IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES. THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE ADDRESSEES OUTSIDE OF THE UNITED STATES.

IMPORTANT: YOU MUST READ THE FOLLOWING DISCLAIMER BEFORE CONTINUING. THE FOLLOWING DISCLAIMER APPLIES TO THE ATTACHED OFFERING CIRCULAR (THE "**OFFERING CIRCULAR**"). YOU ARE THEREFORE ADVISED TO READ THIS DISCLAIMER CAREFULLY BEFORE READING, ACCESSING OR MAKING ANY OTHER USE OF THE ATTACHED OFFERING CIRCULAR. IN ACCESSING THE ATTACHED OFFERING CIRCULAR, YOU AGREE TO BE BOUND BY THE FOLLOWING TERMS AND CONDITIONS, INCLUDING ANY MODIFICATIONS TO THEM FROM TIME TO TIME, EACH TIME YOU RECEIVE ANY INFORMATION AS A RESULT OF SUCH ACCESS.

Confirmation of your Representation: The attached Offering Circular is delivered to you at your request and on basis that you have confirmed your representation to Australia and New Zealand Banking Group Limited, BNP Paribas, Merrill Lynch (Singapore) Pte. Ltd., Mizuho Securities Asia Limited and Standard Chartered Bank (Singapore) Limited (together the "**Joint Bookrunners**" and "**Joint Lead Managers**" and each, a "**Joint Bookrunner**" and "**Joint Lead Manager**") and TML Holdings Pte. Ltd. (the "**Issuer**") that (i) the e-mail address that you gave us and to which this e-mail has been delivered is not located in the United States, its territories or possessions; (ii) you consent to delivery of the attached Offering Circular and any amendments or supplements thereto by electronic transmission; (iii) you will not transmit the attached Offering Circular (or any copy of it or part thereof) or disclose, whether orally or in writing, any of its contents to any other person except with the prior written consent of the Joint Lead Managers; and (iv) you acknowledge that you will make your own assessment regarding any credit, investment, legal, taxation or other economic considerations with respect to your decision to subscribe or purchase any of the Notes.

The attached Offering Circular has been made available to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Joint Lead Managers, the Trustee (as defined in the attached Offering Circular), the Agents (as defined in the attached Offering Circular), the Issuer or any of their respective directors, officers, employees, representatives, agents, affiliates or advisers or any person who controls any of them accepts any liability or responsibility whatsoever in respect of any discrepancies between the Offering Circular distributed to you in electronic format and the hard copy version. By accessing the Offering Circular, you consent to receiving it in electronic form. The Joint Lead Managers will upon request provide a hard copy version to you.

Restrictions: The attached Offering Circular is being furnished in connection with an offering exempt from registration under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") solely for the purpose of enabling a prospective investor to consider the purchase of the notes described herein. You are reminded that the information in the attached Offering Circular is not complete and may be changed.

THE NOTES DESCRIBED IN THE ATTACHED OFFERING CIRCULAR HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE STATE OR LOCAL SECURITIES LAWS. ACCORDINGLY, THE NOTES ARE BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of either the Joint Lead Managers or the Issuer to subscribe for or purchase any of the Notes, and access has been limited so that it shall not constitute a general advertisement or general solicitation (as those terms are used in Regulation D under the Securities Act) or directed selling efforts (within the meaning of Regulation S under the Securities Act) in the United States or elsewhere. If a jurisdiction requires that the offering be made by a licensed broker or dealer and a Joint Lead Managers or any affiliate of such Joint Lead Manager is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Joint Lead Manager or its affiliate on behalf of the Issuer in such jurisdiction.

You are reminded that you have accessed the attached Offering Circular on the basis that you are a person into whose possession the attached Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver or forward the attached Offering Circular, electronically or otherwise, to any other person. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. If you have gained access to this transmission contrary to the foregoing restrictions, you are not allowed to purchase any of the notes described herein in the attached.

YOU ARE NOT AUTHORISED TO AND YOU MAY NOT FORWARD OR DELIVER THE ATTACHED OFFERING CIRCULAR, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH OFFERING CIRCULAR IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE ATTACHED OFFERING CIRCULAR IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Actions that You May Not Take: If you received the attached Offering Circular by e-mail, you should not reply by e-mail to this communication. Any reply e-mail communications, including those you generate by using the “Reply” function on the e-mail software, will be ignored or rejected.

You are responsible for protecting against viruses and other destructive items. Your receipt of the electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

STRICTLY CONFIDENTIAL

TML Holdings Pte. Ltd.

(incorporated in Singapore, company registration number: 200802595C)

U.S.$425,000,000 4.350 per cent. Notes due 2026

Issue price: 100.000 per cent.

The 4.350 per cent. notes due 2026 in the aggregate principal amount of U.S.$425,000,000 (the "**Notes**") will be issued by TML Holdings Pte. Ltd. (the "**Issuer**" or the "**Company**") on 9 June 2021 (the "**Issue Date**"). The Notes will have the benefit of a non-binding letter of comfort provided by Tata Motors Limited (the "**Parent**") (the "**Letter of Comfort**") addressed to the Trustee on behalf of the Noteholders in connection with the issuance of the Notes.

The Notes will constitute direct, unconditional and (subject to Condition 4.1 (*Negative Pledge*) of the terms and conditions of the Notes (the "**Terms and Conditions of the Notes**") unsecured and unsubordinated obligations of the Issuer and (subject as stated in the Terms and Conditions of the Notes) rank and will rank at all times *pari passu* without any preference among themselves and at least equally with all other present and future outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

The Notes will be constituted by a trust deed (the "**Trust Deed**") between the Issuer and Citicorp International Limited (the "**Trustee**") dated the Issue Date and will bear interest on their outstanding principal amount from and including the Issue Date at the rate of 4.350 per cent. per annum, payable semi-annually in arrear on the interest payment dates falling on 9 June and 9 December of each year (each an "**Interest Payment Date**"), commencing with the first Interest Payment Date falling on 9 December 2021.

If a Change of Control (as defined in the Terms and Conditions of the Notes) occurs, each Noteholder shall have the right to require the Issuer to redeem all of such Noteholder's Note(s) in whole but not in part, at an amount equal to 101 per cent. of the principal amount of the Notes redeemed plus accrued and unpaid interest, if any, to but excluding the redemption date. The Notes may also be redeemed at the option of the Issuer, in whole but not in part, at any time on any Interest Payment Date at their principal amount (together with unpaid accrued interest thereon (if any) to but excluding the relevant Interest Payment Date), if the Issuer satisfies the Trustee immediately prior to the giving of the notice of redemption that (i) the Issuer has or will become obliged to pay additional amounts as a result of any change in, or amendment to, the laws or regulations of any Relevant Jurisdiction (as defined in the Terms and Conditions of the Notes), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it. The Issuer may at its option, at any time prior to 9 December 2023 redeem the Notes, in whole but not in part, at their principal amount plus the Applicable Premium (as defined in the Terms and Conditions of the Notes) applicable to the Notes (together with interest accrued to but excluding the date fixed for redemption). The Issuer may at its option, at any time on or after 9 December 2023, redeem the Notes, in whole but not in part, at the following redemption prices (expressed as percentages of the principal amount of the Notes at maturity) (together with interest accrued to but excluding the date fixed for redemption): (i) for the period on or after 9 December 2023 to (but excluding) 9 December 2024, at 102.175 per cent.; (ii) for the period on or after 9 December 2024 to (but excluding) 9 December 2025, at 101.0875 per cent.; and (iii) for the period on or after 9 December 2025 to (but excluding) 9 June 2026, at 100.000 per cent. Subject to the above and unless previously redeemed or purchased and cancelled as provided in the Terms and Conditions of the Notes, the Issuer will redeem the Notes at their principal amount (together with unpaid accrued interest thereon (if any)) on 9 June 2026 (the "**Maturity Date**"). For a more detailed description of the Notes, see Condition 7 (*Redemption and Purchase*) of the Terms and Conditions of the Notes.

The Issuer shall on or before the Issue Date open the DSRA Account (as defined in the Terms and Conditions of the Notes) with the Account Bank (as defined in the Terms and Conditions of the Notes) and, for so long as any Note is outstanding, ensure that the amount standing to the credit of the DSRA Account is at all times not less than an amount equal to the amount of interest due on all Notes outstanding at that time on the next succeeding Interest Payment Date. The DSRA Account will be unsecured.

Investing in the Notes involves certain risks. See "*Risk Factors*".

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing of, and quotation for, the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this Offering Circular. Admission to the official list of the SGX-ST and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, its subsidiaries and associated companies or the Notes.

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"). The Notes are being offered outside the United States by the Joint Lead Managers in accordance with Regulation S under the Securities Act ("**Regulation S**") and may not be offered or sold within the United States (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. For a description of these and certain further restrictions on offers and sales of the Notes and the distribution of this Offering Circular, see "*Subscription and Sale*".

The Notes will be in registered form in denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof. Upon issue, the Notes will be represented by interests in a global certificate in registered form (the "**Global Certificate**") deposited on or before the Issue Date with, and registered in the name of a nominee for, a common depositary (the "**Common Depositary**") for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**"). Interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream, Luxembourg. Definitive Certificates (as defined in the Trust Deed) evidencing holdings of interests in the Certificates will be issued in exchange for interests in the Global Certificate only in certain limited circumstances described therein: see "*The Global Certificate*". It is expected that delivery of the Global Certificate will be made on or about the Issue Date.

The Notes are expected to be assigned a rating of "B" by Standard & Poor's Ratings Service ("**S&P**"). This rating does not constitute a recommendation to buy, sell or hold the Certificates and may be subject to suspension, reduction or withdrawal at any time by S&P. Such rating should be evaluated independently of any other rating of the other securities of the Issuer or rating of the Issuer.

Joint Bookrunners and Joint Lead Managers

ANZ **BNP PARIBAS** **BofA Securities** **Mizuho Securities** **Standard Chartered Bank**

Offering Circular dated 2 June 2021

NOTICE TO INVESTORS

THIS OFFERING CIRCULAR DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, ANY NOTES IN ANY JURISDICTION TO OR FROM ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE THE OFFER OR SOLICITATION IN SUCH JURISDICTION. NEITHER THE DELIVERY OF THIS OFFERING CIRCULAR NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES IMPLY THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER OR ANY OF ITS SUBSIDIARIES OR THAT THE INFORMATION SET OUT IN THIS OFFERING CIRCULAR IS CORRECT AS AT ANY DATE SUBSEQUENT TO THE DATE OF THIS OFFERING CIRCULAR.

The Issuer, having made all reasonable enquiries, confirms that: (i) this Offering Circular contains all information with respect to the Issuer and its subsidiaries, including (without limitation) Jaguar Land Rover Automotive plc and its subsidiaries ("**Jaguar Land Rover**") (together, the "**Group**") and the Notes, which is material in the context of the issue and offering of the Notes; (ii) the statements contained in it relating to the Issuer, the Group, Tata Motors Limited ("**Tata Motors**") and the Notes are in every material respect true and accurate and not misleading; (iii) the opinions and intentions expressed in this Offering Circular with regard to the Issuer, the Group and Tata Motors are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions; (iv) there are no other facts in relation to the Issuer, the Group or the Notes, the omission of which would, in the context of the issue and offering of the Notes, make any statement in this Offering Circular misleading in any material respect; and (v) all reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements. In addition, the Issuer accepts full responsibility for the accuracy of the information contained in this Offering Circular.

This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer, Australia and New Zealand Banking Group Limited, BNP Paribas, Merrill Lynch (Singapore) Pte. Ltd., Mizuho Securities Asia Limited and Standard Chartered Bank (Singapore) Limited (together the "**Joint Bookrunners**" and "**Joint Lead Managers**" and each, a "**Joint Bookrunner**" and "**Joint Lead Manager**") or any affiliate or representative of any of the Issuer or the Joint Lead Managers to subscribe for or purchase, any Notes in any jurisdiction or in any circumstances in which such offer, invitation or solicitation is not authorised or to any person to whom it is unlawful to make such offer, invitation or solicitation.

This Offering Circular has been prepared by the Issuer solely for use in connection with the proposed offering of the Notes described in this Offering Circular. The distribution of this Offering Circular and the offering and sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer and the Joint Lead Managers to inform themselves about and to observe any such restrictions. None of the Joint Lead Managers, the Issuer, the Trustee or the Agents (as defined in the Terms and Conditions of the Notes) or any of their respective directors, officers, employees, representatives, agents, affiliates or advisers or any person who controls any of them represents that this Offering Circular may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Joint Lead Managers, the Trustee, the Agents or the Issuer or any of their respective directors, officers, employees, representatives, agents, affiliates or advisers or any person who controls any of them which is intended to permit a public offering of the Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. There are restrictions on the offer and sale of the Notes and the circulation of documents relating thereto in certain jurisdictions, including the United States and the United Kingdom. For a description of further restrictions on offers and sales of Notes and distribution of this Offering Circular, see "*Subscription and Sale*".

Each potential investor must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells the Notes or possesses or distributes this Offering Circular and must obtain any consent, approval or permission required under any regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and none of the Issuer nor the Joint Lead Managers shall have any responsibility therefor.

No person is authorised to give any information or to make any representation not contained in this Offering Circular and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Joint Lead Managers, the Trustee, the Agents or the Issuer or any of their respective directors, officers, employees, representatives, agents, affiliates or advisers or any person who controls any of them. Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Notes is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Neither this Offering Circular nor any other information supplied in connection with the issue of the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Joint Lead Managers, the Trustee, the Agents or the Issuer or any of their respective directors, officers, employees, representatives, agents, affiliates or advisers or any person who controls any of them that any recipient of this Offering Circular or any other information supplied in connection with the issue of the Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Furthermore, no comment is made or advice is given by any of the Joint Lead Managers, the Trustee, the Agents or the Issuer or any of their respective directors, officers, employees, representatives, agents, affiliates or advisers or any person who controls any of them in respect of taxation matters relating to any Notes or the legality of the purchase of Notes by an investor under applicable or similar laws. None of the Joint Lead Managers, the Trustee or the Agents or any of their respective directors, officers, employees, representatives, agents, affiliates or advisers or any person who controls any of them undertakes to review the financial condition or affairs of the Issuer or Tata Motors during the life of the arrangements contemplated by this Offering Circular or to advise any investor or potential investor in the Notes of any information coming to the attention of the Joint Lead Managers, the Trustee or the Agents or any of their respective directors, officers, employees, representatives, agents, affiliates or advisers or any person who controls any of them.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Offering Circular;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Each potential investor is advised to consult its own tax adviser, legal adviser and business adviser as to tax, legal, business and related matters concerning the purchase of Notes.

To the fullest extent permitted by law, none of the Joint Lead Managers, the Trustee or the Agents or any of their respective directors, officers, employees, representatives, agents, affiliates or advisers or any person who controls any of them accepts any responsibility whatsoever for the contents of this Offering Circular, or for any other statement made or purported to be made by or on behalf of the Joint Lead Managers, the Trustee or any Agent or any of their respective directors, officers, employees, representatives, agents, affiliates or advisers or any person who controls any of them in connection with the Issuer or Tata Motors or the issue and offering of the Notes. Each of the Joint Lead Managers, the Trustee and the Agents and each of their respective directors, officers, employees, representatives, agents, affiliates and advisers and each person who controls any of them accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which they might otherwise have in respect of this Offering Circular or any such statement. No representation or warranty, expressed or implied, is made or given by or on behalf of the Joint Lead Managers, the Trustee or the

Agents or any of their respective directors, officers, employees, representatives, agents, affiliates or advisers or any person who controls any of them as to the accuracy, completeness or fairness of the information or opinions contained in this document and such persons do not accept responsibility or liability for any such information or opinions.

Each person receiving this Offering Circular acknowledges that such person has not relied on the Joint Lead Managers, the Trustee or the Agents or any of their respective directors, officers, employees, representatives, agents, affiliates or advisers or any person who controls any of them in connection with its investigation of the accuracy of such information or its investment decision.

NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT OF SINGAPORE

Solely in connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA) of the classification of the Notes as 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

PRIIPs REGULATION/PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK PRIIPs REGULATION/PROHIBITION OF SALES TO UK RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

CERTAIN DEFINED TERMS

In this Offering Circular, references to specific data applicable to particular subsidiaries or other consolidated entities are made by reference to the name of that particular entity.

Unless otherwise specified or the context requires, references in this Offering Circular to the "**Issuer**" or to the "**Company**" is to TML Holdings Pte. Ltd., references to "**Jaguar Land Rover**" is to Jaguar Land Rover Automotive plc and its subsidiaries on a consolidated basis, and references to the "**Group**" are to the Issuer and its consolidated subsidiaries, as the context requires.

In this Offering Circular, references to "**fiscal**" year are to the Issuer's and Jaguar Land Rover's fiscal year ended 31 March of such year. For example, "**Fiscal 2018**" is to the 12-month period ended on 31 March 2018, "**Fiscal 2019**" is to the twelve-month period ended on 31 March 2019, "**Fiscal 2020**" is to the 12-month period ended on 31 March 2020 and "**Fiscal 2021**" is to the 12-month period ended on 31 March 2021. References to years not specified as being fiscal years are to calendar years.

All references in this document to "**Sterling**", "**British pounds**", "**GBP**" or "**£**" refer to the lawful currency of the United Kingdom, all references in this document to "**RMB**" refer to the lawful currency of the People's Republic of China, all references in this document to "**USD**", "**U.S. dollars**" or "**U.S.$**" refer to the lawful currency of the United States of America.

In this Offering Circular, where information has been presented in millions or billions of units, amounts may have been rounded, in the case of information presented in millions, to the nearest ten thousand or one hundred thousand units or, in the case of information presented in billions, one, ten or one hundred million units. Accordingly, the totals of columns or rows of numbers in tables may not be equal to the apparent total of the individual items and actual numbers may differ from those contained herein due to rounding.

Rounding adjustments have been made in calculating some of the financial information included in this Offering Circular. As a result, numerical figures shown as totals in some tables may not be exact arithmetic aggregations of the figures that precede them.

PRESENTATION OF CERTAIN FINANCIAL AND OTHER INFORMATION

The audited consolidated financial statements of the Issuer as at and for the years ended 31 March 2020 (the "**2020 Audited Consolidated Financial Statements**") and 31 March 2019 (the "**2019 Audited Consolidated Financial Statements**", together with the 2020 Audited Consolidated Financial Statements, the "**Group Audited Consolidated Financial Statements**") included elsewhere in this Offering Circular have been audited by KPMG LLP ("**KPMG (Singapore)**") as stated in their reports appearing herein. The 2020 Audited Consolidated Financial Statements consist of consolidated financial information of the Issuer as at and for the year ended 31 March 2020 and comparative consolidated financial information of the Issuer as at and for the year ended 31 March 2019. The 2019 Audited Consolidated Financial Statements consist of consolidated financial information of the Issuer as at and for the year ended 31 March 2019 and comparative consolidated financial information of the Issuer as at and for the year ended 31 March 2018. The Group Audited Consolidated Financial Statements should be read in conjunction and in entirety with their respective related notes thereto.

The Group Audited Consolidated Financial Statements were prepared in accordance with the Singapore Companies Act, Chapter 50 of Singapore (the "**Singapore Companies Act**") and the Singapore Financial Reporting Standards (International) ("**SFRS(I)**").

With effect from 1 April 2018, the Group has adopted the Singapore Financial Reporting Standards (International) 9 Financial Instruments ("**SFRS(I) 9**") where the Group is required to reclassify and adjust certain of its financial line items in its financial statements. SFRS(I) 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and introduces a new impairment model for financial assets and new rules for hedge accounting. Please refer to Note 2(a)(iii) of the 2019 Audited Consolidated Financial Statements for a discussion on the impact of the adoption of SFRS(I) 9. As required under the transition rules of SFRS(I) 9, comparative periods have been restated only for a retrospective application of the cost of hedging approach for the time value of the foreign exchange options and also the Group's voluntary application of foreign currency basis spread included in the foreign exchange forwards and cross-currency interest rate swaps as a cost of hedging. Accordingly, the Issuer's consolidated financial information as at and for the year ended 31 March 2018 may not be wholly comparable against the Issuer's consolidated financial information after 1 April 2018. Investors must therefore exercise caution when making comparisons to any financial figures after 1 April 2018, including the 2019 Audited Consolidated Financial Statements and the 2020 Audited Consolidated Financial Statements against the Issuer's consolidated financial information prior to 1 April 2018 and when evaluating the Issuer's consolidated financial condition, results of operations and results.

With effect from 1 April 2019, the Group has adopted Singapore Financial Reporting Standards (International) 16 Leases ("**SFRS(I) 16**") where the Group is required to recognise, reclassify and adjust certain of its financial line items in its financial statements. Under SFRS(I) 16, lessee accounting is based on a single model, resulting from the elimination of the distinction between operating and finance leases. All leases will be recognised on the balance sheet with a right-of-use asset capitalised and depreciated over the estimated lease term together with a corresponding liability that will reduce over the same period with an appropriate interest charge recognised. Please refer to Note 2(a)(iii) of the 2020 Audited Consolidated Financial Statements for a discussion on the impact of the adoption of SFRS(I) 16. As the Group has adopted SFRS(I) 16 applying the modified retrospective approach on transition with the date of initial application of 1 April 2019 and without requiring any restatement of the corresponding figures of the prior period before 1 April 2019, the Issuer's consolidated financial information as at and for the years ended 31 March 2018 and 2019 may not be directly comparable against the Issuer's consolidated financial information after 1 April 2019. Investors must therefore exercise caution when making comparisons to any financial figures after 1 April 2019, including the 2020 Audited Consolidated Financial Statements against the Issuer's consolidated financial information prior to 1 April 2019 and when evaluating the Issuer's consolidated financial condition, results of operations and results.

The audited consolidated financial statements of Jaguar Land Rover as at and for the year ended 31 March 2021 (the "**2021 JLR Audited Consolidated Financial Statements**") included elsewhere in this Offering Circular have been audited by KPMG LLP ("**KPMG (U.K.)**"), as stated in their report appearing herein. The 2021 JLR Audited Consolidated Financial Statements consist of consolidated financial information of Jaguar Land Rover as at and for the year ended 31 March 2021 and comparative consolidated financial information of Jaguar Land Rover as at and for the years ended 31 March 2020 and 31 March 2019. Jaguar Land Rover has been presenting gains and losses on effective cash flow hedges of inventory in the statement of other comprehensive income and expense as "not to be reclassified to income statement". With wider industry practice emerging, clearer guidance now being available and with the present economic situation due to COVID-19, from 1 April 2020, Jaguar Land Rover changed the presentation of these effective cash flow hedges of inventory to "may be reclassified to income statement" and accordingly reclassified the comparative amounts for the prior periods. The change in presentation is within the statement of other comprehensive income and expense and does not affect net income. Please refer to Note 2 of the 2021 JLR Audited Consolidated Financial Statements.

The audited consolidated financial statements of Jaguar Land Rover as at and for the years ended 31 March 2020 (the "**2020 JLR Audited Consolidated Financial Statements**" together with the 2021 JLR Audited Consolidated Financial Statements, the "**JLR Audited Consolidated Financial Statements**"), which are incorporated by reference in this Offering Circular, have been audited by KPMG (U.K.), as stated in their report. The 2020 JLR Audited Consolidated Financial Statements consist of consolidated financial information of Jaguar Land Rover as at and for the year ended 31 March 2020 and comparative consolidated financial information of Jaguar Land Rover as at and for the years ended 31 March 2019 and 31 March 2018. See "*Documents Incorporated by Reference*".

The JLR Audited Consolidated Financial Statements should be read in conjunction and in entirety with their respective related notes thereto. The JLR Audited Consolidated Financial Statements were prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("**IFRS as adopted by the EU**").

As used in this Offering Circular, a non-IFRS financial measure is one that purports to measure historical or future financial performance, financial position or cash flows, but excludes or includes amounts that would be so excluded or included in the most comparable measures. "**Adjusted EBITDA**" is defined as profit before: income tax expense; exceptional items; finance expense (net of capitalised interest) and finance income; gains/losses on debt and unrealised derivatives, realised derivatives entered into for the purpose of hedging debt, and equity or debt investments held at fair value; foreign exchange gains/losses on other assets and liabilities, including short-term deposits and cash and cash equivalents; share of profit/loss from equity accounted investments; depreciation and amortisation.

Adjusted EBITDA, as used in this Offering Circular, is a supplemental measure of Jaguar Land Rover's performance and liquidity and should not be construed as alternatives to any IFRS measure such as revenue, gross profit, other income, net profit or cash flow generated from/(used in) operating activities. Adjusted EBITDA should not be considered in isolation and are not measures of financial performance or liquidity under IFRS and should not be considered as an alternative to profit or loss for the period or any other performance measures derived in accordance with IFRS or as an alternative to cash flow from operating, investing or financing activities or any other measure of liquidity derived in accordance with IFRS. Adjusted EBITDA does not necessarily indicate whether cash flow will be sufficient or available for cash requirement and may not be indicative in Jaguar Land Rover's results of operations. In addition, Adjusted EBITDA may not be comparable to other similarly titled measures used by other companies. Adjusted EBITDA has limitations as analytical tools and investors should not consider them in isolation. Some of these limitations in respect of Adjusted EBITDA include the following: (i) Adjusted EBITDA does not reflect Jaguar Land Rover's capital expenditures or capitalised product development costs, its future requirements for capital expenditures or its contractual commitments; (ii) Adjusted EBITDA does not reflect changes in, or cash requirements for, Jaguar Land Rover's working capital needs; (iii) Adjusted EBITDA does not reflect the interest expense, or the cash requirements necessary, to service interest or principal payments on its debt; (iv) although depreciation and amortisation are non-cash charges, the assets being depreciated and amortised will often need to be replaced in the future and Adjusted EBITDA does not reflect any cash requirements that would be required for such replacements; and (v) Adjusted EBITDA excludes the impact of exceptional items and one time reserves and charges. Jaguar Land Rover has presented these supplemental financial measures because it believes that these measures are frequently used by securities analysts and investors in evaluating similar issuers.

In making an investment decision, you must rely upon your own examination of the terms of the offering of the Notes and the financial information contained in this Offering Circular.

EXCHANGE RATES

Save as otherwise specified in this Offering Circular, all conversion from Sterling to U.S. dollars are based on the noon buying rate in New York City for cable transfers in foreign currencies as certified by the Federal Reserve Bank of New York for custom purposes, which was U.S.$1.3795 per £1.00 on 31 March 2021. Unless otherwise specified in this Offering Circular, financial information has been converted into U.S. dollars at this rate.

MARKET DATA

Market data and certain industry forecasts used throughout this Offering Circular have been obtained from internal surveys, market research, publicly available information and industry publications. Industry publications generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of that information is not guaranteed. Similarly, internal surveys, industry forecasts and market research, whilst believed to be reliable, have not been independently verified. Whilst the Issuer has taken reasonable actions to ensure that the information is extracted accurately and in its proper context, none of the Issuer, the Joint Lead Managers, the Trustee or the Agents or any of their respective directors, officers, employees, representatives, agents, affiliates or advisers or any person who controls any of them makes any representation as to the accuracy and completeness of that information.

STABILISATION

In connection with the issue of the Notes, Merrill Lynch (Singapore) Pte. Ltd., acting in its capacity as stabilisation manager (the "**Stabilisation Manager**") (or persons acting on behalf of the Stabilisation Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilisation Manager (or persons acting on behalf of such Stabilisation Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the Closing Date and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the Closing Date and 60 days after the date of the allotment of the Notes. The Stabilisation Manager (or persons acting on behalf of the Stabilisation Manager) must conduct such stabilisation in accordance with all applicable laws and rules.

FORWARD-LOOKING STATEMENTS

All statements contained in this Offering Circular that are not statements of historical fact constitute "forward-looking statements". Some of these statements can be identified by forward- looking terms, such as "anticipate", "believe", "can", "could", "estimate", "expect", "intend", "may", "plan", "will" and "would" or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Issuer's expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to the Issuer's business strategy, its revenue and profitability (including, without limitation, any financial or operating projections or forecasts), planned projects and other matters discussed in this Offering Circular regarding matters that are not historical fact. These forward-looking statements and any other projections contained in this Offering Circular involve known and unknown risks, uncertainties and other factors that may cause the Issuer's and the Group's actual financial results, performance or achievements to be materially different from any future financial results, performance or achievements expressed or implied by such forward-looking statements or other projections.

The factors that could cause the Issuer's and the Group's actual results to be materially different include, without limitation:

- general economic and business conditions in the global economy;
- the Group's products and services, their advantages and its strategy for continuing to pursue the businesses in which it operates;
- anticipated development and the launch of new products and services in the businesses in which the Group operates (including the potential for new drive and other technologies being developed and the resulting effects on the automobile market);
- the electric vehicle market and related opportunities may not evolve as anticipated, including that this market may remain relatively small;
- anticipated dates on which the Group will begin providing certain products and services;
- anticipated dates on which the Group will reach specific milestones in the development and implementation of its business strategy;
- delays or limited availability of key inputs and related cost increases as a result of accidents or natural disasters or global pandemics;
- new, revised or stricter laws, regulations and government policies, including those specifically regarding the automotive industry, such as industrial licensing, environmental laws and regulations, safety regulations and the potential that Group may not be able to comply with these regulations and requirements;
- import restrictions and duties, excise duties, sales taxes, value added taxes, product range restrictions, diesel and gasoline prices and road network enhancement projects;
- the implementation and success of competitive new products, designs and innovations, and changing consumer demand for the premium cars and all-terrain vehicles sold by the Group;
- growth of the businesses in which the Group operates (including any future failure to implement and manage the Group's strategy);
- future customer demand for premium performance cars and all-terrain vehicles;
- the purchasing power of retail customers in the future and general consumer confidence for retail and corporate customers;
- disruptions to the Group's supply chains or shortages of essential raw materials that may adversely affect the Group's production and results of operations;
- expectations as to the Group's future revenue, margins, expenses and capital requirements;
- other statements of expectations, beliefs, targets, future plans and strategies, anticipated developments and other matters that are not historical facts;

- any future political instability in the regions in which the Issuer and the Group operate;
- industry risk (including accidents, global pandemics and natural disasters) in the areas in which the Issuer and the Group operate;
- changes in government regulations, including those pertaining to regulation of the industry, zoning, tax, subsidies, operational health, safety and environmental standards or licensing requirements in the regions which the Issuer and the Group operate;
- increased competition in the industries and segments in which the Issuer and the Group operate;
- exchange rate fluctuations;
- any adverse outcome in legal proceedings or regulatory investigations in which Issuer and/or the Group are or may become involved including with respect to product liability claims, warranties and recalls of products manufactured by the Group;
- attract and retain qualified management and other personnel; and
- other factors beyond the Group's control.

Additional factors that could cause the Issuer's actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "*Risk Factors*". Neither the Issuer nor any other person undertakes any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Should one or more of these uncertainties or risks, among others, materialise, actual results may vary materially from those estimated, anticipated or projected as well as from historical results. Specifically, but without limitation, revenues could decline, costs could increase, capital costs could increase, capital investments could be delayed and anticipated improvements in performance might not be realised fully or at all. Although the Issuer believes that the expectations of its management as reflected by such forward-looking statements are reasonable based on information currently available to it, no assurances can be given that such expectations will prove to have been correct. Accordingly, potential investors are cautioned not to place undue reliance on the forward-looking statements herein. In any event, these statements speak only as of the date hereof or the respective dates indicated herein, and each of the Issuer, the Joint Lead Managers, the Trustee and the Agents and each of their respective directors, officers, employees, representatives, agents, affiliates and advisers and each person who controls any of them undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been prepared shall be incorporated by reference in, and form part of, this Offering Circular:

- the 2020 JLR Audited Consolidated Financial Statements (which includes the comparative period for the years ended 31 March 2019 and 31 March 2018 and includes the independent auditor's report and the notes to the audited consolidated financial statements of Jaguar Land Rover for the year ended 31 March 2020).

The financial statements referred to above are publicly available at *https://www.jaguarlandrover.com/annual-report-2020*, save that any other information on the Jaguar Land Rover website (for the avoidance of doubt, other than the financial statements referred to above), including any financial statements published by Jaguar Land Rover subsequent to the date of this Offering Circular, are not incorporated by reference into and do not form a part of this Offering Circular, unless otherwise specified in this Offering Circular.

Financial statements are available free of charge upon request from the Issuer. The Issuer will provide, without charge, to each person to whom a copy of this Offering Circular has been delivered, upon the request of such person, a copy of any or all of the documents deemed to be incorporated herein by reference unless such documents have been modified or superseded as specified above. Requests for such documents should be directed to the Issuer at its registered office set out at the end of this Offering Circular.

Copies of the Trust Deed, the Agency Agreement, the Letter of Comfort and (if the Trustee is provided with a copy of the same by the Issuer) the Account Bank Agreement are available for inspection by Noteholders at all reasonable times during normal business hours (being between 9:00 a.m. and 3:00 p.m., Monday to Friday (except public holidays)) at the principal place of business of the Trustee (being as at the Issue Date at 20/F, Citi Tower, One Bay East, 83 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong) following, in each case, prior written request and proof of holding and identity to the satisfaction of the Trustee.

Copies of documents incorporated by reference in this Offering Circular can be obtained from the registered office of the Issuer. Any documents themselves incorporated by reference in the documents incorporated by reference in this Offering Circular shall not form part of this Offering Circular.

The website addresses in this Offering Circular are, except as otherwise stated herein, included for reference only and the contents of any such websites are not incorporated by reference into, and do not form part of, this Offering Circular.

GLOSSARY

Unless otherwise specified or the context requires otherwise, the terms mentioned below shall have the following meaning assigned to them:

"**ASEAN**"	The Association of Southeast Asian Nations;
"**BEV**"	Battery Electric Vehicle;
"**Chery**"	Chery Automobile Co. Ltd;
"**China Joint Venture**"	Chery Jaguar Land Rover Automotive Co., Ltd., Jaguar Land Rover's joint venture with Chery to develop, manufacture and sell certain Jaguar Land Rover vehicles and at least one own-branded vehicle in China;
"**China Revolving Facility**"	the three year (subject to annual review) RMB 5 billion (£554 million equivalent as at 31 March 2021) working capital loan facility entered into by Jaguar Land Rover (China) Investment Co. on 8 June 2020;
"**December 2019 Notes**"	the existing €200,000,000 6.875 per cent. Senior Notes due 2026 issued on 20 December 2019 by Jaguar Land Rover having the same terms and conditions as the €300,000,000 6.875 per cent. Senior Notes due 2026 issued on 26 November 2019;
"**December 2020 Notes**"	the existing U.S.$650,000,000 5.875 per cent. Senior Notes due 2028 issued on 11 December 2020 by Jaguar Land Rover;
"**EDU**"	Electric Drive Units;
"**EMC**"	engine manufacturing centre;
"**EPA**"	U.S. Environmental Protection Agency;
"**EU**"	the European Union;
"**Existing Notes**"	the January 2013 Notes, the January 2014 Notes, the February 2015 Notes, the January 2017 Notes, the October 2017 Notes, the September 2018 Notes, the November 2019 Notes, the December 2019 Notes; the October 2020 Notes and the December 2020 Notes;
"**FATCA**"	Foreign Account Tax Compliance Act;
"**FEMA**"	Foreign Exchange Management Act, 1999;
"**February 2015 Notes**"	the existing £400,000,000 3.875 per cent. Senior Notes due 2023 issued on 24 February 2015 by Jaguar Land Rover;
"**Ford**"	Ford Motor Company;
"**GDP**"	gross domestic product;
"**GDPR**"	General Data Protection Regulation (Regulation (EU) 2016/679);
"**IFRS**"	International Financial Reporting Standards issued by the International Accounting Standards Board;
"**internal control**"	Is a process, effected by an entity's board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories: (a) effectiveness and efficiency of operations; (b) reliability of financial reporting; and (c) compliance with laws and regulations;
"**IT**"	Information technology, all technical means for processing and communicating information, including methods for communication (communication protocols, transmission techniques, communications equipment, media

	(communication)), as well as techniques for storing and processing information (computing and data storage);
“**Jaguar Land Rover**” or “**JLR**”	Jaguar Land Rover Automotive plc and its subsidiaries on a consolidated basis;
“**January 2013 Notes**”	the existing U.S.$500,000,000 5.625 per cent. Senior Notes due 2023 issued on 28 January 2013 by Jaguar Land Rover;
“**January 2014 Notes**”	the existing £400,000,000 5.000 per cent. Senior Notes due 2022 issued on 31 January 2014 by Jaguar Land Rover;
“**January 2017 Notes**”	the existing €650,000,000 2.200 per cent. Senior Notes due 2024 issued on 17 January 2017 by Jaguar Land Rover;
“**MHEV**”	Mild Hybrid Electric Vehicle;
“**November 2019 Notes**”	the existing €500,000,000 5.875 per cent. Senior Notes due 2024 and the existing €300,000,000 6.875 per cent. Senior Notes due 2026, each issued on 26 November 2019 by Jaguar Land Rover;
“**NSCs**”	national sales companies;
“**October 2017 Notes**”	the existing U.S.$500,000,000 4.500 per cent. Senior Notes due 2027 issued on 10 October 2017 by Jaguar Land Rover;
“**October 2020 Notes**”	the existing U.S.$700,000,000 7.75 per cent. Senior Notes due 2025 issued on 13 October 2020 by Jaguar Land Rover;
“**OEM**”	original equipment manufacturer;
“**PHEV**”	Plug-in Hybrid Electric Vehicle;
“**PRC**” or “**China**”	the People’s Republic of China;
“**R&D**”	research and development;
“**SEC**”	U.S. Securities and Exchange Commission;
“**September 2018 Notes**”	the existing €500,000,000 4.500 per cent. Senior Notes due 2026 issued on 14 September 2018 by Jaguar Land Rover;
“**SGX-ST**”	Singapore Exchange Securities Trading Limited;
“**SUVs**”	sports utility vehicle;
“**Takata**”	Takata Corporation;
“**Tata Group**”	Tata Sons Private Limited, its subsidiaries (including all the direct and indirect subsidiaries and associates of such subsidiaries), associates (including all the direct and indirect subsidiaries and associates of such associates) and any other company, trust or entity whose name includes the word ‘Tata’ pursuant to a brand equity promotion agreement with: (a) Tata Sons, or (b) any other company, trust or entity authorised by Tata Sons to enter into such a brand equity promotion agreement;
“**Tata Motors**”	Tata Motors Limited;
“**TDCV**”	Tata Daewoo Commercial Vehicle Co. Ltd, Korea;
“**Term Loan Facility**”	the term loan facility in an aggregate principal amount of U.S.$1 billion provided under an agreement entered into on 17 October 2018;
“**Tier 3**”	Tier 3 Motor Vehicle Emission and Fuel Standards issued by the EPA;
“**TMI**”	PT Tata Motors Indonesia;
“**TMSA**”	Tata Motors (SA) (Proprietary) Ltd, South Africa;
“**TMSNL**”	TMNL Motors Services Nigeria Ltd.;
“**TMTL**”	Tata Motors (Thailand) Limited;
“**UK**”	the United Kingdom;

"**U.S.**"	the United States of America;
"**UKEF & Commercial Loan Facilities**"	the £625 million five-year amortising loan facilities supported by a £500 million guarantee from UK Export Finance entered into in October 2019; and
"**UK Fleet Financing Facility**"	the £163 million working capital facility for fleet buybacks entered in October 2019, as subsequently amended.

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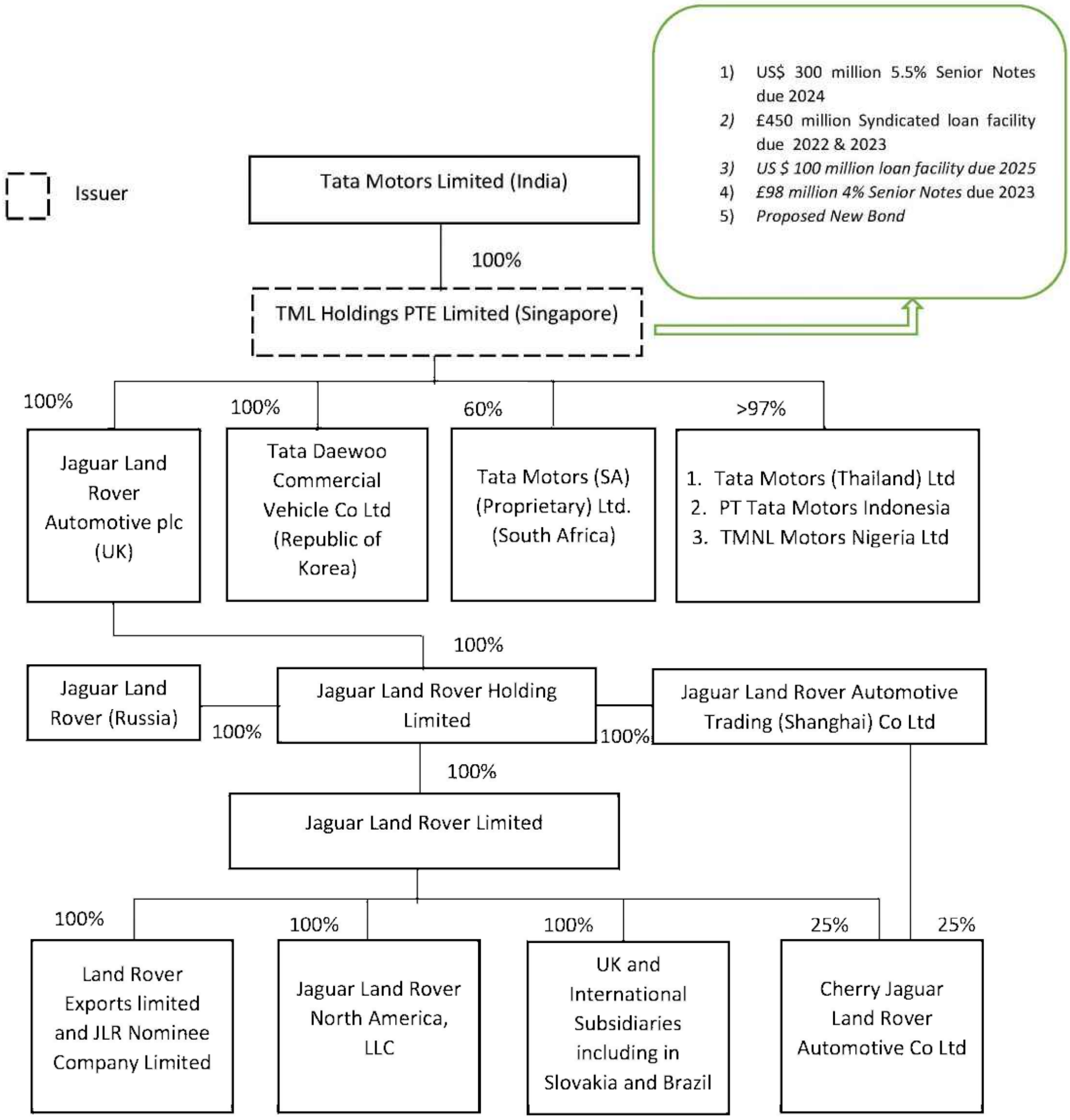
SUMMARY

The following summary is qualified in its entirety and is subject to the more detailed information and the financial information contained or referred to elsewhere in this Offering Circular. The meanings of terms not defined in this summary can be found elsewhere in this Offering Circular.

The Issuer

The Issuer was incorporated on 4 February 2008 as a private company limited by shares under the provisions of the Singapore Companies Act and is a direct wholly-owned subsidiary of Tata Motors Limited.

The following diagram gives an overview of the corporate structure of the Issuer and its subsidiaries as of 31 March 2021. The diagram also includes the financing structure of the Issuer as of the date of this Offering Circular.



The above diagram gives a simplified overview of the corporate structure of the Issuer and its subsidiaries,

The above corporate structure chart has been condensed and is not intended to be a comprehensive presentation of our indirect subsidiaries. We have established subsidiaries in a number of countries including India, Slovakia, Brazil, Singapore, Colombia and Mexico.

Jaguar Land Rover

Jaguar Land Rover is a wholly-owned subsidiary of the Issuer, which is a wholly-owned subsidiary of Tata Motors, a member of the international conglomerate Tata Group. Tata Motors is one of India's largest OEMs offering an extensive range of integrated, smart and e-mobility solutions across the globe. Tata Motors offers a broad portfolio of automotive products, ranging from trucks with a gross vehicle weight of sub-1 ton to 55 ton (including pickup trucks), to small, medium, and large buses and coaches to passenger cars, premium luxury cars and SUVs.

Jaguar Land Rover designs, develops, manufactures and sells Jaguar premium sports saloons, sports cars and luxury performance SUVs and Land Rover premium all-terrain vehicles, as well as related parts, accessories and merchandise. Jaguar Land Rover has a long tradition as a manufacturer of technologically advanced, premium passenger vehicles with internationally recognised brands, an exclusive product portfolio of award-winning vehicles, a global distribution network and strong R&D capabilities, including for the development of autonomous, connected and electrification technologies, as well as for innovative mobility solutions aiming to overcome and address future travel and transport challenges. Jaguar and Land Rover's vehicles are designed and developed by award-winning design teams, and it is committed to a continuing programme of innovative product design. For example, in Fiscal 2021 Jaguar Land Rover made significant upgrades across its product portfolio for model year 2021 vehicles including a significant expansion of electrified options across its model range which now consists of 8 Plug in hybrids, 11 mild hybrids and the all-electric Jaguar I-PACE. Jaguar Land Rover's product portfolio continues to receive a number of prestigious awards, most recently the new Land Rover Defender won the Top Gear Car of the year and the much-coveted World Car Design of the Year 2021.

Jaguar Land Rover operates a global sales and distribution network designed to achieve geographically diversified sales and facilitate growth in its key markets. Jaguar Land Rover's four principal regional markets are Europe (excluding the United Kingdom and Russia), North America, the United Kingdom and China. In Fiscal 2021, Europe (excluding the United Kingdom and Russia), North America, the United Kingdom and China, respectively, accounted for 18.0 per cent., 25.2 per cent., 18.9 per cent. and 25.3 per cent. of its retail volumes (including sales from the China Joint Venture) and 22.0 per cent., 27.0 per cent., 23.4 per cent. and 13.6 per cent. of its wholesale volumes (excluding sales from the China Joint Venture) in Fiscal 2021. The COVID-19 pandemic has inevitably impacted Jaguar Land Rover's business and retail sales due to the global scale of disruption it has caused, and Jaguar Land Rover's sales and profitability were impacted during the first half of Fiscal 2021. However, the business recovered in the second half of Fiscal 2021. Retail sales, particularly in the fourth quarter of Fiscal 2021, were much improved at 123,483 vehicles, up 12.4 per cent. year-on-year. This was supported by a strong recovery in China, where sales grew 127 per cent. over the fourth quarter of last fiscal year, when the impact of the COVID-19 pandemic peaked in that market. Full fiscal year retail sales were 439,588 vehicles, still down by 13.6 per cent. compared to last fiscal year, although sales in China increased by 23.4 per cent. year-on-year. The award-winning new Land Rover Defender contributed significantly to retail sales, with 16,963 units sold in the fourth quarter and 45,244 units for the entire Fiscal 2021.

Jaguar Land Rover operates three principal automotive manufacturing facilities, an engine manufacturing facility and two advanced design and engineering facilities in the United Kingdom, a wholly owned manufacturing plant in Brazil and Slovakia and a manufacturing partnership with Magna Steyr, an operating unit of Magna International Inc., in Graz, Austria. Jaguar Land Rover has also established a manufacturing joint venture in China, which currently produces the Range Rover Evoque, the Land Rover Discovery Sport, the long wheel base Jaguar XF (the "**Jaguar XFL**"), the long wheel base Jaguar XE (the "**Jaguar XEL**") and the Jaguar E-PACE for sale in the local market. Globally, Jaguar Land Rover employed a total of approximately 36,174 employees, including agency personnel, as at 31 March 2021. Jaguar Land Rover's R&D operations currently consist of an engineering team co-managed for Jaguar and Land Rover, sharing premium technologies, powertrains and vehicle architectures.

The following table presents Jaguar Land Rover's revenue, profit/(loss) and Adjusted EBITDA in Fiscal 2021, Fiscal 2020 and Fiscal 2019:

	Fiscal year ended 31 March		
	2021	**2020**	**2019**
		£ in millions	
Revenue..	19,731	22,984	24,214

	Fiscal year ended 31 March		
	2021	2020	2019
	£ in millions		
Profit/(loss) before tax	(861)[(3)]	(422)	(3,629)[(2)]
Profit/(loss) for the period	(1,100)[(3)]	(469)	(3,321)[(2)]
Adjusted EBITDA[(4)]	2,531[(5)]	2,050[(5)]	1,994[(5)]

Notes:

(1) As restated to reflect the retrospective adoption of IFRS 9 from 1 April 2018. See "*Presentation of Financial and Other Data-Factors Affecting Comparability*".

(2) This includes an impairment of £3,105 million as at 31 December 2018 and for the year ended 31 March 2019.

(3) Includes a one-time exceptional charge of £1,486 million in the three months ended 31 March 2021, on account of "Reimagine" announced in February 2021.

(4) Adjusted EBITDA is defined as profit before income tax expense, exceptional items, finance expense (net of capitalised interest), finance income, gains/losses on unrealised derivatives and debt, gains/losses on realised derivative entered into for the purpose of hedging debt, unrealised fair value gains/losses on equity investments, foreign exchange gains/losses on other assets and liabilities, including short-term deposits and cash and cash equivalents, share of profit/loss from equity accounted investments, depreciation and amortisation.

(5) Restated Adjusted EBITDA. During the fiscal years ended 31 March 2021, the definition of Adjusted EBITDA was amended to exclude foreign exchange gains and losses on revaluation of other assets and liabilities, including short-term deposits and cash and cash equivalents. Adjusted EBITDA for the fiscal years ended 31 March 2020 and 31 March 2019 prior to the change was £2,000 million and £1,981 million, respectively.

Jaguar Land Rover's unit sales (on a retail basis and including sales through the China Joint Venture) for each of its brands for Fiscal 2021, Fiscal 2020 and Fiscal 2019 are set out in the table below:

	Fiscal year ended 31 March		
	2021	2020	2019
Jaguar	97,669	140,593	180,198
Land Rover	341,919	368,066	398,717
Total	**439,588**	**508,659**	**578,915**
Retail volumes from the China Joint Venture (included above)	64,319	49,976	57,578

Jaguar Land Rover's unit sales (on a wholesale basis, excluding sales from the China Joint Venture) under each of its brands for Fiscal 2021, Fiscal 2020 and Fiscal 2019 are set out in the table below:

	Fiscal year ended 31 March		
	2021	2020	2019
Jaguar	67,333	125,820	153,757
Land Rover	280,299	350,132	354,138
Total	**347,632**	**475,952**	**507,895**
Wholesale volumes from the China Joint Venture (excluded above)	65,279	49,450	57,428

Wholesale volumes refer to the aggregate number of finished vehicles sold to dealers and importers. Jaguar Land Rover recognises its revenue on the wholesale volumes it sells. Retail volumes refer to the aggregate number of finished vehicles sold by dealers to end users (and in limited numbers by Jaguar Land Rover directly, including to dealers). Although retail volumes do not directly impact Jaguar Land

Rover's revenue, it considers retail volumes as the best indicator of consumer demand for its vehicles and the strength of its brands. For a presentation of its regional wholesale and retail volumes, see below "—*Jaguar Land Rover's vehicles*".

Jaguar Land Rover is a wholly-owned indirect subsidiary of Tata Motors, a member of the international conglomerate Tata Group. Tata Motors is the largest commercial vehicle manufacturer in terms of revenue in India and among the top three vehicle manufacturers in the passenger vehicles in terms of units sold in India during Fiscal 2021.

SUMMARY OF THE OFFERING

The following is only a summary description of the Notes, which are more fully described in the section entitled "Terms and Conditions of the Notes" included elsewhere in this Offering Circular. This summary is derived from and should be read in conjunction with the full text of the Terms and Conditions of the Notes. The Terms and Conditions of the Notes prevail to the extent of any inconsistency with the terms set out in this section. Capitalised terms not defined in this summary have the meanings given to them in the Terms and Conditions of the Notes.

Issuer	TML Holdings Pte. Ltd.
The Notes	U.S.$425,000,000 4.350 per cent. Notes due 2026.
Joint Bookrunners and Joint Lead Managers	Australia and New Zealand Banking Group Limited BNP Paribas Merrill Lynch (Singapore) Pte. Ltd. Mizuho Securities Asia Limited Standard Chartered Bank (Singapore) Limited
Issue Price	4.350 per cent.
Maturity Date	9 June 2026.
Interest	The Notes bear interest on their outstanding principal amount from and including the Issue Date at the rate of 4.350 per cent. per annum, payable semi-annually in arrear on the interest payment dates falling on 9 June and 9 December of each year (each an "**Interest Payment Date**"), commencing with the first Interest Payment Date falling on 9 December 2021.
Trustee	Citicorp International Limited.
Account Bank	Australia and New Zealand Banking Group Limited, acting through its Singapore Branch.
Principal Paying Agent	Citibank, N.A., London Branch.
Transfer Agent	Citibank, N.A., London Branch.
Registrar	Citigroup Global Markets Europe AG.
Status of the Notes	The Notes will constitute direct, unconditional and (subject to Condition 4.1 (*Negative Pledge*) of the Terms and Conditions of the Notes) unsecured and unsubordinated obligations of the Issuer and (subject as stated in the Terms and Conditions of the Notes) rank and will rank at all times *pari passu* without any preference among themselves and at least equally with all other present and future outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.
Form and Denomination of the Notes	The Notes will be issued in registered form in amounts of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof.
Negative Pledge and Limitation of Indebtedness	The Notes will contain a negative pledge provision and a limitation on Indebtedness (as defined in the Terms and Conditions of the Notes). For more details, see Conditions 4.1 (*Negative Pledge*) and 4.2 (*Limitation of Indebtedness*) of the Terms and Conditions of the Notes.
Debt Service Reserve Account	The Issuer shall on or before the Issue Date open a DSRA Account (as defined in the Terms and Conditions of the Notes) with the Account Bank and, for so long as any Note is outstanding, ensure that the amount standing to the credit of the DSRA Account is at all times not less than an amount equal to the amount of interest due on all Notes outstanding at that time on the next succeeding Interest Payment Date.

	Failure to do so will constitute an Event of Default. For more details, see Condition 4.3 (*Debt Service Reserve Account*) of the Terms and Conditions of the Notes.
Redemption at Maturity	Unless previously redeemed or purchased and cancelled as provided in the Terms and Conditions of the Notes, the Issuer will redeem the Notes at their principal amount (together with unpaid accrued interest thereon (if any)) on the Maturity Date.
Redemption at the Option of the Issuer	The Issuer may at its option, at any time prior to 9 December 2023, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 13 (*Notices*) of the Terms and Conditions of the Notes and in writing to the Trustee, the Principal Paying Agent and the Account Bank (which notice shall be irrevocable), redeem the Notes, in whole but not in part, at their principal amount plus the Applicable Premium (as defined in the Terms and Conditions of the Notes) applicable to the Notes (together with interest accrued to but excluding the date fixed for redemption).

The Issuer may at its option, at any time on or after 9 December 2023, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 13 (*Notices*) of the Terms and Conditions of the Notes and in writing to the Trustee, the Principal Paying Agent and the Account Bank (which notice shall be irrevocable), redeem the Notes, in whole but not in part, at the following redemption prices (expressed as percentages of the principal amount of the Notes at maturity) (together with interest accrued to but excluding the date fixed for redemption):

Period	**Redemption Price**
On or after 9 December 2023 to (but excluding) 9 December 2024	102.175 per cent.
On or after 9 December 2024 to (but excluding) 9 December 2025	101.0875 per cent.
On or after 9 December 2025 to (but excluding) 9 June 2026	100.000 per cent.

For more details, see Condition 7.4 (*Redemption at the Option of the Issuer*) of the Terms and Conditions of the Notes.

Redemption for Taxation Reasons	The Notes may be redeemed at the option of the Issuer in whole but not in part, at any time on any Interest Payment Date, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 13 (*Notices*) of the Terms and Conditions of the Notes and in writing to the Trustee, the Principal Paying Agent and the Account Bank (which notice shall be irrevocable), at any time, at their principal amount (together with unpaid accrued interest thereon (if any) to but excluding the relevant Interest Payment Date), if the Issuer satisfies the Trustee (in accordance with Condition 7.2.2 of the Terms and Conditions of the Notes) immediately prior to the giving of such notice that (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 (*Taxation*) of the Terms and Conditions of the Notes as a result of any change in, or amendment to, the laws or regulations of any Relevant Jurisdiction (as defined in Condition 8.2.2 (*Interpretation*) of the Terms and Conditions of the Notes), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available

to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts where a payment in respect of the Notes is then due.

For more details, see Condition 7.2 (*Redemption for Taxation Reasons*) of the Terms and Conditions of the Notes.

Redemption for Change of Control

If a Change of Control occurs, each Noteholder shall have the right (the "**Change of Control Redemption Right**"), at such Noteholder's option, to require the Issuer to redeem all of such Noteholder's Note(s) in whole but not in part, on the Change of Control Redemption Date (as defined in Condition 7.3.5 of the Terms and Conditions of the Notes), at an amount equal to 101 per cent. of the principal amount of the Notes redeemed plus accrued and unpaid interest, if any, to but excluding the redemption date.

"**Change of Control**" means the occurrence of any of the following:

(a) Tata Motors ceases to control the Issuer;

(b) Tata Motors ceases to hold directly or indirectly at least 51 per cent. of the Issuer's Voting Stock (as defined in the Terms and Conditions of the Notes);

(c) the Issuer ceases to control Jaguar Land Rover; or

(d) the Issuer ceases to hold, directly or indirectly, at least 51 per cent. of the Voting Stock of Jaguar Land Rover.

For more details, see Condition 7.3 (*Redemption for Change of Control*) of the Terms and Conditions of the Notes.

Events of Default

The Notes will contain certain events of default provisions as further described in Condition 9 (*Events of Default*) of the Terms and Conditions of the Notes.

Meetings of Noteholders

The Trust Deed will contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions will permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

For further details, see Condition 14 (*Meetings of Noteholders, Modification, Waiver and Authorisation*) of the Terms and Conditions of the Notes.

Taxation

All payments in respect of the Notes by or on behalf of the Issuer shall be made free and clear and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed, levied, collected or assessed by or on behalf of any of the Relevant Jurisdictions (as defined in Condition 8.2.2 (*Interpretation*) of the Terms and Conditions of the Notes), unless such withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders after the withholding or deduction shall equal the amounts which would have been received by them had no such withholding or deduction been required, subject to customary exceptions, as described further in Condition 8.1 (*Payment without Withholding*) of the Terms and Conditions of the Notes.

For further details, see Condition 8 (*Taxation*) of the Terms and Conditions of the Notes.

Further Issues	The Issuer may from time to time without the consent of the Noteholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date and the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in the Terms and Conditions of the Notes include (unless the context requires otherwise) any other securities issued pursuant to Condition 16 (*Further Issues*) of the Terms and Conditions of the Notes and consolidated and forming a single series with the Notes. Any further securities forming a single series with the outstanding Notes constituted by the Trust Deed or any deed supplemental to it shall be constituted by a deed supplemental to the Trust Deed. For more details, see Condition 16 (*Further Issues*) of the Terms and Conditions of the Notes.
Risk Factors	Investment in the Notes involves risks which are described in "*Risk Factors*".
Selling Restrictions	There are restrictions on the offer, sale and transfer of the Notes in, among others, the United Kingdom and the United States. For a description of the selling restrictions on offers, sales and deliveries of the Notes, see the section entitled "*Subscription and Sale*".
Use of Proceeds	See "*Use of Proceeds*" for more details.
Letter of Comfort	Tata Motors will provide a non-binding letter of comfort for the benefit of the Noteholders. The letter will state that the Notes will have the benefit of the letter provided by Tata Motors, whereby Tata Motors intends to make reasonable efforts to maintain a controlling ownership of the Issuer during the tenor of the Notes, and in the event that the Issuer is unable to repay the principal and/or interest or any other payment obligations in respect of the Notes, Tata Motors would intend to make reasonable efforts to coordinate and assist the Issuer to obtain the necessary funds in order for the Issuer to fulfil its obligations in connection with the Notes as they fall due. The Letter of Comfort sets out Tata Motors' intentions as of its date and is not a promise as to Tata Motors' future conduct. The Letter of Comfort does not create or evidence any contractual relationship between the Trustee and Tata Motors, nor does it constitute any guarantee, security, indemnity or other binding legal, equitable or otherwise enforceable obligation by or on Tata Motors of any kind under the law of any jurisdiction.
Listing and Trading	Approval in-principle has been received for the listing and quotation of the Notes on the SGX-ST. The Notes will be traded on the SGX-ST in a minimum board lot size of U.S.$200,000 (or its equivalent in foreign currencies) for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed, or reports contained in this Offering Circular. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Issuer, its subsidiaries, its associated companies or the Notes.

Rating	The Notes are expected to be assigned a rating of "B" by S&P. This rating does not constitute a recommendation to buy, sell or hold the Certificates and may be subject to suspension, reduction or withdrawal at any time by S&P.
Clearing Systems	The Notes will be represented by beneficial interests in the Global Certificate which on the Issue Date will be registered in the name of a nominee for, and deposited with, a common depositary for Clearstream, Luxembourg and Euroclear. Beneficial interests in the Global Certificate will be shown on and transfers thereof will be effected only through records maintained by Euroclear and Clearstream, Luxembourg.
Governing Law	The Notes and any non-contractual obligations arising out of or in connection with them will be governed by, and will be construed in accordance with, English law.
Legal Entity Identifier	254900EBGMM47QH02V57.
ISIN	XS2350621517.
Common Code	235062151.

SELECTED FINANCIAL INFORMATION

The following tables set out certain selected consolidated financial information of the Issuer as at and for the periods indicated.

The selected consolidated financial information of the Issuer as at and for the years ended 31 March 2020, 2019 and 2018 set forth below is derived from the 2020 Audited Consolidated Financial Statements (which includes the comparative consolidated financial information of the Issuer as at and for the year ended 31 March 2019) and the 2019 Audited Consolidated Financial Statements (which includes the comparative consolidated financial information of the Issuer as at and for the year ended 31 March 2018), respectively.

Such consolidated financial information of the Issuer should be read in conjunction with the 2020 Audited Consolidated Financial Statements and the 2019 Audited Consolidated Financial Statements and their respective notes thereto. The 2020 Audited Consolidated Financial Statements and the 2019 Audited Consolidated Financial Statements were prepared in accordance with the Singapore Companies Act and the SFRS(I) and have been audited by KPMG (Singapore) as stated in their reports.

