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25 September 2019

This contains inside information

## **Aston Martin Lagonda Global Holdings plc Disclosure Supplement**

Successful completion of pricing of \$150 million senior secured notes;  
Option to draw up to \$100 million additional notes to improve financial flexibility;  
DBX launch remains on track and strong demand for Specials

Aston Martin Lagonda Global Holdings plc announces that Aston Martin Capital Holdings Limited has successfully completed the pricing of a private placement of \$150,000,000 aggregate principal amount of 12% Senior Secured Notes due April 15, 2022 (the "Secured Notes"), together with \$100,000,000 of additional notes which could be issued if certain conditions are met, also due April 15, 2022 (the "Delayed Draw Notes" and together with the Secured Notes, the "Notes"). The Delayed Draw Notes are subject to a condition of 1,400 orders of the DBX being received within nine months of the Secured Notes issuance.

*Mark Wilson, Aston Martin Lagonda Chief Financial Officer, commented:*

"At the H1 results we highlighted that we expected macroeconomic headwinds and uncertainty to continue. These circumstances require flexibility in our financing arrangements to ensure that resources are available to deliver the Second Century Plan. What we have announced today is a cost and time-effective structure that immediately strengthens our liquidity in the short term and the option to draw further funding as we successfully execute the plan.

The conditions on the Delayed Draw Notes are well within our order expectations. Aston Martin's first SUV, the DBX, remains operationally on track and we are very pleased with the reception the car received at Monterey Car week during August.

Meanwhile, demand for our Special vehicles remains strong with the Aston Martin Valkyrie hypercar sold out and excess customer demand for the mid-engined Valhalla. Additionally, the DB4 GT Zagato Continuation cars are now in production and on track for delivery by the end of 2019."

At the option of the company and if it decides it is beneficial, the company may issue the Delayed Draw Notes on the same terms as the Secured Notes to the extent it is permitted under the terms of its debt agreements. Otherwise, the company could issue all or part of the Delayed Draw Notes as unsecured notes, which will have an interest rate of 15%. On completion, the proceeds of the Secured Notes will be used to improve liquidity as well as repaying short-term borrowings and related transaction fees. The additional Delayed Draw Notes, if drawn, will further increase financial flexibility while continuing to invest in delivering the Second Century Plan. The company will continue to keep its strategic financing options under review as required.

Interest on the Senior Secured Notes will accrue at the rate of 12% per annum (comprising 6% per annum in cash plus 6% per annum paid as PIK Interest). Accordingly, the associated interest charge in the Income Statement in FY 2019 is expected to be c.£5m. If the Delayed Draw Notes

are issued unsecured, the interest will accrue at the rate of 15% per annum (comprised of 6% per annum in cash plus 9% per annum paid as PIK interest). The following additional information has been disclosed to investors in connection with the private placement:

- As of 1 July 2019, there were 806 Orders in Production. Including the £66 million Adjusted EBITDA contribution for Orders in Production, Covenant EBITDA (see definitions) for the twelve months ended 30 June 2019 (excluding the impact of IFRS 16) would have been £222.5 million.
- The ratio of Pro Forma Net Covenant Debt to Covenant EBITDA is 3.2x and the ratio of Covenant EBITDA to Pro Forma Interest Expense is 2.9x (excluding the Delayed Draw Notes)
- Based on the performance since 30 June 2019 and despite continuing pressure on sales volumes, we expect to meet current analyst consensus for key financial metrics for FY 2019, subject to adjustments to reflect the impact of the issuance of the Secured Notes. Our capital expenditure for the full year 2020 is not expected to exceed £350 million.

### Definitions

“Short-term borrowings” within this announcement related to £20 million Bilateral Loan Facility Agreement, entered into on 22 August 2019 with JPMorgan Chase Bank, N.A., London Branch, as original lender, and J.P. Morgan Securities plc, as arranger, and £70 million of drawings under our Revolving Credit Facility Agreement (after repayment, we will have no drawings under our £80.0 million Revolving Credit Facility although this facility will remain in place and be available to us); and

