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Free Translation of the original « *Rapport du Commissaire à la fusion sur la valeur des apports devant être effectués par la société PEUGEOT S.A. au profit de la société FIAT CHRYSLER AUTOMOBILES N.V.* » issued by the merger appraiser, dated November 20, 2020

PEUGEOT S.A.

Limited company (*société anonyme*) with a share capital of €894,828,213
Centre Technique de Vélizy, Route de Gisy,
78140 Vélizy-Villacoublay,
France
Versailles Trade and Companies Register no. 552 100 554

FIAT CHRYSLER AUTOMOBILES N.V

Dutch public limited liability company (*naamloze vennootschap*)
Registered office in Amsterdam, Netherlands and address at 25 St. James's
Street, London SW1A 1HA, United Kingdom
Dutch Business Register no. 60372958

**Report of the merger appraiser
on the value of the contributions to be made by Peugeot S.A.
to Fiat Chrysler Automobiles N.V.**

*Order of the President
of the Nanterre Commercial Court
on 11 February 2020*



To the Shareholders,

In accordance with the engagement entrusted to us by order of the President of the Nanterre Commercial Court on 11 February 2020 regarding the merger of PEUGEOT S.A. (hereinafter "**PSA**") with and into FIAT CHRYSLER AUTOMOBILES N.V., a Dutch company (hereinafter "**FCA**" and, together with PSA, the "**Companies**"), we have prepared this report on the value of the contributions as required by Article L. 225-147 of the French Commercial Code, to the extent that our valuation of the consideration for the contributions is the subject of a separate report.

The net assets to be contributed by PEUGEOT S.A. to FIAT CHRYSLER AUTOMOBILES N.V. have been provisionally agreed in the Common Draft Terms of Cross-Border Merger executed by the representatives of the relevant companies on 27 October 2020 (hereinafter the "**Merger Proposal**").

Our role is to express a conclusion as to whether or not the value of the contributions has been overstated. To this end, we performed our procedures in accordance with the professional standards issued by the French National Institute of Auditors ("*Compagnie Nationale des Commissaires aux Comptes*") applicable to this type of engagement. Those professional standards require us to perform procedures to assess the value of the contributions and to ensure that the value has not been overstated.

Our engagement ends with the issuance of this report and it is not our responsibility to update the report to take into consideration any facts or circumstances occurring after the date of its signature. Our reports are those provided for under the terms of the French Commercial Code on the merger appraiser's engagement and are intended for the attention of those persons referred to under the applicable provisions of French law. Our reports meet the requirements of these regulations, but not those of the Netherlands, Italy or the US (United States of America), even if our reports may be brought to the attention of FCA shareholders. This report on the value of the contributions does not take into account the accounting requirements applicable by FCA to such contributions.

Furthermore, our reports do not preclude the need to read all of the existing or future publicly available information about the transaction.

At no time have we found ourselves in any of the situations of incompatibility, prohibition or disqualification provided for by French law.



Please find below our findings and our conclusion presented in the following order:

1. Presentation of the transaction and description of the contributions
2. Procedures and assessment of the value of the contributions
3. Summary - Key points
4. Conclusion



1. Presentation of the transaction and description of the contributions

1.1 Background to the transaction

In a joint press release issued on 31 October 2019, PSA and FCA announced that they were in discussions with a view to entering into a cross-border merger between equals, subject to certain conditions (hereinafter the "**Merger**" or the "**Transaction**").

The terms of this Merger were agreed in a combination agreement dated 17 December 2019 (hereinafter the "**Original Combination Agreement**"), which was amended on 14 September 2020 (hereinafter the "**Amendment**", and together with the Original Combination Agreement, the "**Combination Agreement**").

Under the terms of the Combination Agreement, PSA will be merged with and into FCA, which will take the name STELLANTIS as of the day following the completion of the Merger (hereinafter the "**Combined Company**").

The Merger will take place in accordance with the provisions of Directive (EU) 2017/1132 of the European Parliament and of the Council of 14 June 2017 relating to certain aspects of company law, and with the legal provisions applicable in France and the Netherlands.

Under the terms of the Combination Agreement:

- FCA intends to declare, prior to the Merger closing, an extraordinary dividend of €2.9 billion to be paid to its shareholders of record prior to the completion of the Merger;
- The Combination Agreement initially contemplated that PSA's stake in FAURECIA S.E. (hereinafter "**FAURECIA**"), which was initially around 46% of FAURECIA's share capital, was to be distributed to the shareholders of the Combined Group prior to the Merger closing. The Amendment has changed the sequence of events and provide that the distribution will occur after the completion of the Merger. Following agreement by the parties that PSA would sell approximately 7% of FAURECIA's share capital before the completion of the Merger, on 29 October 2020 PSA sold 9,663,000 FAURECIA shares in a private placement by way of an accelerated bookbuilding restricted to institutional investors. The proceeds of this sale, amounting to approximately €308 million, will be distributed to the shareholders of the Combined Company along with a distribution of the remaining 39% interest in FAURECIA¹, promptly after the

¹ In accordance with the terms and conditions of the equity warrants issued by PSA, STELLANTIS must, at the time of the distribution of FAURECIA, keep some FAURECIA shares in order to deliver



Merger closing and subject to approval of the Board of Directors and the shareholders of the Combined Company. Besides, FCA and PSA asked to the *Autorité des Marchés Financiers* for an exemption of the obligation for the Combined Company to launch a mandatory public tender offer regarding the remaining portion of the share capital of FAURECIA following the acquisition by the Combined Company of more than 30% of the capital and the voting rights of FAURECIA as a result of the Merger. A decision of the *Autorité des Marchés Financiers* is expected in the coming days;

- The Boards of PSA and FCA will review a potential €500 million distribution to the shareholders of each of the Companies ahead of the Merger closing, or €1 billion to the shareholders of the Combined Company after the Merger closing;
- On the Effective Time, each PSA ordinary share issued and outstanding will be exchanged for 1.742 FCA common shares;
- Application will be made for the newly issued shares of the Combined Company to be admitted to trading on the NEW YORK STOCK EXCHANGE (hereinafter the "NYSE") and the MERCATO TELEMATICO AZIONARIO (hereinafter the "MTA") organised and managed by BORSA ITALIANA S.P.A., and for all of the shares of the Combined Company to be admitted to trading on EURONEXT PARIS;
- The Combined Company's future articles of association will provide that no shareholder may exercise more than 30% of the voting rights in general shareholders' meetings;
- Prior to the Merger closing, the double voting rights attached to the PSA ordinary shares will be cancelled while the FCA special voting shares held by Exor will be purchased by FCA at no cost and without consideration with a view to their cancellation.

The Companies have the following reasons to merge.