With effect from 1 April 2018, the Group has adopted SFRS(I) 9 where the Group is required to reclassify and adjust certain of its financial line items in its financial statements. SFRS(I) 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and introduces a new impairment model for financial assets and new rules for hedge accounting. Please refer to Note 2(a)(iii) of the 2019 Audited Consolidated Financial Statements for a discussion on the impact of the adoption of SFRS(I) 9. As required under the transition rules of SFRS(I) 9, comparative periods have been restated only for a retrospective application of the cost of hedging approach for the time value of the foreign exchange options and also the Group's voluntary application of foreign currency basis spread included in the foreign exchange forwards and cross-currency interest rate swaps as a cost of hedging. Accordingly, the Issuer's consolidated financial information as at and for the year ended 31 March 2018 may not be wholly comparable against the Issuer's consolidated financial information after 1 April 2018. Investors must therefore exercise caution when making comparisons to any financial figures after 1 April 2018, including the 2019 Audited Consolidated Financial Statements and the 2020 Audited Consolidated Financial Statements against the Issuer's consolidated financial information prior to 1 April 2018 and when evaluating the Issuer's consolidated financial condition, results of operations and results.

With effect from 1 April 2019, the Group has adopted SFRS(I) 16 where the Group is required to recognise, reclassify and adjust certain of its financial line items in its financial statements. Under SFRS(I) 16, lessee accounting is based on a single model, resulting from the elimination of the distinction between operating and finance leases. All leases will be recognised on the balance sheet with a right-of-use asset capitalised and depreciated over the estimated lease term together with a corresponding liability that will reduce over the same period with an appropriate interest charge recognised. Please refer to Note 2(a)(iii) of the 2020 Audited Consolidated Financial Statements for a discussion on the impact of the adoption of SFRS(I) 16. As the Group has adopted SFRS(I) 16 applying the modified retrospective approach on transition with the date of initial application of 1 April 2019 and without requiring any restatement of the corresponding figures of the prior period before 1 April 2019, the Issuer's consolidated financial information as at and for the years ended 31 March 2018 and 2019 may not be directly comparable against the Issuer's consolidated financial information after 1 April 2019. Investors must therefore exercise caution when making comparisons to any financial figures after 1 April 2019, including the 2020 Audited Consolidated Financial Statements against the Issuer's consolidated financial information prior to 1 April 2019 and when evaluating the Issuer's consolidated financial condition, results of operations and results.

Consolidated Statement of Profit and Loss and Other Comprehensive Income

	Year ended 31 March			
	2018	**2019**	**2020**	**2020**
	(Audited)	**(Audited)**	**(Audited)**	
		£ in millions		*U.S.$ in millions*
Revenues	**26,074**	**24,652**	**23,379**	**32,251**
Change in inventories of finished goods and work-in-progress	341	(199)	(128)	(177)
Purchase of products for sale	(1,291)	(1,230)	(1,361)	(1,877)
Material and other cost of sales	(15,765)	(14,560)	(13,473)	(18,586)
Provision for loss of inventory	1	—	—	—
Employee cost	(2,825)	(2,916)	(2,656)	(3,664)
Provision for impairment in Jaguar Land Rover's tangible and intangible assets	—	(3,105)	—	—
Employee separation cost	—	(149)	(44)	(61)
Employee cost — pension past service credit/(cost)	437	(17)	(4)	(6)
(Provision)/reversal for costs of closure of operation of a subsidiary company	—	(60)	7	10
Depreciation and amortisation	(2,094)	(2,181)	(1,928)	(2,660)
Other expenses	(5,448)	(5,620)	(5,304)	(7,317)
Expenditure capitalised	1,615	1,579	1,373	1,894
Other income (net)	247	206	175	241
Foreign exchange gain/(loss) (net)	35	(53)	(252)	(348)
Finance income	34	37	54	74
Finance expense (net)	(128)	(151)	(249)	(343)
Share of profit/(loss) from equity accounted investees	252	3	(114)	(157)
Profit/(loss) before income tax	**1,485**	**(3,764)**	**(525)**	**(724)**
Income tax (expense)/credit	(404)	311	(33)	(46)
Profit/(loss) for the year	**1,081**	**(3,453)**	**(558)**	**(770)**
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit obligation	544	(272)	988	1,363
(Loss)/gain on effective cash flow hedges of inventory##	—	(197)	75	103
Income tax related to items that will not be reclassified subsequently##	(88)	77	(170)	(235)
	456	**(392)**	**893**	**1,232**
Items that may be reclassified subsequently to profit or loss:				
Gain on effective cash flow hedges (net)##	2,442	92	229	316
Currency translation differences	(20)	(8)	16	22

	Year ended 31 March			
	2018	2019	2020	2020
	(Audited)	(Audited)	(Audited)	
		£ in millions		*U.S.$ in millions*
Income tax relating to components of other comprehensive income that may be reclassified subsequently##	(462)	(19)	(42)	(58)
	1,960	65	203	280
Other comprehensive income/(expense) for the year, net of tax	2,416	(327)	1,096	1,512
Total comprehensive income/(expense) for the year	**3,497**	**(3,780)**	**538**	**742**
Profit/(loss) attributable to:				
Owners of the Company	1,082	(3,454)	(560)	(773)
Non—controlling interests	(1)	1	2	3
	1,081	**(3,453)**	**(558)**	**(770)**
Total comprehensive income/(expense) attributable to:				
Owners of the Company	3,498	(3,781)	536	739
Non—controlling interests	(1)	1	2	3
	3,497	**(3,780)**	**538**	**742**

Note:

\## With wider industry practice emerging, clearer guidance now being available and with the present economic situation due to COVID-19, from 1 April 2020, the Group will reclassify these selected line items (the "**Reclassification of Line Items**"). The Reclassification of Line Items will be reflected in the Issuer's audited consolidated financial statements for the year ended 31 March 2021 (the "**2021 Audited Consolidated Financial Statements**") (which will involve corresponding reclassification of the comparative amounts for prior years). The Reclassification of Line Items will be within the Issuer's Consolidated Statement of Profit and Loss and Other Comprehensive Income and will not affect the line item "*Total comprehensive income/(expense) for the years)*" included in the 2021 Audited Consolidated Financial Statements.

Consolidated Balance Sheets

	As at 31 March			
	2018 (Audited)	2019 (Audited)	2020 (Audited)	2020
		£ in millions		*U.S.$ in millions*
ASSETS				
Current assets				
Cash and cash equivalents	2,859	2,975	2,451	3,381
Short-term deposits	2,032	1,029	1,394	1,923
Trade receivables	1,666	1,430	905	1,248
Other financial assets	511	333	399	550
Other investment	—	—	20	28
Inventories	3,953	3,772	3,600	4,966
Other current assets	643	580	490	676
Current income tax assets	10	10	10	14
Total current assets	**11,674**	**10,129**	**9,269**	**12,787**
Non-current assets				
Other financial assets	419	181	266	367
Loans to subsidiary corporations	—	—	—	—
Property, plant and equipment	7,559	6,617	6,927	9,556
Intangible assets	6,770	5,632	6,281	8,665
Right-of-use asset	—	—	577	796
Investment in equity accounted investees	488	477	362	499
Investment in subsidiary corporations	—	—	—	—
Other Investment	29	69	37	51
Pension assets	—	—	408	563
Other non-current assets	81	84	25	34
Deferred tax assets	426	530	553	763
Total non-current assets	15,772	13,590	15,436	21,294
Total assets	**27,446**	**23,719**	**24,705**	**34,081**
LIABILITIES AND EQUITY				
Current liabilities				
Short-term borrowings	725	956	788	1,087
Accounts payable	7,740	7,218	6,649	9,172
Other financial liabilities	1,205	1,053	1,086	1,498
Provisions	767	998	952	1,313
Other current liabilities	562	679	730	1,007
Current income tax liabilities	160	94	100	138
Total current liabilities	**11,159**	**10,998**	**10,305**	**14,216**
Non-current liabilities				
Long-term borrowings	3,905	4,468	5,507	7,597
Other financial liabilities	289	317	797	1,099
Provisions	1,059	1,141	1,372	1,893

	As at 31 March			
	2018	**2019**	**2020**	**2020**
	(Audited)	**(Audited)**	**(Audited)**	
		£ in millions		*U.S.$ in millions*
Other non-current liabilities	454	521	533	735
Employee benefit obligations	443	677	28	39
Deferred tax liabilities	583	101	179	247
Total non-current liabilities	6,733	7,225	8,416	11,610
Total liabilities	**17,892**	**18,223**	**18,721**	**25,826**
Equity				
Share capital	1,628	1,628	1,628	2,246
Reserves	7,924	3,869	4,355	6,008
Equity attributable to owners of the Company	9,552	5,497	5,983	8,254
Non—controlling interests	2	(1)	1	1
Total equity	**9,554**	**5,496**	**5,984**	**8,255**
Total liabilities and equity	**27,446**	**23,719**	**24,705**	**34,081**

Consolidated Cash Flow Statements

	Year ended 31 March			
	2018	**2019**	**2020**	**2020**
	(Audited)	**(Audited)**	**(Audited)**	
		£ in millions		*U.S.$ in millions*
Cash flow from operating activities				
Profit/(loss) before tax for the year	1,485	(3,764)	(525)	(724)
Adjustments for:				
Depreciation and amortisation	2,094	2,181	1,928	2,660
Provision for impairment in Jaguar Land Rover	—	3,105	—	—
Provision for closure of operation of a subsidiary company	—	60	(7)	(10)
Employee cost-pension past service (credit)/cost.	(437)	17	—	—
Employee separation cost	—	149	46	63
Loss on disposal of assets	23	59	20	28
Write down of tangible assets	18	18	—	—
Write down of intangible assets	46	—	—	—
Loss from diminution in the valuation of inventories	—	6	—	—
Write back of provision for loss of inventory	(1)	—	—	—
Provision for doubtful accounts	6	4	2	3
Loss on matured revenue hedges	—	43	81	112
Foreign exchange (gain)/loss on loans	(86)	79	147	203
Unrealised loss on commodities	2	34	78	108
Finance expense (net)	123	151	249	343
Finance income	(34)	(37)	(54)	(74)
Foreign exchange (gain)/loss on derivatives	(75)	31	(7)	(10)
Foreign exchange loss/(gain) on other items	109	(69)	(93)	(128)
Fair value (gain)/loss on equity investment	—	(26)	43	59
Share of (profit)/loss from equity accounted investees	(252)	(3)	114	157
Cash flows before movements in working capital	3,021	2,038	2,022	2,789
Trade receivables	(307)	237	507	699
Other financial assets	(265)	61	44	61
Other current assets	(26)	124	111	153
Inventories	(312)	160	177	244
Other non-current assets	(5)	(3)	(439)	(606)
Accounts payable	593	(446)	(537)	(741)
Other current liabilities	37	114	51	70
Other financial liabilities	136	(24)	(20)	(28)
Other non-current liabilities	52	(23)	361	498
Provisions	164	170	113	156
Cash generated from operations	3,088	2,408	2,390	3,297
Income tax paid	(313)	(228)	(152)	(210)
Net cash generated from operating activities	**2,775**	**2,180**	**2,238**	**3,087**

	Year ended 31 March			
	2018 (Audited)	2019 (Audited)	2020 (Audited)	2020
		£ in millions		*U.S.$ in millions*
Cash flows used in investing activities				
Purchase of property, plant and equipment	(2,144)	(1,599)	(1,285)	(1,773)
Purchase of other investment	(25)	(14)	(11)	(15)
Proceeds from sale of property, plant and equipment	—	4	1	1
Cash paid for intangible assets	(1,615)	(1,785)	(1,512)	(2,086)
Investment in associates	—	—	(67)	(92)
Investment in short-term deposits	(5,518)	(2,478)	(4,071)	(5,616)
Redemption of short-term deposits	6,043	3,552	3,700	5,104
Movement in restricted cash	(6)	—	(4)	(6)
Acquisition of Subsidiary (net of cash acquired)	6	—	(3)	(4)
Dividends received	206	22	67	92
Finance income received	34	35	50	69
Net cash used in investing activities	**(3,019)**	**(2,263)**	**(3,135)**	**(4,325)**
Cash flows used in financing activities				
Finance expense and fees paid	(183)	(239)	(291)	(401)
Proceeds from issuance of long-term debt	1,004	1,221	1,600	2,207
Proceeds from issuance of short-term debt	609	773	113	156
Repayment of short-term debt	(601)	(829)	(221)	(305)
Payment of lease liabilities	(4)	(2)	(72)	(99)
Repayment of long-term debt	(630)	(547)	(826)	(1,139)
Distribution to non-controlling interest	(5)	(3)	—	—
Dividends paid	(94)	(148)	—	—
Net cash from financing activities	**96**	**226**	**303**	**418**
Net (decrease)/increase in cash and cash equivalents	**(148)**	**143**	**(594)**	**(819)**
Cash and cash equivalents at beginning of period	3,065	2,859	2,975	4,104
Effect of foreign exchange on cash and cash equivalents	(58)	(27)	70	97
Cash and cash equivalents at end of the year	**2,859**	**2,975**	**2,451**	**3,381**

RISK FACTORS

An investment in the Notes involves risks. Prospective purchasers of the Notes should carefully consider all of the information in this Offering Circular and, in particular, the risks described below, prior to making an investment decision with respect to the Notes. If any of these risks were to occur, Jaguar Land Rover's, and therefore the Issuer's, business, financial condition and results of operations could be materially and adversely affected. The following information is not an exhaustive list of the risks associated with a purchase of the Notes. Additional risks and uncertainties that the Issuer is unaware of, or that are currently deemed immaterial, could also have a material and adverse effect on the Group's business, financial condition and results of operations. Prospective purchasers of the Notes must therefore reach their own views and rely on their own investigations prior to making any investment decision.

In this section, any references to "Jaguar Land Rover" are to Jaguar Land Rover Automotive plc and its subsidiaries on a consolidated basis. Jaguar Land Rover is a wholly-owned subsidiary of the Issuer. See "The Issuer — Overview and Group Structure" for a description of the corporate structure of the Group. The financial information of Jaguar Land Rover presented in this Offering Circular has been derived from the 2021 JLR Audited Consolidated Financial Statements included elsewhere in this Offering Circular and the 2020 JLR Audited Consolidated Financial Statements, which have been incorporated by reference in this Offering Circular. See "Documents Incorporated by Reference" and "Presentation of Certain Financial Information and Other Information".

This Offering Circular contains ''forward-looking" statements that involve risks and uncertainties. Jaguar Land Rover's actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include those discussed below and elsewhere in this Offering Circular. See "Forward-looking Statements".

Risks Associated with the Issuer

The outbreak, or threatened outbreak, of any severe communicable disease, such as the ongoing COVID-19 pandemic, may adversely impact the Issuer's business, financial condition and results of operations

The outbreak, or continued or threatened outbreak, of any other severe communicable disease, such as Severe Acute Respiratory Syndrome (SARS), Middle East Respiratory Syndrome-Corona virus, avian influenza (commonly known as bird flu), H1N1 or any another similar disease could materially and adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled.

More recently, the outbreak or continued outbreak of the novel strain of coronavirus ("**COVID-19**") first detected in the PRC, which has been declared a global pandemic by organisations such as the World Health Organisation in the first quarter of 2020, has severely affected and continues to seriously affect the global economy and the Issuer's business, financial condition and results of operations. See "*Jaguar Land Rover has been, and may in the future be, adversely affected by the COVID-19 pandemic, the duration and economic, governmental and social impact of which is difficult to predict, and which may significantly harm its business, prospects, financial condition and results of operations*".

The ability of the Issuer to fulfil its obligations under the Notes is largely dependent on the earnings of Jaguar Land Rover, and investments made by its parent company, Tata Motors, and there is uncertainty of the Issuer receiving dividends from Jaguar Land Rover

The Issuer is a holding company that does not engage in any material business activities that generate revenues. See "*The Issuer — Business of the Issuer*". The Issuer will service its obligations primarily from dividends and other distributions received from Jaguar Land Rover, and from equity investments and intercompany loans from Tata Motors. The Issuer's other subsidiaries, TDCV, TMTL, TMI, TMSNL and TMSA constitute a nominal amount of the consolidated assets and revenues of the Issuer in comparison to Jaguar Land Rover, and accordingly, the Issuer does not expect to receive dividends in any significant amount from these subsidiaries in the near future. See "*The Issuer — Business Operations of the Issuer's Subsidiaries*". There is uncertainty that dividends will be received from Jaguar Land Rover. For Fiscal 2020, as a result of loss in Jaguar Land Rover, no dividend was received from Jaguar Land Rover by the Issuer. In Fiscal 2019 and Fiscal 2018 the Issuer received £225 million and £150 million, respectively, by way of dividends from Jaguar Land Rover. See "*The Issuer*".

In turn, the ability of Jaguar Land Rover to declare and pay dividends, and Tata Motors' ability to make equity investments and intercompany loans, to the Issuer will depend on factors such as their respective future financial performance and ability to generate cash, which are subject to the general economic, financial, competitive, legislative, legal, regulatory and other factors discussed in this section, many of which are beyond the control of either Jaguar Land Rover or Tata Motors, as well as compliance with certain restrictive covenants in its debt financing arrangements.

Jaguar Land Rover is also dependent on the performance of its subsidiaries and ability of its subsidiaries to distribute dividends, which may be restricted by profitability, financing agreements and laws of the relevant jurisdictions where such subsidiaries are based. If Jaguar Land Rover's future cash flows from operations and other capital resources are insufficient to pay their debt obligations, or to fund other liquidity needs, it may be forced to sell assets or attempt to restructure or refinance its existing indebtedness (which it may not be able to accomplish on a timely basis or on satisfactory terms or at all), which could materially and adversely affect its ability to declare and pay dividends to the Issuer, and which in turn, would materially impact the Issuer's ability to fulfil its obligations under the Notes.

In addition, Jaguar Land Rover and its subsidiaries, as direct and indirect subsidiaries of the Issuer, respectively, and the Issuer's other subsidiaries, are separate and distinct legal entities and will have no obligation, contingent or otherwise, to pay any amounts due under the Notes or to make any funds available therefor, whether in the form of loans, dividends or otherwise. Any right that the Issuer may have to receive assets of Jaguar Land Rover or any of its subsidiaries or joint ventures upon their liquidation and the consequent right of the Noteholders to benefit from the distribution of proceeds from those assets will be effectively subordinated to the claims of creditors of Jaguar Land Rover, its subsidiaries and joint ventures (including tax authorities, employees, trade creditors and lenders to such subsidiaries and joint ventures).

Tata Motors' ability to make investments is subject to the extant guidelines under the FEMA

In terms of the RBI/FED/2015-16/10 FED Master Direction No.15/2015-16 of the Reserve Bank of India dated 1 January 2016, under the automatic route provided for thereby, an Indian party is permitted to make investments and other permitted financial commitments (such as loans and guarantees) in or in respect of overseas Joint Ventures or Wholly Owned Subsidiaries, which do not exceed 400 per cent. of the net worth (measured on the date of the last audited balance sheet) of such Indian party. However, any financial commitment of the Indian party which exceeds U.S.$1 billion or its equivalent in any financial year will require the prior approval of the Reserve Bank of India. The ceiling of 400 per cent. net worth will not be applicable where the investment is made out of balances held in the exchange earners' foreign currency account Indian party or out of funds raised through the issuance of American Depository Receipts or Global Depositary Receipts. This regulation limits Tata Motors' ability to make investments in the Issuer and the Issuer's subsidiaries, which are incorporated in countries outside of India, which in turn, could materially impact the Issuer's ability to fulfil its obligations under the Notes.

Tata Motors can exert considerable control over the Issuer

The Issuer is a direct, wholly-owned subsidiary of Tata Motors. See "*The Issuer — Relationship with Tata Motors*". As a result of this, Tata Motors is able to significantly influence any matter requiring the Issuer's shareholders' approval, including the election of the Issuer's directors and approval of significant corporate transactions. Tata Motors may also engage in activities that may conflict with the Issuer's interests or the interests of the holders of the Notes and, in such events, the holders of the Notes could be disadvantaged by these actions.

The adoption of SFRS(I) 9 with effect from 1 April 2018 renders the Issuer's audited consolidated financial information as at and for the year ended 31 March 2018 not directly comparable with the Issuer's consolidated financial information after 1 April 2018

With effect from 1 April 2018, the Group has adopted SFRS(I) 9 where the Group is required to reclassify and adjust certain of its financial line items in its financial statements. SFRS(I) 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and introduces a new impairment model for financial assets and new rules for hedge accounting. Please refer to Note 2(a)(iii) of the 2019 Audited Consolidated Financial Statements for a discussion on the impact of the adoption of SFRS(I) 9. As required under the transition rules of SFRS(I) 9, comparative periods have been restated only for a retrospective application of the cost of hedging approach for the time value of the foreign exchange options and also the Group's voluntary application of foreign currency basis spread included in the foreign exchange forwards and cross-currency interest rate swaps as a cost of hedging. Accordingly, the Issuer's consolidated financial information as at and for the year ended 31 March 2018 may not be wholly comparable against the Issuer's consolidated financial information after 1 April 2018. Investors must therefore exercise caution when making comparisons to any financial figures after 1 April 2018, including the 2019 Audited Consolidated Financial Statements and the 2020 Audited Consolidated Financial

Statements against the Issuer's consolidated financial information prior to 1 April 2018 and when evaluating the Issuer's consolidated financial condition, results of operations and results.

The adoption of SFRS(I) 16 with effect from 1 April 2019 renders the Issuer's audited consolidated financial information as at and for the years ended 31 March 2018 and 2019 not directly comparable with the Issuer's consolidated financial information after 1 April 2019

With effect from 1 April 2019, the Group has adopted SFRS(I) 16 where the Group is required to recognise, reclassify and adjust certain of its financial line items in its financial statements. Under SFRS(I) 16, lessee accounting is based on a single model, resulting from the elimination of the distinction between operating and finance leases. All leases will be recognised on the balance sheet with a right-of-use asset capitalised and depreciated over the estimated lease term together with a corresponding liability that will reduce over the same period with an appropriate interest charge recognised. Please refer to Note 2(a)(iii) of the 2020 Audited Consolidated Financial Statements for a discussion on the impact of the adoption of SFRS(I) 16. As the Group has adopted SFRS(I) 16 applying the modified retrospective approach on transition with the date of initial application of 1 April 2019 and without requiring any restatement of the corresponding figures of the prior period before 1 April 2019, the Issuer's consolidated financial information as at and for the years ended 31 March 2018 and 2019 may not be directly comparable against the Issuer's consolidated financial information after 1 April 2019. Investors must therefore exercise caution when making comparisons to any financial figures after 1 April 2019, including the 2020 Audited Consolidated Financial Statements against the Issuer's consolidated financial information prior to 1 April 2019 and when evaluating the Issuer's consolidated financial condition, results of operations and results.

Risks Associated with the Automotive Industry

Deterioration in global economic conditions could have a significant adverse impact on Jaguar Land Rover's sales and results of operations

The automotive industry depends on general economic conditions around the world. Economic slowdowns in the past have significantly affected the automotive and related industries. The demand for automobiles is influenced by a variety of factors, including, among other things, the growth rate of the global economy, availability of credit, disposable income of consumers, interest rates, environmental policies, tax policies, safety regulations, freight rates and fuel prices.

Jaguar Land Rover has significant operations in the United Kingdom, North America, continental Europe and China as well as sales operations in many other countries across the globe. Due to the outbreak of the COVID-19 pandemic, conditions in automotive markets were generally challenging in the fourth quarter of Fiscal 2020, notably in China, with a significant impact in other markets in the first quarter of Fiscal 2021, before showing a slight recovery from the second quarter of Fiscal 2021.

Following the easing of social distancing measures from the second quarter of Fiscal 2021 across most markets, the automotive industry volumes witnessed sequential growth quarter-on-quarter. However, Jaguar Land Rover's volumes declined year-on-year during the Fiscal 2021 in the North America (down 14.3 per cent.), Europe (down 26.0 per cent.) and the United Kingdom down 22.2 per cent.). Conversely, year-on-year Jaguar Land Rover's retail volumes were higher in China (up 23.4 per cent.).

If automotive demand softens due to lower or negative economic growth in key markets or due to other factors, Jaguar Land Rover's operations and financial condition could be materially and adversely affected as a result. The outlook for the world economy generally, and the impact on the automotive industry specifically, remains subject to significant uncertainty, particularly in light of the impact of the COVID-19 pandemic, which may lead to prolonged periods of economic uncertainty in Jaguar Land Rover's main markets. See also "*—Jaguar Land Rover has been, and may in the future be, adversely affected by the COVID-19 pandemic, the duration and economic, governmental and social impact of which is difficult to predict, and which may significantly harm its business, prospects, financial condition and results of operation*". Such uncertainty could decrease consumer confidence and consumer demand for automobiles, which could have an adverse effect on Jaguar Land Rover's business, results of operations and financial condition.

Additionally, global economic growth and stability may be impacted by political events and political instability (for example, the tensions between the United States and Iran) as well as systemic macroeconomic events, such as deterioration in the European banking system as well as the continued impact of the COVID-19 pandemic and the possible outbreak of other pandemics in the future. Deterioration in key economic factors, such as GDP growth rates, interest rates and inflation, as well as the reduced availability of financing for vehicles at competitive rates, may result in a decrease in demand for automobiles. In general, price elasticity of demand for Jaguar Land Rover's lower-priced models is greater than for Jaguar Land Rover's higher-priced models and in the event of an economic recession, a contraction in discretionary spending may reduce demand for certain of its lower-priced models. A decrease in demand would, in turn, cause automobile prices and manufacturing capacity utilisation rates to fall. Such circumstances have in the past materially affected, and may in the future materially affect, Jaguar Land Rover's business, results of operations and financial condition.

Jaguar Land Rover has been, and may in the future be, adversely affected by the COVID-19 pandemic, the duration and economic, governmental and social impact of which is difficult to predict, and which may significantly harm its business, prospects, financial condition and results of operations

COVID-19 is present throughout the world, and the World Health Organization declared the COVID-19 outbreak a pandemic in March 2020. Whilst effective treatments and vaccines have been developed, there is uncertainty as to how quickly any vaccine can be mass manufactured and distributed, whether the vaccines will be able to provide immunity from new strains of COVID-19 and how effective the deployment will be on a global scale. The COVID-19 pandemic and associated governmental responses have adversely affected workforces, consumer sentiment, economies and financial markets. Such adverse effects, along with decreased consumer spending, have led to a global economic downturn. Based on the latest assessment by the International Monetary Fund, it is estimated that the global economy had contracted by 3.3 per cent. in 2020 due to the COVID-19 pandemic. As a result of its duration and impact, the COVID-19 pandemic has had a significant adverse impact on Jaguar Land Rover and has also exacerbated other risks that it faces.

The COVID-19 pandemic has spread across all of Jaguar Land Rover's key regions, including the United Kingdom, China, North America and continental Europe, from which Jaguar Land Rover derives the substantial majority of its revenues. Governments imposed travel bans, quarantines, lockdowns, "stay-at-home" orders, and similar mandates on individuals to substantially restrict daily activities and on many businesses to curtail or cease normal operations. Such measures, though temporary in nature, may continue or be re-enacted depending on the development of the COVID-19 pandemic, as evidenced by the recent re-introduction of lockdown measures in the United Kingdom and other countries as a result of higher infection rates. Further, some countries are facing setbacks to fully reopen their economies as governments exercise caution in light of the possibility of successive waves and new strains of COVID-19. These measures have severely impacted the economic activity across the globe, resulting in the major economies facing the risk of significant and unprecedented economic downturns and recession. There remains considerable uncertainty about the extent, speed and regional differences of any recovery including any longer-term impacts on Jaguar Land Rover's business and the possibility of successive waves of the COVID-19 pandemic or new strains of COVID-19. There is a risk that widespread strict social distancing measures or lockdowns may continue to be reintroduced in the future even though effective treatments or vaccines have been effectively deployed to populations around the globe. The COVID-19 pandemic, as well as efforts to contain it, has caused significant economic and financial disruptions around the world, including disruption to manufacturing operations, logistics and global supply chains and financial markets. Jaguar Land Rover's focus has been on conserving cash and prioritising capital expenditure on key products. Jaguar Land Rover rationalised its capital expenditure in Fiscal 2021 to £2.3 billion, against the earlier guidance in Fiscal 2021 of £2.5 billion and has maintained capital expenditure guidance for Fiscal 2022 at £2.5 billion. Jaguar Land Rover achieved cash and cost savings from Project Charge+ of £2.5 billion for Fiscal 2021, resulting in £6 billion of lifetime cash and cost savings over the life of its Project Charge and Project Charge+ programmes. See "*Business of Jaguar Land Rover — Project Charge, Project Charge+ and Project Accelerate*".

As a result of the COVID-19 pandemic, Jaguar Land Rover enacted temporary plant shutdowns and implemented work-from-home protocols for employees who were able to work remotely in various jurisdictions, including the United Kingdom, to ensure public safety and to comply with government guidelines in various geographies. These shutdowns have in the past caused and any shutdowns in the future may cause disruptions in the business and negative effects on cash flows, primarily because the operations realized less revenue during shutdowns while continuing to incur costs. Any disruptions to Jaguar Land Rover's manufacturing operations and losses in vehicle production could result in delays to both retailer and customer delivery, and potential delays or loss of revenue in key regions including China, through loss of sales. Many of Jaguar Land Rover's employees have returned to sites, where practical to do so, supported by work-from-home and other arrangements. Jaguar Land Rover is undertaking a "demand-led" restart to its operations with a focus on producing vehicles in line with customer demand and rationalising the use of its resources accordingly.

There is significant uncertainty surrounding the extent and duration of such business disruptions, as continued cross-border restrictions could adversely affect Jaguar Land Rover's supply chains globally. Jaguar Land Rover, like other automotive manufacturers, is currently experiencing some supply chain disruption due to the COVID-19 pandemic, including the global availability of semiconductors, which impacted production schedules and the ability to meet global demand for some of its vehicles. As a result, Jaguar Land Rover adjusted production schedules for certain vehicles and Jaguar Land Rover's Castle Bromwich and Halewood manufacturing plants are operating for a limited period. Although Jaguar Land Rover has mostly restored operations at its production facilities, manufacturing rates and timelines may nonetheless be affected by global economic markets, the decrease in consumer confidence or changing behaviours such as working from home arrangements, which could impact demand in the global transportation and automotive industries. The extent and impact of changing consumer preferences and behaviour is unknown and impossible to predict at this time.

The economic slowdown attributable to the COVID-19 pandemic led to a severe decrease in global vehicle sales in markets around the world, notably in the fourth quarter of Fiscal 2020 and the first quarter of Fiscal 2021 before partially recovering from the second quarter to the fourth quarter of Fiscal 2021, however, the extent of recovery is still uncertain. Moreover, as a result of the restrictions imposed by governments in affected countries and negative consumers' reaction to the COVID-19 pandemic in general, showroom traffic at Jaguar Land Rover's dealers dropped significantly in the first quarter of Fiscal 2021 and many dealers temporarily ceased operations, thereby reducing dealers' demands for its products. However, as at 31 March 2021, at least 91 per cent. of Jaguar Land Rover's global dealers were open fully or partially.

The COVID-19 pandemic and the resulting business disruptions in several jurisdictions where Jaguar Land Rover operates has had a material adverse impact on its operations, liquidity, business, financial conditions and/or credit ratings. Any future impact on its business may take some time to materialize and may not be fully reflected in the results for Fiscal 2021. Even after the COVID-19 pandemic subsides, Jaguar Land Rover may continue to experience an adverse impact to its business as a result of its global economic impact, including any recession that has occurred or may occur. Specifically, difficult macroeconomic conditions, such as decreases in per capita income and level of disposable income, increased and prolonged unemployment or a decline in consumer confidence as a result of the COVID-19 pandemic could have a continuing adverse effect on demand for Jaguar Land Rover's products, as well as limit or significantly reduce points of access to such products. The ongoing disruption caused by the COVID-19 pandemic may force Jaguar Land Rover to change, in whole or in part, its strategic plans for the future.

Further, government-sponsored liquidity or stimulus programs in response to the COVID-19 pandemic may not be available to its customers, suppliers, dealers, or Jaguar Land Rover, and in the event that such programs are available, they may nevertheless be insufficient to address the impact of the COVID-19 pandemic. Supply and distribution chains may be disrupted by the bankruptcies of Jaguar Land Rover's suppliers or dealers or a permanent discontinuation of their operations. Consequently, the impact on Jaguar Land Rover's business, prospects, financial condition and results of operation cannot be fully determined at this time.

Furthermore, Jaguar Land Rover has implemented enhanced health and safety measures in its operations, such as new screening protocols, in line with public health rules and guidelines and industry practices to combat the spread of the COVID-19 pandemic. Jaguar Land Rover is exposed to the risk of an increase in the number of workplace and third-party claims arising from actual or alleged failures to implement such measures adequately, or at all. In addition to the increase in costs associated with the implementation of such measures, Jaguar Land Rover is also faced with the potential increase in legal, advisory and other costs as a result of any COVID-19 pandemic related claims from workers or third party suppliers that may come into contact with Jaguar Land Rover's operations. All or any of these factors could have a material adverse effect on Jaguar Land Rover's business, prospects, financial condition and results of operation.

Intensifying competition could materially and adversely affect Jaguar Land Rover's sales and results of operations

The global automotive industry, including the premium passenger car segment, is highly competitive and competition is likely to further intensify, including from new industry entrants, in the worldwide automotive industry. There is a strong trend among market participants in the premium automotive industry towards intensifying efforts to retain their competitive position in established markets while also developing a presence in other key markets. In light of Brexit, some of Jaguar Land Rover's European Union-based competitors may gain a competitive advantage that would enable them to benefit from their access to the European Union single market post-Brexit. A range of factors affect the competitive environment, including, among others, quality and features of vehicles, innovation, development time, ability to control costs, pricing, reliability, safety, fuel economy, environmental impact and perception thereof, customer service and financing terms. There can be no assurance that Jaguar Land Rover will be able to compete successfully in the global automotive industry.

Jaguar Land Rover is exposed to the risks of new drive and other technologies being developed and the resulting effects on the automobile market

Over the past few years, the global market for automobiles, particularly in established markets, has been characterised by increasing demand for more environmentally friendly vehicles and technologies. This is related, in particular, to the public debate on global warming and climate protection. Jaguar Land Rover endeavours to take account of climate protection and the ever more-stringent laws and regulations that have been and are likely to be adopted. Jaguar Land Rover is focusing on researching, developing and producing new drive technologies, such as hybrid engines and electric cars. Jaguar Land Rover is also investing in development programmes to reduce fuel consumption through the use of lightweight materials, reducing parasitic losses through the driveline and improvements in aerodynamics (e.g. through its premium transverse architecture). There is a risk that these R&D activities will not achieve their planned objectives or that competitors or joint ventures set up by competitors will develop better solutions and will be able to manufacture the resulting products more rapidly, in larger quantities, with a higher quality and/or at a lower cost. During the past few years, several jurisdictions, such as Norway, Germany, the United Kingdom, France, the Netherlands, India and China, have announced the intention to eliminate the sale of conventionally fuelled vehicles in their markets in the coming decades.

Diesel technologies have also become the focus of legislators in the U.S., the United Kingdom and the European Union as a result of emissions levels. This has led various carmakers to announce programs to retrofit diesel vehicles with software that will allow them to reduce emissions which may require it to undertake increased R&D spending as well as other capital expenses. In addition, changes to the European emission tests of the Worldwide Harmonised Light Vehicle Test Procedure ("**WLTP**") in September 2018 made models non-compliant with emission limits subject to additional taxes. As a result of the changes, manufacturing costs increased and consumer uncertainty grew. There is a risk that these R&D activities, including retrofit software upgrades, will not achieve their planned objectives or that competitors or joint ventures set up by competitors will develop better solutions and will be able to manufacture the resulting products more rapidly, in larger quantities, with a higher quality and/or at a lower cost. This could lead to increased demand for the products of such competitors and result in a loss of market share for Jaguar Land Rover. There is also a risk that the money invested in researching and developing new technologies, including autonomous, connected and electrification technologies, or money invested in mobility solutions to overcome and address future travel and transport challenges, will, to a considerable extent, have been spent in vain, because the technologies developed or the products derived therefrom are unsuccessful in the market or exhibit failures that are impracticable or too costly to remedy or because competitors have developed better or less expensive products. It is possible that Jaguar Land Rover could then be compelled to make new investments in researching and developing other technologies to maintain its existing market share or to win back the market share lost to competitors.

In addition, climate change concerns and the promotion of new technologies encourages customers to look beyond standard factors (such as price, design, performance, brand image or comfort/features) to differentiation of the technology used in the vehicle or the manufacturer or provider of this technology. This could lead to shifts in demand and the value-added parameters in the automotive industry at the expense of its products.

The electric vehicle market and related opportunities may not evolve as anticipated

There is a global trend, particularly in developed markets, towards increased use of electric vehicles (including hybrids) and policies supporting vehicle electrification.

The UK government has recently announced that the phase-out date for the sale of new petrol and diesel cars and vans has been brought forward to 2030 from the previous date of 2035, while the governments of other countries, including Norway and the Netherlands, have announced goals of banning new petrol and diesel cars. As Jaguar Land Rover considers its strategy, Jaguar Land Rover may over time increase its focus on the production of electric vehicles, make more investments in this area and position itself as a leading producer of electric vehicles. Sales of electric vehicles are hard to predict as consumer demand may fail to shift in favour of electric vehicles and this market segment may remain small relative to the overall market for years to come. Consumers may remain or become reluctant to adopt electric vehicles due to the lack of fully developed charging infrastructure, long charging times or increased costs of purchase. Jaguar Land Rover continues to expand its offering of electrification across its model range. Jaguar Land Rover's portfolio of 13 nameplates includes one full battery electric vehicle, eight plug-in hybrid electric vehicles and eleven mild electric hybrid vehicles. In addition, Jaguar Land Rover will manufacture the next-generation EDUs at its Engine Manufacturing Centre in Wolverhampton which will power its future battery electric vehicles. However, there can be no assurances that the partnership will be successful in achieving its commercial objective or that Waymo will purchase the number of vehicles contemplated by its partnership or that its next-generation EDUs will be successful. In June 2019, Jaguar Land Rover announced a collaboration with BMW to develop next-generation EDUs to support the advancement of electrification technologies. As with its partnership with Waymo, there can be no assurances that the partnership will be successful in achieving its commercial objective. If the value proposition of electric vehicles fails to fully materialise, this could have a material adverse effect on its financial condition or results of operations.

In February 2021, Jaguar Land Rover announced its new global strategy, “Reimagine”, which envisions Jaguar to be a pure electric (i.e. 100 per cent. BEV) automotive brand from 2025 and Land Rover’s first BEV product scheduled to be launched in 2024 with a further 5 Land Rover models offering BEV options by 2026 (a total of 6 Land Rover models offering a BEV option). Furthermore, Jaguar Land Rover is targeting for the majority of sales to be pure BEV by 2030 and ultimately to be all pure BEV by 2036.

There can be no assurances that the milestones set in Jaguar Land Rover’s “Reimagine” strategy can be met on time, if at all, or that it will be successful in meeting consumer demands with its new and/or improved products. If Jaguar Land Rover is unable to meet its BEV development goals, it could have a material adverse effect on Jaguar Land Rover’s business, prospects, financial condition and results of operation.

Jaguar Land Rover’s competitors may be able to benefit from the cost savings offered by industry consolidation or alliances

Designing, manufacturing and selling vehicles is capital intensive and requires substantial investments in manufacturing, machinery, research and development, product design, engineering, technology and marketing in order to meet both consumer preferences and regulatory requirements. If Jaguar Land Rover’s competitors consolidate or enter into other strategic agreements such as alliances, they may be able to take better advantage of economies of scale. Competitors have created such strategic alliances in recent years including the Renault–Nissan–Mitsubishi Alliance and Stellantis (the merger between Fiat Chrysler and Peugeot). Jaguar Land Rover believes that competitors may be able to benefit from the cost savings offered by consolidation or alliances, which could adversely affect its competitiveness with respect to those competitors. Competitors could use consolidation or alliances as a means of enhancing their competitiveness (including through the acquisition of technology), which could also materially adversely affect its business if Jaguar Land Rover is not able to enhance its own collaborations or adapt effectively to increased competition.

Increases in the cost, or disruptions in the supply, of vehicle parts resulting from disasters and accidents could materially harm Jaguar Land Rover’s business

Jaguar Land Rover relies on a global network of suppliers for the inputs and logistics supporting its products and services. Jaguar Land Rover is exposed to disruptions in this supply chain resulting from natural disasters or man-made accidents. For example, on 12 August 2015, there was an explosion in the city port of Tianjin, one of three major ports in China through which Jaguar Land Rover imports its vehicles. Approximately 5,800 of its vehicles were stored at various locations in Tianjin at the time of the explosion and, as a result, Jaguar Land Rover recognised an exceptional charge of £245 million in the three months ended 30 September 2015. Subsequently, by 30 June 2017, net insurance proceeds and other recoveries were received, resulting in a full recovery. Substantial increases in the costs or a significant delay or sustained interruption in the supply of key inputs sourced from areas affected by disasters or accidents could adversely affect Jaguar Land Rover’s ability to maintain its current and expected levels of production, and therefore negatively affect its revenue and increase its operating expenses.

New or changing laws, regulations and government policies regarding improved fuel economy, reduced greenhouse gas and other emissions, and vehicle safety may have a significant effect on how Jaguar Land Rover does business

Jaguar Land Rover is subject throughout the world to comprehensive and constantly changing laws, regulations and policies. Please see “*Business of Jaguar Land Rover — Significant Environmental, Health, Safety and Emissions Issues — Environmental, health and safety regulation applicable to Jaguar Land Rover’s production facilities*” for an overview of these laws, regulations and policies. Jaguar Land Rover expects the number and extent of legal and regulatory requirements and the related costs of changes to its product line-up to continue to increase significantly in the future. In Europe and the United States, for example, governmental regulation is primarily driven by concerns about the environment (including greenhouse gas emissions), fuel economy, energy security and vehicle safety. In particular, the increasingly stringent regulatory environment in its industry, particularly with respect to vehicle emission regulations, is leading to heightened regulatory scrutiny and more investigations into vehicle manufacturers, including randomised testing. Jaguar Land Rover is subject to randomised testing and similar enquiries by regulatory authorities with a focus on emissions and environmental performance. In China, increasingly stringent tailpipe emissions and other regulations have been introduced by the Chinese government in the short-to-medium term future to reduce greenhouse gas emissions and improve air quality standards. Requirements to optimise vehicles in line with these governmental actions could significantly affect Jaguar Land Rover's plans for global product development and may result in substantial costs, including significant fines and penalties in cases of non-compliance, or the requirement to purchase credits to offset any CO_2 / greenhouse gas shortfall to requirement. These requirements may also result in limiting the types and amounts of vehicles it sells and where it sells them, which may affect its revenue.

To comply with current and future environmental norms, Jaguar Land Rover may have to incur additional capital expenditure and R&D expenditure to upgrade products and manufacturing facilities, install new emission controls or reduction technologies and purchase or otherwise obtain allowances to emit greenhouse gases, which would have an impact on its cost of production and the results of operations and may be difficult to pass through to its customers. If Jaguar Land Rover is unable to develop commercially viable technologies within the time frames set by the new standards, it could face significant civil penalties or be forced to restrict product offerings drastically to remain in compliance.

For example, in the United States, manufacturers are subject to substantial civil penalties if they fail to meet federal Corporate Average Fuel Economy ("**CAFE**") standards. These penalties have been calculated at U.S.$5.50 for each tenth of a mile below the required fuel-efficiency level for each vehicle sold in a model year in the U.S. market up to and including model year 2021, from model year 2022 that rate is increasing to U.S.$14.00 and then an annual index linked annual increase thereafter. Since 2010, Jaguar Land Rover has paid total penalties of U.S.$46 million for its failure to meet CAFE standards. In addition, as at 31 March 2021, a provision of £75 million was held to face the possible fine from European and United Kingdom regulators for failing to meet emission reduction targets. Further, post-Brexit, United Kingdom emissions will be calculated separately from European emissions as a result of which there is a possibility of increased penalties. Since 2011, Jaguar Land Rover has purchased approximately U.S.$109 million in credits from third party original equipment manufacturers ("**OEMs**") to offset its National Highway Traffic System Administration ("**NHTSA**"), EPA and California Air Resources Board ("**CARB**") penalties. Jaguar Land Rover expects to buy approximately U.S.$12 million in credits in Fiscal 2021 from third party OEMs to offset its expected NHTSA and EPA penalties for model year 2019 vehicles. Jaguar Land Rover could incur a substantial increase in these penalties, including as a result of increases in CAFE civil penalties to adjust for inflation. Additionally, Jaguar Land Rover expects to incur approximately £12 million in Fiscal 2021 for credit purchases in China and Jaguar Land Rover expects those annual costs to rise going forward, primarily as a result of increasing costs of new energy vehicle credits.

Jaguar Land Rover's "Reimagine" strategy aims to expand its pure battery electric offering from 2024, which supports Jaguar Land Rover's aim to reach fleet CO_2 compliance with consideration for global measures to support net zero ambitions as well as forecast stringent CO_2 or greenhouse gas regulations including the proposed ban on the sale of vehicles powered solely by internal combustion engine from 2030 allowing continuation of PHEV vehicles, and the total ban of all internal combustion engines including PHEV from 2035 in the UK and similar initiatives by other governments.

Moreover, environmental and safety standards may at times impose conflicting imperatives, which pose engineering challenges and would, among other things, increase its costs. While Jaguar Land Rover is pursuing the development and implementation of various technologies in order to meet the required standards in the various countries in which it sells its vehicles, the costs for compliance with these required standards could be significant to its operations and may materially and adversely affect its business, financial condition and results of operations.

Changes in tax, tariff or fiscal policies could adversely affect the demand for Jaguar Land Rover's products

Imposition of any additional taxes and levies designed to limit the use of automobiles could adversely affect the demand for Jaguar Land Rover's vehicles and its results of operations. Changes in corporate and other taxation policies as well as changes in export and other incentives given by various governments or import or tariff policies could also adversely affect its results of operations. For example, in the recent past, the announcement of unilateral tariffs on imported products by the United States triggered retaliatory actions from certain foreign governments and might trigger retaliatory actions by other foreign governments, potentially resulting in a “trade war”. A “trade war” of this nature or other governmental action related to tariffs or international trade agreements, the impact of which cannot yet be fully assessed, could negatively affect the economics of the end-markets in which Jaguar Land Rover operates (such as the United States and China), including regional or global demand for automobiles and automobile-components as well as its customers’ ability to purchase its cars.

The United Kingdom started to implement a 2 per cent. digital services tax, which applies to the revenue earned from 1 April 2020 onwards of large digital services businesses (such as social media platforms, search engines and online marketplaces). In particular, the digital service tax applies to businesses if their worldwide revenue from digital activities is more than £500 million and more than £25 million of this revenue is derived from United Kingdom users. When the United Kingdom announced the Digital Service Tax proposal, the United States Treasury indicated that such digital services tax could have a discriminatory effect on U.S. multinational digital companies and warned that the United States could take retaliatory actions – such as in the form of a tax on United Kingdom car exports to the United States. Additional developments may also occur that Jaguar Land Rover cannot currently know about or anticipate, or that may be impossible to plan for or protect against. Furthermore, in recent years, the Brazilian government has implemented increased import duty on foreign vehicles, along with related exemptions provided certain criteria are met. Such government actions may be unpredictable and beyond Jaguar Land Rover’s control, and any adverse changes in government policy could have a material adverse effect on its business prospects, results of operations and financial condition. It is possible that the effects of such geopolitical events will include further financial instability and slower economic growth, significant regulatory changes, currency fluctuations and higher unemployment and inflation in the United Kingdom, continental Europe and the global economy, at least in the short-to-medium term. It could also create constraints on Jaguar Land Rover’s ability to operate efficiently in the future political environment.

Finally, political responses to the economic consequences of the outbreak of the COVID-19 pandemic may include increases in taxes or implementation of new taxes in various jurisdictions.

Risks Associated with Jaguar Land Rover’s Business

Jaguar Land Rover’s future success depends on its ability to satisfy changing customer demands by offering attractive and innovative products in a timely manner and maintaining such products’ competitiveness, quality and premium brand positioning

Jaguar Land Rover’s operating and financial performance depends on continued demand for its existing products and providing its customers with new products that meet their needs and preferences. Consumer demand trends are affected by a variety of factors such as disposable income, brand reputation and environmental awareness, which can be difficult to predict and/or control. Jaguar Land Rover may fail to identify trends in customer needs and tastes in sufficient time to react to these changes (including by adapting Jaguar Land Rover’s strategy and business plan as necessary) and its attempts to position its brand and/or optimise its product portfolio to take advantage of market trends and consumer demand patterns may be ineffective. A misjudgement in Jaguar Land Rover’s strategy or delayed recognition of trends and customer needs and tastes in individual markets or other changes in requirements could lead to a decline in demand, sales and profitability of its products in the short term and, over the long-term, damage its brand. It could also lead to significantly unprofitable investments and associated costs.

Customer preferences, especially in many of the more mature markets, have trended towards smaller and more fuel efficient and environmentally friendly vehicles. In many markets, these preferences are driven by customers’ environmental concerns (including climate change), increases in fuel prices and government regulations (such as regulations regarding the level of CO_2 emissions, speed limits and higher taxes on SUVs or premium automobiles). The promotion of new technologies encourages customers to look beyond standard purchasing factors (such as price, design, performance, brand image and features) to differentiation of the technology used in the vehicle or the manufacturer or provider of this technology.

Such consumer preferences could materially affect Jaguar Land Rover’s ability to sell premium passenger cars and large or medium-sized all-terrain vehicles at current or targeted volume levels, and could have a material adverse effect on its general business activity, net assets, financial position and results of operations. Jaguar Land Rover’s operations may be significantly impacted if it fails to develop, or experiences delays in developing, fuel efficient vehicles that reflect changing customer preferences and meet the specific requirements of government regulations. Jaguar Land Rover’s competitors can gain significant advantages if they are able to offer vehicles that satisfy customer preference and government regulations earlier than Jaguar Land Rover is able to do so, which could adversely impact its sales, results of operations and financial condition. Delays or cost overruns in bringing new high-quality vehicles to market would adversely affect Jaguar Land Rover's business, financial condition, results of operations and cash flows.

Private and commercial users of transportation increasingly use modes of transportation other than the automobile, especially in connection with increasing urbanisation. The reasons for this include the rising costs related to automotive transport of people and goods, increasing traffic density in major cities and environmental awareness. In addition, the increased use of car sharing concepts (e.g. Zipcar and DriveNow) and other innovative mobility initiatives facilitates access to other methods of transport, thereby reducing dependency on private automobiles. Furthermore, non-traditional market participants and/or unexpected disruptive innovations may disrupt the established business model of the industry by introducing new technologies, distribution models and methods of transportation.

A change in consumer preferences away from larger vehicles towards smaller vehicles or vehicles equipped with smaller engines or a reduced dependency on private automobiles would have a material adverse effect on Jaguar Land Rover's general business activity and on its net assets, financial position and results of operations. The extent and impact of changing consumer preferences and behaviour due to the impact of the COVID-19 pandemic and the various government responses to the pandemic are unknown and impossible to predict at this time. Given the speed with which these changes have occurred and may occur, Jaguar Land Rover's ability to respond to such changes may be constrained.

There can be no assurance that Jaguar Land Rover's new models will meet its sales expectations, in which case it may be unable to realise the intended economic benefits of its investments, which would in turn materially affect its business, results of operations and financial condition. In addition, there is a risk that Jaguar Land Rover's quality standards can be maintained only by incurring substantial costs for monitoring and quality assurance. For Jaguar Land Rover's customers, one of the determining factors in purchasing its vehicles is the high quality of the products. A decrease in the quality of Jaguar Land Rover's vehicles (or if the public were to have the impression that such a decrease in quality had occurred) could damage its image and reputation as a premium automobile manufacturer and in turn materially affect its business, results of operations and financial condition.

In addition, product development cycles can be lengthy, and there is no assurance that new designs will lead to revenue from vehicle sales, or that Jaguar Land Rover will be able to accurately forecast demand for its vehicles, potentially leading to inefficient use of its production capacity. Additionally, its high proportion of fixed costs, due to its significant investment in property, plant and equipment, further exacerbates the risks associated with incorrectly assessing demand for Jaguar Land Rover vehicles.

Jaguar Land Rover's strategy to grow the business through capital investments may not be successful or as successful as it expects

Jaguar Land Rover's strategic priorities to grow its business include investing in new models and modular architectures and in autonomous, connected and electric technologies, as well as shared mobility services. Jaguar Land Rover continues to launch new and refreshed models such as the all-new Land Rover Defender and recently launched refreshed Jaguar F-PACE and expanded electrification options across its model range with plug -in hybrid variants of the Range Rover Evoque, Land Rover Discovery Sport, Land Rover Defender as well as Jaguar F-PACE, Range Rover Velar and Jaguar E-PACE most recently. Jaguar Land Rover's annual total product and other investment spending was £3.3 billion in Fiscal 2020 and was £2.3 billion in Fiscal 2021. Capital expenditure guidance for Jaguar Land Rover in Fiscal 2022 is £2.5 billion with the "Refocus" programme announced under the "Reimagine" strategy expected to continue to maintain the financial discipline successfully deployed previously under Project Charge+ and other initiatives.

Jaguar Land Rover aims to fund total product and other investment spending out of cash flows from operating activities supported by debt capital markets and bank funding as required. The protracted business disruption as a result of the COVID-19 pandemic had a significant impact to Jaguar Land Rover's business in Fiscal 2021 and Jaguar Land Rover continues to anticipate some supply disruptions due to the COVID-19 pandemic, including but not limited to semiconductor shortages to impact its business in Fiscal 2022. See "*—Jaguar Land Rover has been, and may in the future be, adversely affected by the COVID-19 pandemic, the duration and economic, governmental and social impact of which is difficult to predict, and which may significantly harm its business, prospects, financial condition and results of operations*" and "*— Disruptions to Jaguar Land Rover's supply chains or shortages of essential raw materials may adversely affect its production and results of operations*". As the situation is still evolving, it is not possible to fully quantify this impact. The effects of the COVID-19 pandemic may also contribute to changes in Jaguar Land Rover's strategy as it seeks to optimise its product portfolio and brand positioning.

Jaguar Land Rover's revenues for Fiscal 2021 were down compared to Fiscal 2020, primarily due to lower sales year-on-year as a result of the impact of COVID-19 pandemic, but sales continued to recover through the first half of Fiscal 2021 following the relaxation of social distancing measures in certain global markets.

The targets described above represent Jaguar Land Rover's strategic objectives and do not constitute capital spending and earnings projections or forecasts. These targets are based on a range of expectations and assumptions regarding, among other things, its present and future business strategies, volume growth, cost efficiencies, capital spending program and the environment in which it operates, which may prove to be inaccurate. While Jaguar Land Rover does not undertake to update its targets, it may change its targets from time to time. Actual results may differ materially from its targets. Accordingly, there can be no assurance that Jaguar Land Rover will achieve any of its targets, whether in the short, medium or long-term. The occurrence of one or more of the risks described in this "*Risk Factors*" section, many of which are beyond its control and could have an immediate impact on its earnings and/or the probability of which may be exacerbated in the medium to long term, could materially affect its ability to realise the targets described above. In particular, its capital spending target could be affected by investment needs arising from, among other factors, electrification, diesel uncertainty, emissions compliance, driver assistance, connectivity and mobility trends. As Jaguar Land Rover implements its strategy, its direct and indirect costs may also be impacted, including through the optimisation of its product portfolio and any repositioning of its brands. In addition, Jaguar Land Rover's ability to achieve its targets may be materially impaired by negative geopolitical and macroeconomic factors, such as the ongoing COVID-19 pandemic (see "*Risks Associated with the Automotive Industry — Jaguar Land Rover has been, and may in the future be, adversely affected by the COVID-19 pandemic, the duration and economic, governmental and social impact of which is difficult to predict, and which may significantly harm its business, prospects, financial condition and results of operation*"), industry trends, including market and competitive forces (such as higher incentives), new or the expansion of existing regulatory constraints, reduced customer demand for its vehicles, significant increases in its cost base, unexpected delays or failure in implementing or realising the benefits of its investments and the impact of its new capitalisation policy, in addition to the other factors described in this "*Risk Factors*" section.

Furthermore, Jaguar Land Rover operates in a very competitive and rapidly changing environment. Jaguar Land Rover may face new risks from time to time, and it is not possible for it to predict all such risks which may affect its ability to achieve the targets described above. Given these risks and uncertainties, Jaguar Land Rover may not achieve its targets at all or within the timeframe described above.

Jaguar Land Rover is more vulnerable to reduced demand for premium performance cars and all-terrain vehicles than automobile manufacturers with a more diversified product range

Jaguar Land Rover operates in the premium performance car and all-terrain vehicle segments, which are very specific segments of the premium passenger car market, and although it has expanded its model range in recent years, it has a more limited range of models than some of its competitors. Accordingly, Jaguar Land Rover's performance is linked to market conditions and consumer demand in those market segments in which it operates. Furthermore, some other premium performance vehicle manufacturers operate in a relatively broader spectrum of market segments, which makes them comparatively less vulnerable to reduced demand for any specific segment. Any downturn or reduction in the demand for premium passenger cars (including as a result of the disruptions caused by the COVID-19 pandemic) and all-terrain vehicles, or any reduced demand for Jaguar Land Rover's most popular models, in the geographic markets in which Jaguar Land Rover operates could have a more pronounced effect on its performance and earnings than would have been the case if it had operated in a larger number of different market segments.

Interest rate, currency and exchange rate fluctuations could adversely affect Jaguar Land Rover's results of operations

Jaguar Land Rover's operations are also subject to fluctuations in exchange rates with reference to countries in which it operates. Jaguar Land Rover sells vehicles in the United Kingdom, North America, Europe, China, Russia and many other markets and therefore generates revenues in, and has significant exposure to movements of, the U.S. dollar, euro, Chinese yuan, Russian rouble and other currencies relative to Sterling (its reporting currency). Accordingly, Jaguar Land Rover is exposed to a strengthening Sterling, since this would diminish Sterling value of its overseas sales. The United Kingdom's exit from the European Union (including subsequent negotiations on trade relationships) could also have a negative impact on the growth of the United Kingdom economy and cause further volatility in the value of Sterling, which is likely to affect its business. For example, after the United Kingdom general election, Sterling has appreciated despite the weak outlook for the United Kingdom's GDP and the Bank of England indicating that it may cut the interest rates. Due to the COVID-19 pandemic and uncertainties around Brexit, Sterling has recently depreciated against other currencies. Such general trend may reverse in future periods. A significant proportion of Jaguar Land Rover's input materials and components and capital equipment is sourced overseas, in particular from Europe, and therefore it has costs in, and significant exposure to the movement of, the euro (specifically a strengthening of the euro) and certain other currencies relative to Sterling (its reporting currency) which may result in decreased profits to the extent these are not fully mitigated by non- Sterling sales. The majority of Jaguar Land Rover's product development and manufacturing operations, as well as its global headquarters, are based in the United Kingdom, but it also has national sales companies which operate in the major markets in which it sells vehicles. As a result, Jaguar Land Rover has exposure to movements of the U.S. dollar, euro, Chinese yuan, Russian rouble and other currencies relative to Sterling and foreign exchange volatility may affect its results of operations, profitability and financial position.

Moreover, Jaguar Land Rover has foreign currency denominated debt outstanding and is sensitive to fluctuations in foreign currency exchange rates. Jaguar Land Rover has experienced, and expects to continue to experience, foreign exchange losses and gains on obligations denominated in foreign currencies in respect of its borrowings and foreign currency assets and liabilities due to currency fluctuations.

Jaguar Land Rover seeks to manage its foreign exchange and interest rate exposure through the use of financial hedging instruments, including foreign currency forward contracts, currency option contracts and cross-currency interest rate swaps. Jaguar Land Rover is, however, exposed to the risk that appropriate hedging lines for the type of risk exposures it is subject to may not be available at a reasonable cost, particularly during volatile rate movements, or at all. Moreover, there are risks associated with the use of such hedging instruments. Whilst mitigating to some degree its exposure to fluctuations in currency exchange rates, Jaguar Land Rover potentially forgo benefits that might result from market fluctuations in currency exposures. In addition, persisting uncertainty concerning the long-term impact of Brexit could cause volatility in Sterling against foreign currencies in which Jaguar Land Rover conducts business and heighten its translation risk. An unfavourable exchange rate trend could affect its operating results as well as its financial position and cash flow. Hedging transactions can also result in substantial losses. Such losses could occur under various circumstances, including, without limitation, any circumstances in which a counterparty does not perform its obligations under the applicable hedging arrangement (despite having ISDA agreements in place with each of its hedging counterparties), currency fluctuations, the arrangement is imperfect or ineffective, or its internal hedging policies and procedures are not followed or do not work as planned. In addition, because its potential obligations under the financial hedging instruments are marked to market, Jaguar Land Rover may experience quarterly and annual volatility in its operating results and cash flows attributable to its financial hedging activities.

Jaguar Land Rover has both interest-bearing assets (including cash balances) and interest-bearing liabilities, certain of which bear interest at variable rates (including the Term Loan Facility, the UKEF & Commercial Loan Facilities and the UK Fleet Financing Facility), whereas the Notes, the Existing Notes and the China Revolving Facility bear interest at fixed rates. Jaguar Land Rover is therefore exposed to changes in interest rates. While the directors revisit the appropriateness of these arrangements in light of changes to the size or nature of its operations, Jaguar Land Rover may be adversely affected by the effect of changes in interest rates. See "*— Changes or uncertainty in respect of LIBOR and/or SONIA may affect some of Jaguar Land Rover's financing arrangements*".

A decline in retail customers' purchasing power or consumer confidence or in corporate customers' financial condition and willingness to invest could significantly adversely affect Jaguar Land Rover's business

Demand for vehicles for personal use generally depends on consumers' net purchasing power, their confidence in future economic developments and changes in fashion and trends, while demand for vehicles for commercial use by corporate customers (including fleet customers) primarily depends on the customers' financial condition, their willingness to invest (motivated by expected future business prospects) and available financing. A decrease in potential customers' disposable income or their financial flexibility or an increase in the cost of financing will generally have a negative impact on demand for Jaguar Land Rover's products.

