



CreditRiskMonitor’s assessment of Aston Martin Lagonda Global Holdings PLC’s (“Aston Martin”) “high risk” status has been determined by a combination of factors:

Monthly Average FRISK [®] Score.....	Page 2
The FRISK [®] Score Components.....	3
Company Report Detail.....	4
FRISK [®] Deep Dive.....	5
FRISK [®] Stress Index.....	6
Peer Analysis on Alternate Suppliers and Customers.....	7
Quarterly Performance Ratios.....	8
Quarterly Leverage Ratios.....	9
Quarterly Liquidity Ratios and Rates of Return.....	10
Year Over Year Statement of Cash Flows.....	11
<hr/>	
About This Report/Contact CreditRiskMonitor [®]	12

Bankruptcy throughout this High Risk Report either refers to the proceeding in United Kingdom called “Administration” or an “Voluntary Arrangement”, both of which have several similarities to Chapter 11 in the U.S. Bankruptcy code.

MONTHLY AVERAGE FRISK® SCORE

CreditRiskMonitor's proprietary FRISK® score signals that Aston Martin (LSE: AML) has a 4 to 10 times greater risk of bankruptcy than the average public company.

Aston Martin temporarily suspends production at UK facilities and reports that about a third of its dealer network is closed.

The company, struggling with falling sales and low inventory turnover amid the pandemic, sells shares for a discount.

To help repay existing secured debt and raise liquidity, the company launches an offering of senior secured notes.

Business Name	2020										2021		
	M	A	M	J	J	A	S	O	N	D	J	F	M
Aston Martin	1	1	1	1	2	2	2	2	2	2	2	2	2

Second-half results show year-over-year retail sales fell 41% while wholesale sales were down 63%. Net revenue decreased 64%.

Year-over-year losses nearly quadruple. The company estimates 300 of 500 planned staff cuts have occurred.

The FRISK® score is 96% accurate* in predicting the risk of corporate failure/bankruptcy over a 12-month horizon. All FRISK® scores are recalculated every night for each subsequent 12-month period.

FRISK® SCORE: PROBABILITY OF BANKRUPTCY WITHIN 12 MONTHS

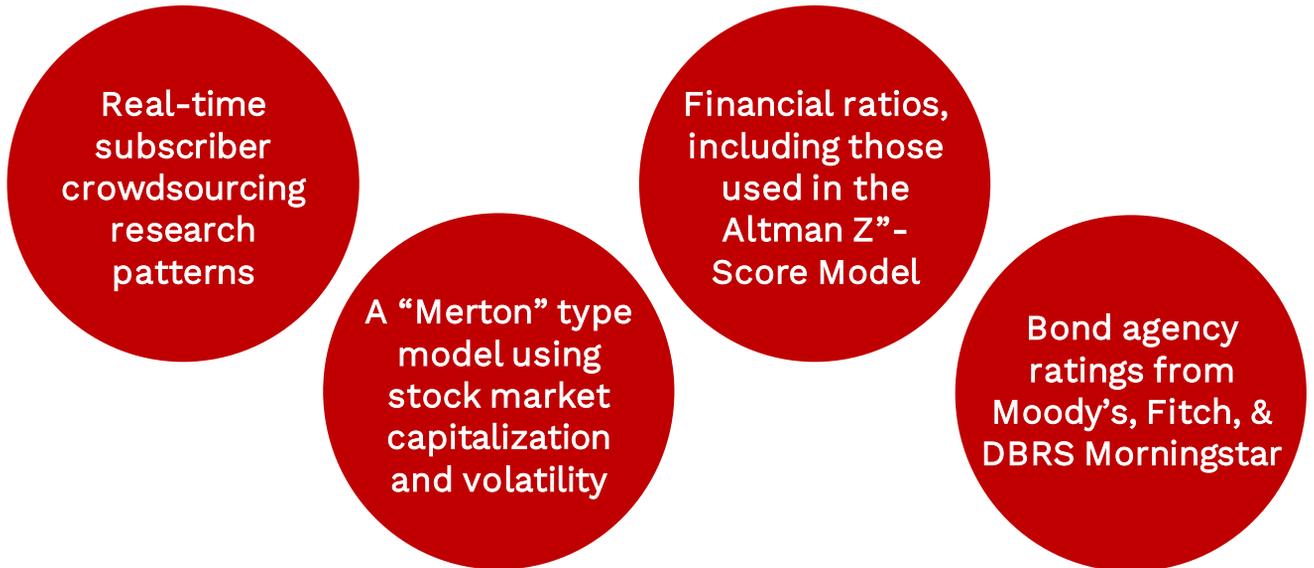
	FRISK®	FROM	TO
BEST	10	0.00%	0.12%
	9	0.12%	0.27%
	8	0.27%	0.34%
	7	0.34%	0.55%
	6	0.55%	0.87%
WORST	5	0.87%	1.40%
	4	1.40%	2.10%
	3	2.10%	4.00%
	2	4.00%	9.99%
	1	9.99%	50.00%

