Aston Martin Capital Holdings Limited

FINANCIAL STATEMENTS

for the year ended 31 December 2019

Company Number: 0123447

Contents

Directors and Advisors

Directors

K Gregor	(appointed 29 September 2020)
M Reichman	(appointed 29 September 2020)
P Hancock	(appointed 30 April 2020 and resigned 29 September 2020)
S Jackson	(resigned 29 September 2020)
M Wilson	(resigned 30 April 2020)

Secretary

JTC Corporate Services (DIFC) Limited
18-40 Central Park Towers DIFC
P.O. Box 24075
Dubai
United Arab Emirates

Registered Office

28 Esplanade
St Helier
Jersey
JE1 8SB

Registered Auditors

Ernst & Young LLP
1 Colmore Square
Birmingham
England
B4 6HQ

Directors' Report

The directors present the financial statements for the year ended 31 December 2019.

Business review and Principal activities

In 2019 the Company issued $190.0m US dollar 6.5% Senior Secured Notes (whose terms and conditions mirrored the $400.0m US dollar Senior Secured Notes issued in April 2017) and $150.0m US dollar 12% Senior Secured Notes. Both issuances are due for repayment in April 2022. The interest on the 12% Senior Secured Notes contains a 6% cash element and a 6% payment-in-kind element with bi-annual interest payments in January and July. The 12% Senior Secured Notes attract a further one-off 6% interest payment on the note value at April 2022, which is payable in April 2022. The proceeds of the notes issued in 2019 were lent to Aston Martin Lagonda Limited an indirect subsidiary of the Company's ultimate parent, Aston Martin Lagonda Global Holdings plc. This was to support the business activities of the Aston Martin Lagonda Global Holdings plc group ("Group") of companies. The results for the Company show a pre-tax profit of £22.4m (year ended 31 December 2018: loss of £19.7m) and net liabilities of £158.8m (31 December 2018: £181.2m).

The principal risks and uncertainties of the Company are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of the Company, are discussed in the Directors' report of Aston Martin Lagonda Global Holdings plc 2019 Annual Report available from the Aston Martin Lagonda website.

Events since the balance sheet date – COVID-19

In July 2020, the Company issued $68.0 million (£54.9 million) Delayed Draw Notes on the same terms as the 12% 150 million US Dollar Senior Secured Notes issued in October 2019. The proceeds of the Delayed Draw Notes have been on-lent to Aston Martin Lagonda Limited.

On 7 December 2020, Aston Martin Capital Holdings Limited exercised the early redemption clause in the Senior Secured Notes and repaid all amounts owed on the notes including the Delayed Draw Notes. The total amount paid to redeem the notes included £14.7m of accrued interest and £21.9m of redemption premium and £895.4m of nominal loan value. On the same date the intercompany loan was called in as owed by Aston Martin Lagonda Limited including interest of £170.4m (this includes amounts already charged as at end of 31 December 2019 in amounts owed from group undertakings) and £21.9m for the redemption costs. On the same date Aston Martin Capital Holdings Limited issued $1,085.5m of First Lien Senior Secured Loan notes and $335m of Second Lien Senior Secured Loan Notes, the latter at a 2% discount. The notes are repayable in 2025 and 2026 respectively. These amounts have been lent to Aston Martin Lagonda Limited on 7 December 2020. Under the agreements the loan shall bear interest at the rate specified by Aston Martin Capital Holdings Limited. This interest will need to be paid by Aston Martin Limited to enable Aston Martin Capital Holdings Limited to pay the interest on the notes that the company has issued.

In light of COVID-19, the directors have considered whether any adjustments are required to the amounts reported in the financial statements. As at 31 December 2019, no global pandemic had been declared and there were no confirmed cases of COVID-19 in the UK. Subsequent to the balance sheet date, the World Health Organisation declared a pandemic on 11th March 2020 and the UK government announced social distancing measures on 16th March 2020 and a "lockdown" on 23rd March 2020.

As at the balance sheet date, there was no disruption to the Company. Given the nature of the Company the subsequent impact of COVID-19 was not significant. Whilst there are no current issues on the recoverability of amounts due from group undertakings, Aston Martin Lagonda Limited, (the Company to which the proceeds of the Senior Secured Notes have been on-lent) has seen a significant impact on its ability to trade profitably, such that there remains a risk that the pandemic may result in the need to impair amounts due from group undertakings in the future.

Directors' Report (continued)

The directors consider it to be a non-adjusting post-balance sheet event and have concluded that no adjustments are therefore required to the financial statements.

Dividends

No dividends were paid in the year (2018: £nil).

Future outlook

The directors are of the opinion that the cash resources of the Group will be sufficient to meet the interest payments due under the Senior Secured Notes for at least 12 months from the date of these financial statements.

Key performance indicators ("KPIs")

Given the nature of the business, the directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Financial risk management

The Company's operations expose it to a variety of financial risks that include the effects of changes in credit risk, liquidity risk and market risk. The Company has a risk management programme in place that is described below.

Credit risk

Credit risk is the risk of financial loss to the Company if the parent undertaking fails to meet its obligations and arises principally from the Company's intercompany receivables.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company depends on funds being made available by its ultimate parent company, Aston Martin Lagonda Global Holdings plc, to settle the interest payments.

