.

In addition, we expect free cash flow to be positive in the second half of 2022 as higher profitability and cash inflows from more normalised working capital dynamics are expected to offset cash interest payments and planned capital expenditures. This is expected to support a year end cash balance in excess of £200m, before the net proceeds from the proposed equity capital raise of £653m. With up to half of the net proceeds from the proposed equity capital raise expected to be used to repay debt, we continue to expect a pro-forma cash balance of £500-£600m.

<u>2022 guidance unchanged</u> – updated to reflect prevailing exchange rates:

- Wholesales: growth to > 6,600 units
- Adjusted EBITDA margin: c.350-450bps expansion
- Capex and R&D: c.£300m
- Depreciation and amortisation: c.£315m-£330m

  Reflecting Aston Martin Valkyrie programme shipments and a full year of accelerated depreciation of capitalised development costs ahead of next generation GT/Sports vehicles in 2023
- Interest costs[1] updated for FX movements (assuming £1:$1.21, versus previous assumption of £1:$1.32):
  - c.£290m (P&L), £95m higher than previous guidance of c.£195m largely driven by non-cash FX revaluation of dollar-denominated debt in H1
  - c.£130m (cash), unchanged from previous guidance

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

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- Presentations from Amedeo Felisa, CEO and Doug Lafferty, CFO are available on the corporate website from 07.00am BST and there will be a call for investors and analysts today at 08:30am BST
- 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 nine months to 30 September 2022 will be announced on 2 November 2022

[1] Assuming current exchange rates prevail for FY22. Note: interest payments are made in Q2 and Q4

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FINANCIAL REVIEW
Sales and revenue analysis

Number of vehicles	H1 2022	H1 2021	*Change*	Q2 2022	Q2 2021	*Change*
Total wholesale	**2,676**	**2,901**	*(8%)*	**1,508**	**1,548**	*(3%)*
Core (excluding Specials)	2,644	2,881	*(8%)*	1,495	1,529	*(2%)*
By region:						
UK	488	434	*12%*	224	162	*38%*
Americas	720	1,056	*(32%)*	359	625	*(43%)*
EMEA ex. UK	614	600	*2%*	343	316	*9%*
APAC	854	811	*5%*	582	445	*31%*
By model:						
Sport	821	670	*23%*	440	358	*23%*
GT	740	610	*21%*	393	321	*22%*
SUV	1,083	1,595	*(32%)*	662	849	*(22%)*
Other	-	6	*(100%)*	-	1	*(100%)*
Specials	32	20	*60%*	13	19	*(32%)*

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

Despite strong demand, total wholesales declined by 8% year-on-year in the first half of 2022 due to the continued challenging operating environment, including disruptions to both supply chain and logistics. Wholesales of 2,676 units included 32 Specials compared to 2,901 units and 20 Specials in the first half of 2021. The second quarter of 2022 showed a significant improvement over the prior quarter, with 29% sequential volume growth, despite significant supply chain and logistics disruptions and a full quarter of COVID-19 lockdowns in parts of China.

Our home market, the UK, saw the strongest year-on-year growth, up 12% in the half, accelerating by 38% in the second quarter of 2022. The strong year-on-year growth, both in the first half and second quarter of 2022, was primarily due to strong demand for GT/Sports. Year-on-year growth in the Americas was disproportionately impacted by the supply chain and logistics disruptions experienced in the second quarter, particularly for the DBX707. Year-on-year growth in APAC improved significantly in the second quarter, following the transportation delays which affected first quarter volumes.

Revenue by Category

£m	H1 2022	H1 2021	*Change*
Sale of vehicles	499.6	458.5	*9%*
Sale of parts	32.9	32.2	*2%*
Servicing of vehicles	5.0	5.1	*(2%)*
Brand and motorsport	4.2	3.0	*40%*
Total	**541.7**	**498.8**	***9%***

First half revenues increased by 9% year-on-year to £542m (H1 2021: £499m), primarily driven by strong pricing and mix dynamics, Aston Martin Valkyrie programme deliveries and foreign exchange tailwinds. Revenues in the second quarter of 2022 also showed a significant improvement over the prior quarter, with 33% sequential revenue growth.

The strong year-on-year pricing dynamics enjoyed in the first half of 2022 were supported by price increases implemented across the range during late 2021 and early 2022, reflecting the strong pricing power of the Aston Martin brand. In addition, lower customer and retail financing support as well as improved residual values in market contributed to a sequential improvement in core ASP from £151k in Q1 to £174k in Q2 (H1 2022: £164k; H1 2021: £150k) – a record level for Aston Martin. Total ASP of £186k in H1 reflected 32 Specials in the half compared with 20 in the prior year period (H1 2021: £156k).

Summary income statement and analysis

£m	H1 2022	H1 2021	Q2 2022	Q2 2021
Revenue	**541.7**	**498.8**	**309.0**	**274.4**
Cost of sales	(353.6)	(355.5)	(204.9)	(194.4)
Gross profit	**188.1**	**143.3**	**104.1**	**80.0**
Gross margin %	*34.7%*	*28.7%*	*33.7%*	*29.2%*
Operating expenses[1]	(260.8)	(179.3)	(142.5)	(100.7)
of which depreciation & amortisation	*131.3*	*84.8*	*72.6*	*48.8*
Adjusted operating loss[2]	**(72.7)**	**(36.0)**	**(38.4)**	**(20.7)**
Adjusting operating items	(17.2)	(2.0)	(3.8)	(2.0)
Operating loss	**(89.9)**	**(38.0)**	**(42.2)**	**(22.7)**
Net financing expense	(195.5)	(52.7)	(131.6)	(25.8)
of which adjusting financing income	*24.4*	*14.0*	*13.6*	*8.6*
Loss before tax	**(285.4)**	**(90.7)**	**(173.8)**	**(48.5)**
Taxation	(4.4)	19.6	*(4.0)*	19.2
Loss for the period	**(289.8)**	**(71.1)**	**(177.8)**	**(29.3)**
Adjusted EBITDA[1,2]	**58.6**	**48.8**	**34.2**	**28.1**
Adjusted EBITDA margin	*10.8%*	*9.8%*	*11.1%*	*10.2%*
Adjusted loss before tax[1]	**(292.6)**	**(102.7)**	**(183.6)**	**(55.1)**
EPS (pence)	(249.0)	(63.3)		
Adjusted EPS (pence) [2]	**(253.7)**	**(85.3)**		

1 Excludes adjusting items; 2 Alternative Performance Measures are defined in Appendix

In the first half of 2022, gross profit of £188m increased by £45m, or 31% year-on-year. This translated to a gross margin of 35%, a year-on-year expansion of 600 basis points. The strong gross margin expansion was primarily driven by favourable pricing and mix dynamics, and to a lesser extent, by FX benefits. The Company continues to target a 40%+ contribution margin from its future products, starting with the V12 Vantage and DBX707.

In the first half of 2022, adjusted EBITDA of £59m increased by £10m, or 20% year-on-year. This translated to an adjusted EBITDA margin of 10.8%, a year-on-year expansion of 100 basis points.

Operating loss of £90m in the first half of 2022 compared to £38m loss in the prior year period. The £52m year-on-year change was primarily driven by:

- a £47m increase in depreciation and amortisation charges, principally related to Aston Martin Valkyrie deliveries and accelerated depreciation ahead of next generation GT/Sports vehicles in 2023, and

- increased brand and product launch investments such as the DBX707, V12 Vantage and Valhalla, as well as marketing initiatives at events such as the Goodwood Festival of Speed

These factors were partially offset by:

- higher year-on-year gross margin as described above, and
- a £14m benefit to operating profit from exchange rate movements

Adjusting operating items of £17m in the first half of 2022 (H1 2021: £2m) predominantly related to the closure to future accrual of the pension scheme disclosed at the Full Year 2021 results, as well as one-time expenses related to the change of CEO and appointment of other new executives.

Net financing costs of £196m in the first half of 2022 increased significantly from £53m in the prior year period, reflecting the revaluation of the US dollar-denominated Senior Secured Notes giving a non-cash FX charge of £134m (H1 2021: £9m benefit). The £24m adjusting finance credit was due to movements in fair value of outstanding warrants (H1 2021: £14m credit).

The loss before tax was £285m (H1 2021: £91m loss) and the loss for the period was £290m (H1 2021: £71m), both impacted by the revaluation of the US dollar-denominated Senior Secured Notes.

The total effective tax rate for the period to 30 June 2022 was -1.5% which is lower than the prior period due to no current period deferred tax asset movements being recognised (such that the tax charge related to the financial performance of the overseas subsidiaries during the six month period, together with a small increase in deferred tax liabilities attributable to distributable profits in China) (H1 2021: 22%).

The total share count at 30 June 2022 was 116 million, giving an adjusted EPS of (253.7)p (H1 2021: (85.3)p).

Cash flow and net debt

£m	**H1 2022**	**H1 2021**	**Q2 2022**	**Q2 2021**
Cash (used in)/generated from operating activities	(33.1)	103.8	(76.3)	31.6
Cash used in investing activities (excl. interest)	(138.2)	(91.0)	(71.5)	(43.4)
Net cash interest paid	(62.5)	(57.1)	(60.6)	(56.7)
Free cash outflow	**(233.8)**	**(44.3)**	**(208.4)**	**(68.5)**
Cash (outflow)/inflow from financing activities (excl. interest)	(41.0)	62.4	(46.9)	(2.0)
(Decrease) / increase in net cash	**(274.8)**	**18.1**	**(255.3)**	**(70.5)**
Effect of exchange rates on cash and cash equivalents	12.1	(1.9)	7.7	0.7
Cash balance	**156.2**	**505.6**	**156.2**	**505.6**

Cash flow from operating activities was an outflow of £33m in the first half of 2022 (H1 2021: £104m inflow). The year-on-year change in cash flow from operating activities was primarily driven by a working capital outflow of £67m (H1 2021: £62m inflow), impacted by supply chain and logistics disruptions. The largest driver was a £105m increase in inventories (H1 2021: £9m decrease), reflecting a significant number of ordered vehicles awaiting final parts at the end of June. In addition, there was a £41m increase in receivables (H1 2021: £40m decrease) as supply chain and logistics disruptions pushed planned deliveries towards the end of the second quarter.