The Merger will create the fourth largest global carmaker in terms of volumes based on 2019 sales. The combined group will be a key player in the automobile industry, with the management, capabilities, resources and scale to successfully capitalise on the opportunities presented by the new era in sustainable mobility. It will have a balanced and profitable global footprint with an iconic and highly complementary brand portfolio.

them to the holder of the equity warrants on the date of their exercise (i.e. between July 31, 2022 and July 31, 2026). The number of FAURECIA shares thus retained will correspond to the number of FAURECIA shares that the holder of the warrants would have received if the holder had held the shares to which the warrants entitle the holder at the time of the distribution.



The combined group will be able to provide an expanded range of models and brands as well as services to better meet customers' changing needs, with a portfolio of vehicles that will cover all key vehicle segments, from luxury, premium and mainstream passenger cars to SUVs, trucks and light commercial vehicles.

The Merger will add scale and substantial geographic balance in addition to product diversity, as well as accelerating PSA's entry into significant markets such as North America. FCA's strength in North America and Latin America and PSA's solid position in Europe will result in a much greater geographic balance for the combined group compared to each of FCA and PSA, with approximately 46% of revenues derived from Europe, Middle East and Africa and Eurasia and approximately 44% from North America, based on combined 2019 revenues, excluding FAURECIA. The Merger will also create opportunities for the combined group to reshape the strategy in other geographic regions.

The Combined Company will have a balanced governance structure that will promote performance. The Board of Directors will have 11 members and the majority of non-executive directors will be independent. Five directors will be appointed by FCA and its reference shareholder (including JOHN ELKANN as Chairman), and five by PSA and its reference shareholders (including the Senior Independent Director and the Vice-Chairman). The Board will also have two directors representing FCA and PSA employees. CARLOS TAVARES will be appointed Chief Executive Officer for an initial term of five years and will also have a seat on the Board.

The final percentage interests in the Combined Company will depend on the number of PSA ordinary shares issued and outstanding on the Merger closing date as well as other factors and is not known at this stage. However, by way of illustration, based on the number of FCA common shares and PSA ordinary shares issued and outstanding at 30 June 2020, and taking into account the repurchase of 10,000,000 DONGFENG MOTOR CORPORATION (hereinafter "**DONGFENG**") shares in September 2020, PSA and FCA shareholders would own approximately 49.54% and 50.46% respectively of the Combined Company's common shares on completion of the Transaction.

For information, on 17 December 2019, PSA and Dongfeng signed a Share Repurchase Agreement (hereinafter the "**SRA**") setting out the terms of PSA's repurchase of 30.7 million PSA ordinary shares held by DONGFENG. Following PSA's acquisition on 23 September 2020 of 10 million of those PSA ordinary shares at a price of approximately €163.9 million (which PSA ordinary shares were cancelled after the settlement of the transaction), the parties agreed to amend the terms of the SRA on 25 September 2020. Under the amended terms, DONGFENG is required to sell the balance of the 30.7 million shares covered by the agreement, i.e. 20.7 million shares (or the equivalent in FCA common shares should the sale take place after the Merger closing):

- To PSA or one or more third parties before December 31, 2020; or



- To one or more third parties in one or more transactions before 31 December 2022.

As provided for in Article 11.2 of the Merger Proposal, the sale of those 20.7 million shares by DONGFENG will not result in an adjustment to the exchange ratio agreed by the parties. Should DONGFENG sell those shares to PSA prior to the Merger closing, this transaction would reduce the overall share of the Combined Company's share capital held by PSA's former shareholders, as it would reduce the number of PSA ordinary shares issued and outstanding prior to the completion of the Merger.

1.2 Presentation of the companies party to the Transaction

1.2.1 PSA, absorbed company

1.2.1.1 Share capital

PSA is a French-law *société anonyme* with a Managing Board and a Supervisory Board, having its registered office at Centre Technique de Vélizy, Route de Gisy, 78140 Vélizy-Villacoublay, France. It is registered in the Versailles Trade and Companies Register under number 552 100 554.

At 30 September 2020, it had a share capital of €894,828,213 divided into 894,828,213 fully paid ordinary shares all of the same class, each with a par value of €1. At the date hereof, 341,336,798 ordinary shares of the Company, representing about 38.1% of its share capital, carried double voting rights and 7,790,235 shares were treasury shares held by the Company. As stated earlier, PSA's double voting rights will be cancelled simultaneously with the Merger closing.

PSA ordinary shares are listed and traded on compartment A of Euronext Paris regulated market under ISIN FR0000121501.

1.2.1.2 Performance share plan and equity warrants

PSA has granted its executives and employees performance share plans. At 30 June 2020, those plans could result in the issuance of a maximum of 8,243,422 additional shares.

The treatment of these performance share plans under the Merger is addressed in Article 17.2 of the Merger Proposal. That article notably provides that the existing PSA plans will be converted into Restricted Share Unit awards (hereinafter "**RSU**") entitling the beneficiaries to receive a number of FCA common shares equal to (i) the number of



PSA ordinary shares that would have been received² had the Merger not taken place, multiplied by (ii) the Merger exchange ratio.

On 31 July 2017, in accordance with the 31st resolution passed at the shareholders' meeting held on 10 May 2017, 39,727,324 equity warrants (hereinafter the "**Equity Warrants**") were issued to ADAM OPEL GMBH, a subsidiary of the GENERAL MOTORS group, at a unit price of €16.3386515. These Equity Warrants entitle the holder to subscribe for a maximum of 39,727,324 PSA ordinary shares with a €1 par value on the basis of one share for one Equity Warrant at a price of €1, from 31 July 2022 to 31 July 2026.

As indicated in the Merger Proposal, upon the Merger closing, the Equity Warrants will continue to be governed by the same terms and conditions, inasmuch as they will be converted into equity warrants entitling the holder to subscribe for a number of FCA common shares equal to the exercise ratio of the Equity Warrants referred to above multiplied by the exchange ratio agreed by the parties for the Merger.

1.2.1.3 Corporate purpose and business activity

According to PSA's articles of association:

"The Company's corporate purpose is to engage directly or indirectly in any and all industrial, commercial and financial transactions in or outside France - including through the purchase of new or existing shares or any and all other rights, the acquisition of equity interests, the creation of new enterprises as well as through capital contributions, mergers, joint ventures or otherwise - related to:

- *The manufacture, sale and repair of cars, trucks, bicycles, motorcycles and other vehicles, their engines, spare parts and accessories;*
- *The manufacture and sale of stainless, rolled and drawn steel and related products, saws, hardware and other mechanical or electrical hand tools and equipment and household tools and appliances;*
- *The manufacture and sale of equipment, apparatus, machines and parts for any and all purposes related to mechanical and electrical engineering and manufacturing;*
- *Short, medium and long-term lending, including consumer loans, brokerage activities, discounting of financial instruments, the purchase and sale of any and all securities and any and all other financial and banking transactions;*

² As described in the Merger Proposal, the performance conditions could nonetheless be deemed to have been fulfilled in part or in whole, or not fulfilled, ahead of the Merger.