Aston Martin Lagonda Global Holdings plc is the parent Company of a group of companies that includes the main trading subsidiary, Aston Martin Lagonda Limited, whose principal activity is the sale of sports vehicles and the associated parts. Aston Martin Lagonda Global Holdings plc has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Company.

The directors of Aston Martin Lagonda Global Holdings plc have prepared trading and cash flow forecasts for the period to June 2022 as the existing revolving credit facility, CLBILS loan and Senior Secured Notes were due to mature in this period from the date of approval of these financial statements. These forecasts show that the Group has sufficient financial resources to meet its obligations as they fall due and meet all covenant tests for the period of at least 12 months from the date that these financial statements were approved.

Directors' Report (continued)

Financial risk management (continued)

The forecasts reflect our strategy of rebalancing supply and demand and the decisive actions taken to improve cost efficiency, in alignment with reduced sports car production levels. The forecasts make assumptions in respect of future market conditions and, in particular, wholesale volumes, average selling price, the launch of new models including the Aston Martin Valkyrie and the potential impact of Covid-19 on sales. The nature of the Group's business is such that there can be variation in the timing of cash flows around the development and launch of new models. In addition, the availability of funds provided through the vehicle wholesale finance facility changes as the availability of credit insurance and sales volumes vary, in total and seasonally. Key Covid-19 assumptions within the forecasts include a reduction in production and wholesale volumes. The forecasts consider these factors to the extent which the directors consider them to represent their best estimate of the future based on the information that is available to them at the time of approval of these financial statements.

The directors have considered a severe but plausible downside scenario that includes considering the impact of a 30% reduction in DBX volumes, a further 4 week period of factory closure due to Covid-19 restrictions, operating costs higher than the base plan and additional cash requirements linked with the end of the Brexit transition period.

The Group plans to make continued investment for growth in the period and, accordingly, funds generated through operations are expected to be reinvested in the business mainly through new model development and other capital expenditure. To a certain extent such expenditure is discretionary and, in the event of risks occurring which could have a particularly severe effect on the Group, as identified in the severe but plausible downside scenario, actions such as constraining capital spending, working capital improvements, reduction in marketing expenditure and continuation of the strict and immediate expense control would be taken to safeguard the Group's financial position.

Whilst the Group remains in a strong financial position, the Directors have determined that additional liquidity and moreover an evident extension in maturity of its bond funding and revolving credit facility was required to support the Group in achieving its medium to long term ambitions and allow it to navigate a severe but plausible downside scenario that the directors have modelled. The New Financing serves to achieve these aims, it ensures the Company will be well funded for the medium to long term and have adequate resources to continue in operational existence for the foreseeable future.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, commodity prices and interest rates will affect the Company's performance. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

Interest rate cash flow risk

The interest rate payable on the Senior Secured Notes is fixed until the repayment date. Therefore, the Company is not subject to interest rate cash flow risk.

Going concern

Notwithstanding net liabilities of £158.8m as at 31 December 2019, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

As described in the Directors Report, the Company is a holding company with an investment in Aston Martin Capital Limited. The Company's ultimate parent Company, Aston Martin Lagonda Global Holdings plc is the parent Company of a group of companies that includes the main trading subsidiary Aston Martin Lagonda Limited, whose principal activity is the sale of sports vehicles and the associated parts.

Directors' Report (continued)

Going concern *(continued)*

As at 31 December 2019 the Company has borrowings in the form of Senior Secured Notes of £829.8m which are due for payment in April 2022. The Company also has a loan note receivable from an indirect subsidiary of the Company's ultimate parent in the amount of £866.7m.

In addition, Aston Martin Lagonda Limited, Aston Martin Investments Limited, Aston Martin Lagonda Group Limited and Aston Martin Capital Limited have provided joint and several guarantees to the Senior Secured Notes holders to meet the payments which are required under the Senior Secured Notes, along with any interest or premium on these borrowings. Consequently, the Company is dependent on future financing provided by subsidiaries of the Aston Martin Lagonda Global Holdings plc group.

The Company's ultimate parent, Aston Martin Lagonda Global Holdings plc, has agreed to provide financial support for at least 12 months from the date of approval of these financial statements. The Directors of the Company have assessed the going concern period as 12 months from the date of approval of these financial statements for the entity.

The Group has successfully arranged a new comprehensive financing package (the "New Financing") which comprises £125m of new equity shares, £259 million equivalent of new bonds which mature in 2026, £840 million equivalent of new bonds which mature in 2025 and a refinanced revolving credit facility of £87m maturing in 2025. In December 2020 the proceeds raised from the new equity shares and bonds were used to redeem the Group's existing and outstanding Senior Secured Notes alongside repayment of the CLBILS loan. This comprehensive New Financing builds further on the £688m new equity that the Yew Tree Consortium and other investors injected into the Group in the first half of 2020 and provides for an improved capital structure and strong funding profile to support the Group in achieving its strategic ambitions over the medium to long term.

In preparing this going concern statement, the Directors have developed trading and cash flow forecasts for the Group for the period from the date of approval of these Financial Statements through 30 June 2022 as the existing revolving credit facility, CLBILS loan and Senior Secured Notes were due to mature in this period.

