

JAGUAR LAND ROVER ITALIA S.p.A.

LOCAL STATUTORY ACCOUNTS AS AT 31.03.2023

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FINANCIAL STATEMENTS AT 31/03/2023

BALANCE SHEET

ASSETS	31/03/2023		31/3/2022	
	EURO	EURO	EURO	EURO
(B) FIXED ASSETS				
I - Intangible fixed assets:				
(5) Goodwill		0		0
(7) Other		254.279		371.629
Total		254.279		371.629
II - Tangible fixed assets:				
(2) Plant and machinery		132.077		137.797
(3) Industrial and commercial equipment		7.893		17.177
(4) Other assets		97.597		185.464
Total.		237.567		340.438
III - Financial fixed assets:				
(1) Equity investments in: d) Other companies		130		130
Total.		130		130
Total fixed assets (B)		491.976		712.197
(C) CURRENT ASSETS:				
I - Inventories:				
(4) Goods		127.049.927		117.505.844
Total.		127.049.927		117.505.844
II - Receivables:				
(1) Trade receivables due within subsequent FY		9.383.659		3.933.664
(4) Receivables from parent companies		226.280.423		167.269.094
(5) Receivables from companies controlled by parent companies		4.359.169		4.075.000
(5) - bis) Tax receivables		298.196		2.761.981
(5) - ter) Deferred tax asset		16.650.478		15.212.902
(5) - quater) Other receivables		143.913		222.534
Totale.		257.115.838		193.475.175
IV - Cash and cash equivalents:				
(1) Bank and postal accounts		9.916.097		10.856.081
Total.		9.916.097		10.856.081
Total current assets (C)		394.081.862		321.837.100
(D) ACCRUALS AND DEFERRALS		226.695		181.328
TOTAL ASSETS		394.800.533		322.730.625

JAGUAR LAND ROVER ITALIA S.p.A.
Sede legale in Roma - Viale Alessandro Marchetti, 105
Capitale sociale Euro 65.000.000,00 i.v.
R.E.A. n. 944215 - Azionista Unico.
Codice fiscale, partita IVA e iscrizione nel registro delle imprese di Roma n. 06070621005

FINANCIAL STATEMENTS AT 31/03/2023

BALANCE SHEET

	31/03/2023		31/3/2022	
LIABILITIES:	EURO	EURO	EURO	EURO
(A) SHAREHOLDERS' EQUITY:				
I - Share capital		65.000.000		65.000.000
IV - Legal reserve		3.376.148		3.094.953
VII - Other reserves - Merger surplus		2.102.935		2.102.935
VIII - Profit (Loss) carried forward		22.108.830		16.766.129
IX - Profit (loss) for the year		8.350.356		5.623.895
Total		100.938.269		92.587.912
(B) PROVISIONS FOR LIABILITIES AND CHARGES:				
(3) Other	55.470.646		49.332.459	
Total.		55.470.646		49.332.459
(C) PROVISION FOR EMPLOYEE SEVERANCE PAY.		3.817.842		3.294.702
(D) PAYABLES:				
(6) Advances	264.150		564.150	
(7) Trade payables	46.631.244		36.378.716	
(11) Payables to parent companies	149.630.250		122.988.796	
(11 bis) Payables to companies controlled by parent companies	268.072		9.947	
(12) Tax liabilities	13.465.617		5.022.024	
(13) Payables to social security authorities	385.105		342.560	
(14) Other payables	17.011.237		6.997.924	
Totale.		227.655.675		172.304.117
(E) ACCRUALS AND DEFERRALS		6.918.101		5.211.435
TOTAL LIABILITIES		394.800.533		322.730.625

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FINANCIAL STATEMENTS AT 31/03/2023

INCOME STATEMENT

	31/03/2023		31/03/2022	
	EURO	EURO	EURO	EURO
(A) VALUE OF PRODUCTION:				
(1) Revenue from sales and services		1.000.785.142		753.196.360
(5) Other revenue and income		55.435.492		58.099.308
Total value of production (A)		1.056.220.634		811.295.668
(B) COST OF PRODUCTION:				
(6) Raw and ancillary materials, consumables and goods		919.851.847		685.164.956
(7) Services		92.520.837		80.687.088
(8) Lease and rental costs		1.629.322		1.294.814
(9) Personnel costs:				
(a) Wages and salaries	7.567.951		7.156.531	
(b) Social security charges	2.336.976		2.226.122	
(c) Employee severance indemnity	1.009.873		580.394	
(e) Other costs	0		0	
Total personnel costs.		10.914.800		9.963.047
(10) Depreciation, amortisation and write-downs:				
(a) Amortisation of intangible fixed assets	117.350		1.207.204	
(b) Depreciation of tangible fixed assets	128.025		340.864	
(d) Write-downs of current receivables and cash and cash equivalents	14.016		40.788	
Total depreciation, amortisation and write-downs		259.391		1.588.856
(11) Changes in inventories of raw and ancillary materials, consumables and goods		(9.544.083)		(8.242.111)
(12) Accruals for risks		0		0
(13) Other allowances		19.342.995		26.686.885
(14) Sundry operating expenses		5.543.615		5.458.375
Total cost of production (B)		1.040.518.724		802.601.910
Difference between value of production and cost of production (A-B)		15.701.910		8.693.758
(C) FINANCIAL INCOME AND CHARGES:				
Other financial income:				
(d) Income other than the above	1.987.998		76.521	
(17) Interest and other financial expenses	(5.832.197)		(1.327.979)	
(17-bis) Exchange-rate profit and loss	75		(310)	
Total (16-17)		(3.844.124)		(1.251.768)
PROFIT BEFORE TAX (A-B+/-C);		11.857.786		7.441.990
(20) Tax				
(a) Current income tax	(4.944.895)		(2.518.062)	
(b) Prior years tax	(111)		(13.540)	
(c) Deferred/prepaid tax	1.437.576		713.507	
Total income tax		(3.507.430)		(1.818.095)
(21) Profit (loss) for the year		8.350.356		5.623.895

Jaguar Land Rover Italia S.p.A. – with sole shareholder

**Registered office in Rome, Viale Alessandro Marchetti, 105 – Share capital € 65,000,000 fully paid-in
Chamber of Commerce (R.e.a.) reg. No. 944215
Fiscal code, VAT number and Rome Companies Registry reg. No 06070621005**

Notes to the Financial Statements as at 31.03.2023

Financial year

On 7 March 2016, the Company's articles of association were amended by deed executed by notary public Pierandrea Fabiani and the year-end was changed to 31 March of each year.

Layout and content of the Financial Statements

These Financial Statements, composed of the Balance Sheet, Profit and Loss Account, Notes and Cash Flow Statement, are in line with the relevant Italian Civil Code provisions and EU directives.

The Financial Statements have been drawn up pursuant to the provisions of articles 2423 ff of the Italian Civil Code as amended by Legislative Decree No 139 of 18 August 2015 implementing Directive 2013/34/EU on the annual Financial Statements and consolidated Financial Statements.