While the risk of bankruptcy varies at each FRISK® score, 96% of public companies that eventually go bankrupt enter the FRISK® "red zone" prior to filing. A FRISK® score of 5 or less is an important warning sign.

* FRISK® score accuracy of 96% is based on backtesting of U.S. public companies; results may vary by country.

THE FRISK® SCORE COMPONENTS

At the core of the CreditRiskMonitor® process is our 96% accurate FRISK® score, which indicates a company's level of financial stress on a scale of 1 to 10, based on the probability of bankruptcy over a 12-month horizon. When available, the FRISK® score incorporates a number of powerful risk indicators including:



Crowdsourced CreditRiskMonitor® Usage Data

[Crowdsourcing](#) has enhanced the accuracy and timeliness of the FRISK® score. We collect and analyze data patterns from thousands of CreditRiskMonitor® subscribers, including professionals from more than 35% of the Fortune 1000 and other large corporations worldwide.

The crowdsourcing advantage is even more powerful in our FRISK® score since many of the professionals who use our service are credit managers:

- Credit managers control one of the largest sources of working capital going into a company
- They are not held to the same "Fair Disclosure" restrictions that prevent non-disclosed information sharing on public companies
- Credit managers use a variety of non-public information sources such as their own company's management and sales representatives to be alerted to concerns in a public company's performance
- It is commonly known credit managers confidentially share information with other credit managers, thus collectively, their behavior helps to provide advanced insight to financial problems in public companies

COMPANY REPORT DETAIL

Aston Martin Lagonda Global Holdings PLC

Banbury Road

Warwick, CV35 0DB United Kingdom

Phone: +44 1926644644

Ticker: **AML**

Latest Financial Statements as of 12/31/2020

Business Summary

Aston Martin Lagonda Global Holdings plc is a United Kingdom-based holding company that designs, engineers, manufactures and markets cars. The Company's model line-up comprises three models, such as grand tourer (GT) (DB11), sports car (Vantage) and super GT (DBS Superleggera). It also produces a four-door and four-seat sports coupe (Rapide S). In addition, it develops and produces special edition models, such as Vantage GT12, Vantage GT8, Vanquish Zagato Coupe, Vanquish Zagato Volante, Vanquish Zagato Speedster, DB4GT Continuation and Aston Martin Vulcan. It also provides maintenance and accident repair service, as well as the restoration of Aston Martin models through its servicing business, Aston Martin Works Limited. The Company's subsidiaries include AM Brands Limited, AM Nurburgring Racing Limited, AML Italy S.r.l, AML Overseas Services Limited, AMWS Limited, Aston Martin Capital Holdings Limited, Aston Martin Capital Limited and Aston Martin Holdings (UK) Limited.

(Source: PROSPECTUS)

Employees: 2,342 (as of 12/31/2020)

Incorporated: 7/27/2018

Credit Score History

Why are these scores different? **FRISK® Score Analysis**

Score/ Index	2020												2021			
	M	A	M	J	J	A	S	O	N	D	J	F	M	J	F	M
FRISK® Score*	1	1	1	1	2	2	2	2	2	2	2	2	2	2	2	2
DBT Index	7	6	5	3	7	7	8	7	7	6	7	7	DBT	7	7	DBT
Z"-Score	-0.99						-0.16						-0.62			