The forecasts reflect our strategy of rebalancing supply and demand and the decisive actions taken to improve cost efficiency, in alignment with reduced sports car production levels. The forecasts make assumptions in respect of future market conditions and, in particular, wholesale volumes, average selling price, the launch of new models including the Aston Martin Valkyrie and the potential impact of Covid-19 on sales. The nature of the Group's business is such that there can be variation in the timing of cash flows around the development and launch of new models. In addition, the availability of funds provided through the vehicle wholesale finance facility changes as the availability of credit insurance and sales volumes vary, in total and seasonally. Key Covid-19 assumptions within the forecasts include a reduction in production and wholesale volumes. The forecasts consider these factors to the extent which the directors consider them to represent their best estimate of the future based on the information that is available to them at the time of approval of these financial statements.

The directors have considered a severe but plausible downside scenario that includes considering the impact of a 30% reduction in DBX volumes, a further 4 week period of factory closure due to Covid-19 restrictions, operating costs higher than the base plan and additional cash requirements linked with the end of the Brexit transition period.

The Group plans to make continued investment for growth in the period and, accordingly, funds generated through operations are expected to be reinvested in the business mainly through new model development and other capital expenditure. To a certain extent such expenditure is discretionary and, in the event of risks occurring which could have a particularly severe effect on the Group, as identified in the severe but plausible downside scenario, actions such as constraining capital spending, working capital improvements, reduction in marketing expenditure and continuation of the strict and immediate expense control would be taken to safeguard the Group's financial position.

Directors' Report (continued)

Going concern *(continued)*

Whilst the Group remains in a strong financial position, the Directors have determined that additional liquidity and moreover an evident extension in maturity of its bond funding and revolving credit facility was required to support the Group in achieving its medium to long term ambitions and allow it to navigate a severe but plausible downside scenario that the directors have modelled. The New Financing achieves these aims and ensures the Company will be well funded for the medium to long term and have adequate resources to continue in operational existence for the foreseeable future.

At the date of approval of these financial statements, the directors have no reason to believe that the other group entities will not continue to meet their obligations in respect of their intragroup receivables or their respective guarantee agreements as described above. Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Directors

All of the directors benefited from third-party indemnity provision in place during the financial year and at the date of this report.

Disclosure of information to auditor

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors

Aston Martin Lagonda Global Holdings plc, the ultimate parent company, concluded an audit tender resulting in a change in the Company's auditor to Ernst & Young LLP in July 2019. The Auditor, Ernst & Young LLP has indicated their willingness to continue in office in accordance with Companies (Jersey) Law 1991.

By order of the Board,

K Gregor
Director
14 December 2020

Aston Martin
28 Esplanade
St Helier
Jersey
JE1 8SB

Company Number: 0123447

Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Jersey Company law requires the directors to prepare financial statements for each financial period in accordance with any generally accepted accounting principles. The financial statements of the company are required by law to give a true and fair view of the state of affairs of the company at the period end and of the profit or loss of the company for the period then ended. In preparing these financial statements, the directors should:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable;
- specify which generally applicable accounting standards have been adopted in their preparation; and
- prepare the financial statements on the going concern basis of accounting unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records which are sufficient to show and explain its transactions and are such as to disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements prepared by the company comply with the requirements of the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the members of Aston Martin Capital Holdings Limited

Opinion

We have audited the financial statements of Aston Martin Capital Holdings Limited (the 'company') for the year ended 31 December 2019 which comprise the Profit and Loss Account, the Statement of Changes in Equity, the Balance Sheet and the related notes 1 to 15, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Overview of our audit approach

Key audit matters	► Going concern including consideration of the impact of COVID-19. ► Recoverability of Company's investments in subsidiaries and intercompany receivables.
Materiality	► Overall materiality of £2.86m which represents 0.3% of gross assets.

Independent auditor's report to the members of Aston Martin Capital Holdings Limited (continued)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations
Going concern including consideration of the impact of COVID-19 We draw attention to the disclosures made in the director's report and notes 1 and 15, in respect of going concern and the post balance sheet implications of COVID-19 respectively. The risk in respect of COVID-19 is specific to the Group to which the Company is reliant on parental support. As described in note 1, the Company financial statements have been prepared on a going concern basis. The Company has net liabilities of £159m for the year ended 31 December 2019. The company balance sheet comprises of an investment in a wholly owned subsidiary, an intercompany receivable, accrued interest in respect of external borrowings and a liability to reflect the total external borrowings. The Company is reliant on the support of Aston Martin Lagonda Global Holdings plc (the "Group"), in order to meet its liabilities as they fall due. On 7 December 2020 Aston Martin Capital Holdings Limited called in the loan value of £861m owed by Aston Martin Lagonda Limited and exercised the early redemption clause in the Senior	We obtained and inspected the letter of support the Company has received from Aston Martin Lagonda Global Holdings plc ("the Group"). The letter of support covers all obligations as they fall due including the servicing of debt and repayment of external borrowings in the going concern period. As the Company is reliant on Group support, we read and considered the Group going concern assessment prepared for the period through to 30 June 2022, including the assessment of the risks and impact of COVID-19, to understand the key assumptions upon which the assessment was based. We inspected the Group's new debt facility agreements for the existence of covenants and reperformed forecast covenant compliance tests. We examined the Groups assessment of a severe but plausible downside scenario and the impact on liquidity and forecast covenant compliance for the assessment period. We inspected mitigating actions available to the Group in the event of risks occurring which could have a particularly severe impact on the Group. The Group going concern assessment considers a severe but plausible downside scenario that includes considering the	Based upon the procedures performed, we are in agreement with the preparation of the financial statements ona going concern basis and that the disclosures included are appropriate.