A weak macroeconomic environment, combined with restrictive lending and a low level of consumer sentiment generally, may reduce consumers' net purchasing power and lead existing and potential customers to refrain from purchasing a new vehicle, to defer a purchase further or to purchase a smaller model with fewer features at a lower price. A deteriorating macroeconomic environment may disproportionately reduce demand for luxury vehicles. It also leads to reluctance by corporate customers to invest in vehicles for commercial use and/or to lease vehicles, resulting in a postponement of fleet renewal contracts.

To stimulate demand, the automotive industry has offered customers and dealers price reductions on vehicles and services, which has led to increased price pressures and sharpened competition within the industry. As a provider of numerous high-volume models, Jaguar Land Rover's profitability and cash flows are significantly affected by the risk of rising competitive and price pressures. In recent years, incentive spending in the automotive industry has been increasing to stimulate demand for vehicles, which has also impacted Jaguar Land Rover and has ultimately led to an increase in the cost of sales attributable to those incentives, although incentive spending has decreased in Fiscal 2021.

Special sales incentives and increased price pressures in the new car business also influence price levels in the used car market, with a negative effect on vehicle resale values. This may have a negative impact on the profitability of the used car business in Jaguar Land Rover's dealer organisation.

Reductions in the availability of consumer financing and used car valuations or an increase in the cost of consumer financing could materially and adversely affect its sales and results of operations.

Jaguar Land Rover has consumer finance arrangements in place with Black Horse Limited (part of the Lloyds Banking Group) in the United Kingdom, FCA Bank S.p.A. (a joint venture between Fiat Auto and Crédit Agricole) in major European markets and Chase Auto Finance in the United States and has similar arrangements with local providers in a number of other key markets.

Any reduction in the supply of available consumer financing for the purchase of new vehicles or an increase in the cost thereof would make it more difficult for some of Jaguar Land Rover's customers to purchase its vehicles, which could put it under commercial pressure to offer new (or expand existing) retail or dealer incentives to maintain demand for its vehicles, thereby materially and adversely affecting its sales and results of operations. For example, during the global financial crisis, several providers of customer finance reduced their supply of consumer financing for the purchase of new vehicles.

Furthermore, Jaguar Land Rover offers, or has in the past offered, residual value guarantees on the purchase of certain leases in some markets. The value of these guarantees is dependent on used car valuations in those markets at the end of the lease, which is subject to change. Consequently, Jaguar Land Rover may be adversely affected by movements in used car valuations in these markets.

Vehicle retail sales depend in part on the availability of affordable financing

Base interest rates in developed economies, specifically the United States and the United Kingdom, are still relatively low, despite recent increases, due to, among other things, expansive government monetary policies. If interest rates rise generally, market rates for new vehicle financing would be expected to rise as well, which may make Jaguar Land Rover's vehicles less affordable to retail consumers or steer consumers to less expensive vehicles that tend to be less profitable for it, adversely affecting its financial condition and results of operations. Additionally, if consumer interest rates increase substantially or if financial service providers tighten lending standards or restrict their lending to certain classes of credit, consumers may not desire to or be able to obtain financing to purchase or lease Jaguar Land Rover vehicles. An increase in interest rates due to tightening monetary policy or for any other reason would result in increased costs for Jaguar Land Rover to the extent it decided to absorb the impact of such increase and/or consumers. As a result, a substantial increase in consumer interest rates or tightening of lending standards could have a material adverse effect on its business, financial condition and results of operations.

Jaguar Land Rover's significant reliance on key markets increases the risk of negative impact of adverse change in customer demand in those countries

Jaguar Land Rover has a significant presence in the United Kingdom, Chinese, North American and continental European markets from which it derives the substantial majority of its revenue. A decline in demand for its vehicles in these major markets may in the future significantly impair its business, financial position and results of operations. For example, the adverse public perception towards diesel powered vehicles, resulting from emissions scandals and tax increases on diesel vehicles, has precipitated a sharp fall in diesel sales, primarily in the United Kingdom and Europe, and created uncertainty for customers that could further impact its sales of diesel vehicles in the future. Additionally, the recent COVID-19 pandemic severely impacted Jaguar Land Rover's sales and the supply of vehicles starting from the fourth quarter of Fiscal 2020. Jaguar Land Rover's retail sales were 439,588 vehicles in Fiscal 2021, down 13.6 per cent. year-on-year, with most of that volume decline occurring in the first quarter, with Europe down 59.1 per cent. year-on-year and the United Kingdom down 70 per cent. year-on-year in the first quarter of Fiscal

2021. Whilst retail sales in China was strong in Fiscal 2021, reaching 111,206 vehicles or up 23.4 per cent. year-on-year, sales in other regions have not yet recovered to pre-COVID-19 pandemic levels, with North America down 14.3 per cent., the United Kingdom down 22.2 per cent., Europe down 26.0 per cent., and Overseas markets down 26.8 per cent.

Jaguar Land Rover is encouraged by the continued recovery across each region. However, there remains a considerable uncertainty about the extent, speed and regional differences of any such recovery, including any longer term impacts on Jaguar Land Rover's business and the possibility of COVID-19 related disruptions, including but not limited to semiconductor shortages (see — *Disruptions to Jaguar Land Rover's supply chains or shortages of essential raw materials may adversely affect its production and results of operations*").

In addition, Jaguar Land Rover's strategy, which includes new product launches and expansion into growing markets, may not be sufficient to mitigate a decrease in demand for its products in mature markets in the future, which could have a significant adverse impact on its financial performance.

Disruptions to Jaguar Land Rover's supply chains or shortages of essential raw materials may adversely affect its production and results of operations

Jaguar Land Rover relies on third parties for sourcing raw materials, parts and components used in the manufacture of its products. At the local level, Jaguar Land Rover is exposed to reliance on smaller enterprises where the risk of insolvency is greater. Furthermore, for some parts and components, Jaguar Land Rover is dependent on a single source. Jaguar Land Rover's ability to procure supplies in a cost-effective and timely manner or at all is subject to various factors, some of which are not within its control. For instance, Brexit could lead to reduced access to the European Union single market and to the global trade deals negotiated by the European Union on behalf of its members, which could affect the imports of raw materials, parts and components and disrupt its supplies. Furthermore, there is the risk that manufacturing capacity does not meet, or exceeds, sales demand thereby compromising business performance and without any near-term remedy given the time frames and investments required for any change.

While Jaguar Land Rover manages its supply chain as part of its supplier management process, any significant problems with its supply chain or shortages of essential raw materials in the future could affect its results of operations in an adverse manner.

Adverse economic conditions and falling vehicle sales have had a significant financial impact on Jaguar Land Rover's suppliers in the past. Recently, the business disruptions caused by the COVID-19 pandemic has had and continues to have an impact on Jaguar Land Rover's supply chain. Jaguar Land Rover's supply chain is global in nature and different countries implement lockdowns and restrictions in different ways and at different times, and this has exacerbated the uncertainty of the impact on its business (see "*Risks Associated with the Automotive Industry — Jaguar Land Rover has been, and may in the future be, adversely affected by the COVID-19 pandemic, the duration and economic, governmental and social impact of which is difficult to predict, and which may significantly harm its business, prospects, financial condition and results of operation*").

In particular, many major automotive companies have been and are continuing to experience a shortage of semiconductors, used in the production of automotive chips and charging or other components of electric vehicles. As much as approximately 70 per cent. of semiconductors produced globally are manufactured by only two companies, Taiwan Semiconductor Manufacturing Company Limited and Samsung, both of which have been operating at reduced capacity for the past year due to proactive local government actions in response to the spread of COVID-19, contributing as one of the factors amongst others which has resulted in a global shortage of semiconductors supply. Jaguar Land Rover, like other automotive manufacturers, is similarly experiencing shortages in its supply of semi-conductors, which in turn has an impact on its production schedules and its ability to meet global demand for some of its vehicles. Jaguar Land Rover has adjusted production schedules for certain vehicles where its Castle Bromwich and Halewood manufacturing plants have reduced its operations and may also have to adjust production schedules of its vehicles manufactured in Solihull plant due to the semiconductor shortage. There can be no assurance that Jaguar Land Rover will be able to source for alternative supplies of semiconductors nor that such alternative supplies of semiconductors will be readily available. The shortage of semiconductors has and will continue to impact Jaguar Land Rover in the near future. In the event that such shortage situation continues for a prolonged time, it could have a material and adverse impact on production, which would materially affect Jaguar Land Rover's business, financial condition and results of operations. In addition, the shortage of semiconductors could also have an adverse impact on the implementation of

Jaguar Land Rover's "Reimagine" strategy to expand into electric vehicles, which uses approximately four to six times the amount of semiconductors as compared to that used in the average vehicle today.

Deterioration in automobile demand and lack of access to sufficient financial arrangements for Jaguar Land Rover's supply chain could impair the timely availability of components to it. In addition, if one or more of the other global automotive manufacturers were to become insolvent, this would have an adverse impact on supply chains and may further adversely affect Jaguar Land Rover's results of operations. Jaguar Land Rover is also exposed to supply chain risks relating to lithium-ion cells, which are critical for its electric vehicle production. Any disruption in the supply of battery cells from such suppliers could disrupt production of Jaguar Land Rover's vehicles and, in particular, significantly affect Jaguar Land Rover's "Reimagine" strategy which envisions the launch of the all-electric Land Rover model in 2024. The severity of this risk is likely to increase as Jaguar Land Rover and other manufacturers expands the production of electric vehicles and the demand for such vehicles increases.

Jaguar Land Rover has also entered into supply agreements with certain third parties for critical components but is now also manufacturing its own in-house engines, reducing the need for third party suppliers. Jaguar Land Rover may not be able to manufacture certain types of engines or find a suitable replacement supplier in a timely manner in the event of any disruption in the supply of parts, and other hardware or services provided to it by third party suppliers for the development of its in-house engines and such disruption could have a material adverse impact on its operations, business and/or financial condition.

Increases in input prices may have a material adverse impact on Jaguar Land Rover's result of operations

In Fiscal 2021 and Fiscal 2020, Jaguar Land Rover's material and other cost of sales (excluding exceptional items) constituted 62.5 per cent. and 63.9 per cent., respectively, of its total revenue. Prices of commodities used in the manufacture of automobiles, including steel, aluminium, copper, zinc, rubber, lithium, platinum, palladium and rhodium, have experienced periods of increased volatility in recent years. The COVID-19 pandemic has a significant impact on the supply of precious metals as certain countries where such precious metals are mined shut down their operations during national measures such as lockdowns aimed at reducing the spread of the virus. Furthermore, prices of commodity items such as steel, non-ferrous metals, precious metals, rubber and petroleum products may rise significantly. Most of these inputs are priced in U.S. dollars on international markets. While Jaguar Land Rover continues to pursue cost reduction initiatives, an increase in the price of input materials could severely impact its profitability to the extent such increase cannot be absorbed by the market through price increases and/or could have a negative impact on demand. In addition, because of intense price competition and fixed costs base, Jaguar Land Rover may not be able to adequately address changes in commodity prices even if they are foreseeable. Please see "*Risks Associated with the Automotive Industry — Deterioration in global economic conditions could have a significant adverse impact on Jaguar Land Rover's sales and results of operations*".

In addition, Jaguar Land Rover is exposed to the risk of contraction in the supply, and a corresponding increase in the price of, rare and frequently highly sought-after raw materials, especially those used in vehicle electronics such as rare earth metals, which are predominantly produced in China. Rare earth metal prices and supply remain uncertain. China has in the past, limited the export of rare earths from time to time. If Jaguar Land Rover is unable to find substitutes for such raw materials or pass price increases on to customers by raising prices, or to safeguard the supply of scarce raw materials, its vehicle production, business and results from operations could be affected.

Jaguar Land Rover is also exposed to supply chain risks relating to lithium-ion cells which are critical for its electric vehicle production. Any disruption in the supply of battery cells from such suppliers could disrupt production of its vehicles. The severity of this risk is likely to increase as Jaguar Land Rover and other manufacturers increase electric vehicle production.

Jaguar Land Rover presently manages the risks for some of these commodities through the use of fixed price supply contracts with tenors of up to 12 months and the use of financial derivatives pursuant to a defined hedging policy. However, Jaguar Land Rover's hedging transactions may not adequately protect it against these risks. In addition, if markets move adversely, Jaguar Land Rover may incur financial losses on such hedging transactions, which could have a material adverse impact on its financial condition and results of operations.

The value of Jaguar Land Rover's tangible and intangible assets as reported in its consolidated financial statements may need to be impaired or written off

At least once a year, Jaguar Land Rover reviews whether the value of tangible and intangible assets may be impaired based on the underlying cash-generating units. If there is objective evidence that the carrying amount is higher than the recoverable amount for the asset concerned, Jaguar Land Rover incurs an impairment loss. An impairment loss may be triggered, among other things, by an increase in interest rates. As a consequence, Jaguar Land Rover may need to take an impairment loss as of a future balance sheet date. For instance, in the three months ended 31 December 2018 and Fiscal 2019, Jaguar Land Rover recognised an exceptional impairment charge of £3,105 million. In an effort to implement the "Reimagine" strategy, a one-time exceptional charge of £1,486 million in the three months ended 31 March 2021 and for Fiscal 2021, which comprised of a one-time non-cash write downs of £952 million for previously planned products that will not be completed and £534 million of restructuring costs. There is no assurance that Jaguar Land Rover will not take any similar or other impairment or write off in the future.

Jaguar Land Rover is exposed to various operational risks, including cybersecurity risks in connection with the use of information technology

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This includes, among other things, losses that are caused by a lack of controls within internal procedures, violation of internal policies by employees, disruption or malfunction of IT systems, computer networks and telecommunications systems, mechanical or equipment failures, human error, natural disasters, security breaches or malicious acts by third parties (including, for example, hackers), whether affecting Jaguar Land Rover's systems or affecting those of third-party logistics providers. Jaguar Land Rover is generally exposed to risks in the field of information technology, since unauthorised access to or misuse of data processed on its IT systems, human errors associated therewith or technological failures of any kind could disrupt its operations, including the manufacturing, design and engineering processes. In particular, as vehicles become more technologically advanced and connected to the internet, Jaguar Land Rover vehicles may become more susceptible to unauthorised access to their systems. Failing to safeguard personal data could result in regulatory censure, fines (e.g. under GDPR) with consequential reputational and financial damage. Cyber-attacks against the IT infrastructure could compromise or significantly disrupt Jaguar Land Rover's core capabilities to deliver products for its customers. In extreme cases, this could compromise the personal safety of Jaguar Land Rover's customers and colleagues. Like any other business with complex manufacturing, research, procurement, sales and marketing and financing operations, Jaguar Land Rover is exposed to a variety of operational risks and, if the protection measures put in place prove insufficient (especially given the harsher sanctions imposed under the new GDPR), Jaguar Land Rover's results of operations and financial condition can be materially adversely affected. In addition, Jaguar Land Rover would likely experience negative press and reputational impacts.

Jaguar Land Rover may incur significant costs to comply with, or face civil and criminal liability for infringements of, the GDPR

In April 2016, the European Union enacted the GDPR. The GDPR is a uniform framework setting out the principles for legitimate data processing and came into force on 25 May 2018. The introduction of the GDPR strengthens individuals' rights and imposes stricter requirements on companies processing personal data. The new regime may impose a substantially higher compliance burden on Jaguar Land Rover and limit its rights to process personal data, lead to cost-intensive administration processes, oblige it to provide the personal data that it records to customers in a form that would require additional administrative processes or require substantial changes in its IT environment. Additionally, there are much greater sanctions in case of violations of the GDPR requirements compared to the previous regime. These sanctions depend on the nature of the infringed provision and may consist of civil liabilities and criminal sanctions. For example, criminal sanctions for compliance failures have increased from its previous level in the United Kingdom of £500,000 to up to €20,000,000 or 4 per cent. of annual worldwide turnover (whichever is higher). Jaguar Land Rover's failure to implement and comply with the GDPR could significantly affect its reputation and relationships with its customers and suppliers, and civil and criminal liabilities for the infringement of data protection rules could have a significant negative effect on its financial position.

Jaguar Land Rover's production facilities are highly regulated and it may incur significant costs to comply with, or address liabilities under, environmental, health and safety laws and regulations applicable to them

Jaguar Land Rover's production facilities are subject to a wide range of increasingly strict environmental, health and safety requirements. These requirements address, among other things, air emissions, wastewater discharges, releases into the environment, human exposure to hazardous materials, the storage, treatment, transportation and disposal of wastes and hazardous materials, the investigation and clean-up of contamination, process safety and the maintenance of health and safety conditions in the workplace. Many of its operations require permits and controls to monitor or reduce pollution. Jaguar Land Rover has incurred, and will continue to incur, substantial on-going capital and operating expenditures to ensure compliance with current and future environmental, health and safety laws and regulations. Violations of these laws and regulations could result in the imposition of significant fines and penalties, the suspension, revocation or non-renewal of its permits, production delays or limitations, imprisonment, or the closure of its plants. Other environmental, health and safety laws and regulations could impose restrictions or onerous conditions on the availability or the use of raw materials Jaguar Land Rover needs for its manufacturing process.

Jaguar Land Rover's business and manufacturing processes result in the emission of greenhouse gases such as Carbon Dioxide. Jaguar Land Rover expects legal requirements to reduce greenhouse gases to become increasingly more stringent and costly to address over time. For example, the European Union Emissions Trading Scheme ("**EU ETS**"), a European Union-wide system in which allowances to emit greenhouse gases are issued and traded, is as of the date of this Offering Circular, in Phase III and currently applies to three manufacturing facilities in the United Kingdom, and for its Slovakia manufacturing facility. The free allocation of EU ETS carbon allowances significantly reduces in Phase IV of the scheme (from the start of 2021) and, as a result, Jaguar Land Rover will be required to purchase an increased number of allowances, potentially at substantial cost. The forecasted amount is subject to further evaluation based on the final terms of the Brexit negotiations and their impact on the regulated carbon schemes. In any event, there will be a cost to purchase credits in Slovakia.

In response to increased public interest, carbon legislation is rapidly evolving around the globe. The implementation requirements differ, with some countries such as the United Kingdom setting targets for "Net Zero Carbon" attainment by 2050. In other countries, timeframes and the degree of commitment varies.

Jaguar Land Rover has a Climate Change Agreement ("**CCA**") in the United Kingdom which covers its three vehicle manufacturing plants and one of its Special Operations facilities. This requires Jaguar Land Rover to deliver a 15 per cent. reduction in energy use per vehicle by 2020 compared to the 2008 baseline. A consultation is currently underway on future targets. In addition, in the United Kingdom, Jaguar Land Rover is required to comply with the Streamlined Energy and Carbon Reporting Scheme ("**SECR**") which replaced reporting under the previous regime in 2020 and is compulsory for operations of entities in the United Kingdom.

The Best Available Techniques Reference Document ("**BREF**") for its paint shops has been under review and in 2019 changes have been proposed, including the lowering of permissible emissions to 30g/m2. It is possible that Jaguar Land Rover's paint shops will need to adhere to the revised BREF requirements within four years from its issue date and, in any event, its paint shop in Slovakia will need to meet this requirement.

Many of Jaguar Land Rover's sites have an extended history of industrial activity. Jaguar Land Rover may be required to investigate and remediate contamination at those sites, as well as properties it formerly operated, regardless of whether it caused the contamination or the activity causing the contamination was legal at the time it occurred. For example, some of its buildings at the Solihull plant and other plants in the United Kingdom are undergoing an asbestos removal programme in connection with on-going refurbishment and rebuilding. In its overseas facilities prior to purchase, Jaguar Land Rover undertook studies that informed it of the presence of contamination or otherwise in the ground prior to development. In Brazil, its manufacturing site is adjacent to a facility (the "**Itatiaia West**" site), where organic solvent contamination of the ground had previously occurred. Jaguar Land Rover has purchased the Itatiaia West site and is currently progressing relevant permits for operation and developing plans for further remediation of the organic solvent contamination. The Itatiaia West site is listed on the Environmental Regulators site (*Instituto Estadual do Ambiente*) as contaminated. Some of these historical issues are being addressed in conjunction with its site development works whilst others are subject to ongoing treatment regimes.

In connection with contaminated properties, as well as its operations generally, Jaguar Land Rover also could be subject to claims by government authorities, individuals and other third parties seeking damages for alleged personal injury or property damage or damage to natural resources resulting from hazardous substance contamination or exposure caused by its operations, facilities or products. The discovery of previously unknown contamination, or the imposition of new obligations to investigate or remediate contamination at its facilities, could result in substantial unanticipated costs. Jaguar Land Rover could be required to establish or substantially increase financial reserves for such obligations or liabilities and, if it fails to accurately predict the amount or timing of such costs, the related adverse impact on its business, financial condition or results of operations could be material. Jaguar Land Rover may incur significant reputational damage, which could materially impact its brands and sales, if it fails to maintain and improve its environmental, social and governance practices.

Jaguar Land Rover's business could be subject to the effects of climate change

Jaguar Land Rover's manufacturing operations and sales may be subject to potential physical impacts of climate change, including changes in weather patterns and an increased potential for extreme weather events, which could affect the manufacture and distribution of its products and the cost and availability of raw materials and components. It could also affect transportation preferences, the demand for its products and result in additional greenhouse gas regulation that could increase its operating costs.

Any inability to implement its strategy by entering new markets may adversely affect Jaguar Land Rover's results of operations

Jaguar Land Rover's strategy includes the expansion of its operations in emerging markets and other parts of the world which feature higher growth potential than many of the more mature automotive markets in developed countries. The costs associated with entering and establishing itself in new markets, and expanding such operations may, however, be higher than expected, and it may face significant competition in those regions. In addition, Jaguar Land Rover's international business faces a range of risks and challenges, including language barriers, cultural differences, difficulties in staffing and managing overseas operations, inherent difficulties and delays in contract enforcement and the collection of receivables under the legal systems of foreign countries, the risk of non-tariff barriers, regulatory and legal requirements affecting its ability to enter new markets through joint ventures with local entities, difficulties in obtaining regulatory approvals, environmental permits and other similar types of governmental consents, difficulties in negotiating effective contracts, obtaining the necessary facility sites or marketing outlets or securing essential local financing, liquidity, trade financing or cash management facilities, export and import restrictions, multiple tax regimes (including regulations relating to transfer pricing and withholding and other taxes on remittances and other payments from subsidiaries), foreign investment restrictions (including restrictions on incentives offered by foreign governments for investment in their jurisdictions), foreign exchange controls and restrictions on repatriation of funds, other restrictions on foreign trade or investment sanctions, and the burdens of complying with a wide variety of foreign laws and regulations. If Jaguar Land Rover is unable to manage risks related to its expansion and growth in other parts of the world and therefore fails to establish a strong presence in those higher growth markets, its business, results of operations and financial condition could be adversely affected or its investments could be lost.

Under-performance of its distribution channels may adversely affect Jaguar Land Rover's sales and results of operations

Jaguar Land Rover products are sold and serviced through a network of authorised dealers and service centres across its domestic market, and a network of distributors and local dealers in international markets. Jaguar Land Rover monitors the performance of its dealers and distributors and provides them with support to assist them to perform to its expectations. There can be no assurance, however, that its expectations will be met. Any under-performance by its dealers, distributors or service centres could adversely affect its sales and results of operations.

The COVID-19 pandemic had and continues to impact Jaguar Land Rover's retailer network with new lockdown measures causing showroom closures notably in the United Kingdom and Europe and such external disruption could similarly impact Jaguar Land Rover's retailer network in the future. If dealers or importers encounter financial difficulties and its products and services cannot be sold or sold only in limited numbers, this would have a direct effect on the retail sales of such dealers and importers. Additionally, if it cannot replace the affected dealers or importers with other franchises, the financial difficulties experienced by such dealers or importers could have an indirect effect on its wholesales.

Consequently, Jaguar Land Rover could be compelled to provide additional support for dealers and importers and, under certain circumstances, may even take over their obligations to customers, which would adversely affect its financial position and results of operations in the short term.

In order to optimise market performance, sales channels must be aligned to the buying habits of Jaguar Land Rover's customers, including through traditional showrooms but by also embracing increasingly more innovative sales channels such as virtual showrooms and online purchasing. In addition, inadequate sales and service performance could negatively impact the reputation of Jaguar Land Rover's brands. Failure to deliver a superior sales service through the retailer channels will lead to a weakening in Jaguar Land Rover's competitive advantage potentially impacting its business and financial performance.

Jaguar Land Rover may be adversely impacted by political instability, wars, terrorism, multinational conflicts, natural disasters, fuel shortages/prices, epidemics, labour strikes and other risks in the markets in which it operates

Jaguar Land Rover products are exported to a number of geographical markets and it plans to expand its international operations further in the future. Consequently, Jaguar Land Rover is subject to various risks associated with conducting its business both within and outside its domestic market and its operations may be subject to political instability, wars, terrorism, regional and/or multinational conflicts, natural disasters and extreme weather, fuel shortages/prices, epidemics and pandemics (such as the ongoing COVID-19 pandemic) and labour strikes. Any disruption of the operations of Jaguar Land Rover's manufacturing, design, engineering, sales, corporate and other facilities could materially and adversely affect its business, prospects, financial condition and results of operations. In addition, conducting business internationally, especially in emerging markets, exposes it to additional risks, including adverse changes in economic and government policies, unpredictable shifts in regulation, inconsistent application of existing laws and regulations, unclear regulatory and taxation systems and divergent commercial and employment practices and procedures. If any of these events were to occur, there can be no assurance that Jaguar Land Rover would be able to shift its manufacturing, design, engineering, sales, corporate and other operations to alternate sites in a timely manner, or at all. Any significant or prolonged disruptions or delays in its operations related to these risks could adversely impact Jaguar Land Rover's results of operations. See "*Risks Associated with the Automotive Industry — Jaguar Land Rover has been, and may in the future be, adversely affected by the COVID-19 pandemic, the duration and economic, governmental and social impact of which is difficult to predict, and which may significantly harm its business, prospects, financial condition and results from operations*". In particular, Jaguar Land Rover is vulnerable to supply chain disruptions resulting from natural disasters, pandemics (such as the COVID-19 pandemic) or accidents. A significant delay or sustained interruption in the supply of key inputs sourced from areas affected by disasters or accidents could materially and adversely affect Jaguar Land Rover's ability to maintain its current and expected levels of production, and therefore negatively affect its revenues and increase its operating expenses.

Jaguar Land Rover is a global organisation, and are therefore vulnerable to shifts in global trade and economic policies and outlook. Policies that result in countries withdrawing from trade pacts, increasing protectionism and undermining free trade could substantially affect its ability to operate as a global business. Additionally, negative sentiments towards foreign companies among Jaguar Land Rover's overseas customers and employees could adversely affect its sales as well as its ability to hire and retain talented people. A negative shift in either policies or sentiment with respect to global trade and foreign businesses could have a material adverse effect on its business, prospects, results of operations and financial condition.

A change in requirements under long-term supply arrangements committing it to purchase minimum or fixed quantities of certain parts, or to pay a minimum amount to the seller, could have a material adverse impact on Jaguar Land Rover's financial condition or results of operations

Jaguar Land Rover has entered into a number of long-term supply contracts that require it to purchase a fixed quantity of parts to be used in the production of its vehicles (e.g., "take-or-pay" contracts). If its need for any of these parts were to lessen, Jaguar Land Rover could still be required to purchase a specified quantity of the part or pay a minimum amount to the seller pursuant to the take-or-pay contract, which could have a substantial adverse effect on its financial condition or results of operations.

Jaguar Land Rover has a limited number of manufacturing, design and engineering facilities and any disruption in the operations of those facilities could adversely affect its business, financial condition or results of operations

Jaguar Land Rover has four wholly owned manufacturing facilities and two design and engineering centres in the United Kingdom, a manufacturing plant in Slovakia, a manufacturing plant in Brazil and a manufacturing facility in China, which Jaguar Land Rover owns together with its joint venture partner Chery, among other manufacturing locations, see "*Business of Jaguar Land Rover — Properties and Facilities*". Jaguar Land Rover could experience disruption to its manufacturing, design and engineering capabilities for a variety of reasons, including, among others, extreme weather, fire, theft, system failures, natural catastrophes, mechanical or equipment failures and similar risks. Jaguar Land Rover is particularly exposed to such disruptions due to the limited number of its facilities. Any significant disruptions could adversely affect its ability to design, manufacture and sell its products and, if any of those events were to occur, Jaguar Land Rover cannot be certain that it would be able to shift its design, engineering and manufacturing operations to alternative sites in a timely manner or at all. Any such disruption could therefore materially affect Jaguar Land Rover's business, financial condition or results of operations.

Jaguar Land Rover is exposed to liquidity risks

Jaguar Land Rover's main sources of liquidity are cash generated from operations, the Existing Notes, the Term Loan Facility, external debt in the form of factoring discount facilities, and other revolving credit facilities and, if necessary, financial support from its parent company.

Any adverse changes in the global economic and financial environment may result in lower consumer demand for vehicles, and prevailing conditions in credit markets may adversely affect both consumer demand and the cost and availability of finance for Jaguar Land Rover's business and operations. If the global economy goes into recession and consumer demand for Jaguar Land Rover's vehicles drops, as a result of higher oil prices, excessive public debt or for any other reasons, and the supply of external financing becomes limited, Jaguar Land Rover may face significant liquidity risks.

In addition, Jaguar Land Rover's sales profile influences its operating and financial results on a quarter to quarter basis. The sales volumes and prices for its vehicles are influenced by the cyclicality and seasonality of demand for these products. Jaguar Land Rover is affected by the biannual change in age related registration plates of vehicles in the United Kingdom, when new vehicle registrations take effect in March and September, which in turn has an impact on the resale value of vehicles. This leads to an increase in sales during the period when the aforementioned change occurs. Jaguar Land Rover's summer and winter shutdowns have a significant seasonal impact on its financial results, including working capital and cash flows. Sales in the automotive industry have been cyclical in the past and Jaguar Land Rover expects this cyclicality to continue. In Fiscal 2021, particularly in the first quarter of Fiscal 2021, Jaguar Land Rover's cash flow generation was impacted by the temporary plant shutdowns resulting from the COVID-19 pandemic, however cash flow was positive from the second quarter of Fiscal 2021 as sales recovered following the relaxation of social distancing measures. In Fiscal 2021 as a whole, Jaguar Land Rover recorded positive free cash flows.

Jaguar Land Rover is also subject to various types of restrictions or impediments on the ability of companies in the Group in certain countries to remit cash across the Group other than through dividends. These restrictions or impediments are caused by exchange controls, withholding taxes on dividends and distributions and other similar restrictions in the markets in which Jaguar Land Rover operates. At 31 March 2021, Jaguar Land Rover had cash and cash equivalents of £3,778 million (up from £2,271 million at 31 March 2020), short-term investments (including bank deposits with a maturity of between three and 12 months, tri-party repurchase agreements and direct investments in the United Kingdom and U.S. government bonds) of £1,004 million (down from £1,393 million as at 31 March 2020) and undrawn committed facilities of £1,935 million, same as at 31 March 2020). The total amount of cash and cash equivalents includes £298 million held in subsidiaries of the Issuer outside the United Kingdom as at 31 March 2021. Jaguar Land Rover's available liquidity as at 31 March 2021 was £6,720 million. The cash in some of these jurisdictions is subject to certain restrictions on cash pooling, intercompany loan arrangements or interim dividends. However, annual dividends are generally permitted and Jaguar Land Rover does not believe that these restrictions have, or are expected to have any impact on its ability to meet its cash obligations.

Changes in Jaguar Land Rover's credit rating could adversely affect its ability to obtain future financing and the value of the Notes

Any credit ratings assigned to the Jaguar Land Rover or its debt securities may not reflect the potential impact of all risks related to structure, market, additional risk factors discussed in this Offering Circular and other factors that may affect the value of its debt securities. A credit rating is not a recommendation to buy, sell or hold securities. Credit rating agencies continually review the ratings they have assigned and their ratings may be subject to revision, suspension or withdrawal by the rating agency at any time.

From December 2018 to July 2019, three credit rating agencies downgraded Jaguar Land Rover's corporate family rating and its senior unsecured debt rating, with each credit rating agency downgrading each of the aforementioned credit ratings by one notch. More recently, the ongoing COVID-19 pandemic and economic slowdown in certain geographic areas have led to Standard & Poor's Rating Group downgrading Jaguar Land Rover's credit rating by one notch in April 2020 and Moody's Investors Service ("**Moody's**") downgrading its outlook from Under Review to Negative in June 2020. While recently, Moody's revised the outlook to stable, if the disruption to the business as a result of the various external challenges such as COVID-19 pandemic or semiconductor shortages continues and increases further or the impact is worse than anticipated, Jaguar Land Rover may see further downgrades in its credit rating in the future or improvement in credit ratings could be impacted. See "*Risks Associated with the Automotive Industry — Jaguar Land Rover has been, and may in the future be, adversely affected by the COVID-19 pandemic, the duration and economic, governmental and social impact of which is difficult to predict, and which may significantly harm its business, prospects, financial condition and results from operations*". A downgrade in Jaguar Land Rover's credit rating may negatively affect its ability to obtain future financing to fund its operations and capital needs, which may affect its liquidity. It may also increase its financing costs by increasing the interest rates of its outstanding debt or the interest rates at which it is able to refinance existing debt or incur additional debt. It may also adversely affect the value and trading of the Notes.

Jaguar Land Rover's substantial indebtedness could adversely affect its financial health and ability to withstand adverse developments and could prevent Jaguar Land Rover from fulfilling its indebtedness obligations

Jaguar Land Rover has a significant amount of indebtedness and substantial debt service obligations. As at 31 March 2021, Jaguar Land Rover had outstanding indebtedness on a consolidated basis of £6,697 million.

Jaguar Land Rover's substantial indebtedness could have important consequences. It will, among other things:

- require Jaguar Land Rover to dedicate a substantial portion of its operating cash flows to making periodic principal and interest payments on its indebtedness, thereby limiting its ability to make investments or acquisitions or to take advantage of significant business opportunities, thus placing it at a competitive disadvantage compared to its competitors that have less debt;
- make it more difficult for Jaguar Land Rover to satisfy its obligations with respect to its indebtedness;
- increase Jaguar Land Rover's vulnerability to general adverse economic and industry conditions;
- limit Jaguar Land Rover's ability to borrow additional funds or to sell or transfer assets in order to refinance existing indebtedness or fund future working capital, capital expenditures, any future acquisitions, research, development and technology process costs and other general business requirements; or
- limit Jaguar Land Rover's flexibility in planning for, or reacting to, changes in its business and the industry in which it operates.

Any of the above listed factors could materially adversely affect Jaguar Land Rover's results of operations, financial condition and cash flows.

In addition, if the business disruptions caused by the COVID-19 pandemic last longer than expected, Jaguar Land Rover may continue to seek other sources of liquidity, and there can be no guarantee that additional liquidity will be readily available or available on favourable terms and in an amount sufficient to enable Jaguar Land Rover to service and repay its indebtedness, or to fund its other liquidity needs.

Further, a small portion of Jaguar Land Rover's debt bears interest at variable rates that are linked to changing market interest rates. As a result, an increase in market interest rates would increase Jaguar Land Rover's interest expense and its debt service obligations, which would exacerbate the risks associated with its leveraged capital structure. Please see also "*Risks Associated with Jaguar Land Rover's Business—Interest rate, currency and exchange rate fluctuations could adversely affect Jaguar Land Rover's results of operations*".

Changes or uncertainty in respect of LIBOR and/or SONIA may affect some of Jaguar Land Rover's financing arrangements

Some of Jaguar Land Rover's financing arrangements are, or may in the future be, linked to LIBOR and/or SONIA (as defined below).

LIBOR has been the subject of recent national, international and other regulatory guidance and proposals for reform, which has caused it to cease to exist entirely after 2021. On 29 November 2017, the Bank of England and the United Kingdom Financial Conduct Authority (the "**FCA**") announced that the market working group on Sterling Risk-Free Rates would have an extended mandate to catalyse a broad transition from LIBOR to the Sterling Over Night Index Average rate ("**SONIA**") across sterling bond, loan and derivatives markets so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021. On 23 April 2018, the Bank of England took over administration of SONIA and issued a series of reforms as part of its implementation as a replacement to LIBOR. From April 2018, the Bank of England has been setting the interest rate benchmark using SONIA, meaning that banks are no longer compelled by the FCA to submit LIBOR rates beyond 2021. On 5 March 2021, the FCA issued an announcement on the future cessation and loss of representativeness of the LIBOR benchmarks, and announced 5 March 2021 as the spread adjustment fixing date for all LIBOR tenors across all currencies.

These reforms and other pressures will cause LIBOR to disappear entirely following its phase out period and/or may create disincentives for market participants to continue to administer LIBOR or may have other consequences which cannot be predicted. Any of these reforms or pressures described above or any other changes to a relevant interest rate benchmark (including SONIA or any alternative or successor benchmark rate) could affect the level of the published rate, including to cause it to be higher, lower and/or more volatile than it would otherwise be.

With the discontinuation of LIBOR, the rate of interest applicable to Jaguar Land Rover's financing arrangements that are linked to LIBOR may be determined by applicable contractual fall-back provisions, although such provisions have not been tested and may not operate as intended. Additionally, SONIA and/or any other alternative or successor benchmark rates are, or will be for a period of time, largely untested, and the use of SONIA and/or such alternative or successor benchmark rates may have adverse consequences that impact Jaguar Land Rover's financing arrangements.

More generally, any of the above matters could affect the amounts available to Jaguar Land Rover to meet its obligations under the financing arrangements and/or could have a material adverse effect on the value or liquidity of, and the amounts payable under the financing arrangements. Changes in the manner of administration of LIBOR (or any alternative or successor benchmark rates, including SONIA) could result in adjustment to the conditions applicable to some of Jaguar Land Rover's financing arrangements or other consequences as relevant to those financing arrangements. While Jaguar Land Rover may seek to amend the agreements related to its financing arrangements linked to LIBOR (or any alternative or successor benchmark rates, including SONIA), it may not be able to amend such agreements before any of the risks disclosed hereby materialize or at all. No assurance can be provided that any other relevant benchmark rate and/or that such rates will continue to exist.

Jaguar Land Rover is subject to risks associated with product liability, warranty and recalls

Jaguar Land Rover is subject to risks and costs associated with product liability, warranties and recalls in connection with performance, compliance or safety-related issues affecting its vehicles. From time to time Jaguar Land Rover may be subject to investigations by governmental authorities relating to safety-related and other compliance issues with its vehicles. As Jaguar Land Rover's vehicles become more technologically advanced, it is subject to risks related to malfunction of software, hardware or both, including as part of its "Advanced Driver Assistance Systems" automation. Jaguar Land Rover expends considerable resources in connection with product recalls and these resources typically include the cost of the part being replaced and the labour required to remove and replace the defective part. In addition, product recalls can cause Jaguar Land Rover's consumers to question the safety or reliability of its vehicles and harm its reputation. Any harm to the reputation of any one of Jaguar Land Rover's models can result in a substantial loss of customers. For example, in May 2015, an industry-wide passenger airbag safety recall was announced in the United States by the NHTSA, in respect of frontal airbags which use ammonium nitrate propellant without any desiccant from Takata, a supplier of airbags. Certain airbags supplied by Takata were installed in Jaguar Land Rover vehicles. Jaguar Land Rover considered the cost associated with the recall to be an adjusting post-balance sheet event and recognised a provision of £56.1 million as at 31 March 2019, a provision of £46 million as at 31 March 2020 and a provision of £29 million as at 31 March 2021. Jaguar Land Rover expects to utilise such provision over the next one to two years as the mandated repairing is fulfilled. National authorised remain very focused on the automotive industry with increased market surveillance testing and scrutiny of product conformity.

Furthermore, Jaguar Land Rover may also be subject to class actions or other large-scale product liability or other lawsuits in various jurisdictions in which it has a significant presence. The use of shared components in vehicle production increases this risk because individual components are deployed in a number of different models across Jaguar Land Rover's brands. Any costs incurred or lost sales caused by product liability, warranties and recalls could materially adversely affect Jaguar Land Rover's business.

Jaguar Land Rover's business relies on the protection and preservation of its intellectual property

Jaguar Land Rover owns or otherwise has rights in respect of a number of patents and trademarks relating to the products it manufactures, which have been obtained over a period of years. In connection with the design and engineering of new vehicles and the enhancement of existing models, Jaguar Land Rover seeks to regularly develop new technical designs for use in its vehicles. Jaguar Land Rover also uses technical designs which are the intellectual property of third parties with such third parties' consent. These patents and trademarks have been of value in the growth of Jaguar Land Rover's business and may continue to be of value in the future. Although Jaguar Land Rover does not regard any of its businesses as being dependent upon any single patent or related group of patents, an inability to protect this intellectual property generally, or the illegal breach of some or a large group of its intellectual property rights, would have a materially adverse effect on its operations, business and/or financial condition. Jaguar Land Rover may also be affected by restrictions on the use of intellectual property rights held by third parties and it may be held legally liable for the infringement of the intellectual property rights of others in its products. Moreover, intellectual property laws of some foreign countries may not protect Jaguar Land Rover's intellectual property rights to the same extent as United States or United Kingdom laws.

Jaguar Land Rover may be adversely affected by risks associated with joint ventures with third parties

Jaguar Land Rover has pursued and may continue to pursue significant investments in certain strategic development projects with third parties. In particular, Jaguar Land Rover has entered into a joint venture with Chery Automobile Company Ltd. in China to develop, manufacture and sell certain Jaguar Land Rover vehicles and at least one own-branded vehicle in China. See "*Business of Jaguar Land Rover — China Joint Venture*". Additionally, in March 2018, Jaguar Land Rover announced its strategic partnership with Waymo to develop the world's first premium self-driving electric vehicle and, in June 2019, Jaguar Land Rover announced a collaboration with BMW to develop the next-generation EDUs to support the advancement of electrification technologies. Joint venture and strategic partnership projects, like Jaguar Land Rover's joint venture in China, its partnership with Waymo and its collaboration with BMW may be developed pursuant to agreements over which Jaguar Land Rover only has partial or joint control. Investments in projects over which Jaguar Land Rover has partial or joint control are subject to the risk that the other shareholders of the joint venture, who may have different business or investment strategies than Jaguar Land Rover's or with whom Jaguar Land Rover may have a disagreement or dispute, may have the ability to block business, financial or management decisions, such as the decision to distribute dividends or appoint members of management, which may be crucial to the success of the project or Jaguar Land Rover's investment in the project, or otherwise implement initiatives which may be contrary to Jaguar Land Rover's interests. Moreover, Jaguar Land Rover's partners may be unable, or unwilling, to fulfil their obligations under the relevant joint venture agreements and shareholder agreements or may experience financial or other difficulties that may adversely impact Jaguar Land Rover's investment in a particular joint venture.

Operating a business as a joint venture often requires additional organisational formalities as well as time-consuming procedures for sharing information and making decisions. In joint ventures Jaguar Land Rover is required to foster its relationships with its co-owners as well as to promote the overall success of the joint venture, and if there is a significant change in the relationship (for example, if a co-owner changes or relationships deteriorate), its success in the joint venture may be materially adversely affected.

If Jaguar Land Rover is unable to effectively implement or manage its strategy, its operating results and financial condition could be materially and adversely affected

As part of its strategy, Jaguar Land Rover may open or close new manufacturing, research or engineering facilities, expand or reduce existing facilities, reposition its brand and/or make significant changes to its product portfolio, supply chain, manufacturing base, distribution channels and markets and/or other aspect of its business. See "*Business of Jaguar Land Rover — Jaguar Land Rover's Strategy*" for further information on Jaguar Land Rover's strategy. There are a range of risks inherent in implementing or managing Jaguar Land Rover's strategy that could adversely affect its ability to achieve these objectives, including, but not limited to, the following:

- the potential disruption of Jaguar Land Rover's business;
- the uncertainty that a revised product line-up will generate anticipated sales;
- the uncertainty that a new product or business will achieve anticipated operating results;

- the diversion of resources and management's time and costs associated with executing any strategy;
- its cost reduction efforts, which may not be successful;
- the difficulty of managing the operations of, and maintaining efficiencies in, a complex business including during and as a result of changes to its business; and
- the difficulty of competing for growth opportunities with companies having greater financial resources than Jaguar Land Rover has.

If Jaguar Land Rover does not succeed in implementing or manging its strategy, this could have a material adverse effect on its operating results and financial condition.

In February 2021, Jaguar Land Rover also announced the shift in focus to the new "Reimagine" strategy including the plain to introduce the first all-electric Land Rover vehicle in 2024 followed by a further 5 Land Rover models with a full battery electric option by 2026. At the same time, Jaguar seeks to emerge as a pure-electric only brand from 2025. The "Reimagine" strategy also targets the production of more sustainable and fully electric luxury vehicles including the ambitious goal of having a fully electric fleet of luxury vehicles by the end of the decade and 100 per cent. of sales from pure battery electric vehicles by 2036, as well as striving toward achieving net zero carbon emissions across its supply chain, among other environmentally driven strategies by 2039.

Expanding into electric vehicles with the goal of completely phasing out Jaguar Land Rover's pure internal combustion engine line of vehicles within the next ten years involves many risks, including rapidly changing consumer preferences and technological advances. The technology surrounding the engines, batteries, and charging times of electric vehicles remains in its initial stages, and as such, it may not grow in the way that Jaguar Land Rover have predicted for its strategic initiatives to be successful. For example, Jaguar Land Rover may not be able to develop sufficiently efficient batteries before its competitors or not at all. As with most new technological advances, Jaguar Land Rover may also face competition with dueling software and hardware technologies in electric vehicles, which could lead to the dominance of one product in the market causing the extinction of the other. If Jaguar Land Rover is unable to develop competitive models of electric vehicles or fails to meet its projected timeline, its business, prospects, financial condition and results of operation could be adversely affected. Moreover, rapid technological growth and shifts in consumer demand for the latest product could lead to electric vehicles being replaced by the next class of technologically advanced vehicles sooner than anticipated. If electric vehicles do not become the market standard, or are quickly phased out, Jaguar Land Rover may not recoup its costs associated with developing an all-electric fleet of Jaguar Land Rover vehicles. If Jaguar Land Rover is unable to deliver its financial targets under the "Reimagine" strategy, it may limit Jaguar Land Rover's capability to invest and fund future products and technologies and may also result in higher net debt for longer than expected.

Jaguar Land Rover may be adversely affected by labour unrest

In general, Jaguar Land Rover considers its labour relations with all of its employees, a substantial portion of whom are members of trade unions, to be good. However, in the future Jaguar Land Rover may face labour unrest, at its own facilities or those of its suppliers, which may delay or disrupt its operations in the affected regions, including the sourcing of raw materials and parts, the manufacture, sales and distribution of vehicles and the provision of services. If work stoppages or lock-outs at its facilities or at the facilities of its major suppliers occur or continue for a long period of time, Jaguar Land Rover's business, financial condition and results of operations may be materially adversely affected. In addition, Jaguar Land Rover engages in wage negotiations in relation to wage agreements covering approximately 16,000 of its unionised employees and a new labour agreement with the trade unions is currently under negotiations. There is a risk, however, that future negotiations could escalate into industrial action ranging from "work to rule" to a strike before a settlement is ultimately reached.

Jaguar Land Rover could be adversely affected by the loss of one or more key personnel or by an inability to attract and retain highly qualified employees

The Issuer believes that Jaguar Land Rover's growth and future success depend in large part on the skills of its executive and other senior officers, as well as its senior designers and engineers. The loss of the services of one or more of these employees could impair Jaguar Land Rover's ability to continue to implement its business strategy. Jaguar Land Rover's executive and other senior officers and senior designers have extensive and long-standing ties within its primary lines of business and substantial experience with its operations and have contributed significantly to its growth. If Jaguar Land Rover loses the services of one or more of them, he or she may be difficult to replace, and Jaguar Land Rover's business could be materially and adversely affected. Jaguar Land Rover's success also depends, in part, on its continued ability to attract and retain experienced and qualified employees, particularly qualified engineers with expertise in automotive design and production. The competition for such employees is intense, and Jaguar Land Rover's inability to continue to attract, retain and motivate employees could adversely affect its business and its plans to invest in the development of new designs and products.

Jaguar Land Rover's business requires an engaged workforce with core capabilities in new and emerging skill areas and a collaborative and innovative culture for its transformation to be successful. If Jaguar Land Rover fails to develop new and flexible skills and capabilities within its workforce, its business will lose the ability to remain flexible in a dynamic automotive industry which is key to delivering innovative products and services. The COVID-19 pandemic has accelerated the need for the business to transform and Jaguar Land Rover will need an agile organisation and culture to support the organisation during and after this transformation.

Future pension obligations may prove more costly than currently anticipated and the market value of assets in Jaguar Land Rover's pension plans could decline

Jaguar Land Rover provides post-retirement and pension benefits to its employees, some of which are defined benefit pension plans. Jaguar Land Rover's pension liabilities are generally funded and its pension plan assets are particularly significant. As part of its strategic business review process, Jaguar Land Rover closed the Jaguar Land Rover defined benefit pension plan to new joiners as at 19 April 2010. All new employees in Jaguar Land Rover's United Kingdom operations from 19 April 2010 have joined a new defined contribution pension plan.

Under the arrangements with the trustee of the United Kingdom defined benefit pension schemes, an actuarial valuation of the assets and liabilities of the schemes is undertaken every three years in order to determine cash funding rates. As a result of the April 2018 valuation process, a funding deficit of £554 million was disclosed and Jaguar Land Rover agreed a schedule of contributions with the trustee which, together with the expected investment performance of the assets of the schemes, is expected to eliminate the deficit by 2028. Cash contributions towards the deficit will be £60 million each year until Fiscal 2024 followed by £25 million each year until the fiscal year ending 31 March 2028. In addition, Jaguar Land Rover will make up payments deferred (from April to June 2020) due to COVID-19 over Fiscal 2022. The revised schedule of contributions also reflects the reduced ongoing cost of benefit accrual of approximately 22 per cent. for Fiscal 2020 and approximately 21 per cent. for Fiscal 2021 and ongoing benefits, due to changes implemented on 5 April 2017 (compared to a previous rate of 31 per cent.).

As at 31 March 2021, Jaguar Land Rover's defined benefit pension accounted deficit was £387 million, as compared to a surplus of £380 million as at 31 March 2020. This change was primarily driven by an increase in pension liabilities as a result of lower discount rates and higher inflation rate assumptions applied, compared to the prior fiscal year.

Lower returns on pension fund assets, changes in market conditions, changes in interest rates, changes in inflation rates and adverse changes in other critical actuarial assumptions may impact Jaguar Land Rover's pension liabilities or assets and consequently increase funding requirements, which will adversely affect its financial condition and results of operations.

Jaguar Land Rover's insurance coverage may not be adequate to protect it against all potential losses to which it may be subject, and uninsured losses which could have a material adverse effect on its business

Whilst the Issuer believes that the insurance coverage that Jaguar Land Rover maintains is reasonably adequate to cover all normal risks associated with the operation of Jaguar Land Rover's business, such as coverage for people, property and assets, including construction and general, auto and product liability, in accordance with treasury policy. For example, on 12 August 2015, a series of explosions caused widespread damage at the Port of Tianjin in China, one of three major locations in China through which Jaguar Land Rover imports its vehicles. At the time of the explosion, approximately 5,800 vehicles were stored at various locations in Tianjin. Many of these vehicles were destroyed or damaged in the explosion and, as a result, Jaguar Land Rover recognised an exceptional charge of £245 million. Subsequently, by 30 June 2017, net insurance proceeds and other recoveries were received, resulting in a full recovery. In a similar future situation, there can be no assurance that any claim under its insurance policies will be honoured fully or timely, its insurance coverage will be sufficient in any respect or its insurance premiums will not increase substantially. Accordingly, to the extent that it suffers loss or damage that is not covered by insurance or which exceeds its insurance coverage, or it has to pay higher insurance premiums, Jaguar Land Rover's financial condition may be affected.

Some of the Jaguar Land Rover vehicles make use of lithium-ion battery cells, which have been observed in some non-automotive applications to catch fire or vent smoke and flames, and such events have raised concerns, and future events may lead to additional concerns, about the batteries used in automotive applications

The battery packs that Jaguar Land Rover uses, and will use, in its electric vehicles make use of lithium-ion cells (e.g. the battery packs currently used in the all-electric Jaguar I-PACE). On rare occasions, lithium-ion cells can rapidly release the energy they contain by venting smoke and flames in a manner that can ignite nearby materials as well as other lithium-ion cells.

While Jaguar Land Rover has designed the battery pack to passively contain any single cell's release of energy without spreading to neighbouring cells, there can be no assurance that a field or testing failure of its vehicles will not occur, which could subject it to lawsuits, product recalls, or redesign efforts, all of which would be time consuming and expensive. Negative public perceptions regarding the suitability of lithium-ion cells for automotive applications, or any future incident involving lithium-ion cells such as a vehicle fire, even if such incident does not involve Jaguar Land Rover vehicles, could seriously harm its business.

Jaguar Land Rover stores a significant number of lithium-ion cells at various warehouses and at some of its manufacturing facilities. Any mishandling of battery cells may cause disruption to the operation of its facilities. While Jaguar Land Rover has implemented safety procedures related to the handling of the cells, there can be no assurance that a safety issue or fire related to the cells would not disrupt its operations. Such damage or injury could lead to adverse publicity and potentially a safety recall. Moreover, any failure of a competitor's electric vehicle may cause indirect adverse publicity for Jaguar Land Rover and its products. Such adverse publicity could harm its business, prospects, financial condition and operating results.

Jaguar Land Rover is subject to risks associated with legal proceedings and governmental and supra-national investigations, including potential adverse publicity as a result thereof

Jaguar Land Rover is and may be involved from time to time in civil, labour, administrative, regulatory or tax proceedings arising in the ordinary course of business due to its sales activities, R&D operations, or growing manufacturing footprint. It is not possible to predict the potential for, or the ultimate outcomes of, such proceedings, some of which may be unfavourable to it. In such cases, Jaguar Land Rover may incur costs and any mitigating measures (including provisions taken on its balance sheet) adopted to protect against the impact of such costs may not be adequate or sufficient. In addition, adverse publicity surrounding legal proceedings, government investigations or allegations may also harm its reputation and brands.

In any of the geographical markets in which it operates, Jaguar Land Rover could be subject to additional tax liabilities

Evaluating and estimating its provision and accruals for its taxes requires significant judgement. As it conducts its business, the final tax determination may be uncertain. Jaguar Land Rover operates in multiple geographical markets and its operations in each market are susceptible to additional tax assessments and audits. Jaguar Land Rover's collaborations with business partners are similarly susceptible to such tax assessments. Authorities may engage in additional reviews, inquiries and audits that disrupt its operations or challenge its conclusions regarding tax matters. Any resulting tax assessment may be accompanied by a penalty (including revocation of a benefit or exemption from tax) or additional fee for failing to make the initial payment.

Jaguar Land Rover's tax rates may be affected by earnings estimation errors, losses in jurisdictions that do not grant a related tax benefit, changes in currency rates, acquisitions, investments, or changes in laws, regulations, or practices. Additionally, government fiscal or political pressures may increase the likelihood of adverse or aggressive interpretations of tax laws or regulations or the imposition of arbitrary or onerous taxes, interest charges and penalties. Tax assessments may be levied even where Jaguar Land Rover considers its practices to be in compliance with tax laws and regulations. Should it challenge such taxes or believe them to be without merit, Jaguar Land Rover may nonetheless be required to pay them. These amounts may be materially different from its expected tax assessments and could additionally result in expropriation of assets, attachment of additional securities, liens, imposition of royalties or new taxes and requirements for local ownership or beneficiation.

Any failures or weaknesses in its internal controls could materially and adversely affect Jaguar Land Rover's financial condition and results of operations

Upon an evaluation of the effectiveness of the design and operation of its internal controls over financial reporting, conducted as part of the corporate governance and public disclosure obligations of its parent, Tata Motors, Jaguar Land Rover concluded that there was a material weakness, such that its internal controls over financial reporting were not effective as at 31 March 2019. Although Jaguar Land Rover has instituted remedial measures to address the material weaknesses identified and continually reviews and evaluates its internal control systems to allow management to report on the sufficiency of its internal control over financial reporting, the Issuer cannot assure you that Jaguar Land Rover will not discover additional weaknesses in its internal control over financial reporting. The material weakness as at 31 March 2019 was remediated in Fiscal 2020. Furthermore, management continually improves, simplifies and rationalises its internal control framework where possible within the constraints of existing IT systems. Any additional weaknesses or failure to adequately remediate any existing weakness could materially and adversely affect its financial condition and results of operations and/or its ability to accurately report its financial condition and results of operations in a timely and reliable manner.

Compliance with new and changing corporate governance and public disclosure requirements adds uncertainty to Jaguar Land Rover's compliance policies and increases its costs of compliance

Jaguar Land Rover is affected by the corporate governance and disclosure requirements of its parent, Tata Motors, which is listed on the Bombay Stock Exchange, the National Stock Exchange of India and the New York Stock Exchange (the "**NYSE**"). Changing laws, regulations and standards relating to accounting, corporate governance and public disclosure, including the Sarbanes-Oxley Act of 2002 and SEC regulations, Securities and Exchange Board of India (the "**SEBI**") regulations, the NYSE listing rules and Indian stock market listing regulations, have increased the compliance complexity for Jaguar Land Rover's parent company and, indirectly, for Jaguar Land Rover. These new or changed laws, regulations and standards may lack specificity and are subject to varying interpretations. Their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs of compliance as a result of on-going revisions to such governance standards. Jaguar Land Rover is committed to maintaining high standards of corporate governance and public disclosure. However, its efforts to comply with evolving laws, regulations and standards in this regard have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management resources and time. In addition, there can be no guarantee that Jaguar Land Rover will always succeed in complying with all applicable laws, regulations and standards.

Tata Motors can exert considerable control over Jaguar Land Rover

Jaguar Land Rover is an indirect, wholly owned subsidiary of Tata Motors through the Issuer. As a result of the above ownership structure, Tata Motors is able to significantly influence any matter requiring Jaguar Land Rover's shareholders' approval, including the election of Jaguar Land Rover's directors and approval of significant corporate transactions. Tata Motors may also engage in activities that may conflict with Jaguar Land Rover's interests or the interests of the holders of the Notes and, in such events, the holders of the Notes could be disadvantaged by these actions.

Risks Relating to the Notes and the Letter of Comfort

The Notes will not be guaranteed by Tata Motors or Jaguar Land Rover. The Letter of Comfort will not be a binding instrument and will not create any obligations of, or rights enforceable against, Tata Motors

The Notes will not be the obligations of, or guaranteed by, Tata Motors or Jaguar Land Rover. Although Tata Motors owns 100 per cent. of the Issuer's issued and paid up share capital as at the date of this Offering Circular, neither Tata Motors nor Jaguar Land Rover will be providing a guarantee (or any other form of credit support) in respect of the Issuer's obligations under the Notes. The Letter of Comfort to be provided by Tata Motors to the Trustee on behalf of the Noteholders will not be a binding instrument and will not create any obligations of, or rights enforceable against, Tata Motors. In addition, Tata Motors will not be under any obligation to maintain the solvency of the Issuer. Therefore, investors should not rely on Tata Motors or Jaguar Land Rover ensuring that the Issuer fulfils its obligations under the Notes.

Any default by Jaguar Land Rover or any of its subsidiaries will not constitute an Event of Default in accordance with the terms of the Notes

Condition 9 (*Events of Default*) of the Terms and Conditions of the Notes will provide for certain Events of Default, the occurrence of which may result in the Notes becoming immediately due and payable at their principal amount together with accrued interest. See Condition 9 (*Events of Default*) of the Terms and Conditions of the Notes for further details. The Events of Default will include cross-default provisions (the

“**Cross-Default Provision**”) which will provide for the occurrence of an Event of Default when, amongst other reasons, any Indebtedness for Borrowed Money (as defined in the Terms and Conditions of the Notes) of the Issuer becomes capable of being declared due and repayable prior to its stated maturity by reason of an event of default or potential event of default.

The Cross-Default Provision will not include, and will not operate in the event of, any Indebtedness for Borrowed Money of Jaguar Land Rover or any of its subsidiaries being or becoming capable of being declared due and payable prior to its stated maturity by reason of an event of default or potential event of default.

Similarly, any winding-up, cessation of business, insolvency, liquidation and insolvency proceedings or creditors arrangement in respect of Jaguar Land Rover, or any nationalisation, change of law or any other analogous event relating to Jaguar Land Rover, will not constitute an Event of Default.

Accordingly, if the foregoing circumstances were to occur, the Notes would not become capable of being declared due and payable in accordance with Condition 9 (*Events of Default*) of the Terms and Conditions of the Notes or the Trust Deed, and this would materially impact the Issuer’s ability to fulfil its obligations under the Notes.

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Offering Circular or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, the impact an investment in the Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor’s currency;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor’s overall investment portfolio.

The Notes are subject to modification by a majority of Noteholders without the consent of all Noteholders

The Terms and Conditions of the Notes will contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions will permit defined majorities to bind all Noteholders including Noteholders who do not attend and vote at the relevant meeting or otherwise exercise their voting rights and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes will also provide that the Trustee may, may (but shall not be obliged to) agree, without the consent of the Noteholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the Terms and Conditions of the Notes or any of the provisions of the Trust Deed, the Agency Agreement and/or the Account Bank Agreement, or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such (provided that, in any such case, it is not, in the opinion of the Trustee materially prejudicial to the interests of the Noteholders) or may agree, without any such consent as aforesaid, to any modification which, in its opinion, is of a formal, minor or technical nature or to correct a manifest error or to comply with any mandatory provision of applicable law. For further details of such matters and the relevant majorities required at meetings of Noteholders, see Condition 14 (*Meetings of Noteholders, Modification, Waiver and Authorisation*) of the Terms and Conditions of the Notes and the corresponding provisions of the Trust Deed.

The Issuer may not be able to redeem the Notes upon a Change of Control

Upon the occurrence of a Change of Control (as defined in the Terms and Conditions of the Notes), each Noteholder shall have the right, at such Noteholder's option, to require the Issuer to redeem all of such Noteholder's Note(s) in whole but not in part, at a price equal to 101 per cent. of the principal amount of the Notes redeemed plus accrued and unpaid interest, if any, to and including the redemption date. See Condition 7.3 (*Redemption for Change of Control*) of the Terms and Conditions of the Notes for further details. The source of funds for any such purchase would be available cash or third-party financing, but there can be no guarantee that the Issuer will have sufficient available funds at the time of the occurrence of any Change of Control to redeem outstanding Notes the subject of exercise of a Noteholder's Change of Control Redemption Right (as defined in the Terms and Conditions of the Notes). A failure by the Issuer to redeem outstanding Notes the subject of exercise of a Noteholder's Change of Control Redemption Right (as defined in the Terms and Conditions of the Notes) upon a Change of Control would constitute an Event of Default (as defined in the Terms and Conditions of the Notes). The Event of Default may, in turn, constitute an event of default under other indebtedness, any of which could cause the related debt to be accelerated after any applicable notice or grace periods.