*FRISK® Scores are month-end

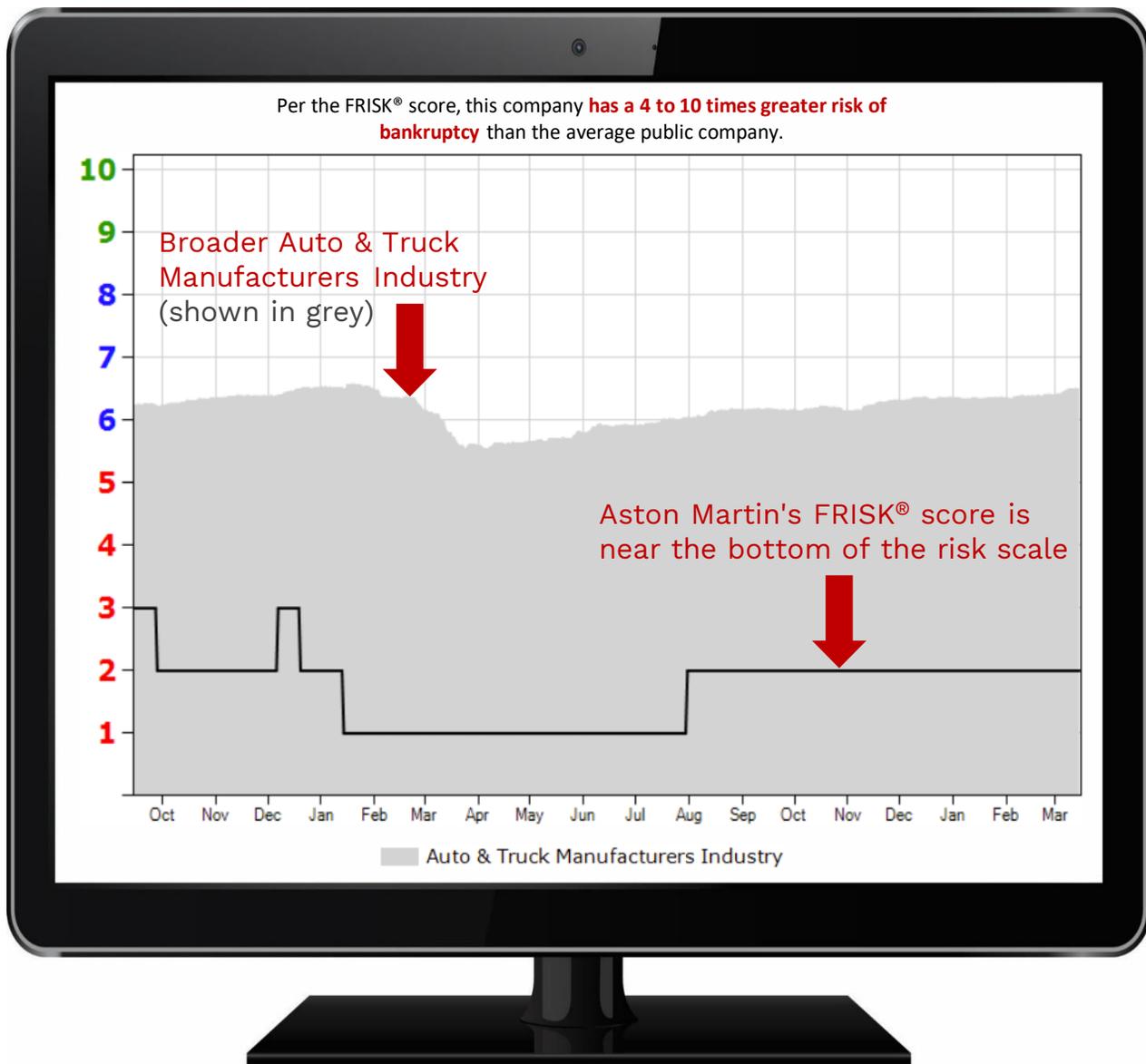
- Probability of bankruptcy within 12 months is 4% to 10%.
- Bonds are rated as non-investment grade ("junk").
- Total Liabilities are equal to Market Capitalization.
- Financial stress

Agency Credit Ratings

Rating Agency	Long Term Rating	Outlook	Short Term Rating	Watch
Moody's	Caa1	Stable		OF

The FRISK® score is a 96% accurate method by which to monitor public company bankruptcy risk.

Payment performance, captured by the Days Beyond Terms (DBT) index, which is very similar to D&B's PAYDEX® score, is not an effective indicator of financial stress for publicly traded companies since they often continue to pay on time right up until their bankruptcy filing. This is what's commonly called the "Cloaking Effect."