Risk	**Our response to the risk**	**Key observations**
Secured Notes repaying all amounts due. On the same date the company issued new senior secured notes totalling $1,421m which are due for repayment in 2025 and 2026. The proceeds were on lent to Aston Martin Lagonda Limited.	impact of a 30% reduction in DBX volumes, a further 4 week period of factory closure due to COVID-19 restrictions, operating costs higher than the base plan and additional cash requirements linked with the end of the Brexit transition period. Under this scenario, with the mitigations that can be taken by management the Group has sufficient liquidity to meet its forecast obligations as they fall due and meet covenant compliance tests.	
Recoverability of Company's investments in subsidiaries and intercompany receivables £136 million investment in Aston Martin Capital Limited (refer to note 9). £867 million intercompany receivable due from Aston Martin Lagonda Limited (refer to note 10). The company holds substantial investments and intercompany receivable balances, both of which form the Company's gross asset position. Due to the significance of such intercompany assets and investments in the context of the Company financial statements, we have focused additional effort on the area as part of our audit. There is a risk that these assets will not be recoverable and therefore will need to be impaired in the financial statements.	To validate the recoverability of the Company's investments we have initially assessed whether any indicators of impairment exist. In doing so we have assessed for any external factors which may indicate an impairment but have also compared the value of the investment against the relevant subsidiary's net assets. We have verified the investment within Aston Martin Capital Holdings Limited is in excess of the subsidiary net asset position. To test the recoverability of the intercompany balances held with Aston Martin Lagonda Limited, we have performed an actual credit loss assessment whereby we have compared the receivable balance against the corresponding company's balance sheet to confirm that the entity has sufficient assets to meet the obligation.	From the procedures performed we have noted no issue with the recoverability of the intercompany balances nor any indicator of impairment on the investments held. The corresponding parties hold sufficient net assets to allow for the recoverability of the asset. Further, we have confirmed as part of the post balance sheet events procedures that as part of the refinancing of debt, all such intercompany balances have been repaid and a new financial arrangement has been entered into.

Independent auditor's report to the members of Aston Martin Capital Holdings Limited (continued)

An overview of the scope of our audit

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the company and effectiveness of controls, including controls and changes in the business environment when assessing the level of work to be performed.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the company to be £2.86 million (2018: £1.36 million), which is 0.3% (2018: 0.2%) of gross assets.

During the course of our audit, we reassessed initial materiality and note there was no change in our final materiality from our original assessment at planning.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the company's overall control environment, our judgement was that performance materiality was 50% of our planning materiality, namely £1.43m. We have set performance materiality at this percentage since this is a first year audit by EY.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Board that we would report to them all uncorrected audit differences in excess of £143k, which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Independent auditor's report to the members of Aston Martin Capital Holdings Limited (continued)

Other information *(continued)*

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the company, or proper returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the company's accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report to the members of Aston Martin Capital Holdings Limited (continued)

Use of our report

This report is made solely to the company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Simon O'Neill
for and on behalf of Ernst & Young LLP
Birmingham
15 December 2020

Statement of Comprehensive Income for the year ended 31 December 2019

	Notes	**Year ended 31 December 2019 £m**	Year ended 31 December 2018 *restated* * £m
Administrative and other expenses	2	**(0.2)**	(0.2)
Operating loss		**(0.2)**	(0.2)
Interest income	5	**75.8**	37.0
Interest expense	6	**(53.2)**	(56.5)
Profit/(loss) before tax		**22.4**	(19.7)
Tax charge / credit	7	**-**	-
Profit/(loss) after tax		**22.4**	(19.7)

** Further detail on the restatement of the comparative period is disclosed in note 1.*

All of the above are derived from continuing activities.

There is no difference between the profit before taxation and the retained profit for the period stated above, and their historical cost equivalents.

The Company has no other comprehensive income other than those included in the Profit & Loss and therefore no separate statement of other comprehensive income has been prepared.

The notes on pages 17 to 26 form part of the financial statements.

Statement of Changes in equity

	Share capital £m	**Retained earnings £m**	**Total Equity £m**
At 1 January 2019 *restated* *	**-**	**(181.2)**	**(181.2)**
Total comprehensive income for the year			
Profit for the year	**-**	**22.4**	**22.4**
At 31 December 2019	**-**	**(158.8)**	**(158.8)**

	Share capital £m	Retained earnings £m	Total Equity £m
At 1 January 2018 *restated* *	-	(161.5)	(161.5)
Total comprehensive income for the year			
Loss for the year *restated* *	-	(19.7)	(19.7)
At 31 December 2018 *restated* *	-	(181.2)	(181.2)

** Further detail on the restatement of the comparative period is disclosed in note 1.*

Statement of Financial position as at 31 December 2019

	Notes	**As at 31 December 2019 £m**	As at 31 December 2018 *restated* * £m	As at 1 January 2018 *restated* * £m
Non-current assets				
Investments	8	**136.1**	136.1	136.1
Current assets				
Trade and other receivables	9	**866.7**	599.8	599.3
Current liabilities				
Trade and other payables	10	**(331.8)**	(326.2)	(326.7)
Net current assets		**534.9**	273.6	272.6
Non-current liabilities				
Borrowings	11	**(829.8)**	(590.9)	(570.3)
Net liabilities		**(158.8)**	(181.2)	(161.6)
Capital and reserves				
Share capital	12	**-**	-	-
Retained earnings		**(158.8)**	(181.2)	(161.6)
Total shareholders' funds		**(158.8)**	(181.2)	(161.6)

** Further detail on the restatement of the comparative period is disclosed in note 1.*

The notes on pages 17 to 26 form part of the financial statements.