- *The provision of any and all services, including the transportation of passengers and merchandise for its own account or on the behalf of third parties, by any and all methods;*
- *The construction, installation, fitting out, use, rental, purchase and sale, by any and all methods, of buildings, land, industrial facilities, plants, offices and other assets and real estate rights; and*

Generally, any and all industrial, commercial, financial, securities and real estate transactions that are directly or indirectly related to the above purposes, in part or in full, and any and all similar purposes that promote or develop the Company's business interests."

PSA is the holding company of PSA group (hereinafter "**PSA Group**") and will therefore not engage directly in any material operating activities. It has a "parent-subsidiary" relationship with its subsidiaries, whose main business activities are summarised below.

PSA Group is a French car manufacturer that owns the CITROËN, DS AUTOMOBILES and PEUGEOT brands and, since its acquisition of GENERAL MOTORS' European division in August 2017, the OPEL and VAUXHALL brands.

PSA Group is organised into three divisions:

- The automotive division comprising the design, manufacture and sale of vehicles under the PEUGEOT, CITROËN, DS and OPEL/VAUXHALL brands (hereinafter the "**Automotive Division**");
- The automotive equipment division with FAURECIA, a global leader in the design, manufacture and sale of interior modules, exhaust systems and emission control technologies, and audiovisual/multimedia equipment (hereinafter the "**Automotive Equipment Division**");
- The financing division encompassing the financing of sales to customers of the five brands and their dealership networks (hereinafter the "**Financing Division**").

In 2019, PSA Group derived 86.8% of its global wholesale and retail sales from Europe, 4.7% from the Middle East and Africa, 3.4% from China and South East Asia, 3.9% from Latin America, 0.8% from India and the Pacific and 0.5% from Eurasia.

It has almost 208,780 employees worldwide.

PSA's financial year-end is 31 December. It publishes statutory financial statements prepared in accordance with French GAAP and consolidated financial statements



prepared in accordance with IFRS as issued by the International Accounting Standards Board as well as IFRS as adopted by the European Union (“IFRS”).

1.2.2 FCA, absorbing company

1.2.2.1 Share capital

FCA is a Dutch-law limited liability company (*naamloze vennootschap*), having its corporate seat located in Amsterdam in the Netherlands and its principal business address at 25 James's Street, London, SW1A 1HA, United Kingdom. The company is registered with the Dutch trade and companies register under number 60372958.

On 30 September 2020, FCA's authorised share capital was €40,000,000, divided into 2,000,000,000 common shares with a par value of €0.01 per share and 2,000,000,000 Special Voting Shares (hereinafter "SVS") with a par value of €0.01 per share.

On 30 September 2020, FCA's fully paid-up share capital was around €20 million, comprising 1,574,153,827 common shares and 449,610,500 SVS, all with a par value of €0.01 each.

The SVS held by EXOR will be purchased by FCA at no cost prior to the Merger with a view to their cancellation.

Based on the number of SVS held by EXOR on 23 September 2020³ and the total number of SVS on 30 September 2020, the number of SVS remaining after the Merger closes will be non-material:

In €	Number	Nominal Value
Exor	449,410,092	4,494,101
Others	200,408	2,004
Total SVS	449,610,500	4,496,105
SVS Exor Cancellation	(449,410,092)	(4,494,101)
Total SVS post-Merger	200,408	2,004

The SVS give a voting right to their owners, as shown by their terms and conditions published on the FCA website. The SVS confer minimum economic entitlements to their holders.

1.2.2.2 Bonus shares and equity warrants

FCA has set up performance share plans, including awards of Performance Share Units (hereinafter "PSUs"), for its managers and employees. Awards of PSUs, which entitle holders to receive FCA common shares, are subject to performance conditions based on

³ As set forth in the first amendment to Form F-4 filed with the U.S. Securities and Exchange Commission ("SEC") on September 28, 2020.



the attainment of targets relating to Adjusted EBIT and Total Shareholder Return (hereinafter "TSR"). Half of the potential awards under the various existing plans (the 2017-2021, 2019-2021 and 2020-2022 Long Term Incentive Plans or **LTIP**) will depend on the attainment of Adjusted EBIT targets, while the other half will depend on market conditions during the respective plan periods (which range from 3 to 5 years).

FCA has also set up bonus share plans, comprising RSU awards that are not subject to performance conditions, for its managers and employees.

1.2.2.3 Corporate purpose and business activity

FCA is a Dutch-law Italian-American carmaker, set up by FIAT after it purchased 100% of the CHRYSLER GROUP in January 2014. It owns the FIAT, ALFA ROMEO, LANCIA, MASERATI, ABARTH, JEEP, CHRYSLER, DODGE and RAM Trucks automotive brands.

The two main businesses⁴ of the group, whose parent company is FCA, (FCA and its subsidiaries, "**FCA Group**") are:

- The automotive division, which shipped 4.4 million passenger cars and light commercial vehicles in 2019 in North America, EMEA, LATAM and APAC, under the ABARTH, ALFA ROMEO, CHRYSLER, DODGE, FIAT, FIAT PROFESSIONAL, JEEP, LANCIA and Ram brands and the SRT performance vehicle designation, as well as luxury vehicles under the MASERATI brand;
- Sales financing services (purchase, rental, leasing etc.) and financial services related to the sale of cars and light commercial vehicles in Europe, mainly through FCA BANK (FCA's joint venture with CRÉDIT AGRICOLE CONSUMER FINANCE S.A.) and FIDIS S.P.A (a captive finance company wholly owned by FCA).

In 2019, FCA Group generated 67.8% of its revenue in North America, 19.0% in EMEA, 7.8% in LATAM and 2.6% in APAC. MASERATI and other activities account for 1.5% and 2,8% of FCA's revenue, respectively.

On 31 December 2019, the FCA Group employed 191,752 people worldwide (49.9% in North America, 31.6% in Europe, 16.5% in Latin America, 1.9% in Asia and 0.1% in the Rest of the World).

FCA's financial year-end is 31 December. It publishes statutory financial statements in accordance with Dutch GAAP and consolidated financial statements in accordance with IFRS.

⁴ The names we use to describe these businesses do not correspond with those used in the FCA Group's financial communication.



FCA also has a permanent establishment in France, which was registered on 11 December 2019 (the "**FCA Permanent Establishment**").

1.2.3 Links between the companies concerned

On the date the Merger Proposal was signed, there was no ownership link between the two companies, which do not have any managers in common.