The FRISK® score relative to the broader Auto & Truck Manufacturers Industry raises an additional red flag signaling heightened risk relative to peers, as well...

MAKING IMMEDIATE ATTENTION REQUIRED.

FRISK® STRESS INDEX

#	Business Name	Country	FRISK® score
1	<u>Aston Martin Lagonda Global Holdings PLC</u>	United Kingdom	2
2	<u>GiaiPhong Motor JSC</u>	Vietnam	2
3	<u>Optare Plc</u>	United Kingdom	2
4	<u>AMO ZIL PAO</u>	Russian Federation	3
5	<u>Dewan Farooq Motors Ltd.</u>	Pakistan	3
6	<u>Hindustan Motors Limited</u>	India	3
7	<u>Lifan Technology Group Co Ltd</u>	China	3
8	<u>Yangzhou Yaxing Motor Coach Co Ltd</u>	China	3
9	<u>Zotye Automobile Co Ltd</u>	China	3
10	<u>Anhui Ankai Automobile Co., Ltd</u>	China	4

Businesses From:

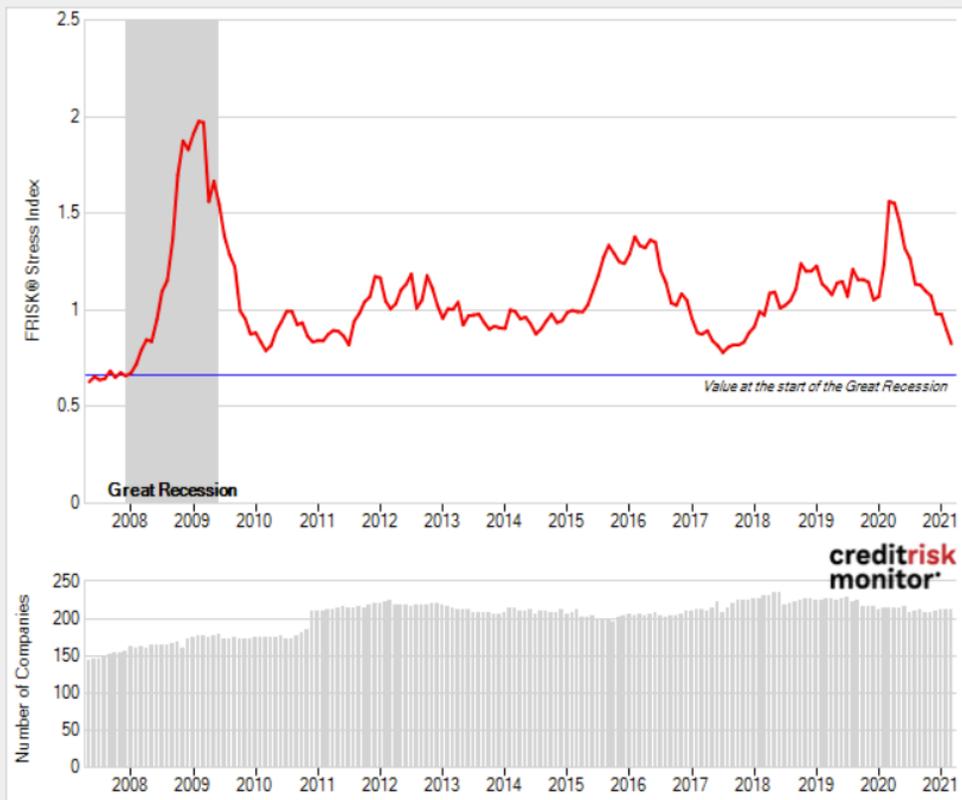
In Industry:

Country:

UPDATE RESULTS

Scale:

Total Companies in all months **329**



The FRISK® Stress Index shows the collective probability of failure in a group of companies (such as an industry, country or portfolio) over the next 12 months. It is designed to show trends in risk level across groups of companies and is shown on a zero to 50 scale, with 50 being the most risky.

The average probability of failure for SIC code 3711 (Motor vehicles and passenger car bodies) is relatively low. However, Aston Martin is among the weakest names in the industry as evidenced by its FRISK® score of 2.