Demand for Specials remains strong with a £10m increase in the deposit balance in the first half of 2022, as new deposits more than offset the unwind from Specials delivered in the period.

Capital expenditure was £138m in the first half of 2022, an increase of £47m year-on-year, with investment focused on the future product pipeline, particularly, the next generation GT/Sports vehicles, as well as development of the mid-engine PHEV programme.

Free cash outflow of £234m in the first half of 2022 compared to a £44m outflow in the first half of 2021, or a £190m year-on-year change. This was primarily due to the significant year-on-year movement in working capital related cash flows detailed above, as well as the £47m year-on-year increase in capital expenditure.

£m	30-June-22	31-Dec-21	30-June-21
Loan notes	(1,221.5)	(1,074.9)	(1,041.6)
Inventory financing	(38.8)	(19.7)	(39.8)
Bank loans and overdrafts	(62.3)	(114.3)	(118.0)
Lease liabilities (IFRS 16)	(102.0)	(103.4)	(99.2)
Gross debt	**(1,424.6)**	**(1,312.3)**	**(1,298.6)**
Cash balance	156.2	418.9	505.6
Cash not available for short term use	2.0	1.8	1.5
Net debt	**(1,266.4)**	**(891.6)**	**(791.5)**

Cash at 30 June 2022 of £156m included a £46m repayment of the revolving credit facility. Net debt was £1,266m, up from £892m at 31 December 2021, including £134m impact of non-cash FX revaluation of US dollar-denominated debt as the pound weakened against the US dollar during the period.

Subsequent Events

Proposed New Equity Financing and Strategic Investment by the Public Investment Fund ("PIF")

On 15 July 2022, the Company announced its intention to undertake a proposed equity capital raise of £653 million (the "**Capital Raise**") to meaningfully deleverage the balance sheet, strengthen and accelerate its long-term growth. The Company confirms the following plans for a linked primary issuance of shares, subject to shareholder and regulatory approvals:

- a proposed placing of approximately 23.3 million new ordinary shares at a price of £3.35 per ordinary share in the capital of the Company to PIF (the "**Placing Shares**") to raise approximately £78.0 million, representing approximately 16.7% of the post-placing share capital of the Company (the "**Placing**"); and
- a subsequent underwritten rights issue to raise approximately £575 million (the "**Rights Issue**"), including the irrevocable agreements from PIF, Yew Tree Overseas Limited and Mercedes-Benz AG to fully take up in full their respective entitlement shares.

The Company intends to use the net proceeds from the Capital Raise for the following purposes:

- up to half to repay existing debt, strengthening financial resilience and improving the company's cash flow generation by reducing its interest costs;
- the balance to maintain a substantial liquidity cushion to underpin and accelerate future capital expenditure, and to support execution of its targets in what remains a challenging operating environment, impacted by the war in Ukraine, COVID-19 lockdowns in China, as well as continued supply chain and logistics disruptions.

The Capital Raise has been in development for some time, and follows a comprehensive Board review of the Company's optimal capital structure and growth capital requirements over the medium-term and beyond, as well as the debt reduction required in order to achieve a net debt leverage ratio of c.1-1.5x by 2024/25.

The specific terms and conditions of the Capital Raise will be announced by the Company in due course. The Company expects to separately publish a circular in mid-August, which will contain notice of the General Meeting of the Company required in connection with the Capital Raise, which it is expected will take place in early September and at which the Company will seek approval from its shareholders. It is expected that a Prospectus, containing further information on the Capital Raise will also be published in early September, and in any event before the General Meeting, and that completion of the Capital Raise will take place by the end of September.

Further information can be found in the announcement made on 15 July 2022:

https://otp.tools.investis.com/clients/uk/astonmartin/rns/regulatory-story.aspx?cid=2424&newsid=1606351

Amendment to Strategic Cooperation Agreement with Mercedes-Benz AG

On 28 July 2022, the Strategic Cooperation Agreement entered into between Mercedes-Benz AG (MBAG) and the Company on 27 October 2020 ("SCA") was amended to extend the timeframe for the Company and MBAG to agree additional technology requests by 12 months to 31 December 2023, with the corresponding tranche 2 share issuance to take place by July of 2024.

APPENDICES

Dealerships

	30 June-22	31 Dec-21	30 June-21
UK	21	22	22
Americas	44	44	44
EMEA ex. UK	52	53	53
APAC	49	49	50
Total	**166**	**168**	**169**
Number of countries	55	*56*	*58*

Units

Wholesale	Q1-22	Q1-21	*Change*	Q2-22	Q2-21	*Change*	H1-22	H1-21	*Change*
UK	264	272	*(3%)*	224	162	*38%*	488	434	*12%*
Americas	361	431	*(16%)*	359	625	*(43%)*	720	1,056	*(32%)*
EMEA ex. UK	271	284	*(5%)*	343	316	*9%*	614	600	*2%*
APAC	272	366	*(26%)*	582	445	*31%*	854	811	*5%*
Total	**1,168**	**1,353**	***(14%)***	**1,508**	**1,548**	***(3%)***	**2,676**	**2,901**	***(8%)***

Wholesale	Q1-22	Q1-21	*Change*	Q2-22	Q2-21	*Change*	H1-22	H1-21	*Change*
Sport	381	312	*22%*	440	358	*23%*	821	670	*23%*
GT	347	289	*20%*	393	321	*22%*	740	610	*21%*
SUV	421	746	*(44%)*	662	849	*(22%)*	1,083	1,595	*(32%)*
Other	0	5	*(100%)*	0	1	*(100%)*	0	6	*(100%)*
Specials	19	1	*1,800%*	13	19	*(32%)*	32	20	*60%*
Total	**1,168**	**1,353**	***(14%)***	**1,508**	**1,548**	***(3%)***	**2,676**	**2,901**	***(8%)***

Note: Sports includes Vantage, GT includes DB11 and DBS, Other includes prior generation models such as Rapide AMR

Summary financials

£m	Q1-22	Q1-21	Q2-22	Q2-21	H1-22	H1-21
Total wholesale volumes[1]	**1,168**	**1,353**	**1,508**	**1,548**	**2,676**	**2,901**
Revenue	**232.7**	**224.4**	**309.0**	**274.4**	**541.7**	**498.8**
Gross profit	84.0	63.3	104.1	80.0	188.1	143.3
Gross margin	36.1%	*28.2%*	33.7%	*29.2%*	34.7%	*28.7%*
Adjusted EBITDA	**24.4**	**20.7**	**34.2**	**28.1**	**58.6**	**48.8**
Adjusted EBITDA margin	10.5%	*9.2%*	11.1%	*10.2%*	10.8%	*9.8%*
Adjusted operating loss	**(34.3)**	**(15.3)**	**(38.4)**	**(20.7)**	**(72.7)**	**(36.0)**
Adjusted operating margin	*n.m.*	*n.m.*	*n.m.*	*n.m.*	*n.m.*	*n.m.*
Adjusting operating items	(13.4)	-	(3.8)	*(2.0)*	(17.2)	*(2.0)*
Adjusting financing items	10.8	*5.4*	13.6	*8.6*	24.4	*14.0*
Operating loss	**(47.7)**	**(15.3)**	**(42.2)**	**(22.7)**	**(89.9)**	**(38.0)**
Loss before tax	**(111.6)**	**(42.2)**	**(173.8)**	**(48.5)**	**(285.4)**	**(90.7)**

Note: For definition of alternative performance measures please see the Appendices and note 17 of the Interim Financial Statements; [1]Number of vehicles including specials

Summary cash flow statement

£m	Q1-22	Q1-21	Q2-22	Q2-21	H1-22	H1-21
Cash generated from/(used in) operating activities	43.2	72.2	(76.3)	31.6	(33.1)	103.8
Cash used in investing activities (excl. interest)	(66.7)	(47.6)	(71.5)	(43.4)	(138.2)	(91.0)
Net interest paid	(1.9)	(0.4)	(60.6)	(56.7)	(62.5)	(57.1)
Free cash (outflow)/inflow	**(25.4)**	**24.2**	**(208.4)**	**(68.5)**	**(233.8)**	**(44.3)**
Cash inflow/(outflow) from financing activities (excl. interest)	5.9	64.4	(46.9)	(2.0)	(41.0)	62.4
(Decrease)/increase in net cash	**(19.5)**	**88.6**	**(255.3)**	**(70.5)**	**(274.8)**	**18.1**
Effect of exchange rates on cash & cash equivalents	4.4	(2.6)	7.7	0.7	12.1	(1.9)
Cash balance	**403.8**	**575.4**	**156.2**	**505.6**	**156.2**	**505.6**

Alternative Performance Measure

£m	H1 2022	H1 2021
Loss before tax	**(285.4)**	**(90.7)**
Adjusting operating expense	17.2	2.0
Adjusting finance (income)	(24.4)	(14.0)
Adjusted EBT	**(292.6)**	**(102.7)**
Adjusted finance (income)	(1.2)	(10.7)
Adjusted finance expense	221.1	77.4
Adjusted operating loss	**(72.7)**	**(36.0)**
Reported depreciation	38.2	28.8
Reported amortisation	93.1	56.0
Adjusted EBITDA	**58.6**	**48.8**

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 and cash held not available for short-term use
- 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.

Principal risks and uncertainties

The principal risks and uncertainties that could substantially affect the Group's business and results were previously reported on pages 40 to 42 of the 2021 Annual Report and Accounts. Our Board and Management team have reassessed the risk environment as at 30 June 2022 to consider any significant changes to the Group's risk assessment including any new and emerging risks and opportunities.

There have not been any significant changes to the principal risks previously disclosed within the 2021 Annual Report and Accounts and the principal risks and uncertainties that the Group faces for the second half of the year are consistent with those previously reported as summarised below.