1.3 General arrangements relating to the transaction

1.3.1 Key features of the merger

The arrangements relating to the Transaction, which are presented in detail in the Merger Proposal of 27 October 2020, are summarised below.

1.3.1.1 Effective Time

Subject to the satisfaction or waiver of the conditions precedent set out in section 1.3.3 of this report and in accordance with Part 7, Sections 2, 3 and 3A of Book 2 of the Dutch Civil Code and Sections 1, 2 and 4 of Chapter VI, Title III, Book II of the legislative part and Sections 1 and 2 of Chapter VI, Title III, Book II of the regulatory part of the French Commercial Code, all of PSA's assets and liabilities will be transferred to FCA by universal succession of title, and FCA will be automatically subrogated to all of PSA's rights and obligations under any contracts and undertakings, of any type.

All transferred assets and liabilities will be allocated to the FCA Permanent Establishment.

The Merger will take effect (hereinafter the "**Effective Time**") at midnight Central European Time on the morning of the first day after the date on which a Dutch civil-law notary signs the notarised cross-border merger deed required by Dutch law (hereinafter the "**Closing Date**" or "**Closing**").

The parties have agreed that the Merger will have retroactive effect from the first day of the calendar year in which the Effective Time occurs (hereinafter the "**Retroactive Effective Date**"). As a result, PSA's profits and losses from the Retroactive Effective Date will be included in the taxable profit of the FCA Permanent Establishment. FCA will also be deemed to have had the use of all of PSA's assets from the Retroactive Effective Date and all transactions carried out by PSA from the Retroactive Effective Date will be treated as if they had been carried out by FCA.

PSA will cease to exist as a separate entity and will be dissolved without liquidation on the Effective Date.



1.3.2 Tax regime applicable to the Transaction

1.3.2.1 French tax regime

As stated in articles 23.3 to 23.5 of the Merger Proposal, under Articles 210-0 A and 210 C(2) of the French General Tax Code, FCA and PSA have agreed to carry out the Merger under the favourable tax regime provided for in Article 210 A of the French General Tax Code applicable in regard to corporate income tax in France.

The parties also represent that the Merger will be subject to the favourable regime provided for in Article 816 of the French General Tax Code and Article 301-B of Appendix II to the French General Tax Code. As a result, the contribution resulting from the Merger will be registered in the month following the Closing Date without any registration levy payable in accordance with Article 816 of the French General Tax Code.

The Merger will not be subject to the financial transaction tax under Article 235 ter ZD(II)(5) of the French General Tax Code.

A ruling request regarding the confirmation of those three items has been filed with the “*service juridique de la fiscalité de la Direction Générale des Finances Publiques*” on 12 June 2020.

1.3.2.2 Italian tax regime

Article 23.22 of the Merger Proposal stipulates that the Merger will not result in any asset or liability being transferred out of the FCA Italian permanent establishment, which will continue to carry out, without interruption, the activities it was carrying out before the Effective Time.

1.3.3 Conditions precedent

In accordance with article 13 of the Merger Proposal, the Merger is subject to a set of terms and conditions provided for in the Combination Agreement signed by the parties and discussed below.

When reading this section 1.3.3, we advise readers to refer to the definitions set out in the Merger Proposal regarding the following terms: Law, Admission Prospectus, Competition Approvals, Consents, Substantial Detriment, Governmental Entity, Subsidiaries, Material Adverse Effect.

FCA shareholder approvals

- (a) The extraordinary meeting of FCA shareholders must have adopted the following resolutions:
 - (i) Approval of the Merger Proposal (i.e. the resolution to merge);



- (ii) The appointment of the new members of the FCA Board of Directors, effective as from the Governance Effective Time⁵;
- (iii) A waiver setting up and negotiating with a special negotiating body for employee participation on the FCA Board of Directors, pursuant to Dutch Law;
- (iv) An amendment of FCA's articles of association to increase the authorized share capital of FCA as from the Effective Time;
- (v) An amendment of FCA's articles of association to implement the new governance structure of FCA effective as from the Governance Effective Time;
- (vi) The adoption of the terms and conditions of the special voting shares of FCA, which will be effective as from the Governance Effective Time;
- (vii) Any other actions required by applicable Law and the organisational documents of FCA to be approved by the holders of FCA Common Shares to implement the Merger and the other transactions contemplated by the Combination Agreement;

PSA shareholder approvals

- (b) The extraordinary meeting of PSA shareholders and the special meeting of PSA shareholders entitled to double voting rights must have adopted the following resolutions:
 - (i) The approval of the Merger Proposal, effective as from the Effective Time;
 - (ii) The removal of the double voting rights attached to certain PSA ordinary shares, effective as from the Effective Time;
 - (iii) Any other actions required by applicable Law and the organisational documents of PSA to be approved by the holders of PSA ordinary shares to implement the Combination and the other transactions contemplated by the Combination Agreement;

Exchange listings

- (c) The FCA common shares (including the FCA common shares to be allotted to the holders of the PSA ordinary shares in connection with the Merger) must have been authorised for listing on EURONEXT PARIS, the NYSE, and the MTA;

Registration Statement and Admission Prospectus

⁵ This means 1am, Central European Time on the first day after the day in which the Effective Time of the Merger occurs, unless a later time or date is mutually agreed in writing by PSA and FCA.



- (d) The Registration Statement must have been declared effective by the SEC under the Securities Act, and must not be the subject of any stop order suspending the effectiveness of the Registration Statement. All necessary Consents from the Dutch financial market supervisory authority (AUTORITEIT FINANCIËLE MARKTEN, hereinafter "AFM") with respect to the Admission Prospectus must have been obtained, and the AFM, upon request of FCA, must have validly provided notice of the Admission Prospectus (as well as of a translation into Italian and French of the summary of the Admission Prospectus, to the extent required by applicable laws) to each of the Autorité des Marchés Financiers, the COMMISSIONE NAZIONALE PER LE SOCIETÀ E LA BORSA and the EUROPEAN SECURITIES AND MARKETS AUTHORITY pursuant to Article 25 of the Regulation (EU) 2017/1129 of the European Parliament and the Council of 14 June 2017;

Competition Approvals and other approvals

- (e) All waiting periods (and any extension thereof) in connection with the Competition Approvals must have expired or been terminated and (to the extent applicable) all of the Competition Approvals must have been granted, and must be in full force and effect;
- (f) The Consents (other than (i) the Competition Approvals that are governed by condition precedent (e) above and (ii) such Consents, including competition clearances other than the Competition Approvals, where the failure to obtain or provide them would not, individually or in the aggregate, have a Substantial Detriment) of any Governmental Entity required of PSA, FCA or any of their respective Subsidiaries for the purposes of the closing of the Merger and the payment of the €2.9 billion dividend by FCA must have been obtained or provided and such Consents must (1) have been obtained on terms that, individually or in the aggregate, would not reasonably be expected to have a Substantial Detriment, and (2) be in full force and effect;