[Request a Personalized Demo](#)

PEER ANALYSIS ON ALTERNATE SUPPLIERS AND CUSTOMERS

The Peer Analysis expands to provide a ranking of a company's competitors, which can help provide options for alternate suppliers or new customers

[SIC: 3711] [Calendar Year/Quarter: 2020.4]

Peer Group: 853	Ranking Within Peer Group	Number Of Peers Ranked	Company Value	Peer Group Range		
				Low	Median	High
Credit Ratings						
ZScore	131	140	-0.62	-24.11	2.52	19.32
Performance ratios:						
Net Sales (Thousands of U.S. Dollars)	N/A	29	N/A	0	1,576,500	37,518,000
Gross Margin % Of Sales	61	164	24.45	-1,558.75	19.46	115.26
Gross Margin % Of Sales -- TTM	84	166	18.16	-4,774.73	18.16	79.78
SG&A % Of Sales	149	159	41.50	1.48	10.23	720.22
SG&A % Of Sales -- TTM	153	159				
Operating Margin % Of Sales	163	170				
Operating Margin % Of Sales TTM	164	171				
EBITDA Margin Of Sales	96	105				
EBITDA Margin Of Sales -- TTM	109	112				
Net Profit Margin % Of Sales	164	170				
Net Profit Margin % Of Sales - TTM	167	171				
Pre-tax Income % Of Sales	164	170				
Effective Tax Rate	58	166				
Depreciation % Of Prop/Plant/Equipment	95	166				
Capital Expense % Of Prop/Plant/Equipment	103	114				
Interest Coverage	84	94	-0.17	-2,554.77	9.07	253.47
Interest Coverage -- TTM	100	108	-0.95	-168.30	4.39	1,566.23
Liquidity ratios:						
Cash Ratio	44	143	0.58	0.00	0.37	7.50
Quick Ratio	81	141	0.80	0.02	0.90	7.75
Current Ratio	111	143	1.10	0.21	1.43	16.51
Efficiency ratios:						
Accounts Receivable Turnover	123	170	5.03	0.00	7.62	269.97
Days Sales Outstanding	125	170	72.60	0.00	46.60	2,756.35
% of Inventory Financed by Vendors	N/A	113				
% of Inventory Financed by Vendors -- TTM	N/A	140				
Inventory Turnover	126	170				
Inventory Turnover TTM	131	171				
Days Sales in Inventory	127	163				
Inventory to Working Capital	109	142				
Accounts Payable Turnover	N/A	142				
Accounts Payable Turnover -- TTM	N/A	142				
Leverage & debt coverage:						
Total Debt to Equity Ratio	113	140				
Debt to Tangible Equity Ratio	N/A	133				
Total Debt to Assets Ratio	111	144	0.43	0.00	0.28	1.76
Short-Term Debt % of Total Debt	20	136	10.34	0.10	36.80	100.00
Short-Term Debt % of Working Capital	87	137	151.23	-2,914.80	28.13	10,773.69
Liabilities to Net Worth Ratio	N/A	134	N/A	0.07	1.57	713.20
Total Liabilities to Equity Ratio	106	141	2.48	0.07	1.41	14.85
TTM EBITDA Over Total Debt	105	112	-0.10	-19.81	0.21	1,339.58
Net Debt Over TTM EBITDA	N/A	98	N/A	-109.27	2.12	211.56

Rank	Company Name
1	Morita Holdings Corp
2	Honda Motor Co Ltd
3	Honda Motor Co Ltd (ADR)
4	Indus Motor Company Ltd
5	Thai Rung Union Car PCL

Rank	Company Name
1	Hino Pak Motors Ltd.
2	NISSAN SHATAI CO., LTD.
3	Miller Industries, Inc.
4	TEIKOKU SEN-I Co., Ltd.
5	OHASHI TECHNICA INC.

Green - Ranked in Upper Quartile of Peer Group
 White - Ranked in the Middle Two Quartiles of Peer Group
 Red - Ranked in Lower Quartile of Peer Group
 Orange - Confidential
 Grey - Data is Not Available

TTM = trailing 12 months
 N/A = Not Available

Aston Martin demonstrates bottom quartile ranking in key financial ratios (shown in red) versus its industry peers.