The financial statements on pages 14 to 26 were approved by the board of directors on 14 December 2020 and were signed on its behalf by:

K Gregor
Director

Company number: 0123447

Notes to the financial statements for the year ended 31 December 2019

1. Principal accounting policies

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in March 2018 and in accordance with the Companies (Jersey) Law 1991. The presentation currency of these financial statements is sterling. The financial statements are presented in million to one decimal place, in Sterling which is the Company's functional currency.

The Company's ultimate parent undertaking, Aston Martin Lagonda Global Holdings plc includes the Company in its consolidated financial statements. The consolidated financial statements of Aston Martin Lagonda Global Holdings plc are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from Companies House (UK). In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash flow statement and related notes.

The financial statements have been prepared under the historical cost convention.

As the consolidated financial statements of Aston Martin Lagonda Global Holdings plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102 section paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b),11.48(c) in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Going concern

Notwithstanding net liabilities of £158.8m as at 31 December 2019, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

As described in the Directors Report, the Company is a holding company with an investment in Aston Martin Capital Limited. The Company's ultimate parent Company, Aston Martin Lagonda Global Holdings plc is the parent Company of a group of companies that includes the main trading subsidiary Aston Martin Lagonda Limited, whose principal activity is the sale of sports vehicles and the associated parts.

As at 31 December 2019 the Company has borrowings in the form of Senior Secured Notes of £829.8m which are due for payment in April 2022. The Company also has a loan note receivable from an indirect subsidiary of the Company's ultimate parent in the amount of £866.7m.

In addition, Aston Martin Lagonda Limited, Aston Martin Investments Limited, Aston Martin Lagonda Group Limited and Aston Martin Capital Limited have provided joint and several guarantees to the Senior Secured Notes holders to meet the payments which are required under the Senior Secured Notes, along with any interest or premium on these borrowings. Consequently, the Company is dependent on future financing provided by subsidiaries of the Aston Martin Lagonda Global Holdings plc group.

The Company's ultimate parent, Aston Martin Lagonda Global Holdings plc, has agreed to provide financial support for at least 12 months from the date of approval of these financial statements. The Directors of the Company have assessed the going concern period as 12 months from the date of approval of these financial statements for the entity.

Notes to the financial statements for the year ended 31 December 2019 (continued)

1. Principal accounting policies (continued)

Going concern (continued)

The Group has successfully arranged a new comprehensive financing package (the "New Financing") which comprises £125m of new equity shares, £259 million equivalent of new bonds which mature in 2026, £840 million equivalent of new bonds which mature in 2025 and a refinanced revolving credit facility of £87m maturing in 2025. In December 2020 the proceeds raised from the new equity shares and bonds were used to redeem the Group's existing and outstanding Senior Secured Notes alongside repayment of the CLBILS loan. This comprehensive New Financing builds further on the £688m new equity that the Yew Tree Consortium and other investors injected into the Group in the first half of 2020 and provides for an improved capital structure and strong funding profile to support the Group in achieving its strategic ambitions over the medium to long term.

In preparing this going concern statement, the Directors have developed trading and cash flow forecasts for the Group for the period from the date of approval of these Financial Statements through 30 June 2022 as the existing revolving credit facility, CLBILS loan and Senior Secured Notes were due to mature in this period.

The forecasts reflect our strategy of rebalancing supply and demand and the decisive actions taken to improve cost efficiency, in alignment with reduced sports car production levels. The forecasts make assumptions in respect of future market conditions and, in particular, wholesale volumes, average selling price, the launch of new models including the Aston Martin Valkyrie and the potential impact of Covid-19 on sales. The nature of the Group's business is such that there can be variation in the timing of cash flows around the development and launch of new models. In addition, the availability of funds provided through the vehicle wholesale finance facility changes as the availability of credit insurance and sales volumes vary, in total and seasonally. Key Covid-19 assumptions within the forecasts include a reduction in production and wholesale volumes. The forecasts consider these factors to the extent which the directors consider them to represent their best estimate of the future based on the information that is available to them at the time of approval of these financial statements.

The directors have considered a severe but plausible downside scenario that includes considering the impact of a 30% reduction in DBX volumes, a further 4 week period of factory closure due to Covid-19 restrictions, operating costs higher than the base plan and additional cash requirements linked with the end of the Brexit transition period.

The Group plans to make continued investment for growth in the period and, accordingly, funds generated through operations are expected to be reinvested in the business mainly through new model development and other capital expenditure. To a certain extent such expenditure is discretionary and, in the event of risks occurring which could have a particularly severe effect on the Group, as identified in the severe but plausible downside scenario, actions such as constraining capital spending, working capital improvements, reduction in marketing expenditure and continuation of the strict and immediate expense control would be taken to safeguard the Group's financial position.

Whilst the Group remains in a strong financial position, the Directors have determined that additional liquidity and moreover an evident extension in maturity of its bond funding and revolving credit facility was required to support the Group in achieving its medium to long term ambitions and allow it to navigate a severe but plausible downside scenario that the directors have modelled. The New Financing achieves these aims and ensures the Company will be well funded for the medium to long term and have adequate resources to continue in operational existence for the foreseeable future.