Clearance of the European Central Bank

- (g) The approval from the European Central Bank (including as a result of the expiration of the applicable waiting periods) must have been obtained;

Pre-combination certificates / creditor opposition

- (h) The "*attestation de conformité*" pursuant to Articles L. 236-29 and R. 236-17 of the French Commercial Code) from the Clerk of the Commercial Court of Versailles ("*greffe du Tribunal de Commerce de Versailles*") attesting to the proper completion of the pre-Merger acts and formalities under French Law, must have been issued;
- (i) No opposition must have been validly filed by creditors in accordance with Article 2:316(2) of the Dutch Civil Code or any opposition must have been



withdrawn, resolved or lifted by an enforceable court order by the relevant court of the Netherlands;

No injunctions or restraints

- (j) No Governmental Entity having jurisdiction over the Companies or their respective businesses or assets must have enacted, issued, promulgated, enforced or entered any Law that prohibits or makes illegal the closing of the Combination or the payment of the €2.9 billion dividend by FCA, but only to the extent that failure to comply with such prohibition(s) or decision(s), individually or in the aggregate, would reasonably be expected to have a Substantial Detriment;

No Material Adverse Effect

- (k) No Material Adverse Effect must have occurred with respect to the other merging company, prior to the closing, that continues to exist as of the Closing, it being stipulated that this Merger condition may be waived in writing only by FCA in the event of a Material Adverse Effect with respect to PSA and only by PSA in the event of a Material Adverse Effect with respect to FCA.

FCA's Board of Directors and PSA's Managing Board, or any duly authorised representative, will have all powers necessary to confirm the fulfilment of the aforementioned conditions precedent or the waiver of those conditions, which must be confirmed in writing by the parties.

In accordance with Article 2:318 of the Dutch Civil Code, the Merger must close within six months after the announcement of the publication of the Merger Proposal in a Dutch national daily newspaper or, if at the end of this six-month period the closing of the Merger would not be allowed due to a filed creditor opposition, within one month after such opposition has been withdrawn, resolved or lifted by an enforceable court order by the relevant court of the Netherlands. If this period lapses without the Merger becoming effective, the parties may opt to publish a new Merger proposal in accordance with applicable Laws and procedures.

1.4 Description and valuation of the contributions

1.4.1 Valuation method

As stated in article 7.2 of the Merger Proposal, the parties have taken the view that for accounting purposes and under IFRS, PSA should be regarded as the purchaser. Accordingly, and pursuant to this analysis, the contribution values comprising the assets and liabilities of PSA agreed under the terms of the Merger subject of the Merger Proposal are carrying values, being specified that it is FCA's assets and liabilities that will be revalued at their fair value in the statutory and consolidated financial statements of the Combined Company following the completion of the Merger.



The final carrying values and, therefore, the value of the net assets transferred, will be determined at the Effective Time based on PSA's final financial statements at 31 December 2020 prepared in accordance with Book 2, Part 9 of the Dutch Civil Code with the application of IFRS accounting principles (hereinafter "**Combination 3**") and approved by the Combined Company's Board of Directors after the Effective Time.

As the effective accounting date of the Merger is after the Merger Proposal Date, the exact carrying values of the assets and liabilities contributed were not known when the Merger Proposal was signed.

The parties therefore agreed on a provisional value for the net assets transferred by PSA, based on the value of the assets and liabilities recorded in PSA's financial statements on 30 June 2020, prepared in accordance with Combination 3.

As there is no guarantee as to the final value of the net assets legally transferred to FCA, the parties have agreed that for the purpose of presenting the carrying value of the contributed net assets, a prudential discount of 10% would be applied to the 30 June 2020 values (see Article 9.4 of the Merger Proposal).

1.4.2 Description of the assets and liabilities transferred

All of PSA's assets and liabilities will be legally transferred to FCA and allocated to the FCA Permanent Establishment at the Effective Time.

As indicated earlier, the value of the net assets transferred by PSA to FCA has been provisionally determined on the basis of PSA's financial statements on 30 June 2020 prepared in accordance with Combination 3. It is therefore possible that the list of assets and liabilities shown below may become incomplete and/or incorrect at the Effective Time as certain assets or liabilities may have been transferred, acquired or otherwise disposed of.

Furthermore, this description is not exhaustive as the Merger will result in a transfer by universal succession of title to all the assets and liabilities of PSA to FCA as of the Effective Time.

The assets contributed, which comprise all of PSA's assets, have been provisionally determined as follows, based on PSA's financial statements on 30 June 2020 prepared in accordance with Combination 3.



Contributed assets (values according to Combination 3 as of 30 June 2020)	In €M
Intangible assets	0.10
Tangible fixed assets	23.84
Equity method investments	17,286.05
Automotive	14,168.30
Cancellation of deferred tax assets as a result of the tax group integration	(1,902.93)
Automotive equipment	1,778.21
Financing activities	3,200.96
Others	41.53
Other non-current financial assets	2.37
Other non-current assets	26.23
Total non-current assets	17,338.59
Loans and receivables - finance companies	0.01
Trade receivables	71.70
Current taxes	85.11
Deferred tax assets	928.06
Operating assets	1,084.88
Current financial assets	304.40
Cash and cash equivalents	6,097.99
Total current assets	7,487.26
Total assets	24,825.85



The liabilities transferred, which comprise all of PSA's liabilities, have been provisionally determined as follows, based on PSA's financial statements on 30 June 2020 prepared in accordance with Combination 3.

Contributed liabilities (values according to Combination 3 as of 30 June 2020)	In €M
Non-current financial liabilities	4,030.75
Other non-current liabilities	7.61
Non-current provisions	25.35
Total non-current liabilities	4,063.71
Current provisions	13.47
Trade payable	77.46
Current taxes	80.75
Other payables	526.79
Operating liabilities	698.46
Current financial liabilities	479.50
Total current liabilities	1,177.96
Total liabilities	5,241.67

Thus, including the discount referred to in section 1.4.1 above, the provisional carrying value of PSA's net assets to be transferred to FCA is €17,625.76 million:

Provisional net assets	In €M
Total assets	24,825.85
Total liabilities	(5,241.67)
Net assets transferred	19,584.18
Discount (10%)	(1,958.42)
Provisional net assets	17,625.76

1.5 Consideration for the contributions

The exchange ratio has been determined following negotiations between two independent parties.

According to the exchange ratio adopted by the parties, PSA shareholders will receive 1.742 FCA common shares for each PSA ordinary share they hold.