Strategic risks

Macroeconomic uncertainty and political instability: The Group operates in the ultra-luxury segment (ULS) vehicle market and accordingly its performance is linked to market conditions and consumer demand in that market. Sales of ULS vehicles are affected by general economic conditions and can be materially affected by the economic cycle. Demand for luxury goods, including ULS vehicles, is 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 ULS vehicle sales, which may put downward pressure on the Group's product and service prices and volumes, and negatively affect profitability. 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.

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 United Kingdom and the European Union or through changes in emissions legislation. Any future change in government in both the United Kingdom and the Group's key markets could have an impact on the Group due to changes in policy, legislation, or regulatory interpretation.

In February 2022, Russia launched an invasion of Ukraine and in response to this invasion, a large number of countries imposed severe sanctions on Russia (including certain Russian entities and individuals) and a large number of private companies have also voluntarily ceased operating in, or doing business with, Russia. Examples of such sanctions include a prohibition on doing business with certain Russian companies, large financial institutions, officials and oligarchs and a commitment by certain countries and the European Union to remove selected Russian banks from the Society for Worldwide Interbank Financial Telecommunications (***SWIFT***), the electronic banking network that connects banks globally. Many companies have also announced the cessation of their Russian businesses and/or their unwillingness to retain interests in Russian assets or to continue dealings with Russian or related counterparties, even where such action is not required by current sanction regimes. The scope and scale of such economic sanctions and voluntary actions by companies remain subject to rapid and unpredictable change and may have considerable negative impacts on global macroeconomic conditions and on European economies and counterparties. In particular, Russia's invasion of Ukraine has impacted and is expected to continue to impact energy prices and energy supply in Europe, which has significant dependence on Russian natural gas and on crude oil. Moreover, existing concerns about market volatility, rising commodity prices (such as metals), disruptions to supply chains, high rates of inflation and the risk of regional or global recessions or "stagflation" (i.e., recession or reduced rates of economic growth coupled with high rates of inflation) have been exacerbated by Russia's invasion of Ukraine. As a result of these sanctions and conditions, the Group has paused vehicle and parts shipments to Russia and the Ukraine, which represented less than 1 per cent. of the Group's total wholesales in the year ended 31 December 2021. None of the Group's Tier 1 suppliers are based in Russia or Ukraine. As at the date of this document, the war in Ukraine continues. As the situation continues to evolve, the Group is unable to predict the ultimate impacts that the war and the resulting sanctions will have on the global financial markets and economy more generally, but such impacts could include those discussed in this risk. If the conflict is prolonged, escalates or expands (including if additional countries become involved), or if additional economic sanctions or other measures are imposed, or if volatility in commodity prices or disruptions to supply chains worsen, regional and global macroeconomic conditions and financial markets could be impacted more severely, which in turn could have a more severe effect on the Group's business, financial condition, results and the value of its assets.

Damage to our brand image (luxury and exclusivity) or reputation: The Group's success depends on the preservation and enhancement of our brand and reputation with ultra-luxury consumers. Damage caused by any reason (e.g. poor customer experience, poor design, quality issues, late delivery) could significantly impact our ability to deliver planned volume growth. We promote brand awareness and identity through our marketing activity, leveraging the global reach of the Aston Martin Aramco Cognizant Formula One™ Team. The successful rebalance of GT/Sport supply to demand combined with our return to the 'build to order' strategy is controlling supply to drive brand exclusivity. Investment in new technology combined with delivery of our three-pillar strategy will further enhance the appeal of the brand and increase our customer base.

Technological advancement: To remain competitive the Group needs to incorporate the latest technologies (e.g. electrification, active safety, connected car, autonomous driving) into its products and keep pace with the transition to electrified and lower emission powertrains. Strategic agreements with key suppliers provide access to technology that may otherwise be too costly to develop internally.

Operational risks

Talent acquisition and retention: 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 vehicles 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 and with the required skills and capabilities to support its strategic objectives.

Programme delivery: Failure to deliver major programmes on time, within budget and to the right technical specification could jeopardise delivery of our strategy leading to adverse financial and reputational consequences. The Group employs Project Management teams to deliver significant programmes using our 'Mission' programme delivery governance methodology. In 2021 we relocated production for all sports cars (including Valkyrie and V12 Speedster) to the main production facility in Gaydon and assigned dedicated project delivery teams to manage these programmes through to completion.

Achieving financial and cost-reduction targets: The Group's ability to successfully implement its strategy will depend on, at least in part, its ability to achieve its financial targets as well as to maintain capital expenditures without limiting its ability to introduce new vehicles in line with changes in trends and advances in technology. Market conditions and trends change over time and may be particularly affected by macroeconomic factors, including high rates of inflation, increasing interest rates, rising commodity prices and the risk of regional or global recessions or "stagflation" (i.e., recession or reduced rates of economic growth coupled with high rates of inflation). In addition, the war in Ukraine and the COVID-19 pandemic may provide challenges to the Board's ability to implement its business plan or require it to re-consider it or adopt new strategies. Major events with an impact on the Group's business like the war in Ukraine and the COVID-19 pandemic, including further variants or "waves," may result in a diversion of management attention and require the Group to focus on preserving liquidity rather than implementing its 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.

Cyber security and IT resilience: The increasing threat of cyberattack presents risk to the availability, confidentiality and integrity of information and IT-supported operating systems. A cybersecurity breach could result in unplanned system outage, impacting core operations and/or result in a major data loss leading to reputational damage and financial loss. A robust technology environment is critical to the Group's success and operational resilience. The Group is investing in tools and resources to enhance the control environment and reduce the risk of core business operational disruption or major data loss. The phased implementation of a new ERP system through 2022 will improve the operational resilience of our IT environment.

Supply chain disruption: The Group's dependence on a limited number of suppliers exposes the Group to the risk of increased material costs due to suppliers' pricing power, limited availability and disrupted delivery schedules, including as a result of the effects of the COVID-19 pandemic and ongoing global supply chain issues, 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, the war in Ukraine and other wars, 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.

Compliance risks

Compliance with laws and regulations: The Group is subject to a broad range of national and regional laws and regulations which include vehicle emissions, fuel consumption, tariffs, safety and certification, competition, health and safety, data protection, corporate governance, employment, and taxation. Changes to laws and regulations or a major compliance breach could have a material impact on the business. As emissions regulations become increasingly stringent the Group continues to invest in product portfolio expansion to accelerate its transition towards electrified powertrains and reduced emissions. The Group also requires all employees to complete annual re-certification training in its Standards of Corporate Conduct to promote good business practice and compliance.

Climate Change risks

Climate change – There are a number of significant transition and physical risks associated with the impact of climate change which could significantly impact demand for the Group's vehicles, or the Group's ability to sell vehicles within certain markets or have financial consequences through potential increased carbon pricing and taxes.

Transitioning to a lower-carbon economy poses the most significant climate related risk with the Group being exposed to:

- Policy and legal risk: Capital and operating expenses required in order to comply with environmental laws and regulations can be significant. New policy actions and/or legislation changes relating to environmental matters, such as the implementation of carbon pricing mechanisms to reduce green house gas (GHG) emissions or the imposition of more stringent vehicle emissions regulations, could give rise to significant costs.
- Technology risk: New technologies that support the transition to a lower-carbon, energy-efficient economic system, including the increasing demand for lower emission vehicles and electrified powertrains, could have a significant impact on the Group. The Group many be unable to develop lower capacity and fully electric vehicles successfully, as quickly as its competitors or at a reasonable cost.
- Market risk: Customer preferences may change more quickly than anticipated away from traditional internal combustion engines (ICEs) towards alternative non-ICE powertrains (e.g. plug-in hybrid electric vehicle, battery electric vehicles, Hydrogen, Synthetic fuels). This could significantly affect demand for the Group's products. Increasing consumer awareness around sustainability and the resultant desire to buy products which use sustainable materials may adversely impact demand for the Group's products.
- Reputation risk: Customers and communities are increasingly concerned with an organisation's contribution to or detraction from the transition to a lower-carbon economy. If the Group does not deliver on its net-zero goals, sustainability targets, the production of hybrid and fully-electric models or does not otherwise demonstrate its commitment to reducing its impact on climate change, this could have a material adverse effect on the Group.

Physical risks resulting from climate change can be event driven (such as an extreme weather event) or longer-term shifts in climate patterns (such as global warming). Increased frequency and severity of extreme weather events could lead to damage to assets and/or facilities or lead to production or supply chain disruption. In each case, this could have a material adverse effect on the Group's business, financial condition, and results of operations.

Financial risks

Liquidity: The Group's significant leverage and existing levels of debt may make it difficult to obtain additional debt financing should the need arise due to unforeseen economic shocks. Failure to collect planned deposits could place additional stress on the Group's liquidity. The Group's liquidity requirements arise primarily from its need to fund capital expenditure for product development, including the electrification of its product portfolio, and to service debt. The Group is also subject to foreign exchange risks and opportunities and manages its exposure in accordance with the Group Hedging Policy.

Impairment of capitalised development costs: The Group's balance sheet and income statement may be adversely impacted by an impairment in the carrying value of capitalised development costs. A significant reduction in vehicle lifecycle profitability could result in the need to impair the capitalised development intangible asset. Where potential impairment triggers are identified management perform assessments to evaluate the recoverability of capitalised development costs.