Notes to the financial statements for the year ended 31 December 2019 (continued)

1. Principal accounting policies (continued)

Going concern (continued)

At the date of approval of these financial statements, the directors have no reason to believe that the other group entities will not continue to meet their obligations in respect of their intragroup receivables or their respective guarantee agreements as described above. Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Investments

The Company recognises its investments in subsidiaries at cost. Income is recognised from these investments only in relation to distributions received from post-acquisition profits. Distributions received in excess of post-acquisition profits are deducted from the cost of investment.

The Company assesses at each reporting date whether there is an indication that an investment may be impaired. If any such indication exists, the Company impairs the value of the investment. In assessing the value of the investment, the net asset value of the subsidiary in question is reviewed along with other known internal and external factors which might indicate an impairment.

In the event that an indicator of impairment exists, the company will estimate the recoverable amount of the asset. The recoverable amount is considered to be the higher of the investment fair value less costs to sell and its value in use.

Taxation

Tax on the loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Foreign currency translation

Transactions in foreign currencies are initially recorded in the functional currency of the operation by applying the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. All differences are classified within interest income/expense in the profit or loss.

Notes to the financial statements for the year ended 31 December 2019 (continued)

1. Principal accounting policies (continued)

Financial instruments

Financial instruments issued by the Company are treated as equity (i.e. forming part of the shareholders' funds) only to the extent that they meet the following two conditions:

i) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
ii) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of the issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds, are dealt with as appropriations in the reconciliation of movement in shareholders' funds.

Non-derivative financial instruments

Non-derivative financial instruments comprise the capital and interest payable on the Senior Secured Notes. The Senior Secured Notes are recognised initially at fair value less attributable transaction costs and discounts. Subsequent to initial recognition, Senior Secured Notes are stated at amortised cost using the effective interest method.

Basic Financial Instruments - Loan Receivables

Loans receivable are considered to be basic financial instruments and are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest and are subsequently carried at amortised cost. The Company has a legally enforceable right to set off the amounts recognised within amounts due from Group undertakings and intends to realise the asset and settle the liability simultaneously. The loans receivable are repayable on demand.

Basic Financial Liabilities - Loan Payables

Loans payable are considered to be basic financial liabilities and are initially recognised at transaction price and are subsequently carried at amortised cost.

Interest receivable and interest payable

Interest payable and similar charges include interest payable and foreign exchange losses that are recognised in the profit and loss account. Other interest receivable and similar income include interest receivable on funds invested and foreign exchange gains. Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a gross basis.

Notes to the financial statements for the year ended 31 December 2019 (continued)

1. Principal accounting policies (continued)

Prior year restatement

The following restatement has been made in the Financial Statements and, where the notes included provide additional analysis, the comparative values have been restated on a consistent basis:

(i) Following a review of the accounting for the inter-company loan agreement between Aston Martin Capital Holdings Limited and Aston Martin Lagonda Limited, Aston Martin Capital Holdings Limited has restated its prior year results in order to recognise the interest that will be received under the loan agreement from Aston Martin Lagonda Limited. This interest had previously not been included in the amortised cost calculation for the loan receivable. This is a non-cash adjustment and has no impact on the timing of the Company's historic cash flows. The Statement of Financial Position of the Company as at 1 January 2018 and 31 December 2018, and the Statement of Comprehensive Income for the year ended 31 December 2018, have been restated to correct this error. An offset of intercompany payables and receivables has also been grossed up accordingly this has no Statement of Comprehensive Income impact.

The impact on the Statement of Financial Position as at 1 January 2018 and for the year ended 31 December 2018 due to this restatement is:

£m	As disclosed 31 December 2018 Financial Statements	(i)	**As restated 31 December 2018 Financial Statements**	As disclosed 1 January 2018 Financial Statements	(i)	**As restated 1 January 2018 Financial Statements**
Current assets						
Trade and other receivables	221.4	378.4	**599.8**	257.9	341.4	**599.3**
Current liabilities						
Trade and other payables	(7.6)	(318.6)	**(326.2)**	(8.1)	(318.6)	**(326.7)**
Capital and reserves						
Retained Earnings	(241.0)	59.8	**(181.2)**	(184.4)	22.8	**(161.6)**

The impact of the restatements on the Statement of Comprehensive Income for the year ended 31 December 2018 is:

	As disclosed 31 December 2018 Financial Statements £m	(i) £m	**As restated 31 December 2018 Financial Statements £m**
Interest income	-	37.0	**37.0**
Loss after tax	**(56.7)**	37.0	**(19.7)**

Notes to the financial statements for the year ended 31 December 2019 (continued)

2. Expenses and auditors' remuneration

	Year ended 31 December 2019 £m	Year ended 31 December 2018 £m
Included in the Profit & loss account are the following items:		
Auditor's remuneration		
Audit of these financial statements	**-**	-
All other services	**0.1**	-

The audit fees of £10,000 are borne by another company in the Aston Martin Lagonda Global Holdings plc group. The other services relate to the issue of the Senior Secured Notes in 2019 and have been attributed to the Borrowings (see note 11).

3. Staff costs and Directors' emoluments

No directors received any emoluments in the year ended 31 December 2019 or the year ended 31 December 2018.

The directors are also directors of other companies with the Aston Martin Lagonda Global Holdings plc group and are remunerated for their services to the group as a whole. The services provided to the Company are incidental to their role.