The Balance Sheet, Profit and Loss Account and Cash-flow Statement layout is that prescribed by articles 2424, 2425 and 2425 *ter* of the Italian Civil Code.

The corresponding amount for the prior year has been reported next to each item of the Balance Sheet and Profit and Loss Account and, if necessary, has been adjusted for comparison

purposes: a mention of the relevant adjustment, or non-adjustment as the case may be, has been made in the description of each item.

Items of the Balance Sheet and Profit and Loss Account with a nil balance have not been included; their exclusion did not, however, result in changes in the numbering sequence prescribed for the statutory Balance Sheet and Profit and Loss Account layout. All figures of the Balance Sheet and Profit and Loss Account are in whole Euros.

Main valuation criteria

The valuation criteria adopted in the preparation of the Financial Statements as at 31 March 2023 are in line with those provided by article 2426 of the Italian Civil Code, having regard, where necessary, to the accounting principles issued by the Italian accounting standard setting board (*Organismo Italiano di Contabilità*, O.I.C.) or, if none are available, to the IAS-IFRS.

More generally, the valuation of Financial Statements items was made on a prudent, accrual and going concern basis.

The Company carries on business pursuant to a distribution agreement with Jaguar Land Rover Limited. Under the agreement, which involves a low business risk for Jaguar Land Rover Italia S.p.A., transfer prices are determined in such a way that the distribution company is guaranteed a profit margin as a percentage of sales revenue (Transactional Net Margin Method – TNMM). Such margin rate is established by specific comparability analyses conducted at group level based on similar transactions carried out between independent parties.

As mentioned in the prior year's Financial Statements, the manufacturer Jaguar Land Rover Limited has been applying this transfer pricing methodology to all group companies since 2012.

No exceptional events occurred in the fiscal year ended 31 March 2023 which made it necessary to adopt one of the derogations pursuant to article 2423(5) of the Italian Civil Code.

The following main valuation criteria have been adopted in the preparation of the Financial Statements:

Fixed assets

Intangible fixed assets

They are recorded at the historical cost less the amortisation of prior years, the amortisation charge for the year and any write-downs due to permanent value impairments. Amortisation charges have been calculated on a straight-line basis having regard to the remaining useful life of the assets.

The “Other intangible fixed assets”, which consist of leasehold improvements, have been amortised on the basis of the remaining term of the relevant property lease agreement.

Tangible fixed assets

These have been recorded at their purchase cost adjusted by the corresponding accumulated depreciation. No financial costs have been capitalised either in the year in question or in prior years. The depreciation charges recorded in the profit and loss account have been calculated having regard to the use and the economic and technical life of the assets based on their remaining useful life. This principle is deemed to be well reflected by the following rates, and have been halved in the year in which the asset entered into operation:

Breakdown	%
Electronic office machines	20%
Non automatic generic installations	10%
Sundry small tools	25%
Furniture and office furniture	12%
Industrial and commercial equipment	10%

Assets of a minor amount (less than Euro 516) have been wholly depreciated in the year.

Financial fixed assets

Shareholdings “in other undertakings” have been measured at the subscription or purchase price.

Accounts receivable

Accounts receivable have been recorded at the amortised cost, having regard to time discounting and to their presumed realisable value. The nominal value of the accounts receivable was adjusted, whenever necessary, to their presumed realisable value by a write-down.

Cash-in-hand and cash-at-bank

Cash-in-hand and cash-at-bank has been measured at the nominal value.

Accounts payable

They have been recorded using the amortised cost method, taking into account time discounting.

Accrued income/liabilities and prepayments/deferred income

Accrued income and prepayments consist of income accrued in the year which will be received in future years and costs incurred before the year-end which will accrue in subsequent years; accrued liabilities and deferred income include costs accrued in the year which however will be paid in future years, and income received before the year-end but accruing in subsequent years.

A detail of prepayments is provided in the relevant section of these Notes.

Inventory

Inventory has been recorded at the lower of purchase cost and realisable value as inferred from market trend at the year-end adjusted by any write-downs. The year-end inventory valuation methods adopted were the specific cost method for cars and the weighted average cost method for spare parts.

The book value of the inventory does not significantly depart from its current costs value at the year-end.

Provisions for contingent liabilities and charges

These provisions are set aside for the coverage of losses or liabilities that are certain or likely to arise, but whose amount and date of occurrence could not be determined at the year-end.

The provisions have been measured on a prudent and accruals basis and the relevant accruals have been determined at the best possible estimate based on the available information.

Severance indemnity provision

This item includes the amounts actually accrued for the employees' leaving indemnity pursuant to article 2120 of the Italian Civil Code, in accordance with the law and the current collective labour agreements, taking into account all forms of continuous remuneration and it is referred to all Company's employees.

Income taxes

Current income taxes are determined on the basis of a prudent interpretation of the tax rules in force.

Deferred tax assets and liabilities are calculated based on a reasonable certainty that future taxable amounts may be offset against any temporary differences between the statutory value

and the tax basis of an asset or liability. The impact on the result of operations of this method of recognition is stated in the description of the relevant item of the P&L Account.

Financial risks management policies

The Company aims at managing and containing its financial risks by relying both on the directors' prudent evaluations and on specific risks management processes put in place as part of corporate procedures, as well as through special-purpose centralized group functions.

The Company's financial risks are as follows:

- Liquidity risk: this risk is mainly related to the Company's current financial requirements to carry out its selling activities. This risk is managed by implementing financial plans which estimate future cash flows. In this respect, it's worth considering the Deposit Agreement with Jaguar Land Rover group companies.
- Risk of cash flow changes: this is mainly in connection with the Deposit Agreement, under which interest accrues at variable market rates.
- Credit risk: the risk of the counterparty's insolvency is limited to accounts receivable from the public authorities which account for a small percentage of the Company's total receivables. Instead, car sales to dealers and to car rental companies are only subject to a minor credit risk since the relevant accounts receivable are sold on a without-recourse basis to the factoring companies Findomestic Banca S.p.A., FCA Bank S.p.A., SG Factoring S.p.A., Unicredit and Ifitalia S.p.A. Accounts receivables from the sale of spare parts are sold to Ifitalia S.p.A. The credit management function estimates the recoverability of accounts receivable and calculates the relevant bad debt provision to be recorded in the Financial Statements. As at 31 March 2023, the bad debt provision amounted to approx. 0.9 million Euro.

Translation of items in foreign currency

Accounts receivable and payable originally denominated in foreign currency are recorded at the spot exchange rates ruling at the year-end; any translation gains or losses are recognised in the profit and loss account and any net gain is set aside to a reserve which is non-distributable until the gain is realized.

Any non-monetary items in foreign currency are recorded at the exchange rate at the time of purchase.

Guarantees, engagements, leases and risks

Any risks in connection with personal guarantees or collaterals for third-party debts have been recognised in these Notes at an amount corresponding to the value of the guarantee; the amount of the guaranteed third-party debt at the reporting date is mentioned in these Notes if lower than the value of the underlying guarantee.