There is no assurance that the Notes may continue to be deemed as "qualifying debt securities" under the Income Tax Act, Chapter 134 of Singapore

The Notes will be "qualifying debt securities" for the purposes of the Income Tax Act, Chapter 134 of Singapore subject to the fulfilment of certain conditions more particularly described in the section "*Taxation – Singapore Taxation*". However, there is no assurance that the Notes will continue to enjoy the tax concessions and exemptions in connection therewith should the relevant tax laws be amended or revoked at any time, or if there is an alteration in the interpretation of the relevant tax laws by the Inland Revenue Authority of Singapore.

The DSRA Account will be unsecured

The Notes will have the benefit of the DSRA Account (as defined in the Terms and Conditions of the Notes), however, no mortgage, charge, lien, pledge or other security interests will exist in respect thereof, and accordingly, Noteholders will not have any recourse to, or the benefit of, any security in respect thereof. In the event of insolvency, winding-up or any procedure analogous thereto, the DSRA Account will form part of the assets of the Issuer and Noteholders will not enjoy any rights of priority in respect of the DSRA Account.

If the Issuer fails for whatever reason to redeem or pay interest or principal on the Notes, Noteholders will have to rely on the enforcement of the Trust Deed in the ordinary course for the repayment of any amounts due on the Notes, and even if Noteholders are able to successfully enforce the provisions of the Trust Deed, the proceeds from the DSRA Account will not be sufficient to satisfy all of the Issuer's obligations under the Notes.

Changes in English law subsequent to the issuance of the Notes may impact the Terms and Conditions of the Notes, and no assurances can be given to Noteholders

The Terms and Conditions of the Notes are based on English law and administrative practices in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Offering Circular, nor can any assurance be given as to whether any such change could adversely affect the Issuer's ability to make payments under the Notes.

The Issuer (subject to Condition 4.2 (Limitation of Indebtedness) of the Terms and Conditions of the Notes) will not be prohibited from issuing further debt which may rank pari passu with the Notes

Subject to Condition 4.2 (*Limitation of Indebtedness*) of the Terms and Conditions of the Notes, there will not be any restriction on the amount of debt securities that the Issuer may issue that ranks *pari passu* with the Notes. The issue of any such debt securities may reduce the amount recoverable by investors in the Notes upon the Issuer's bankruptcy, winding-up or liquidation.

The Notes (subject to Condition 4.1 (Negative Pledge) of the Terms and Conditions of the Notes) will be unsecured and accordingly, claims of the Issuer's secured creditors will have priority with respect to their security over the claims of the holders of the Notes, to the extent of the value of the assets securing such indebtedness

The Issuer will not be restricted from incurring secured indebtedness under the Terms and Conditions of the Notes. The Notes (subject to Condition 4.1 (*Negative Pledge*) of the Terms and Conditions of the Notes) will be unsecured and, accordingly, claims of the Issuer's secured creditors will have priority with respect to the assets securing their indebtedness over the claims of the holders of the Notes. No security has been provided over the Issuer's assets to secure the Notes. In the event of the Issuer's insolvency, bankruptcy, liquidation, reorganisation, dissolution or winding-up, holders of such secured indebtedness will have prior claims to the assets that constitute their collateral.

The Trustee may request the Noteholders to provide an indemnity and/or security and/or pre-funding to its satisfaction

In certain circumstances (including without limitation the giving of notice to the Issuer pursuant to Condition 9 (*Events of Default*) of the Terms and Conditions of the Notes and the taking of enforcement steps pursuant to Condition 11 (*Enforcement*) of the Terms and Conditions of the Notes), the Trustee may (at its sole discretion) request Noteholders to provide an indemnity and/or security and/or pre-funding to its satisfaction before it takes any steps and/or actions and/or institute any proceedings on behalf of Noteholders. The Trustee will not be obliged to take any such steps and/or actions and/or to institute any such proceedings if not indemnified and/or secured and/or pre-funded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or pre-funding can be a lengthy process and may impact on when such actions can be taken. The Trustee may not be able to take steps and/or actions and/or to institute any such proceedings, notwithstanding the provision of an indemnity and/or security and/or pre-funding to it, in breach of the terms of the Trust Deed and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the agreements and the applicable law, it will be for the Noteholders to take such actions directly.

Noteholders will be required to rely on the procedures of the relevant clearing system and its participants while the Notes are cleared through the relevant clearing system

The Notes will be represented on issue by a Global Certificate be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in each Global Note, investors will not be entitled to receive Notes in definitive form. Each of Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in each Global Note held through it. While the Notes are represented by a Global Certificate, investors will be able to trade their beneficial interests only through the relevant clearing systems and their respective participants.

While the Notes are represented by the Global Certificate, the Issuer will discharge its payment obligation under the Notes by making payments through the relevant clearing systems. A holder of a beneficial interest in the Global Certificate must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. None of the Issuer, the Trustee or the Agents or any of their respective directors, officers, employees, representatives, agents, affiliates or advisers of any person who controls any of them will have any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate. Holders of beneficial interests in the Global Certificate will not have a direct right to vote in respect of the Notes so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies. If definitive Certificates are issued, holders should be aware that definitive Certificates that have a denomination that is not an integral multiple of the minimum specified denomination may be illiquid and difficult to trade. Similarly, holders of beneficial interests in the Global Certificate will not have a direct right thereunder to take enforcement action against the Issuer in the event of a default under the Notes but will have to rely upon their rights under the Trust Deed.

There is currently no secondary market for the Notes and there may be limited liquidity for Noteholders

There is no assurance that a secondary market for the Notes will develop or, if it does develop, that it will provide the Noteholders with liquidity of investment or that it will continue for the life of the Notes. Accordingly, a Noteholder may not be able to find a buyer to buy its Notes readily or at prices that will enable the Noteholder to realise a desired yield. The market value of the Notes may fluctuate and a lack of liquidity, in particular, can have a material adverse effect on the market value of the Notes. Accordingly, the purchase of the Notes is suitable only for investors who can bear the risks associated with a lack of liquidity in the Notes and the financial and other risks associated with an investment in the Notes. An investor in the Notes must be prepared to hold the Notes for any period of time up until their maturity.

Fluctuations in interest rates may adversely affect the value of the Notes

Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes.

Legal investment laws and regulations, or the review and regulation of such by authorities, may restrict investment activities of certain investors

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the Notes are legal investments for it, (ii) the Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of the Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

The Notes may be redeemed at the Issuer's option on the occurrence of certain events

The Notes may be redeemed at the option of the Issuer in whole but not in part, at any time on any Interest Payment Date, at their principal amount (together with any unpaid accrued interest thereon (if any) to but excluding the relevant Interest Payment Date), if the Issuer satisfies the Trustee of certain matters related to taxation with respect of the Notes (and the Trustee shall be entitled to accept any relevant certificate and opinion from the Issuer, without any liability, as sufficient evidence of the satisfaction of the conditions precedent to such redemption). See Condition 7.2 (*Redemption for Taxation Reasons*) of the Terms and Conditions of the Notes for further details.

The Issuer may at its option:

- at any time prior to 9 December 2023, redeem the Notes, in whole but not in part, at their principal amount plus the Applicable Premium (as defined in the Terms and Conditions of the Notes) applicable to the Notes (together with interest accrued to but excluding the date fixed for redemption); and

- at any time on or after 9 December 2023, redeem the Notes, in whole but not in part, at the following redemption prices (expressed as percentages of the principal amount of the Notes at maturity) (together with interest accrued to but excluding the date fixed for redemption): (i) for the period on or after 9 December 2023 to (but excluding) 9 December 2024, at 102.175 per cent.; (ii) for the period on or after 9 December 2024 to (but excluding) 9 December 2025, at 101.0875 per cent.; and (iii) for the period on or after 9 December 2025 to (but excluding) 9 June 2026, at 100.000 per cent.

See Condition 7.4 (*Redemption at the Option of the Issuer*) of the Terms and Conditions of the Notes for further details.

The date that the Issuer elects to redeem the Notes may not accord with the preference of individual holders, which may be disadvantageous to holders in light of market conditions or the individual circumstances of the holder of the Notes. Additionally, an investor may not be able to reinvest the redemption proceeds in comparable securities at an effective yield at the same level as that of the Notes.

Corporate disclosure standards for debt securities listed on the SGX may be different from those applicable to debt securities listed elsewhere

The Issuer will be subject to reporting obligations in respect of the Notes to be listed on the SGX-ST. The disclosure standards imposed by the SGX-ST may be different from those imposed by securities exchanges in other countries and as a result, the level of information that is available may not correspond to the level to which investors in the Notes are accustomed to.

The liquidity and price of the Notes following the offering may be volatile

The price and trading volume of the Notes may be highly volatile. Factors such as variations in the Issuer's revenue, earnings and cash flows and proposals of new investments, strategic alliances and/or acquisitions, prevailing interest rates and dividend rates of comparable securities, the market for similar securities and general economic conditions nationally or internationally could cause the price of the Notes to change. Any such developments may result in large and sudden changes in the trading volume and price of the Notes.

Investment in the Notes may subject investors to foreign exchange risks

The Notes will be denominated and payable in U.S. dollars. If an investor measures its investment returns by reference to a currency other than U.S. dollars, an investment in the Notes entails foreign exchange related risks, including possible significant changes in the value of U.S. dollars relative to the currency by reference to which an investor measures its investment returns, because of, among other things, economic, political and other factors over which the Issuer has no control. Depreciation of U.S. dollars against such currency could cause a decrease in the effective yield of the Notes below their stated coupon rates and could result in a loss when the return on the Notes is translated into such currency. In addition, there may be tax consequences for investors as a result of any foreign exchange gains resulting from any investment in the Notes. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Holders of the Notes may suffer erosion in the return on their investment due to inflation

Holders of the Notes may suffer erosion in the return on their investments due to inflation. Holders of the Notes would have an anticipated rate of return based on expected. Inflation rates on the purchase of the Notes. An unexpected rise in inflation could reduce the actual returns to such holders.

Integral multiples of less than the specified denomination may result in illiquidity in the Notes

The denomination of the Notes is U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof. Therefore, it is possible that the Notes may be traded in amounts in excess of U.S.$200,000 that are not integral multiples of U.S.$200,000. In such a case, a holder who, as a result of trading such amounts, holds a principal amount of less than U.S.$200,000 will not receive a definitive certificate in respect of such holding of the Notes (should definitive certificates be printed) and would need to purchase a principal amount of the Notes such that it holds an amount equal to one or more denominations. If definitive certificates are issued, holders should be aware that Notes with aggregate principal amounts that are not an integral multiple of U.S.$200,000 may be illiquid and difficult to trade.

The Issuer may issue additional Notes in the future

The Issuer may from time to time without the consent of the Noteholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date and the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. There can be no assurance that such future issuance or capital raising activity will not adversely affect the market price of the Notes.

Credit ratings may not reflect all risks

The Notes are expected to be assigned a rating of "B" by S&P. A rating or outlook is not a recommendation to buy, sell or hold securities. The ratings or outlook can be suspended, lowered or withdrawn at any time. The Issuer is not obliged to inform the holders of the Notes if the ratings or outlook are lowered or withdrawn. In addition, credit rating agencies may change their methodology for assigning ratings at any time. A reduction or withdrawal of the ratings may adversely affect the market price and liquidity of the Notes and the Issuer's ability to access the debt capital markets. In addition, the ratings may not reflect the potential impact of all risks related to the transaction structure, the additional factors discussed in this section "*Risk Factors*" or any other factors that may affect the value of the Notes.

Developments in other markets may adversely affect the market price of the Notes

The market price of the Notes may be adversely affected by declines in the international financial markets and world economic conditions. The market for Singapore securities is, to varying degrees, influenced by economic and market conditions in other markets. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of issuers in other countries, including Singapore. Since the sub-prime mortgage crisis in 2008, the international financial markets have experienced significant volatility. If similar developments occur in the international financial markets in the future, the market price of the Securities could be adversely affected.

TERMS AND CONDITIONS OF THE NOTES

The following, subject to modification and other than the words in italics, is the text of the terms and conditions of the Notes which will appear on the reverse of each of the definitive certificates evidencing the Notes:

The issue of U.S.$425,000,000 4.350 per cent. Notes due 2026 (the "**Notes**", which term shall include, unless the context requires otherwise, any additional Notes issued in accordance with Condition 16 and consolidated and forming a single series with the Notes) was authorised by the resolutions of the board of directors of TML Holdings Pte. Ltd. (the "**Issuer**") passed on 27 May 2021. The Notes are constituted by a trust deed (as amended and/or supplemented from time to time, the "**Trust Deed**") dated 9 June 2021 (the "**Issue Date**") between the Issuer and Citicorp International Limited (the "**Trustee**" which expression shall, where the context so permits, include its successors and all persons for the time being the trustee or trustees under the Trust Deed) as trustee for itself and the holders of the Notes. The Notes will have the benefit of a letter of comfort (the "**Letter of Comfort**") dated the Issue Date provided by Tata Motors Limited (the "**Parent**") addressed to the Trustee, which was authorised by the resolutions of the board of directors of the Parent passed on 15 March 2021. These terms and conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Notes.

The Notes are the subject of an agency agreement (as amended and/or supplemented from time to time, the "**Agency Agreement**") dated the Issue Date between the Issuer, the Trustee, Citigroup Global Markets Europe AG as registrar (the "**Registrar**", which expression shall include any successor registrar appointed from to time in connection with the Notes), Citibank, N.A., London Branch as principal paying agent (the "**Principal Paying Agent**", which expression shall include any successor principal paying agent appointed from to time in connection with the Notes) and as transfer agent (the "**Transfer Agent**", which expression shall include any successor principal paying agent appointed from to time in connection with the Notes). References to the paying agents (the "**Paying Agents**", which expression shall include any successor paying agent appointed from to time in connection with the Notes), are references to the paying agents appointed as such from time to time under the Agency Agreement, and includes the Principal Paying Agent. References to the "**Agents**" mean the Registrar, the Transfer Agent and the Paying Agents.

The Issuer and Australia and New Zealand Banking Group Limited acting through its Singapore Branch at 10 Collyer Quay, #30-00 Ocean Financial Centre, Singapore 049315 as account bank (the "**Account Bank**") will enter into an account bank agreement (as amended and/or supplemented from time to time, the "**Account Bank Agreement**") dated 9 June 2021. Copies of the Trust Deed, the Agency Agreement, the Letter of Comfort and (if the Trustee is provided with a copy of the same by the Issuer) the Account Bank Agreement are available for inspection by Noteholders at all reasonable times during normal business hours (being between 9:00 a.m. and 3:00 p.m., Monday to Friday (except public holidays)) at the principal place of business of the Trustee (being as at the Issue Date at 20/F, Citi Tower, One Bay East, 83 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong) following, in each case, prior written request and proof of holding and identity to the satisfaction of the Trustee.

The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions of the Agency Agreement applicable to them.

All capitalised terms that are not defined in these terms and conditions ("**these Conditions**") will have the meanings given to them in the Trust Deed.

1 Form, Denomination and Title

1.1 Form and Denomination

The Notes are issued in registered form in amounts of U.S.$200,000 (each a "**Specified Denomination**") and integral multiples of U.S.$1,000 in excess thereof (referred to as the "**principal amount**" of each Note). A note certificate (each a "**Certificate**") will be issued to each Noteholder in respect of its registered holding of Notes. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of Noteholders which the Issuer will procure to be kept by the Registrar (the "**Register**") and, save as provided in Condition 2.1 (*Transfers*), each Certificate shall represent the entire holding of Notes by the same holder.

1.2 Title

Title to the Notes passes only by registration in the Register. The holder of any Note will (except as ordered by a court of competent jurisdiction or as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or the theft or loss of the Certificate issued in respect of it) and no person will be liable for so treating the holder.

In these Conditions, "**Noteholder**" and "**holder**" mean the person in whose name a Note is registered.

*Upon issue, the Notes will be represented by a global certificate (the "**Global Certificate**") registered in the name of a nominee of, and deposited with, a common depositary for Euroclear Bank SA/NV and Clearstream Banking S.A. The conditions are modified by certain provisions contained in the Global Certificate. See "Summary of Provisions relating to the Bonds in Global Form" in the Offering Circular.*

The Notes are not issuable in bearer form.

2 Transfer of Notes and Issue of Certificates

2.1 Transfers

Subject to Condition 2.4 (*Closed Periods*) and Condition 2.5 (*Regulations*) and the terms of the Agency Agreement, a Note may be transferred in whole or in part by depositing the Certificate issued in respect of that Note with the form of transfer on the back duly completed and signed by the Noteholder or his attorney duly authorised in writing, together with any other evidence as the Registrar or the Transfer Agent may require to prove the title of the transferor and the authority of the individuals who have executed such form of transfer, at the specified office of the Registrar or the Transfer Agent. No transfer of title to a Note will be valid or effective unless and until entered on the Register.

Transfers of interests in the Notes evidenced by the Global Certificate will be effected in accordance with the rules of the relevant clearing systems.

2.2 Delivery of new Certificates

Each new Certificate to be issued upon transfer of Notes will, within seven business days of receipt by the Registrar or, as the case may be, the relevant Transfer Agent of the duly completed form of transfer endorsed on the relevant Certificate, be mailed by uninsured mail (and by airmail if overseas) at the cost of the Issuer and at the risk of the holder entitled to the Note to the address specified in the form of transfer. For the purposes of this Condition 2.2, "**business day**" shall mean a day, other than a Saturday, Sunday or public holiday, on which banks are open for business in the city in which the specified office of the Agent with whom a Certificate is deposited in connection with a transfer is located.

Except in the limited circumstances described in the Global Certificate, owners of interests in the Notes represented by the Global Certificate will not be entitled to receive definitive Certificates in respect of their individual holdings of the Notes.

Where some but not all of the Notes in respect of which a Certificate is issued are to be transferred a new Certificate in respect of the Notes not so transferred (which shall not be less than the Specified Denomination) will, within seven business days of receipt by the Registrar or, as the case may be, the relevant Transfer Agent of the original Certificate, be mailed by uninsured mail (and by airmail if overseas) at the cost of the Issuer and at the risk of the holder of the Notes not so transferred to the address of such holder appearing on the Register or as specified in the form of transfer.

2.3 Formalities free of charge

Registration of a transfer of Notes and issuance of new Certificates will be effected without charge by or on behalf of the Issuer or the Registrar or any Transfer Agent but upon (i) payment (or the giving of such indemnity and/or security and/or pre-funding as the Issuer may reasonably require or, as the case may be, the Registrar or the relevant Transfer Agent may require) in respect of any tax, duty or other governmental charges which may be imposed in relation to such transfer; (ii) the Registrar or the relevant Transfer Agent (as the case may be) being satisfied in its absolute discretion with the documents of title or identity of the person making the application and (iii) the relevant Agent being satisfied that the Regulations (as defined in Condition 2.5 (*Regulations*) below) concerning transfer of the Notes have been complied with.

2.4 Closed Periods

No Noteholder may require the transfer of a Note to be registered during the period of 15 days ending on (and including) the due date for any payment of principal, premium or interest on that Note.

2.5 Regulations

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfer of Notes scheduled to the Agency Agreement (the "**Regulations**"). The regulations may be changed by the Issuer with the prior written approval of the Registrar and the Trustee or by the Registrar with the prior written approval of the Trustee. A copy of the current Regulations will be mailed (at the cost of the Issuer and free of charge to the Noteholder) by the Registrar to any Noteholder who requests one following written request therefor and proof of holding and identity satisfactory to the Registrar.

3 Status of the Notes and the Letter of Credit

3.1 Status of the Notes

The Notes constitute direct, unconditional and (subject to Condition 4.1 (*Negative Pledge*)) unsecured and unsubordinated obligations of the Issuer and (subject as stated above) rank and will rank at all times *pari passu* without any preference among themselves and at least equally with all other present and future outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

3.2 Status of the Letter of Comfort

Pursuant to the Letter of Comfort, the Parent has made a declaration of intention to make reasonable efforts to maintain a controlling ownership of the Issuer during the tenor of the Notes and in the event that the Issuer is unable to repay the principal and/or interest or any other payment obligations in respect of the Notes, the Parent would intend to make reasonable efforts to coordinate and assist the Issuer to obtain the necessary funds in order for the Issuer to fulfil its obligations in connection with the Notes as they fall due. The Letter of Comfort sets out the Parent's intentions as of its date and is not a promise as to the Parent's future conduct.

The Letter of Comfort does not create or evidence any contractual relationship between the Trustee and the Parent, nor does it constitute any guarantee, security, indemnity or other binding legal, equitable or otherwise enforceable obligation by or on the Parent of any kind under the law of any jurisdiction.

4 Covenants

4.1 Negative Pledge

So long as any of the Notes remains outstanding, the Issuer will not create or permit to subsist any mortgage, charge, lien, pledge or other security interest ("**Security**") on the whole or any part of the undertaking, assets or revenue present or future of the Issuer to secure any Relevant Indebtedness (as defined in Condition 4.4 (*Interpretation*) below), unless the Issuer, in the case of the creation of the Security, at the same time or prior thereto takes any and all action necessary to ensure that:

4.1.1 all amounts payable by it under the Notes and the Trust Deed, or its equivalent in any other currency, are secured by the Security equally and rateably with the Relevant Indebtedness to the satisfaction of the Trustee; or

4.1.2 such other Security or other arrangement (whether or not it includes the giving of Security) is provided either (i) as the Trustee shall in its absolute discretion deem not materially less beneficial to the interests of the Noteholders (provided that the Trustee shall not be obliged to exercise such discretion) or (ii) as is approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

4.2 Limitation on Indebtedness

So long as any of the Notes remain outstanding, the Issuer will not Incur any Indebtedness the outstanding principal amount of which, individually or in the aggregate, at any time exceeds U.S.$3,000,000,000 or its equivalent in any other currency.

4.3 Debt Service Reserve Account

4.3.1 The Issuer shall on or before the Issue Date open a U.S. dollar denominated debt service reserve account (the "**DSRA Account**") with the Account Bank and, for so long as any Note is outstanding, ensure that the amount standing to the credit of the DSRA Account is at all times not less than an amount equal to the amount of interest due on all Notes outstanding at that time on the next succeeding Interest Payment Date (the "**DSRA**") (and for the avoidance of doubt, for the purposes of determining whether the Issuer is in compliance with its obligation under this Condition 4.3.1, the principal amount of any Authorised Investment held in the name of the Issuer and made using amounts credited to and representing cleared funds in the DSRA Account and any interest earned in respect of any Authorised Investments which is paid in cleared funds to the credit of the DSRA Account, shall be deemed to form part of the DSRA Account provided that any amounts withdrawn from the DSRA Account by the Issuer under Condition 4.3.2(ii) below shall not be deemed to form part of the DSRA Account Amount).

4.3.2 So long as any Note is outstanding, no withdrawal or transfer from the DSRA Account may be made by the Issuer except for (i) the purposes of payment of interest or amounts due on the Notes on the Maturity Date or an Early Redemption Date as contemplated in the Account Bank Agreement, (ii) to the extent that the amount standing to the credit of the DSRA Account exceeds the DSRA, transfer of any such excess amount (or portion of such excess amount) to such account of the Issuer as may be notified to the Account Bank by the Issuer in accordance with the Account Bank Agreement and (iii) for transfer of any Surplus Amount (as defined in the Account Bank Agreement) to the Designated Account (as defined in the Account Bank Agreement) of the Issuer in accordance with the Account Bank Agreement. Any such withdrawal or transfer as described in the immediately preceding sentence requires the prior written approval and counter-signature of the Trustee (the Trustee shall be entitled to seek and act on instructions of the Noteholders in accordance with the Trust Deed). For the avoidance of doubt, the first sentence of this Condition 4.3.2 does not relate to any Authorised Investment (as defined in the Account Bank Agreement) which may be made or liquidated in accordance with the Account Bank Agreement.

4.3.3 The restriction on the withdrawal or transfer of sums standing to the credit of the DSRA Account shall not affect the obligations of the Issuer to make any payments due on the Notes on the date such payment is required to be made under these Conditions.

4.3.4 If the Trustee delivers an Enforcement Notice to the Account Bank as contemplated in the Conditions Letter, then the Account Bank is authorised to transfer an amount equal to the DSRA from the amount standing to the credit of the DSRA Account to such bank account as may be specified to the Account Bank in a Remittance Notice for payment of any amounts outstanding (including principal and interest) under the Notes. In this Condition 4.3.4, "**Conditions Letter**" shall have the meaning given to it in the Account Bank Agreement and "**Enforcement Notice**" and "**Remittance Notice**" shall have the meaning given to it in the Conditions Letter.

The DSRA Account is unsecured. See "Risk Factors — Risks Relating to the Notes — the DSRA Account is unsecured" in the Offering Circular.

4.4 Interpretation

In these Conditions:

"**assets**" includes present and future properties, revenue and rights of every description;

"**control**" has the meaning given in paragraph (v) of Condition 7.3.5 (*Redemption for Change of Control*) below;

"**Early Redemption Date**" means a date for the redemption of the Notes prior to the Maturity Date provided for in Condition 7.2 (*Redemption for Taxation Reasons*), Condition 7.3 (*Redemption for Change of Control*) and Condition 7.4 (*Redemption at the Option of the Issuer*);

"**Incur**" means issue, assume, guarantee incur or otherwise become liable for;

"**Indebtedness**" means any obligation for money borrowed or raised including (without limitation) any indebtedness for or in respect of:

(i) amounts raised by acceptance under any acceptance credit facility;

(ii) amounts raised under any note purchase facility;

(iii) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;

(iv) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 60 days; and

(v) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing; and

"**Relevant Indebtedness**" means (i) any present or future indebtedness (whether being premium, principal interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities which are for the time being quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market, and (ii) any guarantee or indemnity of any such indebtedness which by their terms are or are intended to be or capable of being quoted, listed, ordinarily dealt in or traded on any stock exchange or over-the-counter or other similar securities market.

5 Interest

5.1 Interest Rate and Interest Payment Dates

The Notes bear interest on their outstanding principal amount from and including the Issue Date at the rate of 4.350 per cent. per annum (the "**Rate of Interest**"), payable semi-annually in arrear in equal instalments of U.S.$21.750 per Calculation Amount (as defined below) on 9 June and 9 December of each year (each an "**Interest Payment Date**"), commencing with the first Interest Payment Date falling on 9 December 2021.

5.2 Interest Accrual

Each Note will cease to bear interest from and including its due date for redemption unless, upon due presentation, payment of principal in respect of the Note is improperly withheld or refused or unless default is otherwise made in respect of payment. In such event, interest will continue to accrue as provided in the Trust Deed.

5.3 Calculation of broken interest

When interest is required to be calculated in respect of a period of less than a complete Interest Period (as defined below), it shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

In these Conditions, the period beginning on and including the Issue Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is called an "**Interest Period**".

Interest in respect of any Note shall be calculated per U.S.$1,000 in principal amount of the Notes (the "**Calculation Amount**"). The amount of interest payable per Calculation Amount for any period shall be equal to the product of the rate of interest specified above, the Calculation Amount and the day-count fraction for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

6 Payments

6.1 Method of Payments

6.1.1 Payments of principal and premium (if any) shall be made (subject to surrender of the relevant Certificates at the specified office of the Transfer Agent or the Registrar if no further payment falls to be made in respect of the Notes represented by such Certificates) in the manner provided in Condition 6.1.2.

6.1.2 Interest on each Note shall be paid to the person shown on the Register at the close of business 15 days before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Note shall be made in U.S. dollars by credit or transfer to the registered account of the holder (or to the first named of joint holders) of such Note appearing in the Register.

6.1.3 For the purposes of this Condition 6.1 (*Method of Payments*), a Noteholder's "**registered account**" means the U.S. dollars account maintained by or on behalf of it with a bank that processes payments in U.S. dollars, details of which appear on the Register at the close of business, in the case of principal and premium and interest due otherwise than on an Interest Payment Date, on the second Business Day (as defined below) before the due date for payment and, in the case of interest due on an Interest Payment Date, on the relevant Record Date, and a Noteholder's registered address means its address appearing on the Register at that time.

Notwithstanding the foregoing, so long as the Global Certificate is held on behalf of Euroclear Bank SA/NV, Clearstream Banking S.A. or any other clearing system, each payment in respect of the Global Certificate will be made to the person shown as the holder in the Register at the close of business of the relevant clearing system on the Clearing System Business Day before the due date for such payments, where "Clearing System Business Day" means a day on which Euroclear Bank SA/NV and Clearstream Banking S.A. are open for business.

6.2 Partial Payments

If the amount of principal and premium being paid upon surrender of the relevant Certificate is less than the outstanding principal amount of such Certificate, the Registrar will annotate the Register with the amount of principal so paid and will (if so requested by the Issuer or a Noteholder) issue a new Certificate with a principal amount equal to the remaining unpaid outstanding principal amount. If the amount of interest being paid is less than the amount then due, the Registrar will annotate the Register with the amount of interest so paid.

6.3 Payments subject to Applicable Laws

All payments are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment, including but not limited to regulatory approvals prescribed by law or regulation, but without prejudice to the provisions of Condition 8 (*Taxation*). No commissions or expenses shall be charged to the Noteholders in respect of any such payments.

6.4 Payment on Business Days

6.4.1 Payment instructions will be initiated (for value the due date or, if that is not a Business Day (as defined below), for value the first following day which is a Business Day). In the case of a payment of principal and premium or a payment of interest due otherwise than on an Interest Payment Date, payment will be made on the Business Day on which the relevant Certificate is surrendered at the specified office of an Agent.

6.4.2 Noteholders will not be entitled to interest or other payment for any delay after the due date in receiving the amount due if (i) the due date is not a Business Day or (ii) the Noteholder is late in surrendering its Certificate (if required to do so).

6.4.3 If any Interest Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day which is a Business Day unless it would then fall into the next calendar month, in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, "**Business Day**" means in relation to any place a day (other than a Saturday, Sunday, or public holiday) on which commercial banks are open for business in Singapore, Hong Kong, New York City and London and, in the case of presentation of a Certificate, in the place in which the Certificate is presented.

6.5 Default Interest

If on or after the due date for payment of any sum in respect of the Notes, payment of all or any part of such sum shall not be made against due presentation of the Certificates, the Issuer shall pay interest on the amount so unpaid from such due date up to the day of actual receipt by the relevant Noteholders (as well after as before judgment) at a rate per annum equal to 6.350 per cent. per annum. The Issuer shall pay any unpaid interest accrued on the amount so unpaid on the last Business Day of the calendar month in which such interest accrued and any interest payable under this Condition 6.5 which is not paid on the last Business Day of the calendar month in which it accrued shall be added to the overdue sum and itself bear interest accordingly. Interest at the rate(s) determined in accordance with this Condition 6.5 shall be calculated on the basis of a 360 day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed on the basis of a month of 30 days.

6.6 Agents

The Principal Paying Agent, the Registrar and the Transfer Agent initially appointed by the Issuer and their respective specified offices are listed below. The Issuer reserves the right, subject to the prior written approval of the Trustee and subject to the terms of the Agency Agreement under which any Agent is appointed, at any time, to vary or terminate the appointment of any Agent at any time

and to appoint additional or other Agents provided that the Issuer shall at all times maintain (i) a Principal Paying Agent, (ii) a Registrar with a specified office outside the United Kingdom, (iii) a Transfer Agent, and (iv) such other agents as may be required by any other stock exchange on which the Notes may be listed.

Notice of any termination or appointment and of any changes in specified offices shall be given to the Noteholders promptly by the Issuer in accordance with Condition 13 (*Notices*).

7 Redemption and Purchase

7.1 Redemption at Maturity

Unless previously redeemed or purchased and cancelled as provided below, the Issuer will redeem the Notes at their principal amount (together with unpaid accrued interest thereon (if any)) on 9 June 2026 (the "**Maturity Date**"). The Notes may not be redeemed at the option of the Issuer other than in accordance with this Condition 7 (*Redemption and Purchase*).

7.2 Redemption for Taxation Reasons

7.2.1 The Notes may be redeemed at the option of the Issuer in whole but not in part, at any time on any Interest Payment Date, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 13 (*Notices*) and in writing to the Trustee, the Principal Paying Agent and the Account Bank (which notice shall be irrevocable), at any time, at their principal amount (together with unpaid accrued interest thereon (if any) to but excluding the relevant Interest Payment Date), if the Issuer satisfies the Trustee immediately prior to the giving of such notice that (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of any Relevant Jurisdiction (as defined in Condition 8.2.2 (*Interpretation*)), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts where a payment in respect of the Notes is then due.

7.2.2 Prior to the publication of any notice of redemption pursuant to Condition 7.2.1, the Issuer shall deliver to the Trustee (i) a certificate signed by two directors of the Issuer, each of whom is an Authorised Signatory (as defined in the Trust Deed), stating that the obligation referred to in Condition 7.2.1(i) above cannot be avoided by the Issuer taking reasonable measures available to it and the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment. The Trustee shall be entitled to accept such certificate and opinion without further enquiry as sufficient evidence of the satisfaction of the conditions precedent set out in Condition 7.2.1 above in which event it shall be conclusive and binding on the Noteholders.

7.3 Redemption for Change of Control

7.3.1 If a Change of Control (as defined in Condition 7.3.5 below) occurs, each Noteholder shall have the right (the "**Change of Control Redemption Right**"), at such Noteholder's option, to require the Issuer to redeem all of such Noteholder's Note(s) in whole but not in part, on the Change of Control Redemption Date, at a price equal to the Change of Control Redemption Amount (as defined in Condition 7.3.5 below). None of the Trustee, the Agents or the Account Bank shall be required to take any steps to ascertain whether a Change of Control or any event which could lead to the occurrence of a Change of Control has occurred or may occur, and none of them shall be liable to any person for any failure to do so.

7.3.2 To exercise the Change of Control Redemption Right attaching to a Note on the occurrence of a Change of Control, the holder thereof must complete, sign and deposit at its own expense at any time from 9:00 a.m. to 3:00 p.m. (local time in the place of deposit) on any Business Day at the specified office of any Paying Agent a notice (a "**Change of Control Redemption Notice**") in the form (for the time being current) obtainable from the specified office of any Paying Agent together with the relevant Certificate evidencing the Notes to be redeemed. Such Change of Control Redemption Notice may be given on the earlier of the date on which the relevant Noteholder becomes aware of the occurrence of the Change of Control and the date on which the Change of Control Notice delivered by the Issuer under Condition 7.3.4 is received by such Noteholder. No Change of Control Redemption Notice may be given after 90 days from the date of the Change of Control Notice (as detailed below).

7.3.3 A Change of Control Redemption Notice, once delivered, shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the Change of Control Redemption Notice and instead to give notice that the Note is immediately due and repayable under Condition 9 (*Events of Default*). The Issuer shall redeem the Notes (in whole but not in part) which form the subject of the Change of Control Redemption Notice which is not withdrawn on the Change of Control Redemption Date.

7.3.4 Not later than seven days after becoming aware of a Change of Control, the Issuer shall procure that notice (a "**Change of Control Notice**") regarding the Change of Control be delivered to the Trustee, the Account Bank, the Paying Agents and the Noteholders in accordance with Condition 13 (*Notices*) stating:

(i) that the Noteholders may require the Issuer to redeem their Note(s) under this Condition 7.3 (*Redemption for Change of Control*);

(ii) the date of such Change of Control and, briefly, the events causing such Change of Control;

(iii) the names and addresses of all relevant Paying Agents;

(iv) such other information relating to the Change of Control as any Noteholder may require; and

(v) that the Change of Control Redemption Notice pursuant to Condition 7.3.2 once validly given, may not be withdrawn and the last day on which a Change of Control Redemption Notice may be given.

7.3.5 In these Conditions:

(i) "**Capital Stock**" means, with respect to any person, any and all shares, ownership interests, participation or other equivalents (however designated), including all ordinary shares or common or ordinary stock and all preferred shares or stock, of such person;

(ii) a "**Change of Control**" means the occurrence of any of the following:

(a) Tata Motors Limited ceases to control the Issuer; or

(b) Tata Motors Limited ceases to hold directly or indirectly at least 51 per cent. of the Issuer's Voting Stock; or

(c) the Issuer ceases to control Jaguar Land Rover; or

(d) the Issuer ceases to hold, directly or indirectly, at least 51 per cent. of the Voting Stock of Jaguar Land Rover;

(iii) "**Change of Control Redemption Amount**" means an amount equal to 101 per cent. of the principal amount of the Notes redeemed plus accrued and unpaid interest, if any, to but excluding the redemption date;

(iv) "**Change of Control Redemption Date**" means the date specified in the Change of Control Redemption Notice, such date may not be less than 14 nor more than 30 days after the date of the Change of Control Redemption Notice;

(v) "**control**" of one person (the "**first person**") by another person (the "**second person**") or the first person being "**controlled**" by the second person means that the second person (whether directly or indirectly and whether by the ownership of share capital, the possession of voting power, contract or otherwise) has the power to appoint and/or remove all or a majority of the members of the board of directors or other governing body of the first person or otherwise controls or has the power of control over the affairs and policies of the first person;

(vi) "**Jaguar Land Rover**" means Jaguar Land Rover Automotive plc;

(vii) for the purposes of the Change of Control Redemption Right, a "**person**" includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing;

(viii) "**shares**" or "**share capital**" includes equivalent ownership interests (and "shareholder" and similar expressions shall be construed accordingly); and

(ix) "**Voting Stock**" means any class or classes of Capital Stock pursuant to which the holders thereof have the general voting power under ordinary circumstances to elect members of the board of directors, managers or trustees of any person (irrespective of whether or not, at the time, shares or stock of any other class or classes shall have, or might have voting power by reason of the happening of any contingency).

7.4 Redemption at the Option of the Issuer:

7.4.1 The Issuer may at its option, at any time prior to 9 December 2023, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 13 (*Notices*) and in writing to the Trustee, the Principal Paying Agent and the Account Bank (which notice shall be irrevocable), redeem the Notes, in whole but not in part, at their principal amount plus the Applicable Premium applicable to the Notes (together with interest accrued to but excluding the date fixed for redemption).

7.4.2 The Issuer may at its option, at any time on or after 9 December 2023, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 13 (*Notices*) and in writing to the Trustee, the Principal Paying Agent and the Account Bank (which notice shall be irrevocable), redeem the Notes, in whole but not in part, at the following redemption prices (expressed as percentages of the principal amount of the Notes at maturity) (together with interest accrued to but excluding the date fixed for redemption):

Period	**Redemption Price**
On or after 9 December 2023 to (but excluding) 9 December 2024....	102.175 per cent.

Period	Redemption Price
On or after 9 December 2024 to (but excluding) 9 December 2025....	101.0875 per cent.
On or after 9 December 2025 to (but excluding) 9 June 2026	100.000 per cent.

7.4.3 Any optional redemption of Notes and notice of redemption under this Condition 7.4 (*Redemption at the Option of the Issuer*) may, at the Issuer's discretion, be subject to the satisfaction (or waiver by the Issuer in its sole discretion) of one or more conditions precedent. If any such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice may state that, in the Issuer's sole discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded if any or all such conditions shall not be satisfied by the redemption date, or by the redemption date so delayed.

7.4.4 For the avoidance of doubt, none of the Agents, the Account Bank or the Trustee have any responsibility or liability to the Noteholders, the Issuer, the Parent or any other person with respect to the calculation or verification of any calculation of the Applicable Premium.

7.4.5 In these Conditions:

(i) "**Adjusted Treasury Rate**" means, with respect of any redemption date:

(a) the average of the yields in each statistical release for the immediately preceding week (from the calculation date) designated "H.15" or any successor release published by the Board of Governors of the Federal Reserve System which establishes yields on actively traded U.S. Treasury securities adjusted to constant maturity under the heading "*U.S. government securities — Treasury constant maturities — nominal*" for the maturity corresponding to the Comparable Treasury Issue; provided that if no maturity is within three months before or after the period from the redemption date to the maturity of the Comparable Treasury Issue, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue will be determined and the Adjusted Treasury Rate will be interpolated or extrapolated from those yields on a straight-line basis rounding to the nearest month; provided further that if the period from the redemption date to 9 December 2023 is less than one year, the weekly average yield on actually traded U.S. Treasury securities adjusted to a constant maturity of one year will be used; or

(b) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

The Adjusted Treasury Rate shall be calculated by the Issuer or the Independent Investment Bank on the third Business Day preceding the redemption date.

(ii) "**Applicable Premium**" means, with respect to a Note on any redemption date, the greater of:

(a) 1.00 per cent. of the principal amount of such Note; and

(b) the excess of: (x) the present value at such redemption date of: (A) the redemption price of such Note at 9 December 2023 (such redemption price being set forth in Condition 7.4.2); plus (B) all required interest payments that would otherwise be due to be paid on such Note during the period between the redemption date and 9 December 2023 (excluding accrued but unpaid interest), computed using a discount rate equal to the Adjusted Treasury Rate at such redemption date plus 50 basis points; over (y) the outstanding principal amount of such Note.

(iii) "**Comparable Treasury Issue**" means the U.S. Treasury security selected by an Independent Investment Bank having a maturity most nearly equal to the period from the redemption date to 9 December 2023.

(iv) "**Comparable Treasury Price**" means, with respect to any redemption date:

(a) the average of five Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations; or

(b) if the Independent Investment Bank obtains fewer than five Reference Treasury Dealer Quotations, the average of all such quotations.

(v) "**Independent Investment Bank**" means a Reference Treasury Dealer appointed by the Issuer as such.

(vi) "**Primary Treasury Dealer**" means a primary U.S. government securities dealer in New York City.

(vii) "**Reference Treasury Dealer**" means:

(a) each of Australia and New Zealand Banking Group Limited, BNP Paribas, Mizuho Securities Asia Limited, Merrill Lynch (Singapore) Pte. Ltd. and Standard Chartered Bank (Singapore) Limited and their respective successors or any of their respective affiliates, so long as it is a Primary Treasury Dealer; provided that, if any such Person ceases to be a Primary Treasury Dealer, the Issuer will substitute another Primary Treasury Dealer; and

(b) any other Primary Treasury Dealer selected by the Issuer.

(viii) "**Reference Treasury Dealer Quotations**" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Bank, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Bank by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day preceding such redemption date.

7.5 Calculations

None of the Trustee, the Account Bank or any of the Agents shall be responsible for calculating or verifying any calculations of any amounts payable under any notice of redemption or Change of Control Redemption Notice, Adjusted Treasury Rate, the Applicable Premium or the Comparable Treasury Price and none of them shall be liable to Noteholders, the Issuer or any other person for not doing so.

7.6 Purchases

The Issuer or any of the Issuer's subsidiaries may at any time (if permitted under applicable laws) purchase Notes in any manner and at any price in the open market or otherwise. The Notes so acquired, while held on behalf of the Issuer or any of the Issuer's subsidiaries, shall not entitle the holders thereof to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders for the purposes of, among other things, Conditions 9 (*Events of Default*), 11 (*Enforcement*) and 14 (*Meetings of Noteholders, Modification, Waiver and Authorisation*).

7.7 Cancellations

All Certificates representing Notes purchased by or on behalf of the Issuer shall be surrendered for cancellation to the Registrar and, upon surrender thereof, all such Notes shall be cancelled forthwith. Any Certificates so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

7.8 Notices Final

Upon the expiry of any notice as is referred to in Conditions 7.2 (*Redemption for Taxation Reasons*) or 7.3 (*Redemption for Change of Control*) or 7.4 (*Redemption at the Option of the Issuer*) above the Issuer shall be bound to redeem the Notes to which the notice refers in accordance with the terms of such Condition.

8 Taxation

8.1 Payment without Withholding

All payments in respect of the Notes by or on behalf of the Issuer shall be made free and clear and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed, levied, collected or assessed by or on behalf of any of the Relevant Jurisdictions (as defined in Condition 8.2.2 (*Interpretation*) below), unless such withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders after the withholding or deduction shall equal the amounts which would have been received by them had no such withholding or deduction been required; except that no additional amounts shall be payable in relation to any payment in respect of any Note:

8.1.1 presented for payment by or on behalf of a holder who is liable to the Taxes in respect of the Note by reason of his having some connection with any Relevant Jurisdiction other than the mere holding of the Note; or

8.1.2 presented for payment more than 30 days after the Relevant Date (as defined in Condition 8.2.1 (*Interpretation*) below) except to the extent that a holder would have been entitled to additional amounts on presenting the same for payment on the last day of the period of 30 days assuming (whether or not such is in fact the case) that day to have been a Business Day (as defined in Condition 6.4 (*Payment on Business Days*)); or

8.1.3 presented for payment by or on behalf of a holder who would not be liable or subject to the withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or

8.1.4 presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another third party.

8.2 Interpretation

In these Conditions:

8.2.1 "**Relevant Date**" means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by a Paying Agent or the Trustee on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Noteholders by the Issuer in accordance with Condition 13 (*Notices*); and

8.2.2 "**Relevant Jurisdiction**" means The Republic of Singapore or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by the Issuer) or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes. If the Issuer becomes subject at any time to any taxing jurisdiction other than any Relevant Jurisdiction, references in these Conditions to any "**Relevant Jurisdiction**" shall be construed as including references to the new Relevant Jurisdiction.

8.3 Additional Amounts

Any reference in these Conditions to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition 8 (*Taxation*) or under any undertakings given in addition to, or in substitution for, this Condition 8 (*Taxation*) pursuant to the Trust Deed.

None of the Trustee, the Account Bank or any Agent shall be responsible for paying any tax, duty, charges, withholding or other payment referred to in this Condition 8 (*Taxation*) or for determining whether such amounts are payable or the amount thereof, and none of them shall be responsible or liable for any failure by the Issuer, any Noteholder or any third party to pay such tax, duty, charges, withholding or other payment in any jurisdiction or to provide any notice or information to the Trustee, the Account Bank or any Agent that would permit, enable or facilitate the payment of any principal, premium (if any), interest or other amount under or in respect of the Notes without deduction or withholding for or on account of any tax, duty, charge, withholding or other payment imposed by or in any jurisdiction.

9 Events of Default

9.1 Events of Default

The Trustee at its discretion may (but it is not obliged to), and if so requested in writing by the holders of at least 25 per cent. in aggregate principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction) shall, give notice to the Issuer (which notice shall be copied to the Account Bank) that the Notes are, and they shall immediately become, due and repayable at their principal amount, together with accrued interest as provided in the Trust Deed if any of the following events occurs and is continuing (each an "**Event of Default**"):

9.1.1 **Non-payment**: If the Issuer fails to pay any principal, redemption amount or interest on any of the Notes when due and the default continues for a period of five days of its due date; or

9.1.2 **Breach of other obligations**: If the Issuer fails to perform or comply with any of its other obligations under these Conditions, the Trust Deed or the Account Bank Agreement and (except where the Trustee considers the failure to be incapable of remedy, when no continuation or notice mentioned below will be required) the failure continues for the period of 30 days following the service by the Trustee on the Issuer of notice requiring the default to be remedied; or

9.1.3 **Cross-default**: If (i) any Indebtedness for Borrowed Money (as defined below) of the Issuer becomes capable of being declared due and repayable prior to its stated maturity by reason of an event of default or potential event of default (however described); (ii) the Issuer fails to make any payment in respect of any Indebtedness for Borrowed Money on the due date for payment as extended by any originally applicable grace period; (iii) any security given by the Issuer for any Indebtedness for Borrowed Money becomes enforceable; or (iv) default is made by the Issuer in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person; provided that no event described in this Condition 9.1.3 (*Cross-default*) shall constitute an Event of Default unless the Indebtedness for Borrowed Money or other relative liability due and unpaid, either alone or when aggregated (without duplication) with other amounts of Indebtedness for Borrowed Money and other liabilities due and unpaid relative to all (if any) other events specified in (i) to (iv) above of this Condition 9.1.3 (*Cross-default*) which have occurred and are continuing, amounts to at least U.S.$10,000,000 (or its equivalent in any other currency); or

9.1.4 **Winding-up**: If any order is made by any competent court or resolution is passed for the winding up or dissolution of the Issuer, save for the purposes of reorganisation on terms approved in writing by the Trustee acting pursuant to an Extraordinary Resolution of the Noteholders; or

9.1.5 **Cessation of business**: If the Issuer ceases or threatens to cease to carry on the whole or a substantial part of its business, save for the purposes of any reorganisation on terms approved by an Extraordinary Resolution of the Noteholders; or

9.1.6 **Insolvency**: The Issuer stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or

9.1.7 **Liquidation and insolvency proceedings**: If (i) proceedings are initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or the whole or a substantial part of its undertaking or assets or an encumbrancer takes possession of the whole or a substantial part of the undertaking or assets of the Issuer, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of the Issuer, and (ii) in any such case (other than the appointment of an administrator) unless initiated by the relevant company is not discharged within 14 days; or

9.1.8 **Creditors arrangement**: If the Issuer (or its directors or shareholders) initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or

9.1.9 **Nationalisation**: Any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Issuer; or

9.1.10 **Validity**: If the validity of the Notes is contested by the Issuer, or the Issuer denies any of the Issuer's obligations under the Notes or it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes or any of such obligations are or become unenforceable or invalid; or

9.1.11 **DSRA Account**: If at any time the amount standing to the credit of the DSRA Account is less than the DSRA, except on the Maturity Date or an Early Redemption Date; or

9.1.12 **Letter of Comfort**: If the Letter of Comfort is terminated or withdrawn; or

9.1.13 **Change of law**: If any regulation, decree, consent, approval, licence or other authority necessary to enable the Issuer to perform its obligations under the Notes or for the validity or enforceability thereof expires or is withheld, revoked or terminated or otherwise ceases to remain in full force and effect or is modified in a manner which adversely affects any rights or claims of any of the Noteholders; or

9.1.14 **Analogous event**: If any event occurs which, under the laws of any Relevant Jurisdiction has an analogous effect to any of the events referred to in Conditions 9.1.4 (*Winding-up*) to 9.1.10 (*Validity*) above.

9.2 Interpretation

For the purposes of this Condition 9 (*Events of Default*), "**Indebtedness for Borrowed Money**" means any indebtedness (whether being principal, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities or any borrowed money or any liability under or in respect of any acceptance or acceptance credit.

10 Prescription

Claims in respect of principal, premium (if any) and interest will become void unless presentation for payment is made as required by Condition 6 (*Payments*) within 10 years (in the case of principal and premium (if any)) and five years (in the case of interest (including any accrued interest)) from the appropriate Relevant Date in respect of them. None of the Trustee, the Account Bank or any of the Agents shall be responsible for any amounts so prescribed.

11 Enforcement

The Trustee may at any time, at its discretion and without notice, take any proceedings and/or any other steps and/or actions (including without limitation lodging an appeal) against or in relation to or in connection with the Issuer as it thinks fit to enforce repayment of the Notes and to enforce the provisions of the Trust Deed and/or the Notes but it is not bound to take any such proceedings or steps or other action in relation to the Trust Deed and/or the Notes unless (i) it has been directed to do so by an Extraordinary Resolution of the Noteholders or requested to do so in writing by the holders of at least 25 per cent. in aggregate principal amount of the Notes then outstanding, and (ii) it has been indemnified and/or secured and/or pre-funded to its satisfaction.

No Noteholder will be entitled to take any steps, action or proceedings against the Issuer to (a) enforce any of the provisions of the Trust Deed or the Notes or (b) take any proceedings and/or any other steps and/or actions (including without limitation lodging an appeal) unless the Trustee, having become bound to do so itself, fails to do so within a reasonable period and the failure is continuing.

12 Replacement of Certificates

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations or other relevant stock exchange or other regulatory authority regulations, at the specified office of the Registrar or such Transfer Agent as may from time to time be designated by the Registrar for that purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security, indemnity and otherwise as the Issuer or the Registrar or the Transfer Agent may in their discretion require (provided that the requirement is reasonable in light of prevailing market practice). Mutilated or defaced Certificates must be surrendered before replacements will be issued.

13 Notices

13.1 Notices to the Noteholders

13.1.1 Notices to Noteholders will be valid if published in a leading newspaper having general circulation in Singapore (which is expected to be the Business Times). If at any time publication in such newspaper is not practicable, notices will be valid if published in such other manner as the Issuer shall determine. Notices will, if published more than once or on different dates, be deemed to have been given on the first date on which publication is made.

13.1.2 In the case where the Notes are listed on the SGX-ST, notices to the holders of such Notes shall also be valid if made by way of an announcement on the SGX-ST. Any such notice shall be deemed to have been given to the Noteholders on the date on which the said notice was uploaded as an announcement on the SGX-ST.

13.1.3 Notwithstanding the other provisions of this Condition 13 (*Notices*), in any case where the identity and addresses of all the Noteholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

So long as the Global Certificate is held on behalf of Euroclear Bank SA/NV and Clearstream Banking S.A., any notice to the holders of the Notes shall be validly given by the delivery of the relevant notice to Euroclear Bank SA/NV and Clearstream Banking S.A., for communication by the relevant clearing system to entitled accountholders in substitution for notification as required by these Conditions and shall be deemed to have been given on the date of delivery to such clearing system.

13.2 Notices from the Noteholders

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relative Certificate, with the Registrar, or, if the Certificates are held in a clearing system, may be given through the clearing system in accordance with its standard rules and procedure.

14 Meetings of Noteholders, Modification, Waiver and Authorisation

14.1 Meetings of Noteholders

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including without limitation the modification or abrogation by Extraordinary Resolution of any of these Conditions or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Trustee if requested in writing to do so by Noteholders holding not less than 10 per cent. in aggregate principal amount of the Notes for the time being outstanding and subject to it being indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses. The quorum at any meeting for passing an Extraordinary Resolution will be one or more Eligible Persons (as defined in the Trust Deed) present holding or representing in the aggregate more than 50 per cent. in aggregate principal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more Eligible Persons present whatever the aggregate principal amount of the Notes held or represented by him or them, except that, at any meeting the business of which includes the modification or abrogation of certain of the provisions of these Conditions and certain of the provisions of the Trust Deed, the necessary quorum for passing an Extraordinary Resolution will be one or more Eligible Persons present holding or representing not less than 66 2/3 per cent., or at any adjourned meeting not less than 33 1/3 per cent., of the aggregate principal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders will be binding on all Noteholders, whether or not they are present at the meeting.

14.2 Modification, Waiver, Authorisation and Determination

The Trustee may (but shall not be obliged to) agree, without the consent of the Noteholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of these Conditions or any of the provisions of the Trust Deed, the Agency Agreement and/or the Account Bank Agreement, or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such (provided that, in any such case, it is not, in the opinion of the Trustee materially prejudicial to the interests of the Noteholders) or may agree, without any such consent as aforesaid, to any modification which, in its opinion, is of a formal, minor or technical nature or to correct a manifest error or to comply with any mandatory provision of applicable law.

14.3 Trustee to have Regard to Interests of Noteholders as a Class

In connection with the exercise by it of any of its functions (including, without limitation, any modification, waiver, authorisation, or determination), the Trustee shall have regard to the general interests of the Noteholders as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders (whatever their number) and, in particular, shall not have regard to the consequences of any such exercise for individual Noteholders (whatever their number) resulting from their being domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require on behalf of any Noteholder, nor shall any Noteholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

14.4 Notification to the Noteholders

Any modification, waiver, authorisation, or determination shall be binding on the Noteholders and, unless the Trustee agrees otherwise, any modification or waiver shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 13 (*Notices*).

15 Indemnification of the Trustee and Its Contracting with the Issuer

15.1 Indemnification and protection of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility and liability towards the Issuer and the Noteholders, including provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction.

The Trustee may rely without liability to Noteholders, the Issuer or any other person on any report, confirmation, certificate or information from or any opinion or advice of any lawyers, accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation, certificate, information, opinion or advice and, in such event, such report, confirmation, certificate, information, opinion or advice shall be binding on the Issuer, the Trustee and the Noteholders.

Whenever the Trustee is required or entitled by or as contemplated in the terms of the Trust Deed, the Agency Agreement, the Account Bank Agreement or these Conditions to exercise any discretion or power, take any action, make any decision or give any direction, the Trustee is entitled, prior to exercising any such discretion or power, taking any such action, making any such decision or giving any such direction, to seek directions from the Noteholders by way of Extraordinary Resolution, and the Trustee shall not be responsible for any loss or liability incurred by the Issuer, the Noteholders or any other person as a result of any delay in it exercising such discretion or power, taking such action, making such decision or giving such direction as a result of seeking such direction from the Noteholders or in the event that no direction is given to the Trustee by the Noteholders.

None of the Trustee, the Account Bank or any of the Agents shall be responsible or liable for the performance by the Issuer and any person appointed by the Issuer under the Trust Deed, the Agency Agreement, the Account Bank Agreement or these Conditions or in relation to the Notes of the duties and obligations on their part expressed in respect of the same and, unless it has written notice from the Issuer to the contrary, the Trustee, the Account Bank and each Agent shall be entitled to assume that the same are being duly performed. None of the Trustee, the Account Bank or any Agent shall be liable to any Noteholder, the Issuer or any other person for any action taken by the Trustee, the Account Bank or any Agent in accordance with the instructions of the Noteholders. The Trustee shall be entitled to rely on any direction, request or resolution of Noteholders given by Noteholders holding the requisite aggregate principal amount of Notes outstanding or passed at a meeting of Noteholders convened and held in accordance with the Trust Deed. None of the Trustee, the Account Bank or any of the Agents shall be responsible or liable for any action which may be taken by the Parent as contemplated in the Letter of Comfort or in the event that the Parent does not act in accordance with the intentions on its part expressed in the Letter of Comfort.

Each Noteholder shall be solely responsible for making and continuing to make its own independent appraisal of and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Parent, the Issuer and/or any of the Issuer's subsidiaries, and the Trustee shall not at any time have any responsibility or liability for the same and no party (including any Noteholder) shall rely on the Trustee in respect thereof.

15.2 Trustee Contracting with the Issuer

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, inter alia, (i) to enter into business transactions with the Parent and/or the Issuer and/or any of the subsidiaries and/or affiliates of the Parent and/or the Issuer and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Parent and/or the Issuer and/or any of the subsidiaries and/or affiliates of the Parent and/or the Issuer, (ii) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders, and (iii) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

16 Further Issues

The Issuer may from time to time without the consent of the Noteholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date and the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition 16 and consolidated and forming a single series with the Notes.

Any further securities forming a single series with the outstanding Notes constituted by the Trust Deed or any deed supplemental to it shall be constituted by a deed supplemental to the Trust Deed.

17 Governing Law and Submission to Jurisdiction

17.1 Governing Law

The Trust Deed, the Agency Agreement, the Notes and the Account Bank Agreement and any non-contractual obligations arising out of or in connection with them are governed by, and will be construed in accordance with, English law.

17.2 Jurisdiction of English Courts

The Issuer has, in the Trust Deed, irrevocably agreed for the benefit of the Trustee and the Noteholders that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed or the Notes (including any dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed or the Notes and accordingly has submitted to the exclusive jurisdiction of the English courts.

The Issuer has, in the Trust Deed, waived any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Trustee and the Noteholders may take any suit, action or proceeding arising out of or in connection with the Trust Deed or the Notes respectively (including any suit, action or proceedings relating to any non-contractual obligations arising out of or in connection with the Trust Deed or the Notes) (together referred to as "**Proceedings**") against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

17.3 Appointment of Process Agent

The Issuer has, in the Trust Deed, irrevocably and unconditionally appointed Tata Limited at 18 Grosvenor Place, London SW1X 7HS, United Kingdom as its agent for service of process in England in respect of any Proceedings and have undertaken that in the event of such agent ceasing so to act it will appoint such other person to accept service of process and shall deliver to the Trustee a copy of the new process agent's acceptance of that appointment within 30 days of such cessation. Nothing herein shall affect the right to serve process in any other manner permitted by law.

17.4 Sovereign Immunity

The Issuer has, in the Trust Deed, irrevocably and unconditionally waived and agreed not to raise with respect to the Notes any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence, and has irrevocably and unconditionally consented to the giving of any relief or the issue of any process, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings.

18 Rights of Third Parties

Save as contemplated in and without prejudice to the rights of the Noteholders provided in Condition 11 (*Enforcement*), no person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

THE GLOBAL CERTIFICATE

The Global Certificate contains the following provisions which apply to the Notes in respect of which they are issued whilst they are represented by the Global Certificate, some of which modify the effect of the Terms and Conditions of the Notes. Terms defined in the Terms and Conditions of the Notes have the same meaning as in the paragraphs below.

Promise to Pay

The Issuer, subject to and in accordance with the Terms and Conditions of the Notes and the Trust Deed, will promise to pay to the registered holder of the Global Certificate on 9 June 2026 and/or on such earlier date(s) as all or any of the Notes represented by the Global Certificate may become due and repayable in accordance with the Terms and Conditions of the Notes and the Trust Deed, the amount payable under the Terms and Conditions of the Notes in respect of such Notes on each such date and to pay interest (if any) on the principal amount of the Notes outstanding from time to time represented by the Global Certificate calculated and payable as provided in the Terms and Conditions of the Notes and the Trust Deed, save that the calculation of interest is made in respect of the total aggregate amount of the Notes represented by the Global Certificate, together with any other sums payable under the Terms and Conditions of the Notes and the Trust Deed. At maturity, and prior to the payment of any amount due, the registered holder of the Global Certificate shall surrender the Global Certificate at the specified office of the Registrar set out in the Terms and Conditions of the Notes or such other office as may be specified by the Issuer and approved by the Trustee. On any redemption or purchase and cancellation of any of the Notes represented by the Global Certificate, details of such redemption or purchase and cancellation (as the case may be) shall be entered by or on behalf of the Issuer in the Schedule to the Global Certificate and the relevant space in the Schedule to the Global Certificate recording any such redemption or purchase and cancellation (as the case may be) shall be signed by or on behalf of the Registrar. Upon any such redemption or purchase and cancellation the aggregate principal amount outstanding of the Global Certificate and the Notes held by the registered holder to the Global Certificate shall be reduced by the aggregate principal amount of such Notes so redeemed or purchased and cancelled. The aggregate principal amount outstanding of the Global Certificate and of the Notes held by the registered holder of the Global Certificate following any such redemption or purchase and cancellation as aforesaid or any exchange as referred to below shall be the outstanding principal amount most recently entered in the fourth column in the Schedule to the Global Certificate.