The risks and opportunities summarised above, linkage to the Group's strategy, and additional mitigating actions taken in respect of them, are explained and described in more detail on pages 40 to 42 of the 2021 Annual Report and Accounts.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		6 months ended 30 June 2022			6 months ended 30 June 2021			12 months ended 31 December 2021		
	Notes	**Adjusted**	**Adjusting items***	**Total**	Adjusted	Adjusting items*	Total	Adjusted	Adjusting items*	Total
		£m	**£m**	**£m**	£m	£m	£m	£m	£m	£m
Revenue	2	**541.7**	**-**	**541.7**	498.8	-	498.8	1,095.3	-	1,095.3
Cost of sales		**(353.6)**	**-**	**(353.6)**	(355.5)	-	(355.5)	(751.6)	-	(751.6)
Gross profit		**188.1**	**-**	**188.1**	143.3	-	143.3	343.7	-	343.7
Selling and distribution expenses		**(51.9)**	**-**	**(51.9)**	(35.1)	-	(35.1)	(84.8)	-	(84.8)
Administrative expenses	3	**(208.9)**	**(17.2)**	**(226.1)**	(144.2)	(2.0)	(146.2)	(333.2)	(2.2)	(335.4)
Operating loss		**(72.7)**	**(17.2)**	**(89.9)**	(36.0)	(2.0)	(38.0)	(74.3)	(2.2)	(76.5)
Finance income	3, 4	**1.2**	**24.4**	**25.6**	10.7	14.0	24.7	2.3	34.1	36.4
Finance expense	5	**(221.1)**	**-**	**(221.1)**	(77.4)	-	(77.4)	(173.7)	-	(173.7)
(Loss)/profit before tax		**(292.6)**	**7.2**	**(285.4)**	(102.7)	12.0	(90.7)	(245.7)	31.9	(213.8)
Income tax (charge)/credit	6	**(2.6)**	**(1.8)**	**(4.4)**	6.3	13.3	19.6	16.2	8.3	24.5
(Loss)/profit for the period		**(295.2)**	**5.4**	**(289.8)**	(96.4)	25.3	(71.1)	(229.5)	40.2	(189.3)

	Notes	**6 months ended 30 June 2022 Total £m**	6 months ended 30 June 2021 Total £m	12 months ended 31 December 2021 Total £m
(Loss)/profit for the period attributable to:				
Owners of the group		**(290.0)**	(72.7)	(191.6)
Non-controlling interests		**0.2**	1.6	2.3
		(289.8)	(71.1)	(189.3)
Other comprehensive income				
Items that will never be reclassified to the Income Statement				
Remeasurement of defined benefit pension liability		**6.1**	2.4	3.8
Taxation on items that will never be reclassified to the Income Statement		**(1.5)**	(0.6)	(1.0)
Effect of change in rate of taxation		**-**	6.8	6.0
Items that are or may be reclassified to the Income Statement				
Foreign exchange translation differences		**4.3**	-	2.3
Fair value adjustment on cash flow hedges		**(4.2)**	-	(0.3)
Amounts recycled to the Income Statement in respect of cash flow hedges		**(0.8)**	(2.1)	(4.3)
Taxation on items that may be reclassified to the Income Statement		**1.3**	0.5	1.2
Effect of change in rate of taxation		**-**	0.1	-
Other comprehensive income for the period, net of income tax		**5.2**	6.9	7.7
Total comprehensive loss for the period		**(284.6)**	(64.2)	(181.6)
Total comprehensive (loss)/income for the period attributable to:				
Owners of the group		**(284.8)**	(65.8)	(183.9)
Non-controlling interests		**0.2**	1.6	2.3
		(284.6)	(64.2)	(181.6)
Earnings per ordinary share				
Basic	7	**(249.0p)**	(63.3p)	(165.9p)
Diluted	7	**(249.0p)**	(63.3p)	(165.9p)

* Adjusting items are detailed in note 3.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Capital Redemption Reserve	Merger Reserve	Capital Reserve	Translation Reserve	Hedge Reserve	Retained Earnings	Non-controlling Interest	Total Equity
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
At 1 January 2022	**11.6**	**1,123.4**	**9.3**	**143.9**	**6.6**	**2.7**	**6.7**	**(662.4)**	**18.6**	**660.4**
Total comprehensive loss for the period										
(Loss)/profit for the period	-	-	-	-	-	-	-	(290.0)	0.2	**(289.8)**
Other comprehensive income										
Foreign currency translation differences	-	-	-	-	-	4.3	-	-	-	**4.3**
Fair value movement - cash flow hedges	-	-	-	-	-	-	(4.2)	-	-	**(4.2)**
Amounts recycled to the Income Statement - cash flow hedges	-	-	-	-	-	-	(0.8)	-	-	**(0.8)**
Remeasurement of defined benefit liability	-	-	-	-	-	-	-	6.1	-	**6.1**
Taxation on other comprehensive income	-	-	-	-	-	-	1.3	(1.5)	-	**(0.2)**
Total other comprehensive income/(loss)	**-**	**-**	**-**	**-**	**-**	**4.3**	**(3.7)**	**4.6**	**-**	**5.2**
Total comprehensive income/(loss) for the period	**-**	**-**	**-**	**-**	**-**	**4.3**	**(3.7)**	**(285.4)**	**0.2**	**(284.6)**
Transactions with owners, recorded directly in equity										
Credit for the period under equity settled share-based payments	-	-	-	-	-	-	-	2.1	-	**2.1**
Tax on items credited to equity	-	-	-	-	-	-	-	(0.1)	-	**(0.1)**
Total transactions with owners	-	-	-	-	-	-	-	2.0	-	**2.0**
At 30 June 2022	**11.6**	**1,123.4**	**9.3**	**143.9**	**6.6**	**7.0**	**3.0**	**(945.8)**	**18.8**	**377.8**

	Share Capital	Share Premium	Capital Redemption Reserve	Merger Reserve	Capital Reserve	Translation Reserve	Hedge Reserve	Retained Earnings	Non-controlling Interest	Total Equity
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
At 1 January 2021	**11.5**	**1,108.2**	**9.3**	**144.0**	**6.6**	**0.4**	**10.9**	**(503.1)**	**16.3**	**804.1**
Total comprehensive loss for the period										
(Loss)/profit for the period	-	-	-	-	-	-	-	(72.7)	1.6	**(71.1)**
Other comprehensive income										
Amounts recycled to the Income Statement - cash flow hedges	-	-	-	-	-	-	(2.1)	-	-	**(2.1)**
Remeasurement of defined benefit liability	-	-	-	-	-	-	-	2.4	-	**2.4**
Effect of change in rate of taxation	-	-	-	-	-	-	-	6.7	-	6.7
Taxation on other comprehensive income	-	-	-	-	-	-	0.5	(0.6)	-	(0.1)
Total other comprehensive (loss)/income	**-**	**-**	**-**	**-**	**-**	**-**	**(1.6)**	**8.5**	**-**	**6.9**
Total comprehensive income/(loss) for the period	**-**	**-**	**-**	**-**	**-**	**-**	**(1.6)**	**(64.2)**	**1.6**	**(64.2)**
Transactions with owners, recorded directly in equity										
Reclassification	-	0.1	-	(0.1)	-	-	-	-	-	**-**
Credit for the period under equity settled share-based payments	-	-	-	-	-	-	-	1.5	-	**1.5**
Effect of change in rate of taxation	-	-	-	-	-	-	-	4.7	-	**4.7**
Tax on items credited to equity	-	-	-	-	-	-	-	0.1	-	**0.1**
Total transactions with owners	**-**	**0.1**	**-**	**(0.1)**	**-**	**-**	**-**	**6.3**	**-**	**6.3**
At 30 June 2021	**11.5**	**1,108.3**	**9.3**	**143.9**	**6.6**	**0.4**	**9.3**	**(561.0)**	**17.9**	**746.2**

	Share Capital	Share Premium	Capital Redemption Reserve	Merger Reserve	Capital Reserve	Translation Reserve	Hedge Reserve	Retained Earnings	Non-controlling Interest	Total Equity
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
At 1 January 2021	**11.5**	**1,108.2**	**9.3**	**144.0**	**6.6**	**0.4**	**10.9**	**(503.1)**	**16.3**	**804.1**
Total comprehensive loss for the year										
(Loss)/profit for the year	-	-	-	-	-	-	-	(191.6)	2.3	(189.3)
Other comprehensive income										
Foreign currency translation differences	-	-	-	-	-	2.3	-	-	-	2.3
Fair value movement - cash flow hedges	-	-	-	-	-	-	(0.3)	-	-	(0.3)
Amounts recycled to the Income Statement - cash flow hedges	-	-	-	-	-	-	(4.3)	-	-	(4.3)
Remeasurement of defined benefit liability	-	-	-	-	-	-	-	3.8	-	3.8
Effect of change in rate of taxation	-	-	-	-	-	-	(0.8)	6.8	-	6.0
Tax on other comprehensive income	-	-	-	-	-	-	1.2	(1.0)	-	0.2
Total other comprehensive income/(loss)	**-**	**-**	**-**	**-**	**-**	**2.3**	**(4.2)**	**9.6**	**-**	**7.7**
Total comprehensive income/(loss) for the year	**-**	**-**	**-**	**-**	**-**	**2.3**	**(4.2)**	**(182.0)**	**2.3**	**(181.6)**
Transactions with owners, recorded directly in equity										
Warrant options exercised	0.1	15.1	-	-	-	-	-	14.8	-	30.0
Reclassification	-	0.1	-	(0.1)	-	-	-	-	-	-
Credit for the year under equity settled share-based payments	-	-	-	-	-	-	-	3.1	-	3.1
Effect of change in rate of taxation	-	-	-	-	-	-	-	4.7	-	4.7
Tax on items credited to equity	-	-	-	-	-	-	-	0.1	-	0.1
Total transactions with owners	**0.1**	**15.2**	**-**	**(0.1)**	**-**	**-**	**-**	**22.7**	**-**	**37.9**
At 31 December 2021	**11.6**	**1,123.4**	**9.3**	**143.9**	**6.6**	**2.7**	**6.7**	**(662.4)**	**18.6**	**660.4**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**As at 30 June 2022**	As at 30 June 2021	As at 31 December 2021
		£m	£m	£m
Non-current assets				
Intangible assets		**1,392.6**	1,362.0	1,384.1
Property, plant and equipment		**352.6**	381.3	355.5
Right-of-use assets		**76.6**	69.4	76.0
Trade and other receivables		**2.3**	0.7	2.1
Other financial assets		**-**	-	0.5
Deferred tax asset	6	**157.3**	143.7	156.4
		1,981.4	1,957.1	1,974.6
Current assets				
Inventories		**307.6**	202.4	196.8
Trade and other receivables		**288.1**	142.9	243.4
Income tax receivable		**1.2**	1.0	1.5
Other financial assets	11	**9.2**	8.1	7.3
Cash and cash equivalents	9, 10	**156.2**	505.6	418.9
		762.3	860.0	867.9
Total assets		**2,743.7**	2,817.1	2,842.5
Current liabilities				
Borrowings		**62.3**	118.0	114.3
Trade and other payables		**842.8**	609.1	721.0
Income tax payable		**4.0**	4.8	5.5
Other financial liabilities		**15.4**	69.9	34.8
Lease liabilities		**7.4**	10.8	9.7
Provisions	12	**17.9**	17.4	19.9
		949.8	830.0	905.2
Non-current liabilities				