Engagements are recognised at their nominal value as inferred from the relevant documentation.

Given the high probability of customers exercising the buyback option, i.e. the choice for the customer to sell back and the obligation on the Company to repurchase vehicles, relative amounts are included in the Memorandum Accounts in these Notes.

ANALYSIS OF THE MAIN FINANCIAL STATEMENTS ITEMS

Unless otherwise expressly stated, all amounts in these Notes are in Euros.

Assets

We set out below a description of and the main changes in the composition of the Company's assets.

B) Fixed assets

I. Intangible fixed assets

At 31 March 2023 and at 31 March 2022 they amounted respectively to Euro 254,279 and Euro 371,629, with a net decrease of Euro 117,350.

The following table shows the composition of and the changes in the value of the single intangible assets:

Other intangibles	Historical cost	Amortisation	Net value
Balance at 31/03/2022	2,997,071	(2,625,442)	371,629
Additions for the year			0
Amortisation for the year		(117,350)	(117,350)
Sales and disposals			0
Reclassifications			0
Balance at 31/03/2023	2,997,071	(2,742,792)	254,279

Item B. I. 7. “Other intangible assets” as to Euro 254,279, consists of the costs incurred for improvements to the head offices, the Training Academy and the spare parts warehouse which are currently held by lease.

The above intangibles did not undergo any write-downs or write-ups either in the current year or in prior years.

II. Tangible fixed assets

At 31 March 2023 and at 31 March 2023 they amounted respectively to Euro 237,567 and Euro 340,438, with a net Euro 102,871 decrease.

The following tables show the composition of and the changes in the value of the single tangible assets:

Generic installations	Historical cost	Amortisation	Net value
Balance at 31/03/2022	355,636	(217,839)	137,797
Additions for the year	17,525		17,525
Depreciation for the year		(23,245)	(23,245)
Sales and disposals			0
Reclassifications			0
Balance at 31/03/2023	373,161	(241,084)	132,077

Industrial and commercial equipment	Historical cost	Amortisation	Net value
Balance at 31/03/2022	2,482,659	(2,465,482)	17,177
Additions for the year			0
Depreciation for the year		(9,284)	(9,284)
Sales and disposals			0
Reclassifications			0
Balance at 31/03/2023	2,482,659	(2,474,766)	7,893

Other assets (furniture, office machines, computers)	Historical cost	Amortisation	Net value
Balance at 31/03/2022	1,583,914	(1,398,450)	185,464
Additions for the year	7,628		7,628
Depreciation for the year		(95,496)	(95,496)
Sales and disposals	(0)		(0)
Reclassifications			0
Balance at 31/03/2023	1,591,542	(1,493,945)	97,597

Assets of a unit value lower than 516 Euro

Assets of a unit value lower than 516 Euro have been wholly depreciated in the year in which they were purchased and entered into use. They have in any case been included by category in the above summary tables.

The above tangible assets did not undergo any write-downs or write-ups either in the current year or in prior years.

III. Financial fixed assets

Shareholdings

Description	Value at 31/03/2021	Increases for the year	Decreases for the year	Write-downs for the year	Value at 31/03/2022
Other	130	0	0	0	130

Item B. III. 1 d. “Shareholdings in other undertakings”, in an amount of 130 Euro, is in connection with the purchase of the shareholding in CO.NA.I (the Italian National Packaging Consortium).

C) Current assets

I. Inventory

At 31 March 2023 inventory amounted to Euro 127,049,927, compared to Euro 117,505,844 at 31 March 2022, with a net increase of Euro 9,544,083. The composition of and changes in the inventory recorded under item C. I. 4. “Goods” can be summarised as follows:

Description	Value at 31/03/2022	Value at 31/03/2023	Difference
a) Cars	82,798,702	89,407,816	5,609,114
b) Other cars	11,054,034	14,633,281	3,579,247
c) Spare parts	25,309,516	24,971,345	-338,171
Write-downs	(2,656,409)	(1,962,515)	693,893
Total inventory	117,505,844	127,049,927	9,544,083

The item a) “Cars” consists of the stock of new vehicles whereas item b) “Other cars”, consists of cars which, although meant for sale, are used by the Company for a short period of time. Item c) consists of the inventory of spare parts and accessories.

During the year, the inventory write-down – recorded in the Financial Statements to reduce the value of inventory and amounting to Euro 1,962,515 at 31/03/2023 – underwent the following changes during the year:

Description	Value at 31/03/2022	Decreases	Increases	Value at 31/03/2023
a) Cars	0			0
b) Other cars	455,637	-303,470		152,166
c) Spare parts	2,200,772	-390,423		1,810,349
Total inventory	2,656,409	-693,893	0	1,962,515

II. Accounts receivable

Accounts receivable from customers

Item C. II. 1 consists of the trade accounts receivable to customers and the other group companies recorded in the Financial Statements at 31 March 2023 in an amount of Euro 9,383,659, with a net year-on-year increase of Euro 5,449,995 as compared to previous year, mainly as a result of the sale of cars and spare parts near year end.

We set out below a detailed analysis of the changes in this item:

Description	Value at 31/03/2022	Value at 31/03/2023	Difference
Accounts receivable from customers from sale of cars, spare parts and other products	5,342,652	10,271,126	4,928,474
Write-down	(1,408,988)	(887,467)	521,521
Balance	3,933,664	9,383,659	5,449,995

All accounts receivable from customers fall due within one year.

The nominal value of the accounts receivable was adjusted to their presumed realisable value by a bad debt provision which during the year underwent the following changes:

Description	Value at 31/03/2022	Decreases for the year	Increases for the year	Value at 31/03/2023
Write-down of accounts receivable	1,408,988	521,521	0	887,467
Total write-down	1,408,988	521,521	0	887,467

Accounts receivable from companies under control by the controlling companies

Item C. II 5, of which balance at 31.03.2023 was Euro 4,359,169 (Euro 4,075,000 at 31.03.2022) consists of the account receivable from Jaguar Land Rover Austria GmbH, Jaguar Land Rover France and Jaguar Land Rover Deutschland GmbH for the sale of spare parts.

Tax credits

Item C. II. 5 Bis consists of the tax credit of Euro 298,196 as at 31 March 2023 and underwent the changes as shown in the following table:

Description	Value at 31/03/2022	Value at 31/03/2023	Difference
Eco-bonuses accrued	1,205,893	167,400	(1,038,493)
Income tax credit	1,556,088	0	0
Other credit	0	130,796	130,796
Balance	2,761,981	298,196	(907,696)

The balance as at 31.03.2023 wholly refers to the eco-bonuses accrued on the sale of low-emission cars and other government incentives.