Exchange for Definitive Certificates and purchases

Notes represented by the Global Certificate are exchangeable and transferable only in accordance with, and subject to, the provisions of the Global Certificate and the rules and operating procedures of Euroclear Bank SA/NV as operator of Euroclear and Clearstream, Luxembourg.

The Global Certificate will be exchangeable in whole but not in part (free of charge to the holder) for definitive certificates only (i) if Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no alternative clearing system satisfactory to the Trustee is available, or (ii) if the Issuer would suffer a disadvantage as a result of a change in laws or regulations (taxation or otherwise) or as a result of a change in the practice of Euroclear or Clearstream, Luxembourg (as the case may be) which would not be suffered were the Notes in definitive form and a certificate to such effect signed by two Directors of the Issuer, each of whom are Authorised Signatories (as defined in the Trust Deed) of the Issuer, is given to the Trustee. Thereupon (in the case of (ii) above) the holder of the Global Certificate (acting on the instructions of (an) Accountholder(s) (as defined below)) may give notice to the Issuer, and (in the case of (ii) above) the Issuer may give notice to the Trustee and the holders, of its intention to exchange the Global Certificate for definitive certificates on or after the Exchange Date (as defined below).

Upon the exchange of the whole of the Global Certificate for definitive certificates, details of such exchange shall be entered by or on behalf of the Issuer in the third column of the Schedule to the Global Certificate and the relevant space in the Schedule hereto recording such exchange shall be signed by or on behalf of the Registrar, whereupon the outstanding principal amount of the Global Certificate and the Notes held by the registered holder of the Global Certificate shall be increased or reduced (as the case may be) by the principal amount so exchanged.

Subject as provided in the following paragraph, until the exchange of the whole of the Global Certificate as aforesaid, the registered holder of the Global Certificate shall in all respects be entitled to the same benefits as if such holder was the registered holder of definitive certificates in the form set out in Schedule 2 to the Trust Deed.

For these purposes, the "**Exchange Date**" means a day specified in the notice requiring exchange falling not less than 60 days after that on which such notice is given and on which banks are open for business in the city in which the specified office of the Principal Paying Agent is located and (except in the case of (i) above) in the city in which the relevant clearing system is located.

Accountholders

For so long as any of the Notes are represented by the Global Certificate and such Global Certificate is held on behalf of a clearing system, each person (other than another clearing system) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg (as the case may be) as the holder of a particular aggregate principal amount of such Notes (each an "**Accountholder**") (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg (as the case may be) as to the aggregate principal amount of such Notes standing to the account of any person shall, in the absence of manifest error, be conclusive and binding for all purposes) shall be treated as the holder of such aggregate principal amount of such Notes (and the expression "**Noteholders**" and references to "**holding of Notes**" and to "**holder of Notes**" shall be construed accordingly) for all purposes other than with respect to the payments on such Notes, the right to which shall be vested, as against the Issuer and the Trustee, solely in the nominee for the relevant clearing system (the "**Relevant Nominee**") in accordance with and subject to the terms of the Global Certificate. Each Accountholder must look solely to Euroclear or Clearstream, Luxembourg (as the case may be) for its share of each payment made to the Relevant Nominee.

Notices

For so long as the Notes are represented by the Global Certificate and such Global Certificate is held on behalf of a clearing system, notices to holders may be given by delivery of the relevant notice to that clearing system for communication by it to the entitled Accountholders in substitution for notification as required by the Terms and Conditions of the Notes. For so long as the Notes are listed on the SGX-ST, notices shall also be published in the manner required by the rules and regulations of the SGX-ST.

Prescription

Claims against the Issuer in respect of principal or premium and interest on the Notes represented the Global Certificate will become void unless presentation for payment is made as required by Condition 6 (*Payments*) of the Terms and Conditions of the Notes within 10 years (in the case of principal and premium) and five years (in the case of interest) from the Relevant Date, as defined in Condition 8 (*Taxation*) of the Terms and Conditions of the Notes.

Put Option

For so long as all of the Notes are represented by the Global Certificate and such Global Certificate is held on behalf of a clearing system, the option of the holders provided for in Condition 7.3 (*Redemption for Change of Control*) in the Terms and Conditions of the Notes may be exercised by an Accountholder giving notice to the Principal Paying Agent in accordance with the standard procedures of that clearing system (which may include notice being given on his instructions by that clearing system or any common depositary for it to the Principal Paying Agent by electronic means) of the principal amount of the Notes in respect of which such option is exercised and at the same time presenting or procuring the presentation of the Global Certificate to the Principal Paying Agent for notation accordingly within the time limits set forth in that Condition in the Terms and Conditions of the Notes.

Authentication

The Global Certificate shall not be or become valid or obligatory for any purpose unless and until authenticated by or on behalf of the Registrar.

USE OF PROCEEDS

The gross proceeds of the issue of the Notes are U.S.$425,000,000.

The Issuer intends to use the proceeds to refinance the outstanding £225 million loan (the "**Syndicated Term Loan**"), to meet expenses related to the issue of the Notes as well as for general corporate purposes.

The Syndicated Term Loan was drawn under a facility agreement dated 17 October 2017 in relation to a £640 million syndicated loan facility and entered into amongst the Issuer as borrower, Australia and New Zealand Banking Group Limited, the Bank of Tokyo-Mitsubishi UFJ, Ltd., Crédit Agricole Corporate and Investment Bank, DBS Bank Ltd., First Abu Dhabi Bank P.J.S.C., Mizuho Bank, Ltd. and Standard Chartered Bank as arrangers, Standard Chartered Bank (Hong Kong) Limited as agent and security trustee, Standard Chartered Bank, Singapore Branch as account bank and Australia and New Zealand Banking Group Limited, the Bank of Tokyo-Mitsubishi UFJ, Ltd., Crédit Agricole Corporate and Investment Bank, DBS Bank Ltd., First Abu Dhabi Bank P.J.S.C., Mizuho Bank, Ltd. and Standard Chartered Bank as original lenders. Certain of the Joint Lead Managers or their respective affiliates are lenders under the Syndicated Term Loan and as a result will receive proceeds from the offering.

CAPITALISATION

The following table presents the consolidated capitalisation of the Issuer as at 31 March 2020 on an actual basis and on an adjusted basis after giving effect to the issuance of the Notes offered hereby, but not to the application of the proceeds thereof as described in "*Use of Proceeds*". The following table should be read in conjunction with the Group Audited Consolidated Financial Statements, the related notes and other financial information (including but not limited to the audited consolidated financial statements of Jaguar Land Rover for the year ended 31 March 2021 and its notes thereto for any changes to the Company's capitalisation since 31 March 2020) included elsewhere in this Offering Circular.

	As at 31 March 2020			
	Actual		**As Adjusted**	
	£	*U.S.$*[3]	*£*	*U.S.$*[3]
	(in millions)			
Liabilities				
Total current liabilities	10,305	14,216	10,305	14,216
Total non-current liabilities	8,416	11,610	8,416	11,610
Notes offered hereby[1]	—	—	308	425
Total Liabilities[2]	**18,721**	**25,826**	**19,029**	**26,251**
Equity				
Share capital	1,628	2,246	1,628	2,246
Reserves	4,355	6,008	4,355	6,008
Equity attributable to owners of the Company	5,983	8,254	5,983	8,254
Non-controlling interests	1	1	1	1
Total Equity	**5,984**	**8,255**	**5,984**	**8,255**
Total Capitalisation	**24,705**	**34,081**	**25,013**	**34,506**

Notes:

(1) Proceeds from the issue of the Notes offered hereby will be used by the Issuer to refinance the Syndicated Term Loan as well as for general corporate purposes. See "*Use of Proceeds*".

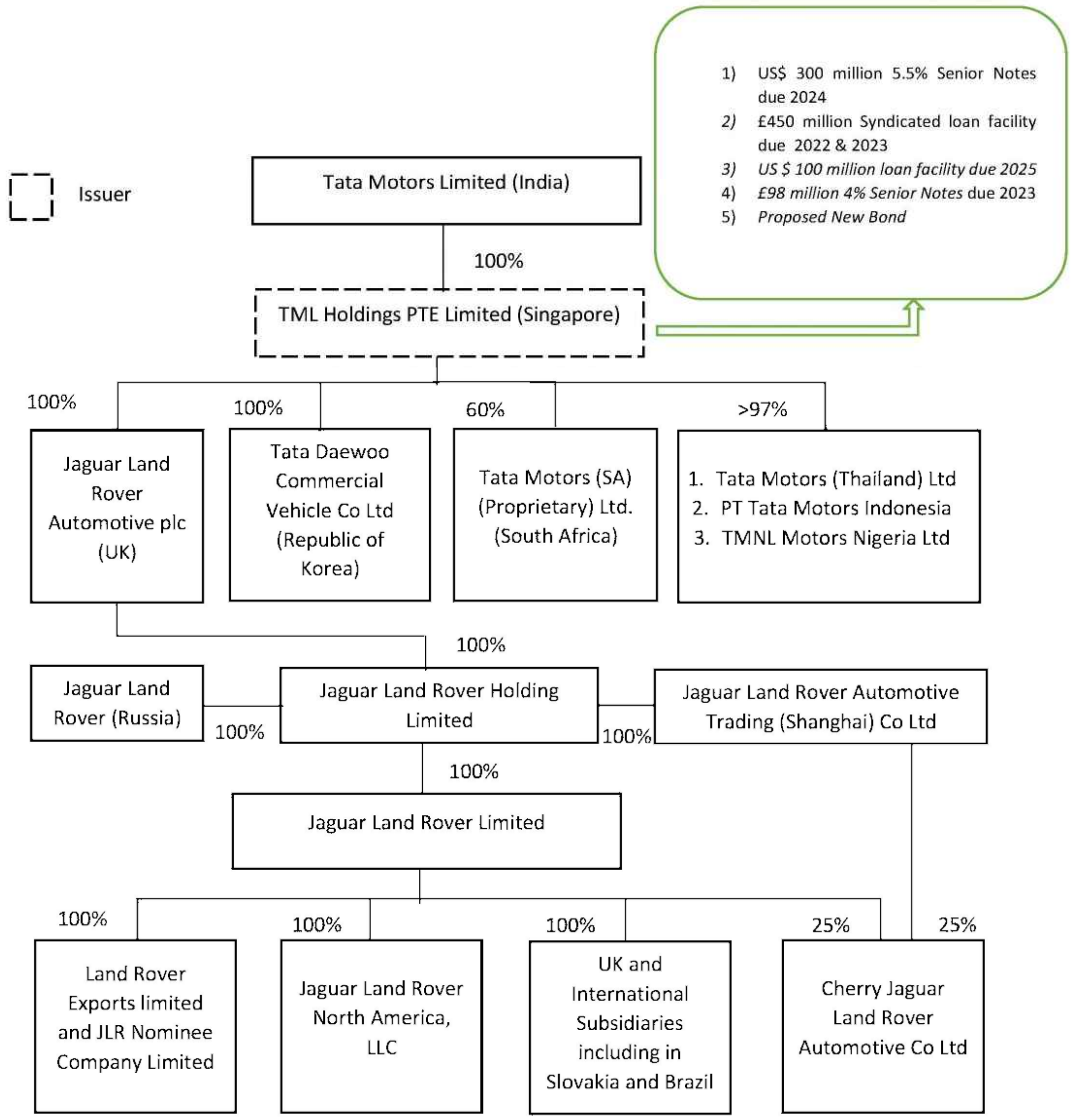
(2) As at 31 March 2021, the Issuer, on a standalone and consolidated basis, had total borrowings of £1,047 million and £7,294 million, respectively. The aforesaid takes into account: (i) the issue of £98,000,000 4.00 per cent. credit enhanced notes due 2023 by the Issuer on 27 July 2020; (ii) the issue of U.S.$300,000,000 5.50 per cent. Senior Notes due 2024 issued by the Issuer on 3 December 2020; (iii) the U.S.$100,000,000 loan facility due 2025 entered into by the Issuer on 26 July 2020.

(3) The U.S. dollar translations of the Sterling amounts have been provided at a rate of U.S.$1.3795 per £1.00, which are based on the noon buying rate in New York City for cable transfers in foreign currencies as certified by the Federal Reserve Bank of New York for custom purposes on 31 March 2021.

Overview and Group Structure

The Issuer was incorporated on 4 February 2008 as a private company limited by shares under the provisions of the Singapore Companies Act and is a direct wholly-owned subsidiary of Tata Motors Limited.

The following diagram gives an overview of the corporate structure of the Issuer and its subsidiaries as of 31 March 2021. The diagram also includes the financing structure of the Issuer as of the date of this Offering Circular.



The above diagram gives a simplified overview of the corporate structure of the Issuer and its subsidiaries,

The above corporate structure chart has been condensed and is not intended to be a comprehensive presentation of our indirect subsidiaries. We have established subsidiaries in a number of countries including India, Slovakia, Brazil, Singapore, Colombia and Mexico.

Business of the Issuer

The Issuer's principal activity is to serve as the holding company for Tata Motors' international operations including, and primarily, Jaguar Land Rover (which is the holding company for the various subsidiaries of the Group) and TDCV, which are its wholly-owned subsidiaries. In addition, the Issuer holds a 97.21 per cent. equity interest in TMTL and a 60.00 per cent. equity interest in TMSA and a 100 per cent. equity interest in TMI as of 31 March 2021.

In Fiscal 2014, Tata Motors implemented a restructuring plan pursuant to which the ownership and management of Tata Motors' offshore manufacturing operations such as TDCV, TMTL, TMSA and TMI were consolidated under the ownership of the Issuer (which itself is a wholly-owned subsidiary of Tata Motors) (the "**Tata Motors International Group Restructuring**"). Following the Tata Motors International Group Restructuring, all international vehicle manufacturing businesses of Tata Motors are held through the Issuer.

As at 31 March 2020, the Issuer, on a consolidated basis, had total assets of £24,705 million and total liabilities of £18,721 million as compared to total assets of £23,719 million and £27,446 million, and total liabilities of £18,223 million and £17,892 million, as at 31 March 2019 and 31 March 2018, respectively. The Issuer, on a consolidated basis, had revenues of £23,379 million in Fiscal 2020, and incurred a loss of £558 million in the same period as compared to revenues of £24,652 million and a loss of £3,453 million, in Fiscal 2019 and revenues of £26,074 million and profit of £1,081 million, in Fiscal 2018. On a consolidated basis, the Issuer's (i) net cash generated from operating activities was £2,238 million in Fiscal 2020 (as against £2,180 million in Fiscal 2019 and £2,775 million in Fiscal 2018); (ii) net cash used in investing activities was £3,135 million in Fiscal 2020 (as against £2,263 million in Fiscal 2019 and £3,019 million in Fiscal 2018); (iii) net cash from financing activities was £303 million in Fiscal 2020 (as against £226 million in Fiscal 2019 and £96 million in Fiscal 2018); and (iv) total short-term and long-term borrowings was £6,295 million in Fiscal 2020 (as against £5,424 million in Fiscal 2019 and £4,630 million in Fiscal 2018).

The Issuer generates revenue from dividends received from its subsidiaries, Jaguar Land Rover and TDCV. The following table presents the dividends received by Issuer from its subsidiaries, for Fiscal 2020, 2019 and 2018.

	Year ended 31 March		
	2020	**2019**	**2018**
		(£ in millions)	
Jaguar Land Rover	—	225	150
TDCV	—	7	14
Total	**—**	**232**	**164**

As at 31 March 2021, the Issuer, on a standalone and consolidated basis, had total borrowings of £1,047 million and £7,294 million, respectively.

Impact of COVID-19 on the Issuer and its Business

The outbreak of COVID-19 together with any resulting restrictions on travel and/or imposition of quarantine measures has resulted and may continue to result in protracted volatility in international markets and/or may result in a global recession as a consequence of disruptions to travel and retail segments, tourism, and manufacturing supply chains.

In Singapore, where the Issuer is incorporated, "circuit-breaker" measures were implemented by the Singapore government on 7 April 2020. These measures ended on 1 June 2020. From 2 June 2020 to 18 June 2020 under "Phase One" post "circuit-breaker", Singapore gradually re-opened economic activities that do not pose a high risk of transmission and more businesses and workplaces were allowed to resume operations. Singapore transited into "Phase Two" post "circuit-breaker" from 19 June 2020 where the vast majority of economic activities have been allowed to resume in Singapore, subject to safe-distancing. From 28 December 2020, Singapore entered into "Phase 3" of its reopening where the government of Singapore allowed for the further reopening of the community and resumption of additional activities. However, in May 2021, the number of locally transmitted COVID-19 cases and unlinked community case has continued to increase in Singapore. To reduce risks of community transmission, Singapore had on 14 May 2021 announced the implementation of “Phase 2 (Heightened Alert)” from 16 May 2021 to 13 June 2021 with more measures to decisively arrest the increasing number of cases in the community. The measures are intended to keep the community safe and break the chains of transmission. Social interaction will be reduced and activities that involve large gatherings will also be calibrated to ensure that risk of transmission at these settings are mitigated. While economic and social activities have partially resumed in a careful and calibrated manner, safe distancing requirements and travel restrictions, coupled with the inherent unpredictability in the rapidly evolving COVID-19 situation, continue to have an impact on business.

Further, restrictions on movement of its employees could cause disruptions in the business of the Issuer leading to an adverse effect on its operations. The Issuer’s business across its subsidiaries were affected by the impact of the COVID-19 pandemic on the global economy and automotive industry, requiring temporary plant and retailer shutdowns, thereby impacting production and sales.

The evolving COVID-19 situation, together with continuing political and economic uncertainties, have affected global operating conditions in 2020 and will continue to give rise to high levels of volatility in the global financial markets in 2021. Durations of border controls, travel and movement restrictions, and the longer-term effects of the COVID-19 pandemic on the Issuer’s businesses are uncertain. A significant reduction in economic activity and increased unemployment may adversely affect the Issuer’s business operations, financial condition, results of operations and prospects.

For more information, please see “*Risk Factors — Risks Associated with the Issuer — The outbreak, or threatened outbreak, of any severe communicable disease, such as the ongoing COVID-19 pandemic, may adversely impact the Issuer’s business, financial condition and results of operations”* and *“Risk Factors — Risks Associated with the Automotive Industry — Jaguar Land Rover has been, and may in the future be, adversely affected by the COVID-19 pandemic, the duration and economic, governmental and social impact of which is difficult to predict, and which may significantly harm its business, prospects, financial condition and results of operations”*.

Business Operations of the Issuer’s Subsidiaries

For a description of the business and operations of Jaguar Land Rover, see “*Business of Jaguar Land Rover.*”

TDCV

TDCV is a commercial vehicle manufacturer headquartered in Gunsan, Jeollabuk-do, South Korea, and was initially acquired by Tata Motors in March 2004 from Daewoo Commercial Vehicle Co. Ltd. TDCV is the second-largest heavy commercial vehicle manufacturer in South Korea.

Since its inception in March 2004, TDCV has made continuous investments in product development and facility expansion to expand its product line of heavy and medium duty trucks. TDCV manufactures both heavy (8 ton and above) and medium (4 to 8 ton vehicles) commercial vehicles, and has a product portfolio of various types of trucks for flat beds, dumpers, mixers, tractors, arm-roll trucks, refrigeration trucks and special-purpose trucks. In addition to its heavy and medium commercial vehicles, in Fiscal 2021, TDCV launched its new product range “TheCEN” in the light commercial vehicle category (3 to 5 ton vehicles).

TDCV trucks are distributed locally in South Korea through Tata Daewoo Commercial Vehicle Sales and Distribution Co. Ltd and have been exported to over 60 countries worldwide, including countries in Africa, the Middle East, Southeast Asia, Latin America and Eastern Europe.

TMTL

TMTL is based in Bangkok, Thailand, and was incorporated in February 2007 pursuant to a joint venture between Tata Motors and Thonburi Automotive Assembly Plant Company (“**Thonburi**”) for the manufacture of medium and heavy pickup trucks, passenger cars, buses and coaches and other small commercial vehicles in Thailand. The TMTL facility began operations in 2008 with the introduction of the Xenon 2.2L VTT DICOR common-rail diesel pickup.

Pursuant to the terms of the joint venture agreement, Tata Motors held 94.36 per cent. and Thonburi held 5.64 per cent. of the issued share capital of TMTL. In Fiscal 2014, Tata Motors sold its 94.36 per cent. equity interest in TMTL to the Issuer pursuant the Tata Motors International Group Restructuring. The Issuer holds 97.21 per cent. equity interest in TMTL as of 31 March 2021.

In July 2018, TMTL ceased its current manufacturing operations due to its lack of product success and weak channel performance which resulted in sub-scale operations, stressed financial performance and sustained losses since inception. However, since this market remains important in the overall international business plan, the Issuer decided to continue TMTL's business in the truck segment in this market through Completely Build Units.

TMSA

TMSA is based in Rosslyn in the city of Tshwane, South Africa, and was incorporated in 2008 pursuant to a joint venture agreement between Tata Motors and Tata Africa Holdings (SA) (Proprietary) Limited ("**Tata Africa**", a wholly-owned subsidiary of Tata International Limited) for the manufacturing and assembly of Tata Motors vehicles in South Africa. TMSA commenced manufacturing of the Ultra truck models in Fiscal 2018 and the assembly of a new range of TDCV models in Fiscal 2019.

Pursuant to the terms of the joint venture agreement, Tata Motors held 60.00 per cent. and Tata Africa 40.00 per cent. of the issued share capital of TMSA. In accordance with the Tata Motors International Group Restructuring, Tata Motors sold its 60.00 per cent. share in TMSA to the Issuer and the Issuer holds 60.00 per cent. share in TMSA as of 31 March 2021.

TMI

TMI was established in December 2011 as a fully owned subsidiary of Tata Motors. It had its brand launch in September 2012 followed by launch of its commercial operations in September 2013. In accordance with the Tata Motors International Group Restructuring, Tata Motors sold its 100 per cent. share in TMI to the Issuer and the Issuer holds 100 per cent. share in TMI as of 31 March 2021.

TMI has a strong 10×10 vision of becoming a top 10 automobile brand in Indonesia in the same time as Indonesia becomes a top 10 global automobile market. The aspiration is also to make Indonesia as the largest market for Tata vehicles outside India.

Since its launch, TMI has rapidly grown and become one of the key automotive brands in Indonesia. With its unique product offering, dealership network, spare parts shops and highly trained mechanics, today TMI is reckoned for highest quality, best in class operating cost and strong after sales service. In a short period, Tata Motors pickups, trucks and buses in Indonesia have become a formidable new choice of small and large business enterprises with its high efficiency and guaranteed profit increase.

TMSNL

TMSNL was incorporated in September 2015 with the intent to explore viable options for beginning assembly operations in Nigeria. The Issuer holds 99 per cent. shares in TMSNL as of 31 March 2021.

Relationship with Tata Motors

The Issuer benefits from the strong and on-going support from Tata Motors, its parent company.

Tata Motors is one of the leading global automobile manufacturers in the world, providing integrated and smart e-mobility solutions to customers in over 125 countries. It offers a broad portfolio of automotive products, ranging from sub-1 ton to 55 ton gross vehicle weight trucks (including pickup trucks) to small, medium, and large buses and coaches to passenger cars, premium luxury cars and SUVs.

The wholly-owned subsidiary of the Issuer and wholly-owned indirect subsidiary of Tata Motors, Jaguar Land Rover designs, develops, manufactures and sells Jaguar premium sports saloons, sports cars and luxury performance SUVs and Land Rover premium all-terrain vehicles, as well as related parts, accessories and merchandise.

Through its Jaguar Land Rover business, Tata Motors is engaged in the premium car market in developed markets such as the United Kingdom, the United States, Europe and China as well as several emerging markets such as Russia, Brazil and South Africa (among others).

Tata Motors has a substantial presence in India and the Jaguar Land Rover business operates in four principal regional markets, namely Europe (excluding the United Kingdom and Russia), North America, the United Kingdom and China. Tata Motors is the largest commercial vehicle manufacturer in terms of revenue in India and is ranked among the top four passenger vehicle manufacturers in terms of units sold in India during Fiscal 2020 (according to the Society of Indian Automobile Manufacturers).

As of 31 March 2020, Tata Motors' operations included 103 consolidated subsidiaries, two joint operations, four joint ventures and nine equity method affiliates, in respect of which it exercises significant influence.

The reportable segments of Tata Motors are as follows:

Automotive operations

Tata Motors' automotive segment consists of the following four reportable sub-segments:

- "*Tata Commercial Vehicles*": includes commercial vehicles (Small Commercial Vehicles & Pickups, Medium and Heavy Commercial Vehicles and Intermediate Light Commercial Vehicle and CV Passenger Vehicles) manufactured under the Tata and Daewoo brands (and excludes vehicles manufactured under the Jaguar Land Rover brand);
- "*Tata Passenger Vehicles*": includes passenger vehicles and utility vehicles manufactured under the Tata and Fiat brands (and excludes vehicles manufactured under the Jaguar Land Rover brand);
- "*Jaguar Land Rover"*: includes vehicles manufactured under the Jaguar Land Rover brand (and excludes vehicles manufactured under the Tata, Fiat, Daewoo and other brands); and
- "*Vehicle Financing*": includes financing of Tata Motors' and Jaguar Land Rover new vehicles, pre-owned vehicles including other OEMs brands and corporate lending to its channel partners.

Other operations

Tata Motors' other operations consist of IT services and machine tools and factory automation solutions.

The Issuer believes it is of strategic importance to Tata Motors given that it is the parent company of Jaguar Land Rover, which represented approximately more than two-thirds of Tata Motors' revenue for Fiscal 2021. The Issuer's Board of Directors includes Mr Hoshang Keki Sethna who is the Vice-President and Company Secretary of Tata Motors and Mr Vijay B Somaiya who is the Vice-President and Head of Treasury and Investor Relations of Tata Motors.

Neither Tata Motors nor Jaguar Land Rover guarantee or assume any direct or indirect liability for the Notes.

Investments in the Issuer by Tata Motors

Tata Motors has made significant equity investments in the Issuer since the date of its incorporation.

Investment in Equity Shares of the Issuer

The following table sets forth the direct equity investments made by Tata Motors in the Issuer since its incorporation:

Date of Investment:	**Investment in Equity Shares of the Issuer**:
3 April 2008	50,000,000.00
20 May 2008	50,000,000.00
10 November 2008	50,000,000.00
18 November 2008	244,000,000.00
20 November 2008	50,000,000.00
30 January 2009	13,723,665.00
26 February 2009	10,014,357.00
30 March 2009	3,546,300.00
29 April 2009	150,000,000.00
26 May 2009	578,150,000.00
27 May 2009	321,850,000.00
28 May 2009	6,000,000.00
4 June 2009	82,000,000.00
23 June 2009	61,200,000.00
26 June 2009	75,925,000.00
26 June 2009	19,509,728.00
30 July 2009	3,406,400.00
30 July 2009	547,938.00

Date of Investment:	Investment in Equity Shares of the Issuer:
27 August 2009	3,065,000.00
27 August 2009	474,208.00
24 September 2009	97,000,000.00
24 September 2009	10,220,000.00
25 September 2009	37,946,100.00
25 September 2009	9,798,321.62
27 October 2009	581,740,901.36
27 October 2009	128,208,099.01
Total*	**2,638,326,017.99**

Notes:

* The Issuer has in the past, bought back the following equity shares from Tata Motors:

(1) 91,666,700 equity shares at U.S.$1.00 per shares on 5 October 2011.

(2) 35,000,000 equity shares at U.S.$7.99 per shares on 28 May 2014.

Investment in Preference Shares of the Issuer

The following table sets forth the cumulative redeemable preference shares of the Issuer subscribed by Tata Motors since its incorporation:

Date of Investment:	Investment in Preference Shares of the Issuer (of U.S.$100 each):
3 April 2008	50,000,000
20 May 2008	349,999,900
10 November 2008	50,000,000
18 November 2008	600,000,000
2 December 2008	50,000,000
18 December 2008	25,000,000
19 December 2008	25,000,000
22 December 2008	10,000,000
24 December 2008	15,000,000
31 December 2008	26,500,000
26 September 2011	202,000,000
Total*	**1,403,499,900**

Notes:

* The Issuer has redeemed the following cumulative redeemable preference shares, in accordance with their terms:

(1) 1,951,000 cumulative redeemable preference shares redeemed for U.S.$195,100,000 on 31 March 2010.

(2) 4,075,000 cumulative redeemable preferences shares redeemed for U.S.$407,500,000 on 19 May 2011.

(3) 2,980,000 cumulative redeemable preference shares redeemed for U.S.$298,000,000 on 3 August 2011.

(4) 2,443,536 cumulative redeemable preference shares redeemed for U.S.$244,353,600 on 29 June 2012.

(5) 2,585,463 cumulative redeemable preference shares redeemed for U.S.$258,546,300 on 16 May 2013.

BUSINESS OF JAGUAR LAND ROVER

In this section, any references to "Jaguar Land Rover" are to Jaguar Land Rover Automotive plc and its subsidiaries on a consolidated basis. Jaguar Land Rover is a wholly-owned subsidiary of the Issuer. See "The Issuer — Overview and Group Structure" for a description of the corporate and financing structure of the Group. The financial information of Jaguar Land Rover presented in this Offering Circular has been derived from the JLR Audited Consolidated Financial Statements, which have been incorporated by reference in this Offering Circular. The auditors of Jaguar Land Rover have not independently verified or confirmed that the financial information of Jaguar Land Rover presented in this section has been accurately extracted or derived from their respective sources. See "Documents Incorporated by Reference" and "Presentation of Certain Financial Information and Other Information".

This Offering Circular contains "forward-looking" statements that involve risks and uncertainties. Jaguar Land Rover's actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include those discussed elsewhere in this Offering Circular. See "Forward-looking Statements".

Overview

Jaguar Land Rover is a wholly-owned subsidiary of the Issuer, which is a wholly-owned subsidiary of Tata Motors, a member of the international conglomerate Tata Group. Tata Motors is one of India's largest OEMs offering an extensive range of integrated, smart and e-mobility solutions across the globe. Tata Motors offers a broad portfolio of automotive products, ranging from trucks with a gross vehicle weight of sub-1 ton to 55 ton (including pickup trucks), to small, medium, and large buses and coaches to passenger cars, premium luxury cars and SUVs.

Jaguar Land Rover designs, develops, manufactures and sells Jaguar premium sports saloons, sports cars and luxury performance SUVs and Land Rover premium all-terrain vehicles, as well as related parts, accessories and merchandise. Jaguar Land Rover has a long tradition as a manufacturer of technologically advanced, premium passenger vehicles with internationally recognised brands, an exclusive product portfolio of award-winning vehicles, a global distribution network and strong R&D capabilities, including for the development of autonomous, connected and electrification technologies, as well as for innovative mobility solutions aiming to overcome and address future travel and transport challenges. Jaguar and Land Rover's vehicles are designed and developed by award-winning design teams, and it is committed to a continuing programme of innovative product design. For example, in Fiscal 2021 Jaguar Land Rover made significant upgrades across its product portfolio for model year 2021 vehicles including a significant expansion of electrified options across its model range which now consists of 8 Plug in hybrids, 11 mild hybrids and the all-electric Jaguar I-PACE. Jaguar Land Rover's product portfolio continues to receive a number of prestigious awards, most recently the new Land Rover Defender won the Top Gear Car of the year and the much-coveted World Car Design of the Year 2021.

Jaguar Land Rover operates a global sales and distribution network designed to achieve geographically diversified sales and facilitate growth in its key markets. Jaguar Land Rover's four principal regional markets are Europe (excluding the United Kingdom and Russia), North America, the United Kingdom and China. In Fiscal 2021, Europe (excluding the United Kingdom and Russia), North America, the United Kingdom and China, respectively, accounted for 18.0 per cent., 25.2 per cent., 18.9 per cent. and 25.3 per cent. of its retail volumes (including sales from the China Joint Venture) and 22.0 per cent., 27.0 per cent., 23.4 per cent. and 13.6 per cent. of its wholesale volumes (excluding sales from the China Joint Venture) in Fiscal 2021. The COVID-19 pandemic has inevitably impacted Jaguar Land Rover's business and retail sales due to the global scale of disruption it has caused, and Jaguar Land Rover's sales and profitability were impacted during the first half of Fiscal 2021. However, the business recovered in the second half of Fiscal 2021. Retail sales, particularly in the fourth quarter of Fiscal 2021, were much improved at 123,483 vehicles, up 12.4 per cent. year-on-year. This was supported by a strong recovery in China, where sales grew 127 per cent. over the fourth quarter of last fiscal year, when the impact of the COVID-19 pandemic peaked in that market. Full fiscal year retail sales were 439,588 vehicles, still down by 13.6 per cent. compared to last fiscal year, although sales in China increased by 23.4 per cent. year-on-year. The award-winning new Land Rover Defender contributed significantly to retail sales, with 16,963 units sold in the fourth quarter and 45,244 units for the entire Fiscal 2021.

Jaguar Land Rover operates three principal automotive manufacturing facilities, an engine manufacturing facility and two advanced design and engineering facilities in the United Kingdom, a wholly owned manufacturing plant in Brazil and Slovakia and a manufacturing partnership with Magna Steyr, an operating unit of Magna International Inc., in Graz, Austria. Jaguar Land Rover has also established a manufacturing joint venture in China, which currently produces the Range Rover Evoque, the Land Rover Discovery Sport, the long wheel base Jaguar XF (the "**Jaguar XFL**"), the long wheel base Jaguar XE (the "**Jaguar XEL**") and the Jaguar E-PACE for sale in the local market. Globally, Jaguar Land Rover employed a total of approximately 36,174 employees, including agency personnel, as at 31 March 2021. Jaguar Land Rover's R&D operations currently consist of an engineering team co-managed for Jaguar and Land Rover, sharing premium technologies, powertrains and vehicle architectures.

The following table presents Jaguar Land Rover's revenue, profit/(loss) and Adjusted EBITDA in Fiscal 2021, Fiscal 2020 and Fiscal 2019:

	Fiscal year ended 31 March		
	2021	**2020**	**2019**
		£ in millions	
Revenue	19,731	22,984	24,214
Profit/(loss) before tax	(861)[3]	(422)	(3,629)[2]
Profit/(loss) for the period	(1,100)[3]	(469)	(3,321)[2]
Adjusted EBITDA[4]	2,531[5]	2,050[5]	1,994[5]

Notes:

(1) As restated to reflect the retrospective adoption of IFRS 9 from 1 April 2018. See "*Presentation of Financial and Other Data-Factors Affecting Comparability*".

(2) This includes an impairment of £3,105 million as at 31 December 2018 and for the year ended 31 March 2019.

(3) Includes a one-time exceptional charge of £1,486 million in the three months ended 31 March 2021, on account of "Reimagine" announced in February 2021.

(4) Adjusted EBITDA is defined as profit before income tax expense, exceptional items, finance expense (net of capitalised interest), finance income, gains/losses on unrealised derivatives and debt, gains/losses on realised derivative entered into for the purpose of hedging debt, unrealised fair value gains/losses on equity investments, foreign exchange gains/losses on other assets and liabilities, including short-term deposits and cash and cash equivalents, share of profit/loss from equity accounted investments, depreciation and amortisation.

(5) Restated Adjusted EBITDA. During the fiscal years ended 31 March 2021, the definition of Adjusted EBITDA was amended to exclude foreign exchange gains and losses on revaluation of other assets and liabilities, including short-term deposits and cash and cash equivalents. Adjusted EBITDA for the fiscal years ended 31 March 2020 and 31 March 2019 prior to the change was £2,000 million and £1,981 million, respectively.

Jaguar Land Rover's unit sales (on a retail basis and including sales through the China Joint Venture) for each of its brands for Fiscal 2021, Fiscal 2020 and Fiscal 2019 are set out in the table below:

	Fiscal year ended 31 March		
	2021	**2020**	**2019**
Jaguar	97,669	140,593	180,198
Land Rover	341,919	368,066	398,717
Total	**439,588**	**508,659**	**578,915**
Retail volumes from the China Joint Venture (included above)	64,319	49,976	57,578

Jaguar Land Rover's unit sales (on a wholesale basis, excluding sales from the China Joint Venture) under each of its brands for Fiscal 2021, Fiscal 2020 and Fiscal 2019 are set out in the table below:

	Fiscal year ended 31 March		
	2021	2020	2019
Jaguar	67,333	125,820	153,757
Land Rover	280,299	350,132	354,138
Total	**347,632**	**475,952**	**507,895**
Wholesale volumes from the China Joint Venture (excluded above)	65,279	49,450	57,428

Wholesale volumes refer to the aggregate number of finished vehicles sold to dealers and importers. Jaguar Land Rover recognises its revenue on the wholesale volumes it sells. Retail volumes refer to the aggregate number of finished vehicles sold by dealers to end users (and in limited numbers by Jaguar Land Rover directly, including to dealers). Although retail volumes do not directly impact Jaguar Land Rover's revenue, it considers retail volumes as the best indicator of consumer demand for its vehicles and the strength of its brands. For a presentation of its regional wholesale and retail volumes, see below "—*Jaguar Land Rover's vehicles*".

Jaguar Land Rover is a wholly-owned indirect subsidiary of Tata Motors, a member of the international conglomerate Tata Group. Tata Motors is the largest commercial vehicle manufacturer in terms of revenue in India and among the top three vehicle manufacturers in the passenger vehicles in terms of units sold in India during Fiscal 2021.

Impact of COVID-19 on the Business of Jaguar Land Rover

In December 2019, a novel strain of coronavirus SARS-CoV-2, causing a disease referred to as COVID-19, was reported in Wuhan, China. The COVID-19 virus has since spread, and infections have been found in the vast majority of countries around the world, including throughout Europe and the United States. In March 2020, the World Health Organization declared the COVID-19 outbreak as a pandemic based on the global spread of the disease, the severity of illnesses it causes and its effects on society. In response to the COVID-19 pandemic, the governments of many countries, states and cities have taken preventative or protective actions, such as imposing restrictions on travel and business operations, and advising or requiring individuals to limit or forego their time outside of their homes. As these actions have been imposed on a country-by-country basis, the level of economic impact and timing of the impact has varied across different markets. Accordingly, the COVID-19 pandemic has severely restricted the level of economic activity in many countries, including in regions in which Jaguar Land Rover operates, and continues to adversely impact global economic activity and has contributed to significant volatility in financial markets. Governments in other regions enforced strict lockdown measures at the end of March 2020, which persisted into Jaguar Land Rover's first quarter, to control the rise in COVID-19 infection rates. While vaccine rollout has gathered pace globally, some lockdown regional restrictions still remain in place.

As a result, Jaguar Land Rover's retail sales for Fiscal 2021 were 439,588 vehicles, down 13.6 per cent. year-on-year. Whilst retail sales in China were strong in Fiscal 2021, reaching 111,206 vehicles, up 23.4 per cent. year-on-year, sales in other regions have not yet recovered to pre-COVID-19 pandemic levels, with North America down 14.3 per cent., the United Kingdom down 22.2 per cent., Europe down 26.0 per cent., and Overseas markets down 26.8 per cent. The COVID-19 pandemic continues to have a significant impact on global economic performance as governments across the globe are introducing new measures to contain successive waves of the COVID-19 pandemic while, at the same time, balancing the need to support an economic recovery.

In response to the COVID-19 pandemic and related lockdowns, Jaguar Land Rover enacted temporary plant shutdowns in the first quarter of Fiscal 2021, with production restarting at most of its plants in the period from mid-May 2020 through June 2020. Jaguar Land Rover's global network of retailers were also impacted by the lockdown measures implemented in different markets but, as of the date of this Offering Circular, at least 91 per cent. of the global retail network is open.

As a result of the COVID-19 pandemic, many of Jaguar Land Rover's employees in the United Kingdom were furloughed under the UK government's job retention scheme in early Fiscal 2021. As the business continued to recover from second quarter of Fiscal 2021, employees started to return to the workplace and by 31 March 2021, less than 500 employees were on furlough. Many of Jaguar Land Rover's employees have returned to sites, where practical to do so, supported by work-from-home and other arrangements.

Jaguar Land Rover is undertaking a "demand-led" restart to its operations with a focus on producing vehicles in line with customer demand and rationalising the use of its resources accordingly. This is coupled with targeted spending measures on critical aspects of its operations whilst maximising the quality of sales. Manufacturing at substantially all of Jaguar Land Rover's plants resumed by the end of the first quarter (Castle Bromwich in the second quarter) of Fiscal 2021.

Overall, for Fiscal 2021, Jaguar Land Rover's total investment spending was £2,343 million (down from the £3,294 million spent in Fiscal 2020). Free cash flow of £729 million was generated in the fourth quarter of Fiscal 2021 to achieve positive free cash flow of £185 million, after the investment spending of £2.3 billion, for Fiscal 2021. Cash flow for the second to the fourth quarter of Fiscal 2021 totalled £1.8 billion which more than offset the £1.6 billion cash outflow in the first quarter of Fiscal 2021 when Jaguar Land Rover's plants were closed for two months due to the COVID-19 pandemic. Based on current outlook, Jaguar Land Rover aims to achieve breakeven cash flow (post restructuring expenses) in Fiscal 2022. See "*Forward-looking Statements*" and "*Risk Factors — Risks Associated with the Automotive Industry — Jaguar Land Rover has been, and may in the future be, adversely affected by the COVID-19 pandemic, the duration and economic, governmental and social impact of which is difficult to predict, and which may significantly harm its business, prospects, financial condition and results of operation*".

Jaguar Land Rover has reacted quickly and decisively to the COVID-19 pandemic, with an accelerated focus on improving cashflow, strengthening liquidity and improving profitability. Profit and cash improvements from Project Charge+ in the fourth quarter of Fiscal 2021 totalled over £332 million, including £155 million of cost efficiencies and a £177 million reduction in investment spending. This brings savings from Project Charge+ to £2.5 billion in Fiscal 2021 and £6.0 billion since the programme was launched in September 2018, substantially exceeding the initial targets set.

History of the Jaguar Land Rover Group

The following list of events in chronological order presents the key milestones in the Jaguar Land Rover Group's history.

- 1922 (Jaguar) Swallow Side Car Company founded
- 1948 (Land Rover) First Land Rover was produced in Solihull by the Rover Car Company
- 1961 (Jaguar) Launch of E-Type
- 1967 (Land Rover) Land Rover becomes part of Leyland Motors, later British Leyland
- 1968 (Jaguar) XJ Model debut
- 1970 (Land Rover) Range Rover introduced as the first genuinely multipurpose vehicle
- **1989** **(Jaguar) Jaguar acquired by Ford**

  (Land Rover) Launch of Discovery
- 1997 (Land Rover) Freelander launched
- 1999 (Jaguar—Ford) Launch of S-Type
- **2000** **(Land Rover) Land Rover acquired by Ford**
- 2005 (Land Rover) Range Rover Sport launched
- 2006 (Jaguar) Launch of all-aluminium XK Jaguar
- **2008** **Tata Motors acquired Jaguar Land Rover Limited and Land Rover from Ford Motor Company in June 2008**

  (Jaguar) Launch of XF which was unveiled at the 2007 Frankfurt Motor Show
- 2011 (Land Rover) Launch of Range Rover Evoque

- 2012 (Jaguar) Launch of F-TYPE which was unveiled at the 2011 Frankfurt Motor Show
- 2014 (Land Rover) Launch of Discovery Sport

  Opening of the new engine manufacturing facility in Wolverhampton

  Opening of the China Joint Venture automotive manufacturing facility in China
- 2015 (Jaguar) Launch of XE which was unveiled at the 2014 Geneva Motor Show
- 2016 (Jaguar) Launch of F-PACE

  Opening of the new manufacturing facility in Brazil

  (Jaguar) I-PACE was unveiled at the 2016 Los Angeles Motor Show
- 2017 (Land Rover) Launch of all-new Land Rover Discovery

  (Land Rover) Launch of Range Rover Velar

  (Jaguar) Launch of E-PACE
- 2018 (Jaguar) Launch of the I-PACE (our first all-electric vehicle), which went on sale in June 2018

  Tata Motors marks the 10 year anniversary of its ownership of Jaguar Land Rover

  (Land Rover) 70 year anniversary of the Land Rover marque

  (Jaguar) 50 year anniversary of the Jaguar XJ model

  Announcement of Project Charge to deliver £2.5 billion of cost savings by the end of Fiscal 2020, and Project Accelerate to support long-term sustainable profitable growth

  Opening of the manufacturing plant in Nitra, Slovakia, for the production of the Land Rover Discovery

  (Jaguar) Launch of the E-PACE and on sale from the China joint venture in September 2018
- 2019 Announcement of the six cylinder Ingenium 3.0-litre petrol engine manufactured at the EMC in Wolverhampton, the United Kingdom and to be introduced into Range Rover Sport

  (Land Rover) Launch of the all-new Range Rover Evoque (with hybrid options to follow)

  (Land Rover) Launch of the refreshed Range Rover Discovery Sport

  (Jaguar) Launch of refreshed XE with exterior updates and significantly improved infotainment

  (Land Rover) Unveiling of the all-new Land Rover Defender at the Frankfurt motor show

  (Jaguar) Launch of refreshed Jaguar F-TYPE with exterior and interior updates, including improved infotainment

  Opening of the Advanced Product Development Centre in Gaydon
- 2020 Project Charge exceeded its target, delivering £2.9 billion cash and cost saving improvements as at 31 December 2019.

  As a result, Project Charge+ was announced and delivered £0.6 billion in Fiscal 2020, resulting in cumulative savings of £3.5 billion by Fiscal 2020, exceeding the initial target of £2.5 billion by Fiscal 2021.

  (Land Rover) Production of the all-new Land Rover Defender commenced at the plant in Nitra, Slovakia, with sales increasing globally

(Jaguar) Launch of a refreshed Jaguar F-PACE with exterior updates, all-new interior, improved infotainment and the choice of in-line four- and six-cylinder engines including plug-in hybrid electric and mild hybrid electric technology

(Land Rover) Launch of a model year 2021 Range Rover Velar with advanced new infotainment technology and elegant new design features and the choice of both plug-in hybrid and mild hybrid variants

- 2021 Profit and cash improvements from Project Charge+ in the fourth quarter of Fiscal 2021 totalled over £332 million, including £155 million of cost efficiencies and a £177 million reduction in investment spending. This brings savings from Project Charge+ to £2.5 billion in Fiscal 2021 and £6.0 billion since the programme was launched in September 2018, substantially exceeding the initial targets set.

Jaguar Land Rover launched six new PHEV models and nine new MHEV models to electrify 12 out of its 13 nameplates.

The new Land Rover Defender went on sale at the beginning of the year with retails reaching 45,244 vehicles in Fiscal 2021. In addition to the 110 wheel base variant, launched first, a shorter wheel base 90 is also now on sale with commercial variants and a V8 derivative also launched this fiscal year

Production of a 6 cylinder Ingenium 3.0-litre diesel engine (including with mild hybrid technology) started during the year at the EMC in Wolverhampton (UK)

Thierry Bolloré was appointed to the role of Chief Executive Officer of Jaguar Land Rover Automotive plc, effective 10 September 2020

Announcement of "Reimagine", new global strategy to deliver improvement in EBIT margin and cash flows through a more focused electrified portfolio, new architectures, collaborations, further cost savings and efficiencies.

A number of initiatives during the year to support the fight against COVID-19 including the production of protective visors for the United Kingdom National Health Service (the "**NHS**"), deployment of over 350 vehicles to support the emergency responses, provision of extensive onsite testing and the ongoing NHS Workplace Vaccination Programme pilot at the Solihull plant.

Jaguar Land Rover's Competitive Strengths

The Issuer believes that the overall performance during recent years and its future success are based upon the following key competitive strengths:

Globally recognised brands built on a strong heritage

The Issuer believes that the strong heritage and global recognition of the Jaguar and Land Rover brands have helped Jaguar Land Rover to achieve its overall performance in recent years and position it well to benefit from future growth opportunities. Founded in 1922, Jaguar has a long tradition of designing and manufacturing premium sports cars and saloons recognised for their design, engineering performance and a distinctive British style. The brand has a strong racing history, with Jaguar first winning the Le Mans race in 1951 and winning numerous racing titles since. Founded in 1948, Land Rover designs and manufactures vehicles known for their off-road capability, strength, durability and refinement. Land Rover's brand identity is built around utility, reliability, refinement, luxury and, above all, its all-terrain capability.

Both Jaguar and Land Rover brands are globally recognised as premium, class-leading and highly differentiated vehicles within their segments as evidenced by consumer demand, and with sales in 122 and 126 markets, respectively, via independent franchises and, in its key markets, national sales companies as well as third party importers. See "*Award-winning design capabilities and distinctive model line-ups*" for further details on these awards.

Award-winning design capabilities and distinctive model line-ups

The Issuer believes that Jaguar Land Rover's business is supported by award-winning design capabilities and distinctive model line-ups. Jaguar Land Rover's award-winning design teams, now led by Chief Creative Officer, Professor Gerry McGovern OBE, whom has a distinguished track record of designing contemporary and elegant cars, while retaining the distinctive brand identity of both Jaguar and Land Rover.

The strength of Jaguar Land Rover's design capabilities and distinctive model line-ups have been widely validated by industry experts. Jaguar and Land Rover have collectively received over 200 awards from leading international magazines and opinion leaders from the beginning of Fiscal 2019 to date.

The following table sets out certain awards received from 2019 to 2021, but is not exhaustive:

Award	Model	Awarding Institution	Date
World Car Design of the year 2021	Land Rover Defender	World Car Awards	April 2021
Supreme Winner Women's World Car of the Year 2021	Land Rover Defender	Women's WorldCar of the Year Awards	March 2021
Car of the Year	All-new Land Rover Defender	Top Gear	December 2020
Best Electric Luxury SUV	Jaguar I-PACE	What Car? Electric Car Awards	August 2020
Best domestic compact SUV & offroader	All-new Range Rover Evoque	BEST CAR 风云车	March 2020
Best SUV	Jaguar I-PACE	Golden Steering Wheel	November 2019
World Green Car of the Year	Jaguar I-PACE	World Car of the Year Awards	April 2019
World Car Design of the Year	Jaguar I-PACE	World Car of the Year Awards	April 2019
World Car of the Year	Jaguar I-PACE	World Car of the Year Awards	April 2019
European Car of the Year	Jaguar I-PACE	European Car of the Year Awards	March 2019
Best Compact SUV	Range Rover Evoque	GQ Car Awards	February 2019
Best Design and Styling Award	Range Rover Velar	Autocar India	January 2019

The Issuer believes that Jaguar has a long tradition of producing innovative automobiles exemplified by design icons such as the Jaguar E-Type. Jaguar's entire product range is unified under a single design and concept language. The Issuer believes that Jaguar Land Rover's new design and concept language has helped, and will continue to allow Jaguar to appeal to a wide audience. The Issuer also believes that Land Rover, which celebrated its 70^{th} year anniversary in 2018, offers one of the most universally recognised, distinctive and successful model line-ups within the automotive industry. In addition, in June 2020, Range Rover celebrated its 50th anniversary of all-terrain and luxury SUVs by introducing a new exclusive limited edition, the Range Rover Fifty.

Jaguar Land Rover's product development process is highly structured with the aim of allowing it to respond quickly to new market trends and to leverage market opportunities (such as environmental awareness among consumers). Jaguar Land Rover runs regular product development process with regular management reviews and specific product cycle milestones. The Issuer believes that this is a key factor in Jaguar Land Rover's operational efficiency and has helped its recent performance and on-going success through regular improvements and upgrades to its model line-up.

Jaguar Land Rover has continued to strengthen its line-up with new model innovations launches, such as the all-new Land Rover Defender which it began producing in January 2020, with plug-in hybrid variants, mild hybrid variants, as well as 90 wheel base and later on 110 wheel base and commercial derivatives. Jaguar Land Rover now offers electrified options across its model range including the all-electric Jaguar I-PACE, eight plug-in hybrid electric vehicles and eleven mild hybrid electric vehicles. These new products, including significant upgrades launched for model year 2021 vehicles, and other new and refreshed models to be announced, are expected to support sales growth across wider vehicle segments.

Technical excellence with a strong focus on research and development

Jaguar Land Rover develops and manufactures technologically advanced vehicles. For example, Jaguar Land Rover is one of the industry leaders in aluminium body structures, which contribute to the manufacture of lighter vehicles with improved fuel and CO_2 efficiency and performance, while maintaining the body stiffness that customers in the premium segment demand. Most of its vehicle models are constructed with this lightweight aluminium vehicle architecture and Jaguar Land Rover believes it is a world leader in aluminium recycling.

Jaguar Land Rover believes it has industry-leading capabilities in all-terrain applications, such as Land Rover's "terrain response system", which is the all-terrain system that adjusts the performance of vital operating components of the vehicle to different driving and weather conditions. Jaguar Land Rover also aims to be at the forefront of calibration and certification of emissions and fuel economy, with a number of emission-reducing technologies developed or under development, including in-house Ingenium diesel and petrol engines and electric drive units. In addition, Jaguar Land Rover is developing technological improvements including aerodynamic drag reduction and lightweighting through its new architectures. The Issuer believes that Jaguar Land Rover is also among the leading automobile manufacturers in the areas of powertrain application engineering and sound quality.

Under its new global strategy, "Reimagine", which was announced in February 2021, Land Rover is focused on the following:

- launch Jaguar as a pure electric brand from 2025,
- introduce the first Land Rover all-electric model by 2024 with an additional 5 Land Rover models with a full battery electric option launched by 2026;
- launch the modular longitudinal architecture and electrified modular architecture (native BEV architecture) for Land Rover products and a BEV only architecture dedicated to Jaguar;
- increased collaboration within the Tata Group and external partners in a number of key strategic areas;
- retain, right size, repurpose and reorganized Jaguar Land Rover's global manufacturing and non-manufacturing footprint;
- Refocus transformation programme targeting to improve EBIT margin by Fiscal Year 2026.

Jaguar Land Rover's InMotion Ventures business unit focuses on developing innovative mobility solutions to overcome and address future travel and transport challenges, and invests in future transport and mobility solutions, including Voyage, a U.S.-based self-driving taxi service ($4.5 million invested), Urgently, a U.S.-based digital roadside assistance provider ($4.0 million invested), By Miles, a leading UK-based connected car insurance provider (£1.0 million invested), and Circulor, a software-based supply chain tracking solution to trace commodities from extraction to the final product (£0.5 million invested). In addition, InMotion developed proprietary solutions in the urban mobility sector such as THE OUT, an on-demand premium car rental service, providing and Pivotal, a vehicle subscription service, with the goal to capture new customer segments and provide customers with flexibility when accessing Jaguar and Land Rover products.

For further details on Jaguar Land Rover's product design and research and development initiatives, see "*— Product Design, Technology and Research and Development*".

Global market presence through comprehensive global sales, distribution and international manufacturing networks

Jaguar Land Rover markets and sells its vehicles through a global sales and distribution network designed to achieve geographically diversified sales and facilitate growth in key markets, including Europe (excluding the United Kingdom and Russia), North America, the United Kingdom, China, Asia Pacific and Overseas (including Brazil and Russia). Over the years, Jaguar Land Rover has expanded its global sales and distribution network and achieved diversification of revenue beyond its historical core markets. Please see "*— Sales and Distribution*".

Jaguar Land Rover's success in established markets and strong brand recognition have positioned it well to capture the significant sales growth experienced in emerging markets. Jaguar Land Rover believes the growth potential in emerging markets with growing affluent populations will counterbalance the expected lower rate of sales growth in more developed markets, and offers significant opportunities to further increase and diversify its sales volumes. Consequently, Jaguar Land Rover is actively investing in its sales network outside of its major markets. Jaguar Land Rover established a manufacturing joint venture in China with Chery which currently manufactures the Range Rover Evoque, the Land Rover Discovery Sport, the long wheel base Jaguar XFL, the long wheel base Jaguar XEL and the Jaguar E-PACE for the local market. In addition, Jaguar Land Rover opened an engine assembly plant in China in July 2017 to assemble the 2.0-litre Ingenium petrol engine for installation in vehicles produced by the China Joint Venture. Please see "— *China Joint Venture*". In India, Jaguar Land Rover opened an NSC to expand its presence in this key market. Currently, the Jaguar XF, the Jaguar XE, the Range Rover Evoque and the Land Rover Discovery Sport vehicles are manufactured for local sales at a facility operated by Tata Motors in Pune, India. In June 2016, the production of the Land Rover Discovery Sport and the Range Rover Evoque for local sales commenced at its manufacturing facility in Brazil with the Jaguar E-PACE also added. From time to time Jaguar Land Rover establishes a presence in other markets according to its business needs. In July 2015, Jaguar Land Rover agreed a manufacturing partnership in Graz, Austria, with Magna Steyr, an operating unit of Magna International Inc., where the Jaguar E-PACE (excluding vehicles for China) and all-electric Jaguar I-PACE are currently produced. In December 2015, Jaguar Land Rover concluded an agreement with the Government of the Slovak Republic for the development of a new manufacturing plant in the city of Nitra in western Slovakia, which has been producing the Land Rover Discovery since October 2018, and production of the all-new Land Rover Defender commenced in January 2020, with sales increasing globally.

Resilient profitability amid challenging market conditions

Due to challenging market conditions, including the COVID-19 pandemic, with industry volumes significantly down year-on-year, Jaguar Land Rover's revenue for Fiscal 2021 was £19,731 million, 14 per cent. lower year-on-year compared to Fiscal 2021, as the COVID-19 pandemic impacted sales during Fiscal 2021 with wholesale volumes (excluding China Joint Venture) down 27 per cent. year-on-year compared to Fiscal 2020. Despite the significant decline in sales and revenue, Jaguar Land Rover's profit before tax (excluding exceptional items) was £662 million, up £1,055 million compared to the £393 million loss before tax (excluding exceptional items) in Fiscal 2020, primarily due to lower wholesale volumes offset by favourable sales mix, lower costs (including the effects deriving from the implementation of Project Charge+) as well as favourable foreign exchange rate movement. Exceptional items in Fiscal 2021 primarily relates to the one-time charge of £1,486 million in the fourth quarter of Fiscal 2021 on account of announcement of the new global strategy "Reimagine", which comprised of £952 million of non-cash write down primarily for previous investment spending on certain planned products that will now not be completed and restructuring costs of £534 million.

The COVID-19 pandemic inevitably impacted Jaguar Land Rover's results in Fiscal 2021 as the temporary plant shutdowns and dealership closures restricted the supply of, and demand for, vehicles, notably in the first quarter. However, in Fiscal 2021, Jaguar Land Rover's free cash flow was positive £185 million, compared to negative £759 million in Fiscal 2020, primarily reflecting the strong recovery from the second quarter which more than offset the impact of COVID-19 social distancing and lockdown measures in the first quarter.

Jaguar Land Rover believes its focus on efficiently deploying its total product and other investment spending, focusing on improving the quality of its sales, the implementation of Project Charge+ and fundamental long-term cost improvements, will allow it to improve its competitive position supported by the development of technologically advanced vehicles.

Experienced and highly qualified board of management team

Jaguar Land Rover has a highly experienced and respected board of management team. Its board of management comprises senior automotive executives with extensive experience in the automotive industry. The Issuer believes that the experience, industry knowledge and leadership of Jaguar Land Rover's board of management team will help it implement its strategy described below and achieve further profitable growth.

Shareholder support

The Issuer and Jaguar Land Rover benefit from strong and on-going support from Tata Motors, their parent company, which is a member of the international conglomerate Tata Group. Tata Motors is the largest commercial vehicle manufacturer in terms of revenue in India and among the top three vehicle manufacturers in the passenger vehicles in terms of units sold in India during Fiscal 2020. It has also established a successful international presence as an automobile company through joint ventures and acquisitions such as the acquisition of the commercial vehicle business of Daewoo in 2004. On 2 June 2008, Tata Motors acquired the Jaguar Land Rover businesses from Ford, establishing its international presence in the premium market. In 2018, Tata Motors celebrated the 10th year anniversary of ownership of Jaguar Land Rover. The Issuer and Jaguar Land Rover believes that, since Tata Motors acquired Jaguar Land Rover in 2008, Tata Motors' shareholder support has helped Jaguar Land Rover grow and improve its performance. From 2008, Jaguar Land Rover's unit retail sales have significantly increased reaching peak of 614,309 units in Fiscal 2018 with £25.8 billion of revenue before it impacted by certain macro and other challenges. Tata Motors group have manufacturing facilities and design and engineering centres in India, the United Kingdom, China, South Korea, Thailand, South Africa Brazil and Indonesia.

The Issuer believes Jaguar Land Rover is of strategic importance to Tata Motors given that Jaguar Land Rover represented 78 per cent. of Tata Motors' revenue for Fiscal 2021. Jaguar Land Rover's Board includes three members who are also members of the board of directors of Tata Motors, namely Mr Natarajan Chandrasekaran, Mr Thierry Bollore and Ms Hanne Sorensen. Further, Mr P B Balaji, a member of Jaguar Land Rover's board, is also the Group CFO of Tata Motors.

Neither Tata Motors nor Jaguar Land Rover assumes any direct or indirect liability for or guarantees the Notes. See "*Risk Factors — Risks Relating to the Notes — The Notes are not guaranteed by Tata Motors or Jaguar Land Rover. The Letter of Comfort is not a binding instrument and does not create any obligations on, or rights against, Tata Motors*".

Jaguar Land Rover's Strategy

Jaguar Land Rover is unique in the global automotive industry. Jaguar Land Rover create peerless models, from an unrivalled understanding of modern luxury, a rich brand equity and spirit of Britishness.

In February 2021, Jaguar Land Rover announced its new global strategy, "Reimagine", harnessing those ingredients today to reimagine its business, its brands and its customer experience for tomorrow.

Modern luxury by design

Jaguar and Land Rover has distinct British brands steeped in a history of timeless designs that emotionally resonate with its customers; brand equity built over decades. This past year, Jaguar Land Rover has marked the 50th anniversary of Range Rover and seen its iconic Land Rover Defender reborn in its 73rd year, with an all-new family of vehicles on sale in nearly 100 countries around the world.

Jaguar Land Rover's "Reimagine" strategy aims to release the full potential of its brands, by leapfrogging forward in technology, placing quality and sustainability at the heart of everything it does. At the core of this is the rapid electrification of both Jaguar and Land Rover. Over the next five years, Land Rover intends to welcome six all-electric variants, with the first scheduled to arrive in 2024. In this timeframe, the plan is that Jaguar have undergone a complete renaissance, emerging as a pure electric luxury brand, from 2025. By the end of the decade, full-BEV powertrains are expected to represent the majority of Jaguar Land Rover's sales.

Quality and efficiency

To enable this accelerated shift in electrification, Jaguar Land Rover will establish new benchmark standards in quality and efficiency for the luxury sector and central to this is its new architecture strategy. Jaguar Land Rover will migrate from six different architectures today, to just three by the end of the decade.