Borrowings	11	**1,221.5**	1,041.6	1,074.9
Trade and other payables		**9.2**	6.0	9.8
Lease liabilities		**94.6**	88.4	93.7
Provisions	12	**20.6**	19.3	19.0
Employee benefits	13	**68.8**	85.4	78.7
Deferred tax liabilities		**1.4**	0.2	0.8
		1,416.1	1,240.9	1,276.9
Total liabilities		**2,365.9**	2,070.9	2,182.1
Net assets		**377.8**	746.2	660.4
Capital and reserves				
Share capital	14	**11.6**	11.5	11.6
Share premium		**1,123.4**	1,108.3	1,123.4
Merger reserve		**143.9**	143.9	143.9
Capital redemption reserve		**9.3**	9.3	9.3
Capital reserve		**6.6**	6.6	6.6
Translation reserve		**7.0**	0.4	2.7
Hedge reserve		**3.0**	9.3	6.7
Retained earnings		**(945.8)**	(561.0)	(662.4)
Equity attributable to owners of the group		**359.0**	728.3	641.8
Non-controlling interests		**18.8**	17.9	18.6
Total shareholders' equity		**377.8**	746.2	660.4

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	**6 months ended 30 June 2022**	6 months ended 30 June 2021	12 months ended 31 December 2021
		£m	£m	£m
Operating activities				
Loss for the period		**(289.8)**	(71.1)	(189.3)
Adjustments to reconcile loss for the period to net cash inflow from operating activities				
Tax charge/(credit)	6	**4.4**	(19.6)	(24.5)
Net finance costs		**195.5**	52.7	137.3
Other non-cash movements		**4.2**	(3.1)	(0.1)
Depreciation of property, plant and equipment		**33.8**	24.9	65.3
Depreciation of right-of-use assets		**4.4**	3.9	9.3
Amortisation of intangible assets		**93.1**	56.0	137.6
Difference between pension contributions paid and amounts recognised in Income Statement		**(4.6)**	(5.4)	(11.4)
(Increase)/decrease in inventories		**(104.6)**	8.7	7.7
(Increase)/decrease in trade and other receivables		**(41.0)**	40.1	(75.4)
Increase in trade and other payables		**68.3**	6.3	52.8
Increase in advances and customer deposits		**10.4**	7.0	70.7
Movement in provisions		**(1.8)**	(2.1)	(0.2)
Cash (outflow)/inflow from operations		**(27.7)**	98.3	179.8
(Increase)/decrease in cash held not available for short-term use		**(0.2)**	8.4	8.1
Income taxes paid		**(5.2)**	(2.9)	(9.0)
Net cash (outflow)/inflow from operating activities		**(33.1)**	103.8	178.9
Cash flows from investing activities				
Interest received		**0.7**	1.4	1.1
Increase in loan assets		**-**	(1.5)	(1.4)
Decrease in loan assets		**-**	-	0.9
Payments to acquire property, plant and equipment		**(29.1)**	(24.7)	(40.7)
Payments to acquire intangible assets		**(109.1)**	(64.8)	(144.0)
Net cash used in investing activities		**(137.5)**	(89.6)	(184.1)
Cash flows from financing activities				
Interest paid		**(63.2)**	(58.5)	(118.0)
Proceeds from issue of equity warrants		**-**	-	15.3
Principal element of lease payments	10	**(6.4)**	(5.0)	(9.9)
Repayment of existing borrowings	10	**(52.3)**	(2.1)	(37,3)
Proceeds from inventory repurchase arrangement	10	**37.7**	-	19.0
Repayment of inventory repurchase arrangement	10	**(20.0)**	-	(40.0)
New borrowings	10	**-**	77.0	108.5
Transaction fees on issuance of shares		**-**	(1.2)	(1.3)

Transaction fees on financing activities	**-**	(6.3)	(2.8)
Net cash (outflow)/inflow from financing activities	**(104.2)**	3.9	(66.5)
Net (decrease)/increase in cash and cash equivalents	**(274.8)**	18.1	71.7
Cash and cash equivalents at the beginning of the period	**418.9**	489.4	489.4
Effect of exchange rates on cash and cash equivalents	**12.1**	(1.9)	1.2
Cash and cash equivalents at the end of the period	**156.2**	505.6	418.9

Notes to the Interim Condensed Financial Statements

1. Basis of preparation

The results for the 6 month period ended 30 June 2022 have been reviewed by Ernst & Young LLP, the Group's auditor, and a copy of their review report appears at the end of this interim report. The financial information for the year ended 31 December 2021 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 2021 was not qualified and did not draw attention to any matters by way of emphasis and did not contain a statement under section 498(2) or (3) of the Companies Act 2006. A copy of the statutory accounts for the year ended 31 December 2021 prepared in accordance with UK adopted international accounting standards have been delivered to the Registrar of Companies. The annual report for the year ended 31 December 2022 will be prepared in accordance with UK adopted international accounting standards.

Aston Martin Lagonda Global Holdings plc (the "Company") is a company incorporated and domiciled in the UK. The Consolidated Interim Condensed Financial Statements of the Company as at the end of the period ended 30 June 2022 comprise the Company and its subsidiaries (together referred to as the 'Group').

Going Concern

The Group meets its day-to-day working capital requirements and medium-term funding requirements through a mixture of $1,184.0m of 1st Lien notes at 10.5% which mature in November 2025, $335m of 2nd Lien split coupon notes at 15% per annum (8.89% cash and 6.11% PIK) which mature in November 2026, a revolving credit facility (£90.6m) which matures August 2025, facilities to finance inventory, a bilateral RCF agreement and a wholesale vehicle financing facility. Under the revolving credit facility the Group is required to comply with a leverage covenant tested quarterly from June 2022 where required.

The directors have developed trading and cash flow forecasts (that exclude the impact of the Capital Raise) for the period from the date of approval of these Interim Condensed Financial Statements through 31 March 2024 (the "going concern review period"). These forecasts show that the Group has sufficient financial resources to meet its obligations as they fall due and to comply with covenants for the going concern review period. A longer 21 month period has been considered under this assessment compared to a 16 month period used for the going concern assessment in the consolidated financial statements for the year ended 31 December 2021.

The forecasts reflect the Group's strategy of rebalancing supply and demand and the decisive actions taken to improve cost efficiency, in alignment with the ultra-luxury performance-oriented strategy. The forecasts include the costs of the Group's environmental, social and governance ("ESG") commitments and make assumptions in respect of future market conditions and, in particular, wholesale volumes, average selling price, the launch of new models, and future operating costs in light of recent inflationary pressures. 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. The forecasts take into account these factors to the extent which the Group 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 Condensed Financial Statements.

The Group directors have considered a severe but plausible downside scenario that includes considering the impact of a 25% reduction in DBX volumes from forecast levels and operating costs higher than the base plan.

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 the continuation of strict and immediate expense control would be taken to safeguard the Group's financial position.

In addition, the Group also considered the circumstances which would be needed to exhaust the Group's liquidity over the assessment period, a reverse stress test (before taking into consideration the recently announced proposed Capital Raise). This would indicate that total core vehicle sales (DBX and GT/Sports) would need to reduce by more than 17% from forecast levels without any of the above mitigations to result in having no liquidity. The likelihood of management not taking substantial mitigating actions over such a long period (such as reducing capital spending to preserve liquidity) together with these circumstances occurring is considered remote both in terms of the magnitude of the reduction and occurrence over such a long period.

Additionally, the directors have considered the impact on the going concern assessment of the proposed £653m Capital Raise announced on 15 July 2022. If this Capital Raise is approved by shareholders this will meaningfully deleverage the balance sheet and provide a substantial additional liquidity cushion to underpin and accelerate future capital expenditure.

Accordingly, after considering the forecasts, appropriate sensitivities, current trading and available facilities, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and to comply with its financial covenants and, therefore, the directors continue to adopt the going concern basis in preparing the Interim Condensed Financial Statements.

Statement of compliance

These Interim Condensed Financial Statements have been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting". 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 2021.

Significant accounting policies

These Interim Condensed 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 2021. A number of new or amended standards became applicable for the current reporting period and that the Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2021.

2. Segmental information

Operating segments are defined as components of the Group about which separate financial information is available and is evaluated regularly by the chief operating decision-maker in assessing performance. The Group has only one operating segment, the automotive segment, and therefore no separate segmental report is disclosed. The automotive segment includes all activities relating to design, development, manufacture and marketing of vehicles including consulting services; as well as the sale of parts, servicing and automotive brand activities from which the Group derives its revenues.