4. Employee information

The Company had no employees during the year ended 31 December 2019 or the year ended 31 December 2018.

5. Interest income

	Year ended 31 December 2019 £m	Year ended 31 December 2018 *restated* £m
Amount receivable from fellow subsidiaries of the ultimate parent undertaking	**51.8**	37.0
Net foreign exchange gain on Senior Secured Notes	**24.0**	-
	75.8	37.0

6. Interest expense

	Year ended 31 December 2019 £m	Year ended 31 December 2018 £m
Interest payable on Senior Secured Notes	**53.2**	38.1
Net foreign exchange loss on Senior Secured Notes	**-**	18.4
	53.2	56.5

Notes to the financial statements for the year ended 31 December 2019 (continued)

7. Taxation

	Year ended 31 December 2019 £m	Year ended 31 December 2018 £m
Current tax		
UK Corporation tax credit on losses		
Current period	-	-
Adjustments in respect of prior years	-	-
Total tax credit	-	-
Deferred tax		
Origination and reversal of timing differences	-	-
Tax credit on loss on ordinary activities	-	-

The tax assessed for the period is lower than the standard rate of corporation tax in the UK of 19% (period ended 31 December 2018: 19%). The differences are explained below.

	Year ended 31 December 2019 £m	Year ended 31 December 2018 *restated* £m
Current tax reconciliation		
Profit/(loss) on ordinary activities before tax	**22.4**	(19.7)
Current tax at 19.0% (2018: 19.0%)	**4.3**	(3.7)
Effects of:		
Group relief claimed for nil consideration	**(10.3)**	3.7
Movement in unprovided deferred tax	**6.0**	-
Total tax charge	-	-

The Company has an unrecognised deferred tax asset with respect to Corporate Interest restriction of £9.4m (2018: £3.4m) and tax losses of £0.3m (2018 £0.3m). The likelihood of recoverability is not considered to support recognition of the asset. The losses are not subject to an expiry date. A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015. An additional reduction to 17% (effective 1 April 2020) was substantially enacted on 6 September 2016. However, it was announced in the budget on 11 March 2020 that the government would not proceed with the reduction to 17% on1 April 2020 and would maintain the corporation tax rate at 19%. This was substantially enacted on 17 March 2020.

The company is registered in Jersey, however its management and control from within the United Kingdom and is therefore registered for taxation in the United Kingdom.

8. Investments

	2019 £m
Cost and Carrying value	
Balance at 1 January 2019 and 31 December 2019	**136.1**

Subsidiary undertakings	**Holding**	**Proportion of voting rights and shares held**	**Nature of Business**
Aston Martin Capital Limited (Jersey registered)	Ordinary	100%	Dormant company

Notes to the financial statements for the year ended 31 December 2019 (continued)

9. Trade and other receivables

	2019	2018 *restated*
	£m	£m
Amounts owed by group undertakings	**866.7**	599.8

Included within the amounts owed by group undertakings are loans of £861.4m (31 December 2018: £604m) which are owed from Aston Martin Lagonda Limited in accordance with agreements between the two companies. The loans are net against other intercompany with the same Group Company to give the net receivable presented in the financial statements. The amount owed by Aston Martin Lagonda Limited arises due to the proceeds of Senior Secured Notes raised by Aston Martin Capital Holdings Limited being on-lent to Aston Martin Lagonda Limited.

The Senior Secured Notes held by Aston Martin Capital Holdings Limited are due for repayment in April 2022 but have early repayment options within them. The amounts owed are shown as current liabilities in Aston Martin Lagonda Limited as should Aston Martin Capital Holdings Limited choose to repay or refinance the Senior Secured Notes before April 2022 then it may call on the amount owed by Aston Martin Lagonda Limited to facilitate that.

Under the agreements the loan shall bear interest at the rate specified by Aston Martin Capital Holdings Limited. This interest will need to be paid by Aston Martin Limited to enable Aston Martin Capital Holdings Limited to pay the interest on the notes that the company has issued. Therefore, although no interest had been specified at 31 December 2019 the amortised cost for the loan receivable should take into account the interest that it is known will ultimately be charged under the loan agreements. The previous periods have been restated to reflect the interest in the amortised cost of the loan receivable.

The accounts of Aston Martin Capital Holdings Limited show that the entity has, to 31 December 2019, incurred interest of £106.3m (31 December 2018: £58.8m) on the Senior Secured Notes it has issued and on-lent the proceeds to Aston Martin Lagonda Limited. The interest payments that are owed by Aston Martin Capital Holdings Limited are settled on its behalf by Aston Martin Lagonda Limited and the balance on the amounts owed by group undertakings is adjusted by the amounts paid.

On 7 December 2020, Aston Martin Capital Holdings Limited exercised the early redemption clause in the Senior Secured Notes and repaid all amounts owed on the notes. The total amount paid to redeem the notes included £14.7m of accrued interest and £21.9m of redemption premium and £895.4m of nominal loan value. On the same date the intercompany loan was called in as owed by Aston Martin Lagonda Limited including interest of £170.4m in total (this includes amounts already accrued as at end of 31 December 2019 in amounts owed from group undertakings) and £21.9m for the redemption costs. On the same date Aston Martin Capital Holdings Limited issued $1,085.5m of First Lien Senior Secured Loan notes and $335m of Second Lien Senior Secured Loan Notes, the latter at a 2% discount. The notes are repayable in 2025 and 2026 respectively. These amounts have been lent to Aston Martin Lagonda Limited on 7 December 2020. Under the agreements the loan shall bear interest at the rate specified by Aston Martin Capital Holdings Limited. This interest will need to be paid by Aston Martin Limited to enable Aston Martin Capital Holdings Limited to pay the interest on the notes that the company has issued.