Land Rover will use the forthcoming flexible modular longitudinal architecture ("**MLA-Flex**"). This will deliver electrified internal combustion engines (e.g. plug-in hybrids and mild-hybrids) initially, but also allows for full battery-electric capability, as Jaguar Land Rover evolves its future product line-up. Joining modular longitudinal architecture will be its new electrified modular architecture. It is born from an obsession for simplicity – native-BEV and agnostic to battery chemistry, to advance with future technology. It has also been engineered to accommodate small capacity, high performance electrified internal combustion engines – true electric-first flexibility, allowing Jaguar Land Rover to offer BEV, PHEV and MHEV vehicles with exceptional range and performance.

For Jaguar, Jaguar Land Rover plans to create a radical new market position; one that is aspirational and technologically engaging for the discerning modern luxury customer. And in this, Jaguar Land Rover will be led by design. Truly desirable and compelling vehicles will reimagine the original Jaguar spirit, in an absolutely modern way. For that reason, all new Jaguars will be created on a completely separate architecture, from 2025 and for this, Jaguar Land Rover is also consulting with potential partners.

Technology within

Beyond Jaguar Land Rover vehicles, the other significant strategic pillar in “Reimagine” is a radical digital transformation of its business. Data is the backbone of every vehicle Jaguar Land Rover creates, the quality of its manufacturing, its supply chain and the support and services it provides to its customers.

Being part of the Tata Group offers significant advantages. Others have to rely solely on external partnerships and compromise, but Jaguar Land Rover has frictionless access to some of the world’s leading players in technology, software and clean energy that will allow us to lean forward with confidence and at speed. Through this, Jaguar Land Rover endeavours to accelerate the ingredients for modern luxury by design, including its advanced driver assistance systems, autonomous capability, connected services and electric vehicle infrastructure. At the heart of every vehicle will be the next generation of its domain based electrical vehicle architecture – EVA continuum – developed along with Tata Consultancy Services. This delivers ‘always on, always connected, always up-to-date’, software-over-the-air and the ability for Level 2, 2+ and Level 4 autonomous travel.

Annual commitments of around £2.5 billion will include investments in electrification technologies and the development of connected services, to enhance the journey and experiences of its customers, alongside data-centric technologies that will further improve their ownership ecosystem.

Refocus to a more agile operation

Through “Reimagine”, Jaguar Land Rover aims to right-size, reorganise and repurpose its footprint to become a more agile business. It will retain all its core global manufacturing plants, with a simple vision: to design new benchmark quality standards for the luxury sector. Jaguar Land Rover will rationalise sourcing and accelerate investments in local circular economy supply chains, by consolidating the number of platforms and models being produced per plant. Solihull is planned become the manufacturing base for the MLA-Flex architecture and the new Jaguar portfolio.

Halewood is planned to welcome the new electrified modular architecture and Jaguar Land Rover aims to continue to enhance the strategic benefits of its plants in Slovakia and China. Castle Bromwich will continue to make its existing models to the end of their life and will then be repurposed to benefit from Jaguar Land Rover’s plans to realise efficiencies in its Midlands property portfolio. The value creation achieved by simplifying its manufacturing and architecture strategy dramatically improves the utilisation of Jaguar Land Rover facilities and overall efficiency. Beyond manufacturing, Jaguar Land Rover is driving transformation through its recently launched Refocus programme (see below for details), which brings together existing and additional activity from across the organisation, to deliver value and efficiencies. Jaguar Land Rover global engineering centre at Gaydon is planned to become the consolidated home to all its management functions, for frictionless cooperation and agile decision-making, while substantially reducing and rationalising its other non-manufacturing infrastructure.

Further, agility is not just based on size: flatter management structures will empower employees to create and deliver at speed and with clear purpose.

A clear vision towards 2039

Through its “Reimagine” strategy, Jaguar Land Rover strives to achieve a net zero carbon position, by 2039. In doing so, Jaguar Land Rover reimagines the sustainability of luxury. Jaguar Land Rover is exploring hydrogen fuel-cell technology, to be ready for when the market matures, and active development of these powertrains is already underway.

Jaguar Land Rover will also create a new benchmark in environmental and societal impact for the luxury sector, accelerating pioneering innovations in materiality, engineering, manufacturing, services and circular economy investments. This will be focused in one team, working globally across the business, the brands and the customer experience. They will be empowered to build on existing initiatives, such as championing of ultra-luxurious alternatives to leather, as well as investing in start-ups like blockchain technology firm, Circulor, which enables us to source premium materials with greater transparency as to the provenance, welfare, and compliance of suppliers.

Together, these actions will contribute to Jaguar Land Rover targets of zero tailpipe emissions by 2036 and to be a Net Zero Carbon business by 2039, including its supply chain, products and global operations.

Structured to succeed

“Reimagine” is targeting to transform Jaguar Land Rover, with a value creation approach, delivering quality and profit-over-volume. Jaguar Land Rover aims to become a more agile business, with a simplified manufacturing operation. It will deliver a new benchmark in environmental, societal and community impact for a luxury business, creating the world's most desirable luxury vehicles, against a canvas of true sustainability.

The "Reimagine" strategy is set to improve Jaguar Land Rover's EBIT and cash flows and reduces its net debt over the next few years as publicly announced. Ultimately, by reimagining the future of modern luxury, Jaguar Land Rover's ambition is to be one of the most profitable luxury manufacturers in the world.

Refocus

"Refocus" is the operational transformation programme for driving Jaguar Land Rover's "Reimagine" strategy. Refocus brings together existing initiatives (amongst them, Project Charge+ and Project Accelerate) with new activity, into one clear programme of priorities that will drive greater value creation. See "*— Project Charge, Project Charge+ and Project Accelerate*". Jaguar Land Rover existing initiatives, such as Project Charge, have already generated cash savings and Refocus intends to build quickly on these solid foundations, continuing the most successful aspects and reorganising them for faster results.

Six Pillars of Refocus

The Refocus programme consists of six separate pillars: quality; programme delivery and performance; delivered cost per car; end-to-end supply chain; customer and market performance; and China, supported by three cross-functional enablers: agile organisation and culture; in-digital; and responsible spending. Quality is everything and Jaguar Land Rover is committed to reducing its warranty costs further and improving service quality. In programme delivery, Jaguar Land Rover will reduce its time to market in product development. Further, Jaguar Land Rover endeavours to reduce cost per car in vehicle manufacturing and logistics by expanding the success of past initiatives. Jaguar Land Rover will focus on its end-to-end supply chain, ensuring it can give customers the right vehicle, at the right time, at the right quality. Jaguar Land Rover will grow profitable market share, both by maximising opportunities in existing markets and by paying specific attention to the potential for its business in China.

Jaguar Land Rover's vehicles

Overview

Jaguar designs, develops and manufactures a range of premium sports cars, saloons and luxury performance SUVs recognised for their design, performance and quality and Jaguar Land Rover is committed to a continuing programme of innovative product design and development. Jaguar Land Rover's two United Kingdom based design and development centres are equipped with computer-aided design, manufacturing and engineering tools, and are configured for competitive product development cycle-time and efficient data management.

Jaguar's range of products comprises the E-PACE compact SUV, the Jaguar F-PACE luxury performance SUV, the Jaguar F-TYPE two-seater sports car coupe and convertible (including all-wheel drive derivatives), the Jaguar I-PACE (our first all-electric vehicle), the XE sports saloon (including the Jaguar XEL for the Chinese market), the lightweight Jaguar XF (including the Jaguar XFL for the Chinese market) and the XF Sportbrake.

Land Rover designs, develops and manufactures premium all-terrain vehicles that aim to differentiate themselves from the competition by their capability, design, durability, versatility and refinement. Land Rover's range of products comprises the Land Rover Discovery, the refreshed Land Rover Discovery Sport, the refreshed Range Rover and Range Rover Sport, the Range Rover Velar and the all-new Range Rover Evoque. Production of the all-new Land Rover Defender commenced in January 2020, with sales increasing globally and new derivatives including the 90 short wheel base and commercial hard top models, accompanying the 110 long wheel base derivative.

For retail and wholesale unit sales by vehicle model, see *"— Vehicles*". For the most recent awards that Jaguar Land Rover vehicles have received, please see "*— Jaguar Land Rover's Competitive Strengths — Award-winning design capabilities and distinctive model line-ups*".

Product design, development and technology

Jaguar Land Rover vehicles are designed and developed by award-winning design teams, and it is committed to a continuing programme of new product design. Please see *"— Jaguar Land Rover's Competitive Strengths — Award-winning design capabilities and distinctive model line ups*". Jaguar Land Rover's two design and development centres are equipped with computer-aided design, manufacturing and engineering tools, and are configured for competitive product development cycle-time and efficient data management. The Advanced Product Creation Centre at its Gaydon facility, unveiled in September

2019, will support the development of the next-generation of Jaguar and Land Rover vehicles as well as the development and creation of future autonomous, connected, electrified and shared mobility technologies.

Jaguar Land Rover develops and manufactures technologically advanced vehicles. Jaguar Land Rover's development and engineering activities include the development of autonomous, connected and electrification technologies, as well as investing in innovative mobility solutions aiming to overcome and address future travel and transport challenges. All Jaguar Land Rover vehicles include level 1 features (e.g. parking assistance and automatic emergency braking), with level 2 features (e.g. traffic jam assist and integrated cruise assist) launched with the all-electric Jaguar I-PACE. Jaguar Land Rover's R&D operations currently consist of a team of engineers, co-managed for Jaguar and Land Rover, sharing premium technologies, powertrains and vehicle architectures. See "*— Product Design, Technology and Research and Development*".

Vehicles

Jaguar designs, develops and manufactures a range of premium saloons and SUVs recognised for their design, performance and quality. Jaguar's range of products comprises the Jaguar E-PACE compact SUV, the Jaguar F-PACE luxury performance SUV, the Jaguar F-TYPE two-seater sports car coupé and convertible, the all-electric Jaguar I-PACE, the Jaguar XE sports saloon (including the Jaguar XEL for the Chinese market), the Jaguar XF (including the Jaguar XFL for the Chinese market), and the Jaguar XF Sportbrake.

The table below presents Jaguar retail (including sales through the China Joint Venture) and wholesale (excluding sales through the China Joint Venture) unit sales by vehicle model for Fiscal 2019, Fiscal 2020 and Fiscal 2021:

	Retail Units			Wholesale Units[5]		
	Fiscal year ended 31 March			Fiscal year ended 31 March		
	2019	2020	2021	2019	2020	2021
Jaguar						
I-PACE[1]	11,336	15,867	15,734	14,486	14,782	14,262
E-PACE[2]	46,711	37,894	20,488	42,539	36,928	16,925
F-PACE	52,683	43,388	26,291	50,885	45,943	24,046
F-TYPE	7,870	6,234	5,752	7,701	6,346	5,775
XJ[3]	4,072	3,535	970	4,204	2,824	632
XF	27,096	11,726	9,993	14,522	6,911	2,955
XK[4]	—	—	—	2	—	—
XE	30,430	21,949	18,441	19,418	12,086	2,738
Total	**180,198**	**140,593**	**97,669**	**153,757**	**125,820**	**67,333**

Notes:

(1) The all-electric Jaguar I-PACE went on sale in June 2018.

(2) The Jaguar E-PACE went on sale in certain markets in November 2017 (it did not go on sale in China until August 2018).

(3) Production of the Jaguar XJ ceased in July 2019.

(4) Production of the Jaguar XK, except for certain special editions, ceased in July 2014, with retail sales phased out.

(5) Wholesale volumes exclude the China Joint Venture volumes (consisting of locally produced Jaguar XF, Jaguar XE and Jaguar E-PACE, starting from August 2018). Jaguar XF, Jaguar XE and Jaguar E-PACE volumes wholesaled by the China Joint Venture for Fiscal 2021 were 23,107 units, compare compared to 18,450 units for Fiscal 2020 and 23,695 units for Fiscal 2019.

- ***Jaguar E-PACE***: The Jaguar E-PACE, revealed to the public in June 2017, is built in Graz, Austria by a manufacturing partnership with Magna Steyr and went on general retail sale in certain markets in November 2017. The Jaguar E-PACE is based on the same underlying architecture as the Land Rover Discovery Sport. Jaguar Land Rover has also commenced production of the Jaguar E-PACE at the China Joint Venture for the Chinese market, and sales commenced in August 2018. In October 2020, Jaguar Land Rover launched a refreshed Jaguar E-PACE with exterior updates, all-new interior, improved infotainment and the choice of in-line four-cylinder 2.0-litre engine with mild Hybrid technology or 1.5-litre engine supporting a plug-in hybrid model.

- ***Jaguar F-PACE***: The Jaguar F-PACE, launched in September 2015, went on general retail sale in April 2016. The Jaguar F-PACE is built on the same lightweight aluminium-intensive architecture as the Jaguar XE and the Jaguar XF. In 2019, the Jaguar F-PACE SVR joined the Jaguar F-PACE line-up featuring bespoke suspension, aerodynamic enhancements and new lightweight 21 and 22-inch alloy wheels to accommodate uprated brakes. In September 2020, Jaguar Land Rover launched a refreshed Jaguar F-PACE with exterior updates, all-new interior, improved infotainment and the choice of in-line four-cylinder and six-cylinder engines including plug-in hybrid electric and mild hybrid electric technology.

- ***Jaguar F-TYPE***: The Jaguar F-TYPE represents a return to Jaguar Land Rover's original designs and is available as two-seater sports car coupé and convertible and has an all-aluminium structure. Jaguar Land Rover began selling the Jaguar F-TYPE convertible and Jaguar F-TYPE coupé in April 2013 and April 2014, respectively, and all-wheel drive and manual transmission derivatives were introduced at the Los Angeles Motor Show in November 2014. In December 2019 Jaguar Land Rover launched a refreshed Jaguar F-TYPE with exterior and interior updates, including improved infotainment.

- ***All-electric Jaguar I-PACE***: The all-electric Jaguar I-PACE, Jaguar Land Rover's first all-electric vehicle, was unveiled at the 2016 Los Angeles Motor Show and went on sale in June 2018. The Jaguar I-PACE is a five seater sports car powered by a 90kWh battery, providing an estimated range of 500km (NEDC cycle) and rapid charging in two hours, and twin electric motors delivering all-wheel drive performance, accelerating to 60 mph in around four seconds. The Jaguar I-PACE is currently being built in Graz, Austria by Jaguar Land Rover's manufacturing partnership with Magna Steyr. The all-electric Jaguar I-PACE won several awards in 2019 including four World Car of the Year Awards (i.e., World Green Car of the Year, World Car Design of the Year, World Car of the Year and Best SUV).

- ***Jaguar XE***: In September 2014, Jaguar Land Rover launched the all-new mid-size premium sports sedan, the Jaguar XE which went on general retail sale in May 2015. In Fiscal 2018, production of the Jaguar XEL for the Chinese market commenced with sales starting in December 2017. The Jaguar XE was the first Jaguar Land Rover product to be built on the new aluminium-intensive architecture. The new and refreshed Jaguar XE launched in February 2019 presenting an enhanced look with advanced all-LED headlights and tail lights, all-new interior and new technologies from all-electric Jaguar I-PACE (including self-learning smart settings) and touch pro duo infotainment system. Jaguar Land Rover also recently launched a mild hybrid variant of Jaguar XE.

- ***Jaguar XF***: The Jaguar XF, launched in 2008, is a premium executive car that merges sports car styling with the sophistication of a luxury saloon and, in 2011, a major restyling of the exterior was completed, whilst the Jaguar XF Sportbrake joined the model line-up in 2012. The current lightweight Jaguar XF, which utilises the same aluminium-intensive technology as the XE, made its debut at the New York Motor Show in April 2015 and retail sales began in September 2015. The Jaguar XFL was launched by Jaguar Land Rover's China Joint Venture in Fiscal 2017 and the new Jaguar XF Sportbrake was launched in Fiscal 2018. Jaguar Land Rover also recently launched a mild hybrid variant of Jaguar XF.

Land Rover designs, develops and manufactures premium all-terrain vehicles that aim to differentiate themselves from the competition by their capability, design, durability, versatility, luxury and refinement. Land Rover's range of products comprises the Land Rover Discovery, the refreshed Land Rover Discovery Sport (launched in June 2019), the refreshed Range Rover and the refreshed Range Rover Sport, the all-new Range Rover Evoque, the Range Rover Velar and the all-new Land Rover Defender.

The table below presents Land Rover retail (including sales through the China Joint Venture) and wholesale (excluding sales through the China Joint Venture) unit sales by vehicle model sales for Fiscal 2019, 2020 and 2021:

	Retail Units			Wholesale Units[3]		
	Fiscal year ended 31 March			Fiscal year ended 31 March		
	2019	2020	2021	2019	2020	2021
Land Rover						
Range Rover	56,417	47,290	42,399	57,052	50,965	37,410
Range Rover Sport	80,422	74,277	64,197	82,602	76,339	57,694
Range Rover Evoque	68,242	85,106	68,571	57,706	83,198	50,429
Range Rover Velar	64,820	52,902	37,880	60,765	52,972	33,832
Defender[1]	—	249	45,244	6	121	53,051
Discovery	40,839	33,674	19,109	37,636	33,648	16,677
Freelander[2]	—	—	—	7	—	2
Discovery Sport	87,977	74,568	64,519	58,364	52,889	31,204
Total	**398,717**	**368,066**	**341,919**	**354,138**	**350,132**	**280,299**

Notes:

(1) Production of the all-new Land Rover Defender started in January 2020.

(2) Production of the Freelander and the Land Rover Defender has been discontinued.

(3) Wholesale volumes exclude the China Joint Venture volumes (consisting of locally produced Range Rover Evoque and Land Rover Discovery Sport). Range Rover Evoque and Land Rover Discovery Sport volumes wholesaled by the China Joint Venture for Fiscal 2021 were 42,175 units compared to31,000 units for Fiscal 2020 and 33,733 units for Fiscal 2019.

- ***Land Rover Discovery***: The Land Rover Discovery 5 was revealed to the public in September 2016. This fifth-generation Land Rover Discovery benefits from Land Rover's light full-size SUV architecture also utilised on the refreshed Range Rover and Range Rover Sport, and retains 7 seat flexibility. The Land Rover Discovery incorporates a range of innovative technological features, notably the world's first Intelligent Seat Fold technology, allowing customers to reconfigure the second and third-row seats with minimal effort using controls at the rear of the vehicle. Jaguar Land Rover's manufacturing plant in the city of Nitra in western Slovakia has been producing the Land Rover Discovery since October 2018. Jaguar Land Rover recently launched the model year 2021 Land Rover Discovery, including a mild hybrid option, with improved interior and infotainment.

- ***Land Rover Discovery Sport***: The original Land Rover Discovery Sport was digitally revealed at Spaceport America in New Mexico on 3 September 2014 and was shown at the Paris Motor Show in October 2014. It is the first member of the new Land Rover Discovery family featuring 5+2 seating in a footprint no larger than existing 5-seat premium SUVs and went on sale in February 2015. Local production by Jaguar Land Rover's China Joint Venture of the Land Rover Discovery Sport for the Chinese market started in September 2015 and went on sale in November 2015. Jaguar Land Rover revealed the refreshed Land Rover Discovery Sport in May 2019 with enhanced exterior and interior design features including the latest generation of "InControl Touch Pro" infotainment system as well as mild hybrid and plug-in hybrid electric options.

- ***Range Rover***: The Range Rover is the flagship product under the Land Rover brand with a unique blend of British luxury, classic design, high-quality interiors and outstanding all-terrain ability. The aluminium-intensive Range Rover was launched in the third quarter of Fiscal 2013 and was the world's first SUV with a lightweight aluminium body, resulting in enhanced performance and handling on all-terrains, which also led to significant advances in environmental performance compared to previous models. A plug-in hybrid variant went on sale in Fiscal 2018 and a mild hybrid variant is also available.

- ***Range Rover Evoque***: The Range Rover Evoque was revealed in November 2018 (including mild hybrid with plug-in hybrid versions announced) and went on sale in the fourth quarter of Fiscal 2019. Launched in 2011, the original Range Rover Evoque is the smallest and lightest Range Rover to date, and, depending on the market, in both front-wheel drive and all-wheel drive configurations. Local production by Jaguar Land Rover's China Joint Venture of the Range Rover Evoque for the Chinese market started at the end of 2014 and the Range Rover Evoque went on sale in February 2015.

- ***Range Rover Sport***: The Range Rover Sport combines the performance of a sports tourer with the versatility of a Land Rover. In March 2013, soon after the Range Rover, the all-aluminium Range Rover Sport was introduced to the market. The Range Rover Sport is the fastest, most agile and responsive Land Rover to date due to the same all-aluminium architecture as the Range Rover. A plug-in hybrid variant went on sale in Fiscal 2018, along with the Range Rover plug-in hybrid variant and a mild hybrid variant is also available.
- ***Range Rover Velar***: The Range Rover Velar was launched in April 2017 and went on retail sale in the United Kingdom and Europe in July 2017, with worldwide sales underway in September 2017. The Range Rover Velar fills in Land Rover's product offering between the Range Rover Sport and Range Rover Evoque, and is Jaguar Land Rover's first cross-brand Land Rover, being built on the same lightweight aluminium intensive architecture as the Jaguar F-PACE. The Range Rover Velar SVA Dynamic Edition is the 2019 addition to the SV line-up. In September 2020, Jaguar Land Rover launched a model year 2021 Range Rover Velar with advanced new infotainment technology and elegant new design features and the choice of both plug-in hybrid and mild hybrid variants.
- ***All-new Land Rover Defender***: The production of the all-new Land Rover Defender commenced in January 2020 at Jaguar Land Rover's plant in Nitra, Slovakia, with sales increasing globally. Jaguar Land Rover recently announced plug-in hybrid variants of the all-new Land Rover Defender and a new Defender Hard Top which is a commercial version available with a range of Ingenium diesel engines and a practical, durable load area.

Jaguar Land Rover plans to continue to build on recent successful product launches such as the all-new Land Rover Defender, including the short wheel base 90 and commercial derivatives, as well as the launch of new and refreshed model year 2021 products, including the significant increase in electrified options across Jaguar Land Rover's model range now consisting of 8 Plug in hybrids, 11 mild hybrids and the all-electric Jaguar I-PACE. Jaguar Land Rover offers a range of powertrain options across its model portfolio including conventional internal combustion engines, mild hybrids and plug-in hybrids as well as all-electric vehicles.

Sales Performance by Region

The following table provides an analysis of Jaguar Land Rover's regional wholesale and retail volumes by region for Fiscal 2020 and Fiscal 2021:

	Jaguar Retails			**Jaguar Wholesale**		
	Fiscal year ended 31 March			**Fiscal year ended 31 March**		
	2020	**2021**	**Change**	**2019**	**2020**	**Change**
	(units)		*(per cent.)*	*(units)*		*(per cent.)*
Global	**140,593**	**97,669**	**(30.5)**	**144,270**	**90,440**	**(46.5)**
Regional:						
United Kingdom	32,533	22,529	(31)	35,033	22,305	(36)
North America	30,095	18,186	(40)	30,514	13,450	(56)
Europe (excluding the United Kingdom and Russia)	35,335	20,578	(42)	36,158	20,693	(43)
China	7,740	4,981	(36)	7,162	4,603	(36)
Overseas	18,321	8,195	(51)	16,953	6,282	(63)
China Joint Venture (included above)	16,569	23,200	27	18,450	23,107	25

	Land Rover Retails			Land Rover Wholesale		
	Fiscal year ended 31 March			Fiscal year ended 31 March		
	2020	2021	Change	2020	2021	Change
	(units)		*(per cent.)*	*(units)*		*(per cent.)*
Global	**368,066**	**341,919**	**(7)**	**3,81,132**	**3,22,471**	**(15.4)**
Regional:						
United Kingdom	74,079	60,466	(18)	75,034	59,195	(21)
North America	99,251	92,619	(7)	105,252	80,309	(24)
Europe (excluding the United Kingdom and Russia)	71,702	58,682	(18)	77,112	55,913	(27)
China	32,408	41,906	29	31,150	42,542	37
Overseas	58,971	47,127	(20)	61,584	42,340	(31)
China Joint Venture (included above)	31,655	41,119	30	31,000	42,172	36

Project Charge, Project Charge+ and Project Accelerate

Project Charge and Project Charge+

In the second half of Fiscal 2019, Jaguar Land Rover started the implementation of a business improvement programme ("**Project Charge**") aimed at achieving £2.5 billion of cash and cost savings by the end of Fiscal 2020 through a reduction of total product and other investment spending by £1 billion, improvement of working capital by £500 million and £1 billion of profit growth and cost efficiencies ("**Project Charge**"). Since Jaguar Land Rover exceeded the Project Charge target of £2.5 billion, with £3.5 billion cash and cost savings already delivered at the end of Fiscal 2020. Jaguar Land Rover extended the programme with "Project Charge+" which targeted to deliver additional £2.5 billion of cash and cost savings, bring it to a total of to £6 billion (which includes the cash and cost savings already achieved through Project Charge) ("**Project Charge**+"). Jaguar Land Rover met this target of delivering £2.5 billion of cash and cost savings in Fiscal 2021. All savings attributed to Project Charge+ are unaudited pro forma analytical estimates.

Project Charge+ presents an expanded scope with emphasis on sustained profit improvements on "current" car models. In particular, Project Charge+ is based on eight key levers which are supported by sustaining the business improvements achieved to date and delivering more value through additional initiatives. Such key levers can be divided into the following broad initiatives categories:

- vehicle and market profitability (i.e., (i) leverage most profitable vehicles; (ii) improve current car returns, with material cost focus; (iii) optimise market performance; (iv) grow after sales business; (v) lower warranty costs);
- working capital (i.e., maintain inventory discipline);
- overheads (i.e., minimise overhead cost base, including through the planned change in the shift pattern at the factory in Halewood, United Kingdom); and
- investment (i.e., reduce investment spend).

Going forward the wider Refocus programme launched as a part of the "Reimagine" strategy brings together existing and additional activity from the organisation to deliver value and drive efficiencies, including initiatives under Project Charge and Charge+.

Project Accelerate

As a response to Jaguar Land Rover's rapid expansion over the past decade, the increase in complexity to its organisation, operations and supply and to address fundamental business and industry challenges, Jaguar Land Rover started to develop a new programme in Fiscal 2019 aimed at making structural improvements to its business ("**Project Accelerate**"). In particular, Project Accelerate is intended to build on the short-term financial gains already realised through Project Charge and Project Charge+.

Project Accelerate includes three main workstreams:

- *Implementing on-time, quality programmes*: Jaguar Land Rover intends to optimise resource planning, drive consistency in various areas of its business, enhance risk and change of product management, introduce mindset and process discipline and improve supplier collaboration and quality standards;
- *Delivering competitive material cost*: Jaguar Land Rover aims to achieve cost improvements through better purchase planning and sourcing, cost analysis and benchmarking and applying technological standards focused on customer value, among other things; and
- *Enhancing sales performance*: Jaguar Land Rover seeks to improve its approach to the positioning, pricing and launching of its products, offer products and features that are customer-centric and improve customer service and quality perception.

Complementing the short-term objectives delivered by Project Charge and Project Charge+, Project Accelerate remains set to deliver longer-term structural improvements through the delivery of superior product quality, competitive cost base and improved sales performance.

Going forward the wider Refocus programme launched as a part of the "Reimagine" strategy brings together existing and additional activity from the organisation to deliver value and drive efficiencies, including initiatives under Project Accelerate.

Industry Dynamics

Factors Affecting Demand in Jaguar Land Rover's Industry

Both the general global automotive industry and the premium and luxury brand segment are affected by a variety of economic and political factors, which may be interrelated. Some of these factors are described below:

- *Global economic conditions*: consumer demand for passenger automobiles is affected by global economic conditions, which in turn affect consumers' disposable income, purchasing power and the availability of credit to consumers. In March 2020, the World Health Organization recognised the COVID-19 outbreak as a pandemic based on the global spread of the disease, the severity of illnesses it causes and its effects on society. In response to the COVID-19 pandemic, the governments of many countries, states and cities have taken preventative or protective actions, such as imposing restrictions on travel and business operations, and advising or requiring individuals to limit or forego their time outside of their homes. Accordingly, the COVID-19 pandemic has severely restricted the level of economic activity in many countries, including in regions in which Jaguar Land Rover operates, and continues to adversely impact global economic activity and has contributed to significant volatility in financial markets.
- *Fuel prices*: increasing fuel prices generally reduce demand for larger and less fuel-efficient cars, while lower fuel prices generally support demand for larger vehicles and reduce the focus on fuel-efficiency.
- *Prices of vehicles*: demand for vehicles is affected by the price at which manufacturers are able to market and sell their vehicles. Sale prices in turn depend upon a number of factors, including, among other things, the price of key inputs, such as raw materials and components, the cost of labour and competitive pressures.
- *Taxes and duties*: the level of taxes that are levied on the sale and ownership of vehicles is another key factor. Taxes are generally levied at the time of purchase of vehicles, at the time of import, in the case of import duties, or as on-going taxes on vehicle ownership, road tax duties and taxes on fuel. In general, higher taxes decrease consumer demand for vehicles.
- *Customer preferences*: customer preferences and trends in the market change, which in turn affects demand for specific vehicle categories and specific offerings within each vehicle category.
- *Technology*: technological differentiation among automotive manufacturers is a significant competitive factor as fuel prices, environmental concerns, the demand for innovative products and other customer preferences encourage technological advances in the automotive industry. For instance, even though the demand of electric vehicles is growing, they still represent only a small percentage of industry sales. Growth in consumer demand for electric vehicles depends on the

deployment of adequate charging infrastructure, including practical access to private charging points.

- *Emissions*: following the 2015 emission scandals, the implementation in 2018 of more stringent European emission tests through the WLTP, higher taxes and future limitations on ICE engines, in particular diesels, customer demand for diesel engines has declined.

- *Semiconductor shortage*: Global shortage of semiconductor is already impacting all the industries. If this shortage continues for long it will have material impact on the manufacturing of vehicles and thereby impacting the profitability and cash flows of the industry as a whole.

Compared to the broader passenger car market, the luxury car market is also driven by prestige, aesthetic considerations, appreciation of performance and quality, in addition to factors such as utility and cost of ownership, which are key considerations in the broader car market.

Competition

Jaguar Land Rover operates in a globally competitive environment and faces competition from established premium and other vehicle manufacturers that aspire to move into the premium performance car and premium SUV markets, some of which are much larger than Jaguar Land Rover. Jaguar vehicles compete primarily against other European brands such as Audi, BMW, Mercedes Benz, Porsche, and Tesla. Land Rover and Range Rover vehicles compete largely against SUVs manufactured by Audi, BMW, Infiniti, Lexus, Mercedes Benz, Porsche, Volvo and Volkswagen.

Seasonality

The automotive industry is affected by the biannual change in age-related registration plates of vehicles in the United Kingdom, where new age-related plate registrations take effect in March and September. This has an impact on the resale value of the vehicles because sales are clustered around the time of the year when the vehicle registration number change occurs. Seasonality in most other markets is driven by the introduction of new model year vehicles and derivatives. Furthermore, Western European markets tend to be impacted by summer and winter holidays, and the Chinese market tends to be affected by the Lunar New Year holiday in either January or February, the PRC National Day holiday and the Golden Week holiday in October. The resulting sales profile influences operating results on a quarter-to-quarter basis.

Product Design, Technology and Research and Development

Jaguar Land Rover develop and manufacture technologically advanced vehicles to meet the requirements of a globally competitive market. Jaguar Land Rover devotes significant resources towards its R&D activities. Jaguar Land Rover's R&D operations currently consists of a team of engineers operating within a co-managed Jaguar and Land Rover engineering group, sharing premium technologies, powertrain designs and vehicle architecture. Jaguar Land Rover's modular engine architecture is intended to enhance efficient engineering, shared technologies and complexity reduction. Reusing parts and processes helps focus its efforts on innovative new technologies. Jaguar Land Rover vehicles are designed and developed by award-winning design teams, and it is committed to a continuing programme of new product design. In recent years, Jaguar Land Rover has unified the entire Jaguar range under a single design and concept language and has continued to enhance the design of Land Rover's range of all-terrain vehicles. All of Jaguar Land Rover's products are designed and engineered in the United Kingdom.

Jaguar Land Rover has modern safety test facilities for testing and developing new products. These include a pedestrian safety testing facility, a pendulum impact test facility and a gravity-powered impact rig for occupant protection and vehicle structural development. Jaguar Land Rover also has two full vehicle semi-anechoic chambers for developing reductions in vehicle-based noise and vibration levels and engine testing facilities for developing and certifying exhaust emissions to a wide range of international regulatory standards.

Jaguar Land Rover's product design and development centres are equipped with computer-aided design, manufacture and engineering tools, with sophisticated hardware, software and other IT infrastructure to create a digital product development environment and virtual testing and validation, aiming to reduce the product development cycle time and data management. Rapid prototype development systems, testing cycle simulators, advanced emission test laboratories and styling studios are also a part of the product development infrastructure. Jaguar Land Rover has aligned its end-to-end digital product development objectives and infrastructure with its business goals and has made significant investments to enhance the digital product development capabilities especially in the areas of product development through computer-aided design, computer aided manufacturing, computer-aided engineering, knowledge-based engineering and product data management. Jaguar Land Rover has also opened a software engineering centre in Shannon, Ireland.

The centre is to be used to develop technology for electric vehicles and to assist those vehicles in reaching Level 4 autonomy.

In September 2013, Jaguar Land Rover announced its investment in the National Automotive Innovation Campus at the University of Warwick in the United Kingdom, which is opened in 2018 and focus on advanced technology, innovation and research. The campus is expected to feature engineering workshops and laboratories, advanced powertrain facilities and advanced design, visualisation and rapid prototyping and help complement Jaguar Land Rover's existing product development centres. Jaguar Land Rover works with Intel at the Open Software Technology Center in Portland, Oregon in the United States to develop next-generation in-vehicle technologies, helping it enhance its future vehicle infotainment systems and provide incubator space for budding automotive technology entrepreneurs.

In June 2019, Jaguar Land Rover announced a collaboration with BMW to develop the next-generation EDUs to support the advancement of electrification technologies that will be installed in future Jaguar Land Rover vehicles and will be manufactured at the Engine Manufacturing Centre in the United Kingdom.

Lightweighting and fuel economy

Jaguar Land Rover is pursuing various initiatives, such as its Premium Lightweight Architecture, first applied to the Range Rover launched in September 2012, to enable its business to comply with existing and evolving emissions legislation in its sales markets, which it believes will be a key enabler of both reduction in CO_2 and further efficiencies in manufacturing and engineering. In recent years, Jaguar Land Rover has made significant progress in reducing most of its development cycle times.

Jaguar Land Rover's R&D activities are currently strongly concentrated on creating a sustainable fleet CO_2 emissions profile for 2020 and beyond. Although Jaguar Land Rover is already a leader in the use of aluminium for weight reduction, it has active research projects and partnerships aimed at enhancing the use of carbon fibre and mixed material in order to create the lightweight, high performance vehicles of the future in a sustainable way.

Emission reduction

In addition to CO_2 and fuel efficiency, all its powertrains have been developed to meet the world's most stringent air quality emissions regulations such as the EPA Tier 3, the LEV3, China 6b and European Eu6d-Final under real world driving conditions described by Real Driving Emissions ("**RDE**") Level 2 for all its new models, where emissions are limited under random driving conditions on the open road not just under laboratory conditions. Early adoption of uSCR technology since 2015 has enabled Jaguar Land Rover to react quickly to pressure to lower NOx emissions from diesel engines and allowed it to significantly reduce NOx emissions from all its diesel vehicles. uSCR is an advanced active emissions control technology system that injects a liquid-reductant agent (usually automotive-grade urea) through a special catalyst into the exhaust stream of a diesel engine. The reductant source is otherwise known as Diesel Exhaust Fluid ("**DEF**"). Jaguar Land Rover's diesel vehicles emit no more NOx and particulate mass than its petrol engines under wide ranging RDE conditions. Jaguar Land Rover developed a new EU6 Ingenium diesel and petroleum engine which is among the cleanest in the world. Jaguar Land Rover was one of the few car manufacturer to meet the WLTP deadline for type approval of its vehicles, reducing the operational impact of the emissions test changes. As at 31 March 2021, a provision of £75 million was held to face the possible fine from European regulators for failing to meet emission reduction targets.

Autonomous and connected technologies

Jaguar Land Rover's future strategic R&D priorities include autonomous, connected and electrification technologies, as well as investing in innovative mobility solutions to overcome and address future travel and transport challenges.

Jaguar Land Rover's autonomous strategy includes investing in driver assistance technologies to support increasing degrees of automation, and including autonomous features on its new models. Jaguar Land Rover is also developing these features through external partnerships. For example, in March 2018, it announced a long-term strategic partnership with Waymo (formerly Google self-driving car project). Together, it will develop the world's first premium self-driving electric vehicle for Waymo's driverless transportation service. As part of the partnership, Jaguar Land Rover will work together to design, engineer and produce up to 20,000 Jaguar I-PACEs over 2020 and 2021 to be used by Waymo in their autonomous vehicle mobility service, planned for rollout in the United States. Waymo Jaguar I-PACEs, equipped with Waymo's self-driving technology, is currently being tested in San Francisco, California, where an initial 20,000 Jaguar I-PACEs will join Waymo's driverless fleet and serve a potential 1 million trips a day. Jaguar Land Rover delivered the first batch of Jaguar I-PACEs for this purpose in July 2018. In addition, using a platform created by connected tech and transport analytics firm Inrix, Jaguar Land Rover, along with Transport Scotland and Transport for West Midlands, is contributing to the development of the AV Road Rules system, which digitalises street signs and road rules so that autonomous vehicles can understand them. The platform is also intended to provide autonomous vehicles with a link to local road authorities, which can provide information about potholes or road damage. Additionally, Jaguar Land Rover has launched CORTEX, a £3.7 million research project in collaboration with Birmingham University, to make the self-driving car viable in the widest range of on and off-road conditions.

Jaguar Land Rover's connected strategy includes investing in technology and infrastructure to support higher levels of connectivity (including both in-vehicle connectivity and off-board connectivity, for example, the development of a remote smartphone app and Wi-Fi hotspot), as exemplified by the opening of an additional engineering centre in Manchester to support the development of next-generation, connected car technologies. Initiatives in vehicle electronics such as engine management systems, in-vehicle network architecture, telematics for communication and tracking (including the Stolen Vehicle Tracker) and other emerging technological areas are also being pursued and which could possibly be deployed on its future range of vehicles. In April 2016, Jaguar Land Rover demonstrated highly autonomous vehicle technologies to the EU Transport Ministers, such as "hands free" driving. Furthermore, its new connected and autonomous vehicle technologies are being developed through projects such as the United Kingdom's first "connected corridor" (e.g. the UK Connected Intelligent Transport Environment Project), a 41 mile "living laboratory" where it concentrates on installing new roadside communications equipment in order to test vehicle-to-vehicle and vehicle-to-infrastructure systems. Jaguar Land Rover is currently testing a fleet of smart, connected vehicles on the "connected corridor". In addition, it is deploying intelligent navigation and information systems (including remotely controlled climate settings and security) and in-car Wi-Fi connectivity, which it plans to supplement with the expansion of the usability of remote function applications and the inclusion of wearable technology solutions such as smart-watch technology currently available with some of its models, including the all-electric Jaguar I-PACE. Likewise, various new technologies and systems that would improve safety, performance and emissions of its product range are under implementation on Jaguar Land Rover passenger cars and commercial vehicles.

Electrification technologies

Jaguar Land Rover's has significantly expanded its electrification options in Fiscal 2021 now offering the award winning all-electric vehicle Jaguar I-PACE, 8 plug-in hybrid models and 11 mild hybrid models. Under the "Reimagine" strategy Jaguar Land Rover plans to launch Land Rovers first BEV model in 2024 with a further 5 models offering a BEV option by 2026 and Jaguar emerging as a BEV only brand from 2025. In Fiscal 2021, approximately 3.6 per cent. of its global retail sales were all-electric, approximately 4.6 per cent. of its global retail sales were plug-in hybrid electric powertrains and approximately 42.9 per cent. of its global retail sales were mild hybrid electric powertrains. By 2030, Jaguar Land Rover expect approximately 60 per cent. of its sales will come from pure electric vehicles rising to 100 per cent. by 2036.

Internal combustion still also has a significant part to play supporting hybrid powertrain options, therefore Jaguar Land Rover also engages in powertrain research. This research is supplemented by exploration into the area of low carbon sustainable fuels and the challenges of using this technology in modern, high power density engines. The revolutionary all-electric Jaguar I-PACE has given Jaguar Land Rover advanced knowledge in electric motor design and lithium-ion battery technology.

Shared technologies

Jaguar Land Rover's InMotion business unit focuses on developing innovative mobility solutions to address future travel and transport needs, and invests in strategically relevant early-stage technology business including Voyage, a U.S.-based self-driving taxi service ($4.5 million invested), Urgently, a U.S.-based digital roadside assistance provider ($4.0 million invested), By Miles, a leading UK-based connected car insurance provider (£1.0 million invested), and Circulor, a software-based supply chain tracking solution to trace commodities from extraction to the final product (£0.5 million invested). In addition, InMotion developed proprietary solutions in the urban mobility sector such as THE OUT, an on-demand premium car rental service, providing and Pivotal, a vehicle subscription service, with the goal to capture new customer segments and provide Jaguar Land Rover's customers with flexibility when accessing Jaguar and Land Rover products.

Properties and Facilities

Jaguar Land Rover operates four principal manufacturing facilities (including the EMC) in the United Kingdom employing approximately 15,126 employees as at 31 March 2021. Jaguar Land Rover believes that these facilities provide it with a flexible manufacturing footprint to support its present product plans.

- ***Solihull***: Jaguar Land Rover produces the Jaguar F-PACE, the refreshed Range Rover, the refreshed Range Rover Sport and the Range Rover Velar. In June 2018, Jaguar Land Rover announced its intention to move production of the Land Rover Discovery model from Solihull to its new facility in Slovakia and production started in October 2018. However, Solihull will be upgraded to the new modular longitudinal architecture for the next-generation Range Rover and Range Rover Sport, which will make it a centre of electric vehicle production.
- ***Castle Bromwich***: Jaguar Land Rover produces the Jaguar F-TYPE, the Jaguar XE and the Jaguar XF.
- ***Halewood***: Jaguar Land Rover produces the Land Rover Discovery Sport and the Range Rover Evoque.
- ***Wolverhampton***: Jaguar Land Rover produces advanced technology low-emission engines. This facility produces its range of "in-house" four cylinder diesel and petrol engines. This engine facility has reduced Jaguar Land Rover's dependence on third-party engine supply agreements and has strengthened and expanded its engine range to deliver high-performance, competitive engines with significant reductions in vehicle emissions. The EMC supplies Jaguar Land Rover's manufacturing facilities in the United Kingdom and internationally with engines which power its models. Jaguar Land Rover currently produces the 2.0-litre four cylinder diesel and petrol engines of Ingenium family at the EMC, which are now available across a range of its vehicles and announced a 3.0-litre 6 cylinder Ingenium petrol engine in February 2019 as well as starting production of the 3.0-litre 6 cylinder Ingenium diesel engine in Fiscal 2021. The common architecture of the Ingenium family has been designed to allow for flexible manufacturing between variants and configurations.

See Jaguar Land Rover's strategy "*Refocus to a more Agile Operation*" for latest update on the future use of facilities

In addition to its facilities in Solihull, Castle Bromwich, Halewood and Wolverhampton, Jaguar Land Rover maintains the following main facilities:

- ***United Kingdom***: At Prologis Park in Ryton, near Coventry, Jaguar Land Rover has established a Special Vehicle Operations Technical Centre and Jaguar Land Rover Classics business. The facility is Jaguar Land Rover's global centre of excellence for the creation of high-end luxury bespoke commissions and performance vehicles by a team of Jaguar Land Rover specialists. In addition, Jaguar Land Rover's Special Vehicle Operations Engineering headquarters are located in Fen End and it maintains an advanced research centre in Warwick in collaboration with the Warwick Manufacturing Group department of the University of Warwick. Additionally, the InMotion Ventures business unit is headquartered in London.
- ***China***: Jaguar Land Rover also entered into a joint venture agreement in December 2011 with Chery for the establishment of a joint venture company in China to develop, manufacture and sell certain Jaguar Land Rover vehicles and at least one own-branded vehicle in China. Production of the Range Rover Evoque began at the end of 2014 and sales commenced in February 2015. Production of the Land Rover Discovery Sport started in September 2015 and sales commenced in November 2015. This was followed by the Jaguar XFL for which sales commenced in September 2016. In Fiscal 2018, production of the Jaguar XEL commenced, with sales starting in December 2017. Production of the Jaguar E-PACE began, and sales commenced in August 2018. See "—*China Joint Venture*" below.
- ***Brazil***: In December 2013, Jaguar Land Rover signed an agreement with the State of Rio de Janeiro in Brazil to invest approximately £240 million in a new production plant. The plant, opened in June 2016, produces the Jaguar E-PACE, the Land Rover Discovery Sport and the Range Rover Evoque.
- ***Austria***: In July 2015, Jaguar Land Rover agreed to a manufacturing partnership with Magna Steyr, an operating unit of Magna International Inc., to build vehicles in Graz, Austria. The facility currently produces the Jaguar E-PACE and the all-electric Jaguar I-PACE.

- ***Slovakia***: In December 2015, Jaguar Land Rover concluded an agreement with the Government of the Slovak Republic for the development of a new manufacturing plant in the city of Nitra in western Slovakia, which manufactures the Land Rover Discovery, commenced in October 2018, and production of the all-new Land Rover Defender which commenced in January 2020. The manufacturing facility represents an investment of £1.0 billion with potential further option to invest £500 million to increase the production capacity of the facility from 150,000 units to 300,000 units annually.

In addition to its automotive manufacturing facilities, Jaguar Land Rover also has two product development, design and engineering facilities in the United Kingdom. The facility located at Whitley houses the design centre for Jaguar, the engineering centre for Jaguar Land Rover's powertrain and other test facilities, and its global headquarters, which includes its commercial and central staff functions. The facility located at Gaydon is the design centre for Land Rover and the vehicle engineering centre and includes an extensive on-road test track and off-road testing capabilities. The Advanced Product Creation Centre at its Gaydon facility was opened in September 2019. The two sites employed approximately 12,202 employees as at 31 March 2021. Jaguar Land Rover has opened a software engineering centre in Shannon, Ireland. The centre is to be used to develop technology for electric vehicles and to assist those vehicles in reaching Level 4 autonomy.

Jaguar Land Rover's engineering headquarters at Gaydon collaborate with its other technology hubs around the world (i.e., Shannon, Ireland, Manchester, Warwick, InMotion, London, Budapest, Hungary and Shanghai, China). In particular, the technology hubs will contribute to increase the innovation capabilities for future vehicle technology. In addition to its manufacturing, design, engineering and workshop facilities in the United Kingdom, Jaguar Land Rover has property interests throughout the world (including in major cities) for limited manufacturing and repair services as well as sales offices for national or regional sales companies and facilities for dealer training and testing. Jaguar Land Rover considers all of its principal manufacturing facilities and other significant properties to be in good condition and adequate to meet the needs of its operations. Jaguar Land Rover believes that there are no material environmental issues that may hinder its utilisation of these assets.

The following table sets out information with respect to Jaguar Land Rover's principal facilities and properties as at 31 March 2021. Additionally, it produces the Jaguar I-PACE and the Jaguar E-PACE (excluding the China Joint Venture) at a plant in Graz, Austria under a contract manufacturing agreement with Magna Steyr.

Location	Owner/Leaseholder	Freehold/Leasehold	Principal Products or Functions
United Kingdom			
Solihull	Jaguar Land Rover Limited	Freehold and leasehold	Automotive vehicles & components
Castle Bromwich	Jaguar Land Rover Limited	Freehold and leasehold	Automotive vehicles & components
Halewood	Jaguar Land Rover Limited	Freehold and leasehold	Automotive vehicles & components
Gaydon	Jaguar Land Rover Limited	Freehold	Product development
Whitley	Jaguar Land Rover Limited	Freehold leasehold	Headquarters and product development
Wolverhampton	Jaguar Land Rover Limited	Freehold	Automotive components (engines)
Outside United Kingdom			
Changshu, China	Chery Jaguar Land Rover Automotive Co., Ltd.	Freehold and leasehold(1)	Product development, automotive vehicles & components
Rio De Janeiro, Brazil	Jaguar Land Rover Brazil	Freehold	Automotive vehicles & components
Nitra, Slovakia	Jaguar Land Rover Slovakia S.R.O.	Freehold	Automotive vehicles & components

Note:

(1) Chery Jaguar Land Rover Automotive Co., Ltd. owns the facility (including buildings and equipment) in freehold but leases the underlying land from the Chinese government.

China Joint Venture

In December 2011, Jaguar Land Rover entered into a joint venture agreement with Chery Automobile Company Ltd. for the establishment of a joint venture company in China. The purpose of the joint venture company (the "**China Joint Venture**") is to develop, manufacture and sell certain Jaguar Land Rover vehicles and at least one own-branded vehicle in China. Local production of the Range Rover Evoque by the China Joint Venture began at the end of 2014 and local sales commenced in February 2015. Production of the Land Rover Discovery Sport started in September 2015, which went on sale in November 2015 followed by the Jaguar XFL which went on sale in September 2016. In Fiscal 2018, production of the Jaguar XEL commenced, with sales starting in December 2017. Production of the Jaguar E-PACE began, and sales commenced in August 2018. An engine plant was opened by the China Joint Venture in July 2017 to manufacture the 2.0-litre Ingenium petrol engine for installation into locally produced vehicles.

Jaguar Land Rover has committed to invest RMB 5.0 billion of equity capital in the China Joint Venture (an equity investee in JLR Audited Consolidated Financial Statements), representing 50 per cent. of the share capital and voting rights of the China Joint Venture, to be contributed by November 2040. Of this amount, RMB 3,475 million has been contributed as at 31 March 2021. The outstanding commitment of RMB 1,525 million translates to £169 million at the 31 March 2021 exchange rate. Investment to support phase two has added additional manufacturing capacity for the Jaguar XEL and the Jaguar E-PACE, as well as the engine plant which produces the 2.0-litre Ingenium petrol engine for vehicles manufactured at the joint venture plant. The term of the joint venture is 30 years (unless terminated or extended). The joint venture agreement contains representations and warranties, corporate governance provisions, non-compete clauses, termination provisions and other provisions that are arm's length in nature and customary in similar manufacturing joint ventures. The Chinese government approved the joint venture in October 2012, and Jaguar Land Rover obtained a business license for the joint venture in November 2012.

Jaguar Land Rover's China Joint Venture has invested a total of around RMB 20 billion as at 31 March 2021 (including vendor and in-house tooling and assets under construction), which is being funded through a combination of debt, equity and cash from operations, in connection with the joint venture, which includes a manufacturing plant in Changshu, an R&D centre and an engine production facility. Jaguar Land Rover believes the joint venture combines Jaguar Land Rover's heritage and expertise with Chery's knowledge of, and expertise in the local Chinese market.

The China Joint Venture plant has also introduced a digital system to optimise manufacturing through system modelling and simulation analysis.

Sales and distribution

Jaguar Land Rover distributes its vehicles in 122 markets across the world for Jaguar and 126 markets across the world for Land Rover. Sales locations for Jaguar Land Rover's vehicles are operated as independent franchises. Jaguar Land Rover is represented in its key markets through NSCs as well as third-party importers. Jaguar and Land Rover have regional offices in certain select countries that manage customer relationships and vehicle supplies and provide marketing and sales support to their regional importer markets. The remaining importer markets are managed from the United Kingdom.

Jaguar Land Rover's products are sold through a variety of sales channels: through its dealerships for retail sales; for sale to fleet customers, including daily rental car companies; commercial fleet customers; leasing companies; and governments. Jaguar Land Rover does not depend on a single customer or small group of customers to the extent that the loss of such a customer or group of customers would have a material adverse effect on its business. Recently, Jaguar Land Rover has begun using virtual reality technology to allow its customers around the world to see some new products before these become available locally.

As at 31 March 2021, Jaguar Land Rover's global sales and distribution network comprised 23 NSCs, 78 importers, 1 export partners and 2,839 franchise sales dealers in 1,513 sites, of which 1,326 are joint Jaguar and Land Rover dealers.

Financing Arrangements and Financial Services Provided

Jaguar Land Rover has entered into arrangements with third-party financial service providers to make vehicle financing available to its customers covering its largest markets by volume, including the United States, the United Kingdom, Europe and China. Jaguar Land Rover does not offer vehicle financing on its own account but rather through a series of exclusive and non-exclusive partnership arrangements with market-leading banks and finance companies in each market, including Black Horse Limited (part of the Lloyds Banking Group) in the United Kingdom, FCA Bank S.p.A. (a joint venture between Fiat Auto and Crédit Agricole) in major European markets and Chase Auto Finance in the United States and have similar arrangements with local providers in a number of other key markets.

Jaguar Land Rover typically signs a medium-term service level agreement with its strategic partners for the provision of retail finance, retail leasing and dealer wholesale financing. The financial services are supplied by Jaguar Land Rover's partners in accordance with a number of specifications involving, among others, product development, pricing, speed of delivery and profitability. These arrangements are managed in the United Kingdom by a team of its employees, which is responsible for ensuring on-going compliance with the standards and specifications agreed with its partners. For wholesale financing, Jaguar Land Rover typically provides an interest-free period to cover an element of the dealer network-stocking period. Jaguar Land Rover works closely with its finance partners to maximise funding lines available to dealers in support of its business objectives.

Since it does not offer vehicle financing on its own account, Jaguar Land Rover has no balance sheet exposure to vehicle financing other than residual value risk in the United States and Germany, where residual value risk is shared, and in Canada, where it assumes all residual value risk. In all cases, the finance partner funds the portfolio and assumes the credit risks. In most markets where it has a partnership, Jaguar Land Rover receives a licensing fee from the finance partner related to the use of its brands.

Employees

Jaguar Land Rover considers its human capital to be a critical factor to its success and has drawn up a comprehensive human resource strategy that addresses key aspects of human resource development. In line with its human resources strategy, Jaguar Land Rover has implemented various initiatives in order to build better organisational capability that it believes will enable it to sustain competitiveness in the global marketplace.

As at 31 March 2021, Jaguar Land Rover employed approximately 36,174 employees worldwide, including agency personnel and excluding employees in the China Joint Venture and the joint venture with Spark44 (JV) Limited (a joint venture established in 2011 for the provision of advertising services). Of the 36,174 employees, approximately 6,820 were employed overseas. Hourly paid employees are hired as agency workers for the first twelve months and then move onto a fixed term contract for a further twelve months, before being hired as permanent employees. Jaguar Land Rover employed a total of approximately 18,761 permanent salaried employees as at 31 March 2021.

As part of the Project Charge and Project Charge+ programmes Jaguar Land Rover has implemented, and will continue to implement, certain cost saving initiatives aimed at, among the others, improving its overhead cost base.

As a result of the COVID-19 pandemic, many of Jaguar Land Rover's employees in the United Kingdom were furloughed under the UK government's job retention scheme in early Fiscal 2021. As the business continued to recover from second quarter of Fiscal 2021 employees started to return to the workplace and by 31 March 2021 less than 500 employees were on furlough. As Jaguar Land Rover is resuming its activities, it has developed robust protocol and guidelines to support a safe return to work for its employees and adopted strict social distancing measures across Jaguar Land Rover's operations. See "*Risk Factors — Risks Associated with the Automotive Industry — Jaguar Land Rover has been, and may in the future be, adversely affected by the COVID-19 pandemic, the duration and economic, governmental and social impact of which is difficult to predict, and which may significantly harm its business, prospects, financial condition and results of operation*".

Training and Development

Jaguar Land Rover is committed to building the competencies of its employees and improving their performance through training and development. Jaguar Land Rover identifies gaps in its employees' competencies and prepares employees for changes in competitive environments, as well as to meet organisational challenges.

Jaguar Land Rover's commitment to lifelong learning for its employees is generating benefits. For example, the reskilling of a number of its engineers has enabled Jaguar Land Rover to design and engineer its Jaguar I-PACE batteries in-house. The leveraging of its employees' improved engineering skills has also led to efficiency improvements and a significant rationalisation of design and development costs.

Union Wage Settlements

Jaguar Land Rover has generally enjoyed cordial relations with its employees at its factories and offices. Most of its manufacturing shop floor workers and approximately half of its salaried staff in the United Kingdom are members of a labour union. Trade unions are not recognised for management employees.

Employee wages are paid in accordance with wage agreements that have varying terms (typically two years) at different locations. Usually, bi-annual negotiations in relation to these wage agreements take place, which cover approximately 16,000 of its unionised employees, and a new labour agreement with the trade unions is currently under negotiation. See "*Risk Factors — Risks Associated with Jaguar Land Rover's Business — Jaguar Land Rover may be adversely affected by labour unrest*".

The Issuer believes that Jaguar Land Rover has maintained a cordial industrial relations environment in all its manufacturing units, with no strike action by its employees in the last eight years.

Intellectual Property

Jaguar Land Rover creates, owns and maintains a wide array of intellectual property assets that the Issuer believes are among Jaguar Land Rover's most valuable assets throughout the world. Jaguar Land Rover's intellectual property assets include patents and patent applications related to its innovations and products; trademarks related to its brands, and products, copyrights in creative content, designs for aesthetic features of products and components, trade secrets and other intellectual property rights. Jaguar Land Rover aggressively seeks to protect its intellectual property around the world.

Jaguar Land Rover owns a number of patents registered, and has applied for new patents which are pending registration, in the United Kingdom and in other strategically important countries worldwide. Jaguar Land Rover obtains new patents through its on-going research and development activities.

Jaguar Land Rover owns registrations for a number of trademarks and has pending applications for registration in the United Kingdom and abroad. The registrations mainly include trademarks for Jaguar Land Rover's vehicles.

In addition, perpetual royalty-free licences to use other essential intellectual properties have been licensed to Jaguar Land Rover for use in Jaguar and Land Rover vehicles. Jaguar and Land Rover own registered designs to protect the design of certain vehicles in several countries. In relation to the EuCD platform, Ford owns the intellectual property but Jaguar Land Rover is not obliged to pay any royalties or charges for its use in Land Rover vehicles manufactured by it.

Suppliers, Components and Raw Materials

The principal materials and components required by Jaguar Land Rover for use in its vehicles are steel and aluminium in sheet (for in-house stamping) or externally pre-stamped form, aluminium castings and extrusions, iron/steel castings and forgings, and items such as alloy wheels, tires, fuel injection systems, batteries, electrical wiring systems, electronic information systems and displays, leather-trimmed interior systems such as seats, cockpits, doors, plastic finishers and plastic functional parts, glass and consumables (paints, oils, thinner, welding consumables, chemicals, adhesives and sealants) and fuels. Jaguar Land Rover also requires certain highly functional components such as axles, engines and gear boxes for its vehicles, which are mainly manufactured by strategic suppliers. Jaguar Land Rover has long-term purchase agreements for critical components such as transmissions (ZF Friedrichshafen). The components and raw materials in Jaguar Land Rover's cars include steel, aluminium, copper, platinum and other commodities. Jaguar Land Rover has established contracts with certain commodity suppliers (e.g., Novelis) to cover its own and its suppliers' requirements to mitigate the effect of such high volatility. Special initiatives were also undertaken to reduce material consumption through value engineering and value analysis techniques.

Jaguar Land Rover works with a range of strategic suppliers to meet its requirements for parts and components, and endeavours to work closely with its suppliers to form short and medium-term plans for its business. Jaguar Land Rover has established quality control programmes to ensure that externally purchased raw materials and components are monitored and meet its quality standards. Jaguar Land Rover also outsources many of the manufacturing processes and activities to various suppliers. Where this is the case, Jaguar Land Rover provides training to the outside suppliers who design and manufacture the required tooling and fixtures. Such programmes include site engineers who regularly interface with suppliers and carry out visits to supplier sites to ensure that relevant quality standards are being met. Site engineers are also supported by persons in other functions, such as programme engineers who interface with new model teams as well as resident engineers located at Jaguar Land Rover's plants, who provide the link between the site engineers and the plants. Jaguar Land Rover has in the past worked, and expects to continue to work, with its suppliers to optimise its procurements, including by sourcing certain raw materials and component requirements from low-cost countries.

In 2008, when Tata Motors acquired Jaguar Land Rover businesses from Ford, it entered into certain supply agreements with Ford with a long stop date as of 31 March 2021 for the long-term supply of engines developed by Ford, engines developed by Jaguar Land Rover but manufactured by Ford and engines developed by the Ford-PSA joint venture.

Jaguar Land Rover is now producing its own family of four cylinder and six cylinder Ingenium diesel and petrol engines manufactured at the EMC in Wolverhampton, the United Kingdom as well as three cylinder and four cylinder Ingenium petrol manufactured in China. The supply arrangement with Ford for has now terminated. Jaguar Land Rover started low volume production of supercharged V8 petrol engines at its EMC on 15 March 2021.

Insurance

Jaguar Land Rover has global insurance coverage which it considers to be reasonably sufficient to cover normal risks associated with its operations and insurance risks (including property, business interruption, marine and product/general liability) and which the Issuer believes is in accordance with commercial industry standards.

Jaguar Land Rover has also taken insurance coverage on directors' and officers' liability to minimise risks associated with international litigation.

Incentives

Jaguar Land Rover benefits from time to time from funding from regional development banks and government support schemes and incentives.

Legal Proceedings

In the normal course of its business, Jaguar Land Rover faces claims and assertions by various parties concerning, among the others, motor accident claims, consumer complaints, employment and dealership arrangements, replacements of parts of vehicles and/or compensation for deficiency in services or products provided by Jaguar Land Rover or its dealer. Jaguar Land Rover assesses such claims and assertions and monitors the legal environment on an on-going basis, with the assistance of external legal counsel wherever necessary. Jaguar Land Rover records a liability for any claims where a potential loss is probable and capable of being estimated, and discloses such matters in its financial statements, if material. Where potential losses are considered possible, but not probable, Jaguar Land Rover provides disclosure in its financial statements, if material, but it does not record a liability in its accounts unless the loss becomes probable. As at 31 March 2021, there are claims and potential claims against the Group of £23 million (compared to £40 million as at 31 March 2020), which the management decided not to recognise due to the fact that settlement is not considered probable. In Fiscal 2021, passenger safety airbag issues involving the vehicles produced by Jaguar Land Rover have arisen in the United States, China, Canada, Korea, Australia and Japan. Although recognising that there is a potential risk of recalls in the future, at this stage, it is not possible to estimate the amount and timing of any potential future costs associated with these issues. There are various claims against Jaguar Land Rover, the majority of which pertain to motor accident claims and consumer complaints. Some of the cases also relate to replacement of parts of vehicles and/or compensation for deficiency in services provided by Jaguar Land Rover or its dealers.