Deferred tax assets

Item C. II. 5-ter shows the value of deferred tax assets, less deferred tax liabilities, which amounts to Euro 16,650,478. The item can be broken down as follows:

Description	Value at 31/03/2022	Value at 31/03/2023	Difference
IRES	12,817,405	13,996,951	1,179,545
IRAP	2,395,497	2,653,527	258,030
Balance	15,212,902	16,650,478	1,437,576

The following table provides a description of the temporary differences for *IRES* and *IRAP* which resulted in the separate posting of the relevant deferred tax assets and liabilities compared to the prior year. For a description of the amounts credited or charged to the P&L account, reference should be made to the comments to item 20 of the Profit and Loss Account. The *IRAP* rate adopted to determine the future tax effect is 4.82%, namely the rate currently in force, whereas the *IRES* rate used to this effect is 24%.

Description	31/03/2023				31/03/2022			
	Temporary differences + deductible (-) taxable difference	Deferred taxes + def. Tax assets (-) def. Tax liabilities			Temporary differences + deductible (-) taxable difference	Deferred taxes + def. Tax assets (-) def. Tax liabilities		
		Ires	Irap	Totale		Ires	Irap	Totale
Tax rate								
<u>Deferred tax assets</u>								
Write-down of fixed assets IRES	0	0	0	0	0	0	0	0
Write-down of fixed assets IRAP	0		0	0	984,520	47,454	47,454	984,520
Provision for contingent liabilities and charges IRES	55,470,646	13,312,955	13,312,955	49,332,459	11,839,790	11,839,790	49,332,459	11,839,790
Provision for contingent liabilities and charges IRAP	55,052,433		2,653,527	2,653,527	48,714,584	2,348,043	2,348,043	48,714,584
Write-down of inventory IRES	1,962,515	471,004	471,004	2,656,409	637,538	637,538	2,656,409	637,538
Write-down of accounts receivable	887,467	212,992	212,992	1,408,988	338,157	338,157	1,408,988	338,157
Other costs with deferred IRES deductability	0	0	0	8,000	1,920	1,920	8,000	1,920
Total deferred taxes		13,996,951	2,653,527	16,650,478		12,817,405	2,395,497	15,212,902
<u>Deferred tax liabilities</u>								
Additional goodwill ammortization for IRES	0	0	0	0	0	0	0	0
Total deferred tax liabilities		0	0	0		0	0	0
Total		13,996,951	2,653,527	16,650,478		12,817,405	2,395,497	15,212,902

Impact on the P&L account	2022/23	2021/22
Deferred tax assets at the beginning of the year (B)	15,212,902	15,225,194
Deferred tax assets at the end of the year (A)	16,650,478	15,212,902
Impact on the P&L account (A – B)	1,437,576	(12,292)
Deferred taxes at the beginning of the year (B)	0	(725,799)
Deferred taxes at the end of the year(A)	0	0
Impact on the P&L account (A – B)	0	725,799
Total impact on the P&L account	1,437,576	713,507

The € 16,650,470 deferred tax assets were recognised on the assumption that the medium term business forecasts – supported by the distribution agreement (based on the TNMM) which ensures the Company’s steady profitability – give reasonable certainty that in future years the Company’s taxable income will not be lower than the temporary differences that will be reversed.

Accounts receivable from others

Item C. II. 5 Quater decreased from Euro 222,534 at 31 March 2022 to Euro 143,913 at 31 March 2023, with a year-on-year increase of Euro 78,621, as detailed below:

Description	Value at 31/03/2022	Value at 31/03/2023	Difference
Accounts receivable from personnel	152,784	73,776	(79,008)
Accounts receivable from others	69,750	70,137	387
Balance	222,534	143,913	(78,621)

Accounts receivable from controlling companies

This item mainly includes the account receivable from Jaguar Land Rover Limited in connection with the *Deposit agreement*, remunerated at market rates, whose balance as at 31

March 2023 was Euro 225,999,740 (Euro 167,269,094 at the prior year-end), and the account receivable in connection with the recharge of warranty repair costs.

The increase is mainly due to the transfer to Jaguar Land Rover Limited of cash flows in connection with the ordinary sale activity.

IV. Cash-in-hand and cash-at-bank

The balance of item C. IV. consists of the cash-at-bank, cash-in-hand and cash equivalents at the year-end, as shown below:

Description	Value at 31.03.2022	Value at 31.03.2023	Difference
Bank and Postal accounts	10,856,081	9,916,097	(939,984)
Cash-in-hand and cash equivalents	0	0	0
Total	10,856,081	9,916,097	(939,984)

D) Accrued income and prepayments

This item consists of the portion of costs and income pertaining to more than one accounting period accruing before or after the relevant collection/payment and/or billing and the advanced costs. At 31 March 2023 there were no accrued income and prepayments of a duration exceeding five years. The item can be broken down as follows:

Description	Value at 31/03/2022	Value at 31/03/2023	Difference
Excise duty and prepaid insurance premium	181,328	226,695	45,367
Total	181,328	226,695	45,367

Liabilities

We set out below the composition of and the main changes in the liabilities:

A) Shareholders' equity

The following table summarises the changes in the items of shareholders' equity in FYs 2020/2021, 2021/2022 and 2022/2023:

Description	Value at 31/03/2021	Increases (Decreases)	Decreases Allocations	Value at 31/03/2022	Increases (Decreases)	Decreases Allocations	Value at 31/03/2022
Share capital	65,000,000			65,000,000			65,000,000
Legal reserve	2,832,371		262,582	3,094,953		281,195	3,376,148
Share exchange surplus	2,102,935			2,102,935			2,102,935
Retained earnings	11,777,065		4,989,064	16,766,129		5,342,701	22,108,830
Profit (loss) for the year	5,251,645	(5,251,645)	5,623,895	5,623,895	(5,623,895)	8,350,356	8,350,356
Total shareholders' equity	86,964,016	(5,251,645)	10,875,541	92,587,912	(5,623,895)	13,974,252	100,938,269

The Share capital has been wholly paid-in and at 31 March 2023 amounted to Euro 65,000,000 divided into 65,000,000 shares each having a nominal value of 1 Euro, subscribed by the Sole Shareholder.

The Legal Reserve increased by Euro 281,195 as a result of the allocation of the relevant share of the 2021/22 profit, as resolved by the general meeting in accordance with article 2430 of the Italian Civil Code.

Retained earnings increased from Euro 16,766,129 to Euro 22,108,830 following the carry-forward of the 2021/22 profit.

The item "Other reserves – Share exchange surplus" derives from the 2011 merger and did not undergo any changes in the year.

We set out below the table containing the information required by article 2427(7-bis)(1) of the Italian Civil Code and recommended by the Italian Accounting Standard Setting Board.