The exact number of new common shares to be issued by FCA will be determined at the Effective Time, based on the number of PSA ordinary shares issued and outstanding at that date. It is further stated that in accordance with the provisions of Dutch law, no Merger premium will be recorded in the statutory accounts of FCA as a result of the Merger.

Any fractional entitlements will be dealt with in accordance with section 6 of the Merger Proposal.



2. Procedures and assessment of the value of the contributions

2.1 Procedures performed by the merger appraiser

Our engagement is intended to provide FCA shareholders with assurance that the contributions made by the absorbed company have not been overvalued. Accordingly, it is not an audit or limited review engagement. Furthermore, it does not involve validating the tax rules applicable to the Merger.

Our engagement cannot be likened to due diligence work that might be performed for a lender or buyer, and does not include all the work needed for such an engagement. Our report cannot therefore be used in such a context.

Our opinion is expressed as at the date of this report, which constitutes the end of our engagement. We are not required to monitor any events that might subsequently occur between the date of our report and the date of the shareholders' meetings called to vote on the Merger.

We performed the procedures we considered necessary with reference to the professional standards of the French National Institute of Auditors ("*Compagnie Nationale des Commissaires aux Comptes*") applicable to this engagement. Our work included:

- Verifying the substance and ownership of the contributions and assessing the impact of any factors liable to affect their ownership;
- Assessing the value of the contributions agreed in the Merger Proposal;
- Verifying that the actual value of the contributions as a whole is at least equal to the overall value of the provisional net assets transferred to FCA, as defined in the Merger Proposal;
- Obtaining assurance that, up to the date of this report, there were no facts or events liable to call into question the overall value of the contributions.

In particular, we:

- Considered the objectives of this Merger;
- Held discussions with the parties' managers, heads of departments dealing with the Transaction and advisors, to understand both the context of the Transaction and the economic, accounting, legal and tax arrangements relating to it;
- Considered the activities and markets in which PSA Group operates, along with the associated regulatory constraints;



- Examined the Merger Proposal signed on 27 October 2020 and its schedules;
- Considered the other legal agreements governing the Merger, including the Combination Agreement;
- Considered the Form F-4 registration statement relating to the combination of FCA and PSA through the Merger, initially filed with the Securities and Exchange Commission on 24 July 2020 and amended on 28 September 2020 (hereinafter "**Form F-4**"), as well as the draft prospectus filed with the Dutch regulator (AFM);
- Reviewed PSA's Report of the Managing Board to the Extraordinary General Meeting of Shareholders dated 18 November 2020, which substantially reflects the final version that will be signed after the issuance of our reports;
- Examined the legal and accounting information forming the basis of the Transaction;
- Analysed information relating to proceedings undertaken with the competition authorities and their possible impact on the substance of the contributions;
- Checked that the statutory auditors had certified PSA's statutory and consolidated financial statements for the year ended 31 December 2019 without qualification, and that they had also issued a limited review statement regarding the consolidated interim financial statements for the six months ended 30 June 2020;
- Considered the process that led to the estimates of the carrying values of the assets and liabilities transferred on the closing date, and obtained a forecast of PSA's consolidated net income on 31 December 2020;
- Considered PSA's 2020-2023 business plan and spoke with the relevant people responsible to assess the appropriateness of the underlying assumptions made;
- Considered the valuation work done on the Transaction by the parties' advisory banks, and assessed the multi-criteria approaches used by them to establish the relative value of PSA for the purpose of assessing the exchange ratio used as a basis for the consideration for the contributions;
- Used alternative or supplementary valuation methods and performed sensitivity analyses based on criteria we deemed to be appropriate.

We obtained a representation letter from PSA's Management confirming the absence of any events or facts that might materially affect the terms of the Transaction and the value of the contributions.



2.2 Assessment of the method of valuing the contributions and its compliance with accounting regulations

It should be recalled that the provisions governing the recognition and measurement of business combinations set out in Articles 710 *et seq.* of ANC regulation no. 2014-03 of 5 June 2014 on the general chart of accounts do not apply here as the company receiving the contributions is a foreign company organised under Dutch law. Accordingly, and as permitted by that regulation with regards to cross-border mergers, the value of the contributions has been determined in accordance with Dutch regulations.

As stated earlier, FCA prepares its parent-company financial statements in accordance with Combination 3. Therefore IFRS 3 on Business Combinations will apply in accounting for the PSA contributions under the Merger. Paragraphs 6 and 7 of IFRS 3 set out the method of determining the acquirer. This has to be done because only those assets and liabilities of the company deemed to be effectively acquired from an IFRS 3 standpoint are recognised at their fair value in the acquiring company's books, while those of the deemed acquiring company are recognised at their carrying values.

Based on the analysis performed by the parties, PSA is deemed to be the acquirer from an accounting standpoint. Consequently, it is apparent that the principle of using the carrying values of the legally transferred assets and liabilities is justified in this context and does not call for any comment on our part.

2.3 Substance of the contributions

The assets contributed and liabilities assumed, as identified and described provisionally in section 9 of the Merger Proposal and summarised in section 1.4.2 of this report, have been established according to PSA's statutory financial statements as of June 30, 2020 prepared in accordance with Combination 3.

Under Combination 3, PSA's equity investments on 30 June 2020 have been valued by reference to the percentage interest in the share capital of the relevant companies, and the other assets and liabilities have been determined in accordance with IFRS. Consequently, PSA's net assets on 30 June 2020 established by reference to Combination 3, before discount, reflects the group share of equity recorded in PSA's consolidated financial statements at that date. We obtained assurance that the statutory auditors did not qualify their limited review of PSA's consolidated financial statements on 30 June 2020.

Furthermore, we obtained the confirmation through a representation letter that there are no restrictions on the transfer of the aforementioned assets and liabilities, subject to the rights of bondholders under the applicable law or clauses relating to non-material contracts.



2.4 Assessment of the individual values of the contributions

As indicated in section 2.3 above, the provisional assets contributed and liabilities assumed were identified on the basis of PSA's statutory financial statements on 30 June 2020 prepared in accordance with Combination 3. Consequently, the provisional net asset value, before discount, reflects the group share of consolidated equity as recorded in PSA's consolidated financial statements on 30 June 2020, which were the subject of a limited review by the statutory auditors.

It should be noted that:

- The list of PSA's assets and liabilities transferred to FCA and carried over to the contribution balance sheet has been prepared on the basis of the financial statements on 30 June 2020. This list may become incomplete and/or incorrect at the Effective Time as certain assets or liabilities may have been transferred, acquired or otherwise disposed of in the meantime. In this respect, we note that PSA sold approximately 7% of FAURECIA's share capital on 29 October 2020;
- The parties have filed a tax ruling request pursuant to Article 223-I-6 of the French Tax Code (under the conditions provided for in such article and in Article 1649 *nonies* of the French Tax Code) in order to benefit from the transfer of the PSA tax consolidation group's net operating losses and will opt for the possibility to offset these losses on a broader basis (so called "*imputation sur une base élargie*"), pursuant to the provisions of Article 223-I-5 of the French Tax Code;
- The liabilities transferred include financing contracts, for which not all of the consents required to transfer them to FCA pursuant to the Merger had been obtained at the date of our report. These contracts are not material and the fact that those consents had not been obtained at the date of this report is not liable to call into question the overall value of the contributions, as repayment of the relevant debt would not have a material impact on the contributed net assets.