Neither the Issuer nor Jaguar Land Rover is aware of any governmental, legal or arbitration proceedings (including the claims described above and any threatened proceedings of which Jaguar Land Rover is aware) which, either individually or in the aggregate, would have a material adverse effect on Jaguar Land Rover's financial condition, results of operations or cash flow.

Significant Environmental, Health, Safety and Emissions Issues

Jaguar Land Rover's business is subject to increasingly stringent laws and regulations governing environmental protection, health, safety (including vehicle safety) and vehicle emissions, and increasingly stringent enforcement of these laws and regulations. Jaguar Land Rover carefully monitors environmental requirements in respect of both its production facilities and its vehicles, and has plans to reduce the average CO_2 emissions of its vehicle fleet through the introduction of sustainable technologies, including modular lightweight vehicle architectures, smaller and more fuel efficient SUVs and development of technologies that use hybrid and alternative fuels. While Jaguar Land Rover has plans to reduce emissions, the risk remains that constantly evolving regulation in this area may impose requirements in excess of currently planned actions and consumers may demand further fuel efficiency and reduction in emissions. See "*Risk Factors — Risks Associated with the Automotive Industry — New or changing laws, regulations and government policies regarding improved fuel economy, reduced greenhouse gas and other emissions, and vehicle safety may have a significant effect on how Jaguar Land Rover does business*".

Environmental, health and safety regulation applicable to Jaguar Land Rover's production facilities:

As an automobile company, Jaguar Land Rover's production facilities are subject to extensive governmental regulations regarding, among other things, air emissions, wastewater discharges, accidental releases into the environment, human exposure to hazardous materials, the storage, treatment, transportation and disposal of hazardous materials and wastes, the clean-up and investigation of contamination and the maintenance of safe conditions. These regulations are likely to become more stringent and compliance costs increasingly significant. In addition, Jaguar Land Rover has significant sales in the United States and Europe which have stringent regulations relating to vehicular emissions and other countries are also imposing stricter emission standards. The proposed tightening of vehicle emissions regulations by the European Union and other jurisdictions will require significant costs of compliance for Jaguar Land Rover. While Jaguar Land Rover is pursuing various technologies in order to meet the required standards in the various countries in which it operates, the costs of compliance with these required standards can be significant to its operations and may adversely impact its results of operations.

Greenhouse gas / CO2 / fuel economy legislation:

Current legislation in Europe limits passenger car fleet average greenhouse gas emissions to 95 grams of CO_2 per kilometre for all new cars from 2020. Different targets apply to each manufacturer based on their respective fleets of vehicles and average weight. Jaguar Land Rover has been granted a derogation by the European Commission Secretariat General under Regulation (EC) No. 443/2009 Article 11(4) from the weight based target requirement available to small volume and niche manufacturers (defined by European sales of less than 10,000 units and between 10,000 and 300,000 units, respectively). As a result, under the provisions of the niche manufacturer derogation, Jaguar Land Rover is permitted to reduce its emissions by 45 per cent. from 2007 levels rather than meeting a specific CO_2 mass-based emissions target. Jaguar Land Rover had an overall 2012-2019 target of an average of 178.0 grams of CO_2 per kilometre for its full fleet of vehicles registered in the European Union. In 2018, its fleet delivered 155.4 grams of CO_2 per kilometre (ref report — Monitoring CO_2 emissions from passenger cars and vans in 2018 — EEA Report No 02/2020), well below the mandated target.

In 2019, the European Union has regulated target reductions for 95 per cent. of a manufacturer's full fleet of new passenger cars registered in the European Union in 2020 to average 95 grams of CO_2 per kilometre, rising to 100 per cent. in 2021. The new rule for 2020 contains an extension of the niche manufacturers' derogation and permits Jaguar Land Rover to reduce its emissions by 45 per cent. from 2007 levels, which enables it to have an overall target of 132 grams of CO_2 per kilometre. The 2018 EU CO_2 legislation extended the Niche Volume Derogation facility out to then end of 2028.

From January 2021, the United Kingdom will not be treated as an European Union member state and the CO_2 regulation currently in force will cover the remaining 27 member states as well as Iceland, Norway and Northern Ireland (even though cross border sales impact on registrations into the United Kingdom are difficult to delineate at this time). The United Kingdom (excluding Northern Ireland for this regulation) has an almost identical copy of the 2020 European Regulation, the only differences are some supercredit provisions extended into 2021 and that targets are based on 2007 United Kingdom only status (similarly EU targets are based on 2007 EU15 excluding the United Kingdom) this results in a cl gram more stringent target in the United Kingdom and 1 gram less stringent target in the EU when compared with the target applicable before January 2021.

All European compliance up to and including 2020 has been based on certification to the New European Driving Cycle (NEDC). Since September 2018, all vehicles have been certified to the Worldwide Harmonised Light Vehicle Test Procedure (WLTP). Compliance is still referenced to NEDC targets up to and including 31 December 2020. From 2021, compliance is be based on a new WLTP target, to determine new niche derogated targets for Jaguar Land Rover, the ratio of WLTP status: NEDC status in 2020 is then multiplied by the 2020 NEDC target to result in the 2021 WLTP target. This is system should preserve the WLTP intention of making the change to this new test procedure “compliance neutral”. As a result, there will be an apparent increase in WLTP target and WLTP status, though the compliance task and stringency are identical.

In the United States, both CAFE standards and greenhouse gas emission standards are imposed on manufacturers of passenger cars and light trucks. The federal CAFE standards for passenger cars and light duty trucks was set in 2011 by the NHTSA to meet an estimated combined average fuel economy level of 54.5 miles per US gallon for model year 2025 vehicles achieved by an average 4.5 per cent. 5 per cent. year-on-year fuel consumption reduction from model year 2016. Meanwhile, the EPA had set an average greenhouse gas emissions target from passenger cars, light trucks and medium duty passenger vehicles at 163 grams per mile in model year 2025 (equivalent to the CAFE 54.5 miles per US gallon if achieved exclusively through fuel economy standards). In April 2020, EPA and NHTSA jointly announced their new Safer Affordable Fuel Economy (“**SAFE**”) Regulation mandating new less stringent targets from model year 2021 through model year 2026. Instead of the average 4.5 per cent. year-on-year fuel consumption reduction from model year 2016, the SAFE Regulation now mandates a 1.5 per cent. year-on-year fuel consumption reduction from model year 2021 with new targets of 40.4mpUSg and 199g/mile in model year 2026. Although the State of California had been empowered to implement more stringent greenhouse gas emission standards, it had elected to accept the existing U.S. federal standards for compliance with the state’s own requirements. In November 2012, the CARB accepted the federal standard for vehicles with model years 2017 to 2025 for compliance with the state’s own greenhouse gas emission regulations via the “deemed to comply” mechanism. Through the coordination of the National Program with the CARB’s standards, automakers could seek to build one single fleet of vehicles across the United States that satisfies all requirements, and consumers can continue to have a full range of vehicle choices that meet their needs.

However, in September 2019, the US federal government revoked California’s right to set its own standards that require stricter air pollution rules than the federal government requires. California immediately moved to challenge the revocation in court and is looking to move forward with other stringent emission regulations for vehicles, including the Zero Emission Vehicle regulation, (“**ZEV**”), which requires manufacturers to increase their sales of zero emissions vehicles year-on-year, up to an industry average of 22 per cent. of low range Battery Electric Vehicles (“**BEV**”) sold in the state by 2025. The precise sales required in order to meet a manufacturer’s obligation in any given model year depend on the size of the manufacturer and the level of technology sold. For example, transitional zero emission technologies, such as plug-in hybrids, can account for at least a proportion of a manufacturer’s obligation, but these technologies earn compliance credits at a different rate from pure zero emissions vehicles also higher EV range BEV produce more credits (e.g. a 350 miles UDDS range BEV would generate 4 credits so only 5.5 per cent. of fleet sales would be required in 2022 to meet the 22 per cent. standard. Other compliance mechanisms are available under ZEV, such as banking and trading of credits generated through the sale of eligible vehicles. The outcome of the dispute between the State of California and the US federal government over California’s ability to adopt separate, stricter emission standards may affect Jaguar Land Rover’s sales in the US although the ultimate impact cannot be determined at present.

In addition, many other markets have employed similar greenhouse gas emissions standards, including Brazil, Canada, China, India, Japan, Mexico, Saudi Arabia, South Korea, Switzerland and, recently, Taiwan, each with different target mechanisms, targets, timing, requirements, compliance penalties and regulatory flexibilities.

Jaguar Land Rover is fully committed to meeting all of these standards. Local excise tax initiatives are a key consideration in ensuring its products meet customer needs for environmental footprint and cost of ownership concerns as well as continued access to major city centres (such as London and Paris’ Ultra Low Emission Zones and similar low emissions areas being contemplated in other major urban centres).

Jaguar Land Rover is fully engaged with the United Kingdom government consultation on its proposed Internal Combustion Engine ("**ICE**") ban from 2030 in the United Kingdom (as recently announced by the UK government), indeed many other nations are looking at similar strategies at or around 2040/2045. All Jaguar Land Rover's long-term strategies are being written with these future restrictions in mind.

Non-greenhouse gas emissions requirements:

The European Union has adopted Euro 6, the latest in a series of more stringent standards for emissions of other air pollutants from passenger and light commercial vehicles, such as NOx, carbon monoxide, hydrocarbons and particulates. These standards have been tightened again by the Euro 6d Temp standard, which incorporates the introduction of RDE as a complement to laboratory testing to measure compliance. As a first step, manufacturers were required to reduce the discrepancy between laboratory compliance values and RDE procedure values to a conformity factor of a maximum of 2.1 (110 per cent.) for all models from September 2017 for passenger cars and from September 2018 for new light commercial vehicles. Following that, manufacturers are now required to reduce this discrepancy to a conformity factor of a maximum of 1.43 (43 per cent.) by January 2020 for new models of passenger cars and by January 2021 for all vehicles registered.

In 2017 and 2018, there was a move to the new WLTP in Europe, with changes made in September 2018, to address global concerns on more customer correlated fuel economy certified levels as well as air quality concerns. Other markets will likely adopt similar requirements. All programmes have been fully engineered to enable the adoption of these new requirements.

Ongoing court cases and proposed amendments to Euro 6 legislation in Europe introduce a significant level of uncertainty with respect to the emissions that could be faced in the next two to five years. In the longer term, the European Commission has also commenced work on a proposed Euro 7 emissions standard legislation, which could become applicable at some stage from the middle of the decade.

In California, the LEV3 regulations and ZEV regulations place strict limits on emissions of particulates, NOx, hydrocarbons, organics and greenhouse gases from passenger cars and light trucks. These regulations require ever-increasing levels of technology in engine control systems, on-board diagnostics and after treatment systems affecting the base costs of Jaguar Land Rover's powertrains. California's LEV3 and ZEV regulations cover model years 2015 to 2025. Additional stringency of evaporative emissions also requires more-advanced materials and joints solutions to eliminate fuel evaporative losses, all for much longer warranty periods (up to 150,000 miles in the United States).

In addition, the Tier 3 Motor Vehicle Emission and Fuel Standards issued by the EPA in April 2014 established more stringent vehicle emissions standards broadly aligned to California's LEV3 standards for model year 2017 to 2025 vehicles.

The Californian Air Resources Board has commenced development of their next stage of emissions legislation, Advanced Clean Cars II, which will be anticipated to define emissions standards beyond model year 2025.

While Europe and the United States typically lead the implementation of these emissions programmes, many other nations and states typically follow on with adoption of similar regulations two to four years thereafter. For example, in response to severe air quality issues in Beijing and other major Chinese cities, the Chinese government have adopted more stringent emissions standards known as China 6, which is broadly aligned to California LEV3 levels, and will introduce RDE from 2023; India has introduced Bharat StageVI from April 2020, and will introduce RDE from 2023; Japan will introduce RDE for diesel vehicles from 2022.

To comply with the current and future environmental norms, Jaguar Land Rover may have to incur substantial capital expenditure and R&D expenditure to upgrade products and manufacturing facilities, which would have a material and adverse impact on Jaguar Land Rover's cost of production and results of operations.

Noise legislation:

The European Commission adopted rules, which apply to new homologations from July 2016, to reduce noise produced by cars, vans, buses, coaches and light and heavy trucks. Noise limit values would be lowered in two steps of each two A-weighted decibels for vehicles other than trucks, and one A-weighted decibel in the first step and two in the second step for trucks. Compliance would be achieved over a ten-year period from the introduction of the first phase.

Vehicle safety legislation:

Jaguar Land Rover products are certified in all markets in which they are sold, and compliance is achieved through vehicle certification in respective countries. Many countries use, and in many instances adopted into their own regulatory frameworks, the regulations and technical requirements provided through the United Nations Economic Commission for Europe ("**UN-ECE**") series of vehicle regulations.

Vehicles sold in Europe are subject to vehicle safety and environmental regulations established by both the European Union and by individual member states, if any. Following the incorporation of the United Nations standards commenced in 2012, the European Commission requires new model cars to have electronic stability control systems and has introduced regulations relating to low-rolling resistance tyres, tyre pressure monitoring systems and requirements for heavy vehicles to have advanced emergency braking systems and lane departure warning systems. The latest mandatory measures include safety belt reminders for more that the driver seat, electric car safety requirements, easier child seat anchorages, tyre pressure monitoring systems and gear shift indicators.

NHTSA issues Federal Motor Vehicle Safety Standards covering a wide range of vehicle components and systems such as occupant protection, seatbelts, brakes, windshields, tyres, steering columns, displays, lights, door locks, side impact protection and fuel systems. NHTSA has recently added, in addition to the technical requirements United States Federal Motor Vehicle Safety Standard ("**FMVSS**") requirements, voluntary agreements relating to Autonomous Emergency Brake system installation and Rear Seat Reminder Systems.

Failure to meet product regulated requirements in any jurisdiction will likely require some form of product recall to remedy the compliance failure. The financial cost and impact on consumer confidence of such recalls can be significant depending on the nature of the deficiency, repair required, and the number of vehicles affected. The different standards applicable across the territories or countries increase the cost and complexity of designing and producing vehicles and equipment.

Regulations continue to evolve, there are methods and processes in place to monitor regulatory developments and ensure these are captured, internally communicated and design and engineering completed which consider all regulated requirements.

On 22 June 2017, Jaguar Land Rover filed a noncompliance report after determining that approximately 126,127 Jaguar vehicles do not fully comply with FMVSS No. 135, Light Vehicle Brake Systems, as the brake fluid warning statement label on the subject vehicles is not permanently affixed as required. Instead, Jaguar Land Rover installed a label that fits over the neck of the brake fluid reservoir that can be removed when the brake fluid reservoir cap is removed. On 20 July 2017, Jaguar Land Rover petitioned the NHTSA for a decision that the subject noncompliance is inconsequential as it relates to motor vehicle safety for the following reasons, among others:

1. The installed label will not fall off or become displaced during normal vehicle use or operation.
2. The installed label is only able to be removed when the brake fluid reservoir cap is displaced which, based on routine maintenance schedules, is once every 3 years in service.
3. Jaguar Land Rover has not received any customer complaints on this issue.
4. There have been no accidents or injuries as a result of this issue.
5. Vehicle production has been corrected to fully conform, with a new filler cap.

In April 2019, NHTSA granted the above-mentioned petition.

NHTSA continue to raise enquiries relating to reports of product safety matters. More recently, NHTSA has been actively reviewing post recall remedy issues through their Recall Query (RQ) process. In June 2019 NHTSA requested information relating to reports of fuel leaks from the fuel tank outlet flange/dust cover. All NHTSA enquiries are published and are in the public domain.

While vehicle safety regulations in Canada are similar to those in the United States, many other countries have different requirements. The differing requirements among various countries create complexity and increase costs such that the development and production of a common product that meets the country regulatory requirements of all countries is not possible. Global Technical Regulations, ("**GTRs**"), developed under the auspices of the United Nations, continue to have an increasing impact on automotive safety activities, as indicated by European Union legislation. In 2008, GTRs on electronic stability control, head restraints and pedestrian protection were each adopted by the United Nations World Forum for the

Harmonisation of Vehicle Regulations, and as of the date of this Offering Circular are now in different stages of national implementation. While global harmonisation is fundamentally supported by the automobile industry in order to reduce complexity, national implementation may still introduce subtle differences into the system.

The effect of Brexit on vehicle certification and type approval in the United Kingdom and European Union is clear and implementation of the changes required to accommodate this have now been completed. The European Union has issued regulation to facilitate a transition from the current 28 member state system permitting transfer to one of the remaining member state approval authorities. The UK Government has introduced legislation allowing proof of compliance from the European Union to be accepted in the United Kingdom for a limited period of time whilst the United Kingdom implements its system of vehicle certification and type approval.

DIRECTORS AND SENIOR MANAGEMENT

Directors

The Issuer is managed by its directors as listed in the table below.

As of 31 March 2021, the directors, their positions and terms were as follows:

Name	Age	Position	Term	Date of Appointment
Hoshang K Sethna	57	Director	11 years and 7 months	4 August 2009
Kottamasu Venkateswara Rao	60	Director	5 years and 2 months	18 January 2016
Ajit Chandrashekar Prabhu	63	Independent Director	2 year and 4 months	2 November 2018
Vijay Bhagwanji Somaiya	62	Director	1 year and 7 months	31 August 2019

Set forth below is selected biographical information for the Issuer's directors:

MR. HOSHANG K SETHNA

Director

Mr H K Sethna is currently the Vice-President and Company Secretary in Tata Motors Limited.

He is a commerce graduate and holds a degree in law and is a Fellow Member of the Institute of Company Secretaries of India.

He has over 30 years of experience in the company secretarial, governance and compliance functions. He has been with the Tata Group for the past 27 years, out of which the last 23 years has been with Tata Motors Limited.

Presently, he is in charge of the secretarial functions of Tata Motors' group which comprises of Tata Motors and its subsidiaries. He is also responsible for the corporate governance for the Tata Motors' group, having studied various international codes of corporate governance and evolving an appropriate structure for the Issuer. He has been the lead in and part of, the Tata Motors' core team for various foreign issuances, some of which were path-setting. He has also handled various amalgamation and restructuring initiatives in the Tata Motors' group.

MR. KOTTAMASU VENKATESWARA RAO

Director

Mr K V Rao is currently the Resident Director (ASEAN) for Tata Sons Private Limited, promotor of the Tata Group.

He holds a masters' in international business from the Indian Institute of Foreign Trade, New Delhi, India and was a recipient of his alma mater's Distinguished Alumnus of the Year award in 2011.

He has worked in diversified industries and enterprises and in leadership positions, including as a director with the Singapore Civil Service with International Enterprise Singapore. He is specialized in international business and has experience covering 40 countries in the developed and emerging markets, with a focus on Asia.

He currently holds various executive leadership roles in other Tata companies such as Chairman of Trust Energy Resources and Tata Power International in Singapore, Chairman (President Commissioner) of PT Tata Motors Indonesia and PT Tata Motors Distribusi Indonesia and other Tata subsidiaries in the region and is a board member of Tata Capital, Tata International, Tata Chemicals International, Qubit Investments (Tata Industries), World-One Development Company and World-One (Sri-Lanka) Projects (Tata Housing) and Life Insurance Corporation in Singapore.

He is also presently the Vice President of the Executive Committee of the Singapore Indian Development Association focused on community development, the Vice Chairman of the South Asia Business Group Executive Committee of the Singapore Business Federation, Chairman of the Confederation of Indian Industry India Business Forum, Singapore Office, President of the Singapore Indian Fine Arts Society and Chairman, Executive Committee of Sri Aurobindo Society.

MR. AJIT CHANDRASHEKAR PRABHU

Independent Director

Mr Ajit Prabhu retired in May 2018 as Deputy Managing Partner (Markets) and Senior Tax Partner at Deloitte & Touche, LLP (Singapore), and board member of Deloitte Southeast Asia Ltd. He was the Deputy Managing Partner from 2016 to 2018, Senior Tax Partner from 1989 to 2018. He was on the board of Deloitte Southeast Asia Ltd. from 2013 to 2018 and was the Regional Managing Partner (Tax Services) from 2006 to 2013.

As Senior Tax Partner with Deloitte & Touche, LLP (Singapore), he served some of the firm's largest tax services clients mainly in funds and fund management sector and in the mergers and acquisitions domain. He has more than 30 years of experience in advising on Singapore and international taxation. He specializes in corporate tax, including international mergers and acquisitions and multinational tax planning.

He holds a bachelor's degree in commerce (with honours) from the Bombay University in India and a diploma in accounting from the Hull College of Higher Education in the United Kingdom. He is a fellow of the Institute of Chartered Accountants in England and Wales. Up until his retirement in 2018, he was a practising member of the Institute Singapore Chartered Accountants.

Prior to joining Deloitte, he worked at Maurice Charles & Partners in London and Touche Ross & Co in London.

He is also a board member of Tata Capital Advisors Pte. Ltd., Tata Capital Pte. Ltd., Monde Nissin Australia Pty Ltd and Applied insights Pte. Ltd. and is the Senior Board Advisor of Monde Nissin Corporation.

MR. VIJAY BHAGWANJI SOMAIYA

Director

Mr Vijay Somaiya is currently the Vice-President and Head of Treasury and Investor Relations in Tata Motors Limited.

He has been associated with Tata Motors Limited since 1982. His post-graduate educational qualification comprises a master's degree in science for mechanical engineering and a Chartered Financial Analyst degree. He is also a Director on the board of Tata Motors Insurance Broking & Advisory Services Limited, TML Business Services Limited, Tata Precision Industries and TML Business Analytics Services Limited. He brings with him professional expertise acquired over a career span of more than three decades in the domain of international business, engineering and finance.

PRINCIPAL SHAREHOLDERS

The Issuer is a wholly-owned subsidiary of Tata Motors and Jaguar Land Rover is a wholly-owned subsidiary of the Issuer which, as at 31 March 2021, beneficially owned 100 per cent. of Jaguar Land Rover's equity shares. See also "*The Issuer*".

For a list of related party transactions of Jaguar Land Rover, refer to Note 40 of the 2021 JLR Audited Consolidated Financial Statements included elsewhere in this Offering Circular.

TAXATION

Singapore Taxation

*The statements made herein regarding Singapore taxation are general in nature and based on certain aspects of the current tax laws of Singapore and administrative guidelines and circulars issued by the Inland Revenue Authority of Singapore ("**IRAS**") and the Monetary Authority of Singapore ("**MAS**") in force as at the date of this Offering Circular and are subject to any changes in such laws, administrative guidelines or circulars, or in the interpretation of these laws, administrative guidelines or circulars, occurring after such date, which changes could be made on a retrospective basis. These laws, administrative guidelines and circulars are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Offering Circular are intended or are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. The statements made herein are also on the assumption that the Issuer is a tax resident in Singapore.*

Prospective holders of the Notes are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership or disposition of the Notes, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuer, the Joint Lead Managers, and any other persons involved in the issuance of the Notes accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the notes.

Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

(a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is: (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore); or (ii) deductible against any income accruing in or derived from Singapore; or

(b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals or a Hindu joint family) is currently 17 per cent. The applicable rate for non-resident individuals is currently 22 per cent. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore, and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15 per cent. The rate of 15 per cent. may be reduced by applicable tax treaties.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

(a) interest from debt securities derived on or after 1 January 2004;

(b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and

(c) prepayment fee, redemption premium and break cost from debt securities derived on or after 15 February 2007, except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

In addition, as the issue of the Notes is jointly lead-managed by the Joint Lead Managers, more than half of which are Financial Sector Incentive (Standard Tier) Companies or Financial Sector Incentive (Capital Market) Companies or Financial Sector Incentive (Bond Market) Companies (each as defined in the ITA) at such time, and the Notes are issued as debt securities before 31 December 2023, the Notes would be qualifying debt securities ("**QDS**") for the purposes of the ITA, to which the following treatment shall apply:

(a) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Notes as the MAS may prescribe and the inclusion by the Issuer in all offering documents relating to the Notes of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Notes is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Notes using the funds and profits of such person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the "Qualifying Income") from the Notes derived by a holder who is not resident in Singapore and who (i) does not have any permanent establishment in Singapore or (ii) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the notes are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore income tax;

(b) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Notes as the MAS may require), Qualifying Income from the Notes derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10 per cent. (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and

(c) subject to:

    (i) the Issuer including in all offering documents relating to the Notes a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax shall include such income in a return of income made under the ITA; and

    (ii) the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities in the prescribed format for the Notes within such period as the MAS may specify and such other particulars in connection with the Notes as the MAS may require,

payments of Qualifying Income derived from the notes are not subject to withholding of tax by the Issuer.

Notwithstanding the foregoing:

(a) if during the primary launch of the Notes, the Notes are issued to fewer than four persons and 50 per cent. or more of the issue of the Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, the Notes would not qualify as QDS; and

(b) even though the Notes are QDS, if, at any time during the tenure of the Notes, 50 per cent. or more of the Notes which are outstanding at any time during the life of the Notes is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from the Notes held by:

    (i) any related party of the Issuer; or

    (ii) any other person where the funds used by such person to acquire such notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax of 10 per cent. as described above.

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) is derived from any of the Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS (as mentioned above) under the ITA, shall not apply if such person acquires the Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.

If the Notes fail to be, or fail to continue to be, QDS, certain payments under or with respect to the notes may be subject to withholding for Singapore taxes; however, noteholders would be entitled to a gross-up for any such taxes. The Issuer may have the right, at its election, to redeem the Notes if additional amounts are payable as result of the failure of the Notes to qualify as "qualifying debt securities", provided such failure results from a change in tax law. See Condition 7.2 (*Redemption for Taxation Reasons*) of the Terms and Conditions of the Notes.

The term "**related party**", in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

The terms "**prepayment fee**," "**redemption premium**" and "**break cost**" are defined in the ITA as follows:

- "**prepayment fee**", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities;
- "**redemption premium**", in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity; and
- "**break cost**", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption.

References to "**prepayment fee**", "**redemption premium**" and "**break cost**" in this Singapore tax disclosure have the same meaning as defined in the ITA.

All foreign-sourced income received in Singapore on or after 1 January 2004 by Singapore tax-resident individuals will be exempt from income tax, provided such foreign-sourced income is not received through a partnership in Singapore.

Gains on Disposal

Singapore does not impose tax on capital gains. However, there are no specific laws or regulations which deal with the characterisation of capital gains, and hence, gains arising from the disposal of the Notes may be construed to be of an income nature and subject to income tax, especially if they arise from activities which the Comptroller of Income Tax in Singapore would regard as the carrying on of a trade or business in Singapore.

Holders of the Notes who are adopting the Financial Reporting Standard ("**FRS**") 39, FRS 109 or SFRS(I) 9 (as the case may be), may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the notes, irrespective of disposal, in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on "*Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes*".

Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and "opt-out" provisions) to taxpayers who are required to comply with FRS 39 for financial reporting purposes. The IRAS has also issued a circular entitled "*Income Tax Implications Arising from the Adoption of FRS 39—Financial Instruments: Recognition and Measurement*".

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after 1 January 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 (as the case may be) for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued a circular entitled "*Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments*".

Holders of the Notes who may be subject to the tax treatment under Sections 34A or 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

Stamp Duty

There is no stamp duty payable in respect of the issuance, holding and disposition of Notes.

Estate Duty

Singapore has abolished estate duty with respect to all deaths occurring on or after 15 February 2008.

The Proposed Financial Transactions Tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (each other than Estonia, the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution maybe, or be deemed to be, "**established**" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), commonly known as FATCA, a "**foreign financial institution**" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including Singapore) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions.

Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, proposed regulations have been issued that provide that such withholding would not apply prior to the date that is two years after the date on which final regulations defining "foreign passthru payments" are published in the U.S. Federal Register. In the preamble to the proposed regulations, the U.S. Treasury Department indicated that taxpayers may rely on these proposed regulations until the issuance of final regulations. Additionally, Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for the purposes of FATCA withholding unless materially modified after such date. However, if additional notes (as described under "Terms and Conditions – Further Issues") that are not distinguishable from such previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA.

Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

CLEARANCE AND SETTLEMENT OF THE NOTES

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg (together, the "**Clearing Systems**") currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer believes to be reliable, but none of the Issuer, the Joint Lead Managers, the Trustee, the Agents or any person who controls them, or any director, officer, employee, representative, agent, affiliate or adviser of any such person, take any responsibility for the accuracy of this section. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Trustee, the Agents or any person who controls them, or any director, officer, employee, representative, agent, affiliate or adviser of any such person, will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. Custodial and depositary links have been established with the Clearing Systems to facilitate the initial issue of the Notes and transfers of the Notes associated with secondary market trading.*

Clearing Systems

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each hold securities for participating organisations and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide their respective participants with, among other things, various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg participants are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream, Luxembourg is available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear, or Clearstream, Luxembourg participant, either directly or indirectly.

Distributions of principal with respect to book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the Principal Paying Agent, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant Clearing System's rules and procedures.

Registration and Form

Book-entry interests in the Notes held through Euroclear and Clearstream, Luxembourg will be evidenced by the Global Certificate, registered in the name of nominee of the common depositary of Euroclear and Clearstream, Luxembourg. The Global Certificate will be held by a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial ownership in the Notes will be held through financial institutions as direct and indirect participants in Euroclear, and Clearstream, Luxembourg.

The aggregate holdings of book-entry interests in the Notes in Euroclear and Clearstream, Luxembourg will be reflected in the book-entry accounts of each such institution. Euroclear or Clearstream, Luxembourg, as the case may be, and every other intermediate holder in the chain to the beneficial owner of book-entry interests in the Notes will be responsible for establishing and maintaining accounts for their participants and customers having interests in the book-entry interests in the Notes. The Registrar will be responsible for maintaining a record of the aggregate holdings of Notes registered in the name of the nominee of the common depositary for Euroclear and Clearstream, Luxembourg and/or if individual Certificates are issued in the limited circumstances, holders of Notes represented by those individual Certificates. The Principal Paying Agent will be responsible for ensuring that payments received by it from the Issuer for holders of interests in the Notes holding through Euroclear and Clearstream, Luxembourg are credited to Euroclear or Clearstream, Luxembourg, as the case may be.

The Issuer will not impose any fees in respect of the Notes, however, holders of book-entry interests in the Notes may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear and Clearstream, Luxembourg.

Clearance and Settlement Procedures

Initial Settlement

Upon their issue on the Issue Date, the Notes are in global form represented by the Global Certificate. Interests in the Notes will be in uncertificated book-entry form. Purchasers electing to hold book-entry interests in the Notes through Euroclear and Clearstream, Luxembourg accounts will follow the settlement procedures applicable to conventional eurobonds. Book-entry interests in the Notes will be credited to Euroclear and Clearstream, Luxembourg participants' securities clearance accounts on the business day following the Issue Date against payment (for value on the Issue Date).

Secondary Market Trading

Secondary market sales of book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg to purchasers of book-entry interests in the Notes through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional participants.

General

Although the foregoing sets out the procedures of Euroclear and Clearstream, Luxembourg in order to facilitate the transfers of interests in the Notes among participants of Euroclear and Clearstream, Luxembourg, none of Euroclear or Clearstream, Luxembourg is under any obligation to perform or continue to perform the procedures referred to above, and such procedures may be discontinued at any time.

None of the Issuer, the Trustee, the Agents or any person who controls them, or any director, officer, employee, representative, agent, affiliate or adviser of any such person, will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective participants of their respective obligations under the rules and procedures governing their operations.

SUBSCRIPTION AND SALE

The Joint Lead Managers have, pursuant to a subscription agreement dated 2 June 2021 (the "**Subscription Agreement**"), agreed, subject to the provisions of the Subscription Agreement, to subscribe or procure subscribers for the aggregate principal amount of Notes set out opposite its name below:

Name of Joint Lead Manager	Principal Amount of the Notes
Australia and New Zealand Banking Group Limited	U.S.$85,000,000
BNP Paribas	U.S.$85,000,000
Mizuho Securities Asia Limited	U.S.$85,000,000
Merrill Lynch (Singapore) Pte. Ltd.	U.S.$85,000,000
Standard Chartered Bank (Singapore) Limited	U.S.$85,000,000
Total	**U.S.$425,000,000**

The Joint Lead Managers initially propose to offer the Notes at the Issue Price listed on the cover page of this Offering Circular.

The Issuer will be paying a combined management and underwriting commission to the Joint Lead Managers and will reimburse the Joint Lead Managers in respect of certain of their expenses. The Issuer has also agreed to indemnify the Joint Lead Managers against certain liabilities incurred in connection with the issue of the Notes. The Subscription Agreement may be terminated in certain circumstances prior to payment of the Issue Price to the Issuer.

The Notes are a new issue of securities for which there currently is no market. The Joint Lead Managers have advised the Issuer that they intend to make a market in the Notes as permitted by applicable law. They are not obliged, however, to make a market in the Notes and any market-making may be discontinued at any time at their sole discretion. Accordingly, no assurance can be given as to the development or liquidity of any market for the Notes.

The Joint Lead Managers or their respective affiliates may purchase the Notes for its own account or enter into secondary market transactions or derivative transactions relating to the Notes, including, without limitation, purchase, sale (or facilitation thereof), stock borrowing or credit or equity-linked derivatives such as asset swaps, repackaging and credit default swaps, at the same time as the offering of the Notes. Such transactions may be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Notes to which this Offering Circular relates (notwithstanding that such selected counterparties may also be a purchaser of the Notes). As a result of such transactions, the Joint Lead Managers or their respective affiliates may hold long or short positions relating to the Notes. Each of the Joint Lead Managers and their respective affiliates may also engage in investment or commercial banking and other dealings in the ordinary course of business with the Issuer or their respective affiliates from time to time for which they have received customary fees and expenses and may in the future receive fees and commissions for these transactions. In addition to the transactions noted above, each of the Joint Lead Managers and their respective affiliates may, from time to time after completion of the offering of the Notes, engage in other transactions with, and perform services for, the Issuer or their respective affiliates in the ordinary course of their business. The Joint Lead Managers or their respective affiliates may also purchase Notes for asset management and/or proprietary purposes but not with a view to distribution or may hold Notes on behalf of clients or in the capacity of investment advisors. While the Joint Lead Managers and their respective affiliates have policies and procedures to deal with conflicts of interests, any such transactions may cause the Joint Lead Managers or their respective affiliates or its clients or counterparties to have economic interests and incentives which may conflict with those of an investor in the Notes. The Joint Lead Managers may receive returns on such transactions and has no obligation to take, refrain from taking or cease taking any action with respect to any such transactions based on the potential effect on a prospective purchaser of the Notes. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Notes to which this Offering Circular relates (notwithstanding that such selected counterparties may also be purchasers of the Notes).

Certain of the Joint Lead Managers or their affiliates have a lending relationship with the Issuer and Jaguar Land Rover. Certain of the Joint Lead Managers or their respective affiliates are lenders under the Syndicated Term Loan and as a result will receive proceeds from the offering. In particular, Australia and

New Zealand Banking Group Limited, BNP Paribas, Merrill Lynch (Singapore) Pte. Ltd., Mizuho Securities Asia Limited, Standard Chartered Bank (Singapore) Limited, or their respective affiliates, are joint lead bookrunners and joint lead arrangers in relation to one or more of the Existing Notes and/or one or more of the various facilities under the Issuer's or Jaguar Land Rover's credit facilities and certain Joint Lead Managers or their respective affiliates are lenders thereunder. Additionally, one of the Joint Lead Managers is acting as account bank with respect to the Notes.

Selling Restrictions

General

No action has been taken or will be taken in any jurisdiction that would permit a public offering of the Notes or possession or distribution of this Offering Circular or any amendment or supplement thereto or any other offering or publicity material relating to the Notes, in any country or jurisdiction where action for that purpose is required. The Issuer will have no responsibility for, and each Joint Lead Manager will obtain any consent, approval or permission required by it for, the offer, sale or delivery by it of the Notes under the laws and regulations in force in any jurisdiction to which it is subject or in or from which it makes any offer, sale or delivery. The Joint Lead Managers are not authorised to make any representation or use any information in connection with the issue, subscription and sale of the Notes, other than as contained in this Offering Circular or any amendment or supplement thereto.

If a jurisdiction requires that the offering of the Notes be made by a licensed broker or dealer and if the Joint Lead Managers or any affiliate of the Joint Lead Managers is a licensed broker or dealer in that jurisdiction, the offering of the Notes shall be deemed to be made by the Joint Lead Managers or its affiliate on behalf of the Issuer in such jurisdiction.

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Joint Lead Manager represents that it has not offered or sold, and agrees that it will not offer or sell, any Notes constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act.

Prohibition of Sales to EEA Retail Investors

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular in relation thereto to any retail investor in the EEA. For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(b) a customer within the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Prohibition of Sales to UK Retail Investors

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Circular in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

(a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or

(b) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

United Kingdom

Each Joint Lead Managers has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Hong Kong

Each Joint Lead Manager has represented and agreed that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Singapore

Each Joint Lead Manager has acknowledged that this Offering Circular has not been registered as a prospectus with the MAS. Accordingly, each Joint Lead Manager has represented and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). Accordingly, each Joint Lead Manager has represented, warranted and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

People's Republic of China

Each Joint Lead Manager has represented and agreed that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws of the People's Republic of China.

GENERAL INFORMATION

1. Incorporation and Authorisations

The Issuer is incorporated under the laws of Singapore. The Issuer's registered office is located at 78 Shenton Way, #17-01/02, Singapore 079120.

The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of its obligations under the Notes. The issue of the Notes was authorised by resolutions of the Board of Directors of the Issuer dated 27 May 2021 and the issue of the Letter of Comfort was authorised by resolutions of the Board of Directors of Tata Motors dated 15 March 2021.

2. Listing

Approval in-principle has been received from the SGX-ST for permission to deal in and quotation for the Notes on the SGX-ST. The Notes will be traded on the SGX-ST in a minimum board lot size of U.S.$200,000 for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require. Admission to the official list of the SGX-ST and quotation of the Notes is not to be taken as an indication of the merits of the Issuer, the Group or the Notes.

The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions or reports contained herein.

3. Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The International Securities Identification Number and the Common Code in respect of the Notes is XS2350621517 and 235062151, respectively.

4. Legal Entity Identifier

The legal entity identifier of the Issuer is 254900EBGMM47QH02V57.

5. No Significant Change

Except as disclosed in this Offering Circular:

(i) there has been no material adverse change in the Group's financial position or prospects since 31 March 2020; and

(ii) there has been no significant change in the financial or trading position of the Group since 31 March 2020.

6. Litigation

Except as disclosed in this Offering Circular, neither the Issuer nor any other member of the Group is involved in any litigation or arbitration proceedings relating to claims or amounts which are material in the context of the issue of the Notes nor so far as the Issuer is aware is any such litigation or arbitration pending or threatened as of the date of this Offering Circular.

7. Related Party Transactions

For a list of related party transactions of the Issuer, refer to note 3 of the 2020 Audited Consolidated Financial Statements.

8. Financial Statements

The Group Audited Consolidated Financial Statements included in this Offering Circular have been audited by KPMG (Singapore).

The 2021 JLR Audited Consolidated Financial Statements included in this Offering Circular have been audited by KPMG (U.K.). The 2020 JLR Audited Consolidated Financial Statements incorporated by reference in this Offering Circular have been audited by KPMG (U.K.).

9. Documents

For so long as any Notes remain outstanding, physical copies (and English translations, which will be accurate and direct translations (as confirmed by the Issuer), where the documents in question are not in English) of the following documents will be available, during usual business hours (being between 9:00 a.m. and 3:00 p.m.) on any weekday (except public holidays), for inspection by Noteholders at, in the case of the documents mentioned in (i) and (ii) below and subject, in the case of the Account Bank Agreement, to the Trustee having been provided with a copy of the same by the Issuer), at the principal place of business of the Trustee (being as at the date of this Offering Circular at 20/F, Citi Tower, One Bay East, 83 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong) following, in each case, prior written request and proof of holding and identity to the satisfaction of the Trustee and, in the case of the financial statements mentioned in (iii) below, at the registered office of the Issuer:

(i) a copy of this Offering Circular together with any supplement to this Offering Circular;

(ii) the Trust Deed, the Agency Agreement, the Account Bank Agreement and the Letter of Comfort; and

(iii) the Group Audited Consolidated Financial Statements.

INDEX TO THE FINANCIAL STATEMENTS

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Independent auditors' report

Members of the Company
TML Holdings Pte. Ltd.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of TML Holdings Pte. Ltd. ('the Company') and its subsidiary corporation ('the Group'), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2020, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 12 to 82.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ('the Act') and Singapore Financial Reporting Standards (International) ('SFRS(I)s') so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ('SSAs'). Our responsibilities under those standards are further described in the '*Auditors' responsibilities for the audit of the financial statements'* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ('ACRA Code') together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters: including our assessment of risks of material misstatement

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. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

	The risk	Our response
Going concern *refer to page 20 (accounting policy)*	**Disclosure quality:** The financial statements explain how the Board has formed a judgement that it is appropriate to adopt the going concern basis of preparation for the. That judgement is based on an evaluation of the inherent risks to the Group's business model, in particular risks associated with the global coronavirus pandemic, the impact of Brexit and the impact of political uncertainty, and how those risks might affect the Group's financial resources or ability to continue operations over a period of at least a year from the date of approval of the financial statements. The risks most likely to adversely affect the Group's available financial resources over this period were: • The impact of coronavirus lockdowns and related potential economic damage on customer demand in the Group's key markets together with the impact on the Group's supply chain and consequent production capability.	Our procedures included: • **Funding assessment:** Evaluated the Group's financing facilities, including the available terms and covenants associated with these facilities. • **Key dependency assessment:** Assessed the key assumptions underpinning the forecast cash flows which the directors have used to support the going concern basis of preparation and to assess whether the Group can meet its financial commitments as they fall due. The cash flow forecasts incorporate a number of key assumptions, including: the impact of COVID-19 on vehicle sales as a result of the temporary shutdowns of the automotive industry worldwide and the anticipated speed of recovery in industry volumes; delivery on the cost savings initiatives; reduction of inventory levels and the delay of non-essential capital expenditure required for the manufacture of new models. • **Historical comparisons:** Evaluated the historical cash flow forecasting accuracy of the Group by comparing historical cash flows to actual results reported, as well as assessing the accuracy of key assumptions previously applied. • **Benchmarking assumptions:** Assessed the appropriateness of the Group's key assumptions used in the cash flow forecasts by benchmarking them to externally derived data, with particular focus on forecast sales volumes.

	The risk	Our response
	• The impact of Brexit on the Group's supply chain and on the export of goods by not maintaining free and frictionless trade. The risk for our audit is whether or not those risks are such that they amount to a material uncertainty that may cast significant doubt about the ability to continue as a going concern. Had they been such, then that fact would have been required to be disclosed.	• **Sensitivity analysis:** Considered sensitivities over the level of available financial resources indicated by the Group's cash flow forecasts, taking account of severe but plausible adverse effects that could arise from risks related to key assumptions, both individually and collectively. These sensitivities included: significantly depressed sales volumes in key markets compared to those reported for the year ended 31 March 2020; partly reducing the level of cost savings incorporated into the forecasts (including selling, administrative and a number of other cost categories); higher than expected inventory levels and increased tariffs as a result of a hard Brexit. • **Our sector experience:** We used our industry specialists to challenge the key assumptions made by the directors in their forecast cash flows. • **Evaluating directors' intent:** We evaluated the achievability of the actions the directors consider they would take to improve the position should the risks to the key assumptions materialise. We considered the controllability, and timing, of the identified mitigating actions, in particular focusing on the deferral of non-essential capital and product development expenditure, further reductions of discretionary marketing spend and warranty goodwill payments. • **Assessing transparency:** Assessed the completeness and accuracy of the matters disclosed in the going concern disclosure by considering whether it is consistent with our knowledge of the business.

	The risk	Our response
The impact of uncertainties due to the UK exiting the European Union on our audit	**Extreme levels of uncertainty** The UK left the European Union (EU) on 31 January 2020 and entered an implementation period which is due to operate until 31 December 2020. At that point current trade agreements with the European Union terminate. The UK is entering negotiations over future trading relationships with the EU and a number of other countries. Where new trade agreements are not in place World Trade Organisation (WTO) arrangements will be in force, meaning among other things import and export tariffs, quotas and border inspections, which may cause delivery delays. Different potential outcomes of these trade negotiations could have wide ranging impacts on the Group's operations and the future economic environment in the UK and EU. All audits assess and challenge the reasonableness of estimates, in particular as described in the impairment of long-life assets below, and related disclosures; and the appropriateness of the going concern basis of preparation of the financial statements (see above). All of these depend on assessments of the future economic environment and the Group's future prospects and performance. The uncertainty over the UK's future trading relationships with the rest of the world and related economic effects give rise to extreme levels of uncertainty, with the full range of possible effects currently unknown.	We developed a standardised firm-wide approach to the consideration of the uncertainties arising from the UK's departure from the EU in planning and performing our audits. Our procedures included: • **Our knowledge of the business** – We considered the directors' assessment of risks arising from different outcomes to the trade negotiations for the Group's business and financial resources compared with our own understanding of the risks. We considered the directors' plans to take action to mitigate the risks. • **Sensitivity analysis** – When addressing the impairment of long-life assets and going concern and other areas that depend on forecasts, we compared the directors' analysis to our assessment of the full range of reasonably possible scenarios resulting from these uncertainties and, where forecast cash flows are required to be discounted, considered adjustments to discount rates for the level of remaining uncertainty. • **Assessing transparency** – As well as assessing individual disclosures as part of our procedures on the long-life assets and going concern we considered all of the disclosures concerning uncertainties related to the UK's future trading relationships together, including those in the strategic report, comparing the overall picture against our understanding of the risks. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to the impact of the UK's departure from the EU.

<table>
<tr><th></th><th>The risk</th><th>Our response</th></tr>
<tr>
<td>Impairment of long life assets

Refer to page 26 and 36 (accounting policy), note 9 and 10</td>
<td>Forecast-based valuation

The Group holds a significant amount of property, plant and equipment and long-life intangible assets on its balance sheet.

Property, plant and equipment and long-life intangible assets are at risk of being impaired as the COVID-19 pandemic resulted in the temporary shutdowns of the automotive industry worldwide.

The effect of these matters is that, as part of our risk assessment, we determined that the calculation of the value in use of property, plant and equipment and long-life intangible assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The financial statements note 10 disclose the sensitivities estimated by the Group.</td>
<td>Our procedures included:

• Historical accuracy: Evaluated historical forecasting accuracy of cash flow forecasts, including key inputs, including cash forecasts, by comparing them to the actual results.

• Historical comparison: Assessed appropriateness of the Group's assumptions used in the cash flow forecasts by comparing those, where appropriate, to historical trends in volumes, variable profit, selling, general and administrative expenses and capital expenditure.

• Benchmarking assumptions: Assessed the appropriateness of the Group's calculated value in use amount by comparing the implied trading multiples to market multiples of comparative companies with the assistance of our valuation specialists.

Assessed appropriateness of the Group's assumptions used in the cash flow projections by comparing the key input of sales volumes to externally derived data.

Compared the Group's discount rate and long term growth rate to external benchmark data and comparative companies and re-performed the discount rate calculation using the capital asset pricing model with the assistance of our valuation specialists.

• Sensitivity analysis: Performed a breakeven analysis on the assumptions noted above.

• Comparing valuations: Assessed the Group's reconciliation between the estimated market capitalisation of the Group, by reference to the overall market capitalisation of the Tata Motors Limited Group, and compared to the estimated recoverable amount of the cash generating unit.

• Assessing transparency: Assessed the adequacy of the Group's disclosures in the financial statements and ensured that the disclosure reflects reasonably possible changes in key assumptions that erode the headroom in the recoverable amount compared to the cash generating unit carrying value to nil.</td>
</tr>
</table>

	The risk	Our response
Capitalisation of product engineering costs *Refer to page 25 (accounting policy) and note 10*	**Subjective judgement** The Group capitalises a high proportion of product development spend and there is a key judgement in determining whether the nature of the product engineering costs satisfy the criteria for capitalisation to 'Intangible Assets, Product Development in Progress' and when this capitalisation should commence. The judgement of when capitalisation should commence consists of a number of judgements regarding the satisfaction of SFRS(I) 1-38 capitalisation criteria, and a key judgement is assessing whether development projects will generate probable future economic benefit. The financial statements (page 25) disclose that had the value of central overheads not been classed as directly attributable it would have reduced the amount capitalised by £117 million.	Our procedures included: • **Control operation:** Tested controls over the Group's retrospective review of historically forecast material production costs at the point capitalisation commenced against actual costs observed in manufacture. This historical accuracy is a key input into the directors' assessment of whether the future economic benefit of development projects is probable and the control over the Group's judgements as to whether costs are considered directly attributable. • **Our experience:** Critically assessed whether the directors' judgements regarding identified directly attributable costs against both the accounting standards and our experience of practical application of these standards in other companies. • **Benchmarking assumptions:** For a sample of the volume assumptions contained in capitalised projects, compared the Group's assessment of economic viability to externally derived data. • **Sensitivity analysis:** For a sample of the Group's assessments of economic viability of development projects, assessed the Group's application of appropriate downside sensitivities in establishing whether future economic benefit is considered probable. • **Historical comparison:** Performed a retrospective review to assess previous economic viability assumptions against actual outturn. • **Assessing transparency:** Assessed the adequacy of the Group's disclosures in respect of the key judgements made relating to the nature of the costs capitalised and the point at which capitalisation commences.

	The risk	**Our response**
Valuation of defined benefit plan obligations *Refer to page 37 (accounting policy) and note 20*	**Subjective judgement** Small changes in the key assumptions and estimates, being the discount rate, inflation rate and mortality/life expectancy, used to value the Group's pension obligation (before deducting scheme assets) would have a significant effect on the amount of the Groups' net defined benefit plan asset/(obligation). The risk is that these assumptions are inappropriate resulting in an inappropriate valuation of plan obligations. The effect of these matters is that, as part of our risk assessment, we determined that valuation of the pension obligation has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The financial statements (note 20) disclose the sensitivity estimated by the Group.	Our procedures included: • **Control operation:** Tested controls over the assumptions applied in the valuation and inspected the Group's annual validation of the assumptions used by its actuarial expert. Tested the Group's controls operating over selection and monitoring of its actuarial expert for competence and objectivity. • **Benchmarking assumptions:** Challenged, with the support of our own actuarial specialists, the key assumptions applied to the valuation of the liabilities, being the discount rate, inflation rate and mortality/life expectancy against externally derived data. • **Assessing transparency:** Considered the adequacy of the Group's disclosures in respect of the sensitivity of the Groups' net defined benefit plan asset/(obligation) to these assumptions.

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained Directors' statement prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group'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 SSAs 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 an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not 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 an 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Group 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 and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Gerald Low Gin Cheng.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
14 July 2020

TML HOLDINGS PTE. LTD. AND ITS SUBSIDIARY CORPORATIONS

STATEMENTS OF FINANCIAL POSITION
As at 31 MARCH 2020

(£ millions)

	Note	Group		Company	
		31-March-20	31-March-19	**31-March-20**	31-March-19
ASSETS					
Current assets					
Cash and cash equivalents	4	**2,451**	2,975	**118**	158
Short-term deposits		**1,394**	1,029	**-**	-
Trade receivables		**905**	1,430	**-**	-
Other financial assets	6	**399**	333	**11**	11
Other investment		**20**	-	**20**	-
Inventories	7	**3,600**	3,772	**-**	-
Other current assets	8	**490**	580	**-** *	- *
Current income tax assets		**10**	10	**-** *	- *
Total current assets		**9,269**	10,129	**149**	169
Non-current assets					
Other financial assets	6	**266**	181	**6**	7
Loans to subsidiary corporations		**-**	-	**-** *	- *
Property, plant and equipment	9	**6,927**	6,617	**-**	-
Intangible assets	10	**6,281**	5,632	**-**	-
Right-of-use asset	11	**577**	-	**-**	-
Investment in equity accounted investees	12	**362**	477	**-**	-
Investment in subsidiary corporations	13	**-**	-	**1,916**	1,916
Other Investment	12	**37**	69	**-**	-
Pension assets	20	**408**	-	**-**	-
Other non-current assets	8	**25**	84	**-**	-
Deferred tax assets	14	**553**	530	**-**	-
Total non-current assets		**15,436**	13,590	**1,922**	1,923
Total assets		**24,705**	23,719	**2,071**	2,092
LIABILITIES AND EQUITY					
Current liabilities					
Short-term borrowings	15	**788**	956	**190**	-
Accounts payable	16	**6,649**	7,218	**18**	20
Other financial liabilities	17	**1,086**	1,053	**8**	7
Provisions	18	**952**	998	**-**	-
Other current liabilities	19	**730**	679	**-**	-
Current income tax liabilities		**100**	94	**-**	- *
Total current liabilities		**10,305**	10,998	**216**	27
Non-current liabilities					
Long-term borrowings	15	**5,507**	4,468	**688**	863
Other financial liabilities	17	**797**	317	**12**	7
Provisions	18	**1,372**	1,141	**-**	-
Other non-current liabilities	19	**533**	521	**-**	-
Employee benefit obligations	20	**28**	677	**-**	-
Deferred tax liabilities	14	**179**	101	**-**	-
Total non-current liabilities		**8,416**	7,225	**700**	870
Total liabilities		**18,721**	18,223	**916**	897

STATEMENTS OF FINANCIAL POSITION (cont'd)
As at 31 MARCH 2020

(£ millions)

		Group		Company	
	Note	**31-March-20**	31-March-19	**31-March-20**	31-March-19
Equity					
Share capital	21	**1,628**	1,628	**1,628**	1,628
Reserves		**4,355**	3,869	**(473)**	(433)
Equity attributable to owners of the Company		**5,983**	5,497	**1,155**	1,195
Non-controlling interests		**1**	(1)	**-**	-
Total equity		**5,984**	5,496	**1,155**	1,195
Total liabilities and equity		**24,705**	23,719	**2,071**	2,092

* Amount is less than £1 million.

See accompanying notes to financial statements.

TML HOLDINGS PTE. LTD. AND ITS SUBSIDIARY CORPORATIONS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020

(£ millions)

	Note	Group Year ended March 31, 2020	2019
Revenues	23	**23,379**	24,652
Change in inventories of finished goods and work-in-progress		**(128)**	(199)
Purchase of products for sale		**(1,361)**	(1,230)
Material and other cost of sales	24	**(13,473)**	(14,560)
Employee cost	26	**(2,656)**	(2,916)
Provision for impairment in Jaguar Land Rover's tangible and intangible assets	10	**-**	(3,105)
Employee separation cost	25 (a)	**(44)**	(149)
Employee cost-pension past service (cost)/credit	25 (a)	**(4)**	(17)
Reversal/(provision) for costs of closure of operation of a subsidiary company	25 (b)	**7**	(60)
Depreciation and amortisation		**(1,928)**	(2,181)
Other expenses	27	**(5,304)**	(5,620)
Expenditure capitalised	28	**1,373**	1,579
Other income (net)		**175**	206
Foreign exchange loss (net)		**(252)**	(53)
Finance income	29	**54**	37
Finance expense (net)	29	**(249)**	(151)
Share of (loss)/profit from equity accounted investees	12	**(114)**	3
Loss before income tax		**(525)**	(3,764)
Income tax (expense)/credit	30	**(33)**	311
Loss for the year		**(558)**	(3,453)

See accompanying notes to financial statements.

TML HOLDINGS PTE. LTD. AND ITS SUBSIDIARY CORPORATIONS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Cont'd)
FOR THE YEAR ENDED 31 MARCH 2020

			(£ millions)
		Group	
	Note	**2020**	2019
Loss for the year		**(558)**	(3,453)
Items that will not be reclassified subsequently to profit or loss :			
Remeasurement of defined benefit obligation		**988**	(272)
Gain/(loss) on effective cash flow hedges of inventory		**75**	(197)
Income tax related to items that will not be reclassified subsequently	14	**(170)**	77
		893	(392)
Items that may be reclassified subsequently to profit or loss :			
Gain on effective cash flow hedges (net)		**229**	92
Currency translation differences		**16**	(8)
Income tax relating to components of other comprehensive income that may be reclassified subsequently	14	**(42)**	(19)
		203	65
Other comprehensive income/(expense) for the year, net of tax		**1,096**	(327)
Total comprehensive income/(expense) for the year		**538**	(3,780)
Profit/(loss) attributable to:			
Owners of the Company		**(560)**	(3,454)
Non-controlling interests		**2**	1
		(558)	(3,453)
Total comprehensive income/(expense) attributable to:			
Owners of the Company		**536**	(3,781)
Non-controlling interests		**2**	1
		538	(3,780)

See accompanying notes to financial statements.

TML HOLDINGS PTE. LTD. AND ITS SUBSIDIARY CORPORATIONS

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

(£ millions)

Group

	Share capital	Reserves							Equity attributable to owners of the Company	Non-controlling interests	Total equity
		Capital reserve on currency conversion	Capital reserve	Currency translation reserve	Hedging reserve	Cost of hedging reserve	Other reserves	Retained earnings			
	(Note 21)	(Note 22)	(Note 22)								
Balance as at March 31, 2018	1,628	(206)	(165)	(309)	(281)	(46)	27	8,904	9,552	2	9,554
Adjustment on initial application of SFRS(I) 9 and SFRS(I) 15 (net of tax)	-	-	-	-	(29)	2	-	-	(27)	-	(27)
Total comprehensive income/(expense) for the year											
-Profit/(loss) for the year	-	-	-	-	-		-	(3,454)	(3,454)	1	(3,453)
-Other comprehensive income/(expense) for the year (net of tax)				(8)	(82)	(4)	-	(233)	(327)	-	(327)
Total comprehensive income/(expense) for the year	-	-	-	(8)	(82)	(4)	-	(3,687)	(3,781)	1	(3,780)
Amounts removed from hedge reserve and recognised in inventory	-	-	-	-	(141)	19	-	-	(122)	-	(122)
Income tax related to amounts removed from hedge reserve and recognised in inventory	-	-	-	-	27	(4)	-	-	23	-	23
Dividends (Note 33)	-	-	-	-	-	-	-	(148)	(148)	-	(148)
Acquisition of non-controlling interest	-	-	-	-	-		-	-	-	(4)	(4)
Balance as at March 31, 2019	1,628	(206)	(165)	(317)	(506)	(33)	27	5,069	5,497	(1)	5,496
Adjustment on initial application of SFRS(I) 16 (net of tax)	-	-	-	-	-	-	-	**(23)**	**(23)**	-	**(23)**
Total comprehensive income/(expense) for the year											
-Profit/(loss) for the year	**-**	**-**	**-**	**-**	**-**		**-**	**(560)**	**(560)**	**2**	**(558)**
-Other comprehensive income/(expense) for the year (net of tax)				**16**	**252**	**(4)**	**-**	**832**	**1,096**	**-**	**1,096**
Total comprehensive income/(expense)	**-**	**-**	**-**	**16**	**252**	**(4)**	**-**	**272**	**536**	**2**	**538**
Amounts removed from hedge reserve and recognised in inventory					**(48)**	**15**		**-**	**(33)**	**-**	**(33)**
Income tax related to amounts removed from hedge reserve and recognised in inventory	**-**	**-**	**-**	**-**	**9**	**(3)**	**-**	**-**	**6**	**-**	**6**
Balance as at March 31, 2020	**1,628**	**(206)**	**(165)**	**(301)**	**(293)**	**(25)**	**27**	**5,318**	**5,983**	**1**	**5,984**

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

Company

		Reserve			(£ millions)
	Share capital (Note 21)	Capital reserve on Equity Currency Conversion	Capital reserve (Note 22)	Accumulated losses	Total equity
Balance as at 1 April 2018	1,628	(206)	(20)	(195)	1,207
Profit for the year, representing total comprehensive income for the year	-	-	-	136	136
Transactions with owner recognised directly in equity					
Dividends (Note 33)	-	-	-	(148) #	(148)
Total contributions by and distribution to owners	-	-	-	(12)	(12)
Balance as at 31 March 2019	1,628	(206)	(20)	(207)	1,195
Loss for the year, representing total comprehensive loss for the year	**-**	**-**	**-**	**(40)**	**(40)**
Total contributions by and distribution to owners	**-**	**-**	**-**	**(40)**	**(40)**
Balance as at 31 March 2020	**1,628**	**(206)**	**(20)**	**(247)**	**1,155**

Whilst the Company has accumulated losses, dividends were paid out of the profits for each of the respective financial periods.
During the year ended 31 March 2019, the Company paid final dividend of GBP 13 million out of FY 17-18 profits.

See accompanying notes to financial statements.

TML HOLDINGS PTE. LTD. AND ITS SUBSIDIARY CORPORATIONS

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

		(£ millions)
	Group	
	2020	2019
Cash flow from operating activities		
Loss before tax for the year	(525)	(3,764)
Adjustments for:		
Depreciation and amortisation	1,928	2,181
Provision for impairment in Jaguar Land Rover	-	3,105
Provision for closure of operation of a subsidiary company	(7)	60
Employee separation cost	46	149
Employee cost-pension past service cost	-	17
Loss on disposal of assets	20	59
Write down of tangible assets	-	18
Provision for doubtful accounts	2	4
Loss from diminution in the valuation of inventories	-	6
Loss on matured revenue hedges	81	43
Foreign exchange loss on loans	147	79
Unrealised loss/(gain) on commodities	78	34
Finance expense (net)	249	151
Finance income	(54)	(37)
Foreign exchange loss/(gain) on derivatives	(7)	31
Foreign exchange loss/(gain) on other items	(93)	(69)
Fair value loss/(gain) on equity investment	43	(26)
Share of loss/(profit) from equity accounted investees	114	(3)
Cash flows before movements in working capital	2,022	2,038
Trade receivables	507	237
Other financial assets	44	61
Other current assets	111	124
Inventories	177	160
Other non-current assets	(439)	(3)
Accounts payable	(537)	(446)
Other current liabilities	51	114
Other financial liabilities	(20)	(24)
Other non-current liabilities	361	(23)
Provisions	113	170
Cash generated from operations	2,390	2,408
Income tax paid	(152)	(228)
Net cash generated from operating activities	2,238	2,180

CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)
FOR THE YEAR ENDED 31 MARCH 2020

		(£ millions)
	Group	
	2020	2019
Cash flows used in investing activities		
Purchase of property, plant and equipment	**(1,285)**	(1,599)
Purchase of other investment	**(11)**	(14)
Proceeds from sale of property, plant and equipment	**1**	4
Cash paid for intangible assets	**(1,512)**	(1,785)
Investment in associates	**(67)**	-
Investment in short-term deposits	**(4,071)**	(2,478)
Redemption of short-term deposits	**3,700**	3,552
Movement in restricted cash	**(4)**	-
Acquisition of Subsidiary (net of cash acquired)	**(3)**	-
Dividends received	**67**	22
Finance income received	**50**	35
Net cash used in investing activities	**(3,135)**	(2,263)
Cash flows used in financing activities		
Finance expense and fees paid	**(291)**	(239)
Proceeds from issuance of long-term debt	**1,600**	1,221
Proceeds from issuance of short-term debt	**113**	773
Repayment of short-term debt	**(221)**	(829)
Payment of lease liabilities	**(72)**	(2)
Repayment of long-term debt	**(826)**	(547)
Distribution to non-controlling interest	**-**	(3)
Dividends paid	**-**	(148)
Net cash from financing activities	**303**	226
Net (decrease)/increase in cash and cash equivalents	**(594)**	143
Cash and cash equivalents at beginning of period	**2,975**	2,859
Effect of foreign exchange on cash and cash equivalents	**70**	(27)
Cash and cash equivalents at end of the year	**2,451**	2,975

See accompanying notes to financial statements.