[Request a Personalized Demo](#)

creditrisk
monitor

QUARTERLY PERFORMANCE RATIOS

Declining vehicle sales due to COVID strained already-weak margins, causing year-over-year losses to skyrocket

Capital expenditure has decreased, indicating a reduction in cash available for reinvestment and development

Substantial debt servicing requirements severely constrain Aston Martin's financial flexibility

Performance Ratios – Sequential Quarters

(Thousands of British Pounds)

Period Ended	6 mos 12/31/2020	6 mos 6/30/2020	6 mos 12/31/2019	6 mos 6/30/2019	6 mos 12/31/2018
Net Sales £	£465,800	£146,000	£573,400	£407,100	£651,600
% change	219.04%	-74.54%	40.85%	-37.52%	53.35%
Gross Margin £	£113,900	(£2,800)	£189,900	£147,900	£235,400
% change	4,167.86%	-101.47%	28.40%	-37.17%	30.49%
% of sales	24.45%	-1.92%	33.12%	36.33%	36.13%
change as % of incremental sales	36.49%	n/m	25.26%	n/m	24.26%
SG&A £	£193,300	£142,700	£164,600	£164,100	£214,400
% change	35.46%	-13.31%	0.30%	-23.46%	57.65%
% of sales	41.50%	97.74%	28.71%	40.31%	32.90%
change as % of incremental sales	15.82%	n/m	0.30%	n/m	34.58%
Operating margin £	(£186,900)	(£159,300)	(£14,300)	(£37,700)	(£38,400)
% change	-17.33%	-1,013.99%	62.07%	7.82%	-159.63%
% of sales	-40.12%	-109.11%	-2.49%	-9.26%	-5.89%
change as % of incremental sales	-8.63%	n/m	14.07%	n/m	-45.35%
EBITDA £	(£9,900)	(£104,800)	£87,900	£14,700	£1,900
% change	90.55%	-219.23%	497.96%	673.68%	-98.16%
% of sales	-2.13%	-71.78%	15.33%	3.61%	0.29%
change as % of incremental sales	29.67%	n/m	44.02%	n/m	-44.60%
EBIT £	(£185,500)	(£163,300)	(£19,400)	(£42,500)	(£56,600)
% change	-13.59%	-741.75%	54.35%	24.91%	-192.03%
% of sales	-39.82%	-111.85%	-3.38%	-10.44%	-8.69%
change as % of incremental sales	-6.94%	n/m	13.89%	n/m	-52.10%
Pre-tax income £	(£238,600)	(£227,400)	(£40,800)	(£78,800)	(£89,000)
% change	-4.93%	-457.35%	48.22%	11.46%	-527.88%
% of sales	-51.22%	-155.75%	-7.12%	-19.36%	-13.66%
change as % of incremental sales	-3.50%	n/m	22.85%	n/m	-48.43%
Net income (loss) £	(£219,000)	(£200,300)	(£62,600)	(£63,800)	(£71,400)
% change	-9.34%	-219.97%	7.88%	10.64%	-920.69%
% of sales	-47.02%	-137.19%	-10.92%	-15.67%	-10.96%
change as % of incremental sales	-5.85%	n/m	0.72%	n/m	-35.33%
Tax expense £	(£27,900)	(£27,600)	£14,000	(£16,000)	(£20,400)
Effective tax rate	11.69%	12.14%	-34.31%	20.30%	22.92%
Depreciation expense £	£34,700	£22,700	£27,400	£24,700	£19,500
% of sales	7.45%	15.55%	4.78%	6.07%	2.99%
% of capital expenses	34.98%	14.06%	18.51%	15.23%	12.33%
% of PP&E, net (annualized)	14.68%	9.90%	12.98%	12.24%	11.35%
Capital expenditures £	£99,200	£161,500	£148,000	£162,200	£158,100
% change	-38.58%	9.12%	-8.75%	2.59%	3.74%
% of PP&E, net (annualized)	41.97%	70.46%	70.12%	80.35%	92.00%
% of working capital (annualized)	475.78%	-203.40%	-94.75%	-119.99%	-161.66%
Interest coverage ratio	(0.17)	(1.63)	2.30	0.41	0.06
% change	89.34%	-171.05%	468.15%	631.05%	-97.72%
Free cash flow £	(£118,400)	(£340,900)	(£149,400)	(£141,400)	£2,500
% change	65.27%	-128.18%	-5.66%	-5,756.00%	102.77%
Source:	ARS	Interim Report	ARS	Interim Report	ARS