Lastly, as the contribution is due to be completed with retroactive effect as of 1 January 2021, the final financial statements will show different individual amounts of assets and liabilities than the provisional financial statements.

These comments on individual values are not liable to call into question the overall value of the contributions.

The Merger Proposal contains a provisional, indicative breakdown of the contributed net assets between assets contributed and liabilities transferred. As the final amount of the assets contributed and liabilities transferred is not known as of the date of this



report, we cannot conclude on those values, which will be updated in accordance with the approach described in section 1.4.1 above.

The 10% discount applied to determine the provisional value of the contributed net assets is intended to cover the risk of a variance between the provisional values shown in the Merger Proposal and the actual final value at the Effective Time of the Merger.

It should be noted that, at the date of this report and based on our work, the value of the contributions based on the estimated discounted carrying values has been determined prudently.

In view of the available information provided by Management, the transferred assets and liabilities identified and the final individual values determined in accordance with the terms of the Merger Proposal should therefore not have any impact on our assessment of the overall value of the contributions.

2.5 Assessment of the overall value of the contributions

The net assets contributed by PSA have been valued provisionally by the parties at €17,625.76 million after applying a 10% discount to take into account the fact that the individual values of the contributions are not final.

To assess the overall value of the contributions, we relied on the work we performed as part of our engagement as merger appraiser, presented in our report on the consideration for the contributions dated 20 November 2020.

Our work included:

- Considering the valuation approaches used by the parties and their advisory banks to determine the fair value attributed to PSA shares in their assessments of relative values, and obtaining assurance that they did not call into question the value of the contributions;
- Performing our own multi-criteria valuation procedures.

2.5.1 Approaches used by the parties and their advisory banks to assess the exchange ratio

As described in the PSA Managing Board's draft report of 18 November 2020 and the FCA Board of Directors' report of 27 October 2020, various approaches were used to assess the exchange ratio agreed by the parties.

Furthermore, Form F-4 also presents the valuation work performed by the parties' advisory banks for the purpose of issuing their fairness opinions on the Transaction, which concluded that the exchange ratio agreed by the parties was fair.

These approaches are presented in detail in our report on the consideration for the contributions dated 20 November 2020.

It is important to note that except for the work done by PERELLA WEINBERG UK LIMITED in its role as financial adviser to the Supervisory Board, which is presented in Form F-4, all of the work done by the parties and the advisory banks were based on:

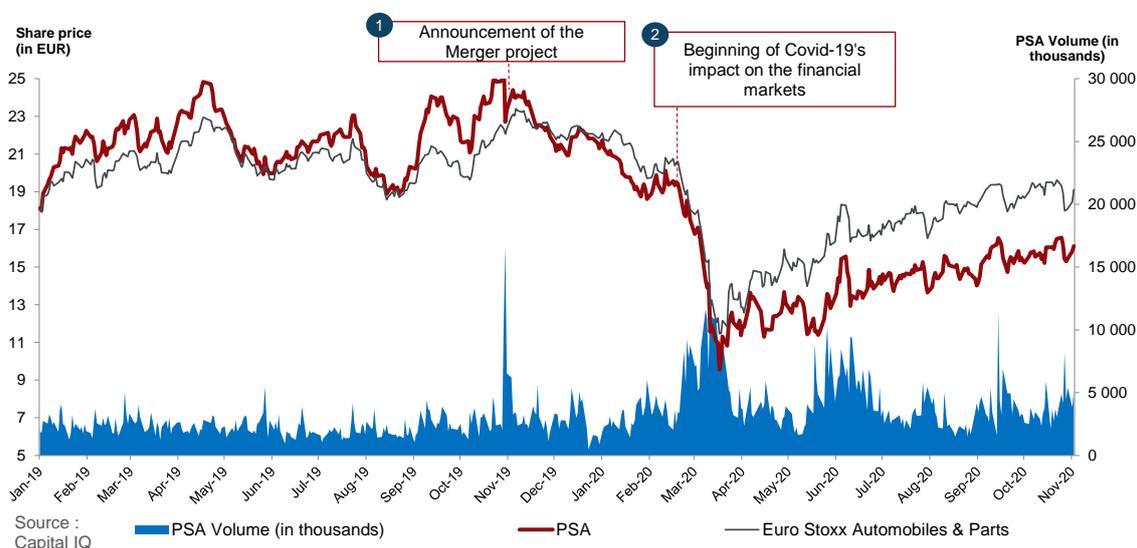
- Data observed before the Transaction was announced, which does not include the impacts of any events since that date, and notably the Covid-19 health crisis;
- The terms envisaged in the Initial Combination Agreement, i.e. before the changes made in the Amendment.

We considered the reports of the advisory banks underpinning the results presented in the various documents referred to above, and we did not identify any factors liable to call into question our assessment of the provisional value of PSA's net assets as agreed by the parties.

2.5.2 Approaches discarded by us

2.5.2.1 References to stock market prices before and after the announcement

We present below trends in PSA's share price relative to the EURO STOXX AUTOMOBILES & PARTS index since 1 January 2019.



We note that:

- PSA shares outperformed the index upon announcement of the Transaction. Over the period from 1 January 2019 to 28 October 2019, i.e. before rumours of the Transaction, PSA's share price rose by 37.2% while the index gained 24.5%;



- PSA's share price fell sharply, on 31 October 2019 morning, following the announcement of the Merger: we observe that the stock performance in the month following the closing of the last market day before the rumours regarding the Transaction (i.e. 28 October 2019) is -11.8%. By comparison, the EURO STOXX AUTOMOBILES & PARTS index remained relatively stable, falling -1.2% over the period. As a result, reference to share prices after that date does not appear appropriate as they no longer fully reflect PSA's intrinsic value to the extent that they factor in the market's assessment of the Merger terms;
- The Covid-19 health crisis, which occurred after the Transaction was announced, had a sharp impact on the automobile market, as reflected in trends in the EURO STOXX AUTOMOBILES & PARTS index. We thus observe a sharp fall in PSA's share price and the benchmark index from February to April 2020 followed by a gradual recovery although not to previous levels. On that basis, reference to share prices before PSA's announcement does not factor in the impacts of the health crisis on PSA's valuation, thus limiting the appropriateness of the approach.