Nature/Description	Amount	Possibility of use	Available amount	Summary of amounts used in the three period fiscal years	
				for loss coverage	for other reasons
Share capital	65,000,000				
Equity reserves:					
Reserve for treasury shares					
Reserve for shares or equity interests in the controlling company					
Reserve for share exchange	2,102,935	A,B	2,102,935		
Reserve from conversion of bonds					
Earnings Reserves:					
Legal Reserve	3,376,148	B	3,376,148		
Reserve for treasury shares					
Reserve from net exchange gains					
Reserve from valuation of shareholdings using the Net equity method					
Reserve from derogation pursuant to article 2423(4)					
Retained earnings	22,108,830	A,B,C	22,108,830		

Total	27,587,913
Non-distributable amount	5,479,083
Remaining distributable amount	22,108,830

Legend

- A: for share capital increase
- B: for loss coverage
- C: for distribution to the shareholders

B) Provisions for contingent liabilities and charges

Other provisions

Item B. 4. “Other Provisions for contingent liabilities and charges” amounts to Euro 55,470,646 at 31 March 2023, with a year-on-year increase of Euro 6,138,186.

These provisions are set aside for the coverage of losses, liabilities, risks and charges related to the conduct of business, that are certain or likely to arise, but whose amount and date of

occurrence could not be determined at the year-end. The following table shows the composition of and changes in this item:

Description	Value at 31.03.2022	Increases for the year	Decreases/ Allocation	Value at 31.03.2023
Provision for miscellaneous contingent liabilities and charges	49,332,459	53,731,914	47,593,727	55,470,646
Total B.3	49,332,459	53,731,914	47,593,727	55,470,646

The balance of the “*Provision for miscellaneous contingent liabilities and charges*”, of Euro 55,470,646, consists of provisions for commercial costs as to Euro 53,293,447 for costs regarding the possible return of worn-core replacement parts by dealers and authorised repair shops as to Euro 1,649,338, for employee bonuses as to Euro 418,213.

Commercial costs are partly deducted directly from sales revenue as they consist of discounts and allowances granted to dealers on the cars purchased from the Company during the year and partly recorded under item B13 “Other accruals”.

C) Employees’ severance indemnity provision

The provision recorded under item C of the liabilities section of the Balance Sheet reflects the amount due by the Company to its employees on payroll as at 31 March 2023:

Description	Value at 31.03.2022	Increases for the year	Decreases for the year	Value at 31.03.2023
Employees' severance indemnity provision	3,294,702	606,727	83,587	3,817,842
Total	3,294,702	606,727	83,587	3,817,842

Pursuant to law 296/2006 and relevant implementation decrees, we inform you that 64 employees decided to keep their termination pay with the Company, whereas 41 employees opted for its allocation to the relevant pension funds.

The balance at 31.03.2023 is adequate to meet the relevant legal and collective labour agreement obligations.

Headcount information

The Company's average headcount, broken down by category, is as follows:

Headcount	at 31/03/2022	at 31/03/2023
Managers/Executives (Dirigenti)	18	19
Employees	74	86
Total	92	105

D) Accounts payable

Accounts payable have been measured at their nominal value and can be broken down as follows by due date:

Description	Balance at 31.03.2022	Balance at 31.03.2023				Difference
		31.03.2023	falling due within one year	falling due after more than one year	falling due after more than 5 years	
D (4) Accounts payable to financial institutions	0	0	0			0
D (6) Advances	564,150	264,150	264,150			(300,000)
D (7) Accounts payable to suppliers	36,378,716	46,631,244	46,631,244			10,252,528
D (11) Accounts payable to controlling companies	122,988,796	149,630,250	149,630,250			26,641,454
D (11 bis) Accounts payable to undertakings under control by the controlling companies	9,947	268,072	268,072			258,125
D (12) Tax liabilities	5,022,024	13,465,617	13,465,617			8,443,593
D (13) Accounts payable to social security agencies	342,560	385,105	385,105			42,545
D (14) Other accounts payable	6,997,924	17,011,237	17,011,237			10,013,313
Balance	172,304,117	227,655,675	227,655,675	0	0	55,351,558

The "Accounts payable to suppliers", item D. 7., falls due within one year and is in connection with trade payables to third party suppliers for the purchase of goods and services.

Item D.11 "Accounts payable to controlling companies", which amounted to Euro 149,630,250 at 31 March 2023, mainly consists of the payable to Jaguar Land Rover Limited for cars and spare parts purchased but still unpaid for at 31.03.2023.

Item D.11 bis "Accounts payable to undertakings under control by controlling companies", totalling Euro 268,072 at 31.03.2023 (Euro 9,947 at 31.03.2022), is mainly in connection with the payable to Jaguar Land Rover España.

Item D. 12. "Tax liabilities" amounted to Euro 13,465,617 at 31 March 2023 and can be broken down as follows:

Description	Balance at 31/03/202
VAT payable (March 2022)	11,018,277
IRES and IRAP payable	2,263,584
Withholding taxes levied from employees and self-employed (March 2022)	183,755
Total	13,465,617

Item D. 13. consists of "Accounts payable to social security agencies" which at 31 March 2023 amounted to Euro 385,105.

Item D. 14. "Other accounts payable" amounts to Euro 17,011,237 with a net increase of Euro 10,013,312, mainly resulting from an increase in accounts payable to dealers in connection with outstanding commercial incentives. This item may be broken down as follows:

Description	Value at 31/03/2022	Value at 31/03/2023	Difference
Accounts payable to employees in respect of accrued holidays and other dues	869,222	897,861	28,639
Accounts payable to dealers	6,128,493	16,109,203	9,980,709
Other accounts payable	209	4,173	3,964
Total	6,997,924	17,011,237	10,013,312

E) Accrued liabilities and deferred income

This item consists of deferred revenue from the sale of “Connected car” services, included in the sale price of car accessories, which will accrue in future years.

Description	Value at 31/03/2022	Value at 31/03/2023	Difference
Deferred income scheduled maintenance packages	1,554,239	1,415,858	-138,380
Deferred revenue on "connected car" service	3,657,196	5,502,242	1,845,046
Total	5,211,435	6,918,101	1,706,666

Memorandum accounts

As at 31 March 2023 memorandum accounts can be broken down as follows:

Description	Value at 31/03/2022	Value at 31/03/2023	Difference
Third party guarantees issued on our behalf	27,548,735	27,613,896	65,161
Guarantees issued to third parties	0	28,625	28,625
Commitments for the repurchase of cars sold under the buyback clause	14,155,474	7,430,317	(6,725,157)
Total	41,704,209	35,072,838	(6,631,371)

Third party guarantees issued on our behalf consist of bank guarantees issued to third parties on our behalf.

Comments to and analysis of Profit and Loss Account items

In view of the itemised presentation of costs and income in the P&L Account and of the description of Balance Sheet items set out above, in this section we will deal with the main cost and revenue items; for a detailed analysis of operating costs and income, reference should be made to the Directors’ report.

A) Revenue

The item Revenue from sales and services consists of revenue from the sale of cars, spare parts and other assets, and from the provision of services, as set out below.

Revenue by category of business

The following table shows a breakdown of revenue from sales and services:

Description	Value at 31/03/2022	Value at 31/03/2023	Difference
Sale of cars	618,115,924	843,555,802	225,439,878
Sale of spare parts and accessories	135,080,436	157,229,340	22,148,904
Total	753,196,360	1,000,785,142	247,588,782

Revenue from sales of goods and service supplies is stated after deduction of discounts, allowances and premiums. Revenue increases from Euro 753,196,360 to Euro 1,000,785,142, with a net year-on-year increase of Euro 247,588,782.