Revenue	**6 months ended 30 June 2022 £m**	6 months ended 30 June 2021 £m	12 months ended 31 December 2021 £m
Analysis by category			
Sale of vehicles	**499.6**	458.5	1,005.4
Sale of parts	**32.9**	32.2	65.5
Servicing of vehicles	**5.0**	5.1	10.6
Brands and motorsport	**4.2**	3.0	13.8
	541.7	498.8	1,095.3

Revenue	**6 months ended 30 June 2022 £m**	6 months ended 30 June 2021 £m	12 months ended 31 December 2021 £m
Analysis by geographic location			
United Kingdom	**98.6**	89.9	231.3
The Americas	**139.6**	154.3	302.7
Rest of Europe, Middle East & Africa	**138.9**	106.8	233.8
Asia Pacific	**164.6**	147.8	327.5
	541.7	498.8	1,095.3

3. Adjusting items

	6 months ended 30 June 2022 £m	6 months ended 30 June 2021 £m	12 months ended 31 December 2021 £m
ERP implementation costs[1]	**(1.2)**	(1.9)	(4.0)
Defined Benefit pension scheme closure costs[2]	**(13.0)**	-	-
Director settlement and incentive arrangements[3]	**(3.0)**	-	-
Restructuring costs[4]	**-**	0.5	2.4
Lease early exit costs[5]	**-**	(0.6)	(0.6)
	(17.2)	(2.0)	(2.2)
Adjusting finance income:			
Gain on financial instruments recognised at fair value through Income Statement[6]	**24.4**	14.0	34.1
Adjusting items before tax	**7.2**	12.0	31.9
Tax charge on adjusting items[7]	**(1.8)**	-	(8.1)
Tax credit due to remeasurement of deferred tax on previously classified adjusting items[7]	**-**	13.3	16.4
Adjusting items after tax	**5.4**	25.3	40.2

1. In the 6 months ended 30 June 2022 the Group incurred further implementation costs for a cloud-based Enterprise Resource Planning (ERP) system for which the Group will not own any Intellectual Property. £1.2m of costs have been incurred in the period under the service contract and expensed to the Income Statement. The project will be ongoing during 2022 for the remaining functions of the Group following the successful migration of the finance function in January 2022. Due to the infrequent recurrence of such costs and the expected quantum during the implementation phase, these have been separately presented as adjusting. The cash impact of this item is a working capital outflow at the time of invoice payment.
2. On the 31 January 2022, the Group closed its defined benefit pension scheme to future accrual incurring a past service cost of £2.8m. Under the terms of the closure agreement, employees were granted cash payments both in the current year and the following two financial years totalling £8.8m. These costs have been fully accrued as at 30 June 2022. In addition, the affected the employees were each granted 185 shares incurring a share-based payment charge of £0.9m. The terms of the agreement provide the employees with a minimum guaranteed value for these shares subject to their ongoing employment with the Group. The Group will pay the employees a further cash sum if the share price at 1 February 2024 does not meet this value. The charge associated with this portion is £0.5m in the 6 months ended 30 June 2022. Further costs are expected under this guarantee until the liability crystalises in February 2024. The Group will continue to present these costs in adjusting items due to their volatile nature and connection with the closure of the pension scheme which is considered a non-recurring event.
3. On 14 January 2022 it was announced that Doug Lafferty would be joining the Group as Chief Financial Officer replacing Ken Gregor who stepped down from the Board on 1 May 2022. On 4 May it was announced that Tobias Moers would be stepping down as Chief Executive Officer and Chief Technical Officer. Amedeo Felisa was appointed as Chief Executive Officer and Roberto Fedeli was appointed as Chief Technical Officer on the same day. Amounts due as a result of these changes totalled £3.0m. Due to the quantum of such costs incurred in the period, they have been separately presented. The cash outflows associated with this expense are expected to be incurred within a period of 12 months.
4. The Group launched a consultation process during 2020 to reduce employee numbers reflecting lower than originally planned production volumes. A revision to the estimated total costs took place during 2021 resulting in £2.4m of the existing provision being released to the Income Statement. The remaining provision has been fully utilised as at 30 June 2022. There was no cash impact associated with the £2.4m provision release.

5. In the year ended 31 December 2021 the Group continued to rationalise its geographical footprint. The Group incurred £0.6m of costs associated with surrendering a lease 30 months early. The cash flow impact of these changes will be incurred during 2022 and the first half of 2023.
6. During 2020 the Group issued second lien Senior Secured Notes which included detachable warrants classified as a derivative option liability. The movement in fair value of the warrants between 31 December 2021 and 30 June 2022 resulted in a gain of £24.4m being recognised in the Income Statement (6 months ended 30 June 2021: gain of £14.0m; 12 months ended 31 December 2021: £34.1m). This item has no cash impact.
7. In the period to 30 June 2022 a total tax charge of £1.8m has been recognised on Adjusting items (6 months ended 30 June 2021: £13.3m tax credit; 12 months ended 31 December 2021: £8.3m tax credit). The effective tax rate on the Adjusting items is primarily higher than the standard rate of corporation tax in the UK of 19% due to deferred tax movements on Adjusting items being measured at 25%.

4. Finance income

	6 months ended 30 June 2022 £m	6 months ended 30 June 2021 £m	12 months ended 31 December 2021 £m
Bank deposit and other interest income	**1.2**	1.4	2.3
Foreign exchange gain on borrowings not designated as part of a hedging relationship	**-**	9.3	-
Finance income before adjusting items	**1.2**	10.7	2.3
Adjusting finance income (note 3)	**24.4**	14.0	34.1
	25.6	24.7	36.4

5. Finance expense

	6 months ended 30 June 2022 £m	6 months ended 30 June 2021 £m	12 months ended 31 December 2021 £m
Bank loans, overdrafts and secured notes	**80.4**	72.4	151.3
Net interest expense on the net defined benefit liability	**0.7**	0.7	1.3
Foreign exchange loss on borrowings not designated as part of a hedging relationship	**134.1**	-	12.4
Interest on contract liabilities held	**3.9**	2.4	4.8
Interest on lease liabilities	**2.0**	1.9	3.9
Total finance expense	**221.1**	77.4	173.7

6. Income tax charge

The Group's total income tax charge for the period to 30 June 2022 is £4.4m (period ended 30 June 2021: £19.6m tax credit) which represents an effective tax rate of
-1.5% (period ended 30 June 2021: 21.6%). The difference between the total effective tax rate of -1.5% and the UK statutory rate of 19% is predominantly due to deferred tax balances not being recognised on asset movements generated in the period to 30 June 2022. £108.9m of the £157.3m Deferred Tax asset relates to unused tax losses. Deferred tax assets on unused tax losses have been recognised to the extent that it is probable that sufficient taxable profits will be generated to utilise these losses based upon the current business plan.

7. Earnings per ordinary share

Continuing and total operations	**6 months ended 30 June 2022**	6 months ended 30 June 2021	12 months ended 31 December 2021
Basic earnings per ordinary share			
Loss available for equity holders (£m)	**(290.0)**	(72.7)	(191.6)
Basic weighted average number of ordinary shares (million)	**116.5**	114.9	115.5
Basic earnings per ordinary share (pence)	**(249.0p)**	(63.3p)	(165.9p)
Diluted earnings per ordinary share			
Loss available for equity holders (£m)	**(290.0)**	(72.7)	(191.6)
Diluted weighted average number of ordinary shares (million)[1]	**116.5**	114.9	115.5
Diluted earnings per ordinary share (pence)	**(249.0p)**	(63.3p)	(165.9p)

[1] The impact of ordinary shares issued as part of the Long-term incentive plans ("LTIP"), the potential number of ordinary shares issued as part of the 2020 issue of share warrants, and the future issue of shares for access to Mercedes-Benz AG technology have been excluded from the weighted average number of diluted ordinary shares as including them is anti-dilutive in arriving at diluted earnings per share.

8. Research and Development expenditure

	6 months ended 30 June 2022 £m	6 months ended 30 June 2021 £m	12 months ended 31 December 2021 £m
Total research and development expenditure	**113.9**	84.6	191.2
Capitalised research and development expenditure	**(106.1)**	(80.5)	(178.2)
Research and development expenditure recognised as an expense during the period	**7.8**	4.1	13.0

9. Net debt

	30 June 2022 £m	30 June 2021 £m	31 December 2021 £m
Cash and cash equivalents	**156.2**	505.6	418.9
Cash held not available for short-term use[1]	**2.0**	1.5	1.8
Bank loans and overdrafts[2]	**(62.3)**	(118.0)	(114.3)
Inventory repurchase arrangements[3]	**(38.8)**	(39.8)	(19.7)
Senior Secured Notes	**(1,221.5)**	(1,041.6)	(1,074.9)
Lease liabilities	**(102.0)**	(99.2)	(103.4)
	(1,266.4)	(791.5)	(891.6)

1. At 30 June 2022 £2.0m (30 June 2021: £1.5m; 31 December 2021: £1.8m) held in certain local bank accounts had been frozen in relation to a number of local arbitration proceedings. 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.

2. At 30 June 2022 £34.0m of the £90.6m revolving credit facility was drawn down in cash (30 June 2021: £78.6m of £90.6m facility, 31 December 2021: £80.0m of £90.6m facility). £6.6m of the remaining facility has been utilised through the issuance of letters of credit and guarantees (30 June 2021: £12.0m of the remaining facility was utilised; 31 December 2021: £5.9m was utilised). The loan is presented net of amortised transaction fees of £1.7m (30 June 2021: £2.2m; 31 December 2021: £2.0m).

   At 30 June 2022, the Group held a bilateral revolving credit facility with HSBC Bank plc (“HSBC”), whereby Chinese renminbi with an initial value of £31.9m were deposited in a restricted account with HSBC in China in exchange for a £30.0m sterling overdraft facility with HSBC in the United Kingdom. The restricted cash has been revalued at 30 June 2022 to £33.6m (December 2021: £33.0m) and is shown in the cash and cash equivalents value above. The cash in China cannot be withdrawn whilst the loan remains in place. At 30 June 2021, the Group held a one-year back-to-back loan arrangement with HSBC whereby Chinese renminbi to a value at the time of £34.4m had been deposited in a restricted account with HSBC in China in exchange for a sterling overdraft facility with HSBC in the United Kingdom. The restricted cash was revalued at 30 June 2021 to £36.1m. The back-to-back loan was fully repaid in 2021.

   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 matured on 31 March 2022 and no balance is outstanding. At 30 June 2021 the amount outstanding of £7.8m was all classified as current; 31 December 2021 £6.3m current.