QUARTERLY LEVERAGE RATIOS

Significant leverage levels may inhibit the company's ability to raise additional cash

Negative tangible net worth indicates the company owes more than it owns

Leverage Ratios - Sequential Quarters

(Thousands of British Pounds)

Period Ended	12/31/2020	6/30/2020	12/31/2019	6/30/2019	12/31/2018
Total debt £	£1,187,800	£1,101,600	£1,065,300	£970,500	£820,600
% change	7.83%	3.41%	9.77%	18.27%	-7.48%
Stockholders' equity £	£804,100	£763,700	£332,500	£375,300	£434,000
% change	5.29%	129.68%	-11.40%	-13.53%	183.29%
Total debt to equity ratio	1.48	1.44	3.20	2.59	1.89
% change	2.41%	-54.98%	23.90%	36.76%	-67.34%
Tangible net worth £	(£532,700)	(£508,900)	(£851,100)	(£779,200)	(£637,700)
% change	-4.68%	40.21%	-9.23%	-22.19%	24.12%
Total assets £	£2,794,800	£2,628,900	£2,231,100	£2,174,700	£2,055,500
% change	6.31%	17.83%	2.59%	5.80%	18.34%
Total debt to assets ratio	0.43	0.42	0.48	0.45	0.40
% change	1.43%	-12.25%	6.99%	11.80%	-21.82%
Tangible assets £	£1,458,000	£1,356,300	£1,047,500	£1,020,200	£983,800
% change	7.50%	29.48%	2.68%	3.70%	32.36%
Short-term debt £	£122,800	£118,100	£128,900	£123,900	£114,400
% change	3.98%	-8.38%	4.04%	8.30%	285.19%
Short-term debt % of total debt	10.34%	10.72%	12.10%	12.77%	13.94%
% change	-3.57%	-11.40%	-5.22%	-8.42%	316.31%
Short-term debt % of working capital	151.23%	5,368.18%	-40.31%	-40.62%	-48.54%
% change	-97.18%	13,418.44%	0.78%	16.30%	-154.12%
Total liabilities £	£1,990,700	£1,865,200	£1,898,600	£1,799,400	£1,621,500
% change	6.73%	-1.76%	5.51%	10.97%	2.39%
Total liabilities to equity ratio	2.48	2.44	5.71	4.79	3.74
% change	1.37%	-57.23%	19.09%	28.33%	-63.86%
Total debt to EBITDA ratio (annualized)			6.06	33.01	215.95
% change			-81.64%	-84.71%	4,915.85%
Source:			Report 020	Interim Report 7/29/2020	Interim Report 7/29/2020

Short-term debt as a percentage of working capital is high, suggesting debt reduction may be difficult

QUARTERLY LIQUIDITY RATIOS AND RATES OF RETURN

Working capital improves, but at the cost of dilutive stock sales and additional leverage

Liquidity Ratios - Sequential Quarters

(Thousands of British Pounds)

Period Ended	12/31/2020	6/30/2020	12/31/2019	6/30/2019	12/31/2018
Current assets £	£889,500	£799,600	£567,500	£571,300	£553,800
% change	11.24%	40.90%	-0.67%	3.16%	26.61%
% of short-term debt	724.35%	677.05%	440.26%	461.10%	484.09%
Current liabilities £	£808,300	£797,400	£887,300	£876,300	£789,500
% change	1.37%	-10.13%	1.26%	10.99%	33.16%
Working capital £	£81,200	£2,200	(£319,800)	(£305,000)	(£235,700)
% change	3,590.91%	100.69%	-4.85%	-29.40%	-51.58%
% of sales (annualized)	8.72%	0.75%	-27.89%	-37.46%	-18.09%
Cash £	£468,200	£336,700	£80,100	£89,500	£144,700
% change	39.06%	320.35%	-10.50%	-38.15%	107.31%
% of short-term debt	381.27%	285.10%	62.14%	72.24%	126.49%
Cash ratio	0.58	0.42	0.09	0.10	0.18
% change	37.19%	367.55%	-11.56%	-44.30%	55.73%
Quick assets £	£646,100	£529,400	£277,100	£291,700	£387,700
% change	22.04%	91.05%	-5.01%	-24.76%	56.65%
% of short-term debt	526.14%	448.26%	214.97%	235.43%	338.90%
Quick ratio	0.80	0.66	0.31	0.33	0.49
% change	20.39%	112.58%	-6.19%	-32.21%	17.66%
Current ratio	1.10	1.00	0.64	0.65	0.70
% change	9.74%	56.79%	-1.89%	-7.07%	-4.91%
Source:	ARS 3/11/2021	Interim Report 7/29/2020	Interim Report 7/29/2020	Interim Report 7/29/2020	Interim Report 7/29/2020