The difference is mainly due to the increase in the sale of cars.

B) Expenditure

Costs for raw materials, subsidiary materials, consumables and goods and costs for services

Costs for raw materials, subsidiary materials and consumables increased from 685,164,956 at 31 March 2022 to Euro 919,851,847 at 31 March 2023, i.e. an increase of Euro 234,686,891.

The costs for services amount to Euro 92,520,837, with Euro 11,833,749 increase mainly due to the costs for cars' repair under warranty and marketing.

Personnel costs

This item includes all costs for employees including performance increases, promotions, cost of living increases, untaken holidays and any accruals made in accordance with the law and the collective labour agreements, for a total amount of Euro 10,914,800.

C) Financial income and costs

Other financial income

This item refers to the interest income accrued on the Deposit agreement with Jaguar Land Rover Limited as to Euro 1,977,375 and to other interest as to Euro 10,623.

Interest and other financial costs

The item “Interest and other financial costs” amounts to Euro 5,832,197 with a year-on-year increase of Euro 4,504,218 and is in connection with the interest and commissions payable to factoring companies.

Income taxes

The taxes for the year amount to Euro 3,507,430. The following table shows the current and deferred taxes for the year:

Description	Value at 31/03/2022	Value at 31/03/2023
Current taxes		
IRES	2,037,118	3,932,738
IRAP	480,943	1,012,156
Deferred tax assets		
IRES	(528,659)	(1,179,545)
IRAP	(184,848)	(258,030)
Deferred tax liabilities		
IRES		
IRAP		
Taxes of prior years	13,540	111
Total income taxes	1,818,095	3,507,430

The taxes for the year, accounting for about 30% of the pre-tax result (as in the prior year), have increased by Euro 1,689,335.

Deferred tax assets and liabilities are calculated on the temporary differences between statutory values and tax bases, at the tax rate in force at the time such differences are reversed. For a detailed analysis, see the table providing a breakdown of item C II 5 ter.

In order to outline in detail the effects of deferred assets, we set out below a reconciliation of the statutory profit with the notional tax liability:

Determination of the IRES taxable amount

Description	Value	Tax
Pre-tax result	11,857,787	
Notional tax liability (24%)		2,845,869
Temporary differences deductible in subsequent years	43,332,652	
Temporary differences deductible from prior years	(38,417,879)	
Permanent differences that will not be reversed in subsequent years	(386,149)	
Taxable amount	16,386,409	

Current IRES on the income of the year	3,932,738
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Determination of the IRAP taxable amount

Description	Value	Tax
Difference between revenue and expenditure (A-B)	15,701,910	
Costs non relevant for IRAP	30,271,811	
Total	45,973,721	
Notional tax liability (4,82%)		2,115,933
Temporary differences deductible in subsequent years	23,347,348	
Temporary differences from prior years	(37,337,013)	
Permanent differences that will not be reversed in subsequent years	(10,704,737)	
Taxable amount	21,279,319	
levied on the taxable amount attributable to <i>Regione Lazio</i>	19,811,173	954,899
levied on the taxable amount attributable to <i>Regione Emilia</i>	1,468,145	57,258
Current tax on the IRAP taxable amount		1,012,156

F) Related-party transactions

All related-party transactions carried out by Jaguar Land Rover Italia S.p.A., including intragroup transactions, are ordinary day-by-day transactions made at arm's length conditions. There are no unusual, non-arm's length related-party transactions of a significant amount that fall outside the Company's ordinary course of business.

Other information

No Directors' fees are payable.

Pursuant to article 2427(16-bis)(1) of the Italian Civil Code, the fees payable to the Board of Statutory Auditors amount to Euro 70,000, the Auditor's fee for the annual audit of the accounts is Euro 35,000 and the fees for tax consulting services amount to Euro 93,705.

For significant events that occurred after the end of the financial year, please refer to the Directors' Report.

The parent company which prepares the consolidated Financial Statements is Tata Motors Limited, a company organized and existing under the laws of India, with registered office in Mumbai (India). The consolidated Financial Statements are available at Tata Motors Limited.

Distribution of revenue by geographical area

Geographical area	2021/22		2022/23	
	Revenue	%	Revenue	%
Northern Italy	429,321,925	57%	570,447,531	57%
Central and Southern Italy and the Isles	323,874,435	43%	430,337,611	43%
Total	753,196,360		1,000,785,142	

Information relating to management and coordination pursuant to art. 2497 and subsequent of the Italian Civil Code

Main financial data relating to the latest approved Financial Statements of the parent company Jaguar Land Rover Limited:

Value at 31.03.2022	Million of pounds (GBP)
Non current assets	12,238
Current assets	8,654
Total assets	20,892
Current liabilities	16,579
Non current liabilities	1,980
Total liabilities	18,559
Net Equity	2,333
Revenues	15,158
Net profit (loss) in the year	-1,282

Dear Shareholder,

the Financial Statements we are submitting to you for approval show a profit of Euro 8,350,356 which we propose be carried-forward as follows:

- Euro 417,518, accounting for 5% of the profit for the year, to the legal reserve as required by article 2430 of the Italian Civil Code;
- Euro 7,932,838 to retained earnings.

Rome, 22 May 2023

For and on behalf of the Board of Directors

The Managing Director

CASH FLOW STATEMENT

Cash flow determined using the direct method

	April 2022 - March 2023	April 2021-March 2022
A. Cash flow from operating activities		
Payments from customers	1.232.483.296	934.326.089
Other payments received	0	0
(Payments to suppliers for good and services)	(310.996.561)	(318.683.155)
(Payments to personnel)	(4.174.359)	(4.344.300)
(VAT payments)	(49.679.070)	(26.401.151)
(Other payments)	(54.719)	(53.620)
(Income taxes paid)	(7.803.476)	(7.675.666)
Interest received/ (paid)	(3.715.097)	(1.514.906)
Cash flow from operating activities (A)	856.060.015	575.653.292
<i>Tangible fixed assets</i>		
(Tangible fixed assets - investments)	0	0
<i>Intangible fixed assets</i>		
(Intangible fixed assets - Investments)	0	0
<i>Other investments activities</i>		
(Loans made to) controlling company - "Deposit agreement"	(910.000.000)	(645.800.000)
Repayment of loans made to controlling company "Deposit agreement"	53.000.000	70.500.000
Cash flow investment activities (B)	(857.000.000)	(575.300.000)
C. Cash flow from financing activities		
Cash flow from financing activities (C)	0	0
Increase (decrease) of cash-in-hand and cash-at-bank (A ± B ± C)	(939.985)	353.292
Cash-in-hand and cash-at-bank at 1st April	10.856.081	10.502.790
Cash-in-hand and cash-at-bank at 31st March	9.916.097	10.856.081

Differences in cash (939.985) 353.292

Jaguar Land Rover Italia S.p.A.
A sole shareholder company (*Azionista Unico*)

**Registered office in Rome, Viale Alessandro Marchetti, 105 – Share capital € 25,000,000 fully paid-in
Chamber of Commerce (*R.e.a.*) reg. no. 944215
Fiscal code, VAT number and Rome Companies Registry reg. No 06070621005**

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2022/23

Dear Shareholders,

The financial statements as at 31 March 2023 of Jaguar Land Rover Italia S.p.A. closed with a profit of Euro 8,350,356, after depreciation and amortization of approximately Euro 260,000 and after current and deferred taxes of approximately Euro 3.5 million.