“Orders in Production”, a non-GAAP measure, are fully committed orders for cars from customers and dealers as of July 1, 2019 which have been loaded on the production schedule as of that date. These orders are fully specified, meaning the ordered unit’s specifications such as the trim, upholstery colours and material finishes have been specified by the customer or dealer. Aston Martin requires 12 weeks, at a minimum, to satisfy its production scheduling for an order. Orders in Production are firm orders for which Aston Martin has generally scheduled supply of components from its suppliers and which customers and dealers cannot unilaterally cancel; and

“Covenant EBITDA”, a non-GAAP measure, constitutes the basis for debt incurrence and certain other calculations made under the Company’s indenture and other credit documents; and

“Pro Forma Net Covenant Debt”, a non-GAAP measure, is a calculation of secured debt for calculations made under the Company’s indenture and other credit documents, it excludes the \$100m of Delayed Draw Notes; and

“Pro Forma Interest Expense”, a non-GAAP measure, is interest expense that would be incurred on the pro forma total debt (which does not reflect the issuance of the Delayed Draw Notes, which will not be issued as of the Issue Date) and therefore excludes £2.3 million in respect of additional interest expense on lease liabilities under IFRS 16; and

“Current analyst consensus” as published on our corporate website on 10 September 2019 here:

<https://www.astonmartinlagonda.com/investors/consensus>.

### Forward-Looking Statements

Aston Martin notes that the foregoing has not been audited or reviewed by its independent auditors. This information is based on internal information used by management and is based on management accounts. Covenant EBITDA does not constitute a measure of financial performance under IFRS and should not be considered a substitute for operating income, net income, cash flow or other financial measures computed in accordance with IFRS. Aston Martin cautions that the information above should not be regarded as an indication, forecast or representation by it or any other person regarding its financial performance as of and for the twelve months ended 30 June 2019 or any future period.

This press release may include forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts and include statements regarding Aston Martin and its subsidiaries (the “Group”) or its affiliates’ intentions, beliefs or current expectations concerning, among other things, the Group’s or its affiliates’ results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which they operate. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward-looking statements are not guarantees of future performance and that the Group’s or its affiliates’ actual results of operations, financial condition and liquidity, and the development of the industries in which they operate may differ materially from those made in or suggested by the forward-looking statements contained in this press release. In addition, even if the Group’s or its affiliates’ results of operations, financial condition and liquidity, and the development of the industries in which they operate are consistent with the forward-looking statements contained in this press release, those results or developments may not be indicative of results or developments in subsequent periods.

### Cautionary Statement

This press release contains inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

There is no assurance that the offering will be completed or, if completed, as to the terms on which it is completed. The Notes to be offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States or any other jurisdiction, and may not be offered, sold or delivered, directly or indirectly, in the United States or to or for the account or benefit of any U.S. person, except pursuant to an effective registration statement or in a transaction not subject to the registration requirements of the U.S. Securities Act or in accordance with an applicable exemption from the registration requirements and those other laws. Accordingly, the Notes will be offered and sold only (i) to qualified institutional buyers in a private sale exempt from the registration requirements of the U.S. Securities Act pursuant to Rule 144A of the U.S. Securities Act and any other applicable securities laws and (ii) to non-U.S. persons in offshore transactions outside the United States in compliance with Regulation S under the U.S. Securities Act. This press release does not constitute an offer to sell or the solicitation of an offer to buy the Notes, nor shall it constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The Notes are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the European Economic Area ("EEA"). For these purposes, the expression "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a "qualified investor" as defined in Regulation (EU) 2017/1129 (the "Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation. This announcement does not constitute and shall not, in any circumstances, constitute an offering to retail investors. The offer and sale of the Notes in any member state of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of notes.

This communication does not constitute an offer of securities to the public in the United Kingdom. No prospectus has been or will be approved in the United Kingdom in respect of the Notes. Consequently, this communication is directed only at persons who are (i) persons having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"), or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order, or (iii) outside the United Kingdom, or (iv) persons to whom an invitation or inducement to engage in investment activity within the meaning of section 21 of the Financial Services and Markets Act 2000 in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "Relevant Persons"). This communication is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. The Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Notes will be engaged in only with, Relevant Persons. Any person in the United Kingdom that is not a Relevant Person should not act or rely on this communication or its contents.

MiFID II professionals/ECPs only – Manufacturer target market (MiFID II product governance) is eligible counterparties and professional clients only (all distribution channels).

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