3. At 30 June 2022 a repurchase liability of £38.8m including accrued interest of £1.1m was included within accruals and other payables and Net Debt relating to parts for resale, service parts and production stock which were sold in 2022 and subsequently repurchased. Under the repurchase agreement, which has a repayment date of December 2022, the Group will repay £40m gross of indirect tax. As part of this arrangement legal title to the parts was surrendered, however control remained with the Group. This repurchase arrangement will be fully settled in 2022. As at 30 June 2021 a similar arrangement existed and had a carrying value of £39.8m which included accrued interest of £1.9m. This arrangement was fully settled during 2021. At 31 December 2021, a similar arrangement existed with a carrying value of £19.7m including accrued interest of £0.7m. This arrangement totalling £20.0m was fully repaid in March 2022.

10. Movement in net debt

	30 June 2022 £m	30 June 2021 £m	31 December 2021 £m
Movement in net debt			
Net (decrease)/increase in cash and cash equivalents	**(262.7)**	16.2	(70.5)
Add back cash flows in respect of other components of net debt:			
New borrowings	**-**	(77.0)	(108.5)
Proceeds from inventory repurchase arrangement	**(37.7)**	-	(19.0)
Movement in cash held not available for short-term use	**0.2**	(8.4)	(8.1)
Repayment of existing borrowings	**52.3**	2.1	37.3
Repayment of inventory repurchase arrangement	**20.0**	-	40.0
Lease liability payments	**6.4**	5.0	9.9
Transaction fees	-	1.7	1.9
Increase in net debt arising from cash flows	**(221.5)**	(60.4)	(117.0)
Non-cash movements:			
Foreign exchange (loss)/gain on secured loan	**(134.1)**	9.3	(12.4)
Interest added to debt	**(9.7)**	(9.1)	(13.4)
Unpaid transaction fees	**-**	0.2	-
Borrowing fee amortisation	**(4.4)**	(2.7)	(7.5)
Lease liability interest charge	**(2.0)**	(1.9)	(3.9)
Lease modifications	**(2.8)**	(2.1)	0.4
New leases	**(1.4)**	(0.1)	(11.5)
Exchange and other adjustments	**1.1**	2.0	0.4
Increase in net debt	**(374.8)**	(64.8)	(164.9)
Net debt at beginning of the year/period	**(891.6)**	(726.7)	(726.7)
Net debt at the end of the year/period	**(1,266.4)**	(791.5)	(891.6)

11. 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 June 2022			30 June 2021			31 December 2021		
	Nominal Value	**Book Value**	**Fair Value**	Nominal Value	Book Value	Fair Value	Nominal Value	Book Value	Fair Value
Included in assets	**£m**	**£m**	**£m**	£m	£m	£m	£m	£m	£m
Level 2									
Forward foreign exchange contracts	**-**	**2.1**	**2.1**	-	0.7	0.7	-	0.6	0.6
Loan assets	**1.4**	**1.4**	**1.4**	1.5	1.4	1.4	2.1	2.1	2.1
Level 3									
Other derivative contracts	**-**	**3.7**	**3.7**	-	4.5	4.5	-	3.3	3.3
	1.4	**7.2**	**7.2**	1.5	6.6	6.6	2.1	6.0	6.0

	30 June 2022			30 June 2021			31 December 2021		
	Nominal Value	**Book Value**	**Fair Value**	Nominal Value	Book Value	Fair Value	Nominal Value	Book Value	Fair Value
Included in liabilities	**£m**	**£m**	**£m**	£m	£m	£m	£m	£m	£m
Level 1									
$1,184.0m 10.5% US Dollar 1st Lien Notes	**976.3**	**957.7**	**896.9**	857.4	833.6	958.3	874.2	852.5	959.4
$366.1m 15.0% US Dollar 2nd Lien Split Coupon Notes*	**301.9**	**263.8**	**272.6***	242.6	208.0	272.6	262.3*	222.4	302.3*
Level 2									
Forward foreign exchange contracts	**-**	**5.9**	**5.9**	-	1.1	1.1	-	0.8	0.8
Derivative option over own shares	**48.1**	**6.6**	**6.6**	63.3	65.9	65.9	48.1	31.0	31.0
	1,326.3	**1,234.0**	**1,182.0**	1,163.3	1,108.6	1,297.9	1,184.6	1,106.7	1,293.5

*The fair value of the second lien notes as at 30 June 2022 includes $9.8m, $10.5m and $10.8m of PIK notes issued in April 2021, November 2021 and April 2022 respectively. The 31 December 2021 comparative for nominal value and fair value has been updated to include these issuances. The issued PIK already forms part of the book value at each reporting period and no change has been made to the presentation of these numbers.

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. Derivative options are considered to be level 2 liabilities.

IFRS 13 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.

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.

Loan assets comprise amounts advanced to Velocitas Designated Activity Company ("Velocitas"), the special purpose vehicle which provides the Group's wholesale financing funding. The Group acts as a senior and subordinated lender to Velocitas providing 5% of all funding into Velocitas in order to comply with securitisation rules. Amounts advanced to Velocitas comprise a long-term subordinated loan repayable at the end of the facility once all financed dealer debt is settled and a short-term senior loan which fluctuates on a monthly basis depending on the level of financed dealer debt. The subordinated loan advanced in 2021 is a mixed-currency loan of £0.5m sterling equivalent which remains outstanding at 30 June 2022 (30 June 2021: £0.9m loan; 31 December 2021: £0.5m sterling equivalent mixed-currency loan). At 30 June 2022, the senior loan amounted to £0.9m (30 June 2021: £0.5m; 31 December 2021: £1.6m). The Group also has an interest in a Profit Participating Loan of £0.1m which is carried at fair value of £nil and receives interest only in the event that Velocitas has positive retained earnings at the end of the facility. The senior and subordinated loans are both held at amortised cost.

Other derivative contracts comprises warrant options and non-option derivatives both of which entitle the Group to subscribe for equity in AMR GP Limited. The warrant options have a carrying value of £3.4m as at 30 June 2022 (30 June 2021: £3.9m; 31 December 2021: £3.1m). The fair value movement is recognised within the Income Statement in administrative expenses. A corresponding liability was recognised on inception of the arrangement which represents an accrual for that element of future sponsorship payments. If the option is exercised within the next five years the liability is extinguished in the year of exercise. If the option is not exercised the liability will be subject to the renewal of the sponsorship agreement and may continue for the following five years.

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 AMR GP 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 AMR GP 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 embedded derivative in the agreement in respect of an additional economic interest in the equity of AMR GP Limited which has been assessed as having a carrying value of £nil at inception. This derivative entitles the Group to subscribe for further share capital in AMR GP Limited in the event that the sponsorship agreement is extended for a further five year period. The fair value of this derivative is £0.3m (30 June 2021: £0.6m; 31 December 2021: £0.2m) and movement in this derivative is recognised within the Income Statement in administrative expenses. The movement in the value of this derivative has been estimated using the same method as the warrant equity option disclosed above. There is no corresponding liability recorded as it is a non-option embedded derivative.

The First and Second Lien Senior Secured Notes are all valued at amortised cost retranslated at the year-end foreign exchange rate. The fair value of these 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. The fair value and nominal value exclude the impact of transaction costs.

The derivative option over own shares reflects the detachable warrants issued alongside the second lien Senior Secured Notes enabling the warrant holders to subscribe for a number of Ordinary Shares in the Company. The fair value is calculated using a binomial model and updated at each period end reflecting the latest market conditions. The inputs used in the valuation model include the quoted share price, market volatility, exercise ratio, and risk-free rate. The fair value movement in the option for the period ended 30 June 2022 was £24.4m (30 June 2021: £14.0m; 31 December 2021: £34.1m) and is recognised within the Income Statement in interest income as an adjusting item.

12. Provisions

	30 June 2022 £m	30 June 2021 £m	31 December 2021 £m
Warranty provision	**38.5**	33.4	38.5
Restructuring costs	-	3.3	0.4
	38.5	36.7	38.9
Current	**17.9**	17.4	19.9
Non-current	**20.6**	19.3	19.0
	38.5	36.7	38.9

In the year ended 31 December 2020, the Group launched a consultation process to reduce employee numbers reflecting lower than originally planned production volumes resulting in an exceptional charge to the Income Statement in 2020. The final restructuring costs were incurred in the first half of 2022 and the remaining provision is now fully utilised.

13. Pension Scheme

The net liability for defined benefit obligations of £78.7m at 31 December 2021 has decreased to a net liability of £68.8m at 30 June 2022. The movement of £9.9m comprises an actuarial gain of £6.1m in addition to an underlying charge to the Income Statement of £1.5m less contributions of £8.1m. On 6 January 2022 the Group announced to employees the closure of the defined benefit scheme to future accrual effective 31 January 2022. A past service cost of £2.8m, which forms part of the movement in the net liability, plus other closure costs of £10.2m have been incurred in the period and classed as adjusting (note 3).

14. Share capital

	30 June 2022		30 June 2021		31 December 2021	
	Number	**£m**	Number	£m	Number	£m
Ordinary shares	**116,459,513**	**11.6**	114,933,587	11.5	116,459,513	11.6

Movement in Ordinary shares:

On 15 July 2021 945,131 ordinary shares in the Company were issued to satisfy the redemption of 18,902,665 warrant options. £9.5m of cash was received for the shares. On 22 July 2021 330,795 ordinary shares in the Company were issued to satisfy the redemption of 6,615,932 warrant options. £3.3m of cash was received for the shares. On 11 December 2021 250,000 ordinary shares in the Company were issued to satisfy the redemption of 5,000,003 warrant options. £2.5m of cash was received for the shares.

15. Related party transactions

Transactions during 2022

During the 6 months ended 30 June 2022, a net marketing expense amounting to £9.2m of sponsorship has been incurred in the normal course of business with AMR GP Limited, an entity indirectly controlled by a member of the Group's Key Management Personnel. AMR GP and its legal structure is separate to that of the Group and the Group does not have control or significant influence over AMR GP or its affiliates. In addition, AMR GP acquired a car from the Group at a total cost of £0.7m. Less than £0.1m remains due from AMR GP Limited at 30 June 2022 relating to these transactions. Under the terms of the sponsorship agreement the Group is required to provide one fleet vehicle to the two AMR GP racing drivers free of charge. This arrangement is expected to continue for the life of the contract and is not expected to materially affect the financial position and performance of the Group. One of the racing drivers is an immediate family member of one of the Group's Key Management Personnel.