The 2022/23 fiscal year recorded an improvement in the supply of semiconductors and other raw materials in the last months of the year, the scarce and discontinuous availability of which has severely impacted the entire automotive industry in the last 3 years.

In the period from April 2022 to March 2023, the Italian automotive market achieved 1,424,815 registrations, an increase of 4.2 % over the same period last year.

Jaguar Land Rover vehicles registrations were 179,224, with an increase of 19.2% compared to the same period last year.

In this market scenario, the Land Rover brand totaled 11,427 vehicles registrations, accounting for 6.4% share of the SUV market.

Specifically, the Defender model achieved 13.5% market share with 2,469 registrations, the new Range Rover, launched at the end of the previous fiscal year, totaled 490 registrations and a 36.6% market share, and the new Range Rover Sport, launched at the beginning of the fiscal year, totaled 839 registrations and a 4.6% market share.

The Jaguar brand totaled 2,404 vehicle registrations, accounting for 1.3% market share, with a decrease compared to the same period of last year as production was most impacted by difficulties in the supply chain.

Specifically, the Jaguar E-Pace totaled 1,333 vehicle registrations accounting for 1.6% market share, whereas the Jaguar F-Type achieved 151 registrations accounting for 8.6% market share.

In the period April 2022 to March 2023, Jaguar Land Rover Italy invoiced 15,365 vehicles, including 12,797 Land Rover branded vehicles and 2,568 Jaguar branded vehicles.

Regarding the composition of the main items in the profit and loss account, the following are some of the figures recorded by the company in FY 2022/23.

Net revenues from sales and services in FY 2022/23, totaling Euro 1,000 million, can be broken down as follows:

- car sales totaled 843 million Euro, of which 726 million Euro for Land Rover branded vehicles and 117 million Euro for Jaguar branded vehicles;
- sales of Land Rover and Jaguar spare parts and accessories amounted to 124 million and 33 million Euro respectively.

The cost of goods sold was in line with the trend in revenue volume.

For information on depreciation and amortization, please refer to the exhaustive comments made in the notes to the financial statements.

As regards the financing structure, it is worth mentioning that the company makes use of "Factoring" on a without-recourse basis as a financial instrument for the realization of accounts receivable arising from the sale of cars, spare parts and accessories through the dealer network. With reference to the assignment of the credit of invoices related to cars sold to the dealer network, as of 31 December 2022, the existing relationship with the financial company FCA Bank SpA ended and, as of 1 January 2023, a new relationship with the financial company Findomestic Banca SpA began.

Therefore, the company is subject to financial and credit risk limited to the portion of receivables generated by direct sales to Public Authorities.

For a detailed description of the company's financial risk management policies, please refer to the notes to the financial statements.

The company's commercial transactions are almost exclusively in euro and therefore there are no particular exchange risks.

It should be noted that, although the Company's activities remain mainly commercial in nature, during 2022 Jaguar Land Rover Italia began a hiring process aimed at creating a department dedicated to Research and Development in order to support the central project of developing autonomous driving systems. In this regard, a service agreement (master service agreement) was signed with Jaguar Land Rover Limited governing the relationship. During the year, a Department Manager was hired, framed as an executive, reporting to the Legal Representative of Jaguar Land Rover Italia S.p.A. and 11 resources of the new team.

As regards relationships with the direct controlling company Jaguar Land Rover Limited and other group companies, while recalling that since June 2008 the company has been part of the Tata Group, we must point out that during 2022/23 the company entered into both financial and commercial relations with several group companies.

In particular, the costs incurred in FY 2022/23 for the purchase of cars from Jaguar Land Rover Limited amounted to approximately 762 million Euro.

The purchases of spare parts from Jaguar Land Rover Limited and other group companies amounted to approximately 147 million Euro.

The net result from financial activities was a 3.8 million Euro loss.

As regards financial relationships, the company entered into a 'Deposit Agreement' with Jaguar Land Rover Limited, illustrated in the notes to the financial statements, which generated financial income of approximately 2 million Euro during the year.

As regards commercial transactions during the year, purchases of both Jaguar and Land Rover vehicles and spare parts were mainly made from the controlling company Jaguar Land Rover Limited, thus mitigating the price risk.

The company carries on business pursuant to a distribution agreement with Jaguar Land Rover Limited.

Under this agreement, which involves a low business risk for Jaguar Land Rover Italia S.p.A., transfer prices are determined to the extent that the distribution company is guaranteed a profit margin as a percentage of sales revenue (Transactional Net Margin Method - TNMM). Such margin rate is established by specific comparability analyses conducted at group level based on similar transactions carried out between independent parties.

With regard to the main highlights and indicators for FY 2022/23, enclosures 1, 2 and 3 provide the information required by article 2428, paragraph 2 of the Italian Civil Code.

In April 2023, the Italian automotive market reached 127,267 registrations, with an increase of 28.8% compared to April 2022. Jaguar Land Rover's target segments recorded a similar increase.

Jaguar Land Rover in April registered a 5.2% share and 830 registrations in its reference segments and a decrease of 50.7% in respect of the same month in 2022. The decrease was mainly due to delays in vehicle delivery caused by the change of the vehicle logistics service provider on 30 March 2023.

Order intake was in line with sales targets set for the year, and production is also expected to return to a normal situation.

The company has embarked on a new trend that has led to the development of a new strategy aimed at maximizing the customer experience from a "modern luxury" perspective and ensuring the upward repositioning of its brands. Achieving this goal requires a cultural transformation of both Jaguar Land Rover Italy and the sales network and a new business model that has been worked on during the year just ended and will continue to be worked on during fiscal year 2023/24.

It should also be noted that as of 1 April 2023, the company has appointed an executive manager as "Environment, Social and Governance (ESG) Strategy Senior Manager," with the task of developing initiatives and solutions aimed at providing a concrete and tangible connotation of the ethics and sustainability path undertaken by the group.

The Company has adopted a model of organization, management and control pursuant to Legislative Decree 08/06/2001 No. 231 and related rules, which takes into account and is constantly updated in relation to the regulatory interventions of the Legislator that impact on the Catalogue of crimes 231.

We inform you that personal data are processed in compliance with the Italian Privacy Code (Decree Law No. 196/2003), supplemented and amended by Legislative Decree No. 51/2018 following the implementation of the European Regulation No. 679/2016.