For information, we nonetheless note that:

Peugeot S.A.	Market capitalizations		Delta in % vs. provisional net assets	
	Before rumors	As of	Before rumors	As of
	29/10/2019	16/10/2020	29/10/2019	16/10/2020
Spot	22,300.52	14,232.52	26.5%	-19.3%
1-month VWAP	20,790.23	13,855.09	18.0%	-21.4%
3-month VWAP	19,803.52	13,592.90	12.4%	-22.9%
6-month VWAP	19,500.85	12,697.68	10.6%	-28.0%
12-month VWAP	19,070.40	14,527.10	8.2%	-17.6%
24-month VWAP	18,393.58	16,155.52	4.4%	-8.3%

- Valuations of PSA by reference to share prices before the announcement were significantly higher than the overall value of the contributions;
- Valuations of PSA resulting from recent stock market data are below the value of the contributions, but are not directly comparable mainly because of the significant impact of the Transaction announcement on PSA's share price.

2.5.2.2 Net book value

Reference to PSA's consolidated net book value is not usually representative of its fair value and only partially captures the group's ability to generate future profits. Accordingly, we discarded this criterion in our analysis even though consolidated equity group share was used to determine the value of the contributions before discount.

We observe that consolidated equity group share stood at €18,862 million on 30 June 2020.



2.5.2.3 Dongfeng reference transaction

As indicated in section 1.1 above, on 23 September 2020, PSA acquired 10 million of its own shares from DONGFENG at a price of approximately €163.9 million. This transaction took place pursuant to the SRA signed on 17 December 2019 before the Covid-19 health crisis. The price per share for this off-market transaction valued PSA's equity at approximately €14,534.1 million.⁶

We do not consider it appropriate to include this approach in our assessment of the value of the contributions for the following reasons:

- To the extent that the price agreed in this transaction arose from a contractual formula based on PSA's share price over a period close to the transaction date, we consider that this approach induces similar distortions to the share price approach after announcement of the Offer (section 2.5.2.1);
- This transaction covers a very limited amount of the share capital, which cannot directly approximate the value of the company as a whole.

2.5.2.4 Comparable transactions

We did not use this approach as we were unable to identify any transactions in the sector involving companies comparable to PSA. The transactions we identified involved the acquisition of very small minority interests in comparable companies, limiting the relevance of this approach.

Incidentally, PSA's value based on this approach does not call into question the provisional net asset value agreed by the parties.

2.5.3 Alternative approaches used by us

2.5.3.1 Introduction

Our valuation of PSA was performed on 30 June 2020 based on the company's consolidated interim financial statements, which were subject to a limited review by the statutory auditors.

Nevertheless, we have taken into account the events that have occurred since this date and that could have an impact on our valuations, in particular the disposal of 7% of FAURECIA's share capital on 29 October 2020.

⁶ €16.385 (price per PSA share paid in this transaction) * 887,037,978 (number of shares in issue at 30 September 2020) = €14,534.1 million.



The financial inputs we used in our work, such as the discount rate used in the DCF approach and market capitalisations of comparable companies and FAURECIA, were determined as of 16 October 2020.

In all our approaches we have taken into account the impact of any existing dilutive PSA instruments, where they were in the money.

The PSA Enterprise Value to Equity Value bridge on 30 June 2020 used in the sum of the parts approaches was based on PSA's consolidated interim financial statements on 30 June 2020, which were subject to a limited review by the statutory auditors.

This bridge mainly includes debt items less cash and cash equivalents, and as regards the intrinsic approach, provisions that are not included in the business plan. We excluded items relating to the Financing Division and the Automotive Equipment Division as they are valued separately in a way that produces an equity value. Lastly, we included the value of equity investments not valued in our approaches, for which we took their carrying book values given their non-material nature.

2.5.3.2 Main approach used

We used a sum of the parts approach by reference to PSA's three divisions, details of which are given in our report on the consideration for the contributions dated 20 November 2020:

- The Automotive Division was valued using the Discounted Cash Flow method;
- The Automotive Equipment Division was valued by reference to FAURECIA's market capitalisation. This approach was used in a context where the interest in FAURECIA is to be distributed to the shareholders of the Combined Company shortly after the Merger closing;
- The Financing Division was valued by reference to Price to Book multiples.⁷

We believe that this approach is the most appropriate as it is based on Management's latest forecasts for PSA Group's largest business activity, i.e. the Automotive Division, in the context of a health crisis that is sharply increasing market volatility.

The results of this method, including a sensitivity analysis of the normative EBITDA margin and the discount rate, support the contribution values.

⁷ Price to Book is the ratio between the fair value of a company's equity and its carrying value.



2.5.3.3 Secondary approach: sum of the parts

We used an alternative sum of the parts approach to the one presented above, details of which are given in our report on the consideration for the contributions dated 20 November 2020.

It is similar to our main approach, except for the valuation of the Automotive Division, which was valued by reference to multiples of comparable listed companies.

Given the differences in size and profitability between companies deemed to be comparable and the possible impact of the Transaction announcement on the share prices of comparable companies, we present this as a secondary method.

The results of this method also support the contribution value.

2.5.3.4 Secondary approach: analysts' target prices

We analysed the target prices for PSA shares taken from recent analysts' reports.

We determined the range of equity values for PSA by reference to those target prices and the number of PSA shares outstanding on 30 September 2020.

The results of this approach also support the contribution values.

2.5.3.5 Summary of valuation approaches

Our assessment of the overall value of PSA's contributions, based on the multi-criteria approaches we used, supports the value of the provisional net assets transferred of €17,625.76 million.

Thus, based on our valuation work on PSA, we did not identify any factors liable to call into question the overall value of the contributions.

3. Summary - Key points

The carrying value of the contributions made by PSA has been determined on a provisional basis in the Merger Proposal at €17,625.76 million.

This amount has been identified in the Merger Proposal on a provisional and indicative basis using PSA's balance sheet on 30 June 2020 prepared in accordance with Combination 3. Consequently, we do not express an opinion on the individual contribution values, the final amount of which can only be determined after the Merger closing.

Given the values arising from our multi-criteria valuation work, this comment is not liable to call into question the overall value of the contributions.



4. Conclusion

Based on our work and as at the date of this report, given the remarks made above, we are of the opinion that the agreed value of the contributed net assets, which has been provisionally determined at €17,625.76 million to the benefit of FCA, is not overvalued.

As indicated in the introduction, this conclusion is without prejudice to the accounting methods that will be used by FCA for the contribution in application of Dutch regulations, and for share capital payments.

Paris, 20 November 2020

The merger appraiser

FINEXSI EXPERT & CONSEIL FINANCIER

Olivier PERONNET

Statutory auditor

Member of the “*Compagnie Régionale de Paris*”