Notes to the financial statements for the year ended 31 December 2019 (continued)

10. Trade and other payables

	2019	2018 *restated*
	£m	£m
Amounts owed to Group undertakings	**318.6**	318.6
Accrued interest on the Senior Secured Notes	**11.3**	7.6
Other accruals	**1.9**	-
	331.8	326.2

11. Borrowings

	2019	2018
	£m	£m
6.50% 400m US Dollar Senior Secured Notes	**301.6**	314.2
5.75% 285m Pound Sterling Senior Secured Notes	**279.0**	276.6
6.50% 190m US Dollar Senior Secured Notes	**137.2**	-
12% 150m US Dollar Senior Secured Notes	**112.0**	-
	829.8	590.9

The Senior Secured Notes expire in April 2022. The loan notes are all listed on "The International Stock Exchange".

12. Called up share capital

	2019	2018
	£m	£m
Allotted and fully paid		
2 ordinary shares of £1 each (2018: 2 ordinary shares of £1 each)	**-**	-

There have been no movements in the number of ordinary shares allotted and fully paid from 1 January 2019 to 31 December 2019.

13. Financial Instruments

The $400.0m US dollar and £285.0m Sterling Senior Secured Notes are stated at amortised cost using the effective interest method. The effective interest rate is 6.73%.

The $190.0m and $150.0m US dollar Senior Secured Notes issued in 2019 are stated at amortised cost using the effective interest method. The effective interest rates are 8.94% and 15.26% respectively. The tables below summarise the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

At 31 December 2019	**On demand £m**	**< 3 months £m**	**3 to 12 months £m**	**1 to 5 years £m**	**>5 years £m**	**Contractual cash flows Total £m**
Non-derivative financial liabilities						
Interest bearing loans and borrowings	**-**	**1.8**	**45.4**	**944.9**	**-**	**992.1**

At 31 December 2018	On demand £m	< 3 months £m	3 to 12 months £m	1 to 5 years £m	>5 years £m	Contractual cash flows Total £m
Non-derivative financial liabilities						
Interest bearing loans and borrowings	-	-	38.1	686.1	-	724.2

Notes to the financial statements for the year ended 31 December 2019 (continued)

14. Immediate and ultimate parent company

The Company's immediate holding Company is Aston Martin Investments Limited, of which the Company is a wholly owned subsidiary. The results of the Company have been consolidated in the accounts of Aston Martin Lagonda Global Holdings plc. This is the largest and smallest group in which the results of the Company are consolidated. Copies of the financial statements of Aston Martin Lagonda Global Holdings plc may be obtained from Companies House (UK).

15. Post Balance sheet events

In July 2020, the Company issued $68.0 million (£54.9 million) Delayed Draw Notes on the same terms as the 12% 150 million US Dollar Senior Secured Notes issued in October 2019. The proceeds of the Delayed Draw Notes have been on-lent to Aston Martin Lagonda Limited.

On 7 December 2020, Aston Martin Capital Holdings Limited exercised the early redemption clause in the Senior Secured Notes and repaid all amounts owed on the notes including the Delayed Draw Notes. The total amount paid to redeem the notes included £14.7m of accrued interest and £21.9m of redemption premium and £895.4m of nominal loan value. On the same date the intercompany loan was called in as owed by Aston Martin Lagonda Limited including a charge for interest of £170.4m in total (this includes amounts already accrued as at end of 31 December 2019 in amounts owed to group undertakings) and £21.9m for the redemption costs. On the same date Aston Martin Capital Holdings Limited issued $1,085.5m of First Lien Senior Secured Loan notes and $335m of Second Lien Senior Secured Loan Notes, the latter at a 2% discount. The notes are repayable in 2025 and 2026 respectively. These amounts have been lent to Aston Martin Lagonda Limited on 7 December 2020. Under the agreements the loan shall bear interest at the rate specified by Aston Martin Capital Holdings Limited. This interest will need to be paid by Aston Martin Limited to enable Aston Martin Capital Holdings Limited to pay the interest on the notes that the company has issued.

In light of COVID-19, the directors have considered whether any adjustments are required to the amounts reported in the financial statements. As at 31 December 2019, no global pandemic had been declared and there were no confirmed cases of COVID-19 in the UK. Subsequent to the balance sheet date, the World Health Organisation declared a pandemic on 11th March 2020 and the UK government announced social distancing measures on 16th March 2020 and a "lockdown" on 23rd March 2020.

As at the balance sheet date, there was no disruption to the Company. Given the nature of the Company the subsequent impact of COVID-19 was not significant. Whilst there are no current issues on the recoverability of amounts due from group undertakings, Aston Martin Lagonda Limited, (the Company to which the proceeds of the Senior Secured Notes have been on-lent) has seen a significant impact on its ability to trade profitably, such that there remains a risk that the pandemic may result in the need to impair amounts due from group undertakings in the future. The directors consider it to be a non-adjusting post-balance sheet event and have concluded that no adjustments are therefore required to the financial statements.