For and on behalf of the Board of Directors
The Managing Director

dell'esercizio 2022/23

31.03.2023**2022/23**

<i>Assets</i>	<i>Amounts in Euro</i>	<i>Liabilities</i>	<i>Amounts in Euro</i>
FIXED ASSETS	€ 491.976	OWN CAPITAL	€ 100.938.269
Intangible fixed assets	€ 254.279	Share capital	€ 65.000.000
Tangible fixed assets	€ 237.567	Reserves	€ 35.938.269
Financial fixed assets	€ 130	LONG-TERM LIABILITIES	€ 0
CURRENT ASSETS (AC)	€ 394.308.557		
Inventory	€ 127.276.622	CURRENT LIABILITIES	€ 293.862.264
Deferred cash	€ 257.115.838		
Cash and Cash equivalents	€ 9.916.097		
INVESTED CAPITAL (CI)	€ 394.800.533	TOTAL SOURCE OF CAPITAL	€ 394.800.533

31.03.2023**BALANCE-SHEET BY FUNCTION**

<i>Assets</i>	<i>Amounts in Euro</i>	<i>Liabilities</i>	<i>Amounts in Euro</i>
OPERATIVE INVESTED CAPITAL	€ 394.800.403	OWN CAPITAL	€ 100.938.269
		LIABILITIES FROM FINANCING	€ 0
EXTRA-OPERATIVE USES	€ 130		
		OPERATIVE LIABILITIES	€ 293.862.264
INVESTED CAPITAL (IC)	€ 394.800.533	TOTAL SOURCE OF CAPITAL	€ 394.800.533

dell'esercizio 2022/23

2022/23	
RECLASSIFIED PROFIT & LOSS STATEMENT	
	<i>Amounts in Euro</i>
Revenue from sales	€ 1.056.220.634
Internal production	€ 0
VALUE OF OPERATIVE ACTIVITY	€ 1.056.220.634
External operative costs	€ 1.004.457.923
Value added	€ 51.762.711
Labour cost	€ 10.914.800
GROSS OPERATIVE MARGIN	€ 40.847.911
Depreciation and accruals	€ 19.602.386
OPERATIVE PROFIT	€ 21.245.525
Profit/(loss) of ancillary activities	-€ 5.543.615
Net profit/(loss) of financial activities	€ 1.988.073
EBIT NORMALIZED	€ 17.689.983
Extraordinary profit/(loss)	€ 0
TOTAL EBIT	€ 17.689.983
Cost of financing	€ 5.832.197
GROSS PROFIT	€ 11.857.786
Income taxes	€ 3.507.430
NET PROFIT	€ 8.350.356

dell'esercizio 2022/23

INDEXES OF FINANCING OF FIXED ASSETS			
2022/23		31.03.2023	31.03.2022
Primary margin of structure	<i>Own capital - Fixed assets</i>	€ 100.446.293	€ 91.875.715
Primary ratio of structure	<i>Own capital / Fixed assets</i>	205,17	130,00
Secondary margin of structure	<i>(Own capital + L. T. liabilities) - Fixed assets</i>	€ 100.446.293	€ 91.875.715
Secondary ratio of structure	<i>(Own capital + L. T. liabilities) / Fixed assets</i>	205,17	130,00

INDEXES OF STRUCTURE OF FINANCING			
		31.03.2023	31.03.2022
Total indebtedness ratio	<i>(Pml + Pc) / Own capital</i>	2,91	2,49
Financing ratio	<i>Financing liabilities / Own capital</i>	0,00	0,00

PROFITABILITY INDEXES			
		31.03.2023	31.03.2022
Net ROE	<i>Net profit / Average own capital</i>	8,27%	6,07%
Gross ROE	<i>Gross profit</i>	11,75%	8,04%
ROI	<i>Operating profit / (Average invested capital - Average operating liabilities)</i>	21,05%	15,29%
ROS	<i>Operating profit / Revenue from sales</i>	2,01%	1,74%

SOLVENCY INDICATORS			
		31.03.2023	31.03.2022
Current margin	<i>Working capital - Current liabilities</i>	€ 100.446.293	€ 91.875.715
Current ratio	<i>Working capital / Current liabilities</i>	1,34	1,40
Cash margin	<i>(Cash and cash equivalents + current assets) - Current liabilities</i>	-€ 26.830.329	-€ 25.811.457
Cash ratio	<i>(Cash and cash equivalents + current assets) / Current liabilities</i>	0,91	0,89



Jaguar Land Rover Italia S.p.A.

Independent auditor's report pursuant to
article 14 of Legislative Decree n. 39

Financial Statements as at March 31, 2023

Prot. RC073892023BD0104

This report has been translated into English from the original, which was prepared in Italian and represents the only authentic copy, solely for the convenience of international readers.

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39

To the Shareholder of Jaguar Land Rover Italia S.p.A.

Report on the financial statements

Opinion

We have audited the financial statements of Jaguar Land Rover Italia S.p.A. (the Company), which comprise the balance sheet as at March 31, 2023, the income statement and the cash flow statement for the year then ended and the explanatory notes.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at March 31, 2023 and of the result of its operations and its cash flows for the year then ended in accordance with the Italian regulations and accounting principles governing financial statements.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *auditor's responsibilities for the audit of the financial statements* section of this report. We are independent of the company in accordance with ethical requirements and standards applicable in Italy that are relevant to the audit of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matters

The Company, as requested by the Italian Law, included in the explanatory notes the key figures from the latest financial statements of the company that exercises the management and coordination activities over it. Our opinion on Jaguar Land Rover Italia S.p.A. financial statements does not extend to such figures.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Italian regulations and accounting principles governing financial statements and, within the limits of the law, for such internal control as management determines 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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 International Standards on Auditing (ISA Italia) 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.

As part of the audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures in response to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of non detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;
- Obtain and understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting principles used and the reasonableness of accounting estimates and related disclosures made management;
- Conclude on the appropriateness of management's use of the going concern and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level as required by the ISA Italia, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Opinion pursuant to article 14, paragraph 2, letter e), of Legislative Decree n. 39/10.

The directors of Jaguar Land Rover Italia S.p.A. are responsible for the preparation of the report on operations of Jaguar Land Rover Italia S.p.A. as at March 31, 2023, including its consistency with the financial statements and the compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard (SA Italia) n. 720B in order to express an opinion on the consistency of the report on operations, with the financial statements of Jaguar Land Rover Italia S.p.A. as at March 31, 2023 and on its compliance with the applicable laws and regulations, and in order to assess whether its contain material misstatements.

In our opinion, the report on operations is consistent with the financial statements of Jaguar Land Rover Italia S.p.A. as at March 31, 2023 and is compliant with applicable laws and regulations.

With reference to the assessment pursuant to article 14, paragraph. 2, letter e), of Legislative Decree n. 39/10 based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Rome, June 1, 2023

BDO Italia S.p.A.

Signed by Alessandro Fabiano
Partner