1 General

TML Holdings Pte. Ltd. ("the Company") and its subsidiary corporations are collectively referred to as ("the Group"). The Company (Registration No.200802595C) is incorporated in Singapore with its principal place of business and the registered office at 78 Shenton Way, # 17-01/02, Singapore 079120. The financial statements are expressed in Pound Sterling (£) and rounded to the nearest million £ (£ million) unless otherwise stated.

The principal activity of the Company is that of investment holding. The subsidiary corporations held by the Company include Jaguar Land Rover Automotive plc since date of incorporation and Tata Daewoo Commercial Vehicle Co. Ltd, Tata Motors (Thailand) Ltd, Tata Motors (SA) (Proprietary) Ltd and PT Tata Motors Indonesia which were acquired from its holding Company, Tata Motors Limited during 2014 and 2015. In 2016, the Company has subscribed to 99% shareholding of TMNL Motors Nigeria Ltd.

The principal activities of joint ventures, associates and subsidiary corporations are disclosed in Notes 12 and 13 to the financial statements respectively.

The consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the year ended 31 March 2020 were authorised for issue by the Board of Directors on 14 July 2020.

2 Summary of significant accounting policies

a. Basis of accounting

The financial statements have been prepared in accordance with the historical cost basis except for certain financial instruments which are measured at fair value, and are drawn up in accordance with the Singapore Financial Reporting Standards (International) SFRS(I).

Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

Going concern

The financial statements have been prepared on a going concern basis The Directors have adopted this basis following a rigorous assessment of the financial position and forecasts of the Group though to 30 September 2021. In particular careful consideration has been given to the impact of Covid-19, in recognition of the impact it had on the global economy and automotive industry. The impact has been significant, requiring temporary plant and retailer shutdowns, thereby impacting production and sales, and creating substantial uncertainty over the timeframe for economies and the automotive industry to recover.

<u>Assessment for the Holding Company</u>

The Company has a surplus net assets of £1,155 million as at 31 March 2020, net working capital of (£67) million as at 31 March 2020 and had incurred a loss before taxation of £40 million in the financial year ended 31 March 2020. In the general interests of the Company, it was agreed that its holding company should continue to provide financial and other support to the Company as necessary until 30 September 2021 to enable it to continue to trade and to meet its obligation.

The Company has cash and cash equivalent of £118 million along with £20 million investment in money market funds. The amount is adequate to take care of interest and other expenses of the Company up to 30 September 2021. The Company has £190 million loan due for payment on 31 July 2020 and $300 million bonds due on 7 May 2021. The Company is already in advanced stage of discussion with certain banks on refinancing the loan due on 31 July 2020. Further the Company has proposal for refinancing of USD 300 million bond which will be taken up later nearing the maturing date. Therefore, the directors consider, after making appropriate enquiries and taking into consideration the risks and uncertainties facing the Company, that the Company has adequate resources to continue in operation as a going concern for the foreseeable future.

<u>Assessment for one of the Group subsidiary Jaguar Land Rover (JLR)</u>
<u>Liquidity and funding</u>

JLR ended the financial year March 31, 2020, with substantial liquidity of £5.6 billion, including £3.7 billion of cash and other highly liquid investments and a £1.9 billion undrawn revolving credit facility. Net debt was £2.2 billion after £5.9 billion of gross debt and net assets stood at £6.6 billion.

The £5.9 billion of gross debt consists mainly of long-dated bonds (face value £ 3.8 billion) outstanding as at March 31, 2020) with various maturities out to 2027, a US$1 billion syndicated bank loan with final maturity in 2025, a £625 million amortising UKEF facility with final maturity in 2024 (face value £573 million outstanding at March 31, 2020), a £100 million short term secured fleet buy back working capital facility and £540 millions) of leases. The only contractual debt maturities over the review period are a £300 million) bond maturity in January 2021 and the amortisation of £188 million of the UKEF facility as well as the Black Horse fleet buy back facility maturing in Q3 FY21. The undrawn revolving credit facility matures in July 2022. The debt and revolving credit facility have no financial covenant requirements, with the exception of the UKEF facility, which has a £1 billion global liquidity requirement, measured at Quarter ends. This is not projected to be breached in any of the downside scenarios assessed and summarised later in this disclosure. See note 15 for additional detail.

Subsequent to the year end, JLR increased an existing short-term working capital facility from £100 million to £163 million and a wholly-owned Chinese subsidiary completed a £170 million equivalent 1-year loan with a Chinese bank. The £170 million equivalent loan was then repaid in June and replaced with a new 3-year £ 567 million equivalent facility with a syndicate of 5 Chinese banks. The £567 million equivalent syndicated loan is subject to an annual review customary in the Chinese banking market and a profitability and leverage covenant applicable only to JLR's Chinese subsidiary, which are not expected to be breached in any of the scenarios tested. JLR has a strong track record of raising funding in the bond and bank markets and continues to expect it will have opportunities to issue new funding in the future as evidenced by the completion of the Chinese £567 million syndicated loan in June 2020. In addition, JLR has had discussions to access part of the £ 330 billion of guarantees announced by the UK government to assist companies with COVID-19 but nothing has been agreed so the going concern analysis does not assume anything for this.

JLR generally requires payment from retailers on or shortly after delivery of the vehicle. Most dealers use wholesale financing arrangements in place to pay for vehicles. These facilities do not involve recourse to JLR in general and as such are not accounted as JLR debt. JLR expect these facilities to continue over the going concern review period in all scenarios. In the event any of these facilities were not to continue and retailers were unable to settle invoices immediately, working capital would be negatively impacted, possibly significantly, but this risk is considered remote. In addition, JLR has in place an insured invoice discounting facility totalling US$700 million debt factoring facility for selected retailers and distributors without such wholesale financing arrangements in place. At March 31, 2020, £392 million of the facility was utilised. The facility matures in March 2021 and JLR expect this to be renewed at that time. In the event any of these facilities were not to continue, working capital would be negatively impacted, possibly significantly, but this risk is considered remote.

Update on trading performance since year end

The COVID-19 pandemic and resulting lockdowns resulted in a sharp drop in sales first in China in late January and then other regions in late March with a peak sales decrease in April. JLR responded quickly to the COVID-19 pandemic with temporary plant shutdowns and rigorous cost and investment controls to conserve cash as much as possible. The China joint venture production plant was shut down in late January and reopened in late February. All plants outside of China were shutdown from late March with most plants restarting from late May and production is expected to gradually increase as sales recover.

As a result of the impact of COVID-19 on sales and production, JLR had negative free cash in April and May of about £1.5 billion. This includes a £1.2 billion unwind of working capital resulting from the plant shutdowns. The working capital unwind primarily reflects the runoff of payments to suppliers for vehicles built before the plant shutdowns, offset partially by the sale of vehicles in inventory. Cash at the end of May was about £2.4 billion, including about £278 million in international subsidiaries and the revolving credit facility of £1.9 billion remained available and undrawn. A free cash outflow of less than £2 billion is now expected in Q1 of FY21.

JLR is planning for a gradual recovery in the business as lockdowns are relaxed and economies recover. The pick-up in China has been encouraging with all retailers now open and retail sales of 6,828 vehicles in April 2020 (down 3.1% compared to April 2019) and 8,068 in May 2020 (up 4.2% compared to May 2019). The sales of Range Rover and Range Rover Sport have been particularly encouraging.

Other regions have seen peak lockdowns in April with total worldwide retail sales of 14,709 vehicles in April (down 62.5% year-on-year), improving somewhat in May to 20,024 units (down 43.3%). Sales are expected to gradually recover in other regions following the reopening of retailers. Most recently, over 97% of retailers worldwide are open or partially open.

JLR plans to resume production gradually to meet demand as it recovers. The Solihull and Halewood assembly plants and engine plant in the UK, the Slovakia plant and contract manufacturing line in Graz (Austria) restarted from late May. The Castle Bromwich plant will reopen in due course while the joint venture plant in China has been open since late February. Given the present uncertainties, Jaguar Land Rover will continue to manage costs and investment spending rigorously to protect liquidity. JLR has announced the Project Charge (now Charge+) transformation programme achieved a further £600 million of cash improvements in the Q4 of FY20, increasing lifetime savings under the programme to £3.5 billion since launch in the Q2 of FY19, including investment saving of £1.9 billion measured relative to original planning targets. (All savings attributed to Project Charge+ are unaudited pro forma analytical estimates)

JLR has announced a Charge+ saving target for FY21 of £1.5 billion across investment spending, inventory, and selling and administrative as well as material and warranty costs.
JLR has also implemented enhanced cost and investment reduction processes and controls complementing Project Charge in response to COVID-19. This includes reductions in non product spending and lower margin and non-critical investment spending and numerous other cost control measures.

As discussed, the outlook beyond Q1 this year remains uncertain. However, JLR presently expects a gradual recovery of sales consistent with external industry estimates and improving cash flow boosted by the recovery of working capital as a result of the resumption of production, lower investment and other Project Charge+ cost reductions.

Going concern forecast scenarios
For the purposes of assessing going concern over the period from the date of signing of accounts to September 30, 2021, JLR has considered 3 scenarios: 1) Base Case, 2) Severe and 3) Extreme Severe. These scenarios are summarised below with more detailed assumptions provided in the appendix at the end of this disclosure.

As indicated, JLR had about £2.4 billion of cash and short-term liquid investments at the end of May 2020. This includes the £63 million increase in short term working capital facility and £170 million equivalent 1-year loan with a Chinese Bank which were complete after March 2020 and excludes the £567 million equivalent three-year loan facility which replaced the 1 year China loan. As a result, total debt at the end of May was about £6.5 billion.

Scenario 1: base case
The base case scenario assumes:

- A global industry volume forecast of about 71 million units for calendar year 2020 and 81 million units for 2021, based on external forecasts, representing decreases of about 21% and 10% respectively compared to 2019 industry volumes of about 90 million units.
- A decrease in JLR wholesale volumes somewhat greater for FY21 and somewhat less for FY22 compared to the industry assumptions referenced.
- Investment, inventory and cost improvements are broadly consistent with the £1.5 billion Project Charge target described above in FY21. There is not yet a Charge target for FY22 and so not all of the saving in FY21 are assumed to continue at the same level in FY22 for the purposes of this going concern analysis.
- Total liquidity including the revolving credit facility is forecast to remain more than adequate with significant headroom in this scenario.

Scenario 2: severe scenario
The severe scenario assumes:

- Global Industry volumes of about 55 million units for calendar year 2020 and about 65 million units for calendar year 2021, representing decreases of about 39% and 28% respectively compared to calendar year 2019. This represents a more L shaped recovery from COVID-19, based on selected external industry downside forecasts.
- Compared to FY20, a decline in JLR wholesale volumes for FY21 and FY 22 broadly similar to the assumed industry decline referenced with adjustment for the effect of moving from a calendar year to the Group's 31 March year-end.

Investment, inventory and cost improvements broadly consistent with Project Charge targets indicated above but increased by about 15% in FY21 and about 5% in FY22 to partially mitigate the lower volumes in this scenario.

Total liquidity including the revolving credit facility was forecast to remain adequate in this scenario but with lower headroom than in the base case.

Scenario 3: extreme severe scenario
An extreme severe scenario was assessed which is the same as Scenario 2 but with the following further sensitivities applied:

- A further volume reduction of about 5% in FY21 resulting in JLR wholesale volumes down about 35% in FY21 and about 27% in H1 FY22, compared to FY20.

- Partial non-achievement of FY21 Charge+ targets with respect to inventory and overhead cost savings as well as material, warranty and other costs.
- Modest incremental supply chain cash impacts results from COVID-19
- A hard Brexit resulting in 10% WTO tariffs on UK vehicle exports to EU countries and increased logistics and other associated costs from January 1, 2021 offset partially by the impact of a weaker pound expected in such a scenario
- A number of smaller other sensitivities.

In this more severe scenario, JLR has identified a number of "tough choice" mitigating actions within their control that would be implemented to maintain sufficient liquidity in the business to remain a going concern. These actions include:

- Further significant reductions in investment spending;
- Reductions in fixed marketing and other marketing related costs;
- Certain other discretionary costs.

In this more severe scenario, and taking into account these controllable mitigating actions, total liquidity including the revolving credit facility was forecast to remain adequate (without breaching the UKEF quarter –end liquidity covenant) but with more limited headroom.

Going concern conclusions

As described above, the director's have considered going concern in three scenarios: 1) Base Case, 2) Severe and 3) Extreme Severe. In each of these scenarios, sufficient liquidity is forecast for JLR to operate and discharge its liabilities as they fall due, taking into account only cash generated from operations, controllable mitigating actions and the funding facilities existing on the date of authorisation of these financial statements and as at March 31, 2020, including the presently undrawn revolving credit facility. In practice, the director's also expect JLR will be able to raise additional funding facilities over the assessment period to increase available liquidity, considering the strong track record of raising funding in the bond and bank markets.The director's do not consider more extreme scenarios than the ones assessed to be plausible.

As described above, the director's, after reviewing JLR's Operating budgets, investment plans and financing arrangements, consider that JLR has sufficient funding available at the date of approval of these financial statements. Accordingly, the directors are satisfied that it is appropriate to adopt the going concern basis in preparing the Annual Report and Accounts.

Additional details on going concern assumptions

The going concern analysis is based on detailed assumptions on how the business normally operates and how COVID-19 might impact the business. The assumptions include but are not limited to the following additional assumption details. Except where stated otherwise, the assumptions are the same for all scenarios.

Dealer network

Currently, over 97% of retailers worldwide are open or partially open although this varies by region and some dealers are open on a constrained basis. The shutdown of dealers during the pandemic has undoubtedly decreased the financial strength of the retailer network with announcements of layoffs and other actions to reduce costs. Jaguar Land Rover is continuously engaging with its retailers and at present is not assuming material risks associated with retailer distress in any of the scenarios.

Supplier base

The business is carefully monitoring the impact of the COVID-19 shutdown on the supply base and readiness of suppliers to support the gradual resumption of production underway. Many of our suppliers are large well-capitalized companies, with others being smaller and medium sized suppliers who tend to have less financial flexibility. At present there are a limited number of known supplier issues, which at this point are not materially different to historically experienced levels. JLR is therefore not presently assuming these represent a material risk compared to historically experienced levels in the Base Case and Severe Scenarios – supplier claims in May 2020 are below prior year levels in terms of number and value. The Extreme Severe Scenario assumes a modest increase in supply chain cash costs related to COVID-19.

Suppliers are on payment terms ranging from 7 to 64 days, with the standard terms being 60 days and the average 58 days. No change in supplier terms is assumed in the going concern analysis compared to historical experience.

Covid-19 and Production Restart Considerations

JLR's production facilities have been modified to protect the safety of our employees and to comply with social distancing legislation. Production ramp up post lockdown has been managed to ensure that these changes within the facilities are embedded quickly and JLR don't expect them to have a lasting impact of the variable costs of production in any of the going concern scenarios. Restart plans have been coordinated with our supply base to ensure that all our suppliers can support the production schedule effectively. Production facility restarts have been demand led in order to ensure that JLR manage the impact on variable profit margins. Given the high level of uncertainty, JLR has ensured that they remain flexible and react to changes swiftly.

Employees

For the purposes of this going concern analysis, no structural changes are assumed to the permanent employee base in any of the scenarios. JLR has participated in the UK job retention scheme whereby the government partially reimburses the wage and salary costs of furloughed workers. At its peak about 20,000 employees were furloughed providing about £50 million of monthly subsidy. However participation is now decreasing with plants reopening and it is assumed the programme will not continue after October.

Working capital

Working capital movements in cash flow are significantly driven by volume levels and changes. This is because supplier payment terms are about 58 days on average although payment terms for individual suppliers can be longer or shorter, while payments for vehicles are received in most countries within a few days of dealers being invoiced. Inventories can also vary to the extent wholesale volumes deviate from forecast before production can be adjusted but in general JLR has set a Charge+ inventory target of £3 billion or lower. JLR had negative free flow in April and May of about £1.5 billion. This includes a £1.2 billion unwind of working capital resulting from the plant shutdowns. The working capital unwind primarily reflects the runoff of payments to suppliers for vehicles built before the plant shutdowns, offset partially by the sale of vehicles in inventory. Cash at the end of May was about £2.4 billion, including about £278 million in international subsidiaries and the revolving credit facility of £1.9 billion remained available and undrawn. A free cash outflow of less than £2 billion is now expected in Q1 of FY21. As production volumes resume, this effect is assumed to reverse and wholesale revenues are assumed to increase while payments to suppliers will lag because of the difference between supplier and dealer payment terms described.

Intra-period volatility

There is a certain degree of volatility in cashflows by month and within months. Historically this has averaged about £188 million intra-month with only a very limited number of exceptions over £400 million. It is assumed this level of volatility varies with sales and production volumes and so would be smaller in lower volume scenarios. While not assumed, this could be reduced through more active day to day management of receipts and payments.

Brexit

The Scenario 1 and Scenario 2 assumption for Brexit is that a deal is agreed to avoid a hard Brexit. Scenario 3 assumes a hard Brexit. A hard Brexit is assumed to result in 10% WTO tariffs on UK vehicle exports to EU countries and increased logistics and other associated costs from January 1, 2021, offset partially by the impact of a weaker pound expected in such a scenario.

Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Subsequent to initial recognition, the Group determines the Fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted aske prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include the discounted cash flow method and other valuation models.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 quoted prices in an active market includes financial instruments that are measured by reference to quoted prices (unadjusted) in active markets for identical assets and liabilities;

- Level 2 valuation techniques with observable inputs hierarchy includes financial assets and liabilities measured using input other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 valuation techniques with significant unobservable inputs includes financial assets and liabilities measured using inputs that are not based on observable market data (Unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Use of estimates and judgements
The preparation of financial statements in conformity with SFRS(I) requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Those that are significant to the Group are discussed separately below. Note 10 provides further details of the impairment charge recognised in the year ended 31 March 2019, including disclosing additional sensitivities performed.

Impact of COVID-19
The Group has exercised its judgment in evaluating the impact of COVID-19 on the financial statements in response to the rapidly developing environment during the pandemic. A number of areas have been identified as being relevant for consideration, and are discussed below as part of the Group's assessment of accounting estimates and judgments, and where required, referenced further within the specific note:

- Revenue recognition;
- Taxation;
- Impairment of tangible and intangible fixed assets, see note 10;
- Variable marketing expense;
- Inventory valuation, see note 7;
- Residual value risk, see note 18;
- Product warranty, see note 18;
- Employee benefits, see note 20;
- Recoverability of receivables, see note 36;
- Hedging, see note 36;
- Capitalisation of product engineering costs

(i) Judgements
In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Revenue recognition: Vehicle revenue, as the primary source of income for the Group, is recognised when control of the vehicle passes to the customer, which the Group has assessed is when the vehicle is either despatched or held on behalf of the customer but depends on the underlying terms of the customer contract. Control of an asset refers to having the ability to direct the use of the asset and obtain substantially all of the remaining economic benefit.

The transfer of control depends on the consideration of a number of facts and circumstances surrounding the relevant transaction, such as the transfer of risks and rewards of ownership, transfer of legal title, transfer of physical possession, customer acceptance, and whether or not an entity has a present right to payment. The Group determines the transfer of control with reference to those factors, thus ultimately driving revenue recognition.

In some instances, the Group recognises revenue on a bill-and-hold basis where control of the vehicle has been transferred to the customer but physical possession is retained by the Group (for example, within a vehicle holding compound) until a future point in time. Revenue is recognised on the meeting of bill-and-hold criteria, which are considered to be met as the reason for the bill-and-hold is substantive (as the customer requests JLR to retain possession, usually due to a lack of available space at their own premises), the vehicles are identifiable as separately belonging to the customer (on the basis that each vehicle has a unique

Vehicle Identification Number), the vehicle must be ready for physical transfer to the customer (which it is, given that it is fully built and safety-checked off the manufacturing line), and the Group does not have the ability to use the vehicle or direct it elsewhere.

The Group assessed the impact of COVID-19 and the associated regional and national lockdowns across the world in ensuring its revenue recognition judgments continued to be applied appropriately, given logistics challenges across many markets that the Group operates in.

Assessment of cash-generating units: The Group has determined that there is one cash-generating unit. This is on the basis that there are no smaller groups of assets that can be identified with certainty that generate specific cash inflows that are independent of the inflows generated by other assets or groups of assets. Refer to note 10.

Capitalisation of product engineering costs: The Group undertakes significant levels of research and development activity and for each vehicle program a periodic review is undertaken. The Group applies judgement in determining at what point in a vehicle program's life cycle the recognition criteria under SFRS(I) 1-38 are satisfied and estimates the proportion of central overhead allocated. If a later point had been used then this would have had the impact of reducing the amounts capitalised as product engineering costs.If central overheads had not been allocated, it would have reduced the amount capitalised by £117 million.

The Group reviewed its methodology in line with the applicable accounting standards to ensure it continues to meet the criteria for capitalising such costs in an environment impacted by COVID-19 to assess that the incremental benefits expected continue to exceed the associated costs.

Deferred tax asset recognition: The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions

(ii) Estimates and assumptions

The areas where assumptions and estimates are significant to the financial statements are as described below. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Significant estimates are those that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next year. Other estimates are those that may affect carrying amounts in the longer-term.

Significant estimates

Impairment of intangible and tangible fixed assets: The Group has intangible assets with indefinite lives and therefore tests annually whether intangible and tangible fixed assets have suffered any impairment. The recoverable amount of the cash-generating unit is based on the higher of value in use and the fair value less cost of disposal. Value in use is calculated from cash flow projections generally over five years using data from the Group's latest internal forecasts, and extrapolated beyond five years using estimated long-term growth rates. Key assumptions and sensitivities for impairment are disclosed in note 10.

Retirement benefit obligation: The present value of the post-employment benefit obligations depends on a number of factors, it is determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/ (income) for pensions include the discount rate, inflation and mortality assumptions. Any changes in these assumptions will impact upon the carrying amount of post-employment benefit obligations, key assumptions and sensitivities for post-employment benefit obligations are disclosed in note 20.

Other estimates

Investment in equity accounted investment: At each balance sheet date or when there are indicators of impairment, the Group assesses whether there is any objective evidence that the carrying value of equity accounted investments may be impaired. Given the economic impact of COVID-19 the Group assessed the carry value of its equity accounted investment.

The recoverable amount is dependent on a wide range of assumptions, including sales volume forecasts, operating margin, capital expenditure and discount rate. Cash flows were prepared based on best available information available to the Group, including historical trends, cycle plans and performance targets. Additionally, given the timing of the COVID-19 lockdown in China, post-lockdown trading information was also used. The Group applied conservative assumptions reducing uncertainty associated with future management actions and initiatives. Based on the above assessment there was enough evidence to indicate that there was no impairment, however it was noted that any change in key assumptions could result in an erosion of the headroom and trigger an impairment. The carrying values of equity accounted investments are disclosed in note 12.

Product warranties: The Group provides product warranties on all new vehicle sales. Provisions are generally recognised when vehicles are sold or when new warranty programs are initiated. Based on historical warranty claim experience, assumptions have to be made on the type and extent of future warranty claims and customer goodwill (representing the Groups constructive obligation to its customers when managing those warranty claims), as well as on possible recall campaigns. These assessments are based on experience of the frequency and extent of vehicle faults and defects in the past. In addition, the estimates also include assumptions on the amounts of potential repair costs per vehicle and the effects of possible time or mileage limits. The provisions are regularly adjusted to reflect new information. Refer to note 18.

The Group also has back-to-back contractual arrangements with its suppliers in the event that a vehicle fault is proven to be a supplier's fault. Estimates are made of the expected reimbursement claims based upon historical levels of recoveries by supplier, adjusted for inflation and applied to the population of vehicles under warranty at the balance sheet date. Supplier reimbursement claims are presented as separate assets in note 18.

The Group notes that changes in the automotive environment regarding the increasing impact of battery electric vehicles presents its own significant challenges, particularly due to the lack of historical data available at this time to help inform estimates for future warranty claims, as well as any associated recoveries from suppliers due to such claims. The related provisions are therefore made with the Group’s best estimate at this time to settle such obligations in the future but will be required to be continually refined as sufficient, real-world data becomes available. Supplier recoveries are recognised only when the Group considers there to be virtual certainty over the reimbursement, which also requires historical evidence to support.

Variable marketing expense: The Group offers sales incentive in the form of variable marketing expense to customers which vary depending on the timing and customer of any subsequent sale of the vehicle. This sales incentive is accounted for as revenue reduction and is constrained to a level that is highly probable not to reverse the amount of revenue recognised when any associated uncertainty is subsequently resolved. The Group estimated the expected sales incentive by market and considers uncertainties including competitor pricing, ageing of dealer stock and local market conditions. The constraint on variable consideration is estimated with reference to historical accuracy, the current position of market conditions, and a future-looking assessment considering relevant geopolitical factors, including the impact of the global stock positions for both the Group and its third party dealer network reflecting the pipeline of vehicle inventory for sale to end customers.

Uncertain tax provisions: Tax provisions are recognised for uncertain tax positions where a risk of an additional tax liability has been identified and it is probable that the Group will be required to settle that tax. Measurement is dependent on management’s expectations of the outcome of decisions by tax authorities in the various tax jurisdictions in which the Group operates. This is assessed on a case-by-case basis using in-house experts, professional firms and previous experience. Where no provision is required the exposure is disclosed as a contingent liability in note 34 unless the likelihood of an outflow of economic benefits is remote.

No additional current tax risks were identified as a result of COVID-19, with the Group’s compliance activity continuing to be operated in accordance with the applicable legislation.

(iii) Explanation for adoption of new standards
SFRS(I) 16 was applied for the first time in the fiscal year ending 31 March 2020
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SFRS(I) 16
SFRS(I) 16 Leases is effective for the year beginning 1 April 2019 for the Group. This standard replaces *SFRS(I) 1-17* Leases, *SFRS(I) INT 4 Determining whether an Arrangement contains a Lease*, *SFRS(I) INT 1-15 Operating Leases - Incentives and SFRS(I) INT 1-27 Evaluating the Substance of the Transactions Involving the Legal Form of a Lease* interpretations. Under *SFRS(I) 16*, lessee accounting is based on a single model, resulting from the elimination of the distinction between operating and finance leases. All leases will be recognised on the balance sheet with a right-of-use asset capitalised and depreciated over the estimated

lease term together with a corresponding liability that will reduce over the same period with an appropriate interest charge recognised.

The Group has elected to apply the exemptions for leases with a lease term of 12 months or less (short-term leases) and for leases for which the underlying asset is of low value. The lease payments associated with those leases are recognised as an expense on a straight-line basis over the lease term or another systematic basis.

The Group is applying the modified retrospective approach on transition under which the comparative financial statements will not be restated. The cumulative impact of the first-time application of SFRS(I) 16 is recognised as an adjustment to opening equity as at 1 April 2019. The details of the changes in accounting policies are disclosed below.

The Group has elected to use the following practical expedients at transition permitted by the Standard:

- On initial application, *SFRS(I) 16* has only been applied to contracts that were previously classified as leases under SFRS(I) INT 4;
- Regardless of the original lease term, lease arrangements with a remaining duration of less than 12 months will continue to be expensed to the Income Statement on a straight line basis over the lease term;
- Short-term and low value leases will be exempt;
- The lease term has been determined with the use of hindsight where the contract contains options to extend or terminate the lease;
- The discount rate applied as at transition date is the incremental borrowing rate corresponding to the remaining lease term;
- The measurement of a right-of-use asset excludes the initial direct costs at the date of initial application.

The impact of the first-time application of SFRS(I) 16 as at 1 April 2019 is the recognition of right-of-use assets of £579 million and lease liabilities of £503 million. In addition, £27 million has been reclassified from property, plant and equipment to right-of-use assets in respect of assets previously held under finance leases. As at the date of initial application, there is a £23 million reduction in net assets (net of tax). When measuring lease liability, the Group discounted lease payments using its incremental borrowing rate at 1 April 2019. The weighted-average rate applied is 7.9%.

As at	**£ million**
Financial obligations for operating leases at 31 March 2019	626
Application exemption for short-term leases	(9)
Application exemption for leases of low-value assets	(14)
Future lease commitments - contracts signed on or before 31 March 2019	(28)
Extension and termination options reasonably certain to be exercised	292
Gross lease liabilities for former operating leases at 1 April 2019	867
Discounting impact	(364)
Lease liabilities for former operating leases at 1 April 2019	503
Present value of finance lease liabilities as 31 March 2019	31
Total lease liabilities at 1 April 2019	534

The opening right-of-use asset by class of underlying assets is disclosed in Note 11.

New standards and interpretations not yet adopted

Applicable to financial statements for the year 2020 and thereafter

Standards, revisions and amendments to standards and interpretations not significant to the Group and applied for the first time in the year ending 31 March 2020:

- SFRS(I) INT 23 *Uncertainty over Income Tax Treatments*
- *Long-term Interests in Associates and Joint Ventures* (Amendments to SFRS(I) 1-28)
- *Prepayment Features with Negative Compensation* (Amendments to SFRS(I) 9)
- Employee benefits-Plan amendment, curtailment or settlement (Amendments to SFRS(I) 1-19)

The adoption of these amendments and interpretations has not had a significant impact on the consolidated financial statements.

Applicable to 2022 financial statements
- SFRS(I) 17 *Insurance Contracts*

b. Basis of consolidation

Subsidiary corporations
Subsidiaries are entities controlled by the Company. Control exists when the Company has power over the investee, is exposed or has rights to variable return from its involvement with the investee, and has the ability to use its power to affect its returns. In assessing control, potential voting rights that currently are exercisable are taken into account, as well as other contractual arrangements that may influence control. All subsidiaries of the Group given in note 13 to the parent company financial statements are included in the consolidated financial statements.

Inter-company transaction and balances including unrealised profits are eliminated in full on consolidation.

Joint ventures and associates (equity-accounted investments)
Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for decisions about the relevant activities of the entity, being those activities that significantly affect the Group's returns. Associates are those entities in which the Group has significant influence, but not control or joint control. Significant influence is the power to participate in the financial and operating policy decisions of the investee and is presumed to exist when the Group holds between 20 and 50 per cent of the voting power of the investee.

Joint ventures and associates are accounted for using the equity method and are recognised initially at cost. The Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Group's share of the income and expenses, other comprehensive income, and equity movements of equity accounted investments, from the date that joint control or significant influence commences until the date that joint control or significant influence ceases. When the Group's share of losses exceeds its interest in an equity accounted investment, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

When the Group transacts with an associate or joint venture of the Group, profits and losses are eliminated to the extent of the Group's interest in its associate or joint venture.

Dividends received are recognized when the right to receive payment is established.

Subsidiaries, associates and joint ventures in the separate financial statements
Investments in subsidiaries, associates and joint ventures are stated in the Company's statement of financial position at cost less accumulated impairment losses.

c. Common control transactions
In 2014 and 2015, Tata Motors Limited, the ultimate holding Company had substantially completed the process of transferring all of its shares of some of its direct foreign subsidiary corporations to the Company.

In the year 2014, Tata Motors Limited transferred all of its shares in Tata Daewoo Commercial Co. Ltd, Korea ("TDCV"), Tata Motors (Thailand) Limited ("TMTL") and Tata Motors (SA) (Proprietary) Limited ("TMSA") to the Company. During the 18 months period ended 30 September 2015, Tata Motors Limited transferred its shares in PT Tata Motors Indonesia ("PTTMI") to the Company. The transfer of TDCV, TMTL, TMSA and PTTMI to the Company from Tata Motors Limited represented a combination of entities under common control. Transactions between entities under common control are outside the scope of *FRS 103 Business Combinations (Revised)* and accordingly, the financial statements of the Company and these subsidiary corporations had been prepared using the principles of merger accounting.

d. Revenue recognition
Revenue comprises the consideration earned by the Group in respect of the output of its ordinary activities. It is measured based on the consideration specified in the contract with the customer and excludes amounts collected on behalf of third parties, and net of settlement discounts, bonuses, rebates, and sales incentives. The Group considers its primary customers from the sale of vehicles, parts and accessories (its primary revenue-generating streams) are generally retailers, fleet and corporate customers,

and other third-party distributors. The Group recognises revenue when it transfers control of a good or service to a customer, thus evidencing the satisfaction of the associated performance obligation under that contract.

As described in Note 38, the Group operates with a single automotive reporting segment, principally generating revenue from the sales of vehicles, parts, and accessories.

The sale of vehicles also can include additional services provided to the customer at the point of sale, for which the individual vehicle and services are accounted for as separate performance obligations, as they are considered separately identifiable. The contract transaction price is allocated among the identified performance obligations based on their stand-alone selling prices. Where the stand-alone selling price is not readily available and observable, it is estimated using an appropriate alternative approach.

Significant Revenue Areas	**Nature, timing of satisfaction of performance obligations, and significant payment terms**
Vehicles, parts, and accessories (and other goods)	The Group recognises revenue on the sale of vehicles, parts, and accessories at the point of 'wholesale', which is determined by the underlying terms and conditions of the contract with the customer as to when control transfers to them. The overall principle of control under SFRS(I) 15 considers which party has the ability to direct the use of an asset and to obtain substantially all of the remaining economic benefits. Determining the transfer of control with regards to the sale of goods is driven by a consideration of a number of factors, including: - The point at which the risks and rewards of ownership pass to the customer; - The point at which the customer takes physical possession of the good or product; - The point at which the customer accepts the good or product; - The point at which the Group has a present right to payment for the sale of the good or product, and; - The point at which legal title to the good or product transfers to the customer. In the vast majority of cases, the sale of the relevant good is recognised at the point of dispatch (at release to the carrier responsible for transportation to the customer), or the point of delivery to the customer, which coincides with the invoicing point. In some instances, revenue may be recognised on a bill-and-hold basis where vehicles, for example, are sold to the customer but are retained in the Group's possession at a vehicle holding compound on behalf of the customer ahead of being physically transferred to them at a future time. Such arrangements meet the criteria for bill-and-hold arrangements under SFRS(I) 15 to ensure that the customer has obtained the ultimate control of the product when revenue is recognised. The reason for the bill-and-hold is substantive (as the customer requests the Company to retain possession, usually due to a lack of available space at their own premises), the vehicles are identifiable as separately belonging to the customer (on the basis that each vehicle has a unique Vehicle Identification Number), the vehicle must be ready for physical transfer to the customer (which it is, given that it is fully built and safety-checked off the manufacturing line), and the Group does not have the ability to use the vehicle or direct it elsewhere. The Group operates with financing partners across the world who provide wholesale financing arrangements to the retail network for vehicle sales, which enables cash settlement to occur immediately (usually within 2 working days) for purchases from the Group. For the sale of parts and accessories, the Group typically receives payment in line with the invoice payment terms stipulated and agreed with its customers, which are usually 30 days.
Sales incentives	In accordance with SFRS(I) 15, the costs associated with providing sales support and incentives (variable marketing expense) are considered to be variable components of consideration, thus reducing the amount of revenue recognised by the Group. Under

	SFRS(I) 15, the Group ensures that variable consideration is recognised to the extent of the amount of consideration to which it ultimately expects to be entitled. To meet this principle, the Group constrains its estimate of variable consideration to include amounts only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with such variability is subsequently resolved. The Group considers that the variable consideration received for contracts with multiple performance obligations is allocated to all such obligations only when applicable. In the vast majority of instances, the Group considers that variable components of consideration are allocated only to the relevant and applicable performance obligations. For example, with the sale of a vehicle, the cost of the incentive provided is allocated entirely to the vehicle as its purpose is to incentivise the sale of the vehicle.
Scheduled maintenance contracts	Scheduled maintenance contracts sold with a vehicle provide the end customer with the benefit of bringing their vehicle to a dealership for the routine maintenance required to maintain compliance for warranty purposes. These are considered a separate performance obligation of the Group. The Group typically receives payment relating to the scheduled maintenance contract at the same time as the proceeds from the vehicle sale, at which point the amount is recognised as a contract liability based on the stand-alone selling price which is measured using a cost-plus approach. The Group recognises revenue for scheduled maintenance contracts based on the expected performance of the services over the period from the point of a vehicle being retailed to an end customer and aligning to the expected costs to fulfil those services.
Telematics	Telematics features provide a service to the customer typically aligned to the warranty period of the vehicle, allowing for the ability to connect the vehicle with, and interact via, an end customer's mobile phone. These are considered a separate performance obligation of the Group. The Group typically receives payment relating to telematics features up-front at the same time as the proceeds from the vehicle sale, at which point the amount is recognised as a contract liability based on the stand-alone selling price which, for optional features, is measured at the applicable purchase price, and for standard-fit features, is measured using a cost-plus basis. The Group recognises revenue on a straight line basis over the term of the service from the point of the vehicle being retailed to an end customer in line with the expected costs to fulfil those services.
Warranty considerations as a service	Vehicles and parts sold by the Group include a standard warranty to guarantee the vehicle complies with agreed-upon specifications for a defined period of time. Where the warranty offering to the end customer exceeds the standard market expectation for similar products, or is considered to provide a service to the end customer in excess of simply providing assurance that the agreed-upon specification is met, the Group consider the additional warranty to constitute a service to the end customer and therefore a separate performance obligation. Revenue is only recognised in the period to which the warranty service relates, up to which point it is recognised as a contract liability.
Repurchase	Some contracts with customers include an option or obligation for the Group to repurchase

arrangements	the product sold (including repurchasing a product originally sold as part of an amended product). Such instances are common in the Group's arrangements with third party fleet customers or in contract manufacturing arrangements that the Group is party to, for example. The Group does not recognise revenue on the original sale, as in such cases, it is considered to retain ultimate control of that product. The related inventory therefore continues to be recognised on the Group's statement of financial position and the consideration received from the customer is treated as a liability. Nuances in the accounting treatment occur depending on whether the contractual repurchase price is less than, more than, or equal to the original sale price, and this ultimately results in the arrangement being treated as a lease or a financing arrangement. If considered to be a lease arrangement, where the repurchase price is lower than the original sale price, the difference between the proceeds received and the repurchase amount is recognised as income over the contractual term on a straight-line basis. Revenue recognised under such arrangements is outside of the scope of SFRS(I) 15, and instead is recognised in line with SFRS(I) 1-17 *Leases*. Revenue is recognised only when the relevant good or product is sold by the Group with no repurchase obligation or option attached.
Returns obligations, refunds and similar obligations	Vehicle sales do not typically include allowances for returns or refunds, although in some markets there is legislative requirement for Jaguar Land Rover as an automotive manufacturer to repurchase or re-acquire a vehicle if quality issues arise, that have been remedied a number of times and where the owner no longer wishes to own the vehicle as a result. With regards to the sale of other goods, where rights of return may be prevalent, the Group estimates the level of returns based on the historical data for specific products, adjusted as necessary to estimate returns for new products. In line with the requirements of SFRS(I) 15, a sale is not recognised for expected returns and instead, the Group recognises a refund liability and asset where required.
Non-cash consideration	In some instances, the Group engages in transactions that involve non-cash consideration, where a customer provides consideration in a form other than cash. This is most often demonstrated in marketing and sponsorship arrangements that the Group enters into, with an exchange of goods and/or services with its customers. Such non-cash consideration is measured at its fair value, which is determined by assessing the selling price value of the goods or services received as consideration. If this cannot be reasonably estimated, then the Group measures such consideration indirectly with reference to the stand-alone selling price of the goods or services promised to the customer.

e. Cost recognition

Costs and expenses are recognised when incurred and are classified according to their nature.

Expenditures are capitalised, where appropriate, in accordance with the policy for internally generated intangible assets and represent employee costs, stores and other manufacturing supplies, and other expenses incurred for product development undertaken by the Group.

Material and other cost of sales as reported in the statement of profit or loss is presented net of the impact of realised foreign exchange relating to derivatives hedging cost exposures.

f. Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are held for product warranty, legal and product liabilities, residual risks, environment liabilities, other employee benefit obligations and restructuring as detailed in note 18 to the consolidated financial statements.

Supplier reimbursements are recognised as separate assets within 'Other financial assets'. See note 6.

g. Foreign currency transactions and translation

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in Pound Sterling (£), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing at the end of the reporting period. Exchange differences are recognised in the statement of profit or loss as foreign exchange gain/loss. For the purpose of consolidation, the assets and liabilities of the Company's foreign operations are translated to Pound Sterling at the exchange rate prevailing at the end of the reporting period, and the income and expenses at the average rate of exchange for the respective months. Exchange differences arising are recognised in other comprehensive income and accumulated in equity.

h. Income taxes

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the statement of profit or loss, except when related to items that are recognised outside of profit or loss (whether in other comprehensive income or directly in equity), or where related to the initial accounting for a business combination. In the case of a business combination, the tax effect is included in the accounting for the business combination.

Current income taxes are determined based on respective taxable income of each taxable entity and tax rules applicable for respective tax jurisdictions.

No additional current tax risks were identified as a result of COVID-19, with the Group's compliance activity continuing to be operated in accordance with the applicable legislation.

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity and for each taxable jurisdiction. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry forwards and unused tax credits could be utilised.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, and on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

i. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of raw materials, components and consumables are ascertained on a first-in-first-out basis. Cost, including fixed and variable production overheads, are allocated to work-in-progress and finished goods determined on a full absorption cost basis. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

Inventories include vehicles sold subject to repurchase arrangements. These vehicles are carried at cost to the Group and are amortised in changes in stocks and work-in-progress to their residual values (i.e. estimated second hand sale value) over the term of the arrangement.

j. Property, plant and equipment

Property, plant and equipment is stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any.

Freehold land is measured at cost and is not depreciated.

Cost includes purchase price, non-recoverable taxes and duties, labor cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use.

Interest cost incurred for constructed assets is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

Depreciation is charged on a straight-line basis over estimated useful lives of the assets. Estimated useful lives of the assets are as follows:

Particulars	**Estimated useful life**
Buildings	20 to 40 years
Plant and equipments	3 to 30 years
Vehicles	3 to 10 years
Computers	3 to 6 years
Furniture and fixtures	3 to 20 years

The depreciation for property, plant and equipment with finite useful lives is reviewed at least each year end. Changes in expected useful lives are treated as change in accounting estimates.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Freehold land is measured at cost and is not depreciated. Residual values are reassessed on an annual basis.

Depreciation is not recorded on assets under construction until construction and installation are complete and the asset is ready for its intended use. Assets under construction includes capital advances Depreciation is not recorded on heritage assets as the Group considers their residual value to approximate their cost.

k. Intangible assets

Acquired intangible assets

Intangible assets purchased, including those acquired in business combination, are measured at cost or fair value as of the date of acquisition where applicable less accumulated amortisation and accumulated impairment, if any.

Intangible assets with indefinite lives are reviewed annually to determine whether indefinite-life assessment continues to be supportable. If not, the change in the useful-life assessment from indefinite to finite is made on a prospective basis.

For intangible assets with finite lives, amortisation is charged on a straight-line basis over the estimated useful lives of the acquired intangible assets as per the estimated amortisation periods below:

Particulars	**Estimated amortisation period**
Patents and technological know-how	2 to 12 years
Customer related - Dealer network	20 years
Software	2 to 8 years
Intellectual property rights and other intangible	3 years to indefinite

The amortisation period for intangible assets with finite useful lives is reviewed at least at each reporting period. Changes in expected useful lives are treated as changes in accounting estimates.

Capital work-in-progress includes capital advances. Customer related intangible acquired in a business combination consists of dealer network. Intellectual property rights and other intangibles mainly consist of brand names, which are considered to have indefinite lives due to the longevity of the brands.

Internally generated intangible assets
Research costs are charged to the statement of profit or loss in the period in which they are incurred.

Product engineering costs incurred on new vehicle platform, engines, transmission and new products are recognised as intangible assets - when feasibility has been established, the Group has committed technical, financial and other resources to complete the development and it is probable that asset will generate probable future economic benefits.

The costs capitalised include the cost of materials, direct labor and directly attributable overhead expenditure incurred up to the date the asset is available for use.

Interest cost incurred is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings if no specific borrowings have been incurred for the asset.

Product engineering cost is amortised over the life of the related product being a period between 2 and 10 years.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment loss, if any. Amortisation is not recorded on product engineering in progress until development is complete.

l. Leases
At inception of a contract, the Group assesses whether a contract is, or contain a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substation right, then the asset is not identified;
- The Group has the right to substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset. The Group has this right when it has the decision making rights that are most relevant to changing how and for what purposes the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
    - The Group has the right to operate the asset; or
    - The Group designed the asset in a way that predetermines how and for what purposes it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is allocated, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at commencement date,discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as a discount rate. The lease liability is measured at amortised cost using the effective interest method. It is re measured when there is a change in future lease payments. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets. The Group associates the lease payments associated with these leases as an expense on a straight line basis over the lease term.

The comparative information for the years ending 31 March 2019 is accounted for under Group's previous lease accounting policies in accordance with SFRS(I) 1-17 Leases. The related policies are set out below.

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on the contractual terms and substance of the lease arrangement.

Assets taken on finance lease
A finance lease is recognised as an asset and a liability at the commencement of the lease, at the lower of the fair value of the asset and the present value of the minimum lease payments. Initial direct costs, if any, are also capitalised and, subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each year during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Assets taken on operating lease
Leases other than finance leases are operating leases, and the leased assets are not recognised on the Group's consolidated financial statement. Payments made under operating leases are recognised in the consolidated statement of profit or loss on a straightline basis over the term of the lease in "Other expenses".

m. Impairment of property plant and equipment and intangible assets

At each balance sheet date, the Group assesses whether there is any indication that any property plant and equipment and intangible assets may be impaired. If any such impairment indicator exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use, are tested for impairment annually or earlier if there is any indication that the asset may be impaired.

The estimated recoverable amount is the higher of fair value less cost of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss.

An annual review of the carrying value for heritage assets is performed as the assets are held at cost and not depreciated and any write-down in the carrying value is recognised immediately in the statement of profit or loss.

n. Impairment of equity accounted investments: joint ventures and associates

The requirements of *SFRS(I) 1-28 Investments in Associates and Joint ventures* are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in a joint venture or an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with *SFRS(I) 1-36 Impairment of assets* as a single asset by comparing its recoverable amount (the higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with *SFRS(I) 1-36* to the extent that the recoverable amount of the investment subsequently increases.

o. Government grants and incentives

Government grants are recognised when there is reasonable assurance that the Group will comply with the relevant conditions and the grant will be received. Government grants are recognised as income either on a systematic basis when the Group recognises, as expenses, the related costs that the grants are intended to compensate or, immediately, if the costs have already been incurred.

Government grants related to assets are deducted from the cost of the asset and amortised over the useful life of the asset. Government grants related to income are presented as an offset against the related expenditure and Government grants that are awarded as incentives with no ongoing performance obligations to the Group are recognised as other income in the period the grant is received.

Sales tax incentives received from Governments are recognised in the statement of profit or loss at the reduced tax rate and revenue is reported net of these sales tax incentives.

p. Employee benefits

i) Pension schemes

One of the subsidiary Jaguar Land Rover operate several defined benefit pension ("DB") plans; these include two large and one smaller defined benefit plan in the UK. The UK DB plans are administered by a separate trustee, the assets of the plans are generally held in separate funds selected and overseen by the trustee. These plans were contracted out of the state second pension (S2P) scheme until 5 April 2016. The plans provide benefits for members including a monthly pension after retirement based on salary and service as set out in the rules of each plan.
Contributions to the plans by the Group take into consideration the results of actuarial valuations.

The UK defined benefit plan were closed to the new joiners in April 2010. The Group also operate a number of small benefit arrangements worldwide (the liabilities for these amount to around 0.5% of the Group total), these schemes are included in the disclosures below.

For defined benefit plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial updates being carried out at the end of each reporting period.

Defined benefit costs are split into four categories:

- Current service cost, past service cost and gains and losses on curtailments and settlements;
- Net interest cost
- Administrative expenses; and
- Remeasurement.

Remeasurement comprising actuarial gains and losses, the effect of the asset ceiling and the return on plan assets (excluding interest) is recognised immediately in the consolidated financial statement with a charge or credit to the consolidated statement of comprehensive income in the period in which they occur. Remeasurement recorded in the statement of comprehensive income is not recycled.

Past service cost, including curtailment gains and losses, is generally recognised in profit or loss in the period of plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability, adjusted for expected cash flows during the period. From FY 2020, at the point a past service cost is incurred re-measurement of the P&L cost is considered and will be re-calculated if there is a material change.

The Group presents these defined benefit costs within 'employee cost' in the statement of profit or loss.

Separate defined contribution plans are available to all other employees of Jaguar Land Rover. Costs in respect of those schemes are charged to the statement of profit or loss as incurred.

ii) Severance indemnity

Tata Daewoo Commercial Vehicle Company Limited ("TDCV"), a subsidiary corporation incorporated in Korea has an obligation towards severance indemnity, a defined benefit retirement plan, covering eligible employees. The plan provides for a lump sum payment to all employees with more than one year of employment equivalent to 30 days' salary payable for each completed year of service. Liability for severance indemnity is accounted based on an annual actuarial valuation.

iii) Post-retirement Medicare scheme

Under this unfunded scheme, employees of some of its subsidiaries receive medical benefits subject to certain limits of amount, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. Employees separated from the Group as part of an Early Separation Scheme, on medical grounds or due to permanent disablement may also be covered under the scheme. The applicable subsidiaries (and therefore, the Group) account for the liability for post-retirement medical scheme based on an annual actuarial valuation where appropriate.

Actuarial gains and losses
Actuarial gains and losses relating to retirement benefit plans are recognised in other comprehensive income in the year in which they arise.

Measurement date
The measurement date of all retirement plans is 31 March.

q. Financial instruments

i) Recognition and derecognition
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognised on the statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. Any gain or loss arising on derecognition is recognised in profit or loss. When a financial instrument is derecognised, the cumulative gain or loss in equity (if any) is transferred to the consolidated statement of profit or loss unless it was an equity instrument electively held at fair value through other comprehensive income. In this case, any cumulative gain or loss in equity is transferred to retained earnings.

Financial assets are written-off when there is no reasonable expectation of recovery. The Group reviews the facts and circumstances around each asset before making a determination. Financial assets that are written-off could still be subject to enforcement activities.

Financial liabilities are derecognised when they are extinguished, that is when the obligation is discharged, cancelled or has expired.

ii) Initial measurement
Initially, a financial instrument is recognised at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. Transaction costs of financial instruments carried at fair value through profit or loss are expensed in profit or loss.

Subsequently, financial instruments are measured according to the category in which they are classified.

iii) Classification and measurement – financial assets
Classification of financial assets is based on the business model in which the instruments are held as well as the characteristics of their contractual cash flows. The business model is based on management's intentions and past pattern of transactions. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. The Group reclassifies financial assets when and only when its business model for managing those assets changes.

Financial assets are classified into three categories:

Financial assets at amortised cost are non-derivative financial assets with contractual cash flows that consist solely of payments of principal and interest and which are held with the intention of collecting those contractual cash flows. Subsequently, these are measured at amortised cost using the effective interest method less impairment losses, if any. These include cash and cash equivalents, contract assets, finance receivables and other financial assets.

Financial assets at fair value through other comprehensive income are non-derivative financial assets with contractual cash flows that consist solely of payments of principal and interest and which are held with the intention of collecting those contractual cash flows as well as to sell the financial asset. Subsequently, these are measured at fair value, with unrealised gains or losses being recognised in other comprehensive income apart from any expected credit losses or foreign exchange gains or losses, which are recognised in profit or loss. This category can also include financial assets that are equity instruments which have been irrevocably designated at initial recognition as fair value through other comprehensive income. For these assets, there is no expected credit loss recognised in profit or loss.

Financial assets at fair value through profit or loss are financial assets with contractual cash flows that do not consist solely of payments of principal and interest. This category includes derivatives, embedded derivatives separated from the host contract, or investments in certain convertible loan notes. Subsequently, these are measured at fair value, with unrealised gains or losses being recognised in profit or loss, with the exception of derivative instruments designated in a hedging relationship, for which hedge accounting is applied

iv) Classification and measurement – financial liabilities
Financial liabilities are classified as subsequently measured at amortised cost unless they meet the specific criteria to be recognised at fair value through profit or loss.

Other financial liabilities are measured at amortised cost using the effective interest method.

Financial liabilities at fair value through profit or loss includes derivatives, embedded derivatives separated from the host contract as well as financial liabilities held for trading. Subsequent to initial recognition, these are measured at fair value with gains or losses being recognised in profit or loss.

Embedded derivatives relating to prepayment options on senior notes are not considered as closely related and are separately accounted unless the exercise price of these options is approximately equal on each exercise date to either the amortised cost of the senior notes or the present value of the lost interest for the remaining term of the senior notes.

Impairment
The Group recognises a loss allowance in profit or loss for expected credit losses on financial assets held at amortised cost or at fair value through other comprehensive income. Expected credit losses are forward looking and are measured in a way that is unbiased and represents a probability weighted amount, takes into account the time value of money (values are discounted back using the applicable effective interest rate) and uses reasonable and supportable information.

Lifetime expected credit losses are calculated for assets that were deemed credit impaired at initial recognition or have subsequently become credit impaired as well as those where credit risk has increased significantly since initial recognition.

The Group adopts the simplified approach permitted in SFRS(I) 9 to apply lifetime expected credit losses to trade receivables and contract assets where credit risk is deemed low at the reporting date or to have not increased significantly, credit losses for the next 12 months are calculated.

Credit risk has increased significantly when the probability of default has increased significantly. Such increases are relative and assessment may include external ratings (where available) or other information such as past due payments. Historic data and forward looking information are both considered. Objective evidence for a significant increase in credit risk may include where payment is overdue by 90 or more days as well as other information about significant financial difficulties of the borrower.

Equity instruments
An equity instrument is any contract that evidences residual interests in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Investments in equity instruments are measured at fair value; however, where a quoted market price in an active market is not available, equity instruments are measured at cost (investments in equity instruments that are not held for trading), The Group has not elected to account for these investment at fair value through other comprehensive income.

Determination of fair value
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Subsequent to initial recognition, the Group determines the fair value of financial instruments that are quoted in active

markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation models.

Hedge accounting
The Group uses foreign currency forward contracts, foreign currency options and borrowings denominated in foreign currency to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Group designates these foreign currency forward contracts, foreign currency options and borrowing denominated in foreign currency in a cash flow hedging relationship by applying hedge accounting principles under SFRS(I) 9.

The Group uses cross-currency interest rate swaps to convert some of its foreign currency denominated fixed-rate borrowings to £ floating rate borrowings. Hedge accounting is applied using both fair value and cash flow hedging relationships. The designated risks are foreign currency and interest rate risks.

Derivative contracts are stated at fair value on the statement of financial position at each reporting date.

At inception of the hedge relationship, the Group documents the economic relationship between the hedging instrument and the hedged item, including whether changes in the cash flows of the hedging instrument are expected to offset changes in the cash flows of hedged item. The Group documents its risk management objective and strategy for undertaking its hedging transactions. The Group designates only the intrinsic value of foreign exchange options in the hedging relationship. The Group designates amounts excluding foreign currency basis spread in the hedging relationship for both foreign exchange forward contracts and cross-currency interest rate swaps. Changes in the fair value of the derivative contracts that are designated and effective as hedges of future cash flows are recognised in the cash flow hedge reserve within other comprehensive income (net of tax), and any ineffective portion is recognised immediately in the consolidated statement of profit and loss.

Changes in both the time value of foreign exchange options and foreign currency basis spread of foreign exchange forwards and cross-currency interest rate swaps are recognised in other comprehensive income (net of tax) in the cost of hedging reserve to the extent that they relate to the hedged item (the ‘aligned’ value).

Changes in the fair value of contracts that are designated in a fair value hedge are taken to the consolidated statement of profit and loss. They offset the change in fair value, attributable to the hedged risks, of the borrowings designated as the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, exercised or no longer qualifies for hedge accounting. Amounts accumulated in equity are reclassified to the consolidated statement of profit and loss in the periods in which the forecast transactions affect profit or loss or as an adjustment to a non-financial item (e.g. inventory) when that item is recognised on the statement of financial position. These deferred amounts are ultimately recognised in statement of profit or loss as the hedged item affects profit or loss (for example through cost of goods sold).

If the forecast transaction is no longer expected to occur, the net cumulative gain or loss in equity, including deferred costs of hedging, is immediately transferred and recognised in the consolidated statement of profit and loss.

r. Cash and cash equivalents
Cash and cash equivalents comprise cash on hand, demand deposits and highly liquid investments with an original maturity of up to three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of changes in value.

s. Long Term Incentive Plan (“LTIP”)
One of the subsidiary Jaguar Land Rover operates a share based payment LTIP arrangement for certain employees. The scheme provides a cash payment to the employee based on a specific number of phantom shares at grant date and the share price of Tata Motors Limited at the vesting date, subject to profitability and employment conditions. These are accounted for as cash settled arrangements, whereby a liability is recognised at fair value at the date of grant, using a Black Scholes model. At each balance sheet date until the liability is settled, the fair value of the liability is remeasured, with any corresponding changes in fair value recognised in statement of profit or loss.

3 Holding company and related party transactions

The Company is a wholly-owned subsidiary of Tata Motors Limited, incorporated in India, which is also the Company's ultimate holding company. Related parties in these financial statements refer to members of the holding company's Group of companies.

Some of the Company's transactions and arrangements are between members of the group and the effect of these on the basis determined between the parties is reflected in the financial statements. The intercompany balances are unsecured, interest-free and repayable on demand, unless stated otherwise.

(£ millions)

Significant transactions and balances with related parties during the year :

	2020			2019		
	With joint ventures of the Group	**With fellow subsidiaries and associates**	**With ultimate parent company**	**With joint ventures of the Group**	**With fellow subsidiaries and associates**	**With ultimate parent company**
Sale of products	**(217)**	**(2)**	**(54)**	(321)	(3)	(79)
Purchase of products	**-**	**1**	**147**	-	-	234
Services received	**-**	**153**	**91**	-	173	98
Services rendered	**(111)**	**-**	**(1)**	(87)	-	(3)
Trade and other receivables	**67**	**1**	**21**	15	1	16
Accounts payable	**-**	**(11)**	**(67)**	-	(35)	(62)
Investments in the year	**67**	**6**	**-**	-	-	-
Dividends (received)/paid	**(67)**	**-**	**-**	(22)	-	148

Compensation of key management personnel

	2020	2019
Short-term benefits	**10**	10
Post-employment benefits	**-**	1
Other long term employee benefits	**3**	-
Compensation for loss of office	**1**	-
Total compensation of key management personnel	**14**	11

(£ millions)

4 Cash and cash equivalents

Cash and cash equivalents consist of the following:

	Group		Company	
	31-March-20	31-March-19	**31-March-20**	31-March-19
Cash and cash equivalents	**2,451**	2,975	**118**	158

All cash held by the Group can be utilised across the Group's manufacturing and sales operations.

5 Allowance for trade and other receivables

	Group	
	31-March-20	31-March-19
Changes in allowances for trade and other receivables as follows:		
At beginning of the year	**29**	68
Provision made during the year	**11**	4
Unused amount reversed	**(8)**	2
Written off during the year	**(4)**	(41)
Foreign exchange translation differences	**-**	(4)
At end of ther year	**28**	29

Trade receivables with a contractual amount of £2 million (2019: £ 38 million) that were written-off during the year are still subject to enforcement activity.

6 Other financial assets

Other financial assets consist of the following :

	Group		Company	
	31-March-20	31-March-19	**31-March-20**	31-March-19
Derivative financial instruments	**241**	133	**-**	-
Warranty reimbursement and other receivables	**92**	96	**-**	-
Restricted bank deposits	**23**	21	**11**	11
Accrued income	**14**	44	**-**	-
Others	**29**	39	**-**	-
Total other current financial assets	**399**	333	**11**	11
Restricted cash held as security	**8**	8	**-**	-
Derivative financial instruments	**148**	61	**6**	7
Warranty reimbursement and other receivables	**102**	104	**-**	-
Others	**8**	8	**-** *	- *
Total other non-current financial assets	**266**	181	**6**	7

* Amount is less than £1 million.

7 Inventories

Inventories consist of the following :

	(£ millions) Group	
	31-March-20	31-March-19
Raw materials and consumables	**152**	196
Work-in-progress	**410**	384
Finished goods	**3,038**	3,192
Total	**3,600**	3,772

Inventories of finished goods include £466 million (2019: £484 million), relating to vehicles sold to rental car companies, fleet customers and others with guaranteed repurchase arrangements.

Cost of inventories (including cost of purchased products) recognised as an expense during the year amounted to £17,270 million (2019: £18,086 million).

During the year ended 31 March 2020, the Group recorded an inventory write-down expense of £27 million (2019: £62 million) This included the impact of COVID-19 as part of the Group's inventory provisioning methodolgy. The write-down is included in 'Raw materials, components and consumables' in "Material and other cost of sales"

8 Other assets

Other assets consist of the following :

	Group		Company	
	31-March-20	31-March-19	**31-March-20**	31-March-19
Recoverable VAT, deposits	**239**	311	**-** *	**-** *
Prepaid expenses	**139**	156	**-** *	**-** *
Research and development credit	**85**	113	**-**	**-**
Others	**27**	-	**-** *	**-** *
Total other current assets	**490**	580	**-** *	**-** *
Prepaid expenses	**8**	83	**-**	**-**
Others	**17**	1	**-**	**-**
Total other non-current assets	**25**	84	**-**	**-**

* Amount is less than £1 million.