A separate immediate family member of one of the Group's Key Management Personnel purchased a vehicle from a Group company for £0.2m. £nil is outstanding at 30 June 2022.

During the 6 months ended 30 June 2022, a separate member of the Group's Key Management Personnel & Non-Executive Director placed a deposit of £1.5m with a Group company for the future purchase of a vehicle.

During the 6 months ended 30 June 2022, a further separate member of the Group's Key Management Personnel & Non-Executive Director transacted with a Group company to undertake service work on a car for a total cost of less than £0.1m. £nil was outstanding at 30 June 2022.

Transactions during 2021

During the year ended 31 December 2021, a net marketing expense amounting to £21.5m of sponsorship was incurred in the normal course of business with AMR GP Limited, an entity indirectly controlled by a member of the Group's Key Management Personnel. AMR GP and its legal structure is separate to that of the Group and the Group does not have control or significant influence over AMR GP or its affiliates. All balances between the two parties relating to 2021 have been settled. Under the terms of the sponsorship agreement the Group is required to provide one fleet vehicle to the two AMR GP racing drivers free of charge. This arrangement is expected to continue for the life of the contract and is not expected to materially affect the financial position and performance of the Group. One of the racing drivers is an immediate family member of one of the Group's Key Management Personnel.

During the year ended 31 December 2021, marketing transactions under the normal course of business amounting to less than £0.1m have been undertaken with Falcon Racing Inc, an entity controlled by a member of the Group's Key Management Personnel. £nil is outstanding from Falcon Racing Inc at 30 June 2022. During the year ended 31 December 2021, design services of less than £0.1m were provided to Flair Investment Holdings Limited, an entity in which a member of a Key Management Personnel has an indirect ownership interest. £nil is outstanding from Flair Investment Holdings Limited at 30 June 2022. During the year ended 31 December 2021, a member of Key Management Personnel transacted with a Group company to undertake restoration work on a historic car. £0.3m has been received by the Group with £0.3m of works being completed in the year. £nil is outstanding at 30 June

2022. A member of Key Management Personnel acquired three vehicles from a Group company during the period each priced at £0.2m. £nil is outstanding at 30 June 2022. A member of Key Management Personal acquired one historic vehicle from a Group Company during the period priced at £0.5m. £nil is outstanding at 30 June 2022. A member of Key Management Personnel placed a deposit of £1.5m with a Group company for the future purchase of a vehicle. An immediate family member of one of the Group's Key Management Personnel placed a deposit of less than £0.1m with a Group company for the future purchase of a vehicle.

Terms and conditions of transactions with related parties

Sales and purchases between related parties are made at normal market prices unless otherwise stated. Outstanding balances with entities other than subsidiaries are unsecured, interest free and cash settlement is expected within 60 days of invoice. Terms and conditions for transactions with subsidiaries are the same, with the exception that balances are placed on intercompany accounts. The Group has not provided or benefited from any guarantees for any related party receivables or payables.

16. Capital Commitments and Contingent liabilities

In the normal course of the Group's business, claims, disputes, and legal proceedings involving customers, dealers, suppliers, employees or others are pending or may be brought against Group entities arising out of current or past operations. There is presently a dispute between the Group and the other shareholders of one of its subsidiary entities, which is ongoing and from which a future obligation may arise. The Group believes there is no basis for the dispute and is working to resolve the matters raised.

On 27 October 2020, the Group announced that it had entered into an enhanced strategic cooperation arrangement (the "Strategic Cooperation Agreement") with one of its existing shareholders, Mercedes-Benz AG (MBAG). Under the Strategic Cooperation Agreement, the Group has agreed, over the period of time between December 2020 and the first quarter of 2023 and in several tranches, to issue 458,942,744 ordinary shares of £0.009039687 each (22,947,138 ordinary shares of £0.10 each following the share consolidation) to MBAG in exchange for access to certain technology and intellectual property to be provided to the Group by MBAG in several stages. The first tranche of 224,657,287 ordinary shares of £0.009039687 each (11,232,864 ordinary shares of £0.10 each following the share consolidation) was issued to MBAG on 7 December 2020. A total of 11,714,274 ordinary shares remain unissued at 30 June 2022.

17. 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 as shown in the Consolidated Income Statement.
ii) Adjusted EBIT is operating (loss)/profit before adjusting items.
iii) Adjusted EBITDA removes depreciation, loss on sale of fixed assets and amortisation from adjusted EBIT.
iv) Adjusted operating margin is adjusted operating (loss)/profit divided by revenue.
v) Adjusted EBITDA margin is adjusted EBITDA (as defined above) divided by revenue.
vi) Adjusted Earnings Per Share is loss after 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.
vii) Net Debt is current and non-current borrowings in addition to inventory repurchase 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.
viii) Adjusted leverage is represented by the ratio of Net Debt to the last twelve months ('LTM') Adjusted EBITDA.
ix) 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.

Income Statement

	6 months ended 30 June 2022 £m	6 months ended 30 June 2021 £m	12 months ended 31 December 2021 £m
Loss before tax	**(285.4)**	(90.7)	(213.8)
Adjusting operating expenses	**17.2**	2.0	2.2
Adjusting finance income	**(24.4)**	(14.0)	(34.1)
Adjusted loss before tax (EBT)	**(292.6)**	(102.7)	(245.7)
Adjusted finance income	**(1.2)**	(10.7)	(2.3)
Adjusted finance expense	**221.1**	77.4	173.7
Adjusted operating loss (EBIT)	**(72.7)**	(36.0)	(74.3)
Reported depreciation	**38.2**	28.8	74.6
Reported amortisation	**93.1**	56.0	137.6
Adjusted EBITDA	**58.6**	48.8	137.9

Earnings per share

	6 months ended 30 June 2022 £m	6 months ended 30 June 2021 £m	12 months ended 31 December 2021 £m
Adjusted earnings per ordinary share			
Loss available for equity holders (£m)	**(290.0)**	(72.7)	(191.6)
Adjusting items			
Adjusting items before tax (£m)	**(7.2)**	(12.0)	(31.9)
Tax on adjusting items (£m)	**1.8**	(13.3)	(8.3)

Adjusted loss (£m)	**(295.4)**	(98.0)	(231.8)
Basic weighted average number of ordinary shares (million)	**116.5**	114.9	115.5
Adjusted loss per ordinary share (pence)	**(253.7p)**	(85.3p)	(200.8p)

Adjusted diluted earnings per ordinary share			
Adjusted loss (£m)	**(295.4)**	(98.0)	(231.8)
Diluted weighted average number of ordinary shares (million)	**116.5**	114.9	115.5
Adjusted diluted loss per ordinary share (pence)	**(253.7p)**	(85.3p)	(200.8p)

Net debt

	30 June 2022 £m	30 June 2021 £m	31 December 2021 £m
Opening cash and cash equivalents	**418.9**	489.4	489.4
Cash (outflow)/inflow from operating activities	**(33.1)**	103.8	178.9
Cash outflow from investing activities	**(137.5)**	(89.6)	(184.1)
Cash (outflow)/inflow from financing activities	**(104.2)**	3.9	(66.5)
Effect of exchange rates on cash and cash equivalents	**12.1**	(1.9)	1.2
Cash and cash equivalents at the end of the period	**156.2**	505.6	418.9
Cash held not available for short-term use	**2.0**	1.5	1.8
Inventory repurchase arrangement	**(38.8)**	(39.8)	(19.7)
Lease liabilities	**(102.0)**	(99.2)	(103.4)
Borrowings	**(1,283.8)**	(1,159.6)	(1,189.2)
Net Debt	**(1,266.4)**	(791.5)	(891.6)
Adjusted LTM EBITDA	**147.7**	67.7	137.9
Adjusted leverage (LTM)	**8.6x**	11.7x	6.5x

Free Cashflow

	30 June 2022 £m	30 June 2021 £m	31 December 2021 £m
Net cash (outflow)/inflow from operating activities	**(33.1)**	103.8	178.9
Net cash used in investing activities less interest received	**(138.2)**	(91.0)	(185.2)
Interest paid less interest received	**(62.5)**	(57.1)	(116.9)
Free cashflow	**(233.8)**	(44.3)	(123.2)

18. Post balance sheet events

On 15 July 2022 the Group announced a proposed equity capital raise to meaningfully deleverage the balance sheet and strengthen and accelerate its long-term growth. The proposed capital raise comprises:

- a proposed placing of approximately 23.3 million new ordinary shares at a price of £3.35 per ordinary share in the capital of the Company to Public Investment Fund (PIF) conditional upon the subsequent underwritten rights issue, to raise approximately £78.0 million representing approximately 16.7% of the post-placing share capital of the Company; and
- a subsequent underwritten rights issue to raise approximately £575 million.

On 28 July 2022, the Strategic Cooperation Agreement entered into between Mercedes-Benz AG (MBAG) and the Company on 27 October 2020 (“SCA”) was amended to extend the timeframe for the Company and MBAG to agree additional technology requests by 12 months to 31 December 2023, with the corresponding tranche 2 share issuance to take place by July of 2024.

RESPONSIBILITY STATEMENT

The Interim consolidated financial information has been prepared in accordance UK adopted International Accounting Standard 34, “Interim Financial Reporting”. We confirm that to the best of our knowledge that the Interim Management Report includes a fair review of the information required by:

(a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

(b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

By order of the Board

Amedeo Felisa
Chief Executive Officer
28 July 2022

Doug Lafferty
Chief Financial Officer
28 July 2022

Independent review report to Aston Martin Lagonda Global Holdings plc

Conclusion

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2022 which comprises the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows and notes 1 to 18. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2022 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusions Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis of Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP
Birmingham
28 July 2022