Unable to generate positive returns

Rate of Return - Sequential Quarters

(Thousands of British Pounds)

Period Ended	6 mos 12/31/2020	6 mos 6/30/2020	6 mos 12/31/2019	6 mos 6/30/2019	6 mos 12/31/2018
Return on equity	-28.68%	-60.24%	-16.68%	-14.70%	-46.61%
% change	52.40%	-261.15%	-13.47%	68.46%	n/a
Return on total assets	-8.08%	-8.24%	-2.84%	-3.02%	-3.77%
% change	2.03%	-190.07%	5.79%	19.89%	-851.73%
Return on tangible assets	-15.56%	-16.67%	-6.06%	-6.37%	-8.27%
% change	6.61%	-175.23%	4.90%	22.99%	-806.38%
Source:	ARS 3/11/2021	Interim Report 7/29/2020	ARS 3/11/2021	Interim Report 7/31/2019	ARS 3/14/2019

YEAR OVER YEAR STATEMENT OF CASH FLOWS

Net losses increase year after year

Consistent reliance on stock and debt issuance

Statement of Cash Flows - Year-over-Year - Standardized - Year to Date

(Thousands of British Pounds)

Period Ended	12 mos 12/31/2020	12 mos 12/31/2019	12 mos 12/31/2018	12 mos 12/31/2017 Reclassified 12/31/2018
Cash Flows from Operating Activities:				
Net income	(£410,500)	(£104,400)	(£57,100)	£76,800
Depreciation/depletion	65,600	52,100	32,400	27,400
Amortization	168,500	112,400	67,600	54,700
Non-cash Items	85,700	59,800	139,800	25,000
Changes in working capital	(107,900)	(100,500)	39,900	160,100
Total cash from operating activities	(198,600)	19,400	222,600	344,000
Cash Flows from Investing Activities:				
Capital expenditures	(260,700)	(310,200)	(310,500)	(294,200)
Other investing cash flow items, total	2,300	5,000	4,200	(52,400)
Total cash from investing activities	(258,400)	(305,200)	(306,300)	(346,600)
Cash Flows from Financing Activities:				
Financing cash flow items	(117,600)	(56,100)	(45,200)	(61,900)
Issuance/retirement of stock, net	732,800	0	4,600	0
Issuance/retirement of debt, net	225,000	299,400	98,400	131,800
Total cash from financing activities	840,200	243,300	57,800	69,900
Foreign exchange effects	(1,700)	5,800	2,700	(1,200)
Net change in cash	381,500	(36,700)	(23,200)	66,100
Net cash-beginning balance	107,900	144,600	167,800	101,700
Net cash-ending balance	£489,400	£107,900	£144,600	£167,800
Supplemental Disclosures:				
Cash interest paid	£82,300	£52,000	£42,200	£49,800
Cash taxes paid, supplemental	£9,200	£12,500	£7,900	£700
Source:	ARS 3/11/2021	ARS 3/17/2020	ARS 3/14/2019	ARS 3/14/2019

ABOUT THIS REPORT/CONTACT CREDITRISKMONITOR®



CreditRiskMonitor® is a financial risk analysis and news service that helps credit, supply chain and financial professionals stay ahead of and manage risk quickly, accurately and cost effectively. More than 35% of the Fortune 1000, plus over a thousand other large corporations worldwide, rely on our financial risk coverage of over 57,000 global public companies.

CreditRiskMonitor's High Risk Reports feature companies that are exhibiting a significantly high level of financial distress, as indicated by our proprietary FRISK® score. The ultimate goal of the High Risk Report series is two-part: provide an early warning for those doing business with an increasingly distressed company and inform of the many signals that should be examined when assessing financial risks.

[Request a Personalized Demo and Risk Assessment](#)

[Read more Bankruptcy Case Studies, High Risk Reports and other resources](#)

Contact us at:

845.230.3000

creditriskmonitor.com/contact-us